



CITY OF SAN DIEGO

ADOPTED BUDGET



FY: 2016

Appendix

Appendix

Fiscal Year 2016 Changes in Full-time Equivalent (FTE) Positions

ATTACHMENT A

Information reflecting changes in FTE positions from the Fiscal Year 2015 Adopted Budget by fund and department.

Fiscal Year 2016-2020 Five-Year Financial Outlook

ATTACHMENT B

A report that guides long-range fiscal planning for Fiscal Years 2016 through 2020 and served as the framework for the development of the Fiscal Year 2016 Adopted Budget, dated November 14, 2014.

City Council Fiscal Year 2016 Budget Priorities

ATTACHMENT C

Memoranda that present City Council budget priorities for Fiscal Year 2016.

FY 2016 City Council Budget Priorities

ATTACHMENT D

Office of the Independent Budget Analyst, Report Number 15-02REV, dated January 28, 2015.

May Revision to the Fiscal Year 2016 Proposed Budget

ATTACHMENT E

A memorandum that presents the Mayor's recommended revisions to the Fiscal Year 2016 Proposed Budget, dated May 19, 2015.

Supplement to the May Revision to the Fiscal Year 2016 Proposed Budget

ATTACHMENT F

A memorandum that presents the Mayor's additional recommended revisions to the Fiscal Year 2016 Proposed Budget, dated May 21, 2015.

Review of the FY 2016 May Revision and Recommended Revisions to the Mayor's FY 2016 Budget

ATTACHMENT G

Office of the Independent Budget Analyst, Report Number 15-22, dated June 3, 2015.

City Council Fiscal Year 2016 Budget Priorities and Recommended Budget Revisions

ATTACHMENT H

Memoranda that provide additional City Council Budget Priorities, and recommended budget revisions for Fiscal Year 2016.

Resolution R-309779

ATTACHMENT I

A Resolution of the Council of the City of San Diego adopting the Fiscal Year 2016 Budget, including approving the Mayor's Fiscal Year 2016 Proposed Budget, the May Revision to the Proposed Budget, the Independent Budget Analyst's recommended revisions to the Proposed Budget and other changes as approved by the City Council.

Resolution R-309813

ATTACHMENT J

Resolution of the Council of the City of San Diego adopting the Statement of Budgetary Principles with respect to administration by the Mayor of the Fiscal Year 2016 Budget.

Appendix

Appropriation Ordinance O-20543

ATTACHMENT K

An ordinance adopting the annual budget for Fiscal Year 2016 and appropriating the necessary money to operate the City of San Diego for said fiscal year on July 21, 2015.

Legislative Budget Actions

The Fiscal Year 2016 budget process began with the release of the Mayor's updated Five-Year Financial Outlook. The Five-Year Financial Outlook for Fiscal Years 2016-2020 provided guidance and structure for the creation of the Fiscal Year 2016 Adopted Budget, as well as a forecast for the four subsequent years. The Five-Year Financial Outlook, which was released on November 14, 2014, was reviewed and analyzed in a report by the Office of the Independent Budget Analyst (IBA) on December 5, 2014.

The creation of the Fiscal Year 2016 Proposed Budget was a combined effort undertaken by the Mayor's Office and City Departments. The Fiscal Year 2016 Proposed Budget was presented to the City Council on April 14, 2015. Subsequent to the presentation of the Proposed Budget, a Public Hearing was held on May 11, 2015, and six public hearing meetings were held by the Budget Review Committee in order to provide the public with an opportunity to provide feedback on the Proposed Budget as well as to hear Council discussion about the budget proposal.

On May 19, 2015, the Mayor issued a May Revision to the Fiscal Year 2016 Proposed Budget. Subsequently on May 21, 2015, the Mayor issued a Supplement to the May Revision to the Fiscal Year 2016 Proposed Budget. To help the Council in their deliberations on the Mayor's Proposed Budget and the May Revision reports, the IBA issued reports that analyzed the budget and took into consideration Council Priorities. On April 27, 2015, the IBA issued a response to the Fiscal Year 2016 Proposed Budget, followed by its report on June 3, 2015 that offered recommendations for revisions to the Fiscal Year 2016 Proposed Budget and May Revision reports. The Council considered the Proposed Budget and the Mayor's revisions in light of the public input received, as well as the IBA reports and recommendations.

On June 8, 2015, the City Council approved the Fiscal Year 2016 Budget that included the Fiscal Year 2016 Proposed Budget, the May Revision to the Proposed Budget, the Supplement to the May Revision to the Proposed Budget, the IBA's recommended revisions to the Proposed Budget, and other changes as approved by the City Council.

On July 15, 2015, the Fiscal Year 2016 Appropriation Ordinance was presented to the Budget and Government Efficiency Committee, and was introduced and adopted by the City Council on July 21, 2015.



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Table 1 below reflects the changes in Full-time Equivalent positions (FTE) in the General Fund from the Fiscal Year 2015 Adopted Budget by department. Descriptions of these changes in positions immediately follow.

Table 1: General Fund FTE Changes in Positions

Department	FY 2015 Adopted Budget	FY 2016 Adopted Budget	FTE Change
City Attorney	347.85	355.58	7.73
City Auditor	21.00	22.00	1.00
City Clerk	45.28	45.32	0.04
City Comptroller	82.75	84.75	2.00
City Treasurer	106.73	109.73	3.00
Communications	30.00	32.16	2.16
Council Administration	16.13	16.12	(0.01)
Council District 1	10.00	10.00	-
Council District 2	10.00	10.00	-
Council District 3	10.00	10.00	-
Council District 4	10.00	10.00	-
Council District 5	9.00	10.00	1.00
Council District 6	10.00	10.00	-
Council District 7	10.00	10.00	-
Council District 8	10.00	10.00	-
Council District 9	10.00	10.00	-
Debt Management	19.00	19.00	-
Development Services	63.00	70.00	7.00
Economic Development	50.70	51.35	0.65
Environmental Services	137.09	137.55	0.46
Ethics Commission	5.00	5.00	-
Financial Management	30.00	32.00	2.00
Fire-Rescue	1,170.97	1,176.21	5.24
Human Resources	19.75	20.84	1.09
Infrastructure/Public Works	7.35	5.00	(2.35)
Internal Operations	1.50	1.50	-
Library	434.52	463.21	28.69
Neighborhood Services	5.50	5.50	-
Office of Homeland Security	13.60	16.40	2.80
Office of the Assistant COO	6.00	11.00	5.00
Office of the Chief Financial Officer	2.00	2.00	-
Office of the Chief Operating Officer	4.35	5.35	1.00
Office of the IBA	10.00	10.00	-
Office of the Mayor	29.00	29.00	-
Park & Recreation	797.78	860.13	62.35
Performance & Analytics	8.00	11.00	3.00
Personnel	63.31	67.99	4.68
Planning	62.08	67.08	5.00
Police	2,587.52	2,632.01	44.49
Public Works - Contracts	19.00	20.00	1.00
Public Works - Engineering & Capital Projects	-	-	-
Public Works - General Services	130.00	151.00	21.00
Purchasing & Contracting	55.20	59.96	4.76
Real Estate Assets	28.00	33.00	5.00
Transportation & Storm Water	476.33	580.74	104.41
Total General Fund FTE Changes	6,975.29	7,299.48	324.19

Attachment A

General Fund FTE Changes

City Attorney: 7.73 FTE Increase

- 2.00 Addition of 1.00 Deputy City Attorney and 1.00 City Attorney Investigator for the Alcohol and Drug Impaired Driver Vertical Prosecution Program.
- 1.00 Addition of 1.00 Deputy City Attorney to provide legal support for the Charter Review Committee.
- 2.00 Addition of 1.00 Deputy City Attorney and 1.00 City Attorney Investigator to provide additional support to the Code Enforcement Unit.
- 1.00 Addition of 1.00 Deputy City Attorney to provide additional support for Consumer Environmental Protection Unit (CEPU) cases.
- 4.00 Addition of 4.00 Deputy City Attorneys as a result of the passage of Proposition 47 and the Police Body Worn Cameras Program.
- (2.00) Reduction of 1.00 Public Information Clerk in the Criminal Litigation Division and 1.00 Assistant City Attorney in the Civil Advisory Division.
- (0.27) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

City Auditor: 1.00 FTE Increase

- 1.00 Addition of 1.00 Performance Auditor to perform information technology audits, offset by a reduction in contractual expenditures.

City Clerk: 0.04 FTE Increase

- 0.04 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

City Comptroller: 2.00 FTE Increase

- 2.00 Addition of 2.00 Accountant 2s for citywide internal controls.

City Council: 0.99 FTE Increase

- 1.00 Addition of 1.00 Council Representative 1 to meet the operational needs of the district's constituents and to be in alignment with the other Council Offices.
- (1.01) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- 1.00 Addition of 1.00 Council Committee Consultant to support the new Charter Review Committee.

City Treasurer: 3.00 FTE Increase

- 1.00 Addition of 1.00 Senior Management Analyst to support the Payment Card Industry Compliance Program.
- 2.00 Addition of 1.00 Accountant 2 and 1.00 Administrative Aide 2 to conduct TOT/TMD compliance audits and research.

Communications: 2.16 FTE Increase

- 1.00 Addition of Deputy Director to oversee department operations.
- 0.16 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- 1.00 Transfer of 1.00 Word Processing Operator from the Public Works - Engineering & Capital Projects Department to the Communications Department.

General Fund FTE Changes (Cont'd)

Development Services: 7.00 FTE Increase

2.00 Addition of 1.00 Senior Combination Inspector and 1.00 Zoning Investigator 2 to support code compliance efforts.

3.00 Addition of 2.00 Zoning Investigator 2s and 1.00 Combination Inspector 2 for medical marijuana enforcement.

(1.00) Reduction of 1.00 Senior Civil Engineer from the Code Enforcement Division.

4.00 Addition of 1.00 Zoning Investigator 2 and 3.00 Combination Inspector 2s for proactive substandard code enforcement.

(1.00) Transfer of 1.00 Code Compliance Officer from the Development Services Department to the Transportation & Storm Water Department for graffiti removal assignments.

Economic Development: 0.65 FTE Increase

1.00 Addition of 1.00 Assistant Engineer-Traffic to assist with the implementation of projects for the Community Parking District program.

(0.35) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

Environmental Services: 0.46 FTE Increase

0.50 Addition of 0.50 Hazardous Materials Inspector 2 to maintain current service levels.

0.56 Addition of 1.00 Payroll Specialist 1 to support the Collections Division.

(0.60) Transfer of positions among the Environmental Services Department's funds to align budget with anticipated expenditures.

(2.00) Reduction of 2.00 vacant Sanitation Driver Is associated with San Diego Works Proposal to improve productivity and efficiency on the Environmental Services Department Collection Services Division's refuse routes by eliminating two refuse routes each day without impacting service levels.

2.00 Addition of 2.00 Sanitation Driver 2s to maintain current service levels and to cover employees on leave.

Ethics Commission: 0.00 FTE Change

3.00 Addition of 1.00 Program Coordinator and 2.00 Program Managers based on department operational needs.

(3.00) Reduction of 1.00 Accountant 2, 1.00 Administrative Aide 2, and 1.00 Senior City Attorney Investigator.

Financial Management: 2.00 FTE Increase

1.00 Addition of 1.00 Budget Coordinator for the Public Budget Formulation (PBF) upgrade and improvements to the Funds Management (FM) module.

1.00 Addition of 1.00 Senior Budget Development Analyst as a result of the Capital Improvements Project (CIP) Growth/Streets initiative.

Fire-Rescue: 5.24 FTE Increase

2.00 Addition of 2.00 Helicopter Mechanic positions to provide maintenance and repair services for the Fire-Rescue Department's aircraft.

2.88 Addition of 2.88 Lifeguard 1s for an advanced lifeguard academy.

0.36 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

2.00 Addition of 2.00 Lifeguard 3s at Pacific Beach.

(2.00) Reduction of 2.00 vacant Fire Helicopter Pilots with no impact on Fire Helicopter service levels.

(1.00) Reduction of 1.00 Storekeeper 1 as a result of department efficiencies.

1.00 Addition of 1.00 Lifeguard 3 to provide services at Windansea Beach in La Jolla during peak season.

Attachment A

General Fund FTE Changes (Cont'd)

Human Resources: 1.09 FTE Increase

- 1.00 Addition of 1.00 Program Manager to improve the City's succession planning efforts.
- 0.09 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

Infrastructure/Public Works: 2.35 FTE Decrease

- 2.00 Addition of 1.00 Program Coordinator and 1.00 Associate Management Analyst to support the Enterprise Asset Management (EAM) project.
- (0.35) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (4.00) Transfer of the Office of ADA Compliance & Accessibility from the Infrastructure/Public Works Department to the Office of the Assistant COO.

Library: 28.69 FTE Increase

- 1.50 Addition of 1.50 Custodian 2s to staff weekends and special events at the Central Library.
- 1.00 Addition of 1.00 Program Manager to serve on the Library Executive Committee, support the director in maintaining the department, and provide financial support.
- 2.60 Addition of 2.60 FTE non-standard hour positions to support the Do Your Homework @ the Library after-school program.
- 22.53 Addition of a net 22.53 FTE positions to support expanded weekend service hours at 23 branch locations and Central Library.
- 1.06 Addition of 1.06 FTE positions to provide Sunday hours at the Pacific Beach Library.

Office of Homeland Security: 2.80 FTE Increase

- 1.00 Addition of 1.00 Program Manager to support department operations.
- 2.00 Addition of 2.00 Supervising Homeland Security Coordinators to support department operations.
- 0.80 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (1.00) Reduction of 1.00 Supervising Homeland Security Coordinator.

Office of the Assistant COO: 5.00 FTE Increase

- 4.00 Transfer of the Office of ADA Compliance & Accessibility from the Infrastructure/Public Works Department to the Office of the Assistant COO.
- 1.00 Addition of 1.00 Clerical Assistant 2 to support the operations of the Americans with Disabilities Act (ADA) grievance/complaint process.

Office of the Chief Operating Officer: 1.00 FTE Increase

- 1.00 Addition of 1.00 Senior Management Analyst to support Mayoral Actions for Capital Improvements Program (CIP) streamlining and provide support to Deputy Chief Operating Officer (DCOO) departments.

General Fund FTE Changes (Cont'd)**Park & Recreation: 62.35 FTE Increase**

- 1.00 Addition of 1.00 Grounds Maintenance Worker 2 to maintain park facilities.
- 1.00 Addition of 1.00 Horticulturalist for direct oversight of the Water Conservation Program and to provide training and outreach as it relates to irrigation infrastructure.
- 3.00 Addition of 1.00 Senior Park Ranger and 2.00 Park Rangers to patrol the shoreline parks, provide coverage to Sunset Cliffs Natural Park and Chicano Park.
- 1.00 Addition of 1.00 Program Manager to oversee the infrastructure needs in Balboa Park and Mission Bay Park.
- 1.00 Addition of 1.00 Senior Management Analyst to support the department's Capital Improvements Program (CIP) projects and manage the contracts for the downtown parks.
- 1.00 Addition of 1.00 Biologist 3 to support the brush management program.
- 0.80 Addition of 0.80 Ground Maintenance Worker 2 to support the maintenance and operations of Charles Lewis III Neighborhood Park.
- 2.00 Addition of 2.00 Tree Trimmers to support the expansion, maintenance, and operations of the park system.
- 45.00 Addition of 36.00 Assistant Recreation Center Directors and 9.00 Recreation Leader 1s to increase operating hours at 36 recreation centers from 45 to 60 hours per week.
- 0.23 Addition of 0.23 FTE positions to expand the Teen Nights Program to five additional recreation centers.
- 0.24 Addition of 0.24 Grounds Maintenance Worker 2 to support the maintenance and operations of the Montgomery Academy Joint Use Park.
- 2.07 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- 3.40 Addition of 3.40 FTE hourly positions to support the maintenance and operations of Park de la Cruz Community Center.
- 0.25 Transfer of 0.25 Payroll Specialist 2 from the Maintenance Assessment District Management Fund to the General Fund.
- (1.50) Reduction of 0.50 Program Manager, 0.50 District Manager, and 0.50 Clerical Assistant 2 due to the completion of the Balboa Park Centennial Celebration 2015.
- 1.00 Addition of 1.00 Grounds Maintenance Worker 2 to support the maintenance and operations of the children's playground at the University Village Neighborhood Park.
- 0.76 Addition of 0.76 Grounds Maintenance Worker 2 to support the maintenance and operations of Wegeforth Elementary Joint Use Park.
- 0.10 Addition of 0.10 Grounds Maintenance Worker 2 to support the maintenance and operations of Maple Canyon Mini Park.

Performance & Analytics: 3.00 FTE Increase

- 1.00 Addition of 1.00 Program Coordinator to assist the Chief Data Officer and support the City's open data efforts.
- 1.00 Addition of 1.00 Program Coordinator to implement a user-focused customer service delivery model.
- 1.00 Addition of 1.00 Word Processing Operator to provide support for performance management and open data efforts, and the City's operational excellence initiatives.

Personnel: 4.68 FTE Increase

- 2.00 Addition of 2.00 Associate Personnel Analysts to assist with pre-employment medical and background checks.
- 4.00 Addition of 4.00 Program Coordinators to support department operations.
- 2.00 Addition of 1.00 Associate Personnel Analyst and 1.00 Payroll Audit Specialist 2 to support the NEOGOV Online Hiring Center and reduce the number of days to issue certifications to hiring departments.
- 0.68 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (4.00) Reduction of 4.00 Supervising Personnel Analysts.

Attachment A

General Fund FTE Changes (Cont'd)

Planning: 5.00 FTE Increase

- 1.00 Addition of 1.00 Assistant Engineer-Traffic for the development of Active Transportation Plans.
- 1.00 Addition of 1.00 Park Designer to support the De Anza Special Study and the Mission Bay Master Plan amendment.
- 3.00 Addition of 1.00 Assistant Traffic Engineer, 1.00 Park Designer, and 1.00 Senior Management Analyst to perform General Plan maintenance and additional Community Plan Updates.

Police: 44.49 FTE Increase

- 5.00 Addition of 5.00 Police Officer 2s to support the Police Department's operations.
- 22.00 Addition of 22.00 FTE civilian positions to support the Police Department's operations.
- 3.00 Addition of 3.00 Program Coordinators to support Police Department operations.
- (0.51) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (3.00) Reduction of 3.00 Supervising Management Analysts.
- 18.00 Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.

Public Works - Contracts: 1.00 FTE Increase

- 1.00 Addition of 1.00 Assistant Engineer-Civil to provide additional contract support for the expanded Capital Improvements Program.

Public Works - General Services: 21.00 FTE Increase

- 2.00 Addition of 2.00 Project Assistants to support the Facilities Division.
- 2.00 Addition of 1.00 Program Manager and 1.00 Assistant Trainer to provide centralized budget, human resources and information technology functions to the department.
- 2.00 Addition of 2.00 Apprentice 1-Refrigeration Mechanic and 1.00 Apprentice 1-Electrician for the Apprenticeship Program.
- 16.00 Addition of 16.00 FTE positions to increase the facilities maintenance and repair service levels.
- (1.00) Transfer of 1.00 Supervising Management Analyst and 1.00 Information Systems Analyst 4 from Public Works-General Services to the Public Works-General Services Fleet division, and transfer of 1.00 Associate Management Analyst from Public Works - General Services Fleet Division to Public Works General Services due to a reorganization of the administration support unit.
- 1.00 Transfer of 1.00 Trainer from the Public Works - Engineering & Capital Projects Department to the Public Works - General Services Department due to a re-organization of administration support unit.
- 1.00 Transfer of 1.00 Custodian 2 from the Environmental Services Department to the Public Works - General Services Department to collect recycling bins in City buildings.
- (2.00) Transfer of 1.00 Associate Engineer-Civil and 1.00 Assistant Engineer-Civil from the Public Works - General Services Department to the Public Works - Engineering & Capital Projects Department for facilities condition assessments.

Purchasing & Contracting: 4.76 FTE Increase

- 1.00 Addition of 1.00 Payroll Supervisor to provide additional support for the Internal Operations Branch.
- 1.00 Addition of 1.00 Procurement Specialist to support the Public Utilities Department's purchasing needs per the Service Level Agreement (SLA).
- 3.00 Addition of 1.00 Principal Procurement Specialist and 2.00 Senior Procurement Specialists for contract compliance.
- (0.24) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

General Fund FTE Changes (Cont'd)**Real Estate Assets: 5.00 FTE Increase**

- 4.00 Addition of 1.00 Supervising Property Agent and 3.00 Property Agents to support the Capital Improvements Program.
- 1.00 Addition of 1.00 Supervising Property Agent to handle increased appraisal requests and bond issuances.

Transportation & Storm Water: 104.41 FTE Increase

- 1.00 Addition of 1.00 Assistant Department Director to assist the Department Director in overseeing the department.
- 1.00 Addition of 1.00 Program Manager to manage the fiscal operations of the department.
- 1.00 Addition of 1.00 Program Manager to support the City's Capital Improvement Program (CIP).
- 1.00 Addition of 1.00 Public Works Supervisor to support the graffiti program.
- 1.00 Addition of 1.00 Supervising Management Analyst to oversee Street Division's finance.
- 2.00 Addition of 2.00 Utility Workers for the installation and on-going maintenance of bike lanes to support the Bicycle Master Plan.
- 3.00 Addition of 3.00 Associate Engineer-Civil to oversee Capital Improvement Program (CIP) planning in the Transportation Engineering Operations (TEO) Division.
- 10.00 Addition of 10.00 FTE positions for the transfer of the Low Flow Diversion Program from the Public Utilities Department to the Transportation & Storm Water Department, including a portion of the back payment to the Public Utilities Department.
- 7.00 Addition of 7.00 FTE positions to support the design and preparation of minor contract projects.
- (0.59) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- 5.00 Addition of 5.00 FTE positions to support mill-and-pave improvement efforts related to roadways.
- 12.00 Addition of 12.00 FTE positions to support the installation of sidewalks, curb/gutter, ADA ramps, and crosswalk improvements.
- 2.00 Addition of 2.00 Assistant Engineers-Traffic to support the City's Sidewalk Condition Assessment.
- 28.00 Addition of 28.00 FTE positions for compliance with the Bacteria Total Maximum Daily Load (TMDL) and municipal storm water permit requirements.
- 2.00 Addition of 2.00 Assistant Engineers-Traffic for improvements to City street lights.
- 7.00 Addition of 7.00 FTE positions to support the implementation of the Mayor's goal to repair 1,000 miles of streets in five years.
- 5.00 Addition of 5.00 FTE positions to support the installation of traffic signals, traffic calming measures, crosswalks/flashing beacon improvements, installation of park and parking lot lighting, and street light pole attachments.
- 3.00 Addition of 1.00 Associate Engineer-Traffic and 2.00 Assistant Engineers-Traffic to upgrade the City's Traffic Signal System.
- 1.00 Transfer of 1.00 Code Compliance Officer from the Development Services Department to the Transportation & Storm Water Department for graffiti removal assignments.
- 1.00 Addition of 1.00 Senior Planner to support traffic congestion relief.
- 12.00 Addition of 12.00 FTE positions for a trench repair crew to support the Street Preservation Ordinance.

Attachment A

Table 2 below reflects the changes in FTE positions in the Non-General Funds from the Fiscal Year 2015 Adopted Budget by fund. Descriptions of these changes in positions immediately follow.

Table 2: Non-General Funds FTE Changes in Positions

Fund	FY 2015 Adopted Budget	FY 2016 Adopted Budget	FTE Change
Airports Fund	19.00	19.00	-
Central Stores Fund	23.35	23.00	(0.35)
City Employee's Retirement System Fund	64.00	63.00	(1.00)
Concourse and Parking Garages Operating Fund	2.00	2.00	-
Development Services Fund	424.75	449.15	24.40
Energy Conservation Program Fund	12.60	13.25	0.65
Engineering & Capital Projects Fund	484.60	598.60	114.00
Facilities Financing Fund	16.35	16.70	0.35
Fire/Emergency Medical Services Transport Program Fund	32.00	30.00	(2.00)
Fleet Services Operating Fund	177.50	201.50	24.00
GIS Fund	2.00	2.00	-
Golf Course Fund	97.00	98.00	1.00
Information Technology Fund	42.00	44.00	2.00
Junior Lifeguard Program Fund	1.00	1.00	-
Local Enforcement Agency Fund	6.00	6.00	-
Los Penasquitos Canyon Preserve Fund	2.00	2.00	-
Maintenance Assessment District (MAD) Management Fund	25.25	25.00	(0.25)
Metropolitan Sewer Utility Fund	463.31	462.21	(1.10)
Municipal Sewer Revenue Fund	408.33	409.32	0.99
OneSD Support Fund	17.00	23.00	6.00
Parking Meter Operations Fund	15.00	15.00	-
PETCO Park Fund	1.00	1.00	-
Publishing Services Fund	10.00	10.00	-
QUALCOMM Stadium Operations Fund	38.00	38.00	-
Recycling Fund	107.98	106.60	(1.38)
Refuse Disposal Fund	147.20	148.98	1.78
Risk Management Administration Fund	82.13	83.28	1.15
Transient Occupancy Tax Fund	12.00	13.00	1.00
Underground Surcharge Fund	7.00	9.00	2.00
Water Utility Operating Fund	717.82	781.83	64.01
Wireless Communications Technology Fund	44.76	46.00	1.24
Total Non-General Fund FTE Changes	3,502.92	3,741.41	238.49

Non-General Fund FTE Changes**Central Stores Fund: 0.35 FTE Decrease**

- (0.35) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

City Employee's Retirement System Fund: 1.00 FTE Decrease

- (1.00) Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.

Development Services Fund: 24.40 FTE Increase

- 1.00 Addition of 1.00 Development Project Manager 2 to improve submittal section reviews.
 3.00 Addition of 3.00 Plan Review Specialist 3s to improve customer service for plan intake reviews.
 4.00 Addition of 4.00 Program Managers to manage and improve operational functions in the Information Technology, Transportation Review and Traffic Safety, Land Development Review and Building Inspection sections.
 (3.00) Reduction of 1.00 Cashier, 1.00 Senior Cashier, and 1.00 Senior Drafting Aide due to the transition of accepting online payments.
 6.40 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
 5.00 Addition of 2.00 Associate Engineers - Civil and 3.00 Assistant Engineers - Civil to improve Civil Engineering reviews.
 3.00 Addition of 2.00 Development Project Manager 1s and 1.00 Development Project Manager 2 to improve ministerial section reviews.
 3.00 Addition of 1.00 Senior Mechanical Engineer and 2.00 Junior Engineers - Electrical to improve reviews of solar photovoltaic installations.
 1.00 Addition of 1.00 Mechanical Inspector 2 to improve inspections for new fire sprinkler code requirements.
 1.00 Addition of 1.00 Senior Combination Inspector to improve inspections for Stormwater permits.

Energy Conservation Program Fund: 0.65 FTE Increase

- 0.65 Transfer of positions among the Environmental Services Department's funds to align budget with anticipated expenditures.

Engineering & Capital Projects Fund: 114.00 FTE Increase

- 2.00 Addition of 2.00 Administrative Aide 1s to provide administrative and public information support for the expanded Capital Improvements Program (CIP).
 99.00 Addition of 99.00 FTE positions to support the expansion of the Capital Improvements Program (CIP).
 1.00 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
 (1.00) Transfer of 1.00 Trainer from the Public Works - Engineering & Capital Projects Department to the Public Works - General Services Department due to a re-organization of administration support unit.
 9.00 Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.
 2.00 Transfer of 1.00 Associate Engineer-Civil and 1.00 Assistant Engineer-Civil from the Public Works - General Services Department to the Public Works - Engineering & Capital Projects Department for facilities condition assessments.
 (1.00) Transfer of 1.00 Word Processing Operator from the Public Works - Engineering & Capital Projects Department to the Communications Department.
 3.00 Addition of 1.00 Senior Civil Engineer and 2.00 Associate Engineers-Civil for a new San Diego Gas & Electric (SDG&E) undergrounding section.

Attachment A

Non-General Fund FTE Changes (Cont'd)

Facilities Financing Fund: 0.35 FTE Increase

0.35 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.

Fire/Emergency Medical Services Transport Program Fund: 2.00 FTE Decrease

1.00 Addition of 1.00 Quality Management Coordinator to review medical aid response performance.

(3.00) Reduction of 3.00 Fire Captains associated with the Emergency Medical Services Rotation Program.

Fleet Services Operating Fund: 24.00 FTE Increase

2.00 Addition of 2.00 Apprentice 2-Fleet Technicians for the Apprenticeship Program.

1.00 Addition of 1.00 Equipment Operator to provide debris hauling services.

1.00 Addition of 1.00 Fleet Attendant for the downtown automated rental pool.

1.00 Addition of 1.00 Fleet Parts Buyer to support fleet repairs.

2.00 Addition of 1.00 Account Clerk and 1.00 Storekeeper for department support.

2.00 Addition of 1.00 Program Manager and 1.00 Information Systems Analyst 3 for administrative support.

1.00 Transfer of 1.00 Supervising Management Analyst and 1.00 Information Systems Analyst 4 from Public Works-General Services to the Public Works-General Services Fleet division, and transfer of 1.00 Associate Management Analyst from Public Works - General Services Fleet Division to Public Works General Services due to a reorganization of the administration support unit.

13.00 Addition of 2.00 Master Fleet Technicians, 8.00 Fleet Technicians, and 3.00 Assistant Fleet Technicians to meet increased service levels.

2.00 Addition of 2.00 Motive Service Technicians for heavy tire maintenance.

(1.00) Reduction of 1.00 Supervising Management Analyst as a result of Fleet Division's operational needs.

1.00 Addition of 1.00 Training Supervisor to provide driver training to all operators citywide.

3.00 Addition of 3.00 Fleet Supervisors to provide night shift supervision at the Miramar, Chollas, and Rosa Canyon repair facilities.

(3.00) Reduction of 2.00 Master Fleet Technicians and 1.00 Fleet Team Leader.

(2.00) Reduction of 2.00 Vehicle and Fuel Clerks as a result of Fleet Division's operational needs.

1.00 Addition of 1.00 Welder to meet increased customer demand for non-vehicle welding services.

Golf Course Fund: 1.00 FTE Increase

1.00 Addition of 1.00 Horticulturist to develop and implement a water conservation program for the three City-operated golf facilities.

Information Technology Fund: 2.00 FTE Increase

1.00 Addition of 1.00 Program Manager to support department operations.

1.00 Addition of 1.00 Associate Management Analyst to provide support for the citywide IT budget processes.

(1.00) Reduction of 1.00 Information Systems Administrator.

1.00 Addition of 1.00 Information Systems Analyst 3 position to provide security support for the SAP Customer Care and Services (CCS) module.

1.00 Addition of 1.00 Program Manager position to support the department's security team.

1.00 Addition of 1.00 Program Manager position for Enterprise IT Roadmap Services to assist with introducing new and emerging technology.

(3.00) Transfer of positions among the Department of Information Technology's funds to align budget with anticipated expenditures.

1.00 Addition of 1.00 Program Manager to support citywide Information Technology (IT) projects.

Non-General Fund FTE Changes (Cont'd)**Maintenance Assessment District (MAD) Management Fund: 0.25 FTE Decrease**

- (0.25) Transfer of 0.25 Payroll Specialist 2 from the Maintenance Assessment District Management Fund to the General Fund.

Metropolitan Sewer Utility Fund: 1.10 FTE Decrease

- 1.00 Addition of 1.00 Assistant Deputy Director to oversee City pump stations as mandated by the California State Water Resources Control Board.
- 1.60 Addition of staffing for the continuation of core operations.
- 0.99 Addition of staffing to support the enforcement of water use restrictions as mandated by the California State Water Resources Control Board.
- 0.22 Addition of 0.11 Senior Planner and 0.11 Property Agent for long range planning support including San Dieguito Joint Powers Authority (JPA) activities.
- (1.30) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (0.50) Reduction of 1.00 Public Information Officer.
- (8.85) Reallocation among funds to more accurately reflect operational expenditures and revenues as well as an adjustment due to efficiencies realized.
- 3.00 Addition of 2.00 Associate Engineers-Civil and 1.00 Assistant Engineer-Civil to support the Pure Water Program.
- 0.74 Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.
- (1.00) Reduction of 1.00 Senior Wastewater Plant Operator.
- 3.00 Addition of 2.00 Equipment Painters and 1.00 Senior Wastewater Plant Operator to support the maintenance and operations of wastewater treatment and disposal facilities.

Municipal Sewer Revenue Fund: 0.99 FTE Increase

- 1.50 Addition of 0.50 Associate Management Analyst, 0.50 Information Systems Analyst 3, and 0.50 Program Manager to support the maintenance and operations of the Advanced Metering Infrastructure (AMI) project.
- 1.04 Addition of staffing for the continuation of core operations.
- (0.38) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (1.59) Reallocation among funds to more accurately reflect operational expenditures and revenues as well as an adjustment due to efficiencies realized.
- 0.42 Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.

OneSD Support Fund: 6.00 FTE Increase

- 1.00 Addition of 1.00 Program Coordinator for SAP EAM Basis support.
- 1.00 Addition of 1.00 Program Coordinator for SAP EAM Development support.
- 1.00 Addition of 1.00 Program Coordinator for SAP EAM Device Management module support.
- 1.00 Addition of 1.00 Program Coordinator for SAP Enterprise Asset Management (EAM) Plant Management module support.
- 1.00 Addition of 1.00 Program Manager to support the SAP FICA module in-house.
- 1.00 Addition of 1.00 Program Coordinator to support the SAP Public Budget Formulation (PBF) module.

Attachment A

Non-General Fund FTE Changes (Cont'd)

Recycling Fund: 1.38 FTE Decrease

- 0.41 Addition of 1.00 Payroll Specialist 1 to support the Collections Division.
- 0.01 Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (0.80) Transfer of positions among the Environmental Services Department's funds to align budget with anticipated expenditures.
- (1.00) Transfer of 1.00 Custodian 2 from the Environmental Services Department to the Public Works - General Services Department to collect recycling bins in City buildings.

Refuse Disposal Fund: 1.78 FTE Increase

- 0.03 Addition of 1.00 Payroll Specialist 1 to support the Collections Division.
- 1.00 Addition of 1.00 Disposal Site Representative to support the Fee Booth section of the Landfill Operations and Maintenance managed competition.
- 1.00 Addition of 1.00 Equipment Operator 2 to support the efforts associated with the Landfill Operations and Maintenance managed competition.
- 0.75 Transfer of positions among the Environmental Services Department's funds to align budget with anticipated expenditures.
- 1.00 Addition of 1.00 Utility Worker 2 for Property and Business Improvement District (PBID) coverage.
- (2.00) Reduction of 1.00 vacant Public Works Supervisor and 1.00 vacant Equipment Operator 2 associated with San Diego Works Proposal related to Field Operations efficiencies.

Risk Management Administration Fund: 1.15 FTE Increase

- 5.00 Addition of 5.00 Program Managers to support department operations.
- 0.50 Addition of 0.50 Workers' Compensation Claims Representative 2 to support state-mandated business functions and reporting requirements.
- (0.35) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- 1.00 Addition of 1.00 Payroll Specialist 1 for departmental payroll support.
- (5.00) Reduction of 3.00 Claims and Insurance Managers, 1.00 Safety and Training Manager, and 1.00 Supervising Management Analyst.

Transient Occupancy Tax Fund: 1.00 FTE Increase

- 1.00 Addition of 1.00 Program Manager to support the Film Commission.

Underground Surcharge Fund: 2.00 FTE Increase

- 1.00 Addition of 1.00 Public Information Clerk to support the underground surcharge fund program.
- 1.00 Addition of 1.00 Senior Planner to oversee underground surcharge projects.

Non-General Fund FTE Changes (Cont'd)

Water Utility Operating Fund: 64.01 FTE Increase

- 24.50 Addition of 24.50 FTE positions to support the maintenance and operations of the Advanced Metering Infrastructure (AMI) project.
- 3.36 Addition of staffing for the continuation of core operations.
- 8.01 Addition of 8.01 FTE positions to support the enforcement of water use restrictions as mandated by the California State Water Resources Control Board.
- 1.78 Addition of 0.89 Senior Planner and 0.89 Property Agent for long range planning support including San Dieguito Joint Powers Authority (JPA) activities.
- (1.42) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- (0.50) Reduction of 1.00 Public Information Officer.
- 10.44 Reallocation among funds to more accurately reflect operational expenditures and revenues as well as an adjustment due to efficiencies realized.
- 3.00 Addition of 2.00 Associate Engineers-Civil and 1.00 Assistant Engineer-Civil to support the Pure Water Program.
- (1.16) Adjustments to reflect the annualization of the Fiscal Year 2015 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.
- 11.00 Addition of 11.00 Water Systems Technician 3s to support the Water Construction and Maintenance Division in meeting goal response times for emergency repair calls.
- 5.00 Addition of 5.00 FTE positions to support the maintenance and operations of the Potable Reuse Program.

Wireless Communications Technology Fund: 1.24 FTE Increase

- 1.00 Addition of 1.00 Associate Communications Engineer for department support.
- (1.76) Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.
- 3.00 Transfer of positions among the Department of Information Technology's funds to align budget with anticipated expenditures.
- (1.00) Reduction of 1.00 Senior Clerk Typist as a result of department efficiencies.



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CITY OF SAN DIEGO
FY 2016-2020

Five-Year Financial Outlook
November 14, 2014



Kevin L. Faulconer
Mayor

Scott Chadwick
Chief Operating Officer

Mary Lewis
Chief Financial Officer

Tracy McCraner
Financial Management Director

Disclaimer:

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Executive Summary

The City of San Diego (City) Fiscal Year (FY) 2016-2020 Five-Year Financial Outlook (Outlook) guides long-range fiscal planning and serves as the framework for the development of the FY 2016 Adopted Budget. This is the tenth Outlook the City has published since November 2006 and incorporates projected General Fund revenues and information on the methodology and basis for those projections, and priority appropriation needs in General Fund departments over the next five fiscal years. This Outlook focuses on identified Priority Initiatives for the coming fiscal years, as well as providing additional information on departmental requests submitted in the development of the Outlook. This document is not a budget, and therefore does not include all departmental requests that may be identified and considered in the preparation of the FY 2016 and future budgets.

The Priority Initiatives identified in the Outlook are: 1) Infrastructure and Neighborhood Investments; 2) Public Safety; 3) Technology Improvements to better serve the public, and; 4) Transparency and Open Data Initiatives. Priority departmental submissions for future budgetary appropriations have been grouped in these categories for the FY 2016 budget and beyond.

