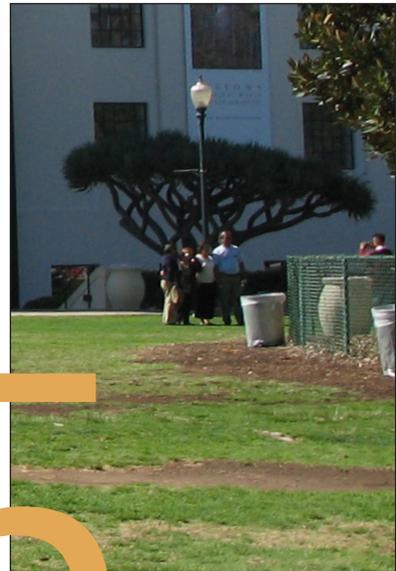
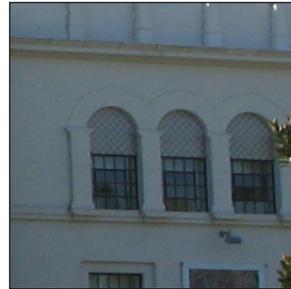
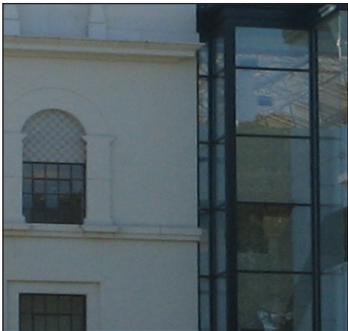


CITY OF SAN DIEGO



# ADOPTED BUDGET



# 2015

FISCAL  
YEAR

## Executive Summary



# Executive Summary



## Introduction

The Fiscal Year 2015 Adopted Budget addresses top priorities affecting our communities by committing resources towards infrastructure, public safety needs, neighborhood improvements and services, and enhanced transparency through open data initiatives.

## Infrastructure

Investment in the City's infrastructure is a top priority. This budget includes \$2.5 million in debt service payments related to a third bond issuance approved by the City Council in Fiscal Year 2014 to fund \$120.0 million in capital improvement projects to address the deferred capital backlog. In addition, the budget includes \$11.4 million (\$2.1 million in the General Fund) to conduct various condition/needs

assessments of City infrastructure, \$2.1 million for landfill/storm water improvements and \$500,000 (\$450,000 in the General Fund) for facility upgrades at South Chollas, \$4.3 million for storm water infrastructure, \$2.6 million for sidewalk and street light improvements, \$2.9 million in transfers to drainage projects, \$2.1 million (\$526,172 in the General Fund) to support the SAP Enterprise Asset Management Project, \$1.7 million in General Fund contributions to fund various Park & Recreation Capital Improvements Program (CIP) projects, and \$300,000 for parking lot and road repairs at Park & Recreation facilities. The Fiscal Year 2015 Adopted Budget also provides funding of \$739,863 for facilities maintenance support, \$388,214 to support streets slurry and overlay projects, and the net addition of 14.00 full-time equivalent (FTE) positions with offsetting non-personnel expenditure reductions for the implementation of an efficiency plan for providing streets and sidewalk maintenance as an alternative to the Streets and Sidewalks Maintenance Managed Competition proposal.

## Public Safety

The Fiscal Year 2015 Adopted Budget also addresses public safety needs with the addition of 45 Police sworn positions which includes nine positions for the May 2014 Police academy and 36 positions to increase the four planned academies in Fiscal Year 2015 from 34 to 43 recruits. In addition, this budget includes an additional 17.00 FTE Police civilian positions to support the Police Department operations, 1.00 Assistant Police Chief, \$3.2 million for the continued funding of the Police retention program, \$1.1 million for Police body worn cameras and \$1.5 million to support helicopter maintenance and fuel expenditures related to the Air Support Unit. For the Fire-Rescue Department, funding of \$1.1 million for two additional Fire academies, \$951,489 for the Skyline temporary fire station, \$599,000 for the Fast Response Program, the addition of 4.00 Lifeguard 3s for the Boating Safety Unit, \$500,000 for lifeguard facility improvements for the Boating Safety Unit, 1.00 Lifeguard 3 at Windansea beach (offset by a reduction of 3.30 Lifeguard 1 hourly support positions), \$441,000 for personal protective equipment for Firefighters, and \$277,403 for emergency operations equipment are included in this budget.

# Executive Summary

## Neighborhoods

Revitalizing the City's neighborhoods and providing neighborhood services are also top priorities. This budget includes \$2.2 million for the projected increase in general benefit contributions to Maintenance Assessment Districts (MADs) as a result of the reengineering of the MADs, \$2.0 million for storm water permit compliance, \$1.5 million to expand hours at all San Diego public libraries, \$501,016 for Library after-school programs, \$883,668 for the County of San Diego Animal Services Contract, \$709,163 for California Environmental Quality Act (CEQA) and urban design support, and additional funding of \$206,219 to continue Community Plan Updates. The Fiscal Year 2015 Adopted Budget also includes the funding of \$101,355 to enforce the Property Value Protection Ordinance, \$99,436 for Neighborhood Code Compliance support, \$792,685 for new Park & Recreation facilities scheduled to open in Fiscal Year 2015, \$139,354 to re-open the Kumeyaay Campground for overnight weekend camping, \$1.0 million for brush management, \$358,620 to support building and housing and land development code enforcement, \$549,465 for Penny for the Arts, 1.00 Park Ranger for the Coastline Area, 1.00 Urban Forester to implement the Citywide Urban Forestry Program, 1.00 Sustainability Program Manager to coordinate the implementation of the Climate Action Plan and sustainability initiatives, \$150,000 to provide funding for 25 Homeless Triage beds and \$200,000 for the CONNECT2Careers youth summer employment program.

## Open Government / Transparency

Enhanced transparency through open data initiatives is also addressed in this budget. The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Open Data Officer to implement an Open Data Policy and enhance transparency of government operations through increased public access to City data and information. In addition, funding of \$500,000 (\$255,000 in the General Fund) is included to establish an email retention policy to store the City's electronic emails.

## Other Significant Adjustments

This budget also includes the addition of \$12.8 million to fully fund the Public Liability Fund reserve contingent upon the availability of Excess Equity when the City closes its books for Fiscal Year 2014, \$3.5 million for the implementation of the Improvement to Government Operations Plan approved by the City Council in October 2013, the addition of 7.00 FTE positions to support the Prevailing Wage Ordinance, the addition of 1.00 Senior Management Analyst to support the Living Wage Program, 1.00 Combination Inspector 2 to support Storm Water code enforcement, a \$225,000 transfer to Civic San Diego for the formation of a Public-Private Partnership Transit Oriented Development Fund, \$500,000 in the Public Works - General Services Department for tenant improvements and moving expenses for various departments, and \$3.0 million for vacation pay in lieu expenditures. In addition, the Fiscal Year 2015 Adopted Budget includes the reductions of \$548,134 resulting from the elimination of vacant positions which do not affect service levels, and \$700,544 for the Civic and Urban Initiatives program.

## City Budget Overview

The City of San Diego's Fiscal Year 2015 Adopted Budget of \$3.0 billion is comprised of six operating fund type categories (General Fund, Special Revenue Funds, Debt Service and Tax Funds, Capital Project Funds, Enterprise Funds, and Internal Service Funds) and the Capital Improvements Program (CIP). **Table 1** shows the change in expenditures for operations from Fiscal Year 2013 to Fiscal Year 2015 by fund type and for the CIP. The reduction in the General Fund and increase in the Special Revenue and Internal Service Funds in the Fiscal Year 2015 Adopted Budget is primarily attributed to the restructure of the Public Works - Engineering & Capital Projects Department from the General Fund to an internal service fund and the restructure of the Parking Meter Operations program from the General Fund to a special revenue fund. Separating Public

# Executive Summary

Works - Engineering & Capital Projects from the General Fund will increase transparency through clear tracking of all the work performed by the department (both CIP and other). It will also add flexibility for the department to modify staffing levels in response to the size of the CIP.

**Table 1: Total City Expenditure Changes Fiscal Years 2013 - 2015 by Fund Type/Program**

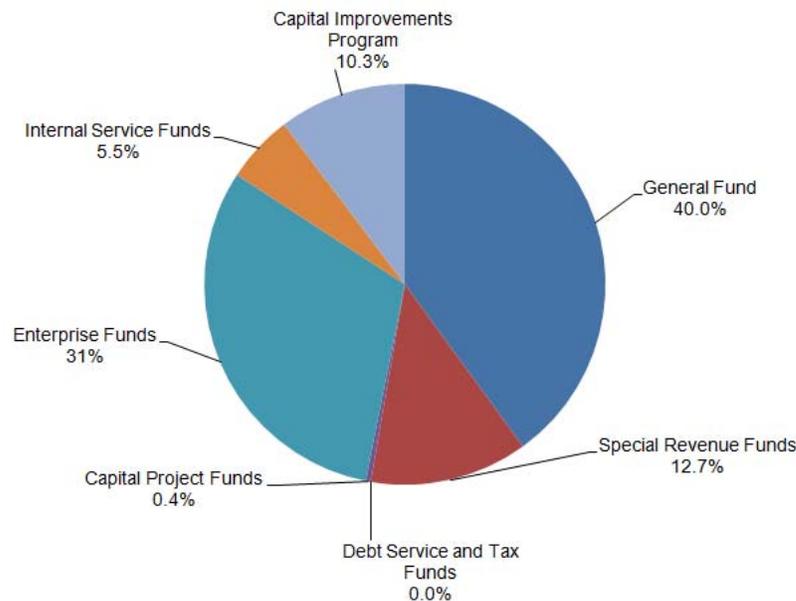
Fund Type	FY 2013 Actual	FY 2014 Adopted Budget	FY 2015 Adopted Budget	FY 2014 - FY 2015 Change	Percent Change
General Fund <sup>1</sup>	\$ 1,168,761,081	\$ 1,225,491,199	\$ 1,202,422,436	\$ (23,068,763)	(1.9)%
Special Revenue Funds	320,874,294	369,922,311	383,284,395	13,362,084	3.6%
Debt Service and Tax Funds <sup>2</sup>	3,047,993	2,630,000	-	(2,630,000)	(100.0)%
Capital Project Funds	10,670,761	13,435,611	12,527,089	(908,522)	(6.8)%
Enterprise Funds	832,493,812	901,262,377	933,722,420	32,460,043	3.6%
Internal Service Funds	92,639,149	103,068,181	165,342,113	62,273,932	60.4%
Capital Improvements Program	355,914,442	179,440,324	309,972,790	130,532,466	72.7%
<b>Total</b>	<b>\$ 2,784,401,533</b>	<b>\$ 2,795,250,003</b>	<b>\$ 3,007,271,243</b>	<b>\$ 212,021,240</b>	<b>7.6%</b>

<sup>1</sup> The Fiscal Year 2015 Adopted General Fund expenditures budget includes \$12.8 million to fully fund the Public Liability Fund Reserve and \$1.7 million for Community Projects, Programs, and Services appropriations, which is offset in the General Fund revenue budget by fund balance.

<sup>2</sup> Debt Service and Tax Funds are used for Tax and Revenue Anticipation Notes (TRANs). The City does not plan to issue TRANs in Fiscal Year 2015.

Figure 1 displays the Fiscal Year 2015 Adopted Expenditure Budget by fund type or program.

**Figure 1: Fiscal Year 2015 Adopted Expenditure Budget by Fund Type**



Note: Numbers may not add to 100% due to rounding.

# Executive Summary

Table 2 presents the changes in revenues from Fiscal Year 2013 to Fiscal Year 2015 by fund type.

**Table 2: Total City Revenue Changes Fiscal Years 2013 - 2015 by Fund Type**

Fund Type	FY 2013 Actual	FY 2014 Adopted Budget	FY 2015 Adopted Budget	FY 2014 - FY 2015 Change	Percent Change
General Fund <sup>1</sup>	\$ 1,181,701,237	\$ 1,203,048,350	\$ 1,188,550,460	\$ (14,497,890)	(1.2)%
Special Revenue Funds	309,685,517	348,845,047	364,322,673	15,477,626	4.4%
Debt Service and Tax Funds <sup>2</sup>	2,532,860	2,630,000	-	(2,630,000)	(100.0)%
Capital Project Funds	33,539,417	29,179,187	30,010,000	830,813	2.8%
Enterprise Funds	969,130,995	952,558,503	1,018,774,866	66,216,363	7.0%
Internal Service Funds	105,137,118	107,342,941	170,023,932	62,680,991	58.4%
<b>Total<sup>3</sup></b>	<b>\$ 2,601,727,144</b>	<b>\$ 2,643,604,028</b>	<b>\$ 2,771,681,931</b>	<b>\$ 128,077,903</b>	<b>4.8%</b>

<sup>1</sup> The Fiscal Year 2015 Adopted General Fund expenditures budget includes \$12.8 million to fully fund the Public Liability Fund Reserve and \$1.7 million for Community Projects, Programs, and Services appropriations, which is offset in the General Fund revenue budget by fund balance.

<sup>2</sup> Debt Service and Tax Funds are used for Tax and Revenue Anticipation Notes (TRANS). The City does not plan to issue TRANS in Fiscal Year 2015.

<sup>3</sup> Operating revenues may be less than operating expenditures due to the use of fund balance.