Overall, the FY 2016-2020 Outlook forecasts revenues to continue to modestly improve. Major General Fund revenues are anticipated to increase in each year of the Outlook; however, the rate of increase is projected to slow in the outer years of the Outlook returning to more stable levels of growth. Offsetting the increased revenues are projected increases in nearly all expenditure categories to allocate resources to the identified Priority Initiatives.



Per the City Charter, the Mayor will present a balanced budget for the City Council's consideration in April 2015. This Outlook provides the City Council and the public information to facilitate an informed discussion during development of the FY 2016 Adopted Budget regarding the allocation of limited resources to meet the service needs of the residents of San Diego.

Forecast and Report Overview

The City's General Fund is the focus of the FY 2016-2020 Five-Year Financial Outlook. The Outlook forecasts General Fund revenues and expenditures for five fiscal years beginning in FY 2016 and is divided into three distinct sections: Baseline Projections, Priority Initiatives, and Reserves. In preparation for this report, City departments submitted a total of \$600.0 million in requests over the next five fiscal years. These department submissions were classified into the following four Priority Initiative categories:

- Infrastructure and Neighborhood Investments;
- Public Safety;
- Technology Improvements, and;
- Transparency and Open Data.

The Priority Initiative categories support the City's continued commitment to prudent financial management practices while investing in the City's infrastructure, neighborhoods, and public safety. Not all department requests have been included in the Priority Initiatives section. For those items not included in the Baseline Projections or Priority Initiative sections, a separate list has been included as Attachment 3: FY 2016-2020 Discretionary Operational Needs.

Baseline Projections

The Baseline Projections section of the Outlook primarily consists of the City's projections for the next five years for the General Fund's ongoing revenues and expenditures, as displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook. The Baseline Projections section includes revenue and expense adjustments necessary to support current service levels provided by the City. The Fiscal Year 2015 Adopted Budget, with one-time revenues and expenditures removed, serves as the starting point for the Baseline Projections. One-time revenues and expenditures that have been removed from the Baseline Projections are detailed in Attachment 2: FY 2015 Adopted Budget – One-time Revenues and Expenditures.

Considering the Baseline Projections, growth in ongoing revenues is anticipated to outpace growth in ongoing expenditures. This structurally balanced projection is largely the result of several years of disciplined budgetary decisions by the City. The FY 2015 Adopted Budget continued the City's prudent financial management policies while increasing funding for

infrastructure, neighborhood services, and improving public safety. The FY 2016-2020 Outlook continues this focus through the identification of Priority Initiatives to deploy the surpluses projected for the Outlook Period for priority needs. Table 1 displays the City's FY 2016-2020 Baseline Projections for General Fund revenues and expenditures and remaining funding available for the Priority Initiatives discussed in the following section.

(\$ in millions)

TABLE 1: BASELINE PROJECTIONS	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Baseline General Fund Revenues	\$ 1,241.4	\$ 1,279.2	\$ 1,316.0	\$ 1,361.8	\$ 1,404.2
Baseline General Fund Expenditures	\$ 1,182.9	\$ 1,189.9	\$ 1,206.5	\$ 1,229.8	\$ 1,240.2
BASELINE SURPLUS / (DEFICIT)	\$ 58.5	\$ 89.3	\$ 109.5	\$ 132.0	\$ 164.1

Priority Initiatives

The four Priority Initiative categories are the focus of the Outlook to continue the City's commitment to allocating resources to investments in infrastructure, neighborhoods, public safety, technology improvements, and transparency while maintaining responsible financial management practices. The Priority Initiative categories identify revenues and expenditures for programs and services that are in excess of the General Fund's ongoing revenues and expenditures included in the FY 2016-2020 Baseline Projections. The Priority Initiative categories identified are as follows:

- Infrastructure and Neighborhood Investments;
- Public Safety;
- Technology Improvements, and;
- Transparency and Open Data.

The following table displays the total revenue and expenditures identified for the Priority Initiatives and the resulting effect on the City's FY 2016-2020 Outlook Baseline Projections surplus shown in Table 1 above.

(\$ in millions)

TABLE 2: PRIORITY INITIATIVES	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
BASELINE SURPLUS / (DEFICIT)	\$ 58.5	\$ 89.3	\$ 109.5	\$ 132.0	\$ 164.1
Priority Initiative Revenues	\$ 1.4	\$ 1.7	\$ 1.7	\$ 1.7	\$ 1.7
Priority Initiative Expenditures	\$ 57.0	\$ 69.9	\$ 85.4	\$ 95.9	\$ 104.0
SURPLUS / (DEFICIT) INCLUDING PRIORITY INITIATIVES	\$ 2.9	\$ 21.1	\$ 25.8	\$ 37.8	\$ 61.8

As displayed in Table 2, the FY 2016-2020 Baseline surplus projections allow for significant investments in the identified Priority Initiatives while leaving a small surplus in FY 2016. The use of this surplus will be considered during the development of the FY 2016 budget for

requests not currently identified within the Priority Initiatives categories. The following table displays the revenue and expenditure amounts identified for each of the four Priority Initiative categories.

(\$ in millions)					
TABLE 3: PRIORITY INITIATIVES	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Infrastructure and Neighborhood Investment					
Revenue	\$ 1.3	\$ 1.6	\$ 1.6	\$ 1.6	\$ 1.6
Expense	\$ 31.5	\$ 46.8	\$ 50.9	\$ 53.8	\$ 56.2
Public Safety					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 21.9	\$ 21.2	\$ 30.8	\$ 40.8	\$ 46.5
Technology Improvements					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 2.7	\$ 1.2	\$ 3.0	\$ 0.8	\$ 0.8
Transparency and Open Data					
Revenue	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Expense	\$ 0.9	\$ 0.7	\$ 0.6	\$ 0.4	\$ 0.4
Total Revenue	\$ 1.4	\$ 1.7	\$ 1.7	\$ 1.7	\$ 1.7
Total Expense	\$ 57.0	\$ 69.9	\$ 85.4	\$ 95.9	\$ 104.0

As displayed above in Table 3, the Infrastructure and Neighborhood Investment and Public Safety categories are the primary uses of projected revenue growth during the FY 2016-2020 Outlook period. The Infrastructure and Neighborhood Investment category includes allocations for streets, sidewalks, storm water, park and recreation facilities, and libraries, and demonstrates the Mayor's pledge of dedicating at least 50 percent of new major revenue growth to invest in infrastructure. The next table displays the annual amount of new major revenue growth projected in each year of the Outlook and the infrastructure projects identified for expenditure within the Infrastructure and Neighborhood Investment Priority Initiative category. Detailed descriptions of the new major General Fund revenue growth can be found in the Baseline Projection section of this report, while detailed descriptions of each of the infrastructure projects can be found in the Priority Initiatives section.

(\$ in millions)

TABEL 4: NEW MAJOR GENERAL FUND REVENUES	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
TOTAL NEW MAJOR GENERAL FUND REVENUES¹	\$ 57.5	\$ 29.6	\$ 25.3	\$ 35.7	\$ 32.3
50% OF NEW MAJOR GENERAL FUND REVENUES TO FUND INFRASTRUCTURE	\$ 28.8	\$ 14.8	\$ 12.6	\$ 17.9	\$ 16.2

PRIORITY INITIATIVE EXPENDITURES FOR INFRASTRUCTURE	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Deferred Capital Debt Service	\$ 7.5	\$ 12.8	\$ 18.1	\$ 18.1	\$ 18.1
Enterprise Asset Management (EAM)	3.7	3.0	0.1	0.1	0.1
Environmental Services Department - CNG Fueling Station	0.1	0.6	0.3	(0.1)	(0.5)
Parks Condition Assessment / Asset Management	0.3	0.3	0.3	0.3	0.3
Facilities Condition Assessment	1.0	0.5	0.5	-	-
Flood Risk Management	9.2	12.3	11.8	11.0	14.6
Comprehensive Load Reduction Plan (CLRP)	5.5	12.7	9.9	12.9	11.3
Streets Division	2.7	2.0	7.0	8.0	9.0
TOTAL PRIORITY INITIATIVE EXPENDITURES FOR INFRASTRUCTURE	\$ 30.0	\$ 44.2	\$ 47.9	\$ 50.3	\$ 52.9

1. New major General Fund revenues include increases in Property Tax, Sales Tax, Transient Occupancy Tax (TOT), Franchise Fees, and Property Transfer Tax.

Table 4 demonstrates the Mayor's commitment to allocating at least 50 percent of new major revenue growth to infrastructure in FY 2016. In FY 2017 through FY 2020 the allocations to infrastructure continue to grow, even as major revenue growth slows.

The Public Safety Priority Initiative also continues to be an essential focus of the FY 2016-2020 Outlook. Revenues will improve services by funding civilian and sworn positions and police officer retention programs for the Police Department, an increase in academies and new fire station facilities for the Fire-Rescue Department and a vessel replacement plan for Lifeguards. In addition to increases for infrastructure, neighborhoods, and public safety, the Transparency and Open Data initiative focuses on improving transparency by increasing the ease of access by the public to the City's online resources. The Technology Improvements initiative upgrades the City's technology to improve operational efficiencies and increase cyber security.

Not all department requests submitted in the preparation of the Outlook are included in the FY 2016-2020 Outlook. Those requests not listed in the initiatives are detailed in Attachment 3: FY 2016-2020 Discretionary Operational Needs. While items categorized as discretionary are not included within the FY 2016-2020 Outlook projections, the estimated future financial impact of these programs and projects are included to provide a complete picture of General Fund department requests.

Reserves

The City's Reserve Policy documents the City's approach to establishing and maintaining strong reserves across the spectrum of City operations, including the General Fund and risk management. The Reserves section of the FY 2016-2020 Outlook primarily focuses on the reserves of the General Fund, but also discusses the reserves of the Public Liability Fund,

Workers' Compensation Fund, and Long Term Disability Fund. The City's Reserve Policy establishes funding targets for each of these funds and all reserve targets are projected to be met during the Outlook period.

Baseline Projections

The Baseline Projections section of this report is divided into two main components: General Fund Revenues and General Fund Expenditures. The General Fund Revenues section is then further divided by revenue category while the General Fund Expenditures section is divided by both personnel and non-personnel expenditure categories, as displayed in the Baseline Projections section of Attachment 1: FY 2016-2020 Five-Year Financial Outlook.

It is important that the reader carefully review the narrative descriptions of the risks and possible variances in revenue and expenditure projections to understand the bottom line estimated surpluses displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook.

General Fund Revenues

The following section provides details of the City of San Diego's FY 2016-2020 Five-Year Financial Outlook revenue projection. This section discusses each of the General Fund revenue categories displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook. The details provided for each revenue category include a description of the revenue source, the economic indicators affecting the revenue source, the projected growth rates, and any potential risks that may cause actual revenue receipts to vary from the projection.

It should be noted that in addition to growth rate percentages applied in each of the revenue categories, other adjustments have been included based on known and anticipated events that are detailed within each category. To assist in evaluating potential risks to revenue projections, each of the major General Fund revenue sources' sections includes a projection based on current and conservative assumptions. The conservative assumption projections quantify the impacts of potential risks or uncertainties to each of the major revenue sources.

In the FY 2015 Adopted Budget, the City's four major revenues sources, property tax, sales tax, transient occupancy tax (TOT), and franchise fees, made up 73.0 percent of the budgeted General Fund revenue. All four major revenue sources are projected to increase through the Outlook period; however, the rate of increase is expected to slow in the outer years returning to more normal levels of growth. This overall expectation and projection for the City's revenues is consistent with information received from the City's sales tax and property tax consultant (HdL Companies), the County Tax Collector and Appraiser, the San

Diego Tourism Authority, and the UCLA Anderson Forecast. In addition to the major revenue projections, the Baseline Projections for the General Fund's other departmental revenue sources are based on various economic assumptions, anticipated events, and historical trend analysis.

Property Tax

Property Tax is the City's largest revenue source and the category includes several components. The primary component of the Property Tax category is the 1.0 percent levy on the assessed value of all real property within the City limits. The Property Tax category also includes the Motor Vehicle License Fee (MVLFF) backfill payment, which is a result of MVLFF being reduced from 2.0 percent to 0.65 percent in 2005. Additionally, the category includes pass-through and residual property tax payments as a result of the dissolution of Redevelopment Agencies (RDA) statewide. The FY 2016 projection for the Property Tax category is \$462.0 million, a \$16.6 million increase over the FY 2015 Adopted Budget of \$445.4 million. The following table shows the forecast for FY 2016 through FY 2020 for the Property Tax category.

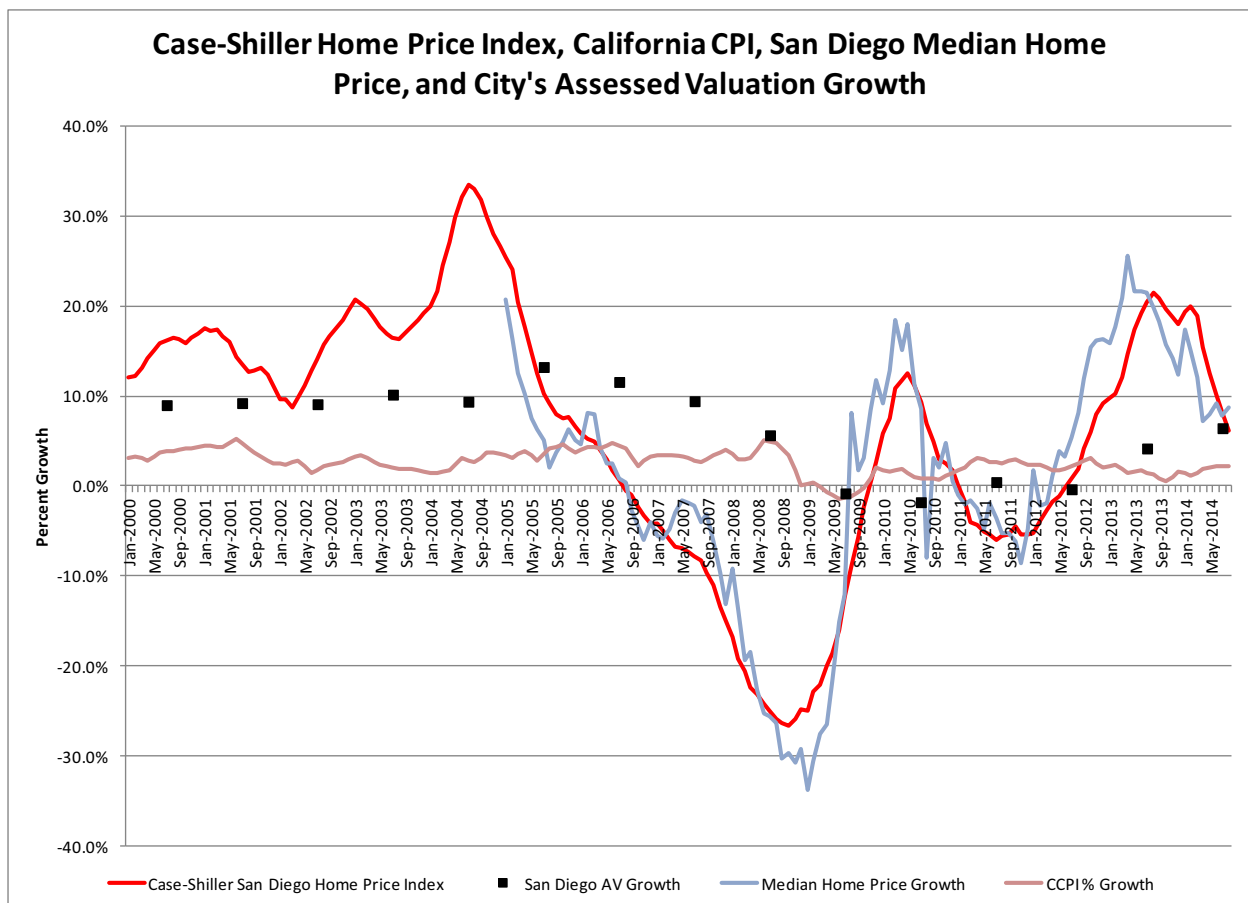
(\$ in millions)						
Property Tax	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate	5.1%	4.0%	3.5%	3.0%	3.0%	2.5%
Projection	\$ 445.4	\$ 462.0	\$ 479.6	\$ 495.6	\$ 512.1	\$ 526.5

The major factors influencing Property Tax revenue are the California Consumer Price Index (CCPI), home sales, home price, and foreclosures. The California CPI drives assessed valuation under Proposition 13. Proposition 13 specifies that a property's value may increase at the rate of the California CPI, but cannot exceed 2.0 percent per year unless the property is improved or sold to establish a new assessed value.

The California Department of Finance forecasts 2014 California CPI growth of 2.25 percent; therefore, the assessed valuation of properties not improved or sold will increase by 2.0 percent for FY 2016. The County of San Diego has experienced positive growth in home prices, with an increase of 6.3 percent in the median home price from September 2013 to September 2014, while home sales have decreased 3.2 percent over the same time period. Based on property sales that have occurred as of September 2014 and a 2.0 percent increase in California CPI, it is estimated the City's assessed valuation would increase by 3.47 percent for FY 2016. In addition to positive home price growth, there are year-to-date declines of 26.6 percent in notices of default and 41.6 percent in foreclosures as of

September 2014. Finally, the Case-Shiller home price index as of August 2014 is 203.7, a 6.2 percent increase over the August 2013 index of 191.78.

The following table displays the correlation of several of the factors described above since Fiscal Year 2000 and the resulting impact on the City's assessed valuation. The table shows that while the Case-Shiller Home Price Index and median home price has fluctuated significantly over the years, California CPI has remained relatively stable. As California CPI is the main driver of the change in the City's assessed valuation, the stability in this indicator has allowed the annual change in assessed valuation to remain steadier than the Case-Shiller Home Price Index and the local median home price. Finally, the table displays the lag of approximately 12-18 months between activity in local real estate market and the resulting impact on the City's assessed valuation.



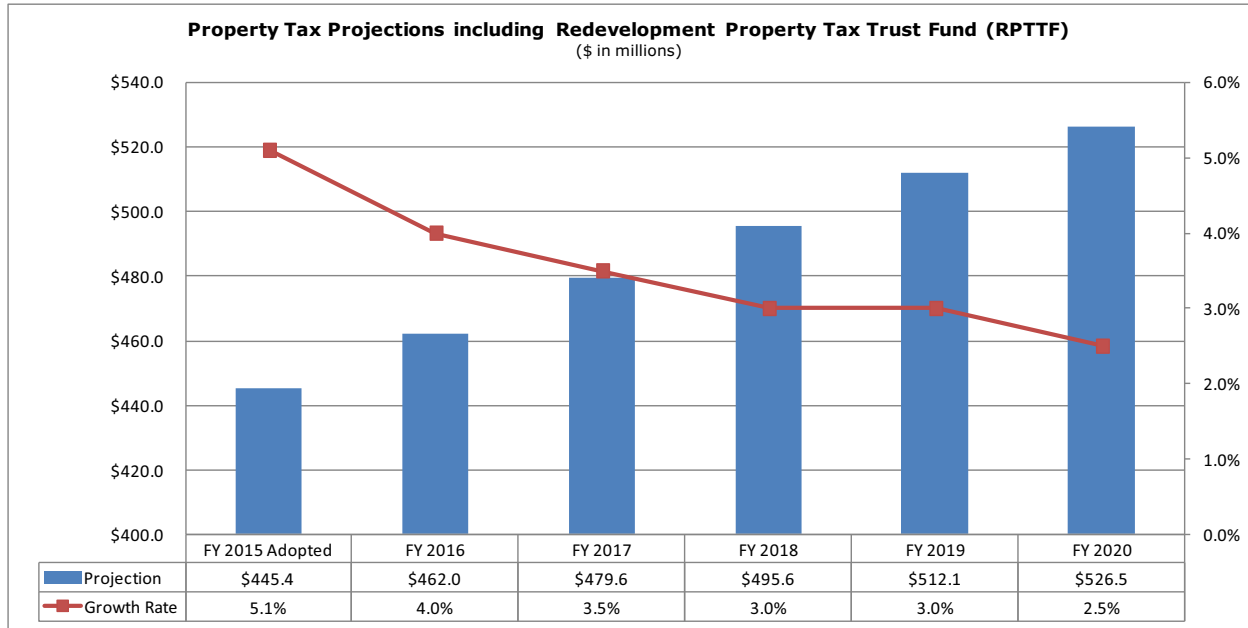
Other factors to consider in developing a revenue projection for property tax include mortgage rates and Property Tax refunds. Over the past year, interest rates have slowly increased as the economy continues to improve; this has lead to higher mortgage rates and

growth in home sales and home price slowing from the rate of increase experienced in FY 2013 and FY 2014. While property tax revenue growth is expected to remain positive throughout the Outlook period as interest rates continue to increase, property tax growth is anticipated to return to more normal levels of growth in outer years. Additionally, as the economy has continued to improve, fewer property owners have requested reassessments, which has led to lower property tax refunds and an increase to the City's overall property tax receipts.

The following table and graph provides details on the components of the FY 2015 Adopted Budget for Property Tax and the forecasted property tax revenue for FY 2016 through FY 2020. It should be noted that the base used in projecting Property Tax revenues for FY 2016 through FY 2020 has been modified from the FY 2015 Adopted Budget due to the actual increase in assessed value exceeding the budgeted amount. The FY 2015 Adopted Budget assumed growth in assessed value of 5.1 percent; however, the actual increase in assessed value for FY 2015 was 6.4 percent. Additionally, as a result of the dissolution of the Redevelopment Agencies (RDA), pass-through and residual Property Tax payments to the City from the Redevelopment Property Tax Trust Fund (RPTTF) are included in the General Fund Property Tax revenue projections.

(\$ in millions)

Fiscal Year	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate	5.1%	4.0%	3.5%	3.0%	3.0%	2.5%
1% Property Tax	\$ 314.3	\$ 326.3	\$ 337.8	\$ 348.2	\$ 358.9	\$ 368.2
MVLF Backfill	\$ 114.0	\$ 119.9	\$ 124.1	\$ 127.9	\$ 131.7	\$ 135.0
RPTTF Pass-Through Tax Sharing Payment	\$ 4.2	\$ 4.4	\$ 4.5	\$ 4.7	\$ 4.8	\$ 4.9
RPTTF Residual Property Tax Payment	\$ 12.9	\$ 11.4	\$ 13.1	\$ 14.9	\$ 16.7	\$ 18.4
Total Property Tax Projection	\$ 445.4	\$ 462.0	\$ 479.6	\$ 495.6	\$ 512.1	\$ 526.5



Risk to Property Tax Projection

The factors described above combine to make up the projection; however, should one or several of these factors not perform as projected, Property Tax revenues will vary from the current projection. To account for variances in these factors, a sensitivity analysis was conducted. This sensitivity analysis resulted in a Current Assumption scenario and a Conservative Assumption scenario.

The projections for Property Tax revenues displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook reflect the Current Assumption scenario as these are the amounts the City anticipates to receive over the next five years. However, the table below displays both the Current Assumption scenario and the Conservative Assumption scenario and quantifies the potential risks to the City's Property Tax revenues.

(\$ in millions)

Scenario	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Current Assumption	4.0% \$ 462.0	3.5% \$ 479.6	3.0% \$ 495.6	3.0% \$ 512.1	2.5% \$ 526.5
Conservative Assumption	3.0% \$ 457.4	2.5% \$ 470.1	2.0% \$ 481.0	2.0% \$ 492.2	1.5% \$ 501.0

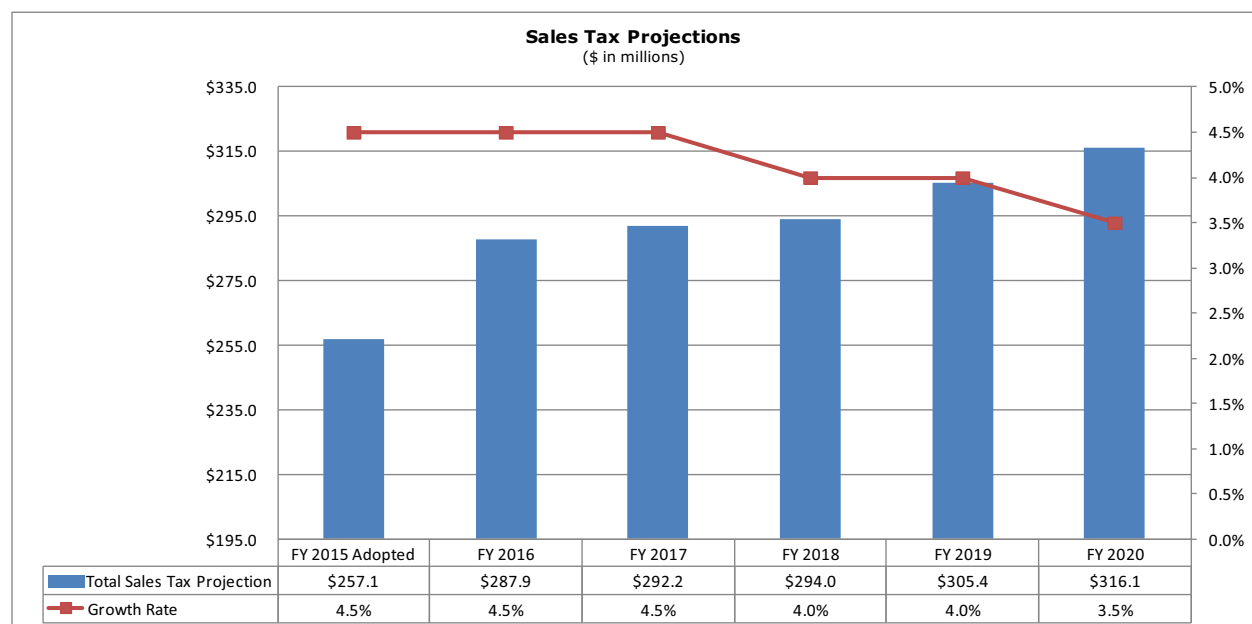
The Conservative Assumption scenario is based on the economic assumption that the growth in the CCPI will be less than 2.0 percent in all five fiscal years. This will lead to less growth in the City's assessed valuation. The Conservative Assumption scenario also assumes that mortgage rates will increase rapidly in the next five years. Increased

mortgage rates raise the cost of home ownership, thereby slowing the number of home sales and median home price growth. This will inhibit the City's assessed valuation growth. In addition, the Conservative Assumption scenario assumes that due to the higher than anticipated positive assessed valuation growth in FY 2014 and FY 2015, not as many homes will be reassessed in FY 2016. This will lead to lower annual assessed valuation growth rates for FY 2016 through FY 2020. Based on the Conservative Assumption scenario, property tax revenue would be approximately \$4.6 million lower in FY 2016 leading to a larger decrease of \$25.5 million in FY 2020.

Sales Tax

The City's second largest revenue source is Sales Tax. Sales Tax is collected at the point of sale and remitted to the State Board of Equalization, which allocates tax revenue owed to the City in monthly payments. The total Citywide Sales Tax rate in San Diego is 8.0 percent, of which the City receives approximately 1.0 percent. The FY 2016 projection for the Sales Tax is \$287.9 million, a \$30.8 million increase over the FY 2015 Adopted Budget of \$257.1 million. The following table displays the forecast for FY 2016 through FY 2020 for Sales Tax.

(\$ in millions)						
Sales Tax	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate	4.5%	4.5%	4.5%	4.0%	4.0%	3.5%
Sales Tax Projection	\$ 257.1	\$ 275.3	\$ 282.7	\$ 294.0	\$ 305.4	\$ 316.1
Sales Tax - End of Triple Flip One-Time Adjustments	\$ -	\$ 12.6	\$ 9.5	\$ -	\$ -	\$ -
Total Sales Tax Projection	\$ 257.1	\$ 287.9	\$ 292.2	\$ 294.0	\$ 305.4	\$ 316.1



The major local economic drivers of the City's Sales Tax include the unemployment rate and consumer confidence. The Sales Tax projection for FY 2016 assumes that the unemployment rate will continue to decrease, approaching historical averages for the region. As of September 2014, the San Diego unemployment rate was 5.9 percent, compared to a rate of 7.3 percent in September 2013, as reported by the California Employment Development Department. For comparison, the local unemployment rate in the years 2000 through 2008 in the region ranged between 4.0 and 5.0 percent. As the local unemployment rate continues to improve and become closer to historical averages, consumer confidence is also projected to increase, leading to continued improvements in the City's Sales Tax receipts.

The City of San Diego experienced a steady increase in Sales Tax revenue in FY 2014. Sales Tax data from HdL Companies (HdL), the City's Sales and Property Tax consultant, indicate expected gains in taxable sales from fuel and service stations, building and construction, and restaurant and hotels should help maintain this trend through FY 2015. Moderate growth in sales tax is expected to continue as unemployment decreases and consumer confidence increases; however, while growth is projected to remain positive, it is projected to slow in the outer years of the Outlook period. Additionally, the UCLA Anderson September 2014 Forecast projects growth of taxable sales in California to average 4.5 percent in calendar year 2015 and 5.0 percent in calendar year 2016. The California State Board of Equalization projects an average growth rate of 6.3 percent in statewide Sales Tax receipts for FY 2015, which is higher than the UCLA Anderson Forecast.¹ These growth rates are statewide and do not directly correspond to the San Diego region Sales Tax growth rates included in the Outlook; however, these projections provide support for the positive growth in consumer spending that is anticipated to occur within the City.

Sales Tax projections include the anticipated end of the 'triple flip', which was enacted by the State of California in FY 2005 to pay economic recovery bonds and is now scheduled to come to an end in FY 2016. The end of the 'triple-flip' is anticipated to result in two separate one-time increases in sales tax revenue recognized by the City. Based on current estimates of the timeline to unwind the 'triple flip', the City's accrual practices are anticipated to result in a one-time increase of \$12.6 million in sales tax revenue recognized in FY 2016. In FY 2017, it is anticipated that the City will be made whole on \$9.5 million of sales tax revenue

¹ State Board of Equalization, Projected Statewide Taxable Sales, March 2014

not received when the 'triple-flip' was implemented in FY 2005. These one-time adjustments are shown separately in Attachment 1: FY 2016 Five-Year Financial Outlook to allow for growth in Sales Tax revenue to be displayed. The collection of the full 1.0 percent Bradley-Burns Sales Tax (currently 0.75 percent) is projected to resume upon the end of the 'triple-flip'.

Risks to Sales Tax

The number of factors described above combine to make up the Sales Tax projection; however, should one or several of these factors not perform as projected, Sales Tax revenues will vary from the current projection. To account for variances in these factors, a sensitivity analysis was conducted. This sensitivity analysis resulted in a Current Assumption scenario and a Conservative Assumption scenario.

The projections for Sales Tax revenues displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook reflect the Current Assumption scenario as these are the amounts the City anticipates to receive over the next five years. However, the following table displays both the Current Assumption scenario and the Conservative Assumption scenario to quantify the potential risks to the City's Sales Tax revenues.

(\$ in millions)					
Scenario	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Current Assumption	4.5% \$ 287.9	4.5% \$ 292.2	4.0% \$ 294.0	4.0% \$ 305.4	3.5% \$ 316.1
Conservative Assumption	4.0% 286.2	4.0% 289.2	3.5% 289.5	3.5% 299.2	3.0% 308.2

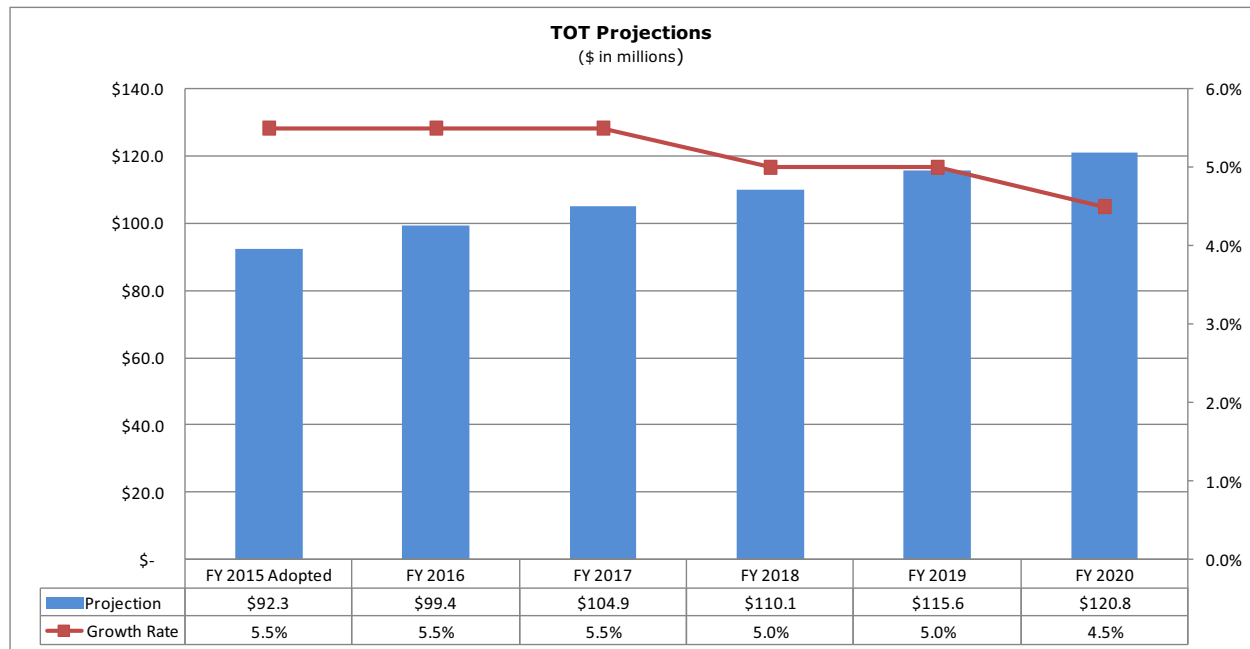
The Conservative Assumption scenario reflects that continued above average unemployment and lower consumer confidence in the local and State economies will impact projected growth rates. The Conservative Assumption scenario also reflects the significant increases in online sales reducing point of sales transactions for brick and mortar stores within the City limits. In addition, the Conservative Assumption scenario assumes that the City will not be made whole on \$9.5 million of sales tax revenue withheld by the State when the 'triple-flip' was implemented in FY 2005.

It is important to note that based on the revenue trends experienced by the City during the recent great recession, Sales Tax and Transient Occupancy Tax (discussed in the next section) are both highly sensitive to an economic downturn, with declines in both revenues trending downward immediately as the recession took hold. The decline in Property tax revenue during the recession lagged negative economic indicators by 12 to 18 months.

Transient Occupancy Tax

Transient Occupancy Tax (TOT) is the City's third largest revenue source. TOT is levied at 10.5 cents per dollar of the daily room price of hotels, motels, and vacation rentals in which the transient's stay is less than 30 consecutive days. The use of TOT is guided by the City's Municipal Code, which stipulates that 5.5 cents shall be applied toward general government purposes, 4.0 cents shall be applied toward promoting the City as a tourist destination, and the remaining 1.0 cent shall be allocated for any purpose approved by the City Council. The FY 2016 projection for TOT is \$99.4 million, a \$7.1 million increase over the FY 2015 Adopted Budget of \$92.3 million. The following table shows the forecast for FY 2016 through FY 2020 for TOT.

(\$ in millions)						
Transient Occupancy Tax	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate	5.5%	5.5%	5.5%	5.0%	5.0%	4.5%
Projection	\$ 92.3	\$ 99.4	\$ 104.9	\$ 110.1	\$ 115.6	\$ 120.8



Major economic drivers for TOT revenue include seasonal and non-seasonal tourism, business travel, and conventions. Sustained positive tourism growth has occurred since the economic turnaround began in FY 2010 and this trend is expected to continue through FY 2015, according to the August 2014 Quarterly Travel Forecast from the San Diego Tourism Authority (SDTA). Slow but steady growth in hotel room demand and occupancy is

forecasted through FY 2017, and is then expected to level off in outlying years as displayed in the following table prepared by Tourism Economics, Inc.

Tourism Forecast	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
Visitor Growth	2.4%	2.3%	2.5%	1.9%	1.6%
Overnight	3.6%	1.2%	1.8%	1.5%	1.4%
Room Demand	5.7%	2.0%	1.8%	1.5%	0.9%
Occupancy	74.6%	75.4%	75.7%	76.0%	76.0%
Average Daily Rate	\$ 141.73	\$ 150.29	\$ 159.11	\$ 166.64	\$ 174.00

Another large driver of TOT receipts in the City of San Diego is the Convention Center. There are approximately 70 conventions scheduled for calendar year 2014 with an estimated 549,400 attendees. Currently, there are approximately 64 conventions scheduled for calendar year 2015 with an estimated 544,474 attendees. Although the current estimated number of attendees is slightly lower for calendar year 2015, it should be noted that the number of conventions and estimated attendees for calendar year 2015 are still subject to change should new bookings occur. Furthermore, the San Diego Tourism Authority (SDTA) resumed marketing San Diego as a preferred vacation and meeting destination as of January 2014. Advertising campaigns have expanded in such categories as lodging, dining, arts and attraction, among others through the use of Tourism Marketing District (TMD) funds. The FY 2016 through FY 2020 TOT forecast is in line with the Quarterly Travel Forecast by Tourism Economics, the SDTA's travel consultant and San Diego was listed as the "No. 1 destination in the United States this year for people looking to vacation at a beach, according to Priceline.com's website".²

Additionally, the Hampton Inn – Mission Valley has added 182 new hotel rooms to San Diego's hotel room inventory as of March 2014, while an additional 87 rooms are expected to open in March 2015 when the Holiday Inn – Mission Valley opens in Hotel Circle. Other hotels expected to add to San Diego's hotel inventory in calendar year 2015 include the Courtyard by Marriott on 6th Avenue with 90 new rooms, Homewood Suites on Pacific Highway with 160 rooms, and Hilton Garden Inn on Pacific Highway with 204 rooms. For calendar year 2016, a luxury hotel in Downtown San Diego's Gaslamp Quarter is expected to open with a projected 320 new hotel rooms. The new hotels anticipated will positively impact the City's TOT receipts.

² San Diego Source, Daily Transcript: June 2014

Risks to Transient Occupancy Tax

The number of factors described above combine to make up the TOT projection; however, should one or several of these factors not perform as projected, TOT revenues will vary from the current projection. To account for variances in these factors, a sensitivity analysis was conducted. This sensitivity analysis resulted in a Current Assumption scenario and a Conservative Assumption scenario.

The projections for TOT revenues displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook reflect the Current Assumption scenario as these are the amounts the City anticipates to receive over the next five years. However, the table below displays both the Current Assumption scenario and the Conservative Assumption scenario and quantifies the potential risks to the City's TOT revenues.

(\$ in millions)

Scenario	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Current Assumption	5.5% \$ 99.4	5.5% \$ 104.9	5.0% \$ 110.1	5.0% \$ 115.6	4.5% \$ 120.8
Conservative Assumption	4.5% \$ 98.5	4.5% \$ 102.9	4.0% \$ 107.0	4.0% \$ 111.3	3.5% \$ 115.2

The Conservative Assumption scenario reflects slower recovery in spending in both leisure and business travel in FY 2015, affecting growth in FY 2016 and beyond. This effect would be a result of lowered spending due to high unemployment rates and reduced travel. In addition, as a result of the court ruling on the financing of the Convention Center Expansion Project, current development has been delayed, potentially limiting growth in bookings of larger conventions. Finally, it should be noted that TOT projections for FY 2017 through FY 2019 are reduced by \$12.7 million from prior editions of the City's Five-Year Financial Outlook as result of the delay of the Convention Center Expansion Project.

Franchise Fees

The Franchise Fees revenue category includes payments from San Diego Gas and Electric (SDG&E) and cable television providers for the use of the City's rights-of-way. The City also collects refuse hauler fees based on the total amount of refuse hauled annually. The FY 2016 projection for the Franchise Fees category is \$73.4 million, a \$1.4 million increase over the FY 2015 Adopted Budget of \$72.0 million. The following table shows the forecast for FY 2016 through FY 2020 for the Franchise Fees category.

(\$ in millions)

Franchise Fees	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
SDG&E Growth Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Cable Growth Rate	3.5%	-0.5%	-1.0%	-1.0%	-1.5%	-2.0%
Projection	\$ 72.0	\$ 73.4	\$ 73.7	\$ 74.1	\$ 74.3	\$ 74.4

Natural gas and electricity prices and consumption are expected to increase during the Outlook period, according to the U.S. Energy Information Administration. Based on average growth over the last 10 years and the forecast for price and consumption, SDG&E Franchise Fee revenues are projected to increase at a rate of 2.0 percent for FY 2016 through FY 2020. Revenue from cable franchise fees is based on the increasing demand for internet and telephone services and declining television subscriptions; therefore, negative growth of 0.5 percent is projected in FY 2016, negative 1.0 percent in FY 2017 and FY 2018, negative 1.5 percent in FY 2019, and negative 2.0 percent in FY 2020.

Risks to Franchise Fees Projection

Fluctuations in natural gas and/or electricity prices will affect the actual growth of SDG&E Franchise Fee revenue throughout the Outlook period. Similarly, fluctuations in the demand for TV subscriptions, internet, and/or telephone services will affect the actual growth of cable Franchise Fee revenue. To account for these fluctuations, a sensitivity analysis was conducted. This sensitivity analysis resulted in a Current Assumption scenario and a Conservative Assumption scenario.

The projections for Franchise Fee revenues displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook reflect the Current Assumption scenario as these are the amounts the City anticipates to receive over the next five years. However, the table below displays both the Current Assumption scenario and the Conservative Assumption scenario and quantifies the potential risks to the City's Franchise Fee revenues.

(\$ in millions)

Scenario	Franchise Fee	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Current Assumption	SDG&E	2.0%	2.0%	2.0%	2.0%	2.0%
	Cable	-0.5%	-1.0%	-1.0%	-1.5%	-2.0%
	Projection	\$ 73.4	\$ 73.7	\$ 74.1	\$ 74.3	\$ 74.4
Conservative Assumption	SDG&E	1.0%	1.0%	1.0%	1.0%	1.0%
	Cable	-1.5%	-2.0%	-2.0%	-2.5%	-3.0%
	Projection	\$ 72.8	\$ 72.6	\$ 72.3	\$ 72.0	\$ 71.4

The Conservative Assumption would be appropriate if natural gas and/or electricity prices and the demand for internet and/or telephone services decrease rather than increase as projected throughout the Outlook period.

Property Transfer Tax

Property Transfer Tax is levied on the sale of real property. The County of San Diego collects \$1.10 per \$1,000 of the sale price when any real property is sold, of which the City receives half, or \$0.55 per \$1,000. The FY 2016 projection for Property Transfer Tax is \$9.6 million; which is a \$0.4 million increase over the FY 2015 Adopted Budget of \$9.2 million. The following table shows the forecast for FY 2016 through FY 2020 for the Property Transfer Tax category.

(\$ in millions)						
Property Transfer Tax	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate	10.0%	10.0%	9.5%	9.0%	8.5%	8.0%
Projection	\$ 9.2	\$ 9.6	\$ 10.5	\$ 11.5	\$ 12.5	\$ 13.5

The volume of home sales and home prices influence Property Transfer Tax revenue and, unlike Property Tax revenue, Property Transfer Tax reflects current economic conditions without a lag time. The County of San Diego has experienced positive growth in home prices, with an increase of 6.3 percent in the median home price from September 2013 to September 2014, while home sales have decreased 3.2 percent over the same time period. Similar to property tax, this revenue is anticipated to continue to increase; however, as mortgage rates return to more normal levels, growth in property transfer tax is expected to level off.

Risks to Property Transfer Tax Projection

The number of factors described above combine to make up the Property Transfer Tax projection; however, should one or several of these factors not perform as projected, Property Transfer Tax revenues will vary from the current projection. To account for variances in these factors, a sensitivity analysis was conducted. This sensitivity analysis resulted in a Current Assumption scenario and a Conservative Assumption scenario.

The projections for Property Transfer Tax revenues displayed in Attachment 1: FY 2016-2020 Five-Year Financial Outlook reflect the Current Assumption scenario as these are the amounts the City anticipates to receive over the next five years. However, the table below displays both the Current Assumption scenario and the Conservative Assumption scenario and quantifies the potential risks to the City's Property Transfer Tax revenues.

(\$ in millions)

Scenario	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Current Assumption	10.0% \$ 9.6	9.5% \$ 10.5	9.0% \$ 11.5	8.5% \$ 12.5	8.0% \$ 13.5
Conservative Assumption	8.0% \$ 9.4	7.5% \$ 10.2	7.0% \$ 10.9	6.5% \$ 11.6	6.0% \$ 12.3

The Conservative Assumption scenario assumes high mortgage rates in the local real estate market resulting in increased cost of home ownership; thereby slowing the number of home sales and average home price growth and increasing foreclosure counts.

Licenses and Permits

The Licenses and Permits revenue category consists primarily of user fee revenues, including business tax, rental property taxes, and other permits, such as alarm permits and occupational licenses. The FY 2016 projection for Licenses and Permits is \$25.1 million, a \$0.6 million increase over the FY 2015 Adopted Budget of \$24.5 million. The following table displays the forecast for FY 2016 through FY 2020 for the Licenses and Permits category.

(\$ in millions)

Licenses and Permits	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		2.5%	2.5%	2.5%	2.5%	2.5%
Projection	\$ 24.5	\$ 25.1	\$ 25.8	\$ 26.4	\$ 27.1	\$ 27.7

A growth rate of 2.5 percent is applied from FY 2016 through FY 2020 based on historical average annual increases in the Licenses and Permits category over the past 10 years. It should be noted that per Council Policy 100-02, a comprehensive analysis of General Fund user fees is currently being conducted for implementation at the beginning of FY 2016. The Outlook does not include revenue adjustments related to the user fee analysis.

Fines, Forfeitures and Penalties

The Fines, Forfeitures and Penalties category includes revenues from parking citations, vehicle code citations, collection referral revenues, and litigation awards. The FY 2016 projection for Fines and Forfeitures is \$29.2 million, a \$0.3 million increase from the FY 2015 Adopted Budget of \$28.9 million. The following table displays the forecast for FY 2016 through FY 2020 for the Fines and Forfeitures category.

(\$ in millions)

Fines, Forfeitures and Penalties	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		0.5%	0.5%	0.5%	0.5%	0.5%
Projection	\$ 28.9	\$ 29.2	\$ 29.4	\$ 29.5	\$ 29.7	\$ 29.8

The increase from the FY 2015 Adopted Budget to the FY 2016 projection is the result of a growth rate of 0.5 percent that is applied from FY 2016 through FY 2020 based on historical average increases in the Fines, Forfeitures and Penalties category over the past 10 years.

Revenue from Money and Property

The Revenue from Money and Property category primarily consists of rental revenue generated from City-owned properties including Mission Bay, Pueblo Lands, and the Midway area properties. This category also includes interest earnings, which are discussed in detail below. The FY 2016 projection for Revenue from Money and Property is \$48.4 million, a \$1.1 million increase from the FY 2015 Adopted Budget of \$47.3 million. The following table displays the forecast for FY 2016 through FY 2020 for the Revenue from Money and Property category.

(\$ in millions)						
Revenue from Money and Property	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		2.5%	2.5%	2.5%	2.5%	2.5%
Projection	\$ 47.3	\$ 48.4	\$ 50.4	\$ 51.6	\$ 52.9	\$ 54.1

A growth rate of 2.5 percent is applied from FY 2016 through FY 2020 based on historical average increases in the Revenue from Money and Property category over the past 10 years.

Additional adjustments to the Revenue from Money and Property category include revenue from Mission Bay rents and concessions which are increased based on projections from the Real Estate Assets Department. Per Proposition C and City Charter Section 55.2, \$20.0 million of Mission Bay rents and concessions will remain in the General Fund. The remainder of funds greater than the threshold amount will be allocated to the San Diego Regional Park Improvements Fund and the Mission Bay Improvements Fund. The San Diego Regional Park Improvements Fund is to receive 25.0 percent of revenues in excess of the threshold amount or \$2.5 million, whichever is greater, with 75.0 percent of the remaining amount allocated to the Mission Bay Improvements Fund.

Interest Earnings

(\$ in millions)						
Interest Earnings	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Estimated Yield		1.5%	2.5%	3.0%	3.5%	4.0%
Projection	\$ 1.4	\$ 1.5	\$ 2.5	\$ 3.0	\$ 3.5	\$ 4.0

In accordance with the City Charter and the authority granted by the City Council, the City Treasurer is responsible for investing the City's cash assets, exclusive of City Trust Funds. With the exception of certain bond funds, all City funds are pooled and invested in the City Treasurer's Pooled Investment Fund (Fund) to manage the City's cash flow requirements. The Fund's investments must comply with the City Treasurer's Investment Policy and the State of California Government Code guidelines and restrictions. The maximum maturity of any investment may not exceed five years. Selection of an investment is based on safety, liquidity, risk, interest rate environment, and the cash flow requirements of the City. Deviations in returns from one fiscal year to the next can generally be attributed to changes in market interest rates or the actual average amount invested during the fiscal year. Past interest earnings performance is no guarantee or indicator of future results.

Interest rates have remained historically low since the financial crisis of 2008. The federal funds rate has remained at a target of 0.00 to 0.25 percent during the entire period even as economic activity has expanded. At its October 2014 meeting, the Federal Open Market Committee (FOMC) stated that it "anticipates, based on its current assessment, that it likely will be appropriate to maintain the 0 to ¼ percent target range for the federal funds rate for a considerable time following the end of its asset purchase program this month, especially if projected inflation continues to run below the Committee's 2.0 percent longer-run goal, and provided that longer-term inflation expectations remain well anchored." Based on the FOMC's economic projections and most recent statement, it is expected that they will begin raising interest rates sometime in mid to late 2015. The result will be a gradual rise in interest earnings beginning in Fiscal Year 2016 until rates normalize several years later. It should be noted that interest rates are market driven and subject to a number of uncontrollable or unpredictable factors, resulting in outcomes different from the projections in the Outlook.

Revenue from Federal and Other Agencies

The Revenue from Federal and Other Agencies category includes federal and State grants, and reimbursements to the City from other agencies, including court crime lab revenue, urban search and rescue grants, and service level agreements. The FY 2016 projection for Revenue from Federal and Other Agencies is \$9.3 million, a \$0.2 million decrease from the FY 2015 Adopted Budget of \$9.5 million. The following table displays the forecast for FY 2016 through FY 2020 for the Revenue from Federal and Other Agencies category.

(\$ in millions)

Revenue from Federal and Other Agencies	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%
Projection	\$ 9.5	\$ 9.3	\$ 9.3	\$ 9.3	\$ 9.2	\$ 9.2

The FY 2015 Adopted Budget included \$0.1 million in one-time State reimbursements for a Regional Maritime Planner position within the Lifeguard Division. This one-time revenue has been removed from the FY 2016 through FY 2020 projections. No other adjustments are included in this category for the FY 2016 through FY 2020 Outlook period.

Charges for Services

The revenue forecasted in the Charges for Services category is comprised of charges for services provided to the public and other City funds. This category includes TOT 4.0 cent reimbursements to the General Fund, General Government Services Billings (GGSB), and other user fee revenues. The FY 2016 projection for the Charges for Services category is \$116.7 million, a \$4.0 million decrease from the FY 2015 Adopted Budget of \$120.7 million. The following table displays the forecast for FY 2016 through FY 2020 for the Charges for Services category.

(\$ in millions)

Charges for Services	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		3.0%	3.0%	3.0%	3.0%	3.0%
Projection	\$ 120.7	\$ 116.7	\$ 119.2	\$ 125.6	\$ 132.1	\$ 136.6

The Outlook also includes the removal of \$2.0 million of one-time revenues, included in the FY 2015 Adopted Budget, primarily from a transfer of fund balance from the Pilot Helicopter Program Fund. A growth rate of 3.0 percent has been applied from FY 2016 through FY 2020 based on historical average increases in the Charges for Services category over the past 10 years.

The Outlook includes an adjustment in General Fund reimbursements from the TOT 4.0 cent revenue allocation in FY 2016 for department expenses related to the promotion of tourism and safety and maintenance of visitor-related facilities. The Outlook also includes an adjustment in Abandoned Vehicle Abatement (AVA) revenue, as the budget is being reduced from \$1.0 million in FY 2015 to zero for FY 2016 through FY 2020 due to end of program. Additionally, the Outlook also reflects minor increases to revenue related to contracts with University of California, San Diego for lifeguard coverage at Scripps and Black's Beach.

Per City Council Policy 100-02, a comprehensive analysis of the General Fund's user fees is currently being conducted for implementation at the beginning of FY 2016. The Outlook

does not include revenue adjustments related to the user fee analysis. The fee analysis and recommendations for fee adjustments will be presented to the Budget and Government Efficiency Committee in January 2015.

Other Revenue

The Other Revenue category includes library donations, ambulance fuel reimbursements, corporate sponsorships, and other miscellaneous revenues. The FY 2016 projection for the Other Revenue category is \$4.4 million, which is the same as the FY 2015 Adopted Budget. The following table displays the forecast for FY 2016 through FY 2020 for the Other Revenue category.

(\$ in millions)

Other Revenue	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%
Projection	\$ 4.4	\$ 4.4	\$ 4.4	\$ 4.4	\$ 2.4	\$ 2.4

No adjustments or growth is projected within the Other Revenue category for the FY 2016 through FY 2020 forecast period.

Transfers In

The Transfers In category represents transfers to the General Fund from non-general funds and other agencies. The major components in this category are transfers from the Safety Sales Tax, Storm Drain, Gas Tax and TransNet Funds, the one-cent TOT revenue transfer from the Transient Occupancy Tax Fund, and the backfill of the tobacco securitized revenue. The FY 2016 projection for the Transfers In category is \$75.8 million, a decrease of \$1.3 million from the FY 2015 Adopted Budget of \$77.1 million. The following table displays the forecast for FY 2016 through FY 2020 for the Transfers In category.

(\$ in millions)

Transfers In	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%
Projection	\$ 77.1	\$ 75.8	\$ 79.9	\$ 84.0	\$ 88.5	\$ 93.0

No growth rate is applied to the Transfers In category for the FY 2016 through FY 2020 forecast period; however, the FY 2016 projection includes the removal of \$4.2 million in one-time revenues that were included in the FY 2015 Adopted Budget. The one-time revenues being removed from the projection include a transfer of fund balance from the Wireless Antenna Fund, disaster recovery reimbursements, and reimbursements for the Convention Center Expansion Phase III Project.

In addition to the removal of one-time revenues, the transfers in from the Safety Sales Tax Fund, the Gas Tax Fund, and the TransNet Fund are adjusted based on the projection for each respective revenue. Gas Tax and Transnet are projected to increase based on historical actuals, while Safety Sales Tax reimbursements to the Police and Fire-Rescue Departments are projected to increase consistent with sales tax revenue, as this revenue is a component of the Citywide sales tax rate.

Safety Sales Tax revenue is derived from a half-cent sales tax resulting from the enactment of Proposition 172 in 1994. Annually, a certain amount of Safety Sales Tax revenue is allocated to the Fire and Lifeguard Facilities Fund for the payment of debt obligations associated with Fire and Lifeguard facility improvements. The remaining revenue is distributed to the General Fund equally between the Police and Fire-Rescue Departments' budgets to support public safety needs.

General Fund Expenditures

General Fund expenditures are comprised of both personnel and non-personnel expenditures including debt service and other non-discretionary payments. This section provides details on each of the General Fund expenditure categories displayed in the Baseline Projections section of Attachment 1: FY 2016-2020 Five-Year Financial Outlook.

Personnel expenses made up approximately 68.6 percent of the City's General Fund FY 2015 Adopted Budget. Personnel expenses are projected to increase during the Outlook period, primarily as a result of the inclusion of non-pensionable compensation increases resulting from the five year Employee Organization Agreements between the City and its labor unions.

Projections for ongoing non-personnel expenses are also included in the Baseline Projections and are based on anticipated events and historical trend analysis. Significant adjustments to non-personnel expenditure projections include reserve contributions to the Public Liability and Long Term Disability funds, adjustments to debt payments based on respective debt service schedules, and an increase in the transfer of Mission Bay lease revenues to the Mission Bay and Developed Regional Park Improvement Funds. In addition, notable non-personnel expenditure increases include Supplies, Contracts, and Energy and Utilities.

Salaries and Wages

The Salaries and Wages category is the largest General Fund expenditure category and is comprised of regular salaries and wages, special pays, overtime, step increases, and salary annual leave. The FY 2015 Adopted Budget for salaries and wages was \$493.4 million and included 6,975.29 full-time equivalents (FTEs). The following table shows the forecast for FY 2016 through FY 2020 for the Salaries and Wages category.

(\$ in millions)						
Salaries and Wages	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 493.4	\$ 494.1	\$ 494.2	\$ 495.1	\$ 495.2	\$ 494.6

Adjustments within the Salaries and Wages category are limited as projected increases in salaries resulting from position additions are captured within the Priority Initiatives section discussed later in this report.

The adjustments that are included within the Salaries and Wages category are step increases and salary annual leave payouts. Step increases included in the Outlook are

displayed in the table below and are equal to the average of the amount budgeted for step increases over the past five fiscal years. The amount projected for step increases is anticipated to remain constant throughout the Outlook period.

(\$ in millions)					
Step Increases	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2

The Salaries and Wages category also includes an adjustment for salary annual leave payouts (or Deferred Retirement Option Plan (DROP) payouts), which are projected based on DROP participants' exit date and projected annual leave balances. While a portion of future leave liability expense will be absorbed in departmental budgets, there are a large number of employees with high leave balances expected to retire over the next several years. The number of DROP participants anticipated to retire and projected salary annual leave payout amounts for FY 2016 through FY 2020 are displayed in the table below.

(\$ in millions)					
Salary Annual Leave (DROP)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 ¹
Projected Number of Retirees	122	116	146	164	-
Projection	\$ 2.9	\$ 3.0	\$ 3.9	\$ 4.0	\$ 3.5

1. FY 2020 Salary Annual Leave projection based on an average of FY 2016 through FY 2019 projected payouts as the number DROP participants anticipated to retire in FY 2020 is not yet available.

An estimate for the number of DROP participants anticipated to retire in FY 2020 is not yet available as DROP is a five-year program. As a result, the \$3.5 million projection for FY 2020 is based on an average of salary annual leave payouts projected for FY 2016 through FY 2019.

Employee Organization Agreements

During FY 2013, the City reached a five-year agreement for non-pensionable compensation increases with each of its recognized employee organizations that began in FY 2014 and continue through FY 2018. The following table displays the non-pensionable compensation increases as result of the five-year agreements that are included in the FY 2016-2020 Outlook.

(\$ in millions)

Five-Year Employee Organization Agreements	FY 2016	FY 2017	FY 2018	FY 2019 ¹	FY 2020 ¹
FY 2016 Compensation Increase	\$ 9.3	\$ 9.3	\$ 9.3	\$ 9.3	\$ 9.3
FY 2017 Compensation Increase	\$ -	\$ 1.74	\$ 1.74	\$ 1.74	\$ 1.74
FY 2018 Compensation Increase	\$ -	\$ -	\$ 1.74	\$ 1.74	\$ 1.74
FY 2019 Compensation Increase	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2020 Compensation Increase	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 9.3	\$ 11.0	\$ 12.7	\$ 12.7	\$ 12.7

1. The projection for non-pensionable compensation increases in FY 2018 remains unchanged for FY 2019 through FY 2020 due to the uncertain outcome of future negotiations with the City's recognized employee organizations.

The five-year labor agreements contain clauses to re-open meet and confer for non-pensionable compensation increases for FY 2017 and FY 2018. As a result, no additional non-pensionable compensation increases are assumed for FY 2019 and beyond as the outcome of future negotiations with the City's recognized employee organizations are unknown.

The following table displays percentage increases to non-pensionable compensation for each of the City's recognized employee organizations for FY 2016 through FY 2020.

Labor Group	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Teamsters Local 911	1.75%	-	-	-	-
IAFF Local 145	1.75%	-	-	-	-
POA	2.00%	1.00%	1.00%	-	-
AFCME Local 127	1.75%	-	-	-	-
MEA	1.75%	-	-	-	-
DCAA	1.75%	-	-	-	-

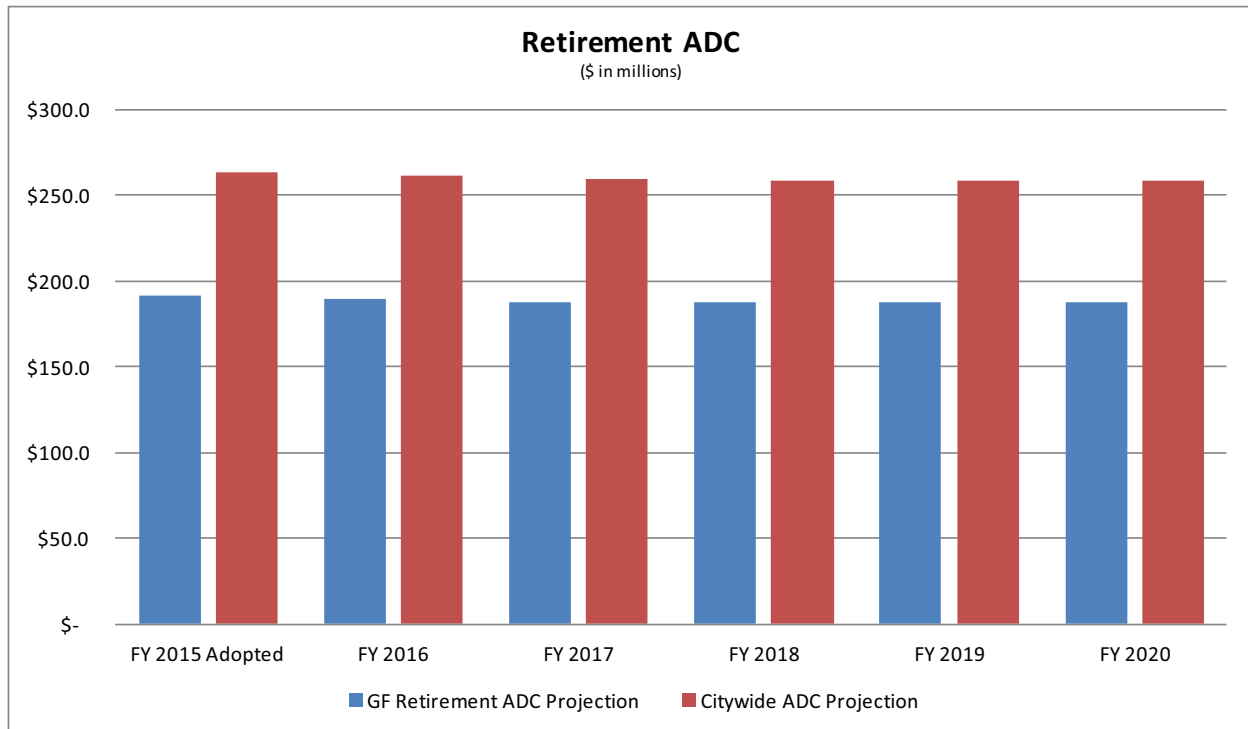
Retirement Actuarially Determined Contribution (ADC)

The Retirement Actuarially Determined Contribution (ADC) paid by the City in FY 2015 was based on the San Diego City Employees Retirement System (SDCERS) Actuarial Report prepared by the system actuary, Cheiron, as of June 30, 2013. This valuation is the most recent actuarial report and is the source in the Outlook for the projected ADC for FY 2016 through FY 2020. The updated projected ADC for the Outlook period will be included in the valuation report based on the June 30, 2014 measurement date. This report will be released and approved by the SDCERS Board in early 2015 and the FY 2016 ADC will be included in the FY 2016 budget.

The following table displays both the Citywide Retirement ADC and the General Fund's proportionate share for FY 2016 through FY 2020.

(\$ in millions)

Retirement ADC	FY 2015 Adopted	FY15 GF % of Total ARC	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
GF Retirement ADC Projection	\$ 191.1	72.5%	\$ 189.3	\$ 187.9	\$ 187.2	\$ 187.2	\$ 187.5
Citywide ADC Projection	\$ 263.6		\$ 261.0	\$ 259.1	\$ 258.1	\$ 258.2	\$ 258.6



Potential Adjustments to Retirement ADC

The City's FY 2015 ADC Payment was \$263.6 million, with \$191.1 million allocated to the General Fund. Based on the current discount rate of 7.25 percent, the Retirement ADC for FY 2016 (as estimated by the SDCERS actuary, Cheiron, in the June 30, 2013 actuarial report), is to be \$261.0 million, with \$189.3 million to be allocated to the General Fund. Currently, the ADC payment is projected to remain fairly consistent through the Outlook period based on the June 30, 2013 valuation report; however, the SDCERS Board will consider several items that may affect the City's ADC payment.

Based on SDCERS Board discussion at the September 2014 Board meeting, the Board may consider reducing the discount rate used in the actuarial assumptions to determine the City's ADC. The discount rate has a significant impact on the Unfunded Actuarial Liability (UAL), which affects the ADC. SDCERS estimated that if all actuarial assumptions remain the same and there are no other gains and losses in the June 30, 2014 valuation, if the discount rate is lowered to 7.00 percent, the FY 2016 ADC would increase by approximately \$14.4 million (\$10.4 million for the General Fund).

In addition, the SDCERS Board will consider another actuarial change in the June 30, 2014 valuation. Historically, SDCERS administrative expenses have been amortized over 15 years, but due to a new Actuarial Standard of Practice (ASOP #27); the administrative

expenses will be explicitly added to the annual ADC calculation. This standard applies to valuations after the June 30, 2014 measurement date. The SDCERS Board will consider options for implementation of the new ASOP, including immediate implementation of the new standard in the June 30, 2014 valuation or a phased approach to add a portion of the administrative expenses in the ADC over the next few years until the full amount is added on an annual basis thereafter. If full payment of the SDCERS administrative expenses is added to the ADC calculation in the 2014 valuation, the City's ADC in FY 2016 is estimated to increase by \$12.9 million (\$9.4 million General Fund).

In addition, investment gains during FY 2014 will be factored into the ADC by the actuary. Holding all other factors constant in the 2014 valuation, (including other gains and losses, no addition of administrative expenses in the ADC, and no change to the discount rate), the City's ADC would decrease in FY 2016 by approximately \$11.4 million (\$8.3 million for the General Fund). This is a theoretical, estimated reduction to the ADC not included in the FY 2016-2020 Outlook since other factors that would reduce these savings have yet to be determined by the SDCERS Board in consultation with the system's actuary. This decrease to the FY 2016 ADC may be partially or completely offset by the first two items.

The FY 2016 budget will include the full ADC amount determined by the actuary in the 2014 valuation report.

Flexible Benefits

Flexible Benefits is an Internal Revenue Service (IRS) qualified benefits program offered to all eligible employees. The program allows employees in one-half, three-quarter, or full-time status to choose benefit plans tailored to the employee's individual needs. The City provides each eligible employee an individual credit amount on a biweekly basis for use in the Flexible Benefits Plan Program. The credit each employee is entitled to differs based on, but not limited to, employee association, standard working hours, and selected coverage plans. Flexible Benefits include optional and required benefits, such as Medical, Dental, Vision, and Basic Life Insurance plans. For the FY 2015 Adopted Budget, \$55.8 million was budgeted in flexible benefits. The following table displays the projection for Flexible Benefits for FY 2016 through FY 2020.

(\$ in millions)						
Flexible Benefits	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 55.8	\$ 55.8	\$ 55.8	\$ 55.8	\$ 55.8	\$ 55.8

Flexible Benefit costs are fixed by position, and total flexible benefit costs vary as the number of positions change. As a result, the Flexible Benefits projection is held constant throughout the Outlook period as all position additions are reflected within the Priority Initiatives section of this report.

Other Post Employment Benefits (OPEB)

Other Post-Employment Benefits (OPEB) represent the cost of retiree healthcare. The Retiree Health or Other Post Employment Benefits (OPEB) Unfunded Actuarial Accrued Liability (UAAL) as of June 30, 2013 was approximately \$444.1 million and the annual required contribution was determined to be \$38.2 million. In FY 2012, the City entered into a 15-year memorandum of understanding with each of the recognized employee organizations regarding reforms to the retiree healthcare benefit for health-eligible employees. The agreements set the City's OPEB contribution at \$57.8 million for FY 2013 through FY 2015, with annual increases of up to 2.5 percent that may be negotiated after FY 2015 based on actuarial valuations prepared by Buck Consultants. The following table displays both the Citywide OPEB projection and the General Fund's proportionate share for FY 2016 through FY 2020.

(\$ in millions)							
Other Post Employment Benefits (OPEB)	FY 2015 Adopted	FY15 GF % of Total ARC	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate			0.0%	0.0%	0.0%	0.0%	0.0%
GF OPEB Projection	\$ 38.2	66.1%	\$ 38.2	\$ 38.2	\$ 38.2	\$ 38.2	\$ 38.2
Citywide OPEB Projection	\$ 57.8		\$ 57.8	\$ 57.8	\$ 57.8	\$ 57.8	\$ 57.8

The FY 2015 Adopted Budget included \$38.2 million for the General Fund portion of OPEB. The General Fund portion is determined by the percentage of full-time equivalent (FTE) positions budgeted within the General Fund versus non-general funds. The General Fund's proportionate share of the OPEB payment is projected to remain consistent for FY 2016 through FY 2020. This amount is projected to remain at \$38.2 million throughout the Outlook period as this expense is subject to future labor negotiations.

Workers' Compensation

State Workers' Compensation laws ensure that employees who are injured or disabled on the job are provided with monetary compensation. These laws are intended to reduce litigation and to provide benefits for workers (and dependents) who suffer work-related accidents or illnesses. State Workers' Compensation statutes establish the framework of laws for the City of San Diego.

The City's Workers' Compensation expenses are comprised of two components. Operating is the first component which covers the cost of current medical expenses and claims, while the second component covers contributions to the Workers' Compensation Reserve Fund. The following table displays the projection for Workers' Compensation for FY 2016 through FY 2020.

(\$ in millions)						
Workers' Compensation	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Operating	\$ 18.1	\$ 19.9	\$ 20.3	\$ 20.7	\$ 21.1	\$ 21.5
Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 18.1	\$ 19.9	\$ 20.3	\$ 20.7	\$ 21.1	\$ 21.5

Operating projections for FY 2016 through FY 2020 are based on actual prior year experience and projected to increase by 2.0 percent annually. The Workers' Compensation Reserve Fund target of 25.0 percent of outstanding claims is projected to be met at end of FY 2015; therefore, no reserve contributions are projected for FY 2016 through FY 2020. Additional information on the Workers' Compensation Reserve Fund can be found in the Reserves section of this report.

Supplemental Pension Savings Plan (SPSP)

In January 1982, the City established the Supplemental Pension Savings Plan (SPSP). SPSP accounts provide a way for eligible employees to add to savings for retirement income with contributions matched by the City. Employee eligibility for SPSP is determined by hire date and labor organization. Employees hired between July 1, 2009 and July 20, 2012 are not eligible for entry into SPSP but rather were placed in 401(a) and retiree medical trust plans. Employees hired after July 20, 2012, other than sworn police officers, 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 will be required to contribute 9.2 percent of compensation to the plan, which will be matched by a 9.2 percent employer contribution. For safety employees, the mandatory employee and matching employer contribution will be 11.0 percent of compensation. The following table displays the projection for SPSP for FY 2016 through FY 2020.

(\$ in millions)						
Supplemental Pension Savings Plan (SPSP)	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 12.5	\$ 12.5	\$ 12.5	\$ 12.5	\$ 12.5	\$ 12.5

SPSP is a fringe benefit that is projected based on a percentage of employees' salaries. In the FY 2015 Adopted Budget, SPSP was approximately 2.5 percent of General Fund salaries. For the Outlook period, SPSP as a percentage of salaries is projected to remain consistent at

2.5 percent. A minor increase from the FY 2015 Adopted Budget to the FY 2016 through FY 2020 projections is a result of anticipated salary step increases, which are included within the Salaries and Wages category. Additionally, this projection is based on the number of employees that were enrolled in the SPSP-H Plan during the development of the FY 2015 Adopted Budget. All position additions included in the Priority Initiatives section of this report are based on the assumption that new employees are hired post Proposition B.

Employee Offset Savings (EOS)

The labor negotiations in FY 2005 resulted in a reduction of the City's Retirement Offset Contribution. These agreements specified that the savings the City realizes as a result of this reduction must be used to address the City's pension Unfunded Actuarial Accrued Liability (UAAL). Each City department is charged based upon its respective payroll and these funds are transferred into the Employee Offset Savings (EOS) account. In FY 2006, the City issued approximately \$100.0 million in Tobacco Securitization Bonds and transferred these funds to SDCERS as a contribution to the pension system above the ARC to address the UAAL. In order to backfill the Tobacco Settlement Revenues securitized in FY 2006 and to protect the programs previously supported with the Tobacco Settlement Revenues, a portion of the EOS funds is transferred each year to the General Fund. The following table displays the projection for Employee Offset Savings for FY 2016 through FY 2020.

(\$ in millions)						
Employee Offset Savings (EOS)	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0	\$ 8.0

EOS is a fringe benefit that is projected based on a percentage of eligible employees' salaries. In the FY 2015 Adopted Budget, EOS was approximately 1.6 percent of General Fund salaries. For the Outlook period, EOS as a percentage of salaries is projected to remain consistent at 1.6 percent. A minor increase from the FY 2015 Adopted Budget to the FY 2016 through FY 2020 projections is a result of anticipated salary step increases included within the Salaries and Wages category.

Other Fringe Benefits

The Other Fringe Benefits category is comprised of Long Term Disability, Medicare, Retiree Medical Trust, 401(a) contributions, DROP payout fringe, Risk Management Administration, and Unemployment Insurance expenditures, among others. The following table displays the projection for Other Fringe Benefits for FY 2016 through FY 2020.

(\$ in millions)

Other Fringe Benefits	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 16.2	\$ 17.8	\$ 16.7	\$ 16.7	\$ 16.7	\$ 16.7

Other Fringe Benefits are projected based on a percentage of employees' salaries. In the FY 2015 Adopted Budget, Other Fringe Benefits were approximately 3.0 percent of General Fund salaries. For the Outlook period, Other Fringe Benefits as a percentage of salaries are projected to remain consistent at 3.0 percent. A minor increase from the FY 2015 Adopted Budget to the FY 2016 through FY 2020 projections is a result of anticipated salary step increases included within the Salaries and Wages category.

The City is in negotiations with its recognized employee organizations regarding a Long Term Disability benefit plan for employees hired after July 19, 2012 due to the passage of Proposition B. This plan is anticipated to provide disability benefits which were discontinued for employees not eligible for entry to SDCERS due to Proposition B. The City is currently evaluating potential options to provide disability benefits for post Proposition B employees.

Additionally, the Long Term Disability Reserve Policy target of 100.0 percent of a three year average of outstanding actuarial liability is projected to be met with a reserve contribution of \$1.6 million (\$1.1 million from the General Fund) in FY 2016. No reserve contributions are projected for FY 2017 through FY 2020 as a result of funding requirements being met. Contributions to the Public Liability Reserve are discussed in detail in the following section, while additional information on the Long-Term Disability Reserve Fund can be found in the Reserves section of this report.

Public Liability Reserve Contribution

In accordance with the Reserve Policy (Council Policy 100-20), the City will maintain a Public Liability Reserve for General Fund claims equal to 50.0 percent of the value of outstanding public liability claims. This reserve level recognizes that not all claims will be due and payable at one point in time and that not all claims will be awarded, yet there may be more than one large claim that could require an immediate payment. A smoothing methodology using the annual actuarial liability valuations for the three most recent fiscal years is used to determine the value of outstanding public liability claims for purposes of calculating the reserve level. The following table displays the FY 2016 through FY 2020 projections for the Transfers to Public Liability Reserve.

(\$ in millions)

Transfer to Public Liability Reserve	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projection	\$ 12.8	\$ 2.8	\$ 2.8	\$ 3.8	\$ 2.8	\$ -

While it was anticipated the Public Liability Reserve Policy target of 50 percent would be met with the \$12.8 million contribution from excess equity included in the FY 2015 Adopted Budget, due to several large payouts further contributions are now anticipated during the FY 2016 through FY 2020 Outlook period. The Public Liability Reserve Policy target is projected to be met with reserve contributions of \$2.8 million in FY 2016 and FY 2017, \$3.8 million in FY 2018, and \$2.8 million in FY 2019. No reserve contributions are projected for FY 2020.

Supplies

The Supplies category includes costs for office supplies, books, tools, uniforms, safety supplies, and building and electrical materials. The following table displays the FY 2016 through FY 2020 projections for the Supplies category.