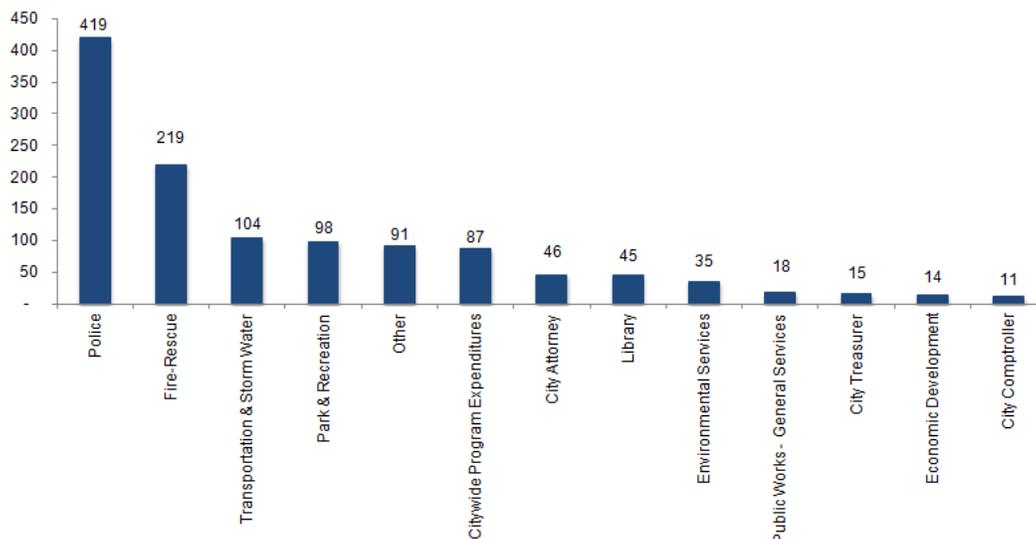
## Expenditure Overview

### General Fund

Departments within the General Fund provide core community services, such as public safety (including police and fire protection), parks and recreation, library services, and refuse collection, as well as vital support functions such as finance, legal, and human resources. These core services are primarily supported by major revenue sources that include property tax, sales tax, transient occupancy tax, and franchise fees. The City's Fiscal Year 2015 Adopted Budget reflects General Fund expenditures totaling \$1.20 billion, representing a net decrease of \$23.1 million or 1.9 percent from the Fiscal Year 2014 Adopted Budget. The Fiscal Year 2015 Adopted General Fund Budget includes 6,975.29 budgeted FTE positions, a net decrease of 292.21 FTE positions from the Fiscal Year 2014 Adopted General Fund Budget, primarily due to the restructure of the Public Works - Engineering & Capital Projects Department from the General Fund to an internal service fund and the restructure of the Parking Meter Operations program from the General Fund to a special revenue fund. More detail on the total net decrease in the General Fund is described in subsequent sections.

**Figure 2** summarizes the Fiscal Year 2015 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 the expenditures by department in the General Fund, refer to the Financial Summary and Schedules section of this Volume.

**Figure 2: Fiscal Year 2015 Adopted General Fund Expenditures by Department (in Millions)**



**Note:** The Other category includes: City Auditor, City Clerk, City Council, Planning, Communications, Debt Management, Performance and Analytics, Department of Information Technology, Development Services, Ethics Commission, Financial Management, Human Resources, Internal Operations, Infrastructure/Public Works, 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, Personnel, Public Utilities, Public Works - Contracting, Purchasing & Contracting, and Real Estate Assets.

## Debt Service and Tax Funds

The Debt Service and Tax Funds include funding to pay for note interest and costs of issuance for the annual General Fund Tax and Revenue Anticipation Notes (TRANS) cash flow borrowing. At the time of this publication, the City does not plan to issue TRANS in Fiscal Year 2015. Therefore, funding for the issuance is not included in this budget.

Debt service for all other City related financings, including General Fund lease revenue bonds and water and wastewater revenue bonds, are budgeted within the departments' operating budgets.



## Capital Project Funds

Capital Project Funds are primarily used for the acquisition or construction of major capital facilities. These funds typically make up a small portion of the Capital Improvements Program (CIP), since the CIP can be supported by all fund types. This fiscal year's budget is comprised of the Capital Outlay Fund and TransNet Funds. The Fiscal Year 2015 Adopted Budget for Capital Project Funds is \$12.5 million, which is a decrease of \$908,522 or 6.8 percent from the Fiscal Year 2014 Adopted Budget. This decrease is primarily due to a reduction of \$1.3 million in expenditures in the Capital Outlay Fund due to the use of fund balance for deferred capital debt service payments.

## Special Revenue Funds

Special Revenue Funds account for revenues that are received for specifically identified purposes. The larger funds include Transient Occupancy Tax (TOT) and Gas Tax. The Fiscal Year 2015 Adopted Operating Budget for Special Revenue Funds is \$383.3 million, representing a net increase

# Executive Summary

of \$13.4 million or 3.6 percent from the Fiscal Year 2014 Adopted Budget. This net increase is primarily due to the addition of \$5.9 million in expenditures related to the restructure of the Parking Meter Operations program from the General Fund to a special revenue fund; the addition of \$4.6 million in transfers to the Convention Center for debt service payments previously paid by the Port of San Diego; the addition of \$1.1 million in the Information Technology (IT) Fund for IT related expenditures, which includes \$500,000 to update the City's website, and \$613,387 for the addition of 3.00 FTE positions to support the various Citywide IT Sourcing Contracts; and \$877,219 increase in the Transient Occupancy Tax Fund which includes an increase of \$770,597 in Four Cent Discretionary funding to reimburse the General Fund for tourism-related expenditures and \$106,622 for the addition of 1.00 Associate Management Analyst to provide support for Special Events.

## Enterprise Funds

Enterprise Funds account for specific services that are funded directly through user fees. These funds include Water, Sewer, Development Services, Refuse Disposal, Recycling, Golf Course, and Airports. Typically, these funds are intended to be fully self-supporting and are not subsidized by the General Fund. The Fiscal Year 2015 Adopted Operating Budget for all Enterprise Funds is \$933.7 million, representing a net increase of \$32.5 million or 3.6 percent from the Fiscal Year 2014 Adopted Budget. This net increase is primarily due to the following adjustments in the Public Utilities Department: (1) an increase of \$17.3 million for water purchases as a result of increased water rates; (2) an increase of \$9.1 million for facility condition assessments of Water and Sewer facilities; and (3) an increase of \$8.0 million in repair and maintenance contracts for Sewer facilities.

## Internal Services Funds

The Fiscal Year 2015 Adopted Budget for Internal Service Funds totals \$165.3 million, which is an increase of \$62.3 million or 60.4 percent from the Fiscal Year 2014 Adopted Budget. This increase is primarily due to an increase of \$61.9 million in expenditures related to the restructure of the Public Works - Engineering & Capital Projects Department from the General Fund to an internal service fund.

## Capital Improvements Program

The Capital Improvements Program (CIP) budget allocates available revenue to rehabilitate, restore, improve, enhance, and increase the City's capital facilities. This fiscal year's budget is comprised of various funding sources, such as sewer and water rate fees, a one half-cent local sales tax for transportation improvements (TransNet Extension), development impact fees, Mission Bay lease revenue, and other City enterprise funds. The Fiscal Year 2015 Adopted CIP Budget totals \$310.0 million. This is an increase of \$130.5 million, or 72.7 percent, from the Fiscal Year 2014 Adopted CIP Budget of \$179.4 million, primarily due to an increase in water and sewer funded projects.

The CIP budget also identifies funding that is uncertain to be received in Fiscal Year 2015. This amount is reflected as *Anticipated* in the CIP project pages. For Fiscal Year 2015, a total of \$275.9 million in anticipated funding for CIP projects is included but is not being approved through the Fiscal Year 2015 Adopted Budget. Anticipated funding includes a variety of sources such as donations, grants, developer funding, and Facilities Benefit Assessments, as well as future bond proceeds from the deferred capital financing for \$120.0 million previously authorized by the City Council. A lawsuit currently exists against the proposed financing and bonds will be issued upon successful resolution of the litigation.

## Summary of Major General Fund Budget Changes

This section shows the major contributors to the \$14.5 million or 1.2 percent decrease in revenues and the \$23.1 million or 1.9 percent decrease in expenditures in the General Fund in the Fiscal Year 2015 Adopted Budget. The Fiscal Year 2015 Adopted General Fund expenditures budget does not match the General Fund revenue budget primarily due to the use of fund balance of \$12.8 million to fully fund the Public Liability Fund reserve, per the Reserve Policy, contingent upon the availability of Excess Equity when the City closes its books for Fiscal Year 2014 and \$1.7 million for Community Projects, Programs, and Services appropriations which are budgeted in each Council District.

### General Fund Revenues

The General Fund's four largest revenue sources - property tax, sales tax, Transient Occupancy Tax (TOT), and franchise fees - account for approximately \$866.8 million or 73.0 percent of the total General Fund revenues. In total, these four major revenues have increased \$54.5 million in the Fiscal Year 2015 Adopted Budget from the Fiscal Year 2014 Adopted Budget, while all other General Fund revenues have decreased \$69.0 million primarily as a result of the restructure of departments out of the General Fund.

The nationwide recession dramatically impacted State and local revenues due to the unprecedented pace and scope of declines in economic drivers such as employment, housing, and consumer confidence. Although local economic indicators modestly improved throughout Fiscal Year 2014, the rate of improvement in several local indicators has begun to slow. This trend is anticipated to continue during Fiscal Year 2015. This overall expectation and projection for the City's revenues is consistent with information received from the City's sales tax consultant, the County Tax Collector and Appraiser, the San Diego Tourism Authority, and the UCLA Anderson Forecast.

For Fiscal Year 2015, property tax is budgeted at \$445.4 million, an increase of \$37.4 million or 9.2 percent from the Fiscal Year 2014 Adopted Budget. The Fiscal Year 2015 Adopted Budget for property tax revenue is based upon the improvement in the local real estate market experienced during calendar year 2013. Based on this improvement in the local real estate market, the Fiscal Year 2015 Adopted property tax budget assumes that the City will experience 5.1 percent growth in the assessed valuation. This projected increase in property tax is accompanied by forecasted increases in sales tax, transient occupancy tax, and franchise fees. Sales tax is budgeted at \$257.1 million, which represents an increase of \$9.0 million or 3.6 percent from the Fiscal Year 2014 Adopted Budget. This projected growth is due to continued increases in sales tax receipts experienced through the first half of Fiscal Year 2014 and these increases are anticipated to continue into Fiscal Year 2015. Transient Occupancy Tax (TOT) is budgeted at \$92.3 million, an increase of \$4.5 million or 4.5 percent from the Fiscal Year 2014 Adopted Budget due to increases in local tourism and business travel. Franchise Fees are budgeted at \$72.0 million, an increase of \$3.6 million or 5.3 percent from the Fiscal Year 2014 Adopted Budget primarily due to projected increases in San Diego Gas & Electric (SDG&E) franchise fee payments to the City which are partially offset by projected decreases in cable franchise fee payments.

Offsetting the projected increases in the General Fund major revenues, the Fiscal Year 2015 Adopted Budget for all other General Fund revenues has decreased \$69.0 million from the Fiscal Year 2014 Adopted Budget. As reflected in **Table 3: General Fund Revenue Adjustment Over Fiscal Year 2014 Adopted Budget**, the increases in the General Fund's four largest revenue sources are offset by decreases within the charges for current services, licenses and permits, and other revenue categories. In the Fiscal Year 2015 Adopted Budget, charges for current services are budgeted at \$120.7 million, a decrease of \$56.0 million or 31.7 percent from the Fiscal Year 2014 Adopted Budget. The decrease in charges for current services is primarily due to the restructure of the Public

# Executive Summary

Works - Engineering & Capital Projects Department out of the General Fund to an internal service fund. Licenses and permits are budgeted at \$24.5 million, a decrease of \$7.4 million or 22.9 percent from the Fiscal Year 2014 Adopted Budget. This decrease is primarily due to the restructure of the Parking Meter Operations program out of the General Fund into a special revenue fund. Interest earnings are budgeted at \$1.4 million, an increase of \$0.6 million or 64.6 percent from the Fiscal Year 2014 Adopted Budget based on the assumption that interest rates will begin to slowly increase during Fiscal Year 2015. General Fund revenues will be closely monitored throughout Fiscal Year 2015 and, if necessary, the budget will be modified.

**Table 3** displays the major changes in General Fund revenues from the Fiscal Year 2014 Adopted Budget to the Fiscal Year 2015 Adopted Budget.

**Table 3: General Fund Revenue Adjustment Over Fiscal Year 2014 Adopted Budget**

Major Revenue Categories	(in millions)
Property Tax	\$ 37.4
Sales Tax	9.0
Transient Occupancy Tax	4.5
Franchise Fees	3.6
Property Transfer Tax	2.1
Charges for Current Services	(56.0)
Licenses & Permits	(7.4)
Interest Earnings	0.6
Other Revenue Adjustments	(8.3)
<b>TOTAL REVENUE Adjustments<sup>1</sup></b>	<b>\$ (14.5)</b>

<sup>1</sup> Refer to General Fund Revenue section of this document for more detailed information regarding General Fund revenue changes.

## General Fund Expenditures

The Fiscal Year 2015 Adopted General Fund budgeted expenditures reflects a net decrease of \$23.1 million or 1.9 percent. The net decrease of \$23.1 million in the Fiscal Year 2015 Adopted General Fund Expenditures Budget is primarily due to the following: a reduction of \$61.9 million related to the restructure of the Public Works - Engineering & Capital Projects Department from the General Fund to an internal service fund and \$16.7 million for the removal of one-time adjustments added in the Fiscal Year 2014 Adopted Budget.

These decreases are partially offset by the following additions: \$12.8 million in General Fund contribution to fully fund the Public Liability Fund reserve; \$7.3 million in the General Fund for non-pensionable compensation increases in Fiscal Year 2015; \$4.4 million for the transfer to Park Improvement Funds; \$4.3 million for Storm Water infrastructure; \$3.2 million for the continued funding for the Police retention program; \$3.0 million for pay-in-lieu expenditures; \$2.9 million for the addition of 45 Police sworn personnel; \$2.9 million in transfers to Storm Water CIP drainage projects; \$2.6 million for sidewalk and street light improvements; \$2.5 million for debt service payments related to proceeds from the \$120.0 million CIP bond issuance; \$2.2 million in expenditures related to the re-engineering of the City's Maintenance Assessment Districts; \$2.1 million for landfill/storm water improvements and facility upgrades at South Chollas; \$2.0 million in transfers to the Engineering & Capital Projects Fund for General Fund work that is not capitalizable; \$2.0 million for Storm Water permit compliance; \$1.7 million for Park & Recreation CIP projects; \$1.5 million for

# Executive Summary

helicopter maintenance air support; and \$1.5 million for the expansion of Library hours at all San Diego Public Libraries. **Table 4** displays the major changes to General Fund expenditures from the Fiscal Year 2014 Adopted Budget to the Fiscal Year 2015 Adopted Budget.

**Table 4: General Fund Expenditure Adjustment Over Fiscal Year 2014 Adopted Budget**

Major Expenditure Adjustments	(in millions)
<b>Infrastructure</b>	
Storm Water Infrastructure	\$ 4.3
Transfer to Drainage Projects	2.9
Sidewalks and Street Light Improvements	2.6
Deferred Capital Bond Debt Service	2.5
South Chollas Landfill / Storm Water Improvements	2.1
Transfer to Public Works - Engineering & Capital Projects	2.0
Park & Recreation CIP Projects	1.7
Facilities Condition/Needs Assessment	1.0
Facility Maintenance Positions	0.7
Streets Condition/Needs Assessment	0.6
South Chollas Facility Upgrades	0.5
SAP Enterprise Asset Management	0.5
Streets Resurfacing Positions	0.4
Park Assets Condition/Needs Assessment	0.4
Park & Recreation Parking Lot Repairs	0.3
Sidewalks Condition/Needs Assessment	0.1
Streets/Sidewalks Managed Competition Alternative Proposal (Positions with offsetting NPE)	0.0
<b>Public Safety</b>	
Police Retention Program	3.2
Police Sworn Positions (over Four Academies)	2.9
Helicopter Maintenance Support	1.5
Police Civilian Positions	1.4
Police Sworn Positions (May 2014 Academy)	1.2
Two Additional Fire Academies	1.1
Police Body Worn Cameras	1.1
Skyline Temporary Fire Station	1.0
Fast Response Program	0.6
Boating Safety Unit and Windansea Lifeguards	0.5
Lifeguard Facility Improvement for Boating Safety Unit	0.5
Assistant Police Chief	0.3
Fire Personal Protective Equipment	0.4
Fire Emergency Operations Equipment	0.2

# Executive Summary

**Table 4: General Fund Expenditure Adjustment Over Fiscal Year 2014 Adopted Budget (Cont'd)**

Major Expenditure Adjustments	(in millions)
Fire Vessel Repair	0.1
<b>Neighborhoods</b>	
Transfer to Maintenance Assessment Districts	2.2
Expansion of Library Hours	1.5
Brush Management	1.0
County of San Diego Animal Services Contract	0.9
Community Plan Update Positions	0.9
New Park & Recreation Facilities	0.8
Library After School Programs	0.5
Land Development/Building Code Enforcement Positions	0.4
CONNECT2Careers	0.2
Homeless Triage Beds	0.2
Climate Action Plan and Sustainability Position	0.2
Urban Forestry Program Position	0.2
Park Ranger Position for Coastline Area	0.1
Overnight Camping at Kumeyaay Campground	0.1
<b>Open Government/Transparency</b>	
Email Retention/Storage	0.3
Open Data Officer Position	0.2
<b>Other Adjustments</b>	
Full Funding of Public Liability Reserve Contribution	12.8
FY15 Non-Pensionable Compensation Increase	7.3
Transfer to Park Improvement Funds	4.4
Improvement to Government Operations	3.4
Pay in Lieu Adjustments	3.0
Storm Water Permit Compliance	2.0
Defined Contribution Plan Expenditures	1.2
Purchasing & Contracting Positions for Prevailing Wage	0.8
Tenant Improvements and Moving Expenses	0.5
City Attorney Department Adjustment	0.5
Supplemental Cost of Living Adjustment (COLA)	0.2
Transfer to Civic San Diego for Old Main Library Reuse and Transit Oriented Development Fund	0.2
Reduction in Risk Management Administration Fund Contribution	(0.5)
Reduction of Vacant Positions	(0.5)
Civic and Urban Initiatives Positions	(0.7)

# Executive Summary

**Table 4: General Fund Expenditure Adjustment Over Fiscal Year 2014 Adopted Budget (Cont'd)**

Major Expenditure Adjustments	(in millions)
Long-term Disability Fund Contribution	(1.2)
Reduction in IT Fixed Costs	(2.8)
Parking Meter Operations Fund Restructure	(5.9)
Workers' Compensation Reserve Contribution	(6.7)
ADC to the City's Retirement System <sup>1</sup>	(8.9)
Removal of FY 2014 One-time Adjustments	(16.7)
Engineering & Capital Projects Restructure	(61.9)
Other Adjustments	(1.9)
<b>Total Expenditure Adjustments</b>	<b>\$ (23.1)</b>

<sup>1</sup> Excludes ADC budget in restructured departments. Total General Fund ADC contribution change from Fiscal Year 2014 is \$21.6 million.

**Table 5** represents the expenditure change in the General Fund from the Fiscal Year 2013 Actual to the Fiscal Year 2015 Adopted Budget.

**Table 5: General Fund Expenditure Summary Fiscal Years 2013 - 2015**

	FY 2013 Actual	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Total General Fund Budget	1,168,761,081	1,225,491,199	1,202,422,436
Percent Change from Previous Year		4.9%	(1.9)%

**Table 6** presents the allocation of General Fund dollars to the Police and Fire-Rescue Departments compared to the other General Fund departments. The Fiscal Year 2015 Adopted Budget includes Police and Fire-Rescue Departments receiving approximately 53.1 percent of the total General Fund expenditures and other General Fund departments receiving 46.9 percent of the total General Fund expenditures.

**Table 6: General Fund Expenditure Summary Fiscal Years 2013 - 2015 by Category**

	FY 2013 Actual	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Police and Fire-Rescue Budgets	\$ 620,530,723	\$ 641,222,218	\$ 637,992,623
Percent of Total General Fund Budget	53.1%	52.3%	53.1%
Other General Fund Department Budgets	\$ 548,230,358	\$ 584,268,981	\$ 564,429,813
Percent of Total General Fund Budget	46.9%	47.7%	46.9%

## Personnel Expenditures

The Fiscal Year 2015 Adopted Budget includes a total of \$701.6 million for salaries and wages, and \$480.8 million for fringe expenditures, resulting in a total budget of \$1.18 billion in personnel expenditures citywide. **Table 7** illustrates the budgeted FTE positions, salaries and wages, fringe, and total personnel expenditures by fund type.

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**Table 7: Fiscal Year 2015 Adopted Personnel Expenditures Budget**

Fund Type	Budgeted FTE Positions	Budgeted Salaries and Wages	Budgeted Benefits	Budgeted Personnel Expenses
General Fund	6,975.29	\$ 493,402,034	\$ 339,899,132	\$ 833,301,166
Special Revenue Funds	263.36	19,132,458	12,094,937	31,227,395
Enterprise Funds	2,385.38	133,887,926	91,135,094	225,023,020
Internal Service Funds	790.18	50,558,586	34,465,452	85,024,038
Other Funds	64.00	4,579,739	3,182,679	7,762,418
<b>Total</b>	<b>10,478.21</b>	<b>\$ 701,560,743</b>	<b>\$ 480,777,294</b>	<b>\$ 1,182,338,037</b>

## Total City Personnel

The Fiscal Year 2015 Adopted Budget includes a total of 10,478.21 FTE positions with 6,975.29 or 66.6 percent of these positions budgeted within the General Fund. **Table 8** presents the change in positions from Fiscal Year 2014 to Fiscal Year 2015.

**Table 8: Total City FTE Position Changes Fiscal Year 2014 - 2015**

Fund Type	FY 2014 Adopted Budget	Additions	Reductions	Reorganizations	FY 2015 Adopted Budget	FY 2014 - FY 2015 Change	Percent Change
General Fund	7,267.50	230.63	(73.12)	(449.72)	6,975.29	(292.21)	(4.0)%
Special Revenue Funds <sup>1</sup>	233.36	12.50	(1.50)	19.00	263.36	30.00	12.9%
Enterprise Funds	2,366.69	42.10	(6.38)	(17.03)	2,385.38	18.69	0.8%
Internal Service Funds	295.32	47.11	-	447.75	790.18	494.86	167.6%
Other Funds	64.00	-	-	-	64.00	-	0.0%
<b>TOTAL</b>	<b>10,226.87</b>	<b>332.34</b>	<b>(81.00)</b>	<b>-</b>	<b>10,478.21</b>	<b>251.34</b>	<b>2.5%</b>

<sup>1</sup> Total number of budgeted positions includes positions from Maintenance Assessment Districts (MADs).

The Fiscal Year 2015 Adopted Budget represents a net increase in the City's budget of 251.34 FTE positions from the Fiscal Year 2014 Adopted Budget. The net increase is a result of the addition of 332.34 FTE positions combined with the elimination of 81.00 FTE filled and vacant positions. For details on the position changes, refer to Attachment A in the Appendix section of this Volume.

As shown in **Table 8**, of the 292.21 net FTE position reduction in the General Fund, 17.53 net FTE positions were transferred from Enterprise Funds, 448.25 net FTE positions were transferred to Internal Service Funds, and 19.00 net FTE positions were transferred to Special Revenue Funds, 230.63 FTE positions are new, and 73.12 FTE positions have been reduced. The 30.00 net FTE position change to the Special Revenue Funds is the result of 19.00 net FTE positions transferred

## Executive Summary

from the General Fund, 12.50 new FTE positions, and 1.50 FTE positions being reduced. Of the 18.69 net FTE position change in the Enterprise Funds, a net 17.53 FTE positions were transferred to the General Fund, 0.50 FTE position was transferred from Internal Service Funds, 42.10 FTE positions were added, and 6.38 FTE positions were reduced. In the Internal Service Funds, the net change of 494.86 FTE positions was the result of a net 448.25 FTE positions transferred from the General Fund and 0.50 FTE position transferred to the Enterprise Funds combined with the addition of 47.11 FTE positions. There were no net FTE position changes in the Other Funds category included in the Fiscal Year 2015 Adopted Budget.

**Table 9** represents the allocation of FTE positions per employee labor group within each fund type. The largest employee labor group, the Municipal Employees Association (MEA), represents 34.4 percent of General Fund positions and 43.6 percent of all City positions.

**Table 9: Fiscal Year 2015 Adopted FTE Positions by Labor Group**

Labor Group	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds	Other Funds	Labor Group Total
MEA	2,402.62	87.75	1,442.67	597.10	39.00	<b>4,569.14</b>
IAFF LOCAL 145	886.00	25.00	-	-	-	<b>911.00</b>
AFSCME LOCAL 127	876.10	72.76	800.34	145.00	-	<b>1,894.20</b>
POA	2,006.35	-	-	-	-	<b>2,006.35</b>
Teamsters Local 911	154.64	-	-	-	-	<b>154.64</b>
SPDCAA	138.59	-	-	-	-	<b>138.59</b>
Classified / Unrepresented	133.69	32.35	71.46	28.03	6.00	<b>271.53</b>
Unclassified / Unrepresented	366.30	45.50	70.91	20.05	19.00	<b>521.76</b>
Elected Officials	11.00	-	-	-	-	<b>11.00</b>
<b>Fund Total</b>	<b>6,975.29</b>	<b>263.36</b>	<b>2,385.38</b>	<b>790.18</b>	<b>64.00</b>	<b>10,478.21</b>

**Table 10** shows the change in the number of budgeted positions in the General Fund over the last three fiscal years. In Fiscal Year 2015, General Fund positions decreased by a net 292.21 FTE positions or 4.0 percent from the Fiscal Year 2014 Adopted Budget. This decrease is primarily due to the restructure of the Public Works - Engineering & Capital Projects Department from the General Fund to an internal service fund. Further details on position changes in the General Fund are reflected in Attachment A of the Appendix section of this Volume.