(\$ in millions)

Supplies	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		3.5%	3.5%	3.5%	3.5%	3.5%
Projection	\$ 27.0	\$ 22.8	\$ 23.6	\$ 24.4	\$ 25.3	\$ 26.2

The FY 2015 Adopted Budget included \$5.0 million in one-time expenditures primarily for the Holiday Pay Side Letter with the Police Officers Association, equipment for new Police Officer positions, and Personal Protective Equipment (PPE) and rescue tools for the Fire-Rescue Department. These one-time expenditures have been removed from the FY 2016 through FY 2020 projections.

Additionally, a 3.5 percent increase has been applied for FY 2016 through FY 2020 based on historical average increases in the Supplies category over the past 10 years.

Contracts

Contracts is a non-personnel expense category that includes the cost of legal fees, insurance, refuse disposal fees, fleet vehicle usage and assignment fees, rent expenses, and other contractual expenses. The following table displays the FY 2016 through FY 2020 projections for the Contracts category.

(\$ in millions)

Contracts	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		3.5%	3.5%	3.5%	3.5%	3.5%
Projection	\$ 173.7	\$ 174.8	\$ 176.8	\$ 184.8	\$ 202.9	\$ 209.7

Adjustments within the Contracts category include the removal of one-time expenditures included in the FY 2015 Adopted Budget, an annual percentage increase of 3.5 percent

based on a historical analysis, and other adjustments based on known and anticipated events.

The FY 2015 Adopted Budget included \$7.7 million in one-time expenditures within the Contracts category for condition assessments, Storm Water permit compliance, Kinder-Morgan litigation, Lifeguard facility improvements, moving expenses, and tenant improvements.

In addition to the removal of one-time expenditures included in the FY 2015 Adopted Budget, the following adjustments have been incorporated in the Outlook based on anticipated events:

- Due to projected increases in insurance expenses and anticipated claim pay outs, the FY 2016 through FY 2020 projections for the Public Liability Operating expenses have been increased. For FY 2016, the Public Liability Operating expense is projected to be \$19.9 million decreasing to \$16.7 million for FY 2017 through FY 2020.
- In FY 2016, FY 2017, and FY 2020, Citywide election expenses have been increased by \$0.6 million bringing the total projected election expense for these three fiscal years to \$2.4 million, which provides sufficient funding for the elections scheduled to occur.
- FY 2016 includes \$0.3 million for the completion of a Citywide compensation survey that began during FY 2015.
- Vehicle assignment fees are projected at \$8.2 million in FY 2016, a decrease of \$4.8 million from the FY 2015 Adopted Budget based on an ongoing analysis of vehicle replacement fund balance and vehicles to be replaced during the Outlook period. Vehicle assignment fees are projected to increase from FY 2017 through FY 2020.
- Property Tax Administration Fees are projected to increase at the same growth rates as included within the Property Tax revenue category.
- Rent expense has been adjusted to reflect increases for corporate leases and the General Fund allocation of the Ridgehaven facility rent.
- For FY 2016 through FY 2020, contributions to Civic San Diego and the homeless shelters have been reallocated to the Contracts category from the Transfers Out

category. This reallocation reduces the Other Expenditures category projection, while increasing the Contracts category by an offsetting amount.

In addition to the adjustments listed above, a 3.5 percent increase has been applied for FY 2016 through FY 2020 based on historical average increases in the Contracts category over the past 10 years.

Information Technology

The Information Technology category includes both discretionary expenses and non-discretionary allocations to General Fund departments. The Information Technology category includes the costs related to hardware and software maintenance, help desk support, and other information technology (IT) services. The following table displays the FY 2016 through FY 2020 projections for the Information Technology category.

(\$ in millions)

Information Technology	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%
Projection	\$ 25.9	\$ 26.4	\$ 26.4	\$ 26.4	\$ 26.4	\$ 26.4

IT costs are projected to increase in FY 2016 based on non-discretionary contract cost estimates. The Information Technology category is projected to remain constant throughout the Outlook period as additions are reflected within the Priority Initiatives section of this report.

Energy and Utilities

The Energy and Utilities category includes the General Fund's costs for electricity, fuel, and other utility and energy expenses. The following table displays the FY 2016 through FY 2020 projections for the Energy and Utilities category.

(\$ in millions)

Energy and Utilities	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		9.0%	9.0%	9.0%	9.0%	9.0%
Projection	\$ 40.5	\$ 44.1	\$ 48.1	\$ 52.4	\$ 57.1	\$ 62.3

A 9.0 percent increase has been applied for FY 2016 through FY 2020 based on historical average increases in the Energy and Utilities category over the past 10 years.

Other Expenditures

Expenses included in this category are debt service payments, transfers out to other funds, capital expenses, and other miscellaneous expenditures. The following table displays the FY 2016 through FY 2020 projections for the Other Expenditures category.

(\$ in millions)						
Other Expenditures	FY 2015 Adopted	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Growth Rate		0.0%	0.0%	0.0%	0.0%	0.0%
Projection	\$ 102.0	\$ 67.2	\$ 67.6	\$ 67.7	\$ 67.9	\$ 68.0

The Outlook includes several adjustments within the Other Expenditures category including debt service payments and transfers to other non-general funds which are detailed below.

- Deferred capital debt service payments have been adjusted based on the payments included in each debt service schedules.
- The last interest and principal payment of \$8.0 million for the McGuigan settlement was made during FY 2015 and has been removed from the Outlook.
- Contributions to Civic San Diego and the homeless shelters have been reallocated from the Other Expenditures category to the Contracts category for FY 2016 through FY 2020. This reallocation reduces the Other Expenditures category projection, while increasing the Contracts category by an offsetting amount.
- Per Proposition C and City Charter Section 55.2, the Transfer Out group reflects an increase in Mission Bay lease revenues to be transferred to the San Diego Regional Park Improvements Fund and the Mission Bay Improvements Fund.
- The estimated payment for Supplemental Cost of Living Adjustments (COLA) was increased from the FY 2015 Adopted Budget amount of \$1.6 million to \$1.7 million for FY 2016 based on the SDCERS Supplemental COLA reserve being fully expended in FY 2014. Beyond FY 2016, Supplemental COLA expenses are projected to decrease annually.

Priority Initiatives

The FY 2016-2020 Outlook focuses on four Priority Initiatives:

- Infrastructure and Neighborhood Investment
- Public Safety
- Technology Improvements
- Transparency and Open Data

The following sections provide a detailed description of each of the Priority Initiative revenue and expenditure adjustments and the anticipated improvements to City services and police retention. The Priority Initiatives are based on requests from General Fund departments for the FY 2016-2020 Outlook period. In total, the implementation of the Priority Initiatives is projected to increase expenditures by approximately \$57.0 million in FY 2016 and revenues by \$1.4 million primarily due to reimbursable positions. The investment in Priority Initiatives throughout the Outlook period is cumulatively \$412.2 million in expenditures and \$8.1 million in revenue from FY 2016 to FY 2020. The following table displays the total revenue and expenditure adjustments identified within each of the four Priority Initiatives.

Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Infrastructure and Neighborhood Investment					
Revenue	\$ 1,300,282	\$ 1,558,413	\$ 1,558,413	\$ 1,558,413	\$ 1,558,413
Expense	\$ 31,496,628	\$ 46,831,739	\$ 50,896,411	\$ 53,815,578	\$ 56,215,796
Public Safety					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 21,868,139	\$ 21,244,823	\$ 30,847,643	\$ 40,829,730	\$ 46,522,395
Technology Improvements					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 2,731,005	\$ 1,150,418	\$ 3,048,418	\$ 772,418	\$ 772,418
Transparency and Open Data					
Revenue	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997
Expense	\$ 917,644	\$ 715,159	\$ 615,159	\$ 440,159	\$ 440,159
Total Revenue	\$ 1,416,279	\$ 1,674,410	\$ 1,674,410	\$ 1,674,410	\$ 1,674,410
Total Expense	\$ 57,013,416	\$ 69,942,139	\$ 85,407,631	\$ 95,857,885	\$ 103,950,767

Infrastructure and Neighborhood Investment

The Infrastructure and Neighborhood Investment Priority Initiative focuses on revitalizing communities by prioritizing infrastructure investments. The City's General Fund departments have identified critical programs and projects that are anticipated to occur during the Outlook period and will allow the City to provide enhancements to parks, recreational facilities, libraries, and operational support. In addition, capital improvement projects have been identified to focus on road and storm drain infrastructure, facilities maintenance, as well as sidewalk and streetlight repairs to improve transportation and improved access to services.

As discussed earlier in this report, the Mayor continues to commit 50 percent of new major General Fund revenues to infrastructure improvements within the City. For FY 2016, new major General Fund revenues are projected to total \$57.5 million, resulting in \$28.8 million to be allocated to infrastructure improvements. The Infrastructure and Neighborhood Priority Initiative totals \$31.5 million in expenditures for FY 2016, with \$30.0 million to be allocated to infrastructure exceeding the 50 percent commitment for FY 2016 through FY 2020.

For FY 2016 the Infrastructure and Neighborhood Investment Priority Initiative is projected to increase revenues by \$1.3 million and expenditures by \$31.5 million. For FY 2020, the Infrastructure and Neighborhood Investment Priority Initiative grows to \$1.6 million of revenue and \$56.2 million of expenditures. It is important to note that the FY 2016-2020 Outlook focuses on the General Fund investments in infrastructure and does not include other sources of funding (i.e. TransNet, Proposition 42 Replacement, Street Damage Fees, etc.) for capital investments. The following table displays the total revenue and expenditure adjustments by department identified within the Infrastructure and Neighborhood Investment Priority Initiative.

Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Planning	\$ 46,380	\$ 46,380	\$ 46,380	\$ 46,380	\$ 46,380
TSW - Street	\$ 1,253,902	\$ 1,512,033	\$ 1,512,033	\$ 1,512,033	\$ 1,512,033
Total Revenue	\$ 1,300,282	\$ 1,558,413	\$ 1,558,413	\$ 1,558,413	\$ 1,558,413
Citywide Program Expenditures	\$ 11,207,346	\$ 15,847,367	\$ 18,200,000	\$ 18,200,000	\$ 18,200,000
Environmental Services	\$ 102,809	\$ 597,439	\$ 298,482	\$ (97,960)	\$ (514,924)
Library	\$ -	\$ 545,794	\$ 605,794	\$ 890,786	\$ 545,786
Park & Recreation	\$ 1,262,544	\$ 1,872,649	\$ 2,152,864	\$ 2,397,487	\$ 2,555,084
Planning	\$ 552,873	\$ 552,873	\$ 552,873	\$ 552,873	\$ 552,873
PW - General Services	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -	\$ -
TSW - Storm Water	\$ 14,712,352	\$ 24,952,914	\$ 21,623,694	\$ 23,909,688	\$ 25,914,270
TSW - Street	\$ 2,658,705	\$ 1,962,704	\$ 6,962,704	\$ 7,962,704	\$ 8,962,706
Total Expenditures	\$ 31,496,628	\$ 46,831,739	\$ 50,896,411	\$ 53,815,578	\$ 56,215,796

Condition Assessments

Facilities Condition Assessments - Public Works - General Services					
FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ -	\$ -
Park Condition Assessments - Park and Recreation Department					
FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000

The City owns and maintains depreciable assets, including but not limited to infrastructure, streets, bridges, parks, public facilities, and airports. Due to tight financial constraints, the City has deferred maintenance and capital expenditures related to these assets, resulting in deteriorated structures, including parts of the City's infrastructure. Condition assessments are currently underway to evaluate approximately 1,200 City facilities and will continue through FY 2018. Condition assessments for streets are expected to be completed by June 2015. As these assessments are completed, the City will have a better understanding of funding needs related to maintenance and capital expenditures of its depreciable assets.

Funding for the FY 2016-2020 Outlook includes non-personnel expense for General Fund facility condition assessments that are anticipated to continue through Fiscal Year 2018. These assessments require a \$1.0 million increase in Public Works – General Services for FY 2016 and \$0.5 million in FY 2017 and FY 2018 to address the backlog of General Fund owned and operated facilities. The facility condition assessments are required for health and safety conditions of the building occupants, code violations, energy saving opportunities, and City planning.

This request also includes \$0.3 million for FY 2016 through FY 2020 for park condition assessments. Phase one of the park assets condition assessment is anticipated to be completed in early calendar year 2015 and phase two is anticipated to be completed by mid-calendar year 2015. The following phases of park asset condition assessments are anticipated to continue through FY 2020. These assessments require an additional \$0.3 million each year which will support the development, identification, and maintenance of the condition assessment study of all park assets (i.e. playgrounds, turf, etc.) within City limits.

Capital Investment

On March 20, 2012, the City Council approved a deferred capital funding plan, known as Enhanced Option B, which provides for bond funding totaling \$419.3 million over a five-year period from fiscal years 2013 through 2017, and increasing annual cash funding for maintenance and repair and capital expenditures from \$50.0 million in FY 2014 to \$79.0 million by FY 2017. The table below details the Council-approved Enhanced Option B funding plan approved in 2012.

Enhanced Option B (March 2012)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Deferred Capital Component						
Operations and Maintenance		\$ 52,700,000	\$ 50,000,000	\$ 62,000,000	\$ 66,000,000	\$ 79,040,000
Capital (Debt Service)		\$ 5,608,845	\$ 11,591,614	\$ 17,649,167	\$ 24,379,781	\$ 31,067,020
Total Budget Appropriations		\$ 58,308,845	\$ 61,591,614	\$ 79,649,167	\$ 90,379,781	\$ 110,107,020
New Bond Issuance (Net)	\$ 75,000,000	\$ 80,000,000	\$ 81,000,000	\$ 90,000,000	\$ 84,160,000	\$ 84,160,000
Use of Projected Fiscal Year 2012 Surplus		\$ 6,900,000				
Total Capital/Maintenance Program		\$ 127,700,000	\$ 130,000,000	\$ 143,000,000	\$ 156,000,000	\$ 163,200,000

In February 2014, the City Council authorized the issuance of Public Facility Financing Authority (PFFA) lease revenue bonds, in a principal amount not to exceed \$130.0 million to provide approximately \$120.0 million for various General Fund capital improvements. The issuance of these bonds was delayed due to a lawsuit challenging the legality of the City's lease financing structure. On November 3, 2014, the Superior Court denied the legal challenge on 2014 Series A portion of the City Council authorization, allowing the City to proceed with the issuance of an installment of the bonds estimated at \$71.0 million. The City expects to issue the Series A 2014 installment in December 2014, subject to the City Council authorization of the updates to the bond offering statement.

The table below shows the budgeted maintenance and repair, cash-funded capital expenditures, and debt service costs for infrastructure funding, as well as the bond issuance authorizations in Fiscal Years 2009 through 2015. Fiscal Years 2016 through 2020 incorporate the Enhanced Option B proposal with the following:

- Bond issuances of \$84.2 million in FY 2016 and FY 2017
- 2.0 percent inflation factor each year for maintenance and repair and cash-funded capital expenditures for FY 2018 through FY 2020

FY2016-2020 Outlook (Updated November 2014)	FY 2009-2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Cash Funding									
Maintenance and Repair ¹		\$ 45,800,000	\$ 52,608,369	\$ 53,090,687	\$ 66,000,000	\$ 79,040,000	\$ 80,620,800	\$ 82,233,216	\$ 83,877,880
Capital Expenditures ¹		\$ 8,300,000	\$ 3,500,000	\$ 17,266,945					
Bond Debt Service (Series 2009 - 2017) ²		\$ 10,700,000	\$ 14,100,000	\$ 16,600,000	\$ 21,700,000	\$ 27,000,000	\$ 32,300,000	\$ 32,300,000	\$ 32,300,000
Total Cash Funding		\$ 64,800,000	\$ 70,208,369	\$ 86,957,632	\$ 87,700,000	\$ 106,040,000	\$ 112,920,800	\$ 114,533,216	\$ 116,177,880
Bond Issuance Authorization	\$178,298,000 ³	\$ 35,000,000	\$ -	\$ 120,000,000 ⁴	\$ 84,160,000 ⁵	\$ 84,160,000 ⁵	TBD	TBD	TBD
Total⁶		\$ 129,100,000	\$ 91,108,369	\$ 53,090,687	\$ 186,000,000	\$ 163,200,000	\$ 164,780,800	TBD	TBD

¹ Maintenance and Repair and Capital Expenditures cash funding are equivalent to the Operations and Maintenance category in Enhanced Option B. These two categories combined are classified as cash funding, from the General Fund or other funding sources such as TransNet, Prop 42 Replacement, and Street Damage Fees, to maintain an asset. The split between Maintenance and Repair and Capital Expenditures for Fiscal Years 2016 through 2020 will be determined during the development of each Fiscal Year's budget.

² Consists of actual debt service for issuances of \$103.3 million in 2009, \$75 million in 2012, and \$35 million in 2013 and estimated debt service for FY2015 - FY2017 issuances based on current interest rates which are subject to change. For planning purposes, all new bond issuances are assumed to occur in the 3rd quarter of a fiscal year resulting in the debt service impact commencing in the following fiscal year.

³ Consists of bond funds of \$103.3 million in FY2009 and \$75.0 million in FY2012.

⁴ \$120.0 million in Deferred Capital CIP bonds were approved by City Council in Fiscal Year 2014 and the Series A 2014 is anticipated to be issued in December 2014.

⁵ Consistent with Enhanced Option B. Actual bond issuances to occur based on spend down trends from previous issuances.

⁶ Total consists of the current Fiscal Year's Maintenance and Repair and Capital Expenditures cash funding, and the previous Fiscal Year's Bond Issuance Authorization since the bond proceeds are assumed to be received in the next Fiscal Year.

The following table displays the anticipated debt service payments for Fiscal Year 2016 through Fiscal Year 2020 for capital bond issuances.

Five Year Outlook - FY 2016 - 2020
CIP Bonds - Debt Service Projections
(\$ in millions)

Bond Issuance	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
DC 1 - \$103.3 million	\$ 7,400,000	\$ 7,400,000	\$ 7,400,000	\$ 7,400,000	\$ 7,400,000	\$ 7,400,000
DC 2 - \$75.0 million	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000
DC 2A - \$35.0 million	\$ 2,200,000	\$ 2,200,000	\$ 2,200,000	\$ 2,200,000	\$ 2,200,000	\$ 2,200,000
Proposed Issuances (1)						
DC 3 - \$120.0 million		\$ 7,500,000	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000
DC 4 - \$84.16 million			\$ 5,300,000	\$ 5,300,000	\$ 5,300,000	\$ 5,300,000
DC 5 - \$84.16 million				\$ 5,300,000	\$ 5,300,000	\$ 5,300,000
Subtotal - Increases for the FY 2016-2020 Outlook		7,500,000	\$ 12,800,000	\$ 18,100,000	\$ 18,100,000	\$ 18,100,000
Total	\$ 14,200,000	\$ 21,700,000	\$ 27,000,000	\$ 32,300,000	\$ 32,300,000	\$ 32,300,000

1. Assumptions: CIP Bonds, DC 3 - DC5, are assumed to be issued annually starting in early calendar year 2015; debt service for each of the bond series is assumed to commence in the following fiscal year. All projections for the Proposed Issuances are based on an assumed borrowing cost of approximately 4.6%.

Transportation & Storm Water Department – Storm Water Division

Flood Risk Management / Comprehensive Load Reduction Plan (CLRP)

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	29.00	44.00	57.00	62.00	66.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 14,712,352	\$ 24,952,914	\$ 21,623,694	\$ 23,909,688	\$ 25,914,270

The City of San Diego has over 48,000 storm drain structures, 700 miles of drainage pipe, and 15 storm water pump stations. 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 permit requires compliance with the federal Clean Water Act and storm water regulations. The City of San Diego is one of 21 entities in the San Diego region affected by the new storm water permit which took effect in July 2013, and requires all entities to come into compliance by calendar year 2018 per water quality regulations. This permit consolidated storm water regulations for Total Maximum Daily Load (TMDL) for metals and bacteria and Areas of Special Biological Significance (ASBS) requirements.

With a deadline of 2018 to comply with the new water quality regulations, the Storm Water Division will require significant increases in funding for both operating and capital expenses throughout the Outlook period. These operating increases amount to 29.00 FTEs and \$14.7 million in FY 2016 for Flood Risk Management and the Comprehensive Load Reduction Plan (CLRP). The amount of revenue growth projected in the Outlook allocated to these programs increases over the five year period to a total increase of 66.00 FTEs and \$25.9 million by FY 2020. In addition to these operating expenses, Capital Improvements Program (CIP) requirements to comply with the permit are significant each year with \$110.0 million needed in FY 2016 increasing to \$155.8 million by FY 2020. This Outlook addresses a small portion of the anticipated capital need through FY 2020. Of the \$120.0 million infrastructure bond authorization approved by the City Council in Fiscal Year 2014, \$22.0 million is anticipated to be allocated for storm drain infrastructure improvements. An additional \$2.9 million is anticipated to be transferred from the Storm Water Division's Operations and Maintenance budget each year, to support storm water CIP projects. To remain in compliance with the permit, an additional \$81.1 million is anticipated to be required in CIP storm water infrastructure funding in Fiscal Year 2016. These operating and capital funding needs are the minimum amounts necessary to meet and comply with the new storm water permit as it exists now and associated regulations by 2018. The following table displays the total amounts to be allocated to the Storm Water Division for compliance with the new storm water permit over the next five years. The Operations and Maintenance portion is included in this Outlook; however, the majority of the CIP needs remain unfunded.

Storm Water Funding

Storm Water Compliance Requirements	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Operations & Maintenance¹	\$ 48,078,861	\$ 58,319,423	\$ 54,990,203	\$ 57,276,197	\$ 59,280,779
Difference From Fiscal Year 2015					
Comprehensive Load Reduction Plan (CLRP)	\$ 5,472,302	\$ 12,693,499	\$ 9,860,413	\$ 12,872,064	\$ 11,271,735
Flood Risk Management	\$ 9,240,050	\$ 12,259,415	\$ 11,763,281	\$ 11,037,624	\$ 14,642,535
Total Difference From Fiscal Year 2015	\$ 14,712,352	\$ 24,952,914	\$ 21,623,694	\$ 23,909,688	\$ 25,914,270
Capital Improvements Program (CIP)	\$ 110,013,269	\$ 136,097,896	\$ 177,968,303	\$ 197,357,503	\$ 155,786,748
CIP Funding from Operations & Maintenance					
Budget	\$ 2,850,000	\$ 2,850,000	\$ 2,850,000	\$ 2,850,000	\$ 2,850,000
CIP Bond Funding Planned	\$ 26,080,000	\$ 26,080,000	TBD	TBD	TBD
Additional Funding Needed	\$ 81,083,269	\$ 107,167,896	\$ 175,118,303	\$ 194,507,503	\$ 152,936,748
Total Storm Water Compliance Requirements	\$ 158,092,130	\$ 194,417,319	\$ 232,958,506	\$ 254,633,700	\$ 215,067,527

1. Amounts do not include fixed fringe benefits or Transfers to CIP for Fiscal Years 2016 through 2020.

If the City of San Diego does not meet the required storm water regulations by 2018, the City may incur penalties which can amount to \$10,000 per day per violation from the State (Regional Water Quality Control Board), and federal EPA penalties of \$27,500 per day per violation. The City can also potentially be subject to third party lawsuits. It is important to note that the City of San Diego is working with the California Regional Water Quality Control Board and the State Water Board to encourage reasonable and responsible implementation of storm water regulations in the State of California, which could beneficially impact the projected funding needs discussed above.

Transportation & Storm Water Department – Street Division

Construction - Roadways/Minor Contracts Support

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	6.00	6.00	6.00	6.00	6.00
Revenue	\$ 410,851	\$ 410,851	\$ 410,851	\$ 410,851	\$ 410,851
Expense	\$ 638,003	\$ 487,671	\$ 487,671	\$ 487,671	\$ 487,671

The Roadways/Minor Contracts Support request includes the addition of 6.00 FTEs, revenue, and associated non-personnel expenses to support Transportation Engineering Operations and other City departments for minor construction services of roadways. In-house construction crews will provide dedicated construction services to install missing sidewalks, curbs/gutters, ADA ramps, and crosswalk improvements. One-time expenses are included for vehicles along with asphalt and concrete supplies, materials, and maintenance expenses from FY 2016 through FY 2020.

Engineering Design and Construction Group/Minor Contracts Support

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	7.00	7.00	7.00	7.00	7.00
Revenue	\$ 445,885	\$ 445,885	\$ 445,885	\$ 445,885	\$ 445,885
Expense	\$ 743,746	\$ 562,466	\$ 562,466	\$ 562,466	\$ 562,467

The Engineering Design and Construction Group/Minor Contracts Support request includes the addition of 7.00 FTEs, revenue, and associated non-personnel expenses to support Transportation Engineering Operations (TEO) and other City departments. The Engineering Design and Construction Group will support design and construction services associated with reimbursable projects requested by TEO and Disability Services, increasing the number of infrastructure projects completed. This request also includes the addition of vehicles and one office trailer for the Engineering Design and Construction Group.

Construction-Traffic/Signal Condition Assessment

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	5.00	5.00	5.00	5.00	5.00
Revenue	\$ 307,549	\$ 565,680	\$ 565,680	\$ 565,680	\$ 565,680
Expense	\$ 591,526	\$ 383,526	\$ 383,526	\$ 383,526	\$ 383,526

The Construction Traffic/Signal Condition Assessment request includes the addition of 5.00 FTEs, revenue, and associated non-personnel expenses to support Transportation Engineering Operations and other City departments for traffic signal condition assessments. In-house construction crews will provide dedicated construction services to install traffic signals, traffic calming measures, crosswalk/flashing beacon improvements, installation of park and parking lot lighting and street light pole attachments. Traffic signal, street lighting parts, other supplies and materials are also included to provide minor construction services under \$250,000.

Operation & Maintenance - Roadways Backfill Sidewalk/Curb/Gutter/Mill and Pave

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	5.00	5.00	5.00	5.00	5.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 518,591	\$ 421,921	\$ 421,921	\$ 421,921	\$ 421,923

This request includes the addition of 5.00 FTEs, revenue, and associated non-personnel expenses to support the Transportation Engineering Operations and other City departments

for minor construction services of sidewalk, curb/gutter, and mill and pave improvements Citywide. This crew will complete small scale capital projects identified in the City's capital needs assessments. This request also includes two vehicles to support the group and the addition of supplies for asphalt, concrete, and other materials.

Operation & Maintenance - Traffic Group/Bike Master Plan

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	2.00	2.00	2.00	2.00	2.00
Revenue	\$ 89,618	\$ 89,618	\$ 89,618	\$ 89,618	\$ 89,618
Expense	\$ 166,838	\$ 107,119	\$ 107,119	\$ 107,119	\$ 107,119

The Traffic Group/Bike Master Plan request includes the addition of 2.00 FTE, TransNet revenue, and associated non-personnel expenses to support installation and ongoing maintenance requirements for the Bike Master Plan Operations & Maintenance - Traffic Group. Utility workers will support the installation and ongoing maintenance of bike lane striping, legends, bike racks, and lockers Citywide.

Streets, Sidewalks, and Streetlights Infrastructure

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ -	\$ -	\$ 5,000,000	\$ 6,000,000	\$ 7,000,000

This request includes the addition of non-personnel costs related to installation and ongoing maintenance of streets, sidewalks, and streetlights beginning in Fiscal Year 2018. Although specific projects have not been identified for these funds, this request ensures continued General Fund increases in the commitment to improving the City's infrastructure. This amount is in addition to other funding sources (i.e. TransNet, Proposition 42 Replacement, Street Damage Fees, etc.) for capital investments. The amount to be allocated to streets, sidewalks, and streetlights will be determined through the annual budget process.

Library Department

Branch Library Expansions

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	2.00	2.00	3.62	3.62
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ -	\$ 270,794	\$ 270,794	\$ 545,786	\$ 545,786

Two branch libraries will undergo expansion during the Outlook period, the Skyline Branch Library and the Mission Hills Branch Library. The Skyline Branch will be expanding from 4,400 square feet to 15,000 square feet in FY 2017 and the Mission Hills Branch will be expanding from 3,850 square feet to 15,000 square feet in FY 2018. These branch library expansions have been identified for funding in the third Deferred Capital (DC3) bond issuance which will fund the capital cost of expanding these libraries, while the increase for additional personnel and non-personnel operating expenditures are reflected in the table above. Non-personnel expenditure additions include supplies, energy and utility costs, and contractual costs for landscaping, security, and janitorial services.

Radio Frequency Identification (RFID) Conversion

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ -	\$ 275,000	\$ 335,000	\$ 345,000	\$ -

This request provides funding to continue the RFID conversion that began with the Downtown Central Library. This level of funding assumes the General Fund will bear the entire cost of the program if no other sources are available. All library branches are expected to be converted by Fiscal Year 2019. RFID technology lends itself better to automation and self-service in libraries, offers enhanced security, and ergonomic benefits.

Park & Recreation Department

Multiple Species Conservation Program (MSCP)

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 520,726	\$ 120,726	\$ 120,726	\$ 120,726	\$ 120,726

This request supports the General Fund portion of the Multiple Species Conservation Program (MSCP). The request includes the addition of one-time non-personnel expenses for the removal of accumulated silt behind the Old Mission Dam in FY 2016. The request also includes non-personnel expenses for biological monitoring contracts and baseline surveys for FY 2016 through FY 2020 for federally required Citywide Natural Resource Management Plans.

New Park and Recreation Facilities

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	2.52	10.73	14.37	16.28	17.68
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 441,818	\$ 1,451,923	\$ 1,732,138	\$ 1,976,761	\$ 2,134,358

This request includes the addition of FTE and non-personnel expenses for new Park and Recreation Facilities projected to open during the FY 2016-2020 Outlook period. This request displays the City's commitment to investing in neighborhood services by increasing the access to Park and Recreation facilities throughout the City. New Park and Recreation facilities projected for the FY 2016-2020 Outlook period include mini-parks, pocket parks, and joint-use athletic fields. These new facilities are listed below by fiscal year.

Fiscal Year 2016:

- City-Miramar College District Joint-Use
- Creekside Park
- Montgomery Academy Joint-Use
- Phyllis Place Park
- University Village Tot Lot Playground
- Wegeforth Elementary School Joint-Use

Fiscal Year 2017:

- Angier Elementary School Joint-Use
- Black Mountain Ranch Community Park
- Canyonside Community Park Improvements
- Civita Central Park
- Del Mar Mesa Neighborhood Park
- Del Sur Neighborhood Park
- Linda Vista Skate Park
- Mira Mesa Community Park Expansion - Phase 1
- Torrey Hills Neighborhood Park
- Torrey Meadows Neighborhood Park

Fiscal Year 2018:

- Carmel Valley Neighborhood Park
- Fairbrook Neighborhood Park
- Franklin Ridge Pocket Park
- Salk Neighborhood Park & Joint-Use

Fiscal Year 2019:

- Canyon Hills Resource Park Improvements

- Trenea Mesa Sports Field Joint-Use
- Wagenheim Joint-Use

Fiscal Year 2020:

- Pacific Highlands Ranch Community Park

Environmental Services Department

Compressed Natural Gas (CNG) Fueling Station

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 102,809	\$ 597,439	\$ 298,482	\$ (97,960)	\$ (514,924)

This request is for the construction of a Compressed Natural Gas (CNG) Fueling Station at the Miramar Operations Center. The CNG Fueling Station will allow for the conversion of the City's fleet of refuse and recycling vehicles from diesel to natural gas, consistent with the strategies of the City's Climate Action Plan. The amount requested includes the estimated General Fund share of debt service and operating expenses necessary to construct and operate the CNG fueling station. Once operational, the General Fund will directly benefit from this facility in the form of fuel cost savings.

Citywide Program Expenditures

Enterprise Asset Management (EAM)

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 3,707,346	\$ 3,047,367	\$ 100,000	\$ 100,000	\$ 100,000

The ERP Enterprise Asset Management (EAM) implementation is a strategic project for investment in, and support of, the Citywide ERP System. The EAM project includes General Fund implementation costs and ongoing software maintenance. This project provides for the establishment of an integrated, real-time ERP asset management software solution that builds upon the existing Citywide ERP platform and will enable staff to conduct in-depth analysis of the maintenance activities, develop effective predictive and preventative maintenance and capital renewal plans, and better leverage resources. Citywide, multiple legacy maintenance management systems will be replaced with one solution resulting in increased operational efficiencies while reducing annual software maintenance expenses.

Planning Department

Support for Community Plan Updates & Amendments

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	3.00	3.00	3.00	3.00	3.00
Revenue	\$ 46,380	\$ 46,380	\$ 46,380	\$ 46,380	\$ 46,380
Expense	\$ 552,873	\$ 552,873	\$ 552,873	\$ 552,873	\$ 552,873

This request includes the addition of 3.00 FTEs, revenue, and non-personnel expenses to perform General Plan maintenance and additional community plan updates. The requested positions would provide additional professional staff to speed the completion of community plan updates currently being performed and to assist in the completion of additional community plan updates.

Public Safety

The Public Safety Priority Initiative focuses on critical public safety needs by prioritizing projected new revenues for Police, Fire, and Lifeguard services. These General Fund departments have identified critical programs and projects during the Outlook period that will support increased public safety.

For FY 2016, the Public Safety Priority Initiative is projected to increase expenditures by \$21.9 million. For FY 2020, Public Safety Priority Initiative grows to expenditures of \$46.5 million. The following table displays the total expenditure adjustments by department identified within the Public Safety Priority Initiative.

Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Fire-Rescue	\$ 6,999,462	\$ 9,204,045	\$ 11,706,196	\$ 15,196,608	\$ 16,331,681
Lifeguard	\$ 321,944	\$ 321,944	\$ 279,167	\$ 279,167	\$ 233,333
Police	\$ 14,546,733	\$ 11,718,835	\$ 18,862,280	\$ 25,353,955	\$ 29,957,381
Total Expense	\$ 21,868,139	\$ 21,244,824	\$ 30,847,643	\$ 40,829,730	\$ 46,522,395

Fire-Rescue Department

Public Safety – Computer Aided Dispatch (CAD) System

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 169,230	\$ 1,552,692	\$ 437,307	\$ 62,500	\$ 62,500

This request includes an estimate of the Fire-Rescue Department's share of the replacement of the Public Safety CAD System. The CAD System supports the City's 911 emergency call services and is used to dispatch and monitor the status of public safety resources in the field. Cost estimates include hardware, software, installation, and ongoing maintenance expenses. A Request for Proposals (RFP) was issued during the first quarter of FY 2015 and proposals are currently being reviewed. It is anticipated that installation of the Fire-Rescue Department's CAD System will occur during FY 2017.

Fire Academies

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,339,428	\$ 1,339,428	\$ 1,339,428	\$ 1,339,428	\$ 1,339,428

The FY 2016-2020 Baseline Projections includes funding for one fire academy in each year of the Outlook period. This request provides funding for two additional fire academies in each fiscal year for a total of three fire academies per year. This request includes the personnel expense for the academy coordinator, classroom instructors, administrative support, and the backfilling of positions to conduct candidate interviews. The request also includes funding for non-personnel expenditures related to candidate screening, supplies, and equipment.

Exhaust Extraction System Repair/Replacement

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000

This request includes the addition of expenditures related to the replacement of fire station exhaust extraction equipment as required by the memorandum of understanding between the City and the Firefighter's labor union (Local 145).

Fast Response Squad

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,474,242	\$ 1,474,242	\$ 1,474,242	\$ 1,474,242	\$ 1,474,242

The FY 2015 Adopted Budget included one-time funding for a pilot Fast Response Squad. This request provides funding for continuation of the pilot Fast Response Squad and adds funding for an additional Fast Response Squad throughout the Outlook period. Each Fast Response Squad is staffed by a Fire Captain and a Firefighter for 12 hours per day. The request includes both personnel expense as well non-personnel expense for supplies and equipment.

New Fire Station Facilities

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	12.00	30.00	36.00	72.00	84.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 3,966,562	\$ 4,787,683	\$ 8,405,220	\$ 12,270,438	\$ 13,405,511

Six new fire stations are anticipated to be added within the Fire-Rescue Department during the Outlook period. Based on the FY 2015 Adopted Capital Improvement Program (CIP), new stations are anticipated to become operational in the following years:

Fiscal Year 2016:

- Eastside Mission Valley Fire Station

Fiscal Year 2017:

- Bayside Fire Station
- Skyline Hills Fire Station

Fiscal Year 2019:

- Home Avenue Fire Station
- Permanent Paradise Hills Fire Station

Fiscal Year 2020:

- College Avenue Fire Station

This request provides funding for operational expenses as each new fire station will require personnel, the purchase of a new fire engine(s), and non-personnel expenditures such as firefighter safety tools and apparatus equipment.

Lifeguard Services

Vessel Replacement Plan

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 321,944	\$ 321,944	\$ 279,167	\$ 279,167	\$ 233,333

The Lifeguard Vessel Replacement Plan creates a fund for the replacement of the Lifeguard Division's fire, bay patrol boats, and surf rescue boats. This fund is similar to the City's vehicle assignment fees in which funds are transferred into each year in order to maintain a regular replacement schedule of vessels.

Police Department

The Police Department developed a Five-Year Plan (FY 2014 – FY 2018) as a framework to begin the process of rebuilding the Department in the areas most impacted by past budget reductions. The Department's Five-Year Plan was first presented to City Council during FY

2013 but was updated and approved by City Council on November 5, 2013. The approved plan includes both civilian and sworn personnel and equipment needed to achieve greater levels of service in the coming years. Although the full Police Department Five-Year Plan is not included within the FY 2016-2020 Outlook, the Plan is the basis for prioritizing the Department's requests within the City's limited resources.

The following tables detail the sworn and civilian positions as well as equipment expenditures included within the FY 2016-2020 Outlook.

Civilian Positions and Equipment

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	13.50	27.00	40.50	54.00	54.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 853,048	\$ 1,604,576	\$ 2,356,105	\$ 3,127,133	\$ 3,127,133

This request provides for the addition of 54.00 civilian positions and related equipment within the Police Department during the FY 2016-2020 Outlook period. Civilian positions requested include Dispatchers, Crime Lab staff, Property Clerks, Records staff, Police Service Officers, Police Investigative Aides, Analyst staff, and support positions. The request also includes non-personnel expense for equipment and supplies for the new civilian positions.