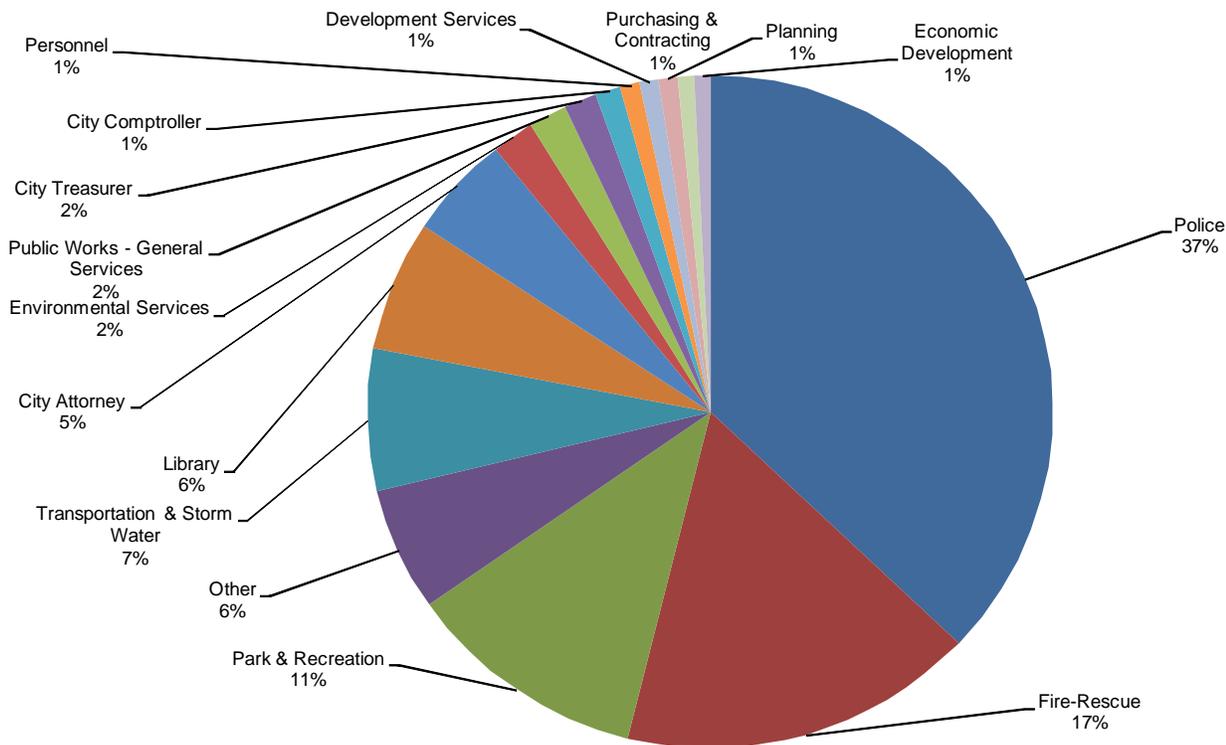
# Executive Summary

**Table 10: General Fund FTE Position Summary Fiscal Years 2013 - 2015**

	FY 2013 Adopted Budget	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Total General Fund Budgeted FTE Positions	7,152.15	7,267.50	6,975.29
Percent Change from Previous Year	1.6%	1.6%	(4.0)%

**Figure 3** summarizes the Fiscal Year 2015 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. For a detailed look at the budgeted FTE positions in the General Fund refer to the Financial Summary and Schedules section of this Volume.

**Figure 3: Fiscal Year 2015 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 and Analytics, Public Works - Contracting, and Real Estate Assets.

## Reduction of Vacant General Fund Positions

As part of the development of the Fiscal Year 2015 Adopted Budget, the Financial Management Department conducted a comprehensive review of all vacant positions in the General Fund. Positions that have been vacant since Fiscal Year 2012 or earlier were identified and sent to City departments for their review to determine the positions that are still needed and positions that could be reduced without any service level impacts. **Table 11** summarizes the number of FTE by department that have been vacant since Fiscal Year 2012 or earlier, and the number of FTE by

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department that were reduced in the Fiscal Year 2015 Adopted Budget. Of the 71.00 FTE positions identified, 4.50 FTE positions have been reduced from the Fiscal Year 2015 Adopted Budget. The remaining positions were determined to be needed by the respective departments to maintain current service levels and are in the process of being restructured or filled.

**Table 11: Vacant General Fund Position Reductions by Department**

Department	FTE Vacant since FY 2012 or earlier	FTE Reduced in FY 2015 Adopted Budget
City Attorney	8.50	-
City Comptroller	0.50	-
City Treasurer	3.00	-
Economic Development	1.00	-
Environmental Services	2.00	-
Fire-Rescue	18.00	-
Library	7.50	2.50
Park & Recreation	2.50	-
Police	19.00	2.00
Public Works - Engineering & Capital Projects	1.00	-
Public Works - General Services	3.00	-
Transportation & Storm Water	5.00	-
<b>General Fund Total</b>	<b>71.00</b>	<b>4.50</b>

**Table 12** displays the percentage of positions in the Police and Fire-Rescue Departments compared to the remaining General Fund departments. The Fiscal Year 2015 Adopted Budgets for the Police and Fire-Rescue Departments include 3,758.49 FTE positions or approximately 53.9 percent of total General Fund FTE positions. The budgeted positions in the Police Department increased from 2,528.79 FTE positions in Fiscal Year 2014 to 2,587.52 FTE positions in the Fiscal Year 2015 Adopted Budget primarily due to the addition of Police sworn positions over four academies and police civilian positions to support Police Department operations. In the Fire-Rescue Department, the number of FTE positions increased from 1,165.52 FTE positions to 1,170.97 FTE positions primarily due to the addition of IT staff to assume responsibility for the maintenance of critical City computer systems, including Computer Aided Dispatch (CAD) from Rural/ Metro Corporation, and the addition of lifeguard positions in the Boating Safety Unit.

**Table 12: General Fund FTE Position Summary Fiscal Years 2013 - 2015 by Category**

	FY 2013 Adopted Budget	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Police and Fire-Rescue Budgets	3,661.75	3,694.31	3,758.49
Percent of Total General Fund Budget	51.2%	50.8%	53.9%
Other General Fund Department Budgets	3,490.40	3,573.19	3,216.80
Percent of Total General Fund Budget	48.8%	49.2%	46.1%

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## Salaries and Wages

The Fiscal Year 2015 Adopted Budget includes \$701.6 million in budgeted salaries and wages, with \$493.4 million, or 70.3 percent, budgeted in the General Fund. **Table 13** displays the Fiscal Year 2015 Adopted Budget for salaries and wages by Fund Type.

**Table 13: Fiscal Year 2015 Adopted Budgeted Salaries and Wages**

Salary and Wage Type	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds	Other Funds	Budgeted Salaries and Wages
Salaried Wages	\$ 453,153,453	\$ 18,553,117	132,638,595	\$ 50,564,935	\$ 4,841,136	\$ 659,751,236
Salary Savings <sup>1</sup>	(20,047,541)	(468,713)	(9,814,249)	(1,625,272)	(261,397)	(32,217,172)
Vacation Pay in Lieu	5,083,908	25,000	224,200	-	-	5,333,108
Termination Pay/ Annual Leave	2,060,518	51,420	182,882	113,404	-	2,408,224
Hourly Wages	13,133,881	111,173	1,974,353	702,685	-	15,922,092
Overtime	40,017,815	860,461	8,682,145	802,834	-	50,363,255
<b>Budgeted Salaries and Wages</b>	<b>\$ 493,402,034</b>	<b>\$ 19,132,458</b>	<b>\$ 133,887,926</b>	<b>\$ 50,558,586</b>	<b>\$ 4,579,739</b>	<b>\$ 701,560,743</b>

<sup>1</sup>Salary Savings includes \$831,106 in salary reductions for DROP employees and \$540,990 in projected voluntary furlough savings in the General Fund, and \$513,338 in projected voluntary furlough savings for non-General Funds, in addition to budgeted vacancy savings.

## Vacancy Savings

As part of the development of the Fiscal Year 2015 Adopted Budget, the City is estimating an amount of personnel savings or vacancy savings by department that is attributable to normal attrition, extended leaves of absence, under-filled positions, and newly hired employees that may start at a lower salary than the salary of the vacated position. Savings from vacant reimbursable positions have been excluded from the estimated vacancy savings as the City does not realize savings due to offsetting revenue for these unfilled positions. These estimates of vacancy savings will require that departments monitor their Fiscal Year 2015 personnel expenditures to their available allocated appropriations. The Fiscal Year 2015 vacancy savings is \$30.3 million, representing a decrease of \$1.2 million or 3.7 percent from the Fiscal Year 2014 Adopted Budget.

**Table 14** displays the changes in budgeted vacancy savings from Fiscal Year 2013 to Fiscal Year 2015.

**Table 14: Budgeted Vacancy Savings Fiscal Years 2013 - 2015**

Department/Fund	FY 2013 Adopted Budget	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Administration	\$ 59,363	\$ 59,363	\$ -
City Attorney	737,240	752,959	752,503
City Clerk	54,059	37,835	37,835
City Comptroller	162,177	159,245	234,592
City Treasurer	172,412	172,119	228,134
Council District 2	-	121,472	-

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**Table 14: Budgeted Vacancy Savings Fiscal Years 2013 - 2015 (Cont'd)**

Department/Fund	FY 2013 Adopted Budget	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Council District 3	-	121,472	-
Council District 5	60,736	-	-
Council District 7	-	60,736	-
Debt Management	54,059	54,059	31,491
Development Services	187,481	186,649	155,605
Economic Development	66,768	80,454	117,687
Environmental Services	221,162	236,915	304,173
Financial Management	65,291	65,291	124,758
Fire-Rescue	4,864,820	4,362,120	4,685,728
Library	645,753	536,587	606,796
Multimedia Services	58,157	-	-
Office of Homeland Security	66,768	42,578	-
Office of the Assistant COO	-	54,059	-
Office of the Mayor	-	-	85,582
Park & Recreation	931,673	954,762	1,401,576
Personnel	59,114	59,114	66,539
Planning	-	-	159,858
Police	8,810,215	8,718,131	8,281,929
Public Works - Contracting	-	57,866	42,578
Public Works - Engineering & Capital Projects <sup>1</sup>	1,011,444	1,057,413	-
Public Works - General Services	514,800	189,738	253,761
Purchasing & Contracting	49,109	49,109	108,014
Real Estate Assets	54,059	54,059	66,768
Transportation & Storm Water	815,820	733,615	929,538
<b>Total General Fund</b>	<b>\$ 19,722,480</b>	<b>\$ 18,977,720</b>	<b>\$ 18,675,445</b>
Airports Fund	59,363	38,376	-
Central Stores Fund	116,688	34,611	34,611
City Employees' Retirement System Fund	343,897	271,523	255,424
Development Services Fund	7,546,230	7,581,521	5,347,918
Energy Conservation Program Fund	59,363	4,728	-
Engineering & Capital Projects Fund	-	-	1,321,366
Facilities Financing Fund	42,578	42,578	31,491
Fleet Services Operating Fund	44,366	-	-
Golf Course Fund	123,843	134,242	57,366
Information Technology Fund	109,855	90,126	126,131

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**Table 14: Budgeted Vacancy Savings Fiscal Years 2013 - 2015 (Cont'd)**

Department/Fund	FY 2013 Adopted Budget	FY 2014 Adopted Budget	FY 2015 Adopted Budget
Local Enforcement Agency Fund	60,674	60,674	60,674
Maintenance Assessment District (MAD) Management Fund	42,578	-	42,578
Metropolitan Sewer Utility Fund	1,070,474	1,146,472	1,133,574
Municipal Sewer Revenue Fund	952,249	800,269	822,467
OneSD Support Fund	65,416	-	-
QUALCOMM Stadium Operations Fund	62,005	47,091	63,253
Recycling Fund	157,874	182,650	221,136
Refuse Disposal Fund	294,666	249,825	307,046
Risk Management Administration Fund	68,453	96,491	177,663
Water Utility Operating Fund	1,665,969	1,651,702	1,537,281
Wireless Communications Technology Fund	66,685	94,162	116,314
<b>Total Non-General Fund</b>	<b>\$ 12,953,226</b>	<b>\$ 12,527,041</b>	<b>\$ 11,656,293</b>
<b>Total</b>	<b>\$ 32,675,706</b>	<b>\$ 31,504,761</b>	<b>\$ 30,331,738</b>

<sup>1</sup>The Public Works - Engineering & Capital Projects Department was restructured to an internal service fund in Fiscal Year 2015.

## Total Budgeted Fringe Allocations

Total budgeted fringe allocations represent personnel costs that are non-wage related. A significant portion of the total budgeted fringe allocations are considered fixed fringe costs. Fixed fringe costs are expenditures that meet specific obligations established through agreements with the labor unions, City ordinances, or the City's Reserve Policy (which includes annual funding contributions to Workers' Compensation and Long-Term Disability reserves), regardless of current FTE count or salary amounts. Fixed fringe costs include the San Diego City Employees' Retirement System's (SDCERS) Actuarially Determined Contribution (ADC), and contributions for Workers' Compensation, Long-Term Disability (LTD), Other Post-Employment Benefits (OPEB), Unemployment Insurance, and Risk Management Administration (RMA). These expenditures account for \$356.6 million or 74.2 percent of budgeted fringe in Fiscal Year 2015. The remaining budgeted fringe allocations are variable to payroll activity such as reductions or additions in staff and salary increases or decreases.

**Table 15** displays the citywide fringe allocation which totals \$480.8 million for Fiscal Year 2015, of which \$339.9 million or 70.7 percent is budgeted in the General Fund.

**Table 15: Fiscal Year 2015 Annual Budgeted Fringe by Fund Type**

Fringe Type	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds	Other Funds	Fringe Totals
Retirement ADC	\$ 191,146,168	\$ 6,257,084	\$ 45,595,940	\$ 18,808,775	\$ 1,796,243	\$ 263,604,210
Supplemental Pension Savings Plan	12,466,368	880,745	6,947,879	2,597,164	234,181	23,126,337

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**Table 15: Fiscal Year 2015 Annual Budgeted Fringe by Fund Type (Cont'd)**

Fringe Type	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds	Other Funds	Fringe Totals
Retirement DROP	1,729,527	38,699	431,767	165,148	3,207	2,368,348
Employee Offset Savings	8,022,340	197,847	836,540	388,256	79,001	9,523,984
Workers' Compensation	18,077,986	444,529	3,530,173	714,563	42,904	22,810,155
Flexible Benefits	55,765,143	2,147,167	16,115,173	5,580,466	510,390	80,118,339
Risk Management Administration	5,966,520	238,421	2,057,559	705,765	56,820	9,025,085
Long-Term Disability	1,439,175	60,645	422,680	163,628	15,734	2,101,862
Unemployment Insurance	824,722	34,712	242,304	93,675	9,011	1,204,424
Medicare	5,970,871	242,192	1,666,127	683,378	64,844	8,627,412
Other Post-Employment Benefits <sup>1</sup>	38,218,383	1,527,126	13,179,118	4,520,697	363,960	57,809,284
Retirement 401 Plan	197,297	18,637	77,736	33,781	4,543	331,994
Retiree Medical Trust	74,632	7,133	32,098	10,156	1,841	125,860
<b>Fund Type Totals</b>	<b>\$ 339,899,132</b>	<b>\$ 12,094,937</b>	<b>\$ 91,135,094</b>	<b>\$ 34,465,452</b>	<b>\$ 3,182,679</b>	<b>\$ 480,777,294</b>

<sup>1</sup> Reflects the annual pay-as-you-go portion of \$32.8 million and the contribution of \$25.0 million to pre-fund future liabilities.

## City Retirement Contributions

The City's payment for retirement benefits in Fiscal Year 2015 is budgeted at \$267.4 million and is described below:

- The SDCERS ADC for Fiscal Year 2015 is \$263.6 million, representing a decrease of \$11.8 million from the Fiscal Year 2014 Adopted Budget. The factors that contributed to the decrease in the ADC include the assumed freeze on inflationary pay increases, which decreased the ADC by \$24.6 million, the net changes in economic assumptions (discount rate and long-term pay inflation), which increased the ADC by \$9.3 million, and other changes with a combined increase of \$3.5 million. Approximately \$191.1 million or 72.5 percent of the ADC is budgeted in the General Fund.
- \$1.7 million is budgeted in the Citywide Program Expenditures Department for the Preservation of Benefits Plan contribution to SDCERS to cover benefit payments in excess of Internal Revenue Service (IRS) limits.
- Finally, \$2.1 million has been budgeted citywide (\$1.6 million in the General Fund) to support the pay-go costs for the continued funding of the supplemental cost of living adjustment (COLA) benefit. The supplemental COLA benefit was added to the City's defined benefit pension plan by San Diego Ordinance O-18608, adopted on January 11, 1999, in order to increase the monthly retirement allotment for retirees who retired before July 1, 1982 with at

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least ten years of service credit, whose benefits had fallen below 75 percent of their original purchasing power. A reserve was established in Fiscal Year 1999 with \$35.0 million in surplus earnings from the previous fiscal year to fund this benefit. However, this reserve was depleted in Fiscal Year 2014. As a result, Ordinance O-20282 was adopted on July 23, 2013 in order for the City to fund the supplemental COLA benefit on an annual pay-as-you-go basis.

## Other Post Employment Benefits

The Retiree Health or Other Post Employment Benefits (OPEB) UAAL as of June 30, 2013 is approximately \$444.1 million and the Annual Required Contribution (ARC) for Fiscal Year 2015 was determined to be \$38.1 million. This valuation assumes a 6.81 percent discount rate.

In Fiscal Year 2012, the City entered into a 15-year memorandum of understanding with each of its labor organizations and provided the same terms to unrepresented employees, regarding reforms to the retiree



healthcare benefit for health-eligible employees. The agreements, which cannot be changed until Fiscal Year 2015 at the earliest, set the City's annual OPEB funding at \$57.8 million for Fiscal Years 2013 through 2015, with annual increases of up to 2.5 percent after 2015. Therefore, the City has budgeted \$57.8 million in Fiscal Year 2015 for retiree health care benefits. From the \$57.8 million, the retiree health defined contribution and pay-as-you-go payments are paid out first, with any remaining balance funding the City's CalPERS Employer Retiree Benefit Trust (CERBT) account to pre-fund future OPEB costs. If the retiree health defined contribution and pay-as-you-go actuals exceed \$57.8 million, then the excess will be withdrawn from the CERBT.

## Employee Offset Savings (EOS)

The Fiscal Year 2015 Adopted Budget includes Employee Offset Savings of \$9.5 million, which is budgeted as an expense to all City departments and revenue to the respective funds. The \$9.5 million will be transferred to the General Fund to backfill the Tobacco Settlement Revenues securitized in Fiscal Year 2006.

## Retirement DROP

In accordance with the Deferred Retirement Option Program (DROP) adopted in Fiscal Year 1997, the City is required to match 3.05 percent of the DROP participants' salary. The Fiscal Year 2015 Adopted Budget for Retirement DROP contributions is \$2.4 million.

## Workers' Compensation

State Workers' Compensation laws ensure that employees who suffer work-related accidents or illnesses are provided with medical treatment and monetary awards. State Workers' Compensation statutes establish this framework of laws for the City of San Diego. The Workers' Compensation contribution in the Fiscal Year 2015 Adopted Budget is \$22.8 million. The decrease of approximately

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\$7.6 million from the Fiscal Year 2014 Adopted Budget is due to the reserve target being met in Fiscal Year 2014.

## Long-Term Disability

Long-term disability is an employee benefit plan designed to provide partial salary replacement to eligible employees who are unable to work due to a disability as a result of injury, illness, or pregnancy. The Long-Term Disability (LTD) contribution in the Fiscal Year 2015 Adopted Budget is \$2.1 million. This contribution funds the pay-go requirements for the LTD Fund; the reserve requirement for Fiscal Year 2015 was pre-funded with excess equity in Fiscal Year 2014.

## Flexible Benefits

An Internal Revenue Service (IRS) qualified cafeteria-style benefits program is offered to all eligible employees. All employees in one-half, three-quarter, or full-time status are eligible. The Fiscal Year 2015 Adopted Budget for Flexible Benefits is \$80.1 million.

The passage of the Affordable Care Act mandates that, starting in 2015, large employers offer employees meeting certain criteria affordable health care coverage or be subject to penalties. The City currently offers healthcare coverage to all of its full time, three-quarter time, and half-time employees. As such, the fiscal impact to the City in Fiscal Year 2015 is not anticipated to be significant.

## Supplemental Pension Savings Plan (SPSP) and New Retirement Plans

In January 1982, the City established the Supplemental Pension Savings Plan (SPSP). SPSP accounts provide a way for eligible employees to add to their savings for retirement income, which is in addition to SDCERS' benefits. Employees hired before July 1, 2009 must pay a mandatory 3 percent. In addition, employees hired on or before July 1, 1986 can voluntarily contribute up to an additional 4.5 percent, and if hired after July 1, 1986 an additional 3.05 percent. This amount is deducted from employees' paychecks and placed into an SPSP account for the employee. The City also matches these contributions. The Fiscal Year 2015 Adopted Budget for SPSP is \$18.9 million.

General members hired on or after July 1, 2009 but before July 20, 2012 receive a hybrid retirement plan which includes a reduced defined benefit retirement plan as well as a defined contribution savings plan with a mandatory employee contribution of 1.0 percent of payroll, which the City matches. The Fiscal Year 2015 Adopted Budget for the City's contribution match is \$331,994, based on 594.75 FTE general members as of November 2013.

On June 5, 2012, City of San Diego voters approved Proposition B, a pension reform initiative amending the San Diego City Charter. As a result, all employees hired on or after July 20, 2012, other than sworn police officers, are no longer eligible to participate in the City's defined benefit plan and are only eligible to participate in a defined contribution plan. New hires with offers of employment made on or after July 20, 2012, with no prior City service, are placed in the SPSP-H Plan, which is being used as an Interim Defined Contribution Retirement Plan for benefited employees. Eligible new hires who are non-safety employees are required to contribute 9.2 percent of their compensation to the plan, which is matched by a 9.2 percent employer contribution. For safety employees, the mandatory employee and matching employer contributions is 11.0 percent of compensation. The Fiscal Year 2015 Adopted Budget for the SPSP-H Plan is \$3.3 million.

## Retiree Medical Trust (RMT)

General members hired on or after July 1, 2009 must contribute 0.25 percent of payroll into a retiree medical trust, which the City matches. The Fiscal Year 2015 Adopted Budget for the City's contribution match is \$125,860.

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## Risk Management Administration

The Risk Management Administration (RMA) rate is established to support the appropriated expenditures that fund all of the programs and services provided by the Risk Management Department, which is an Internal Service Fund. These services include the administration of Workers' Compensation, Public Liability and Loss Recovery, Safety and Environmental Health Services, Employee Benefits, Savings Plans, Long-Term Disability, and Employee Assistance programs. The Fiscal Year 2015 Adopted Budget for Risk Management Administration is \$9.0 million.

## Medicare

Medicare is a federal tax established by the Federal Insurance Contributions Act (FICA) that all employees and employers are required to pay. The application of this rate applies to all City employees and is based on earned income, including any earned income related to overtime and other employee special pays. The Fiscal Year 2015 Adopted Budget for Medicare is \$8.6 million.

## Unemployment Insurance

Unemployment Insurance provides temporary unemployment benefits to eligible workers who are unemployed and meet State law eligibility requirements to receive the benefit. The Fiscal Year 2015 Adopted Budget for Unemployment Insurance is \$1.2 million.

## Labor Contracts

The City and each of its six labor unions have agreed to Memoranda of Understanding (MOU) with five-year terms, which include non-pensionable compensation increases consistent with the passage of Proposition B, which amended the San Diego City Charter on July 20, 2012. All agreements provide re-opener terms to meet and confer regarding increases to non-pensionable compensation for Fiscal Years 2017 and 2018.

The non-pensionable compensation increase percentages for each of the employee organizations for Fiscal Years 2014 to 2018 are detailed in **Table 16**.



**Table 16: Non-Pensionable Compensation Increases Fiscal Years 2014 - 2018**

Labor Group	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Teamsters Local 911	2.25%	1.25%	1.75%	-	-
IAFF Local 145	2.25%	1.25%	1.75%	-	-
POA	2.00%	1.00%	2.00%	1.00%	1.00%
AFSCME Local 127	1.75%	1.75%	1.75%	-	-

# Executive Summary

**Table 16: Non-Pensionable Compensation Increases Fiscal Years 2014 - 2018 (Cont'd)**

Labor Group	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
MEA	1.75%	1.75%	1.75%	-	-
DCAA	1.75%	1.75%	1.75%	-	-

## Citywide Reorganization/Restructuring

The Fiscal Year 2015 Adopted Budget reflects the restructuring of several departments as a result of executive management decisions and department-initiated reorganizations. Reorganizations include restructuring of departments and major divisions within a department and are intended to increase the overall efficiencies and effectiveness of City operations. The following provides an overview of significant changes to the City's organizational structure that are included in the Fiscal Year 2015 Adopted Budget.

### Administration Department

The Administration Department has been dissolved, and its component programs have been transferred to various departments as described below.

#### Docket Office

The Docket Office was transferred from the Administration Department to the Office of the Chief Operating Officer.

#### Citizen's Assistance Program

The Citizen's Assistance Program was transferred from the Administration Department to the Human Resources Department.

#### EMS Contract Administration

Emergency Medical Services (EMS) contract administration was transferred from the Administration Department to the Fire-Rescue Department.

#### Gang Commission

The Gang Commission was transferred from the Administration Department to the Neighborhood Services Department.

#### Living Wage Program

The Living Wage Program was transferred from the Administration Department to the Purchasing & Contracting Department.

### Economic Development Department

The Economic Development Division within the Planning Department has become a separate department called Economic Development. Creating a single department to coordinate economic development opportunities with local, national, and international stakeholders reflects the Mayor's commitment to foster economic development throughout the City. This new department will assure new and existing businesses that the City of San Diego is open for business and truly values businesses' contributions in creating a successful and diversified economy.

### Mentor Protégé Program

The Mentor Protégé Program was transferred from the Administration Department to the Economic Development Department.

# Executive Summary

## Planning Department

The Planning Division and Facilities Financing program of the Development Services Department have been transferred into separate divisions within a newly-created Planning Department. This reorganization will allow the revised Planning Department to focus on California Environmental Quality Act (CEQA) requirements, community plan updates and urban design efforts.

## Internal Operations Department

A new department called Internal Operations has been created for the Deputy Chief Operating Officer that will oversee the following departments: Performance and Analytics, Human Resources, Information Technology, Real Estate Assets, and Purchasing & Contracting.

## Neighborhood Services Department

A new department called Neighborhood Services has been created for the Deputy Chief Operating Officer that will oversee the following departments: Commission for Arts & Culture, Commission on Gang Prevention & Intervention, Development Services, Human Relations Commission and Citizen's Review Board, Library, Park & Recreation, Planning, and Economic Development.

## Infrastructure/Public Works Department

A new department called Infrastructure/Public Works has been created for the Deputy Chief Operating Officer that will oversee the following departments: Environmental Services, Public Utilities, Public Works (including Office of ADA Compliance & Accessibility), and Transportation & Storm Water.

## Human Relations Commission & Citizens Review Board

The Human Relations Commission and the Citizens Review Board were transferred from the Human Resources Department to the Neighborhood Services Department.