Police Officer Positions and Equipment

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	32.00	64.00	96.00	96.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,090,198	\$ 2,817,490	\$ 5,798,406	\$ 8,779,322	\$ 8,942,748

This request provides for the addition of non-personnel expense funding in FY 2016 to support an increase in the Police Department's funded positions for new recruits. The Outlook does not include the addition of Police Officer positions in FY 2016, as the Department currently has sufficient vacant Police Officer positions to be filled with new recruits. Beyond FY 2016, this request provides for the addition of 96.00 Police Officer positions that will allow the Department to continue to hold four academies per year from FY 2017 through FY 2020. In addition to personnel expense, this request includes non-personnel expense for equipment and supplies for the new Police Officer positions.

Police Department Air Support Maintenance & Engine Overhauls

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,115,000	\$ 1,190,000	\$ 1,275,000	\$ 1,360,000	\$ 1,450,000

This request provides funding for the overhaul of the Police Department's helicopter engines. Historically, helicopter engine overhaul, maintenance, and fuel expenses have been funded by a combination of grant funding and the Seized & Forfeited Assets Fund; however, insufficient funding is available from these sources to continue to fund maintenance and engine overhaul expenses. The Seized & Forfeited Assets Fund will continue to fund annual fuel expenses.

Police Body Worn Cameras

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,572,585	\$ 216,000	\$ 162,000	\$ -	\$ -

This request includes expenses associated with the purchase of body worn cameras to implement the program throughout the entire Police Department. Body worn cameras are worn by police officers to record interactions with the public. The audio and visual recordings are stored digitally and used as evidence in court and for Department purposes. This request will provide the Police Department with 400 new cameras in FY 2016, for a total of 1,000 body worn cameras.

Public Safety – Computer Aided Dispatch (CAD) System

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 4,975,902	\$ 950,768	\$ 850,769	\$ 187,500	\$ 187,500

This request includes an estimate of the Police Department's share of the replacement of the Public Safety CAD System. The CAD System supports the City's 911 emergency call services and is used to dispatch and monitor the status of public safety resources in the field. Cost estimates include hardware, software, installation, and ongoing maintenance expenses. A Request for Proposals (RFP) was issued during the first quarter of FY 2015 and

proposals are currently being reviewed. It is anticipated that installation of the Police Department's CAD System will occur during FY 2016.

First Proposal to San Diego Police Officers Association

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,740,000	\$ 1,740,000	\$ 5,220,000	\$ 8,700,000	\$13,050,000

The City is currently undergoing negotiations with the San Diego Police Officers Association. The amounts displayed in the table above reflect the City's First Proposal to the San Diego Police Officers Association. This expense projection is subject to negotiation. Upon conclusion of the negotiations, the final amounts will be included in the FY 2016 Proposed Budget.

Holiday Pay Side Letter with San Diego Police Officers Association

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000

The City is currently undergoing negotiations with the San Diego Police Officers Association. The amounts displayed in the table above reflect the City's proposal to continue the Holiday Pay Side Letter with the San Diego Police Officers Association. This expense projection is subject to negotiation. Upon conclusion of the negotiations, the final amounts will be included in the FY 2016 Proposed Budget.

Technology Improvements

The Technology Improvements Priority Initiative focuses on improving the City's technology assets including upgrading operating systems, increased IT security, and enhancements to the Purchasing and Contracting, Human Resources and Financial Management modules within SAP. The City's Department of Information Technology has identified critical programs and projects that are anticipated to occur during the Outlook period and will allow the City to provide enhancements to technological assets that will increase operational efficiency and improve cyber security.

For FY 2016 the Technology Improvements Priority Initiative is projected to require an investment of \$2.7 million. For FY 2020, the Technology Improvements Priority Initiative expenditure is reduced to \$0.8 million as a result of efficiencies as the Department's requests move from implementation to ongoing maintenance. The following table displays the total expenditure adjustments within the Technology Improvements Priority Initiative.

Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Department of IT	\$ 2,731,005	\$ 1,150,418	\$ 3,048,418	\$ 772,418	\$ 772,418
Total Expense	\$ 2,731,005	\$ 1,150,418	\$ 3,048,418	\$ 772,418	\$ 772,418

Department of Information Technology (IT)

Microsoft Desktop Operating System Upgrade

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -

This request provides one-time funding for support of the migration of General Fund departments to the latest version of the Microsoft Desktop Operating System. This migration is anticipated to occur during FY 2018.

Transfer to Information Technology Fund

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,249,663	\$ 781,816	\$ 679,816	\$ 679,816	\$ 679,816

This request provides funding for the General Fund portion of Information Technology Fund expenditures identified by the Department of IT to occur during the FY 2016-2020 Outlook Period. This request includes funding of an upgrade to Microsoft Office 2013, support for IT and SAP security and anti-virus solutions, consultant services for the City's IT sourcing strategy, and replacement of the City's public meeting electronic docketing system known as SIRE.

Transfer to OneSD Support Fund

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 1,481,342	\$ 368,602	\$ 368,602	\$ 92,602	\$ 92,602

This request provides funding for the General Fund portion of the OneSD Support Fund expenditures identified by the Department of IT to occur during the FY 2016-2020 Outlook Period. This request includes funding for enhancements and upgrades for the Accounts Receivable/Accounts Payable, Public Budget Formulation, Purchasing and Contracting, and Success Factors Performance modules within SAP.

Transparency and Open Data

The Transparency and Open Data Initiative focuses on increasing transparency through technology, increasing the ease of access to online resources for City searches, storage and retention of City emails, and implementation of the Open Data Policy. The City's General Fund departments have identified critical programs and projects that are anticipated to occur during the Outlook period and will allow the City to provide enhancements to software systems, compliance programs, and business processes to improve reporting, account management, and overall efficiency.

For FY 2016, the Transparency and Open Data Investment Priority Initiative is projected to increase revenues by \$0.1 million and expenditures by \$0.9 million. The following table displays the total revenue and expenditure adjustments by department identified within the Transparency and Open Data Priority Initiative.

Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
City Treasurer	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997
Total Revenue	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997
City Comptroller	\$ 500,000	\$ 100,757	\$ 100,757	\$ 100,757	\$ 100,757
City Treasurer	\$ 417,644	\$ 614,402	\$ 514,402	\$ 339,402	\$ 339,402
Total Expenditures	\$ 917,644	\$ 715,159	\$ 615,159	\$ 440,159	\$ 440,159

Office of the City Comptroller

Document Retention Software

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	1.00	1.00	1.00	1.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 500,000	\$ 100,757	\$ 100,757	\$ 100,757	\$ 100,757

Addition of one FTE and expenditures related to the retention of accounting records. As the current system nears capacity, the Office of the Comptroller will need to identify a software solution for document retention of grant and bond documents, in addition to other accounting records. This will ensure the adequacy of documents needed for audit and public information requests.

Office of the City Treasurer

PCI Compliance

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	1.00	1.00	1.00	1.00
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ -	\$ 86,757	\$ 86,757	\$ 86,757	\$ 86,757

This request includes the addition of one FTE to partner with the Department of IT in administration of the Payment Card Industry (PCI) Compliance program, assist in annual compliance certification, review Citywide PCI documentation and policies and conduct training for the City's workforce to safeguard credit card information.

Business Regulatory and Taxation Consolidation Project Phase II - Fire Permits

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ -	\$ 260,000	\$ 10,000	\$ 10,000	\$ 10,000

Addition of expenditures related to Phase II of the Business Regulatory and Taxation Consolidation Project. This phase of the project adds the Fire-Rescue Department's permitting process to the Business Regulatory functions in the Office of the City Treasurer. Expenditures include an increase in postage, printing, and banking expenses.

Treasury Cashiering System

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 120,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000

Addition of expenditures related to the replacement and ongoing maintenance of a Point of Sale (POS) Cashiering system that will fully integrate with the City's ERP system.

Delinquent Accounts Collections System Upgrade and Replacement

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 40,000	\$ 40,000	\$ 240,000	\$ 65,000	\$ 65,000

This request includes the addition of expenditures related to the upgrade and replacement of the Delinquent Accounts Collection System. This project will provide enhanced reporting and improved account management.

Payment Hub - Consolidation of Online Payments into One System

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ -

Addition of expenditures related to the City's centralized payment transaction system. This system will provide an enterprise solution that allows conformity with a standardized electronic payment solution.

Online Residential Parking Permit System

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	-	-	-	-	-
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expense	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000

Addition of expenditures related to the implementation of an online residential parking permitting system. The new system will provide residential parking customers more options in completing the annual permitting process.

Transient Occupancy Tax (TOT)/Tourism Marketing District (TMD) Revenue Audit

FTE/Rev/Exp	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
FTE	2.00	2.00	2.00	2.00	2.00
Revenue	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997	\$ 115,997
Expense	\$ 142,644	\$ 142,644	\$ 142,644	\$ 142,644	\$ 142,644

This request includes the addition of revenue, personnel, and non-personnel expenditures related to the enhanced enforcement of short term rental properties. The addition of two FTEs will allow for increased TOT/TMD outreach and enforcement of the City's tax provisions as they relate to short term rental properties. It is anticipated these compliance efforts will generate additional revenue to offset the increased expenses.

Reserves

The City's Reserve Policy was last amended by the City Council in July 2014 to increase the reserve level in the General Fund and grow and maintain the Risk Management reserves to support the City's fiscal position and resilience. The Reserve Policy establishes reserve targets and funding schedules for all major funds to help withstand the economic impact of unanticipated events such as natural disasters or significant reductions in revenues. This section primarily focuses on the reserves of the General Fund, but also discusses the General Fund's contributions to the Public Liability Fund, Workers' Compensation Fund, and Long Term Disability Fund.

The City's General Fund Reserve is comprised of the Emergency Reserve and the Stability Reserve. The City's Reserve Policy requires that the Emergency Reserve and Stability Reserve equal 8.0 percent and 6.0 percent, respectively, of the most recent three-year average of annual audited General Fund revenues. Combined, the Emergency Reserve and Stability Reserve result in a total General Fund Reserve target level of 14.0 percent of General fund operating revenues.

Based on the most recent three year average of audited actuals, the FY 2015 General Fund Reserve target of 14.0 percent is \$149.8 million. At the time of release of this Outlook, the FY 2015 ending fund balance of the General Fund is projected to be \$167.2 million or 15.6 percent of General Fund operating revenues, slightly in excess of the reserve target.

The following table displays a projection of the 14.0 percent General Fund Reserve target over the next five years based on projected revenues included in the FY 2016-2020 Outlook.

(\$ in millions)

GENERAL FUND RESERVES ¹	Fiscal Year 2016		Fiscal Year 2017		Fiscal Year 2018		Fiscal Year 2019		Fiscal Year 2020	
Projected General Fund Reserve	\$ 157.5	14.0%	\$ 161.0	14.0%	\$ 162.2	14.0%	\$ 167.9	14.0%	\$ 172.9	14.0%
Emergency Reserve - 8.0%	\$ 90.0	8.0%	\$ 92.0	8.0%	\$ 92.7	8.0%	\$ 95.9	8.0%	\$ 98.8	8.0%
Stability Reserve - 6.0%	\$ 67.5	6.0%	\$ 69.0	6.0%	\$ 69.5	6.0%	\$ 71.9	6.0%	\$ 74.1	6.0%

1. Reserve percentage calculations based on projected operating revenues for previous three fiscal years (ie. FY 2016 percentages based on estimated FY 2013-2015 operating

With the General Fund Reserve target set at 14.0 percent of operating revenues, as the operating revenue of the General Fund grow each fiscal year, the amount required to meet the reserve target also increases as shown in the table above. The FY 2016-2020 Outlook assumes the City will maintain General Fund Reserve targets in each fiscal year through the use of excess equity if available, or by appropriating contributions to the reserves through the budget development or monitoring process.

Workers' Compensation Fund Reserve

The City works to build sufficient reserves to pay accrued and forecasted Workers' Compensation liabilities based on annual valuation reports prepared by an independent actuary. The annual actuarial liability valuations for the three most recent fiscal years are used to determine the Workers' Compensation value of outstanding liability for the purpose of calculating the reserve level. Per the City's Reserve Policy, the annual reserve contributions are reassessed every two years.

The City's workers' compensation liability is \$220.5 million as of June 30, 2014 based on the valuation conducted by Buck Consultants. Using this latest valuation, the average liability for FY 2012 through FY 2014 is \$193.8 million in Workers' Compensation for claims Citywide.

The City's Reserve Policy states that 25.0 percent of the average value of outstanding actuarial liability, or \$48.5 million, shall be placed in reserves. As of June 30, 2014, the balance of the Workers' Compensation Reserve is approximately \$47.5 million or 24.5 percent of the average outstanding liability for FY 2012 through FY 2014. The FY 2015 Adopted Budget included a \$1.0 million contribution (\$0.8 million General Fund) to the Workers' Compensation Reserve. Including this amount in the Workers' Compensation Reserve balance, the reserve is projected to be met with \$48.5 million or 25.0 percent of the average of the outstanding liability in FY 2015. As a result, no contributions to the Workers' Compensation Fund Reserve are projected for the FY 2016-2020 Outlook.

(\$ in millions)

Workers' Compensation Reserve	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Beginning Reserve Balance	\$ 48.5	\$ 48.5	\$ 48.5	\$ 48.5	\$ 48.5
General Fund Contribution	-	-	-	-	-
Citywide Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Reserve Balance	\$ 48.5	\$ 48.5	\$ 48.5	\$ 48.5	\$ 48.5
Ending Reserve Balance as a Percent of Outstanding Liability	25.0%	25.0%	25.0%	25.0%	25.0%

As new actuarial valuations are completed, and the three year average liability changes, the workers' compensation reserve policy will be revised as required to adjust the policy target to maintain a 25.0 percent reserve.

Public Liability Fund Reserve

The City continues with the Reserve Policy goal to build sufficient reserves to pay outstanding and forecasted claim obligations, similar to the Workers' Compensation Fund Reserve. The City's Reserve Policy requires that the Public Liability Fund Reserve equal 50.0

percent of the value of the outstanding public liability claims. The annual actuarial liability valuations for the three most recent fiscal years are used to determine the value of the public liability for the purpose of calculating the reserve level. Per the City's Reserve Policy, the annual reserve contributions are reassessed every two years in order to ensure that the targeted goal is met in a manner that is balanced with other budget priorities. Based on the FY 2012 through FY 2014 annual actuarial valuations, the average value of the liability is \$94.8 million.

The contribution to the Public Liability Fund reserve is solely funded by the General Fund. As of June 30, 2014, the balance of the Public Liability Fund Reserve was approximately \$35.4 million or 37.0 percent of the average value of the outstanding actuarial liability. The FY 2015 Adopted Budget included a \$12.8 million contribution to the Public Liability Fund resulting in a projected ending balance of \$39.0 million, or 41.1 percent of the average outstanding liability. There are several large outstanding liabilities that are anticipated to be paid in FY 2015 and as a result the FY 2016-2020 Outlook includes General Fund contributions of \$2.8 million in FY 2016, \$2.8 million in FY 2017, \$3.8 million in FY 2018 and \$2.8 million in FY 2019 to the Public Liability Reserve. These projected contribution are required to meet the reserve target of 50.0 percent of the average value of the outstanding liability by FY 2019. The following table displays the contributions to Public Liability Reserve included in the FY 2016-2020 Outlook.

(\$ in millions)

Public Liability Reserve	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Beginning Reserve Balance	\$ 35.1	\$ 37.9	\$ 40.8	\$ 44.6	\$ 47.4
General Fund Contribution	2.8	2.8	3.8	2.8	
Ending Reserve Balance	\$ 37.9	\$ 40.8	\$ 44.6	\$ 47.4	\$ 47.4
Ending Reserve Balance as a Percent of Outstanding Liability	40.0%	43.0%	47.0%	50.0%	50.0%

Long Term Disability Fund Reserve

The City's Reserve Policy has a Long Term Disability Fund (LTD) Reserve target of \$18.3 million and is expected to be achieved in FY 2016. As of June 30, 2014, the balance in the Long Term Disability Reserve was approximately \$14.7 million. The FY 2015 Adopted Budget included a Citywide contribution of \$2.0 million (\$1.4 million General Fund) resulting in a projected balance of \$16.7 million, or 91.0 percent of the average outstanding liability. The FY 2016-2020 Outlook includes a contribution of \$1.6 million (\$1.1 million General Fund) in FY 2016. With the FY 2016 reserve contribution, the Long Term Disability Reserve

is projected to be met at \$18.3 million. The target reserve balance will be maintained to support the goal to transition to a fully insured long term disability program.

(\$ in millions)

Long Term Disability Reserve	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Beginning Reserve Balance	\$ 16.7	\$ 18.3	\$ 18.3	\$ 18.3	\$ 18.3
General Fund Contribution	1.1	-	-	-	-
Citywide Contribution	\$ 1.6	\$ -	\$ -	\$ -	\$ -
Ending Reserve Balance	\$ 18.3	\$ 18.3	\$ 18.3	\$ 18.3	\$ 18.3
Ending Reserve Balance as a Percent of Outstanding Liability	100%	100%	100%	100%	100%

Conclusion

This Outlook focuses on the four Priority Initiative categories which continue the commitment to allocating resources to investments in infrastructure, neighborhoods, public safety, technology improvements, and transparency while maintaining the City's responsible financial management practices. While the main focus of the Outlook is the Priority Initiatives, additional information on departmental requests not included in the Outlook are also included as an attachment. However, this document is not a budget, and therefore does not include all departmental requests that may be identified and considered in the preparation of the FY 2016 and future budgets.

Per the City Charter, the Mayor will present a balanced budget for the City Council's consideration in April 2015. This Outlook provides the City Council and the public information to facilitate an informed discussion during development of the FY 2016 Adopted Budget regarding the allocation of limited resources to meet the service needs of the residents of San Diego.

Attachment B

ATTACHMENT 1: FY 2016 - 2020 FIVE-YEAR FINANCIAL OUTLOOK (\$ in millions)

BASELINE PROJECTIONS	GENERAL FUND REVENUES					Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
	Property Taxes					\$ 462.0	\$ 479.6	\$ 495.6	\$ 512.1	\$ 526.5
	Sales Taxes					275.3	282.7	294.0	305.4	316.1
	Sales Taxes - End of Triple Flip One-Time Adjustments ¹					12.6	9.5	-	-	-
	Transient Occupancy Tax					99.4	104.9	110.1	115.6	120.8
	Franchise Fees					73.4	73.7	74.1	74.3	74.4
	Property Transfer Tax					9.6	10.5	11.5	12.5	13.5
	Licenses and Permits					25.1	25.8	26.4	27.1	27.7
	Fines, Forfeitures and Penalties					29.2	29.4	29.5	29.7	29.8
	Revenue from Money and Property					48.4	50.4	51.6	52.9	54.1
	Revenue from Federal and Other Agencies					9.3	9.3	9.3	9.2	9.2
	Charges for Services					116.7	119.2	125.6	132.1	136.6
	Other Revenue					4.4	4.4	4.4	2.4	2.4
	Transfers In					75.8	79.9	84.0	88.5	93.0
	BASELINE GENERAL FUND REVENUES					\$ 1,241.4	\$ 1,279.2	\$ 1,316.0	\$ 1,361.8	\$ 1,404.2
	GENERAL FUND EXPENDITURES					Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
	Salaries & Wages					\$ 494.1	\$ 494.2	\$ 495.1	\$ 495.2	\$ 494.6
	Five-Year Employee Organization Agreements ²					9.3	11.0	12.7	12.7	12.7
	Retirement Actuarially Determined Contribution (ADC) ³					189.3	187.9	187.2	187.2	187.5
	Flexible Benefits					55.8	55.8	55.8	55.8	55.8
	Other Post Employment Benefits (OPEB)					38.2	38.2	38.2	38.2	38.2
	Workers' Compensation					19.9	20.3	20.7	21.1	21.5
	Supplemental Pension Savings Plan (SPSP)					12.5	12.5	12.5	12.5	12.5
	Employee Offset Savings (EOS)					8.0	8.0	8.0	8.0	8.0
	Other Fringe Benefits					17.8	16.7	16.7	16.7	16.7
	Personnel Expenditures					\$ 844.8	\$ 844.6	\$ 846.9	\$ 847.4	\$ 847.6
	Supplies					\$ 22.8	\$ 23.6	\$ 24.4	\$ 25.3	\$ 26.2
	Contracts					174.8	176.8	184.8	202.9	209.7
	Information Technology					26.4	26.4	26.4	26.4	26.4
	Energy and Utilities					44.1	48.1	52.4	57.1	62.3
	Public Liability Reserve Contribution					2.8	2.8	3.8	2.8	-
	Other Expenditures					67.2	67.6	67.7	67.9	68.0
	Non-Personnel Expenditures					\$ 338.1	\$ 345.3	\$ 359.6	\$ 382.4	\$ 392.6
	BASELINE GENERAL FUND EXPENDITURES					\$ 1,182.9	\$ 1,189.9	\$ 1,206.5	\$ 1,229.8	\$ 1,240.2
	SURPLUS / (DEFICIT)					\$ 58.5	\$ 89.3	\$ 109.5	\$ 132.0	\$ 164.1
PRIORITY INITIATIVES	PRIORITY INITIATIVE CATEGORY					Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
	Infrastructure and Neighborhood Investment									
	Revenues					\$ 1.3	\$ 1.6	\$ 1.6	\$ 1.6	\$ 1.6
	Expenditures					31.5	46.8	50.9	53.8	56.2
	Public Safety									
	Revenues					\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures					21.9	21.2	30.8	40.8	46.5
	Technology Improvements									
	Revenues					\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures					2.7	1.2	3.0	0.8	0.8
	Transparency and Open Data									
	Revenues					\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
	Expenditures					0.9	0.7	0.6	0.4	0.4
	Revenues Total					\$ 1.4	\$ 1.7	\$ 1.7	\$ 1.7	\$ 1.7
	Expenditures Total					\$ 57.0	\$ 69.9	\$ 85.4	\$ 95.9	\$ 104.0
	SURPLUS / (DEFICIT)					\$ 2.9	\$ 21.1	\$ 25.8	\$ 37.8	\$ 61.8

1. Sales tax projections include the anticipated end of the 'triple-flip' in FY 2016 which is projected to result in two separate one-time sales tax allocations to the City. The City's accrual practices will result in a one-time increase in sales tax revenue recognized in FY 2016, projected to be \$12.5 million. In FY 2017, it is anticipated that the City will be made whole on \$9.5 million of sales tax revenue not received when the 'triple-flip' was implemented in FY 2005. The collection of the full 1.0 percent Bradley-Burns Sales Tax (currently 0.75 percent) is projected to resume upon the end of the 'triple-flip'.
2. Outlook includes non-pensionable compensation adjustments for FY 2016 through FY 2018 based on five-year employee organization agreements. The increase in non-pensionable compensation included in FY 2018 is projected to remain constant for FY 2019 and FY 2020.
3. Based on June 30, 2013 actuarial valuation, the Citywide FY 2016 Actuarially Determined Contribution (ADC) is projected to be \$261.0 million, of which \$189.3 million is the General Fund contribution.

* Numbers may not add to exact figures due to rounding.

ATTACHMENT 2: FY 2015 ADOPTED BUDGET - ONE-TIME REVENUES AND EXPENDITURES

GENERAL FUND REVENUES

Revenue from Federal and Other Agencies	\$	143,000
Reimbursable Revenue for Regional Maritime Planner	\$	143,000
Charges for Services	\$	2,011,560
Revenue for SAFE Funds	\$	1,940,665
Reimbursable Revenue for Interns in Various Departments	\$	50,895
Revenue Adjustment for the Infrastructure/Public Works Department	\$	20,000
Transfers In	\$	4,200,000
Disaster Recovery Reimbursement Revenue	\$	2,200,000
Reimbursable Revenue for Convention Center Project Expenditures	\$	1,500,000
Transfer of Fund Balance from the Antenna Lease Fund	\$	400,000
National Geographic's "Smart World Cities" Program	\$	100,000
REVENUES TOTAL	\$	6,354,560

GENERAL FUND EXPENDITURES

Personnel Expenditures	\$	1,314,890
Fire Academy	\$	532,538
Fast Response Pilot Program	\$	527,000
Sidewalk Assessment	\$	133,953
Regional Maritime Planner	\$	73,336
Interns in Various Departments	\$	48,063
Fringe Benefits	\$	(452,407)
Sidewalk Assessment	\$	39,646
Interns in Various Departments	\$	2,822
Risk Management Administration Fund Balance	\$	(494,875)
Supplies	\$	4,998,515
Police Officers Association Holiday Pay Side Letter	\$	3,200,000
Fire-Rescue Department - Personal Protective Equipment & Rescue Tools	\$	499,000
Fire Academy	\$	429,246
Enterprise Asset Management (EAM) Project	\$	371,160
Police Department - Sworn Positions	\$	244,409
Restoration of Library Materials	\$	209,500
Fast Response Pilot Program	\$	36,000
Support for New Staff Members in Various Department	\$	8,200
Support to Administer the Bilingual Retest Program	\$	1,000
Contracts	\$	7,703,694
Storm Water Permit Compliance	\$	3,046,000
Facilities Condition & Needs Assessment of City Facilities	\$	1,000,000
Streets Condition Assessment	\$	560,000
Lifeguard Facility Improvement	\$	500,000
Relocation & Tenant Improvements for City Departments	\$	500,000
Kinder Morgan Litigation	\$	450,000
Park and Recreation - Parking Lot and Park Road Repairs	\$	300,000
Park and Recreation - Asset Condition Assessments	\$	250,000
Regional Water Quality Control Board Settlement	\$	246,367
Consulting Services to Develop SAP Financial Reports for City Departments	\$	217,000
Civic San Diego Transfer	\$	125,000
Fire Academy	\$	124,327
National Geographic Film Support	\$	100,000
Fire-Rescue Department - Personal Protective Equipment	\$	72,000
Financial Advisory Services for Non-Bond Transaction Needs	\$	52,000
La Jolla Bird Cleanup	\$	50,000
Sexual Harassment Prevention Training	\$	40,000
Fast Response Pilot Program	\$	36,000
Surety Document Tracking System Upgrades	\$	35,000
Public Liability Reserve Contribution	\$	12,800,000
Public Liability Reserve Contribution	\$	12,800,000
Transfers Out	\$	7,316,668
South Chollas Landfill, Storm Water Improvements and Facility Upgrades	\$	2,584,000
Sidewalks and Street Lights Improvements	\$	2,400,000
Development of Wightman Street Neighborhood Park	\$	970,000
Silver Wing Neighborhood Park Sports Field Security Lighting System	\$	600,000
Coordinated Assessment, Entry, and Homeless Management Information	\$	400,000
Homeless Shelter Triage Beds	\$	150,000
Trail for All People Construction Support	\$	100,000
Parking Lot and Park Road Repairs in San Ysidro	\$	65,668
Tierrasanta Community Park Sports Field Lighting	\$	47,000
Capital Expenditures	\$	2,048,903
Police Body-Worn Cameras	\$	1,090,000
Storm Water Permit Compliance	\$	614,000
Rescue Tools for Fire-Rescue Department	\$	147,403
Maintenance and Operational Support for Various Neighborhood Parks and Open Space	\$	106,000
Fire Vessel Repair	\$	60,000
Operational Support for La Jolla Coastline Park Ranger	\$	31,500
EXPENDITURES TOTAL	\$	35,730,263

Attachment B

ATTACHMENT 3: FY 2016 - 2020 DISCRETIONARY OPERATIONAL NEEDS

City Auditor

Addition of Staff Auditors	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Staff Auditor positions per the Jefferson Wells report presented and accepted at the March 24, 2008 Audit Committee Meeting, which recommended that a City the size of San Diego have an Independent Audit function with 25 staff auditors.	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 254,115	\$ 254,115	\$ 254,115	\$ 254,115	\$ 254,115

City Clerk

Internal Department Hardware and Software Program	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Internal Department hardware and software program.	FTE	-	-	-	-	-
	Revenue	\$ 1,146	\$ -	\$ -	\$ 1,146	\$ 1,146
	Expense	\$ 90,200	\$ 53,000	\$ 40,000	\$ 38,000	\$ 39,000
Addition of Program Manager	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Program Manager position for Passport and Marriage Solemnization programs with anticipated increase to core services and revenue associated with services provided.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ 52,732	\$ 47,032	\$ 48,632	\$ 47,032	\$ 52,732
	Expense	\$ 96,273	\$ 151,273	\$ 88,773	\$ 93,773	\$ 68,773

City Comptroller

Business Objects Reports Enhancement	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Development costs for a comprehensive reporting tool that allows departments to efficiently extract data and satisfy basic reporting needs for finance departments.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 400,000	\$ 150,000	\$ 50,000	\$ 50,000	\$ 50,000
Addition of Internal Controls Positions	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Accountant II positions for Citywide Internal Control work as a result of increasing focus on Internal controls at the federal and State level.	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 148,574	\$ 148,574	\$ 148,574	\$ 148,574	\$ 148,574

City Treasurer

Plaza Hall Janitorial	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Janitorial service expense associated with Parking Administration move to Plaza Hall.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500

Communications - Multimedia Services

Addition of Senior Management Analyst	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Senior Management Analyst position to support the newly created Communications Department.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 81,757	\$ 81,757	\$ 81,757	\$ 81,757	\$ 81,757
Addition of Word Processing Operator	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Word Processing Operator position to support the newly created Communications Department.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 43,000	\$ 43,000	\$ 43,000	\$ 43,000	\$ 43,000

Development Services

Addition of Word Processing Operator	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 WPO position due to adoption of Property Value Protection Ordinance (O-20228) in December 2012, requiring lenders responsible for properties in default to register with the City to ensure proper maintenance of the property in default.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 43,000	\$ 43,001	\$ 43,001	\$ 43,001	\$ 43,001
Addition of Combination Inspector	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Combination Inspector position for inspection of mobile home parks and mobile homes to ensure that the living conditions meet health and safety standards per the CA Health and Safety Code 15800-18518 and the Mobile Home Parks Act.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 75,823	\$ 75,822	\$ 75,822	\$ 75,822	\$ 75,822
Addition of Public Information Clerk	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Public Information Clerk position to respond to citizen inquiries via division general telephone line, provide over the counter information to patrons, and respond to complaint forms received via mail or submitted to the division online email account.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 43,000	\$ 43,001	\$ 43,001	\$ 43,001	\$ 43,001
Marijuana Dispensary Enforcement	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Zoning Investigator 2, and 1.0 Combination Inspector in Code Enforcement Division responsible for investigating illegal medical marijuana consumer collectives.	FTE	3.00	3.00	3.00	3.00	3.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 213,933	\$ 213,932	\$ 213,932	\$ 213,932	\$ 213,932

Economic Development

Addition of Global Trade Program Manager	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Global Trade Program Manager position to work with the San Diego Regional EDC, federal and State agencies and other economic development organizations to implement the findings of the export market and international business initiative.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 125,140	\$ 125,140	\$ 125,140	\$ 125,140	\$ 125,140

Environmental Services

Addition of Non-Personnel Expense Hazmat Inspector 2	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel expense related to maintenance of generator for the Alternate Emergency Operations Center.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 3,656	\$ 3,656	\$ 3,656	\$ 3,656	\$ 3,656
Addition of Hazmat Inspector 2	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 0.50 Hazmat Inspector 2 position for Hazardous Materials Management Program is needed to maintain current service levels. This position is 50% cost recoverable from non-general funds.	FTE	0.50	0.50	0.50	0.50	0.50
	Revenue	\$ 15,142	\$ 15,142	\$ 15,142	\$ 15,142	\$ 15,142
	Expense	\$ 38,623	\$ 38,623	\$ 38,623	\$ 38,623	\$ 38,623
Addition of Code Enforcement Officers	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Code Enforcement Officer positions for Citywide Recycling Ordinance Enforcement for Citywide recycling ordinance enforcement as per Audit Recommendation No. 7 (OCA-15-003).	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 143,155	\$ 143,155	\$ 143,155	\$ 143,155	\$ 143,155
Addition of Sanitation Drivers	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Sanitation Driver 2 positions to maintain current service levels due to the impact of contractual discretionary leave time granted to employees and an increase in the use of Family Medical Leave Act.	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 122,701	\$ 122,701	\$ 122,701	\$ 122,701	\$ 122,701

Ethics Commission

Addition of Supplemental Senior City Attorney Investigator	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Senior City Attorney Investigator position for a period of six months to provide unique and complex aspects of investigation training under incumbent before retirement.	FTE	1.00	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 43,963	\$ -	\$ -	\$ -	\$ -

ATTACHMENT 3: FY 2016 - 2020 DISCRETIONARY OPERATIONAL NEEDS

Financial Management

PBF Upgrade and FM Module Improvements	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Budget Coordinator and 1.0 Associate Budget Development Analyst positions for upgrade of PBF and improvements to FM Module as part of comprehensive financial reporting initiative.	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 207,132	\$ 207,132	\$ 207,132	\$ 207,132	\$ 207,132

Fire-Rescue

Addition of Code Compliance Officers	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 8.00 Code Compliance Officer positions for bi-annual inspection of the 43,000 parcels subject to brush management regulation.	FTE	8.00	8.00	8.00	8.00	8.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 436,116	\$ 436,116	\$ 436,116	\$ 436,116	\$ 436,116
Back-Up Dispatch Center	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Fire-Rescue portion of cost associated with outfitting of a Back-Up Dispatch Center. The costs are anticipated to be shared with the San Diego Police Department.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ 800,000	\$ 25,000	\$ 25,000	\$ 25,000
Building Service Technician	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Building Service Technician position to address ongoing needs to maintain the buildings at the Training facility at Naval Training Center.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 45,421	\$ 45,421	\$ 45,421	\$ 45,421	\$ 45,421
Chief Battalion Unit	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 3.00 Battalion Chief positions and associated capital expenditures to properly allocate the span of control of fire suppression activities as recommended within the Citygate Report.	FTE	3.00	3.00	3.00	3.00	3.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 473,820	\$ 473,820	\$ 473,820	\$ 473,820	\$ 473,820
Continuing Education	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of training budget for continuing education to meet Title Code of California Regulations (8 CCR) for Confined Space Technician, Swiftwater Technician, Trench Rescue, Rope Rescue Technician, Structure Collapse Technician, and Auto Extrication Technician.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 117,607	\$ 117,607	\$ 117,607	\$ 117,607	\$ 117,607
Display Processing Equipment	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of one-time request to purchase display processing equipment for the incident command post.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 90,000	\$ -	\$ -	\$ -	\$ -
Drill Prop	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of a portable Drill Prop to be located at Fire Station 10 for use by Fire Recruits and Fire Companies located in the eastern part of the City.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 156,000	\$ -	\$ -	\$ -	\$ -
Elimination of Cross-Staffing for Bomb Squad	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 12.0 Bomb Squad positions to provide dedicated staff to the Bomb Squad unit to increase efficiency and reduce out-of-service time resulting from current cross-staffing.	FTE	12.00	12.00	12.00	12.00	12.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 1,715,073	\$ 1,715,073	\$ 1,715,073	\$ 1,715,073	\$ 1,715,073
Elimination of Cross-Staffing for HAZMAT Unit	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 12.0 HAZMAT Unit positions to provide dedicated staff to the HAZMAT unit to increase efficiency and reduce out-of-service time for Engine and Truck 44 resulting from current cross-staffing.	FTE	12.00	12.00	12.00	12.00	12.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 1,715,073	\$ 1,715,073	\$ 1,715,073	\$ 1,715,073	\$ 1,715,073
Fire Prevention Bureau Administrative Support	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Senior Clerk Typist and 2.00 Clerical Assistant II positions for Fire Prevention Bureau Administrative Support.	FTE	3.00	3.00	3.00	3.00	3.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 132,332	\$ 132,332	\$ 132,332	\$ 132,332	\$ 132,332
Fire Station Furnishings	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Installation of security fencing around the Fire-Rescue Department's Training facilities located at NTC. Lease of a portable classroom for training purposes. Replacement of Fire Station furnishings at approximately 60 Fire-Rescue facilities.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 164,300	\$ 114,300	\$ 114,300	\$ 61,400	\$ 61,400
Inspection Management Program	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of an Inspection Management Program to include software, hardware, licenses, data conversion, training and maintenance.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Medical Equipment	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of additional medical equipment to meet the needs of large scale incidents. This item is a recommendation from the Bernardo Fire After Action Report (AAR).	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 855,264	\$ -	\$ -	\$ -	\$ -
Mobile Data Computers	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of 60 Mobile Data Computers (MDC's) to replace outdated hardware that is no longer compatible with new software. MDC's are an operational necessity and interact with the Computer Aided Dispatch (CAD) system.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 231,000	\$ -	\$ -	\$ -	\$ -
Night Inspection Detail	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Reinstatement of the Night Inspection Detail Program to inspect downtown restaurant/bar/business establishments during peak evening hours and special events	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 62,492	\$ 62,492	\$ 93,739	\$ 124,984	\$ 124,984
Outfit Type I Engines	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Outfitting of five Type I engines for immediate deployment during high risk wild land fire days.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 118,060	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Parking Lot and Apron Sweeping	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Contract to provide required parking lot and apron sweeping for stormwater compliance at all Fire-Rescue facilities.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Personal Protective Equipment (Wildland Web Gear)	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of aging wildland web gear for current fire suppression personnel.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 45,000	\$ 45,000	\$ -	\$ -	\$ -
Purchase of a Third Helicopter	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of a helicopter to increase the number of City fire/rescue medium-lift helicopters to three to ensure the Fire-Rescue Department's ability to provide aerial fire suppression and rescue.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 1,074,590	\$ 1,074,590	\$ 1,074,590	\$ 1,074,590	\$ 1,074,590
Rescue Tools/Equipment	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of aging Amkus hydraulic rescue tools for vehicle extrication on Fire Trucks.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Self-Contained Breathing Apparatus	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement Self Contained Breathing Apparatus (SCBA) bottles.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 163,900	\$ 110,260	\$ 50,660	\$ 96,000	\$ -
Senior Management Analyst	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Senior Management Analyst position to the Fire-Rescue Department's Fiscal and Administrative Services Division.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 81,758	\$ 81,758	\$ 81,758	\$ 81,758	\$ 81,758
Training Facilities	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of the HVAC and hot water systems at the Fire-Rescue Department's training facility.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 250,000	\$ -	\$ -	\$ -	\$ -