## Office of ADA Compliance & Accessibility

The Office of ADA Compliance & Accessibility was transferred from its own department into a division in the Infrastructure/Public Works Department.

## Parking Meter Operations

The Parking Meter Operations program was transferred from the General Fund to a new special revenue fund called Parking Meter Operations.

## Engineering & Capital Projects

The Public Works - Engineering & Capital Projects Department was transferred from the General Fund to a new internal service fund called Engineering & Capital Projects. Engineering services provided by the Public Works - Engineering & Capital Projects Department to General Fund departments will now be budgeted in the Citywide Program Expenditures Department. Separating Public Works - Engineering & Capital Projects from the General Fund will increase transparency through clear tracking of all the work performed by the department (both CIP and other). It will also add flexibility for the department to modify staffing levels in response to the size of the CIP.

## Performance and Analytics Department

The Business Office section of the Office of the Assistant Chief Operating Officer has become a new department called Performance and Analytics. The Performance and Analytics Department will be responsible for improving the efficiency and effectiveness of City operations; performance measurement and management; long-term strategic planning and initiatives; the San Diego Works initiative; competitive bidding for City services, known as managed competition; and open data.

## **Corporate Partnerships & Development and Grants**

The Corporate Partnerships & Development and Grants programs were transferred from the Office of the Chief Financial Officer to sections within the Office of the Assistant Chief Operating Officer.

## **Multimedia Services Department**

The Multimedia Services Department was re-titled to the Communications Department, and all of the City's existing communications-related functions have been consolidated into this department. These functions include: Cable Office; CityTV; Internal Communications; Multimedia Services; and Public Information. A Communications Department with responsibility and authority over all City external and internal communications will ensure consistent and effective management of information; improve the ability of the Mayor and Council to reach the public and the workforce; and place appropriate focus on how the City communicates internally and externally. The department will use existing staff to balance project and department-specific communications.

## **Fiscal Actions in the Fiscal Year 2015 Adopted Budget**

The Fiscal Year 2015 Adopted Budget contains funding for the full payment of the pension ADC and funding for retiree health benefits. This budget also includes funding for storm water obligations, deferred capital, additional service enhancements, and other adjustments, which are described in more detail in the following sections.

## **Maintaining Reserves**

Strong reserves position the City to weather significant economic downturns more effectively, manage the consequences of outside agency actions that may result in revenue reductions, and address unexpected emergencies such as natural disasters, or excessive liabilities or legal judgments against the City. In addition, the City's reserves are one of several factors considered by rating agencies and a strong reserve balance is an important credit feature. The City currently maintains several reserves for its operations and capital planning, including the Emergency Reserve and Stability Reserve for the General Fund, Development Services Reserve funds, Risk Management Reserve funds, and Public Utilities Reserve funds, among others.

The City's Reserve Policy currently defines a goal of maintaining a minimum of 14.0 percent of the most recent three-year average of annual audited General Fund operating revenues held in reserves. The 14.0 percent target for total General Fund Reserves includes the Emergency Reserve target of 8.0 percent and the Stability Reserve target of 6.0 percent. For Fiscal Year 2015, total General Fund Reserves is projected to be \$149.8 million or 14.0 percent of General Fund operating revenues of \$1.1 billion, with 8.0 percent in the Emergency Reserve and 6.0 percent in the Stability Reserve, in accordance with the Reserve Policy.

Based on the Fiscal Year 2014 Year-End Budget Monitoring Report, the Fiscal Year 2014 Excess Equity above the Fiscal Year 2014 General Fund reserve level is approximately \$18.5 million. Of this amount, \$1.7 million is allocated for Community Projects, Programs, and Services and \$12.8 million is targeted to fund the Public Liability Fund reserve in order to meet the 50.0 percent target level of outstanding public liability claims. The transfer of Excess Equity to the Public Liability Fund reserve is contingent on determining the General Fund unrestricted fund balance for Fiscal Year 2014 and confirming that \$12.8 million is available after meeting the 14.0 percent General Fund reserve target level. The remaining projected \$4.0 million in Excess Equity has been set aside to address potential General Fund expenditures resulting from the dissolution of the Redevelopment Agency as well as potential public safety needs related to the May 2014 firestorms.

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The \$12.8 million contribution to the Public Liability Fund reserve, if Excess Equity is available at the end of Fiscal Year 2014, will fully fund the reserve to the 50.0 percent target level. However, anticipated compliance claims of approximately \$9.5 million will require the use of the Public Liability Fund reserves in Fiscal Year 2015, which will reduce the Public Liability Fund reserve to a projected 40.0 percent reserve level in Fiscal Year 2015.

**Table 17** displays a summary of projected General Fund Unrestricted Fund Balance for Fiscal Year 2015.

**Table 17: FY 2015 Projected General Fund Unrestricted Fund Balance**

	Amount	Percent of Revenue <sup>1</sup>
<b>FY 2013 Ending Unrestricted Fund Balance</b>	<b>\$179.5</b>	<b>16.8%</b>
FY 2014 Projected Revenue	1,268.1	
FY 2014 Projected Expenditures	(1,258.3)	
Loan to Successor Agency	(21.1)	
<b>FY 2014 Projected Ending Unrestricted Fund Balance</b>	<b>\$168.3</b>	<b>15.7%</b>
Emergency Reserve	85.6	8.0%
Stability Reserve	64.2	6.0%
FY 2015 Projected General Fund Reserve Level	149.8	14.0%
Excess Equity <sup>2</sup>	18.5	1.7%
City Council Community Projects, Programs and Services	(1.7)	
Public Liability Reserve Contribution	(12.8)	
Revised Excess Equity	4.0	
<b>FY 2015 Projected Unrestricted Fund Balance</b>	<b>153.8</b>	

<sup>1</sup> The reserve percentage is calculated based on the most recent three year average of annual audited General Fund operating revenues. The most recent three year average of annual audited General Fund operating revenues is \$1.1 billion.

<sup>2</sup> Excess Equity is spendable and unrestricted fund balance that is not otherwise assigned to General Fund Reserves and is available for appropriation. Excess Equity is most commonly a non-recurring source of revenue.

Due to the Workers' Compensation Fund Reserve requirement for Fiscal Year 2015 being met in Fiscal Year 2014 according to the Reserve Policy, the Fiscal Year 2015 Adopted Budget does not include a contribution to these reserves. The Reserve Policy requires that the Workers' Compensation Fund Reserves equal 25 percent of the value of outstanding claims.

## Municipal Storm Water Permit Compliance

On May 8, 2013, the Regional Water Quality Control Board (RWQCB) issued a new storm water permit in order to establish the conditions under which pollutants can be discharged from the City's storm drain system to local streams, coastal lagoons, and the ocean. The new permit, which took effect in July 2013, requires compliance with the federal Clean Water Act and storm water regulations by calendar year 2018.

The Fiscal Year 2015 Adopted Budget includes \$44.5 million to fund programs to comply with permit requirements. This includes the addition of 9.67 FTE positions, associated personnel expenditures of \$818,733, and \$5.5 million in contractual funding for Fiscal Year 2015 for storm water pollution prevention, street sweeping, and storm drain maintenance.

## Deferred Capital

The City of San Diego maintains a large network of infrastructure assets, such as streets, facilities, storm drains, water and wastewater pipelines, parks, bridges, airports, and golf courses. From 2007 to 2011, the City took action to assess the condition of certain General Fund infrastructure assets. Based upon a report of the condition of these assets released in February 2012, the City's deferred capital backlog for General Fund street, facility, and storm water infrastructure assets was estimated at \$898.0 million. Of this amount, \$478.0 million was related to streets, \$185.0 million was attributed to facilities, and \$235.0 million was related to storm water infrastructure. The Transportation & Storm Water Department recently concluded an assessment of the City's storm drain pipes and determined that a portion of the storm water system can be rehabilitated rather than replaced. As a result of this assessment, the Department has revised the estimated maintenance backlog for storm water infrastructure from \$235.0 million to \$146.0 million.

On March 20, 2012, the City Council approved a deferred capital funding plan, known as Enhanced Option B, which provides for bond funding totaling \$494.4 million from Fiscal Years 2012 through 2017, and increasing annual cash funding for maintenance and repair and capital expenditures (previously called operations and maintenance as listed in Enhanced Option B) from \$52.7 million in Fiscal Year 2013 to \$79.0 million by Fiscal Year 2017. To date, an estimated \$213.3 million in bond proceeds including earned interest have been issued to fund Capital Improvements Program (CIP) projects for planning, design, and construction for the repair, expansion, and/or replacement of General Fund streets, sidewalks, facilities, and storm water infrastructure. This funding consists of the \$103.3 million issued in 2009, \$75.0 million issued in Fiscal Year 2012, and \$35.0 million issued in Fiscal Year 2013.

The Fiscal Year 2015 Adopted Budget includes an additional \$14.2 million in deferred capital cash funding, increasing the budgeted level to \$70.4 million in Fiscal Year 2015 to address deferred capital and maintenance and repair needs. This amount exceeds the approved Enhanced Option B funding plan for Fiscal Year 2015. In addition, a third bond issuance of \$120.0 million has been approved by the City Council.

## Service Enhancements and Other Adjustments

The Fiscal Year 2015 Adopted Budget contains funding for service enhancements and other adjustments, which are described in detail below.

### Infrastructure

#### ***\$120.0 Million CIP Bond Issuance***

In January 2014, the City Council approved the issuance of \$120.0 million in lease revenue bonds to fund capital improvement projects. This bond issuance is delayed due to litigation; however, it is not expected to adversely impact the capital improvement projects for Fiscal Year 2015. The bond proceeds will be allocated to CIP projects as follows: \$48.6 million to facilities, \$44.1 million to streets, \$1.0 million to sidewalks, \$4.3 million to ADA improvements, and \$22.0 million to storm drains. The Fiscal Year 2015 Adopted Budget includes \$2.5 million in debt service payments related to the \$120.0 million bond which has not yet been issued.

#### ***Condition/Needs Assessments***

The Fiscal Year 2015 Adopted Budget includes \$11.4 million in funding to conduct various condition/needs assessments of City infrastructure. Of this amount, a total of \$2.1 million is included in the General Fund to conduct the following condition/needs assessments: \$1.0 million for City facilities/buildings; \$560,000 for streets; \$105,163 for sidewalks; and \$393,539 to continue a condition/needs assessment of park assets.

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In addition, \$9.1 million in appropriations is included in the Public Utilities Department to conduct conditions/needs assessments of various Public Utilities facilities and infrastructure, including pipelines.

This budget also includes \$200,000 in the Environmental Services Department to conduct facility condition/needs assessments for solar initiatives.

## ***SAP Enterprise Asset Management***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Asset Manager in the General Fund, \$155,012 in associated personnel expenditures, \$1.8 million in non-personnel expenditures, and \$103,135 in General Fund revenue to assist in the development of the new SAP Enterprise Asset Management System (EAM). This is in addition to 4.00 FTE positions, \$381,458 in personnel expenditures, and \$2.8 million in non-personnel expenditures budgeted in the Public Utilities Department for this project. Additionally, \$5.5 million in CIP funding is budgeted in the Public Utilities Department for Fiscal Year 2015. SAP EAM is a system that will be used to manage assets across all departments citywide during the life of the asset to maximize value.



## ***Facilities Maintenance Positions***

The Fiscal Year 2015 Adopted Budget includes the addition of 7.00 FTE positions, \$598,273 in associated personnel expenditures, and \$141,590 in non-personnel expenditures to support the maintenance of City facilities.

## ***Sidewalk and Street Light Improvements***

The Fiscal Year 2015 Adopted Budget includes the addition of \$2.6 million in non-personnel expenditures in the Streets Division of the Transportation & Storm Water Department for sidewalk and street light improvements.

## ***Park & Recreation Parking Lot Repairs***

The Fiscal Year 2015 Adopted Budget includes the addition of \$300,000 in non-personnel expenditures to fund critical parking lot and park road repairs at Park & Recreation facilities.

## ***South Chollas Landfill / Storm Water Improvements***

Included in the Fiscal Year 2015 Adopted Budget is \$2.1 million in non-personnel expenditures for storm water improvements at the South Chollas Landfill as a result of a Notice of Violation issued by the Regional Water Quality Control Board and the Local Enforcement Agency. The project cost is estimated at \$5.7 million for the General Fund (\$11.4 million Citywide) to implement a conceptual grading plan which will include demolition, removal, and replacement of some parking areas, and installation of drainage systems. Of the current estimate of \$5.7 million, funding of \$3.0 million was provided in Fiscal Year 2014 and an additional \$2.1 million is included in the Fiscal Year 2015 Adopted Budget for the General Fund portion of this project. In addition, funding of \$1.3 million from

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the Refuse Disposal CIP Fund, \$2.7 million from the Water Utility CIP Fund, and \$1.7 million from the (Fleet Services) Equipment Division CIP Fund is included in Fiscal Year 2015 to support this project.

## ***South Chollas Facility Upgrades***

Included in the Fiscal Year 2015 Adopted Budget is \$500,000 (\$450,000 in the General Fund) to rebuild the vehicle wash rack at the South Chollas Yard facility, which washes the vehicles to eliminate pollutants.

## ***Streets Resurfacing Positions***

The Fiscal Year 2015 Adopted Budget includes the addition of 2.00 Assistant Engineers-Civil and 2.00 Principal Engineering Aides, \$388,214 in associated personnel expenditures, and offsetting revenue to support streets slurry and overlay projects. These positions will be reimbursed by Prop 42 funds and deferred capital bonds.

## ***Street/Sidewalk Managed Competition Alternative Proposal***

The Fiscal Year 2015 Adopted Budget includes the addition of 14.00 FTE positions and \$948,604 in associated personnel expenditures, and an offsetting reduction in non-personnel expenditures for the implementation of an efficiency plan for providing street and sidewalk maintenance services as an alternative to the Street/Sidewalk Managed Competition proposal. This proposal results in a net zero impact in the Fiscal Year 2015 Adopted Budget while accelerating pothole response time and increasing the quantity of street milling and paving. This proposal is anticipated to improve the overall condition of street pavement surfaces.

## ***Storm Water Infrastructure***

The Fiscal Year 2015 Adopted Budget includes the addition of 2.00 FTE positions, \$180,638 in personnel expenditures, and \$4.1 million in non-personnel expenditures in the Transportation & Storm Water Department to provide maintenance and repair on the City's storm drains to comply with storm water permit requirements. The additional funding will provide for new and increased programs, such as increased permitting and monitoring related to channel maintenance, increased pump station maintenance and repair, and increased storm drain system planning and preliminary design.

## ***Transfer to Drainage Projects***

The Fiscal Year 2015 Adopted Budget includes the addition of \$2.9 million in non-personnel expenditures in the Transportation & Storm Water Department to support storm water drainage capital improvement projects.

## ***Transfer to Engineering & Capital Projects***

The Fiscal Year 2015 Adopted Budget includes \$2.0 million in transfers to the Engineering & Capital Projects Fund related to services provided to General Fund Departments by the Public Works - Engineering & Capital Projects Department.

## ***Park & Recreation Capital Improvement Program (CIP) Projects***

The Fiscal Year 2015 Adopted Budget includes the addition of \$1.7 million in General Fund contributions to fully fund the following Park & Recreation CIP projects:

- \$970,000 for the development of Wightman Street Neighborhood Park on 0.9 acres of parkland. The park development will also include the implementation of the Chollas Creek Enhancement Program for Auburn Creek which is located on site.
- \$600,000 for the construction of a security lighting system at Silver Wing Neighborhood Park.

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- \$100,000 for the construction of a 1,300 linear foot paved trail to accommodate people of all physical abilities. The trail will be located on an existing unpaved trail alignment within the Black Mountain Open Space Park off of the Miner's Ridge Loop staging area.
- \$47,000 for the construction of a sport lighting system for the multi-purpose sports fields and associated accessibility work at the Tierrasanta Community Park.

## Public Safety

### ***Sworn Officer Retention Program***

Included in the Fiscal Year 2015 Adopted Budget is \$3.2 million to continue funding for the Police retention program. The Fiscal Year 2014 Adopted Budget included \$2.0 million in the General Fund Appropriated Reserve for the purpose of funding a Police retention program. On August 28, 2013, the City Council approved the use of this budget to increase uniform allowance, and provided funding for police officer recruitment activities. The \$3.2 million in funding in the Fiscal Year 2015 Adopted Budget will allow for the continuation of this program through the reinstatement of Holiday Premium Pay.

### ***Police Academy Recruits***

The Fiscal Year 2015 Adopted Budget includes the addition of 36 Police sworn positions (18.00 FTE positions) over four police academies, \$2.6 million in associated personnel expenditures, and \$244,000 in non-personnel expenditures as part of the five-year staffing plan. The four academies will take place in August, November, February and May of Fiscal Year 2015. Each academy will increase from 34 to 43 Police recruit positions, thereby adding nine Police recruit positions per academy.

This budget also includes the addition of nine Police sworn positions and \$1.2 million in associated personnel expenditures for positions that were added in Fiscal Year 2014 for the May 2014 academy.

### ***Police Body Worn Cameras***

The Fiscal Year 2015 Adopted Budget includes \$1.1 million to provide continued funding for body worn cameras that are worn by Police officers to record interactions with the public. The audio and visual recordings will be stored digitally and can be used as evidence in court and for departmental purposes. Funding of \$1.0 million was provided in Fiscal Year 2014 to partially fund the project's information technology infrastructure, cameras, and software for the Department's patrol officers. The Police Department intends to eventually equip every patrol officer with a body worn camera.

### ***Assistant Police Chief***

The Fiscal Year 2015 Adopted Budget includes the addition of \$289,954 in personnel expenditures for the addition of 1.00 Assistant Police Chief to support Police Department operations.

### ***Police Civilian Positions***

The Fiscal Year 2015 Adopted Budget includes the addition of 17.00 FTE Police civilian positions, \$1.4 million in personnel expenditures and \$35,984 in non-personnel expenditures to support Police Department operations, including enforcement of the Neighborhood Parking Protection Ordinance.

### ***Helicopter Maintenance Support***

The Fiscal Year 2015 Adopted Budget includes the addition of \$1.5 million in non-personnel expenditures to support helicopter maintenance and fuel expenditures related to the Air Support Unit due to anticipated insufficient funding of these expenditures from the Seized Asset Funds in Fiscal Year 2015.

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## ***Skyline Temporary Fire Station***

The 2011 Citygate Standards of Coverage Report recommended that a fire station be located on City owned land on Skyline Drive and Sychar Road. However, to immediately address the coverage gap, a temporary fire station is needed, and is anticipated to open in January 2015. The Fiscal Year 2015 Adopted Budget includes \$751,489 in overtime expenditures and \$200,000 in non-personnel expenditures to staff the temporary Fire station for a period of six months in Fiscal Year 2015.

## ***Additional Fire Academies***

The Fiscal Year 2015 Adopted Budget includes \$532,538 in personnel expenditures and \$553,573 in non-personnel expenditures for two additional fire academies. The Fire-Rescue Department held one Fire Academy during Fiscal Year 2014. However, current vacancies and anticipated attrition within the department require funding for two additional academies for a total of three academies in Fiscal Year 2015.

## ***Fast Response Program***

The Fiscal Year 2015 Adopted Budget includes the addition of \$527,000 in one-time overtime expenditures for 1.00 Fire Captain and 1.00 Firefighter/Paramedic, and \$72,000 in non-personnel expenditures for safety tools and supplies, medical equipment, and associated repair and maintenance services to implement the Fast Response Program.

## ***Boating Safety Unit***

The Fiscal Year 2015 Adopted Budget includes \$460,656 for the addition of 4.00 Lifeguard 3s at Boating Safety Units to serve as emergency support to all the other Lifeguard Districts during periods of increased activity or operations.

## ***Lifeguard Facility Improvement***

The Fiscal Year 2015 Adopted Budget includes the addition of \$500,000 in non-personnel expenditures related to the facility improvement to convert an existing location into a locker room and sleep facility for lifeguards.

## ***Windansea Lifeguard***

Included in the Fiscal Year 2015 Adopted Budget is the addition of 1.00 Lifeguard 3 and \$115,163 in associated personnel expenditures at Windansea Beach for summer months and at the Boating Safety Unit in non-summer months. This addition is offset by a reduction of 3.30 Lifeguard 1 hourly support and \$121,975 in personnel expenditures resulting in a net reduction of \$6,812.

## ***Personal Protective Equipment***

The Fiscal Year 2015 Adopted Budget includes the addition of \$441,000 in non-personnel expenditures for the purchase and/or replacement of personal protective equipment (PPE) for firefighters.

## ***Emergency Operations Equipment***

The Fiscal Year 2015 Adopted Budget includes the addition of \$277,403 in non-personnel expenditures to fund the replacement of aging or underpowered vehicle extrication tools or other rescue tools that are not compatible with new apparatus; purchase of a Paratach Trench Shoring System for a second Fire-Rescue apparatus to expedite a life threatening rescue; replacement of 244 breathing apparatus bottles; and replacement of 10 aging power units and spreaders/cutters.

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## ***Fire Vessel Repair***

The Fiscal Year 2015 Adopted Budget includes the addition of \$60,000 in one-time non-personnel expenditures for the emergency repair of one fire boat used by the Lifeguard Division, which is out of service due to engine malfunction.

## **Neighborhoods**

### ***Transfer to Maintenance Assessment Districts***

The Fiscal Year 2015 Adopted Budget includes the addition of \$2.2 million in non-personnel expenditures for the projected increase in general benefit contributions to Maintenance Assessment Districts (MADs) as a result of the reengineering of the MADs.

### ***Expansion of Library Hours***

The Fiscal Year 2015 Adopted Budget includes the addition of 16.19 FTE positions, \$1.3 million in personnel expenditures and \$185,375 in non-personnel expenditures to support expanded service hours at all San Diego Public Library locations. All branch library locations will gain 4 hours per week, while the Central Library will gain 3 hours per week. In addition, there will be expanded hours at 12 branch libraries on Saturdays and Sundays.

### ***Library After-School Program***

The Fiscal Year 2015 Adopted Budget includes the addition of 6.90 FTE positions, \$421,698 in associated personnel expenditures, and \$79,318 in non-personnel expenditures to support the Do Your Homework @ the Library after-school program.

### ***CONNECT2Careers***

Included in the Fiscal Year 2015 Adopted Budget is \$200,000 to support the San Diego Workforce Partnership's CONNECT2Careers program, which provides youth with summer employment opportunities, job-readiness training, and job placement.

### ***Park Ranger for Coastline Area***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Park Ranger, \$78,182 in personnel expenditures, and \$36,000 in non-personnel expenditures to support the Coastline Area.

### ***New Park & Recreation Facilities***

The Fiscal Year 2015 Adopted Budget includes the addition of 8.37 FTE positions, \$479,642 in personnel expenditures, and \$313,043 in non-personnel expenditures to support and maintain the following new facilities that are scheduled to open in Fiscal Year 2015: Solana Ranch Neighborhood Park, Ed Cramer Park, Cabrillo Heights Neighborhood Park, Memorial Pool Expansion, Central Avenue Mini Park, Old San Ysidro Fire Station land conversion, San Ysidro athletic field, Balboa Park Central Mesa, and an additional 200 open space acres in Deer Canyon and near Los Penasquitos Canyon Preserve. In addition, the budget includes the operations and maintenance of Morley Green Park that was transferred from the Redevelopment Agency, as well as properties in the Peninsula Community to be transferred to the Park and Recreation Department from the Real Estate Assets Department.

### ***Brush Management***

Included in the Fiscal Year 2015 Adopted Budget is the addition of \$1.0 million in non-personnel expenditures to cover increased brush management contractual costs from \$2,051 per acre to \$5,720 per acre.

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## ***County of San Diego Animal Services Contract***

The Fiscal Year 2015 Adopted Budget includes the addition of \$883,668 in non-personnel expenditures for increased contract costs as determined by the County of San Diego for animal services.

## ***Community Plan Updates***

The Fiscal Year 2015 Adopted Budget includes the transfer of 7.00 FTE positions and \$709,163 in associated personnel expenditures from the Development Services Enterprise Fund to the General Fund for CEQA and urban design related to Community Plan Updates (CPUs). In addition, 1.00 Associate Planner and 1.00 Assistant Traffic Engineer, \$204,369 in associated personnel expenditures, and \$1,850 in non-personnel expenditures have been added in the Fiscal Year 2015 Adopted Budget to continue work on CPUs. The total amount included in the Fiscal Year 2015 Adopted Budget for CPUs is \$2.1 million.

In addition, the Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Clerical Assistant 2, \$66,599 in associated personnel expenditures and \$20,500 in non-personnel expenditures to provide enhanced administrative support to Community Planning Groups (CPGs).

## ***Urban Forestry Program***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Urban Forester and \$185,850 in associated personnel expenditures to implement the Citywide Urban Forestry program. This program would begin to identify strategies and policies for proactively managing the City's trees; coordinate citywide tree services; serve as a liaison to the Community Forest Advisory Board (CFAB) and other community groups; and provide technical and professional guidance.

## ***Climate Action Plan and Sustainability Initiatives***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Sustainability Program Manager and \$201,605 in associated personnel expenditures to provide leadership and coordination across departments for Climate Action Plan implementation and related sustainability initiatives including mobility, energy efficiency and conservation efforts. This position will also promote and foster the industry within the City's emerging sustainability sector through support for company retention, expansion, and trade development, as well as startup support for entrepreneurs.

## ***Property Value Protection Ordinance Support***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Zoning Investigator 2, \$91,805 in personnel expenditures, \$9,550 in non-personnel expenditures, and \$93,260 in revenue to support the Property Value Protection Ordinance, including monitoring, inspection and enforcement.

## ***Neighborhood Code Compliance Support***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Zoning Investigator 2 and \$99,436 in personnel expenditures to provide support for Neighborhood Code Compliance for citywide enforcement of violations related to nuisance residential rental properties. Enforcement remedies used include Notice of Violation, Civil Penalty Notices, Abatement Notices and Administrative Citations.

## ***Code Enforcement Support***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Program Manager, \$178,310 in associated personnel expenditures, and \$1,000 in non-personnel expenditures to oversee building and housing code enforcement programs. This includes the review of building plans and specifications, and inspections required to determine violations of city and state code requirements.

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This budget also includes the addition of 1.00 Program Manager, \$178,310 in associated personnel expenditures, and \$1,000 in non-personnel expenditures to oversee the land development review code enforcement programs. This includes the enforcement of the Land Development Code and other related city and state codes relating to zoning, land use, environmental sensitive lands, graffiti, news racks and tree permits.

## ***Overnight Camping Kumeyaay Campground***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Park Ranger and 0.50 Recreation Center Director 1, \$121,054 in personnel expenditures, \$18,300 in non-personnel expenditures, and \$40,000 in partially offsetting revenue to re-open the Kumeyaay Campground for overnight weekend camping.