Attachment B

ATTACHMENT 3: FY 2016 - 2020 DISCRETIONARY OPERATIONAL NEEDS

Wellness Program	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increasing contractual costs associated with the Wellness Program.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 54,928	\$ 54,928	\$ 54,928	\$ 54,928	\$ 54,928
Turnout Gear - Personal Protective Equipment	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of aging turnout gear for current fire suppression personnel.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 167,200	\$ 622,600	\$ 154,000	\$ 327,800	\$ -
Purchase of 800 MHz Apex Radios	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of 800 MHz Radios (Apex Model) to replace outdated radio equipment no longer being manufactured.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000
Additional Radios and Batteries for Large-Scale Incidents	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Purchase of additional radios and batteries to meet the needs of large-scale incidents. This item is a recommendation from the Bernardo Fire After Action Report (ARR).	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 230,500	\$ -	\$ -	\$ -	\$ -
Technical Rescue Team - Personal Protective Equipment	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of outdated personal protective equipment for the Technical Rescue Team.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Replacement of Holmatro Hydraulic Rescue Tools	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of Holmatro hydraulic rescue tools for vehicle extrication on Fire Engines.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ -

Infrastructure Public Works

Complete Gov Coordination & Clerical Support	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Clerical Assistant II position to support the Citywide Complete Gov ADA Complaint Database and to provide clerical support.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 41,256	\$ 41,256	\$ 41,256	\$ 41,256	\$ 41,256

Library

Library Materials	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Permanent restoration of funding of the Library materials budget currently funded with one-time resources.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 209,500	\$ 209,500	\$ 209,500	\$ 209,500	\$ 209,500
Public Internet at Branch Libraries	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Minimal internet bandwidth at all branch libraries would be increased. Would allow for public service enhancement and computer maintenance efficiencies. Central Library does not need increased bandwidth.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 98,400	\$ 98,400	\$ 98,400	\$ 98,400	\$ 98,400
Public Use PC Replacement	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
All library public use PCs were renewed in FY 2014. This request replaces these computers on a five-year plan. Public use PCs are not currently covered under the City's staff use computer replacement plan.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000

Lifeguard Services

Addition Clerical Assistant II	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Clerical Assistant II position to support all aspects of the Lifeguard Division's front office operation. Duties include processing misdemeanor citations, special event billing, invoicing, process Lifeguard Division status.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 41,256	\$ 41,256	\$ 41,256	\$ 41,256	\$ 41,256
Addition of Marine Safety Captain	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of a Marine Safety Captain to provide direct management level control of Mission Bay and the Boating Safety Unit (BSU). This position will manage all aspects of routine and emergency operations at the Boating Safety Unit.	FTE	-	-	-	-	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ -	\$ -	\$ -	\$ 128,696
Addition of Lifeguard III for Ocean Beach	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Lifeguard III positions at Ocean Beach. This beach is responsible for coastal cliff rescues and outside, unguarded water rescue responses. Throughout the year, outside responses may result in leaving the main beach with a limited staff.	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 161,937	\$ 161,937	\$ 161,937	\$ 161,937	\$ 161,937
Addition of Lifeguard III for Pacific Beach	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Lifeguard III positions at Pacific Beach on weekdays throughout the year and relief three days per week. Activity at this beach during non-summer months often necessitates bringing in additional staff to handle crowds and conditions.	FTE	2.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 161,937	\$ 161,937	\$ 161,937	\$ 161,937	\$ 161,937
Advanced Lifeguard Academy	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of ongoing personnel and non-personnel expense for hourly wages for an advanced lifeguard academy. Critical to maintain adequate levels of trained staff. Funding for hourly wages, overtime, and non-personnel expense for academies in FY 2016, FY 2018 and FY 2020.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 273,447	\$ -	\$ 273,447	\$ -	\$ 273,447
Fire Boat	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of Fire Boat in FY 2020. Having a second fire boat capable of responding to a vessel fire increases ability for rescue, fire suppression and safety for rescue personnel. We currently cannot consistently provide two fire boats to every vessel fire due to maintenance and repair.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000
Increase in Seasonal Lifeguard Hours	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase in hourly wages budget for seasonal lifeguard hours to provide enhanced training to entry level ocean front lifeguards. Increase in seasonal hours is equivalent to five Lifeguard I positions for 15 weeks.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ -	\$ 18,774	\$ 18,774	\$ 18,774
Lifeguard Dive Team Expansion	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase in Lifeguard Dive Team budget to fund the cost of additional special team pay, equipment, and training for new members.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ 43,225	\$ 43,225	\$ 43,225	\$ 43,225
Replacement of Current Locker Room Trailer	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Replacement of current locker room which has exhausted its useful life cycle and currently is below standard.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ -	\$ 189,000	\$ -	\$ -
River Rescue Team Expansion	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Expansion of the River Rescue Team by adding special team pay, equipment and training for five Lifeguards II and two Lifeguard Sergeants. This will provide two additional emergency response squads and requires no additional FTE.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ 59,638	\$ 59,638	\$ 59,638	\$ 59,638
Addition of Special Operations Sergeant	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Special Operations Sergeant required to organize and coordinate training and special enforcement operations during summer months. During the remaining nine months of the year this position will be used to support several operational, planning and administrative areas.	FTE	1.00	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 88,736	\$ 88,736	\$ 88,736	\$ 88,736	\$ 88,736
Addition of Lifeguard Overtime	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase the department overtime budget to provide additional training in support of succession planning for the Boating Safety Unit. This additional time will provide dedicated training for Level 1, Level 2, and Level 3 boating academies, as well as rescue academies.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 120,134	\$ 120,134	\$ 120,134	\$ 120,134	\$ 120,134
Addition of Lifeguard III at Wind-n-Sea	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Lifeguard III position three days a week at Wind-n-Sea during summer months and at the Boating Safety Unit in the non-summer months.	FTE	-	1.00	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ 80,968	\$ 80,968	\$ 80,968	\$ 80,968
Addition of Lifeguard III for Training at Mission Bay	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Lifeguard III position for training at Mission Bay and for operations to support oversight and leadership in emergency operations.	FTE	-	-	1.00	1.00	1.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ -	\$ -	\$ 80,968	\$ 80,968	\$ 80,968

ATTACHMENT 3: FY 2016 - 2020 DISCRETIONARY OPERATIONAL NEEDS

Addition of Lifeguard II for South Mission Beach		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Lifeguard II position at South Mission Beach in the summer months and one Lifeguard II relief guard in the non-summer months.		FTE	-	-	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ -	\$ -	\$ 80,968	\$ 80,968	\$ 80,968
Conversion of Boating Safety Unit to Specialty Team		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Convert the BSU to a Specialty Team. This will help address the issue of succession planning at the BSU; increase management rights and controls; increase accountability and productivity; and recognize and compensate those with additional boat operator responsibility.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ -	\$ -	\$ 222,992	\$ 222,992	\$ 222,992
Increase Seasonal Lifeguard Hours		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase of hourly wages budget for seasonal lifeguard hours to provide enhanced training to entry level ocean front lifeguards. This is equivalent to five Lifeguards I positions for 15 weeks.		FTE	-	-	2.02	2.02	2.02
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ -	\$ -	\$ 74,676	\$ 74,676	\$ 74,676
Enhance La Jolla Operations and Increase Night Crew		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Convert one daily Lifeguard II position in La Jolla to a daily 24 hour Lifeguard III. This position will improve Lifeguard coverage during daytime operations in La Jolla.		FTE	-	-	-	-	2.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ 176,962
		Expense	\$ 847,448	\$ 757,831	\$ 1,698,656	\$ 1,236,209	\$ 2,915,315

Office of Homeland Security

Grant Funded Position - Homeland Security Coordinator		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Funding Source Change - 0.5 FTE Homeland Security Coordinator to migrate from grant funding to ensure continuity of the position to support EOC operations independent of external grant sources.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ (35,880)
		Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Funded Position - Supervising Homeland Security Coordinator		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Funding Source Change - 0.5 FTE Supervising Homeland Security Coordinator to migrate from grant funding to ensure continuity of the position to support Finance and Recovery operations independent of external grant sources.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ (40,446)	\$ (40,446)	\$ (80,892)	\$ (80,892)
		Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Funded Position - Supervising Homeland Security Coordinator		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Funding Source Change - 0.5 FTE Supervising Homeland Security Coordinator to migrate from grant funding to ensure continuity of the position to support emergency planning and preparedness independent of external grant sources.		FTE	-	-	-	-	-
		Revenue	\$ (40,446)	\$ (40,446)	\$ (80,892)	\$ (80,892)	\$ (80,892)
		Expense	\$ -	\$ -	\$ -	\$ -	\$ -

Park & Recreation

ADA upgrades for Facilities		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Upgrades for Park and Recreation Department facilities to be in compliance with the Americans with Disabilities Act.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 250,000	\$ 250,000	\$ 300,000	\$ 350,000	\$ 400,000
Addition of Horticulturalist		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Horticulturalist position responsible for direct oversight of the Departments Water Conservation Program and provide training and outreach to Department personnel as it relates to irrigation infrastructure. Citywide Park Maintenance Water Resource Management.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 72,631	\$ 72,631	\$ 72,631	\$ 72,631	\$ 72,631
Addition of Park Ranger		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Park Ranger position and related non-personnel expense at a rate of one Park Ranger per 200 new acres per year in an effort to approach the benchmark of one ranger for each 648 acres.		FTE	1.00	2.00	3.00	4.00	5.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 103,091	\$ 171,982	\$ 240,873	\$ 309,764	\$ 378,655
Assistant Recreation Center Directors		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of Assistant Recreation Center Director positions, and associated non-personnel expense at recreation centers (57 sites citywide) to improve internal controls, operating hours, safety, customer service and programming.		FTE	10.00	19.00	25.00	29.00	29.00
		Revenue	\$ 2,000	\$ 3,000	\$ 5,000	\$ 6,000	\$ 6,000
		Expense	\$ 428,337	\$ 813,841	\$ 1,070,844	\$ 1,242,193	\$ 1,242,193
Assistant Recreation Center Directors		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of Assistant Recreation Center Director positions will allow staff to take time to perform playground sites visits and complete a written safety inspection form at least biweekly as recommended in the Auditor's Performance Audit of the Park and Recreation Department's Playground Maintenance Program.		FTE	6.00	11.00	18.00	24.00	24.00
		Revenue	\$ 3,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
		Expense	\$ 257,002	\$ 471,171	\$ 771,007	\$ 1,028,022	\$ 1,028,022
Citywide Maintenance Support		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 4.0 maintenance positions to form an additional Tree Crew in Park Forestry Unit due to expansion of citywide park system. Includes vehicle and chipper to perform related work such as mowing, irrigation, and park forestry support.		FTE	4.00	4.00	4.00	4.00	4.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 447,719	\$ 121,719	\$ 121,719	\$ 121,719	\$ 121,719
Addition for Maintenance of City Owned Properties		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 0.5 Ground Maintenance Worker 2 positions, personnel expense, and associated non-personnel expense to support maintenance of various properties transferred from Real Estate Assets Department.		FTE	0.50	0.50	0.50	0.50	0.50
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 21,669	\$ 21,669	\$ 21,669	\$ 21,669	\$ 21,669
Addition for Maintenance of City Owned Properties		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 0.50 Ground Maintenance Worker 2 positions, to support various properties transferred from Real Estate Assets Department.		FTE	0.50	0.50	0.50	0.50	0.50
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 21,669	\$ 21,669	\$ 21,669	\$ 21,669	\$ 21,669
Turf Fertilization of City Parks and Athletic Fields		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Turf fertilization of City parks and athletic fields in order to maintain safe and playable conditions for park users.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
Administrative Support		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Reallocation of 0.25 Payroll Specialist position reduced in FY 2015 from Open Space budget and reallocated to the MADS' budget, to continue assisting the Developed Regional Parks.		FTE	0.25	0.25	0.25	0.25	0.25
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 11,850	\$ 11,850	\$ 11,850	\$ 11,850	\$ 11,850
Administrative Support		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 clerical support position and related non-personnel expense to address phones, water complaints and general office support.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 46,256	\$ 46,256	\$ 46,256	\$ 46,256	\$ 46,256
Brush Management Program Support 1		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Biologist III position and related non-personnel expense to support the Brush Management Program where one biologist can process 150 acres per year.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 90,532	\$ 90,532	\$ 90,532	\$ 90,532	\$ 90,532
Brush Management Program Support 2		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Assumption of brush management responsibility for 53 acres within Paper Street right-of-way.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 335,000	\$ 345,050	\$ 355,402	\$ 366,064	\$ 377,045
Brush Management Program Support 3		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Brush management of approximately 14 acres related to the Otay Valley Regional Park agreement, based on expected costs of \$6,322/acre (escalated by 3%).		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 88,500	\$ 91,155	\$ 93,890	\$ 96,706	\$ 99,608
Brush Management Program Support 4		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
The brush management contract with the current vendor ends in Fiscal Year 2015 with requested increases to renew the contract in Fiscal Years 2016 - 2020.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 158,000	\$ 162,740	\$ 167,622	\$ 172,651	\$ 177,830

Performance and Analytics

Addition of Open Data Program Manager		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Program Manager position to support implementation of the Open Data Policy.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 125,140	\$ 125,140	\$ 125,140	\$ 125,140	\$ 125,140

Attachment B

ATTACHMENT 3: FY 2016 - 2020 DISCRETIONARY OPERATIONAL NEEDS

Planning

Addition of Associate Planner for Historic Resources		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Associate Planner position to assist in historic project reviews/ inspections and work on Historic Nominations and be in compliance of Mills Act agreement.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 77,931	\$ 77,931	\$ 77,931	\$ 77,931	\$ 77,931
Additional Support for Community Plan Updates & Amendments		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Park Designer and 1.0 Planner positions, non-personnel expense, and associated revenue provides additional professional staff to prepare the Recreation elements of community plan updates and to maintain the General Plan.		FTE	2.00	2.00	2.00	2.00	2.00
		Revenue	\$ 14,660	\$ 14,660	\$ 14,660	\$ 14,660	\$ 14,660
		Expense	\$ 134,727	\$ 134,727	\$ 134,727	\$ 134,727	\$ 134,727
Climate Adaptation Plan		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Funding for contractual services to develop a Climate Adaptation Plan following adoption of the City's Climate Action Plan.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 100,000	\$ 150,000	\$ 75,000	\$ -	\$ -
Support for a Citywide Parks Master Plan		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Funding for contractual services to develop a Parks Master Plan (PMP). The preparation of PMP would contribute to active living and improved public health by working toward improved availability and access to park and recreation facilities.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 350,000	\$ 350,000	\$ 350,000	\$ -	\$ -

Police

Increase for Photocopy Expense		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel expenses increase for Photocopy services.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Increase for Sergeant and Lieutenant Exams		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel budget for Sergeant and Lieutenant exams.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 150,000
Increase in Budget for Uniform Allowance Expense		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase in budget for Uniform Allowance expense, for the Citywide Police force.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Maintenance of Existing Facilities		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of maintenance costs associated with Police Department facilities per the Police Department Five-Year Plan.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
Police Decentralization Fund Transfer		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase in the General Fund transfer to the Police Decentralization Fund to cover higher expenses due to increased jail bookings.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 300,000	\$ 315,000	\$ 330,750	\$ 347,288	\$ 364,652
Police Range Refurbishment		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Refurbishment of the Police Department's shooting range facility.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 7,000,000	\$ -	\$ -	\$ -	\$ -
Replace Outdated Equipment		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Increase to replace end of life and outdated equipment per the Police Department Five-Year Plan.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 2,854,210	\$ 3,536,193	\$ 2,227,858	\$ 2,307,870	\$ 2,129,273
Restoration of Able and Canine Hours		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Restoration of Able (helicopter) and canine hours per the Police Department's Five-Year Plan.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 412,500	\$ 458,267	\$ 509,901	\$ 566,534	\$ 618,168

Public Works - General Services

Facilities Maintenance Industry Standard		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of various positions, personnel expense, and associated non-personnel expense to meet facilities maintenance industry standards.		FTE	37.00	66.00	96.00	125.00	153.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 4,188,820	\$ 7,446,407	\$ 10,774,179	\$ 14,012,009	\$ 16,880,543
General Services Administration Coordinator		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Program Manager position with offsetting revenue, to coordinate General Services division's fiscal and administrative functions and manage publishing services and convenience copier program.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000
		Expense	\$ 143,911	\$ 143,911	\$ 143,911	\$ 143,911	\$ 143,911
Emergency Backup Generators for Police and Fire Departments		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 3.00 electrician positions and associated non-personnel expense related to the Citywide generator maintenance increase, specifically the Police and Fire Department generators.		FTE	3.00	3.00	3.00	3.00	3.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 353,866	\$ 263,866	\$ 263,866	\$ 263,866	\$ 263,866

Real Estate Assets

Addition of Supervising Property Agent		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Supervising Property Agent position to perform appraisal support for the increasing appraisal needs of City departments such as Debt Management, Public Utilities Department, and Comptrollers.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 101,363	\$ 101,363	\$ 101,363	\$ 101,363	\$ 101,363

Transportation and Storm Water - Administration & Right-of-Way Coordination

Department-wide IT support		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Information Systems Analyst III position for support of the Department's IT needs.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 81,758	\$ 81,758	\$ 81,758	\$ 81,758	\$ 81,758

Transportation and Storm Water - Storm Water

Rosecreek Survey for Parkland Dedication		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of Rose creek Survey for Parkland Dedication budget. The Storm Water Division is being offered Rosecreek Land for Parkland Dedication where a survey is needed to determine if this is feasible.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 354,000	\$ -	\$ -	\$ -	\$ -

Transportation and Storm Water - Street

Pedestrian Bridge at Petco Park		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel expense related to the annual maintenance contract to support Petco Park Pedestrian Bridge and other Citywide bridges.		FTE	-	-	-	-	-
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 98,000	\$ 98,000	\$ 98,000	\$ 98,000	\$ 98,000
Street Division Administrative Support		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.00 Associate Management Analyst and associated non-personnel expense to support Operation and Maintenance and CIP budget preparation and monitoring.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 76,087	\$ 74,287	\$ 74,287	\$ 74,287	\$ 74,287
Street Division Equipment Maintenance Support		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Equipment Technician 2 position and related non-personnel expense to support in small equipment repair and maintenance.		FTE	1.00	1.00	1.00	1.00	1.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 97,123	\$ 97,123	\$ 97,123	\$ 97,123	\$ 97,123
Graffiti Abatement Program Enhancement		FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Graffiti Abatement personnel and associated non-personnel expenditures to consolidate and enhance Graffiti Abatement efforts Citywide.		FTE	2.00	2.00	2.00	2.00	2.00
		Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
		Expense	\$ 737,606	\$ 648,526	\$ 648,526	\$ 648,526	\$ 648,526

ATTACHMENT 3: FY 2016 - 2020 DISCRETIONARY OPERATIONAL NEEDS

Transportation and Storm Water - Transportation Engineering Operations

Bicycle Initiatives	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel expense to support the City's Bicycle Initiatives.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Bike Program	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel expense to support the Citywide Bike Program.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Intelligent Transportation Systems (ITS)	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 position to support the Intelligent Transportation Systems (ITS).	FTE	1.00	2.00	3.00	3.00	3.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 91,623	\$ 171,011	\$ 250,400	\$ 250,400	\$ 250,400
Transportation Demand Management Program (TDM)	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 position to support the Transportation Demand Management Program (TDM).	FTE	1.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 89,748	\$ 167,680	\$ 167,680	\$ 167,680	\$ 167,680
Addition of Civil Engineer to Support CIP Planning Programs	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 2.0 Civil Engineer positions to support Capital Improvement Program (CIP) Planning.	FTE	2.00	3.00	3.00	3.00	3.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 171,011	\$ 250,400	\$ 250,400	\$ 250,400	\$ 250,400
Addition of Assistant Traffic Engineer for Sidewalk Improvements	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of 1.0 Assistant Traffic Engineer position for sidewalk improvements Citywide.	FTE	1.00	2.00	2.00	2.00	2.00
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 79,389	\$ 158,778	\$ 158,778	\$ 158,778	\$ 158,778
Increase in Training	FTE/Revenue/Expense	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Addition of non-personnel expense to support training for engineers, Citywide.	FTE	-	-	-	-	-
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expense	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000



CITY OF SAN DIEGO
COUNCIL PRESIDENT SHERRI S. LIGHTNER
DISTRICT ONE

MEMORANDUM

DATE: January 16, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Council President Sherri S. Lightner
SUBJECT: Fiscal Year 2016 Budget Priorities

The following are my priorities for funding in the Fiscal Year 2016 budget:

Priorities for ongoing funding:

Public Safety:

- San Diego Police Department Five Year Plan
 - With the reduction in the Police Department's budget over the last several years, it is critical that the City continue to support the Five Year Plan.
- Police Equipment
 - The approximate cost to equip a new recruit is \$2,500, and each new recruit should be fully reimbursed. (\$430,000, assuming 172 new recruits)
- Police Retention Program
 - Negotiations with SDPOA are ongoing to address retention issues.
- Fire-Rescue Department implementation of Citygate recommendations for new fire stations
 - The City should move forward with the recommendations contained in the Citygate report regarding the addition of new fire stations, such as the Skyline station, to improve fire-rescue coverage citywide as prioritized in the report.
 - Temporary south University City fire station to address public safety issues related to multiple, massive infrastructure projects in the UTC area. (~\$500,000)
 - Temporary Home Avenue fire station, housing a four-man crew, to be located at Home Avenue and Federal Blvd. (\$900,000)

- Windansea Lifeguard
 - Addition of one Lifeguard III at Windansea during peak season. (\$138,703)
- Additional Rangers for Shoreline Parks
 - Funding for a Senior Park Ranger to oversee the existing Park Ranger, as well as any additional Park Rangers hired in the future, and patrol the coastline to address quality of life issues. (First year hiring cost: ~\$92,000, ongoing cost: ~\$61,800)

Community Services:

- La Jolla Cove Cleanup/Coastal Management Plan
 - Funding for continuing the La Jolla Cove cleanup and for data collection and analysis related to the development of a Coastal Management Plan. (\$250,000)
- Park and Recreation Facilities Hours Extension
 - Hiring of an additional 16 Assistant Recreation Center Directors. Each new Assistant Director allows for an increase of 5 operating hours at their assigned center. (\$685,340)
- Library Materials
 - Fully restore the Library Materials budget, by allocating ongoing funds, rather than one-time funds. (\$209,000)
- Youth Services and Education-Related Development
 - Funding for youth services such as summer programs, before & after school programs, athletics programs, and STEM/STEAM programs. It is imperative that the City begin partnering with local school districts to create more youth development programs.
 - San Diego Festival of Science and Engineering: The Festival's mission is to engage and encourage kids in science and engineering and work with parents and teachers to inspire today's students to become tomorrow's science, technology, engineering, and math (STEM) innovators. (\$50,000)
- Citywide Tree Trimming
 - Increase shade tree trimming, which will begin to restore the pruning cycle recommended to be done every seven years. (\$400,000)
- Tree Warden
 - Restoration of this position to assist in enforcing permit landscaping provisions. (~\$70,000)

Operational Needs:

- Civil Service Hiring Improvements
 - Two Associate Personnel Analyst positions. The first position would provide assistance to the Senior Personnel Analyst, and the second position would be assigned to the liaison section and be primarily involved in rolling out the NEOGOV Online Hiring Center. (\$162,509)

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- Open Data
 - Hiring of an Open Data Manager to support the Chief Data Officer in implementing Open Data Policy goals. (\$120,000)
- Department of Information Technology
 - Funding to address equipment needs to reinforce the City's cybersecurity protection. (\$200,000)
- Office of the IBA
 - Funding to engage an outside consultant on an as-needed basis, to augment staff research and analysis for certain docket items such as complex leases, fiscal analyses of ballot measures, environmental matters, specific economic studies, etc. (\$25,000)

City Commitments:

- Climate Action Plan
 - The Program Manager position has not yet been filled, and we encourage the City to make the hire quickly to move the Climate Action Plan forward.
- Arts & Culture
 - Penny for the Arts: Investing in the arts provides a tangible return on investment and, despite the creation of a Five-Year Blueprint, the Penny for the Arts program is still largely underfunded. By doubling the current FY16 allocation (\$2.8 million), the City will move incrementally closer to reaching the 2020 funding goal. (\$5.6 million)
 - Film Commission: Restart the San Diego Film Commission. (\$100,000)

One Time Costs:

Infrastructure:

- Streetlights
 - Install roughly 100 streetlights citywide, as prioritized in the Street Division streetlight unfunded needs list, including critical areas with higher pedestrian activity such as schools, parks, community centers, business corridors, and transit stations. (\$1.0 million)

Operational Needs:

- Charter Review Committee
 - Outside attorney/consultant to provide support, advise the Committee, and assist in preparing language for ballot measures. (~\$200,000)
- Park and Recreation Condition Assessment
 - Accelerate full funding in order to complete the condition assessment in two years, as opposed to five. (\$1.5 million)
- City Actuary
 - Engage with an outside actuarial consultant on an as-needed basis to alleviate the need to rely on SDCERS actuarial services. (\$250,000)

Thank you for your consideration of these budget priorities and options.



M E M O R A N D U M

DATE: January 16, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Lorie Zapf- Council District 2
SUBJECT: Budget Suggestions for FY 2016

Below is a list of Council District 2 priorities that I would like to see included in the upcoming budget discussions. This list is not in a ranked order.

1. ***Continue to Boost Police Department Retention and Recruitment:*** Public safety should always be a high priority for the City. According to the recently released salary study, San Diego Police Officers make less than their counterparts in nearby jurisdictions, which entices our officers to leave for other departments. The salary disparity also makes it more difficult to attract new recruits to the department. It is important to continue to find funds to compensate our officers appropriately to help with retention and recruitment issues.
2. ***De Anza Harbor Resort Master Plan Update:*** De Anza Harbor Resort is a regional asset and public park that should be enjoyed by all San Diegans. Now that a timeline is in place to return the parkland back to the City, it is important that we start the planning process to prevent delaying the return of this asset to the citizens of San Diego. We need to ensure access to one of our greatest amenities for future park space and use. Funding for early phases of updating the master plan should be considered in this budget cycle.
3. ***Implement Additional Fast Response Units for San Diego Fire-Rescue Department:*** Given the success of the Fast Response Units during the pilot program that was funded this fiscal year, I would like funding for this program to continue, and possibly expand to add additional Fast Response Units throughout the city to improve response times.
4. ***Implementation of Penny for the Arts:*** The City Charter specifically identifies supporting arts & culture as a core City service. This service is funded by TOT revenues, which have been steadily improving over the past few years. However, the percentage of arts and culture funding remains well below what it was in 2002, which was the target year in the Penny for the Arts Plan approved by Council. Investing in arts & culture is a revenue generator that investment yields a significant return – because arts & culture tourism generates TOT, sales tax, and more. The return on our

investment in the arts is how we fund public safety, infrastructure, and neighborhood services. If San Diego doesn't offer these options to our tourists, they will travel elsewhere. Cultural tourists stay twice as long and spend twice as much as an average tourist. They should be doing that here, not in LA or San Francisco. The plan approved by Council calls for a significant increase in spending this year. We would strongly urge the Council and Mayor to implement the plan that was approved by Council.

5. ***Funding for Street Paving and Repairs:*** In order to maintain the City's infrastructure, it is important to fund one of our most valuable assets – our streets. In order to tackle our backlog of street repairs, we need to fund repair and maintenance of all our city streets.
6. ***Ocean Beach Lifeguard Station:*** The five year lifeguard plan presented to the Public Safety and Livable Neighborhoods Committee on February 26, 2014 mentioned the need for a new Ocean Beach lifeguard station because the current facility is insufficient to adequately meet the personnel, operational, and equipment storage needs of the area and needs to be replaced. Our local beaches attract hundreds of thousands of visitors every year. It is important to ensure that those who use our beaches are safe, and that we have adequate facilities for the men and women protecting beachgoers.
7. ***Ocean Beach Library Expansion:*** San Diego's libraries assist residents by providing educational materials for continued learning, provide tools for job searches, and help increase literacy. The Ocean Beach library was originally built in 1927 when the community was much smaller than it is today. Ocean Beach has grown dramatically and the current library size doesn't meet the needs of the community. Years ago the City purchased land to facilitate a library expansion, but the building project still lacks the necessary construction funding. It is important that we fully fund the expansion of the Ocean Beach library.



OFFICE OF COUNCILMEMBER TODD GLORIA COUNCIL DISTRICT THREE

M E M O R A N D U M

DATE: January 16, 2015

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Todd Gloria, Third Council District *Todd Gloria*

SUBJECT: Council District Three Budget Priorities for Fiscal Year 2016

The following are my priorities for the FY 2016 City budget. These budget priorities are in line with my policy priorities established for the coming year, which continue to champion public safety, neighborhood services, infrastructure, job creation/economic development, and the environment.

The FY 2016-FY 2020 Five-Year Financial Outlook projects a baseline General Fund surplus of \$58.5 million, and additional revenue and cost savings opportunities are identified in this memorandum. The proposals below aim to utilize these funds to address the most critical needs of our community with the goal of making the San Diego a healthier place to live and work. These priorities are based on significant community input.

FY 2016 BUDGET PRIORITIES

Public Safety

- **Police Officer Retention:** Police retention is the most significant short-term challenge facing San Diego, and our first priority must always be the safety of our citizens. We must do all within our power to ensure the dedicated men and women of the San Diego Police Department are compensated at a level that reflects their hard work and retains their experience for the protection of our neighborhoods. I support a budget that prioritizes pay increases for our police officers and makes progress toward the targets identified in the Police Department's Five-Year Plan (FY 2014-FY 2018). Accountability is equally a priority for the department, and I would like to see department reforms this year include enhanced oversight and mandatory reporting guidelines. Finally, once the department is stabilized, it is my hope that we can focus efforts on community oriented policing to ensure that our law enforcement is building ties and working closely with our citizens and neighborhood groups.

Neighborhood Services

- **Ending Homelessness:** Last year, I proposed the reallocation of our limited General Fund resources to results-oriented homeless programs and services proven to move

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people off the streets and into permanent supportive housing. This \$1.9 million spending plan was adopted in the FY 2015 Budget. In 2015, I will monitor and report on the efficacy of these programs and continue to build relationships between service providers, government, businesses, philanthropists, and the public to leverage additional resources to achieve our goal of ending homelessness in San Diego. In order to effectuate further progress, we must continue to allocate at a minimum the same level of General Funds for homeless programs in FY 2016 (\$1.9 million), and any one-time expenditures from the FY 2015 homeless services budget should continue to be reinvested toward effective solutions.

- **Increased Recreation Center Hours:** Parks and recreation centers are critical to the character of our neighborhoods and create numerous educational and wellness benefits for the community. The programming at these City facilities promotes healthy lifestyles, deters crime, and helps our youth develop into contributing members of our communities. For these reasons, I propose increasing operating hours at the City's recreation centers in the FY 2016 Budget. The addition of 16 new assistant directors valued at \$685,340 would allow for a five hour weekly increase in operating hours at each new director's center.
- **Increased Library Hours:** I continue to advocate for libraries and the transformational value they bring to our communities. I was pleased with the increase in library hours included in this year's budget. However, we must do more to fully restore this critical service to 2002 levels, when branches were open an average of 54 hours per week, and to ensure that after years of waiting and significant public and private investment the public has greater access to all the new Central Library has to offer. I request the addition of \$2.3 million in the FY 2016 Budget to allow all branch libraries to operate full eight and a half hour service days on Saturdays and to expand Central Library hours by two on both Fridays and Saturdays. This would result in an increase from 48 to 51 hours weekly at each branch library, and from 54 to 58 hours weekly at the Central Library. An additional 73 hours per week in our library system would greatly benefit working families and all San Diegans who are otherwise challenged to visit the library on weekends due to currently abbreviated hours.
- **Balboa Park Maintenance:** In order to ensure that Balboa Park is maintained in a manner befitting of its status as our City's crown jewel, I request that funding be provided for an additional Equipment Technician I at a fully loaded cost of \$77,194 per year. This position will help to protect the health of Balboa Park's botanical collection through the efficient and effective use of limited water resources.

Infrastructure

- **TransNet CIP Program Spending:** As Chair of the SANDAG Transportation Committee, I have significant concerns that a \$46 million balance in unencumbered TransNet funds is projected in the City's budget at year-end. With the City's infrastructure needs estimated at more than \$2 billion, it is appalling that these critical transportation improvement dollars are sitting idle in an account rather than being spent on performing much needed repairs, restoring existing roadways, and constructing assets within the public right-of-way. As the Chair of the City Council's Budget & Government Efficiency Committee, I will schedule hearings to draw attention to this matter throughout 2015, with the goal of quickly spending down the existing bubble on high priority projects throughout the City, and exploring a management strategy to do a better job of spending these funds moving forward to address the most pressing transportation problems.

- **Comprehensive Infrastructure Investment Strategy:** I continue to have serious concerns with the lack of a comprehensive long-term solution to this multi-billion dollar infrastructure problem that is the biggest long-term challenge facing us. To remain economically competitive, we must work together to develop a sustainable plan for how we will pay for the Citywide infrastructure upgrades. While I remain supportive of full implementation of Enhanced Option B, lease revenue bonds are not a sustainable solution and it is critical that we explore alternative revenues. Steps must be taken to identify a robust expenditure plan and pursue a potential bond option on the ballot in 2016.
- **Park Condition Assessment Funding:** The City's condition assessments now underway will provide thorough and cost-effective analyses of sidewalks, public facilities and other infrastructure conditions, assist in prioritizing projects, and help us to develop a funding plan for all infrastructure needs. I support the continued allocation of one-time resources to perform condition assessments but would like to see more timely completion of these important studies. In particular, I request accelerated funding for the Park Condition Assessment in order to complete this study in two years rather than the five-year timeline included in the Mayor's FY 2016-FY 2020 Five-Year Financial Outlook. The Park Condition Assessment is a critical tool to identify needs and begin to address issues of park deprivation Citywide. Depending on how the work can best be accomplished, accelerated funding would require \$750,000 each year for two years, or \$500,000 each year for three years, beginning in FY 2016.
- **Pacific Breezes Community Park:** This project constructs a long overdue community park in Ocean View Hills in District Eight that includes lighted softball fields, playground areas, a comfort station, concession stand, storage, off-street parking, turf areas, picnic shelters, benches, a drinking fountain and storm water detention areas. This project is shovel ready and it is my hope that the FY 2016 Budget will include a meaningful level of funding to begin construction.
- **Ward Canyon Neighborhood Park:** This project is the top priority for the Normal Heights community and has an approved General Development Plan (GDP) Amendment. Total costs for Phase I of the project is are estimated at \$3.9 million and include a community garden, dog park, parking and associated realignment of the Interstate 5 off/on ramp. I request the addition of \$1.2 million in the FY 2016 Budget to design Phase I of this project (estimated at 30% of total project costs) and take steps forward to realize this long awaited and significant community asset.
- Please refer to my Infrastructure Committee Priority Memo, issued on January 16th, 2015, for a list of my **District 3 Capital Improvement Program (CIP) project priorities.**

Job Creation/Economic Development

- **Small Business Assistance:** Supporting small businesses and good employers that provide fair wages are critical to stimulating economic development and making San Diego a better place to live and work. I would be supportive of new and creative programs that empower small businesses in 2015. Additionally, I propose the following measures be considered in the development of the FY 2016 Budget:
 - I have requested that the Economic Development & Intergovernmental Relations (ED&IR) Committee explore expanding the Storefront Improvement Program, either by increasing the program budget or increasing the percentage of an overall

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CD3 Budget Priorities for Fiscal Year 2016

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storefront improvement that a grant can address. Appropriate funding needs should be considered for the FY 2016 Budget.

- I have also suggested the ED&IR Committee explore creating a revolving loan fund for assessment districts other than Maintenance Assessment Districts (MADs) or opening up the existing MADs Revolving Loan Fund to other assessment districts with the goal of helping to improve business districts and making the San Diego business climate more competitive. Funding needs should be considered in the FY 2016 Budget.
 - Future economic incentive packages, such as were approved for Illumina and the breweries, should be focused on supporting small businesses moving forward.
 - The Development Services Department should prioritize filling the currently vacant Small Business Liaison position, which provides an important resource to the Business Improvement Districts (BIDs) and the small business community.
- **Community Parking District Program:** It is unacceptable that the City and its contractors have nearly \$18 million available for parking and mobility solutions and are not using it. It is past time to change this situation for the sake of San Diego's parking impacted neighborhoods and the residents and businesses in them. A second Community Parking District Program Manager position estimated at \$157,474 will aid in the administration of this program and help relieve delays in project implementation and the existing build up of unspent revenues. This position should be cost recoverable through funding from district revenues.
 - **Living Wage Enforcement:** The Living Wage Ordinance (LWO) advances the San Diego economy by ensuring local jobs pay enough to keep workers and their families out of poverty. Since inception, the LWO Program has not been adequately staffed, and improved code enforcement is necessary to ensure contractor education and compliance. The FY 2016 Budget should include 1.0 additional Senior Management Analyst for the LWO Program at a fully loaded cost of approximately \$125,000. The focus of this position will be to increase the number of compliance reviews conducted on contractors and enhance outreach efforts to both contractors and workers. Some cost recovery may be achieved through assessment and collection of fines for violations. However, such monies must be deposited in the General Fund and cannot provide direct support for LWO Program staffing.

Environment

- **Climate Action Plan:** As a new member of the Environment Committee, I look forward to overseeing the implementation of San Diego's Climate Action Plan, which is based largely on the plan I authored when I served as Interim Mayor. As such, I strongly advocate for necessary funding of the Community Choice Aggregation (CCA) Phase 2 feasibility study. Additionally, it is my understanding that the Sustainability Program Manager position funded in last year's budget remains vacant. This position should be filled immediately and will be necessary in the coming years to steer this initiative forward and track our success.

Revenues

- **Real Estate Assets Vacant City Inventory:** This year, I will request a review and status update of vacant City assets at the Budget & Government Efficiency Committee to examine opportunities for new revenues from the sale or lease of facilities that are no longer of value to the City.

- **FY 2016 User Fee Updates:** A three-year comprehensive FY 2016 user fee study is underway to look at fees charged for use of certain City facilities, programs and services. I expect to docket this study at the Budget & Government Efficiency Committee in the first quarter of 2015 in time for the development of the FY 2016 Budget. Potential revenues from any user fee increases are not included in the FY 2016-FY 2020 Five-Year Financial Outlook.
- As indicated in my 2014 Budget & Government Efficiency Committee Year-End Report, the Committee will also focus on **improving critical City functions and examining outside agency budgets** in 2015. This will include oversight of long- and short-term process improvements and deeper dives into departmental and agency budgets, administrative regulations and policies to identify efficiencies and cost savings.
- Additional savings opportunities identified in your office's review of the FY 2016-FY 2020 Five-Year Financial Outlook include the following:
 - General Fund Departments have been asked to submit **operational efficiency reductions totaling 3%** (1.5% for Public Safety) for the FY 2016 Budget;
 - Results of the **"San Diego Works"** efficiency savings program are still under review; and
 - Potential savings from future **managed competitions** should be considered.
- It should be noted that the **Huron Competitive Initiatives Analysis Report**, which was funded at my request as part of my plan to reorganize City government when serving as Interim Mayor, identified 24 strategy, process and employee relations options to improve the managed competition program in order to ensure cost savings and efficiencies are realized through this process.

Thank you for your guidance in consolidating our priorities, which will help to ensure an effective and informed budget development process. As Chair of the Budget & Government Efficiency Committee for the fifth consecutive year, I will continue to focus on promoting collaboration, transparency and public participation in the budget development process, and increase our efforts to examine departments and programs for greater efficiency and innovation in the coming year. I look forward to working with you, the Council, the Mayor, and our citizens to deliver a balanced and responsible budget for Fiscal Year 2016.

TG/jl



CITY OF SAN DIEGO

COUNCILMEMBER MYRTLE COLE, DISTRICT FOUR

COUNCILMEMBER DAVID ALVAREZ, DISTRICT EIGHT

COUNCIL PRESIDENT PRO TEM MARTI EMERALD, DISTRICT NINE

JOINT BUDGET MEMORANDUM

DATE: January 16, 2015

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Myrtle Cole *Myrtle Cole*

Councilmember David Alvarez *David Alvarez*

Council President Pro Tem Marti Emerald *Marti Emerald*

SUBJECT: Fiscal Year 2015 Mid-Year and Fiscal Year 2016 Proposed Budget Priorities

Our offices are pleased to collaborate on a joint budget proposal that has a primary focus of prioritizing the needs of neighborhoods South of Interstate 8, which have historically been underserved. Such prioritized investment into these neighborhoods will ensure that every community is on a level playing field and has the essential resources such as adequate fire-rescue, police services, streets that are paved and also well lit by streetlights, safe sidewalks, libraries, parks and many more services. For far too long, the City budget has not reflected equity to all areas of San Diego. Our priorities aim to put an end to that and focus on building a San Diego that we can all be proud of.

The following are our priorities for funding in the Fiscal Year 2015 Mid-Year and 2016 Budget:

Public Safety

- Police Recruitment and Retention: Public Safety remains our highest budget priority. Nearly 300 officers hired since 2005 have left the department for other agencies at great expense to San Diego taxpayers. The City must prioritize the recruitment and

retention of police officers. Of the utmost importance is making the San Diego Police Department's salary and benefits comparable with other law enforcement agencies, which means that the City must act now to execute a fair and competitive labor agreement.

- Community Oriented Policing: The recent events in Ferguson, Mo. and other parts of our nation have brought new focus on the need to improve law enforcement's interaction with the public it serves. In San Diego, Community Oriented Policing efforts have proven to be effective. It is imperative that we continue to invest resources to expand the program to continue to build the trust and relationship between our residents and police officers. The crime prevention measures, problem-solving, community engagement, and community partnerships that result from Community Oriented Policing must be prioritized. We request that additional Community Relations Officers be identified as the Police Department continues to rebuild.
- Implementation of PD Five Year Plan: Civilian Positions and Equipment Replacement: The City must continue to implement the Police Department's Five Year Plan. There is cost benefit in restoring civilian positions. The elimination of these critical positions over the years has resulted in slower police non-emergency response times, additional overtime costs, decreased revenues from permit and fee collections, case backlogs and other impacts. The restoration of civilian staff will allow existing sworn officers to return to patrol duties. We ask that the addition of positions within the Communications/Dispatch Division be prioritized. There is currently a shortage of positions, resulting in mandatory overtime.

Additionally, according to the Plan, the existing trailer that houses Traffic/Special Events, adjacent to Eastern Division, must be replaced with a new 20,000 square foot trailer. The existing trailer has been at the current site for approximately fifteen years, is in severe disrepair, and affects working conditions and staff morale. The trailer houses over 300 men and women of the Police Department and includes Traffic Investigation, Motors, Parking Enforcement, Special Events, Traffic Controllers and RSVP volunteers. The approximate cost is \$700,000.

- Skyline Hills Fire Station (FS 51): Identifying ways to improve emergency response times, specifically in our communities south of Interstate 8, is one of the most critical public safety issues facing the City of San Diego. In 2011, the City was presented with the Fire Service Standards of Response Coverage Deployment Study (Citygate Report). The Citygate Report identified risks, reviewed existing deployment models, and identified additional fire station and staffing infrastructure, among other issues. Critical sites were identified to improve service and address delayed emergency response times. The top five are Home Avenue, Paradise Hills, College, Skyline, and Encanto. The FY16 budget must include full funding for the construction of a permanent station on Skyline Drive. The Skyline Drive location is unique among the five sites because the City has already acquired the land and the operational/staffing costs have been included in the FY15 budget. Cash funding will allow for more rapid

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procurement/delivery methods (i.e. Design-Build). The approximate construction cost is \$12 million.

- Home Avenue Fire Station: The City must prioritize the identification and acquisition of land for a much-needed fire station on Home Avenue. In addition, the design of this fire station must be completed in FY16. We request that \$900,000 be budgeted for this phase of the project.
- Encanto Fire Station: A cost-effective and efficient approach to implementing additional Citygate recommendations is to convert the existing Encanto Fast Response Squad (FRS 55) into a full service fire station (FS/Engine 55). The call volume and severity of incidents in the Encanto neighborhoods warrant the permanent addition of additional fire-rescue resources. This would require minimal facility improvements in order to accommodate a fire engine. Additionally, as a result, the Fast Response Squad pilot program may be relocated into other neighborhoods that warrant the model based on historic call volumes (i.e. San Pasqual Valley). This approach would result in a new Encanto fire station at an expense of \$2.2 million.
- Neighborhood Code Compliance: The Neighborhood Code Compliance Division of the Development Services Department administers programs designed to protect the public's health, safety, welfare, and property value through enforcement of the City's ordinances and State/Federal laws relating to land use, zoning, housing, public nuisances, graffiti abatement, and vegetation/fire hazard abatement. For too long, the staffing levels in the Division have been dismal and enforcement priorities have been adjusted downward to keep pace. We request that the resource capacity of the department be analyzed and considered for additional funding.

Infrastructure

While the Mayor has committed to dedicating at least half of new revenue growth to infrastructure, far more is needed to truly make a dent on our backlog. We agree that “if the City is to fully maintain its infrastructure, ensure compliance with state and federal regulations, and provide continued and increased services to the citizens of San Diego, additional revenue sources will be necessary”. We look forward to working with you to explore new revenue sources.

The City must make infrastructure improvements and maintenance a higher priority going forward, particularly in areas of the city which have historically been underserved. We seek to achieve equity for the neighborhoods we represent, which means targeted infrastructure investments are needed to address the substandard conditions which have presented roadblocks to true economic and social opportunities. The following focused investments into many of our low-income urban neighborhoods will not only address the visual conditions, they will create jobs, promote economic growth, foster environmental sustainability and meaningfully address pressing community needs.

- Streetlights: \$1 million to install approximately 100 streetlights citywide in areas with the most urgent public safety needs for additional streetlights, as identified in the Street Division streetlight unfunded needs list. Installation priorities include area with high pedestrian activity, including parks, community centers, schools, business corridors, and transit stations. \$200,000 of the total amount should be used to install street lighting to city standards throughout the Greater Logan Heights neighborhood. Street lighting can be an important tool in combating crime, as well as increasing safety for motorists, cyclists, and pedestrians. Considerable savings in reducing the backlog can be achieved by locating new lighting fixtures on existing poles, where available.
- Accelerate Citywide Park and Recreation Condition Assessment: \$1.5 million to provide full funding to complete the condition assessment in two years rather than five. The City must complete this assessment in order to direct invest in under-resourced public parks and help to address system-wide needs for park equity throughout our city's neighborhoods.
- Council District Four Sidewalks: \$5 million to address critical pedestrian/public safety needs in Council District Four. Sidewalks must be installed on Market Street between Pitta Street and the Malcolm X library. The current condition puts children as well as their parents at risk. Citizens should not have to walk in the street or on dirt to access a public facility. Additionally, funding is needed to complete the long-awaited Martin Luther King Jr. Promenade pedestrian improvements and to install missing sidewalks in the Paradise Hills Community as recommended by its official Community Planning Group.
- Pacific Breezes Neighborhood Park: \$5.5 million to complete funding to construct a 15 acre community park in Ocean View Hills that includes lighted softball fields, playground areas, comfort station, concession stand, storage, off-street parking, turf areas, picnic shelters, benches, drinking fountain and storm water detention areas. The project is permit-ready. Construction documents are complete and ready to go to bid.
- Tubman Charter School Joint Use Park, CIP S-13000: \$2.7 million to build a new neighborhood park on an approximately 1.72 acre site shared with the San Diego City School District at 6880 Mohawk Street in the College Area community. This park is in a community that is severely park deficient. The park would potentially provide play fields, and other active areas, and landscaping. A General Development Plan of the park has been completed.
- Pedestrian and Cycling Safety Upgrades: Every day on average, three people are hit by a car while walking or biking the streets of the City of San Diego. Less than two weeks into the new year, two pedestrians have already been killed in traffic collisions. These incidents are preventable and safer street design is one of the key ingredients for success. \$3.8 million (as estimate based on unit costs from the 2013 Pedestrian Master Plan and 2013 Bicycle Master Plan) to implement biking and walking safety improvements in several key corridors identified by SANDAG as among the five corridors

Attachment C

representing 19% of pedestrian crashes that have occurred over the last 15 years. The focus is on Market Street from 31st Street to I-805 including at least \$915,000 to support curb extensions, high visibility crosswalks, countdown signals, EVPE, road and lane diets, and cycle tracks; Euclid Avenue from Hilltop to Imperial including at least \$1.1 million to support curb extensions, high visibility crosswalks, countdown signals, road and lane diets, and cycle tracks, ADA compliant curb ramps, and Class II bike lanes; and El Cajon Boulevard from 35th Street to 43rd Street including at least \$1.7 million for curb extensions, high visibility crosswalks, countdown signals, pedestrian refuge, and restricted right turn on reds. Curb ramp installation projects surrounding undergrounding activities are also critically needed (including sidewalk and streetscape resurfacing) along 24th Street (G to Imperial) and K Street (19th to 30th Streets).

Operational Needs

While Public Safety and Infrastructure needs remain the twin areas of focus for our districts, there are significant citywide operational needs that should be accounted for in the FY15 Mid-Year and FY16 budget. The priorities listed below will benefit all City residents, and many of them have particular impact for the communities we serve.

- Restore Recreation Center hours: \$2.3 million to provide for the addition of five hours of operation at every recreation center. No citywide core operational hours have been added since FY12, when hours increased from 40 hours per week to 45 hours per week. The addition of weekly hours to each recreation center would require the addition of 53 Assistant Recreation Center Directors in order to add 5 hours per week for all the recreation centers throughout the City. There are numerous community benefits created by parks and recreation centers. They make communities desirable places to live, work, play, and visit, thereby contributing to the ongoing economic vitality of communities throughout our country. The programming promotes healthy lifestyles, deters crime, and helps our youth develop into contributing members of our communities.
- Restore 6-to-6 Program: Initiate conversations and negotiations to reinstate the 6-to-6 program at all City schools. In FY04, the City invested \$5 million as part of a San Diego Unified School District program.
- Additional IT auditor position: \$129,300 to focus exclusively on auditing the City's IT systems. This is an area that is not covered on a consistent basis, and where the City could face great risks and vulnerabilities.
- IBA Consultant Contract: \$25,000 to engage consultant expertise on an as-needed basis throughout the year, in order to augment staff research and analysis, for certain docket items e.g. complex leases, fiscal analyses of ballot measures, environmental matters, specific economic studies.

- City Actuary: \$250,000 to reinstate an as-needed outside contract to alleviate the reliance on SDCERS for researching actuarial issues.
- City Council Meeting Support: \$5,000 increase to the City Council “Meetings” budget to support regulatory requirements to maintain compliance with ADA needs for access to Council and Council Meetings by the public or dignitaries that may have special needs. This increase will also support other mitigation measures for translation services and special off-site meeting needs like enhanced security.
- Purchasing and Contracting: It is the City’s policy to encourage greater availability, capacity development, and contract participation by Small Local Business Enterprises (SLBEs) in City contracts. This policy is, in part, intended to further the City’s compelling interest to stimulate economic development through the support and empowerment of the local community. Many studies have shown that money spent in local business stays in the community. For every \$100 spent at a locally-owned business, \$45-\$68 goes back into the community and our tax base. We must ensure that adequate resources and staffing levels are in place to ensure that the City is adequately promoting equal opportunity for all segments of the contracting community.

On November 14, 2014 Mayor Faulconer released his Five-Year Financial Outlook for FY 2016-2020. A surplus of \$58.5 million is projected in FY16. In addition, on January 9, 2015, the SDCERS Board took action which results in an additional \$6.2 million savings for FY16 (\$4.5 million of which is General Fund).

We understand there are competing priorities for the FY15 Mid-Year and FY16 budget. This memo reflects our top priorities and will serve as the basis for our support of the upcoming budget. The developments and operations we have laid out above are critical to providing equity in a budget process that has too often neglected our communities. In addition to the South of Interstate-8 combined priorities listed above, we have also included district-specific projects as Attachment A to this memorandum. As we enter a strong period of growth for our city, we are pleased to have the resources to bring each of these projects to fruition.

Attachment C

Attachment A

The following projects are district-specific investments which are critically important to the health and well-being of our residents. Many of these projects are eligible for additional or alternative funding streams such as General Fund, Regional Park Improvement Funds, TransNet, DIF, CDBG, ADA/Capital Outlay or grant funding.

District 4:

- Rolando Joint Use Facility: \$280,000 to initiate the design and construction of a much-anticipated joint-use facility at Rolando Elementary School.
- Bay Terraces Community Park: \$200,000 to reinstate design and construction of the Community/Senior Center.
- Valencia Park (La Paz Mini-Park): (no new fiscal impact). \$734,000 has been identified. We request timely completion of the design and permitting of this new mini-park.
- Chollas Lake Park Playground Improvements: \$750,000 (in FY16 CDBG) is requested to complete this \$1.7 million project.
- Tot Lot enhancements and ADA upgrades at the following neighborhood parks: (costs TBD)
 - Keiller Neighborhood Park
 - Boone Neighborhood Park
 - Lomita Neighborhood Park
 - Skyline Hills Recreation Center
 - Emerald Hills Neighborhood Park

District 8:

- Grant Hill Park: \$500,000 to address years of deferred maintenance and erosion, including a retaining wall and landscape, benches, and barbecue pits.
- Island Park: \$200,000 to bring the park into ADA compliance, as well as leveling the ground in preparation for a tot lot.
- Clay Park: \$100,000 for a pocket park in a residential area to provide benches, barbecue grills, night lighting, synthetic grass and playground equipment.
- Sherman Heights Community Center: \$70,000 to provide playground equipment for the only community center in the northern part of District 8. The Center once had playground equipment but the pieces are missing, have been removed, or lack repairs.
- Barrio Logan Park Ranger: \$70,000 (annually) to assist with issues in Chicano Park and other community parks in the northern part of District Eight. Issues include indicting

drug use, graffiti, and transients. The parks were meant to serve younger children, but have become unsafe areas.


District 9:

- Grounds Maintenance Worker 2: \$70,600 (annually) for City Heights area parks.
- Park at Chollas Parkway: \$250,000 for a General Development Plan to design a community park and open space network that utilizes the existing Chollas Parkway right-of-way from 54th Street on the west to University Avenue on the east. The little used parkway would be closed and vacated, allowing for a new (approximately 11-acre) neighborhood recreation and open space park located in its place. Opportunities exist for a mixture of active and passive park uses. The open space lands would be part of a habitat restoration effort consistent with the goals of the Chollas Creek Enhancement Program. The area is currently undergoing a Community Plan Amendment and environmental review. Phased construction could potentially be funded from Development Impact Fees and other sources beginning in FY17.
- Relocation of Electrical Boxes on Meade Avenue, CIP B14048: \$91,000 to complete the design and engineering and relocate three utility boxes (with traffic signal controls) in the public Right-of-Way on Meade Avenue, between 43rd and Fairmont, adjacent to the new Copley-Price YMCA. The new YMCA is expected to generate additional pedestrian and bicycle traffic in this community where a large percentage of the population, including children, the elderly, and the disabled, do not have access to private transportation. The sidewalk improvements generated by the YMCA project should be completed by moving these city-owned utility boxes from the middle of the sidewalk, where they could block pedestrian access and attract graffiti.
- Flashing Crosswalk at Adams Avenue and Kensington Drive: \$60,000 to install a flashing crosswalk using in-pavement flashers and flashing signs to improve pedestrian safety. There is a thriving business community at this location that attracts customers and visitors from and outside the neighborhood. The lack of a crosswalk has made it dangerous and challenging for pedestrians to cross Adams. Ave., particularly at night. The installation of a flashing crosswalk would improve the safety of pedestrians by warning oncoming traffic of people crossing.



City of San Diego
MARK KERSEY
CITY COUNCILMAN, FIFTH DISTRICT

MEMORANDUM

DATE: January 16, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilman Mark Kersey 
RE: Fiscal Year 2016 Budget Priorities

This is in response to Budget and Government Efficiency Committee Chair Todd Gloria's January 5, 2015 memorandum requesting Councilmember input in the development of the Fiscal Year 2016 Budget. As San Diego's trend of economic growth continues, restoring services to neighborhoods and addressing the infrastructure backlog to rebuild San Diego should be top priorities. I applaud Mayor Faulconer's commitment to dedicating 50% of new major revenues to infrastructure, and encourage a continued commitment to the multi-pronged approach of identifying needs while diligently chipping away at the backlog. To the extent that revenues are available, I respectfully put forward the following items, in no particular order, for consideration in the Fiscal Year 2016 Budget.

Rebuild San Diego through Neighborhood Investment. (\$5,427,000) The City of San Diego faces over \$2 billion in deferred maintenance. While the Council is making progress through historic monetary investment and the development of the City's first-ever Multi-Year Capital Improvement Plan, it will take the continued diligence of the Council to make our neighborhoods whole.

- **Continue the Condition Assessment Program.** (\$1,300,000) In order to fully understand the complexity of the infrastructure problem and gauge progress, the City should continue the condition assessment program. Allocating funds for facility and Park and Recreation asset condition assessments reflects good faith on the City's part to rebuild San Diego.
- **Improve Traffic Signal Optimization.** Traffic congestion is an issue that affects all districts. Every day, San Diegans are frustrated with traffic that results in less time with their families, and high gas consumption. To help residents and gain efficiency in

commutes, I recommend the City invest in advancing traffic signal optimizations along main corridors, particularly roads that connect to freeway ramps.

- **Safe Routes to Schools in Rancho Bernardo.** (\$50,000) Everyday, students walk along Paseo Lucido to and from Rancho Bernardo High School and Bernardo Heights Middle School and their homes. With no street lights along the path, walking to or from school in the dark can be dangerous for children. I thank the Council for supporting this priority and including street light design funding in a previous budget. The balance of project funding is requested to complete construction of this shovel-ready project.
- **Rue Chantemar Storm Drain Replacement Project.** (\$877,000) Highlighted in a Voice of San Diego article (“Where the City Crumbles in Scripps Ranch”), the corroded storm drain and resulting cliff is hazardous to children who play in the adjacent open space and is a looming liability. The project is in the design process, but still lacks funds for construction. Funding the repair of this project can prevent future injuries or additional damage to property.
- **ADA Compliance at Rolling Hills Park and Jerabek Neighborhood Parks.** (\$1,000,000) Jerabek Neighborhood Park and Rolling Hills Park are two of the most utilized parks in District Five. Play equipment is aging, and with replacement parts sparsely available, full replacement will be needed soon. However, in order to continue to provide a safe play environment for our children, parks must be brought up to current Americans with Disabilities Act (ADA) standards. Historically, the Capital Outlay Fund has financed ADA projects. A portion of the recent SDDPC property dissolution revenues which were placed in the Capital Outlay Fund can be used for ADA compliance to make our parks safe and accessible to all residents.
- **Carmel Mountain Ranch / Sabre Springs Dog Park.** (\$200,000) The Carmel Mountain Ranch / Sabre Springs community is vibrant community with active families that make substantial use of the community’s parks. With no neighborhood dog park, fenced-in ball fields have increasingly become unofficial off-leash dog parks. Sabre Springs Park has a 0.4 acre area to the south of the fenced-in ball field that the community has identified as a potential dog park site. Funds are requested for a feasibility study and preliminary design.
- **Restore Transportation in the San Pasqual Valley.** (\$2,000,000) The San Pasqual Valley is home to the City’s last remaining dairy farm, a highly-used hiking trail system, and the San Diego Zoo Safari Park. Ysabel Creek Road is the main thoroughfare between Bandy Canyon Road, where farmers package their products, to San Pasqual Valley Road, where the Zoo Safari Park and the Archaeological Society are located. However, severe storms have moved much of the asphalt off the path, leaving the road dangerous and inconsistent with the City’s Street Design Manual. In order to avoid road hazards, people have been observed driving off the loosely-defined path onto the watershed property, potentially affecting water quality. Additionally, insufficient access is detrimental for local farmers who lease property in the valley. I request funding for an engineering analysis to determine options for restoring Ysabel Creek Road, and development of a CIP to begin restoring transportation access to the community.

Continue Addressing San Diego Police Department (SDPD) Recruitment and Retention Challenges. SDPD has seen substantial issues with recruitment and retention of officers. Every year, the City loses highly-experienced officers to retirement and other agencies. With staffing at historic lows per capita, it is imperative to increase officer compensation so the City can become a competitive recruiter, keep officers from leaving to other public agencies, and make San Diego an even safer place to live and work.

Increase Medical Aid Availability and Review Cross Staffing to Improve Fire-Rescue Response Times. (\$6,819,733) The San Diego Fire-Rescue Department responds to approximately 130,000 incidents annually. Because of the high demand for service and the city's deficit of needed fire stations, the Department's first due unit to medical calls and small fires only meets national standards 69% of the time. Minor adjustments to staffing models can improve efficiencies and relieve stress on the first responder system.

Cross-staffing is the practice of using a single crew to staff both a fire engine and a specialty unit vehicle. The City currently employs cross-staffing in the HazMat and Bomb Squad units, which are used as regional assets to respond to hazardous materials and suspicious device incidents. When a HazMat or Bomb Squad incident occurs, an engine that could otherwise be used to respond to a life or property emergency at Station 44 in Mira Mesa or Station 1 in Downtown sits unavailable for use. Dedicated HazMat and Bomb Squad units can relieve the undue strain on stations in other neighborhoods, including Scripps Ranch, Carmel Mountain Ranch, Rancho Peñasquitos, and East Village,

In Fiscal Year 2015, the City piloted a Fast Response Squad program in the Encanto area. This two-person squad has the ability to arrive on scene to do initial triage and determine if a full engine and ambulance are necessary. While initial reviews for the Fast Response Squad at the densely-populated community of Encanto shows a need for a full engine company, the rural community of San Pasqual would greatly benefit from a Fast Response Squad of a dedicated ambulance. With a majority of calls being medical aids at the San Diego Zoo Safari Park and minor car accidents that do not require a full engine company, and with the community left without medical mutual aid from neighboring Escondido, responders are called from Fire Station 33 in Rancho Bernardo. On a good day with no traffic, Engine 33 can get to the Zoo Safari Park in 15 minutes, far exceeding the national response time standards. While Engine 33 is out on a 30-minute minimum call to the San Pasqual Valley, Rancho Bernardo residents are left waiting for life-saving services from Carmel Mountain Ranch or Rancho Peñasquitos. Placing a Fast Response Squad or dedicated ambulance unit at the Zoo Safari Park can relieve the stress on the first responder system in northeastern San Diego and keep residents and visiting tourists safe while visiting the world-famous destination.

Increase Fire Safety throughout the Wildland-Urban Interface. (\$1,000,000) San Diego has approximately 500 linear miles of Wildland Urban Interface (WUI). The WUI, combined with the ongoing drought and regular Santa Ana winds, has resulted in a sustained fire season. The Fiscal Year 2015 Budget increased the annual allocation for brush management; however, funds only covered the increase in cost of service. Additional funding is requested for brush management along the WUI to reduce fire risk and protect our neighborhoods.

Strengthen the City's Operations through a Standing Council Charter Review Committee.

(\$100,000) In recent years, the Council has held substantial discussions regarding review of the City Charter, Municipal Code, and Council Policies to improve efficiencies and services, resolve conflicts between State, Federal, and local regulations, and provide the public with better access to their government. While the Council continues work on Municipal Code and Council Policy revisions through the temporary Charter Review Committee, a commitment to long-term oversight through a standing Charter Review Committee, along with funding for a Committee Consultant dedicated to ensuring community input is needed to ensure changes that reflect the demands of the people of San Diego.

Increase Government Transparency and Community Input through Open Data

Enhancements. (\$250,280) The Council's establishment of the Performance and Analytics Department in the Fiscal Year 2015 Budget was a great step forward for government transparency and accountability. An open, efficient, and accessible government is critical to gaining and maintaining the public's trust. With hundreds of data sets in the City in various formats, an Open Data Manager could support the efforts of the Chief Data Officer to implement the goals put forward in the Open Data Policy, including the interfacing with departments to gather information and working with the public to identify high value data sets to make available on the web portal. While the data sets will be accessible to all and public innovation will result in everyday helpful apps, a Civic Technology Coordinator can analyze internally-beneficial data sets to develop apps and technologies that will increase city process efficiencies.


Develop an Enhanced Citywide Strategic Plan. (\$125,140) Through the tireless work of the Mayor and Council, the City of San Diego has gone from "Enron by the Sea" to a nationwide model for fiscal reconstruction. As we continue the path of financial prudence, an updated strategic plan with performance measures that reflect the public's best interest are necessary to ensure taxpayers funds are used wisely. An additional Citywide Strategic Planner will accelerate the pace of updating strategic and tactical plans to help continue the City's reputation for fiscal responsibility.

Provide Dedicated Oversight of the San Dieguito River Valley Regional Open Space Park JPA Contract (\$80,000) The City of San Diego is currently negotiating a fifty year extension of the San Dieguito River Valley Regional Open Space Park ("Park"). If membership fees stay flat, the City will be investing \$12,700,000 to operate and maintain the Park over the 50 year term. An employee dedicated to contract fulfillment and trail maintenance standards review is critical to ensuring taxpayer funds are used consistent with intended uses while also protecting the underlying watershed.



**COUNCILMEMBER CHRIS CATE
CITY OF SAN DIEGO
SIXTH DISTRICT**

MEMORANDUM

DATE: January 16, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Chris Cate 
SUBJECT: 2015 Budget Priority Memo

I appreciate the opportunity to share my budget priorities for 2015, I look forward to working collaboratively to address the City's most pressing issues and challenges.

Address the San Diego Police Department's Recruitment and Retention Challenge

In order for the San Diego Police Department (SDPD) to reach their sworn staffing goal of 2,128 officers by Fiscal Year 2018, as outlined in the Five-Year Plan, SDPD must hire more officers than it loses to attrition each year. On September 11, 2014, the Independent Budget Analyst (IBA) released a report on hiring and attrition trends in early FY 2015. As noted in the report, during the first two months of FY 2015, attrition was 60% over the rates assumed in the budget. The City should continue to explore compensation solutions in order to lower attrition rates and increase recruitment levels.

Prioritize Funding for the City's Infrastructure Backlog

The City's continued effort to address its deferred capital maintenance backlog should remain a top priority. Though the City took a key step forward through Enhanced Option B, its capacity to slow the current rate of infrastructure deterioration continues to be a challenge. The commitment of 50% of new major General Fund revenues to infrastructure improvements is imperative to addressing the estimated \$2 billion backlog. The City should continue its efforts to compile and complete the ongoing condition assessments in order to fully develop the 5-year infrastructure master plan, as well as maximize funding through additional streamlining reforms.

Expand the City's Efforts to End Homelessness

The City of San Diego has recently made significant improvements to provide enhanced critical services to the homeless. With the solicitation of bids for a permanent homeless shelter and the development of the Homeless Management Information System, the City continues to demonstrate its commitment to ending homelessness. However, this issue continues to be a major challenge for the City of San Diego. Many homeless individuals find themselves seeking shelter in the canyons of Council District 6. These transient camps present a myriad of problems

including illegal dumping and fire concerns. It is imperative that the City continue to identify funding and collaboration opportunities between the Parks and Recreation, San Diego Housing Commission and the San Diego Police Departments to connect homeless individuals with housing, medical and vocational services.

Complete Funding of Computer Aided Dispatch (CAD) System and Integration

As the City continues to lower response times and enhance its public safety operations, an updated Computer Aided Dispatch (CAD) system is essential. The current system does not meet industry standards and is difficult and costly to maintain. A new and modernized system would allow SDPD and Fire-Rescue to improve emergency response operations by providing the necessary tools for the efficient dispatching of 9-1-1 calls. Allocate sufficient funding to continue the complete upgrade of the CAD system.

Prioritize the Funding of Community Plan Updates

Community plan updates are critical to neighborhood identity and character while also providing certainty to San Diego's development process. Many of the City's plans have not been updated in decades and require much-needed funding to initiate. As the City looks towards supporting more affordable housing, transit-oriented development and improved mobility, community plan updates should be considered a strategic component of these efforts. To facilitate a maximized update process, the City should review the feasibility of partnering with students from local universities to collect data, conduct surveys and provide assistance to Planning staff.

Bolster the City's Open Data Operation

Open Data is an effective tool that will create a municipal government that is more transparent and accessible to the public. As the Chief Data Officer commences the collection and development of department data sets, the necessary FTE's to meet the program's goals and metrics should be seriously considered. The City should continue providing resources to the Department of Performance and Analytics to ensure the efficacy of this program.

Initiate the Development of a Smart "Zero-Base" Budgeting Pilot Program

In preparation for the new fiscal year, individual City departments use the current year's budget as a baseline for any variances in the upcoming year. Though mid-year budget adjustments are made to self-correct based upon trends and projections throughout the remaining budget year, variances still often exist within departments. Under the Smart "Zero-Base" Budgeting method, the department would commence with a zero-dollar baseline to evaluate all programs planned for the upcoming year and determine the costs necessary to support them. In an effort to develop a transparent, maximized and results-oriented budget process, the City should initiate a pilot Smart "Zero-Base" Budgeting program.

Expand the City's Traffic Signal Optimization Program

As San Diego's population continues to expand in dense neighborhoods, traffic congestion and commuting times will continue to be heavily impacted. Traversing through key transit corridors in Council District 6 has proven to be difficult, especially during peak hours. Through a public-private partnership with QUALCOMM, the City initiated a pilot traffic signal optimization program on Lusk Boulevard. An initial study has demonstrated a 9-21% reduction in travel time.

Attachment C

The City should continue to expand this program to other heavily-traveled arterials such as Mira Mesa Blvd and Balboa Avenue.

Fund the Tourism Marketing District Special Events Revolving Loan Fund

As the City looks forward to hosting Major League Baseball's All-Star Game in 2016, it is imperative to ensure San Diego taxpayers are protected. The City Council has authorized the waiving of up to \$1.5 million in fees for General Fund department services, including, but not limited to the Police, Fire-Rescue, Park and Recreation, and Special Events Departments. Given this event provides the City a unique platform to showcase San Diego to an international audience and new tourism markets, the Tourism Marketing District Special Events Revolving Loan Fund should fully reimburse the City's General Fund expenditures. This reimbursement can be accomplished over Fiscal Years 2016 and 2017.

Develop Hickman Youth Athletic Fields

The Hickman Youth Athletic Fields are an invaluable resource to the communities of Clairemont and Kearny Mesa. The facility provides fields for a wide variety of athletic activities, including soccer, softball and baseball for youth of all ages. As the General Development Plan makes its way through the approval process, the City should allocate the necessary funding for the completion of Phase I. This phase will include critical infrastructure improvements to the facility, including new roads, sidewalks and accessible pedestrian ramps.

Support the Expansion of the New Balboa Branch Library

The Balboa Branch Library in the community of Clairemont is a 5,000 square foot facility constructed in 1971. Currently, the library is lacking in a meeting room, computer lab, and adequate seating to provide the necessary services to the community. Since Clairemont has developed into one of San Diego's largest neighborhoods, a new and expanded library is crucial to this community's quality of life. In 2001, an initial schematic design was initiated, but not completed. The City should allocate the necessary funds to reopen this project, update the architect agreement, and complete the design.

Continue Funding and Execution of Mira Mesa Community Park Expansion

Mira Mesa continues to be one of San Diego's most diverse, vibrant and family-friendly neighborhoods. The need for enhanced youth athletic fields, an aquatic center, and a wheel-friendly plaza to serve the residents is imperative. While the park expansion has three phases, the FY 2016 budget should ensure the construction of Phase 1 begins. The design work for Phase 2 should also commence so there is a seamless transition toward completion.

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City of San Diego
Councilmember Scott Sherman
Seventh District

MEMORANDUM

DATE: January 16, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Scott Sherman
RE: Fiscal Year 2016 Budget Priorities

The following are my budget priorities for Fiscal Year 2016:

INFRASTRUCTURE NEEDS:

Dedicate New Revenue to Repairing and Maintaining Existing Infrastructure

It is significantly less expensive to repair and maintain existing infrastructure than it is to build new infrastructure. We have seen this in the cost difference between a slurry seal and an overlay. The City should continue to dedicate at least 50% of new revenues to the maintenance of existing infrastructure and prioritize streets.

Invest in Curb Appeal

San Diego's curb appeal has fallen drastically over the last several years due to budget cuts. We should work to restore funding to programs such as the Park and Recreation Department's Median Maintenance Program, the tree trimming program, and other programs that have resulted in the loss of San Diego's curb appeal.

- Increase shade tree trimming (\$400,000)
- Restore Park and Recreation Median Maintenance (\$575,000)

Completion of Condition Assessments (\$1,300,000)

The City will be receiving the first round of several condition assessments in the spring of 2015. The City Council should work with the Infrastructure Committee to analyze these assessments to determine if they provide essential and adequate information that can be utilized by the City. Once we ensure that additional information is not required, the completion of the remainder of the assessments should be a priority.

Traffic Signal Optimization (\$400,000)

We should work to incorporate traffic signal optimization technology into our streets with the highest volume of traffic and major thoroughfares such as Friars Road in Mission Valley. Traffic signal optimization has been found to improve efficiency by up to 20%. In addition, the State recently recognized this technology as having positive climate benefits because it reduces the idling of cars.

Street Lighting (\$1,000,000)

Studies have found one of the easiest ways to reduce crime is by adding lights in high crime areas. The addition of street lights has the added benefit of increasing safety for pedestrians and motorists and encouraging walkability of neighborhoods. Installation savings can be achieved by adding lights to existing power poles in neighborhoods that have not been undergrounded.

NEIGHBORHOOD NEEDS:

Enhance Police Recruitment and Retention Efforts

I am committed to continue working with the Police Department to develop and maintain a strong police force. This can be accomplished by our continued support of the Police Department's Five-Year Plan which was approved in November 2013. Specifically, we should fund the following priorities in FY 2016.

- Computer Aided Dispatch (CAD) System - \$4,976,000
- Holiday Pay

Prioritize Community Plan Updates

The Mayor and City Council should continue to prioritize community plan updates. This prioritization should consider the areas most likely to grow in the next 10-15 years. One of these communities is Mission Valley. This rapidly developing community needs an updated plan as it transitions from business to residential. The Mission Valley CPU will begin in March of this year. I recommend that the Mayor and City Council commit to funding and expediting this process as much as possible.

- Mission Valley CPU - \$300,000

Addition of Two Lifeguard FTE's at Pacific Beach (\$162,000)

The Pacific Beach Lifeguard Station is currently understaffed. The addition of two FTE's in accordance with the Lifeguard Five-Year Plan would help address the staffing issues at this location.

Increase Fire Safety throughout the Wildland-Urban Interface (\$1,000,000)

San Diego has approximately 500 linear miles of Wildland Urban Interface (WUI). The WUI, combined with the ongoing drought and regular Santa Ana winds, has resulted in a sustained fire season. The FY 2015 Budget increased the annual allocation for brush management. However, those funds only covered the increase in cost of service. Additional funding is needed for brush management along the WUI to reduce fire risk and protect our neighborhoods.

TECHNOLOGY NEEDS:**Online Permitting and Licensing**

The City should prioritize moving permits and licenses online as quickly as possible. The transfer of these processes will help the City and residents save time and money. By moving these practices online, residents will not need to spend a significant amount of time coming to City Hall and going through the process at DSD or other departments.

Revamp the City's Website (\$300,000)

The current City website is in need of updating in order to improve accessibility and design. The current website design is outdated and is difficult to use when on a phone or tablet. The search function is inadequate and ineffective. The City's website should be user friendly and operable on these devices as more residents are using them on a daily basis.

End User App

The City should develop an end user app for project tracking online. This application would allow residents to review what stage their project is at in the review. It would also allow individuals to upload additional materials to the project online. The development of the application would also provide a central source for communication between City departments and the user which will increase transparency.

Performance and Analytics Department (2 FTE's-\$250,000)

The Performance and Analytics Department was formed in the FY15 Budget. In the last six months they have undertaken a new Open Data policy, a Citywide Strategic Plan, SD Works, and a review of department performance measures. An addition of two FTE's would further expedite these undertakings.

DISTRICT 7 BUDGET PRIORITIES:**Mission Valley Fire Station Staffing and Fire Engine (3,046,562)**

The much needed East Mission Valley Fire Station construction is scheduled to be completed in the spring. This station, which is identified in the Citygate report as one of the top priority stations, will serve residents in Mission Valley, Serra Mesa, and Grantville. Twelve FTE's and a new Fire Engine are needed to fully staff the station.

Kelly Park in Linda Vista (\$100,000)

Kelly Park in Linda Vista has been identified by the Resident Leadership Academy through Bayside Community Center as a location greatly in need of additional lighting. The park has a reputation of violence and substance abuse, and is avoided by the community after dark. The addition of up to ten security lights within the park would improve safety and encourage continued usage after sunset.