## ***Penny for the Arts***

Penny for the Arts presents a plan proposed by the Commission for Arts and Culture Department to restore the arts, culture, and community festivals over a five-year period from Fiscal Year 2013 through Fiscal Year 2017 from the Transient Occupancy Tax (TOT) allocations. This plan was approved by City Council on October 22, 2012. The Fiscal Year 2015 Adopted Budget includes the addition of \$451,085 in non-personnel expenditures for funding to support Penny for the Arts. In addition, 1.00 Associate Management Analyst position and \$98,380 in associated personnel expenditures have been included to support art-related programs and services.

## ***Homelessness Solutions***

The Fiscal Year 2014 Adopted Budget included \$1.9 million in General Fund funding to extend the operations of the Single Adult Emergency Winter Shelter and the Veterans Shelter. While the Fiscal Year 2015 Adopted Budget includes generally the same level of General Fund funding as the Fiscal Year 2014 Adopted Budget for homeless efforts, this budget includes the redirection of these funds towards outcome-focused services and critical program enhancements that result in the most effective use of resources and a coordinated system. In addition, \$150,000 in additional funding for homeless triage beds is included in this budget. The following describes the reallocation and additional funding for homeless solutions as reflected in the Fiscal Year 2015 Adopted Budget.

### ***Enhanced Single Adult Winter Shelter and Veterans Winter Shelter***

The Fiscal Year 2015 Adopted Budget includes \$800,000 to provide funding for four months of operations of the Single Adult Winter Shelter and Veterans Winter Shelter, and to allow the operators to improve the assessment and case management services offered and partner closely with existing integrated homeless outreach efforts to increase opportunities for homeless San Diegans residing at these shelters to be placed in more stable, permanent housing. This funding will augment the Community Development Block Grant (CDBG) funding for the Veterans Winter Shelter from November through March during the coldest and wettest months of the year.

### ***Coordinated Assessment, Coordinated Entry, and Homeless Management Information System***

One-time funding of \$400,000 is included in the Fiscal Year 2015 Adopted Budget to support the Regional Continuum of Care's development of a coordinated intake and assessment system, applicable to all organizations throughout the City and region, to address the needs of critical homeless housing and services programs. By expanding the system, agencies will be able to share data in real time, allowing services to be delivered in a more coordinated and efficient manner.

### ***Serial Inebriate Program (SIP) Expansion***

The Serial Inebriate Program (SIP) has positively impacted chronic homeless alcoholics who cycle in and out of detoxification centers, county jail, and local emergency rooms. By providing intensive

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case management and access to housing, clients are able to improve their well-being and achieve long-term recovery. The Fiscal Year 2015 Adopted Budget includes \$120,000 to restore the SIP to pre-reduction funding levels and nearly triple the number of individuals capable of being served, making an additional 20 units or beds available for SIP participants, increasing the total SIP support units and beds to 32.

## Neil Good Day Center Service Enhancement

The Neil Good Day Center serves as a point-of-entry to San Diego's full array of homeless services. It also provides homeless individuals access to showers, mail services, computer, medical care, and case management. The Fiscal Year 2015 Adopted Budget includes funding of \$80,000 to enhance the services that the Neil Good Day Center offers, including targeted case management.

## Homeless Outreach Team Enhancement

The Fiscal Year 2015 Adopted Budget includes \$40,000 to link the San Diego Police Department's Homeless Outreach Team (HOT) efforts with local housing and service providers to enhance the street outreach and engagement services currently provided to homeless individuals. With this additional funding, each HOT rotation would include alternating members of the provider community. The combined knowledge of police officers assigned to HOT and service providers will engage homeless individuals and link them with appropriate resources. In addition, the San Diego Housing Commission would work with participating providers to set aside housing inventories for eligible homeless individuals encountered by HOT officers while they are on patrol.

## Homeless Transitional Storage Facility

The Fiscal Year 2015 Adopted Budget includes \$150,000 to support the operation of the Girls Think Tank storage facility, which provides a place for 350 homeless families and individuals to safely store their personal belongings.

## Connections Housing Downtown Gap Funding

With the opening of the Connections Housing Downtown facility in March of 2013, more than 500 homeless individuals have been positively impacted. Due to the higher level of services required by the building's residents, the intensive services budget was immediately implemented, resulting in a budget gap of \$400,000. The Fiscal Year 2015 Adopted Budget includes \$300,000 for People Assisting the Homeless' (PATH) continuation of essential services, and for development partners to continue to pursue private fundraising and public grants to fill the remaining gap in operating funds.

## 25 Homeless Triage Beds

The Fiscal Year 2015 Adopted Budget includes the addition of \$150,000 in non-personnel expenditures to provide 25 triage beds to be utilized by the San Diego Police Department Homeless Outreach Team (HOT) and help HOT officers better connect individuals with an emergency bed. The addition of 25 beds will create a pathway that will help assist HOT Team Officers better serve homeless individuals. After providing a preliminary assessment, HOT Officers will then coordinate with local service providers to connect clients with permanent supportive housing.

## **Open Government / Transparency**

### ***Open Data Officer***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Open Data Officer and \$201,605 in associated personnel expenditures to implement an Open Data policy and enhance transparency of government operations through increased public access to City data and information.

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## ***Email Retention***

The Fiscal Year 2015 Adopted Budget includes the addition of \$500,000 (\$255,000 in the General Fund) in non-personnel expenditures to establish an email retention policy to store the City's electronic emails.

## **Other Significant Adjustments**

### ***Storm Water Permit Compliance***

The Fiscal Year 2015 Adopted Budget includes the addition of 7.67 FTE positions, \$638,095 in personnel expenditures, and \$1.4 million in non-personnel expenditures in the Transportation & Storm Water Department to maintain storm water permit compliance. The additional funding will provide for new and increased programs, such as increased high efficiency street sweeping, increased enforcement and rebates encouraging reduced irrigation runoff, increased storm water quality monitoring, and increased storm water best management practices planning and preliminary design.

### ***Storm Water Code Enforcement***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Combination Inspector 2 and \$108,224 in personnel expenditures to support the Code Enforcement Division of the Development Services Department for storm water regulations. This position will review storm water regulations, inspections, enforcement of current violations, and preparation of remedial actions

### ***Improvement to Government Operations***

On October 28, 2013, the City Council approved the Improvement to City of San Diego Government Operations plan, which is intended to impose a culture of discipline, transparency, accountability, and continuous improvement on the City's governmental operations. This effort includes a revised City management organizational structure, the development of a training and professional development curriculum offered through customized Management and Leadership Academies, and retention of a consultant to assist with identifying opportunities for efficiencies citywide.

The governmental operations improvement effort includes the following organizational structure: Restoration of 3.00 Deputy Chief Operating Officer positions which will lead the City's key business units; creation of three new departments (Planning Department, Communications Department, and Performance and Analytics Department); and development and delivery of Management and Leadership Academies.

The plan is being implemented through a two-phased approach spanning over Fiscal Years 2014 and 2015. The Fiscal Year 2015 Adopted Budget reflects the addition of positions and other adjustments related to Phase One which was implemented in Fiscal Year 2014, as well as adjustments associated with Phase Two of this plan. This resulted in the net addition of 8.00 FTE positions, \$2.0 million in personnel expenditures, \$1.5 million in non-personnel expenditures and \$1.4 million in revenue.

### ***Transfer to Civic San Diego***

The Fiscal Year 2015 Adopted Budget includes \$225,000 in non-personnel expenditures for the formation of a Public-Private Partnership Transit Oriented Development Fund, in conjunction with the Housing Commission. The fund is anticipated to be approximately \$50 to \$100 million with an emphasis on affordable housing, retail/commercial, infrastructure, economic growth and social benefits. This funding will provide seed money for staff time and consultant costs to conduct outreach in the affected communities and to prepare the necessary financial modeling.

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In addition, \$75,000 in non-personnel expenditures is included in the Fiscal Year 2015 Adopted Budget to develop reuse opportunities for the old Main Library.

### ***Living Wage Program***

The Fiscal Year 2015 Adopted Budget includes the addition of 1.00 Senior Management Analyst and \$115,897 in associated personnel expenditures to ensure compliance with the Living Wage Ordinance's strengthened enforcement provisions and allow monitoring of the expanded number of applicable service contracts.

### ***Prevailing Wage***

The Fiscal Year 2015 Adopted Budget includes the addition of 7.00 FTE positions, \$768,836 in associated personnel expenditures, \$11,500 in non-personnel expenditures, and \$590,000 in partially offsetting revenue to support the Equal Opportunity Contracting Prevailing Wage Ordinance.

### ***Vacation Pay in Lieu***

The Fiscal Year 2015 Adopted Budget includes the addition of \$509,800 in the Park & Recreation Department, \$700,000 in the Fire-Rescue Department, and \$1.8 million in the Police Department for vacation pay in lieu expenditures to more closely align the budget to actual expenditures.

### ***Relocation/Tenant Improvements***

The Fiscal Year 2015 Adopted Budget includes the addition of \$500,000 in non-personnel expenditures in the Public Works - General Services Department for tenant improvements and relocation of staff in various departments which includes: build-out of the City Administration Building's Fourth Floor to accommodate the restructure of the Communications Department; relocation of the Public Works Department staff from the Executive Complex to 525 B Street to centralize Public Works staff responsible for executing the City's Capital Improvement Program; and, relocation of the Planning Department to the Executive Complex space vacated by the Public Works Department staff.

## **Reductions**

### ***Civic and Urban Initiatives Program***

The Fiscal Year 2015 Adopted Budget includes the reduction of 4.00 FTE positions, \$363,782 in personnel expenditures, and \$336,762 in non-personnel expenditures related to the Civic and Urban Initiatives program.

### ***Vacant Positions***

The Fiscal Year 2015 Adopted Budget includes the reduction of 6.50 FTE positions and \$548,134 in personnel expenditures due to the elimination of vacant positions. Of the 6.50 FTE positions, 2.50 FTE positions have been reduced from the Library Department and 2.00 FTE positions from the Police Department due to the positions being vacant since Fiscal Year 2012. The reduction of these vacant positions will not result in any service level impacts.

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## One-Time Resources and Uses

The Fiscal Year 2015 Proposed Budget includes \$33.9 million in one-time resources as displayed in **Table 18: Fiscal Year 2015 One-Time Resources**.

**Table 18: Fiscal Year 2015 One-Time Resources**

One-Time Resources	Amount
Pre-funding of Public Liability Reserve from Fiscal Year 2014 Excess Equity <sup>1</sup>	\$16,000,000
Transient Occupancy Tax (TOT) Fund Balance	7,757,844
Disaster Recovery Reimbursements	2,200,000
Pilot Program Helicopter Fund Balance	1,940,665
Reduction of Deferred Capital Debt Service Payments	1,700,000
Prepayment to LTD Reserve from Excess Equity	1,200,000
Reimbursement for expenses incurred for Convention Center Project	1,500,000
PETCO Park Fund Balance	700,000
Risk Management Administration Fund Balance	494,875
Wireless Antenna Fund Balance	400,000
<b>Total</b>	<b>\$33,893,384</b>

<sup>1</sup> Excess Equity is spendable and unrestricted fund balance that is not otherwise assigned to General Fund Reserves and is available for appropriation. Excess Equity is most commonly a non-recurring source of revenue.

This compares to approximately \$37.5 million in one-time uses as displayed in **Table 19: Fiscal Year 2015 One-Time Uses**.

**Table 19: Fiscal Year 2015 One-Time Uses**

One-Time Uses	Amount
Full funding of Public Liability Fund Reserve	\$12,800,000
Storm Water Permit Compliance	3,660,000
Information Technology Discretionary Expenditures	3,237,329
Sidewalk and Street Light Improvements	2,600,000
South Chollas Landfill / Storm Water Improvement	2,134,000
Supplemental Cost of Living Adjustment (COLA)	1,738,089
Park & Recreation Capital Improvement Program (CIP) Project Expenditures	1,717,000
Addition of Two Fire Academies	1,086,111
Police Body-Worn Cameras	1,090,000
Facilities Condition/Needs Assessment	1,000,000
Fire Personal Protective Equipment and Emergency Operations Equipment	718,403
Fire Fast Response Program	599,000
Street Condition/Needs Assessment	560,000
Lifeguard Facility Improvement for the Boating Safety Unit	500,000
Tenant Improvements and Moving Expenditures	500,000
South Chollas Facility Upgrades	450,000
Kinder Morgan Litigation Expenditures	450,000
Coordinated Assessment, Coordinated Entry, and Homeless Management Information	400,000
SAP Enterprise Asset Management Project	371,160
Park & Recreation Facility Improvements	300,000
Park Assets Condition Assessment	250,000
Settlement with the Regional Water Quality Control Board	246,367
Non-Personnel Expenditures for Police Sworn Positions	244,000

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**Table 19: Fiscal Year 2015 One-Time Uses**

<b>One-Time Uses</b>	<b>Amount</b>
Developer for SAP Reports	217,000
Library Materials	209,500
Funding for Homeless Triage Beds	150,000
Transfer to Civic San Diego for Old Main Library Reuse and Transit Oriented Development Fund	125,000
Sidewalk Condition/Needs Assessment	105,163
<b>Total</b>	<b>\$37,458,122</b>

The information shown in the tables above reflects that there are \$3.6 million more in one-time uses than one-time resources being utilized. This is consistent with the budget policy that one-time resources should not be used to fund ongoing uses.



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