Continued Support for the San Carlos Branch Library

The San Carlos Branch Library has been a community staple for the last 40 years. Initially planned as the flagship branch for the surrounding neighborhoods, the San Carlos Library has been in planning stages for a new Library for almost 20 years. In January 2014, the San Carlos Library kicked off its year-long 40th Anniversary Celebration. The recent

infrastructure bond identified \$1 million in FY 2015 to finalize the design documents for the new San Carlos Library which will complete the last steps in preparation for construction. After the design phase is completed, I request that the Mayor and City Council continue to help prioritize funding for the San Carlos Library.

Hex Building in Tierrasanta (\$340,000)

The Hex Building in Tierrasanta has been a community asset for decades. Unfortunately, over the last 30 years the facility has not been maintained and will sit unoccupied until it is updated. An assessment was done on the building in May 2014 which identified the total cost of repair as \$340,000. The community has made the improvements to this building a priority. By updating this facility, the City would be able to provide needed meeting space in Tierrasanta.

GOVERNMENT EFFICIENCY:

Managed Competition/SD Works

We should work to revise the managed competition process in order to make it efficient and competitive. The execution of reforms from SD Works should also be a top priority for the Mayor and Council. By accomplishing these goals, the City will be able to invest more money back into our streets and infrastructure.

Expand Marketing Partnerships

A common-sense way to generate funds for the city is to expand marketing partnerships between the city and private entities. Official sponsorship, naming rights, advertising, and exclusive rights are just some of the forms of revenue-generating marketing partnerships available to the city. To its credit, the city already has some marketing partnerships - which have generated over \$16 million cumulatively in revenues. We can further generate revenue by expanding naming rights to places such as the convention center and public meeting spaces.

Implement Zero-Base Budgeting

Zero-base budgeting is an approach to budgeting which reverses the working process of traditional budgeting. The City of San Diego uses traditional incremental budgeting, whereby department managers justify only variances based upon the assumption that the past years baseline is automatically approved.

Comparatively in zero-base budgeting, every line item of the budget must be approved, rather than only changes. During the budget process, no reference is made to the previous level of expenditure. Zero-base budgeting requires the budget request be re-evaluated thoroughly, starting from the zero-base. This process is independent of whether the total budget or specific line items are increasing or decreasing. Zero-base budgeting has been used in the private and public sectors for decades. I encourage the Financial Management Department, the Mayor and my colleagues on the City Council to consider this new way of developing our budget in future years.

Review Park and Recreation Fee Schedule

The Park and Recreation Fee Schedule was last revised in July 2010. The current fee schedule does not differentiate between a non-profit group and a school-sanctioned group. Also, the fee schedule does not address the issue of teams providing lighting for fields that lack adequate facilities. Park and Recreation recently updated their field and recreation center priority department instruction and it would be appropriate to review and revise the fee schedule alongside this update. Specifically, the charges applied to school groups should be reviewed and waived moving forward as part of a revised fee schedule.

Standing Council Charter Review Committee (\$100,000)

In recent years, the Council has held substantial discussions regarding review of the City Charter, Municipal Code, and Council Policies to improve efficiencies and services, resolve conflicts between State, Federal, and local regulations, and provide the public with better access to their government. While the Council continues work on Municipal Code and Council Policy revisions through the temporary Charter Review Committee, a commitment to long-term oversight through a standing Charter Review Committee, along with funding for a Committee Consultant dedicated to ensuring community input is needed to ensure changes that reflect the demands of the people of San Diego.

FY 2016 Councilmember Budget Priorities - Capital Improvement Program Projects Requests	
Capital Improvement	Project Description
Fire Stations	Construction of a permanent Skyline Hills Fire Station
	Construction of a temporary south University City Fire Station
	Encanto Fire Station
	Home Avenue Fire Station (land acquisition and design)
Other Projects	Balboa Branch Library Expansion
	Hex Building in Tierrasanta (repair)
	Installation of a flashing crosswalk at Adams Avenue and Kensington Drive
	Ocean Beach Library Expansion
	Ocean Beach Lifeguard Station
	Relocation of Electrical Boxes on Meade Avenue
	Restoration of Ysabel Creek Road in the San Pasqual Valley
	Rue Chantemar storm drain replacement project (construction)
	San Carlos Branch Library
Parks Construction/Upgrades	ADA compliance: Rolling Hills Park, Jerabek Neighborhood Park
	ADA compliance/tot lot enhancements for the following neighborhood parks: Keiller, Boone, Island, Lomita, and Emerald Hills, as well as the Skyline Hills Recreation Center
	Balboa Park facilities upgrades/repair
	Bay Terraces Community Park Community/Senior Center (design and construction)
	Carmel Mountain Ranch/Sabre Springs Dog Park feasibility and design
	Chollas Lake Park playground improvements (Community Development Block Grant funding)
	Chollas Parkway Park - creation of a General Development Plan to design a community park and open space network (Developer Impact Fee funding)
	Clay Park pocket park
	Golden Hill Recreation Center outdoor basketball court
	Grant Hill Park deferred maintenance
	Hickman Youth Athletic Fields, Phase 1
	Installation of lights in Kelly Park in Linda Vista
	Mira Mesa Community Park expansion, Phase 1
	Pacific Breezes Neighborhood Park construction
	Rolando Elementary School Joint Use Facility
	Timely completion of Valencia Park (La Paz Mini-Park)
	Tubman Charter School joint use park
	Ward Canyon Neighborhood Park, Phase 1 design
Pedestrian and Cycling Safety Upgrades (curb extensions, high visibility crosswalks, countdown signals, ADA compliant curb ramps, etc.)	Improvements on 24th Street from G Street to Imperial
	Improvements on K Street from 19th to 30th Streets
	Improvements on El Cajon Boulevard from 35th Street to 43rd Street
	Improvements on Euclid Avenue from Hilltop to Imperial
	Improvements on Market Street from 31st Street to I-805
Sidewalks/Pedestrian Improvements	Construction of Richmond Street missing sidewalk between Pennsylvania Avenue and Myrtle Avenue
	Installation of sidewalks on Market Street between Pitta Street and the Malcolm X library
	Installation of sidewalks/provide promenade pedestrian improvements in the Paradise Hills Community
	Martin Luther King Jr. Promenade pedestrian improvements
Streetlights	Installation of 100 streetlights as prioritized in the Street Division streetlight unfunded needs list including critical public safety needs/areas with higher pedestrian activity (schools, parks, community centers, etc.)
	Installation of 100 streetlights as prioritized in the Street Division streetlight unfunded needs list with \$0.2 million of the total amount for the installation of streetlights in the Greater Logan Heights neighborhood
	Provide lighting along Paseo Lucido in Rancho Bernardo near Rancho Bernardo High School and Bernardo Heights Middle School



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: January 28, 2015**IBA Report Number:** 15-02REV**City Council Docket Date:** February 3, 2015**Item Number:** TBD

FY 2016 City Council Budget Priorities

OVERVIEW

The Fiscal Year 2016 Budget Process Key Dates, adopted by City Council on October 21, 2014, outlines the critical dates for budget development in accordance with the City Charter. The initial step for Council in the annual budget process is the development of a City Council Budget Priorities Resolution compiled from individual Councilmember memoranda outlining their budget priorities for the upcoming fiscal year.

On January 5, 2015, Committee on Budget and Government Efficiency Chairman Todd Gloria issued a memorandum requesting that all Councilmembers submit their budget priorities for the FY 2016 Proposed Budget to the Office of the Independent Budget Analyst by January 16, 2015. All nine Council Districts submitted their priorities and are represented in this Report.

This Report identifies the highest priority fiscal and policy items recurring throughout the memoranda, and serves as the basis for the Budget Priorities Resolution. For FY 2016, Councilmember budget priorities are clearly focused on two major themes: police recruitment and retention, and infrastructure needs. In this Report we have compiled priorities that received a majority of support from City Councilmembers, and have also included priorities that were mentioned by several Councilmembers for discussion purposes. This fiscal year, Councilmembers Cole, Alvarez, and Emerald submitted a joint priority memorandum; the City Councilmembers' seven memoranda are included as Attachment 1 to this Report.

This Report was discussed by the Committee on Budget and Government Efficiency on January 28, 2015. Based on the Committee's review and approval of staff's recommendation to forward this resolution to full City Council, the Office of the IBA has finalized this report for a second public hearing at council on February 3, 2015. Upon approval the Priorities Resolution will be forwarded to the Mayor for his consideration during development of the FY 2016 Proposed Budget which is scheduled to be released on April 14, 2015.

FISCAL/POLICY DISCUSSION

FY 2016 City Council Budget Priorities

City Councilmember budget priority memoranda include a wide range of City programs for FY 2016 but two clear priorities for all Councilmembers emerged: funding to support the recruitment and retention of police officers and support for a greater investment in infrastructure. Infrastructure funding requests focused on support to complete the condition assessments currently underway or planned, as well as capital projects for park improvements and street lights. Other priorities with significant support are discussed in the Fire-Rescue, Community Services, Internal Operations and Process Efficiencies Priorities, and Revenue Options sections below.

In Councilmember Gloria's call for priorities, it was requested that Councilmembers include specific dollar amounts for each priority contained in their memorandum. However, in developing the cohesive resolution for Councilmember priorities, we have not included the specific dollar amounts in the submitted memoranda as these amounts will continue to be refined by our office and the Financial Management Department during the development of the FY 2016 Proposed Budget. Submitted dollar amounts can be found in each Councilmember's budget priority memorandum included in this report as Attachment 1.

Police Recruitment and Retention

All Councilmember budget priority memoranda included support for increasing funding for the police recruitment and retention program.

- Funding for Police Officer Retention (Council Districts 1, 2, 3, 4, 5, 6, 7, 8, 9)

The unanimous priority among all Councilmembers was to increase funding for the San Diego Police Department (SDPD) in order to continue to address police officer retention and recruitment in FY 2016. As our office has stated in previous reports, the Department continues to face sworn officer attrition rates in excess of budgeted assumptions for FY 2015. While the Department has the authority to hire 172 additional officers through expanded academies in FY 2015, the most recent staffing report indicates that 81 officers have left the Department since the beginning of the fiscal year.

Both the FY 2014 and FY 2015 Adopted Budgets included one-time funding for a police officer retention program. In FY 2014, \$2.0 million was allocated for an increased uniform and equipment allowance. In FY 2015, \$3.2 million was budgeted to reinstate holiday premium pay for sworn officers subject to the terms of a side letter agreement with the San Diego Police Officers Association (POA). A comprehensive compensation study of sworn police personnel at peer law enforcement agencies across the state was conducted last fall. Following the release of the study, the City began negotiations with the POA regarding compensation increases. These negotiations are currently underway and the potential budget impact in FY 2016 is not yet known. The FY 2016-2020 Five-Year Financial Outlook included \$46.5 million over five years in sworn compensation increases based on the City's first proposal to the POA. However, this projection is subject to negotiation.

- Additional police funding priorities that did not receive majority support, but that received a significant number of mentions include the following:
 - Implementation of the SDPD Five-Year Plan including the restoration of civilian positions and the replacement of the Traffic/Special Events trailer
 - Addition of Community Relations Officers to support community-oriented policing efforts

Infrastructure and Deferred Capital

Councilmembers unanimously prioritized infrastructure and deferred capital funding in order to address the City's deferred capital and infrastructure needs of over \$2.39 billion, as well as to provide increased maintenance and repair to assist in reducing future deferred capital needs. The City's first FY 2016-FY 2020 Multi-Year Capital Planning Report was presented at the January 21, 2015 Infrastructure Committee, and it highlighted the City's current infrastructure funding gap: the City has identified \$2.39 billion in deferred capital and infrastructure needs (excluding utilities), but has only identified \$682.5 million in available funds to address those needs leaving an estimated funding gap of \$1.71 billion. This number will increase as additional assessments are completed and other new capital projects are considered and prioritized.

Councilmember budget memoranda focus on accelerating infrastructure and capital asset assessments to better plan for infrastructure and deferred capital spending, and to assist in prioritizing infrastructure and capital projects. Specific capital improvements included in Councilmember budget priority memoranda are listed in Attachment 2 of this Report.

- Complete condition assessment work (Council Districts 1, 3, 4, 5, 6, 7, 8, 9)

Condition assessments currently underway or planned in FY 2015 for City facilities and streets are expected to be completed or continued in FY 2015 and FY 2016. Completing these assessments is critical for understanding the full magnitude of infrastructure repairs needed in the City, as well as providing a basis for more accurate projections of the cost of those repairs. In the FY 2015 Adopted Budget, approximately \$1.9 million in one-time funding was provided for facilities, streets, park assets, and sidewalks condition/needs assessments. The sidewalk and streets condition/needs assessments are projected to be completed in FY 2015, while General Fund and the first phase of Park and Recreation facilities assessments are scheduled for completion in FY 2016 (the Public Utilities facilities assessment is projected to be completed in FY 2015). Eight Councilmember budget priority memoranda requested support for completing all other assessments underway. Priorities for Council Districts 1, 3, 4, 8, and 9 also specifically requested funding to accelerate completion of the citywide Park and Recreation condition assessments from a five-year assessment ending in 2020 to a two-year assessment ending in 2017.

- Support for park construction/upgrades (Council Districts 3, 4, 5, 6, 7, 8, 9)

Councilmember budget priority memoranda included requests to construct parks in park-deficient neighborhoods, replace aging park equipment, and update park facilities to be

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compliant with Americans with Disabilities Act (ADA) requirements. A list of all requested new construction or park upgrades is included in the list of CIP projects submitted in Councilmember budget priority memoranda and provided in Attachment 2 of this Report.

- Funding for streetlights (Council Districts 1, 4, 5, 7, 8, 9)

In FY 2015 \$2.4 million in one-time funds was budgeted for improvements to City sidewalks and streetlights. Six Councilmember budget priority memoranda build on FY 2015's budget by requesting support for additional streetlights as identified in the Street Division streetlight unfunded needs list and prioritized to include areas of high pedestrian activity such as parks and schools. Council Districts 4, 8, and 9 also requested that one-fifth of the amount requested be spent in the Greater Logan Heights neighborhood to increase the safety of motorists, cyclists, and pedestrians, and to be used as a crime deterrent. Please see Attachment 2 for the specifics of the budget priority memoranda requests for streetlights.

- Additional infrastructure and deferred capital funding priorities

Infrastructure and deferred capital items not receiving majority support but still receiving a number of mentions include the following:

- Funding for fire station construction, including a permanent Skyline Hills Fire Station, land acquisition and design support for the Home Avenue Fire Station, and the construction of a temporary south University City Fire Station
- Support for additional funding for street maintenance including road and parking lot repavement in Balboa Park
- Utilization of traffic signal optimization technology
- Requests for CIP projects including sidewalk upgrades, pedestrian and cycling safety upgrades, electrical box relocation, and crosswalk installation.

Additional information about each of these requests can be found in Attachment 2 of this Report.

Fire-Rescue

A majority of Councilmember budget priority memoranda included support for the expansion or relocation of the Fire-Rescue Department's Fast Response Squad (FRS) pilot program.

- Fast Response Squad Expansion or Relocation (Council Districts 2, 4, 5, 8, 9)

Councilmember budget priority memoranda requested the continuation or expansion of the Citygate recommended, two-person FRS pilot program in selected areas of the City as an efficiency measure meant to improve Fire-Rescue Department response times. Several Councilmembers supported the relocation of the Encanto FRS to the rural community of San Pasqual, subsequently replacing the Encanto FRS with a full service fire station.

Community Services

Funding for community services encompass a broad array of priority services that are directly provided to residents of the City or that affect their communities.

- Increase recreation center hours (Council Districts 1, 3, 4, 8, 9)

In FY 2003 recreation centers were open to the public 65 hours/week. As a result of budget reductions since then, operating hours are currently at 45 hours/week. For FY 2016 a majority of Councilmember memoranda requested further expansion of recreation center hours through the addition of Assistant Recreation Center Director positions. Each new position would allow for an increase of five additional hours per week for their assigned recreation center.

- Support for increased park maintenance (Council Districts 1, 3, 4, 8, 9)

A majority of Councilmember budget priority memoranda included funding for the expansion of park maintenance services in parks and at community centers. The addition of specific positions mentioned in these memoranda would support Balboa Park, Barrio Logan community parks, City Heights parks, the Sherman Heights Community Center, and Shoreline parks.

- Planning Updates (Council Districts 1, 2, 3, 6, 7)

Support for numerous updates in various stages—from initiation to implementation—were identified in a majority of Councilmember budget priority memoranda. General support was given for more funding for Community Plan Updates, but specific plans mentioned in the memoranda include: the Coastal Management Plan, De Anza Harbor Resort Master Plan update, the Comprehensive Pedestrian Safety Study and Pedestrian Master Plan, the Bike Master Plan, and the Mission Valley Community Plan Update.

- Additional community service funding priorities not receiving majority support, but receiving several mentions include the following:
 - Funding for City schools through the restoration of the 6-to-6 program and other youth programs
 - Analysis of the Neighborhood Code Compliance Division's resources in order to determine what additional support/funding they may require
 - The replacement/repair of playground equipment at the Sherman Heights Community Center

Internal Operations and Process Efficiencies Priorities

Operational funding requests listed in Councilmember priority memoranda include the addition of personnel and non-personnel expenses that would seek to improve internal City operations or enforce ordinances previously passed by the City Council. No individual request received a

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majority of support, however the items listed below all received a significant number of mentions in the budget priority memoranda.

- Make the newly established Council Charter Review Committee permanent and provide funding for committee support
- Provide support for the Purchasing & Contracting Department in order to encourage greater involvement by Small Local Business Enterprises (SLBE) in City contracts
- Provide additional non-personnel expense funding for:
 - An Office of the Independent Budget Analyst consultant contract for as-needed support
 - City Actuary consultant support
 - City Council meeting support for ADA compliance, translation services, and enhanced off-site security
- Provide support for increased efficiencies:
 - Addition of positions in the Performance Analytics Department to support organizational efficiencies and Open Data
 - Addition of an Auditor position to focus on the City's IT systems

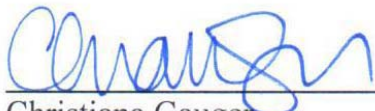
Revenue Options

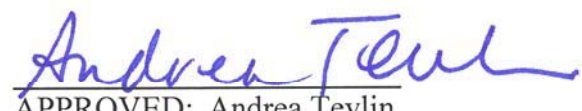
While no one revenue or cost savings suggestion submitted was reflected in a majority of Councilmember budget priority memoranda, a significant number of memoranda discussed funding/resource options that include the following:

- Support the commitment to earmark 50 percent of new major General Fund revenues for infrastructure improvements
- Explore options for revenue that could be generated from the sale or lease of vacant City assets
- Include any additional revenue from the FY 2016 User Fee update study into the Proposed Budget
- Implement cost savings/efficiencies that may be identified by departments through the 3 percent reduction requested as part of the Proposed Budget process (a 1.5 percent reduction was requested from Public Safety departments)
- Implement cost savings/efficiencies that may be identified through the San Diego Works program
- Pursue any cost savings or efficiencies that may be identified in future managed competitions or through a review of City functions and outside Agency budgets

CONCLUSION

It is recommended that the City Council review and discuss the budget priorities highlighted in this Report, and subsequently formally adopt the FY 2016 Budget Priorities Resolution. This Resolution will then be forwarded to the Mayor by the Office of the Independent Budget Analyst to officially communicate the City Council's FY 2016 Budget Priorities.



Christiana Gauger
Fiscal & Policy Analyst

APPROVED: Andrea Tevlin
Independent Budget Analyst

Attachments: 1. Councilmember Memoranda
2. Budget Priorities: Capital Improvement Program projects



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 19, 2015

TO: Honorable Council President Sherri Lightner and Members of the City Council

FROM: Scott Chadwick, Chief Operating Officer
Mary Lewis, Chief Financial Officer *Mary Lewis*

SUBJECT: May Revision to the Fiscal Year 2016 Proposed Budget

This memorandum presents the recommended revisions to the Fiscal Year 2016 Proposed Budget (May Revision). It includes adjustments to various department budgets since the Fiscal Year 2016 Proposed Budget was released on April 13, 2015, updates to major revenue projections based on two additional months of data, user fee adjustments related to the Fiscal Year 2016 Comprehensive User Fee Analysis, and anticipated savings related to approved San Diego Works proposals. The May Revision includes the use of one-time resources to fund one-time adjustments and ongoing resources to fund ongoing adjustments. As reflected in the Fiscal Year 2016 Proposed Budget, the May Revision continues the focus on repairing streets and investing in infrastructure, safe and livable neighborhoods, an economically prosperous city with opportunity in every community, and excellent customer service and open government. With the changes included in the May Revision, new infrastructure expenditure additions for Fiscal Year 2016 are \$42.8 million. This amount is \$6.9 million above the Mayor's pledge to dedicate 50 percent of all new major General Fund revenue growth which is \$35.9 million towards infrastructure improvements in all neighborhoods.

As a result of the changes included in the May Revision, the proposed General Fund budget is increased by a net \$28.9 million. These additional expenditures are primarily funded by an increase in Property Tax and Transient Occupancy Tax (TOT) revenue for Fiscal Year 2016. In addition, the projected Fiscal Year 2015 year-end Excess Equity is proposed to establish the General Fund portion of a new Pension Payment Stabilization Reserve Trust and to fund the General Fund contribution to the Public Liability Reserve to the 47.0 percent target level. Incorporating these changes and the Fiscal Year 2015 year-end Excess Equity, the General Fund Reserve projection remains at 14.0 percent,

which meets the City's reserve policy target for Fiscal Year 2016 as shown in *Attachment 1*.

The May Revision also includes significant adjustments in the Sewer Funds and Water Utility Operating Fund in the Public Utilities Department, including a reduction of \$20.6 million for water purchases based on reduction requirements from the California State Water Resources Control Board to reduce water use by 16 percent, and increases of \$14.7 million for the implementation of the Advanced Metering Infrastructure Project and \$11.7 million to support the Pure Water Program.

Incorporating the adjustments in the May Revision, the General Fund and other City non-general funds remain balanced. A net total of 45.56 Full-Time Equivalent (FTE) positions are being added to the General Fund budget (the citywide net position addition is 100.06 FTE positions).

New positions added in the Fiscal Year 2016 Proposed Budget and the May Revision are reflected as fully-funded FTE positions. However, as part of the vacancy factor/savings process, each department's position additions, current and historical vacancy levels were considered in developing the appropriate level of personnel expenditures (PE) budget. For example, the vacancy savings included in the Fiscal Year 2016 Proposed Budget for the Engineering & Capital Projects Department was increased significantly due to the significant number of positions added in the budget and the planned staggering of hire dates expected throughout the fiscal year. Similarly, the vacancy savings for the Transportation & Storm Water Department in the Fiscal Year 2016 Proposed Budget was also increased to account for the time necessary to recruit and hire their multiple positions. Nearly half of the positions added in the Fiscal Year 2016 Proposed Budget are reimbursable meaning that any expenditure savings as a result of vacancies are offset by revenue shortfalls or budget neutral. This factor was also taken into consideration in the development of the PE budget for each department as no budgetary savings will be realized if the positions are not filled.

Management and Personnel have been working diligently over the past year to improve the recruitment and hiring process. Understanding that the creation of more than 400 positions will require an unprecedented number of individual recruitments, staff began working with the Personnel Department to ensure that the coordination and tasks of the hiring process began this fiscal year. On April 16, 2015 staff provided the list of job classifications added in the Fiscal Year 2016 Proposed Budget to the Personnel Department to assess the open job certification lists available for recruitment and open the recruitment for expired certification lists. In addition, most departments have already begun the process of outlining their hiring priorities with their assigned personnel analyst. Financial Management (FM) has also identified a process improvement for the Unclassified hiring process. FM will now take the lead on coordinating one consolidated action for the Unclassified position additions requested in the Fiscal Year 2016 budget. Working with Personnel, Human Resources, and City Departments, FM will collect the

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Honorable Council President Sherri Lightner and Members of the City Council
May 19, 2015

information necessary to go to the Civil Service Commission one time for approval of all additions instead of having each department process the paperwork individually. The same will be true of the City Council approval, FM will coordinate one action to the City Council to get approval for all Unclassified positions added in the Fiscal Year 2016 budget. This will save weeks and possibly months of processing time and expedite the hiring of these positions.

The following discussion covers the significant adjustments to the Fiscal Year 2016 Proposed Budget. A summary of adjustments is also included in *Attachment 2*.

OVERVIEW

Significant Ongoing Adjustments – General Fund

The May Revision includes an increase of \$7.9 million in ongoing resources for the General Fund. These resources are used to fund \$3.8 million in ongoing departmental adjustments. The following are significant adjustments for the General Fund:

Ongoing Resources

- \$2.7 million increase in Property Tax revenue based on an increased growth rate to 5.0 percent, the latest apportionment report received from the County of San Diego, and updated Redevelopment Property Tax Trust Fund (RPTTF) distribution estimates;
- \$2.2 million increase in Transient Occupancy Tax (TOT) revenue based on TOT receipts in Fiscal Year 2015 and an increase in the growth rate to 6.0 percent;
- \$1.1 million increase in TOT reimbursement to the Park & Recreation Department for tourism-related expenditures;
- \$881,098 increase in user fee revenue as a result of the Comprehensive General Fund User Fee Analysis;
- \$244,144 net reduction in expenditures as a result of projected savings from approved San Diego Works Proposals;
- \$200,160 in net expenditure savings from the addition of 2.0 Helicopter Mechanics in the Fire-Rescue Department offset by a reduction in contractual expenditures;
- \$101,533 reduction in the debt service payment for the \$120 million infrastructure bond issuance based on the amortization schedule; and
- Other minor adjustments.

Ongoing Adjustments

- \$1.2 million increase, including 25.0 FTE positions, in the Park & Recreation Department to expand recreation center hours from 45 to 60 hours per week at 20 additional recreation centers;
- \$400,900 increase in the Public Utilities Department to cover overhead support costs from the Public Utilities Enterprise Fund and the San Dieguito River Park Joint Powers Agreement cost allocation;

- \$400,247 increase in Council-approved sick leave for hourly non-benefitted employees (AB 1522);
- \$309,154 increase to adjust certain Council District's budgets to the average funding level per the Council President and other Council Members;
- \$256,326 increase, including 3.00 Procurement Specialists, in the Purchasing & Contracting Department for contract compliance;
- \$209,500 increase in the Library Department for library materials;
- \$139,908 increase, including 2.00 FTE positions, in the Personnel Department to support employee background checks and the NEOGOV Online Hiring Center;
- \$129,744 increase for 1.00 Program Manager in the Park & Recreation Department for Balboa Park and Mission Bay Park;
- \$100,000 increase in the Performance & Analytics Department for the creation of a Performance Dashboard and online Open Budget Tool;
- \$84,479 increase for 1.00 Deputy City Attorney in the Office of the City Attorney for Charter Review Committee support;
- \$82,280 increase for 1.00 Senior Management Analyst in the Office of the Chief Operating Officer to support Mayoral actions for CIP streamlining and the Deputy Chief Operating Officers;
- \$80,250 increase for 1.00 Assistant Traffic Engineer in the Economic Development Department for Community Parking Districts offset by reimbursable revenue;
- \$80,250 increase for 1.00 Assistant Traffic Engineer in the Planning Department for Active Transportation Planning offset by grant revenue;
- \$77,217 increase for 1.00 Procurement Specialist in the Purchasing & Contracting Department to support the Public Utilities Department offset by reimbursable revenue;
- \$74,824 increase for 1.00 Horticulturist in the Park & Recreation Department for water conservation and irrigation;
- \$39,906 increase, including 1.06 FTE positions, in the Library Department for Sunday hours at the Pacific Beach library;
- Addition of 1.00 Information Technology Auditor and an increase in the City Auditor's salary in the Office of the City Auditor as recommended by the Audit Committee, offset by a reduction in non-personnel expenditures; and
- Other minor adjustments.

Significant One-Time Adjustments – General Fund

The May Revision includes an increase of \$21.6 million in one-time resources for the General Fund, which includes the use of the Excess Equity (unrestricted fund balance) projected in the Fiscal Year 2015 Year-End Budget Monitoring Report (Year-End Report). These resources are used to fund \$25.7 million in one-time departmental adjustments. A discussion of significant General Fund adjustments follows:

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One-Time Resources

- \$20.8 million in projected Fiscal Year 2015 year-end Excess Equity;
- \$763,796 million increase in TOT reimbursement to the Park & Recreation Department from the use of TOT fund balance

One-Time Adjustments

- \$15.0 million to establish the General Fund portion of a new Pension Payment Stabilization Reserve Trust from Excess Equity contingent upon its availability when the City closes its books for Fiscal Year 2015;
- \$6.7 million to prefund the General Fund contribution to the Public Liability Reserve to the 47.0 percent target level, per the Reserve Policy; of this amount, \$5.8 million is from Excess Equity contingent upon its availability when the City closes its books for Fiscal Year 2015;
- \$1.8 million increase in the Citywide Program Expenditures Department for election expenditures in the June 2016 primary election;
- \$1.7 million increase from the Public Works-General Services Department for the transfer to the Facilities Capital Improvements Program (CIP) annual allocation for General Fund facilities such as Park & Recreation and Library buildings;
- \$365,000 increase in the Citywide Program Expenditures Department for legal fees related to the Kinder Morgan litigation;
- \$100,000 increase in the Citywide Program Expenditures Department for the Ward Canyon Park; and
- Other minor adjustments.

Significant Adjustments – Non-General Funds

The May Revision also includes significant adjustments in the non-General Funds, primarily in the Sewer Funds and Water Utility Operating Fund in the Public Utilities Department. The following are the most significant of these adjustments:

Sewer Funds

- \$5.9 million increase, including 3.00 FTE positions, to support the Pure Water Program;
- \$5.9 million increase, including 1.50 FTE positions, for the implementation, maintenance, and operation of the Advanced Metering Infrastructure Project;
- \$1.7 million increase for the transfer to the Pension Payment Stabilization Reserve Trust;
- \$1.5 million increase for the reimbursement to the Transportation & Storm Water Department for trench repair costs to support the Street Preservation Ordinance; and
- \$500,000 increase for the continuation of the Advanced Water Purification Facility Demonstration Project

Water Utility Operating Fund

- \$20.6 million reduction for water purchases based on reduction requirements from the California State Water Resources Control Board to reduce water use by 16 percent;
- \$8.8 million increase, including 24.50 FTE positions, for the implementation, maintenance, and operation of the Advanced Metering Infrastructure Project;
- \$5.9 million increase, including 3.00 FTE positions, to support the Pure Water Program;
- \$2.2 million increase for the reimbursement to the Transportation & Storm Water Department for trench repair costs to support the Street Preservation Ordinance;
- \$1.8 million increase for water conservation outreach and turf replacement rebate programs;
- \$1.5 million increase, including 11.00 FTE positions, to meet the response time goal for emergency repair calls in support of drought response;
- \$1.3 million increase for the transfer to the Pension Payment Stabilization Reserve Trust;
- \$738,026, including 8.01 FTE positions, to support the enforcement of water use restrictions as mandated by the California State Water Resources Control Board; and
- \$500,000 increase for the continuation of the Advanced Water Purification Facility Demonstration Project

Excess Equity

Based on the Fiscal Year 2015 Year-End Budget Monitoring Report, the Fiscal Year 2015 projected Excess Equity is approximately \$21.8 million. Of this amount, \$1.0 million is allocated for Community Projects, Programs, and Services, \$5.8 million is recommended to prefund the Public Liability reserve to meet the 47.0 percent target level, and \$15.0 million is recommended to establish a new Pension Payment Stabilization Reserve Trust.

Public Liability Fund Reserve

The May Revision to the Fiscal Year 2016 Budget includes the addition of \$6.7 million (of which \$5.8 million is funded from Excess Equity) to prefund the General Fund contribution to the Public Liability reserve to meet the 47 percent target of outstanding public liability claims which is the target level for Fiscal Year 2018 as detailed in *Attachment 3*.

Pension Payment Stabilization Reserve Trust

The Mayor's May Revision to the Fiscal Year 2016 Budget includes a General Fund allocation of \$15.0 million in Excess Equity to establish a Pension Payment Stabilization Reserve Trust. This reserve will be a source of funds for the pension payment, or Actuarially Determined Contribution (ADC) in future years when investment losses create an unexpected increase in the annual pension payment. Unpredictable market activity can result in large actuarial gains or losses in any one year that could increase the

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ADC. While the San Diego City Employees' Retirement System (SDCERS) has a long term investment track record of exceeding the actuarial rate of return, poor investment performance in any one year will put pressure on the next year's General Fund budget by creating a large unexpected increase in the pension payment. This pension reserve will help mitigate the effects of an increased payment on the City's budget and service levels. For example, the extraordinary investment losses in Fiscal Year 2009 were the primary cause of the increased pension payment of \$75 million in Fiscal Year 2011. A more likely future scenario is that SDCERS may achieve a positive investment return, but earnings would be below the actuarial assumed rate of return. In Fiscal Year 2012, SDCERS earned 0.9 percent (below the then assumed rate of 7.5 percent). The increase to the pension payment in Fiscal Year 2014 attributed by the actuary to this investment shortfall was \$8.3 million.

The pension trust will be similar to the Retiree Health CalPers Employers' Retirement Benefit Trust (CERBT) that the City established in 2008 to prefund retiree health costs. The steps to implement the pension stabilization trust would be straightforward and similar to the establishment of the retiree health trust. Once the trust is established, the assets could only be used by the City for employer pension payments.

Following the model the City used in funding the retiree health trust, all City funds will contribute a proportional amount to the pension stabilization trust and the total citywide contribution for Fiscal Year 2016 will be \$19.6 million as follows:

- \$15.0 million allocated from the General Fund Excess Equity
- \$1.7 million allocated from the Sewer Funds
- \$1.3 million allocated from the Water Utility Operating Fund
- \$834,993 allocated from the Development Services Fund
- \$285,481 allocated from the Refuse Disposal Fund
- \$204,409 allocated from the Recycling Fund
- \$178,892 allocated from the Golf Course Fund
- \$37,351 allocated from the Airports Fund

Staff will seek authorization from Council in the next several months to establish an irrevocable pension trust. The funds will be transferred to a special City fund until Council approves the trust. In addition, the Mayor's staff will present to Council a funding policy for contributions to the pension payment stabilization reserve trust in future years.

Assets placed in the pension trust will offset the City's net pension liability (NPL) that will be reported on financial statements under GASB 67/68 beginning with the 2015 Comprehensive Annual Financial Report (CAFR). The offset would initially be small given the size of the unfunded liability.

The transfer of Excess Equity to the Public Liability Fund reserve and Pension Payment Stabilization Reserve Trust is contingent on determining the General Fund unrestricted fund balance for Fiscal Year 2015 and confirming that \$20.8 million is available after meeting the 14.0 percent General Fund reserve target level.

CITYWIDE CONSIDERATION

Council-Approved Sick Leave for Hourly Non-Benefitted Positions

General Fund Expenditure Adjustment: **\$400,247**

Non-General Fund Expenditure Adjustment: **\$ 71,035**

The Healthy Workplaces, Healthy Families Act of 2014 (A.B. 1522) requires that any employee who on or after July 1, 2015 works in California for 30 or more days within a year from the beginning of employment is entitled to paid sick leave. Hourly non-benefitted employees will earn one hour of paid hourly sick leave for every 30 hours worked, up to a maximum accrual of 48 hours. On April 27, 2015, the City Council approved amending Chapter 2, Article 3, Division 11 of the San Diego Municipal Code by adding Section 23.1112, related to amending Civil Service Rule X to add Hourly Sick Leave (A.B. 1522) for eligible hourly non-benefitted employees. The projected expenditures for hourly sick leave are \$400,247 for the General Fund and \$471,282 citywide, which are included in the May Revision.

Fringe Benefit Adjustments

As a result of salary and position adjustments, a citywide fringe rate adjustment is included in the May Revision to ensure that the Actuarially Determined Contribution (ADC) payment of \$254.9 million to SDCERS is fully allocated in the budget for Fiscal Year 2016. An adjustment of budgeted fringe, including the ADC, Other Post Employment Benefits (OPEB), Workers' Compensation, Risk Management Administration, Long-Term Disability, and Unemployment Insurance allocations to all departments is included in the May Revision to ensure that fringe allocations are fully budgeted and that the expense is appropriately distributed to all funds.

User Fee Revenue

General Fund Revenue Adjustment: **\$881,098**

As a result of the Fiscal Year 2016 Comprehensive User Fee Analysis, the May Revision includes an increase of \$881,098 in user fee revenue from various General Fund departments. In accordance with the City's User Fee Policy 100-05, Financial Management coordinated a comprehensive analysis of General Fund departments' user fees during Fiscal Year 2015. This comprehensive analysis resulted in the review of nearly 800 General Fund user fees. The Fiscal Year 2016 Comprehensive General Fund User Fee Analysis was heard at the Budget and Government Efficiency Committee meeting on April 15, 2015, and forwarded to the Budget Review Committee. The Fiscal

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Year 2016 Comprehensive General Fund User Fee Analysis was presented to City Council for approval on Tuesday, May 19, 2015. Adjustments to General Fund Departments' user fees that were approved by City Council will be implemented July 1, 2015, with the commencement of Fiscal Year 2016 (with the exception of the Park and Recreation Department's fees which will take effect on September 8, 2015).

When heard by the Budget and Government Efficiency Committee, the Fiscal Year 2016 revenue increase was estimated at \$1.3 million; however, this revenue impact has since been reduced to \$1.2 million based on the most up to date information available, including the Park and Recreation Department's proposed per lane pool rentals reverting to the existing structure and rates. While the total revenue impact for all user fees was estimated at \$1.2 million, only \$881,098 is included in the May Revision. This lower amount of user fee revenue excludes the estimated revenue increases from the firearm and entertainment with alcohol user fees proposed by the Police Department.

Approved San Diego Works Proposals

<i>FTE Adjustment:</i>	<i>(4.00)</i>
<i>General Fund Expenditure Adjustment:</i>	<i>(\$244,144)</i>
<i>Non-General Fund Expenditure Adjustment:</i>	<i>(\$231,469)</i>

The May Revision incorporates budgetary changes associated with the implementation and award of approved San Diego Works Proposals, consistent with Administrative Regulation 95.93. These budget changes include position and expenditure reductions, initial investments to deliver long-term savings, and amounts awarded to individual employees. The following is a summary of the budget adjustments associated with these proposals. More detail on these proposals will be included in the Performance & Analytics Department's *Information Report on San Diego Works Proposals Approved for Award in the May Revision to the Fiscal Year 2016 Proposed Budget*, which will be presented to the Budget and Government Efficiency Committee on May 20, 2015.

San Diego Works Proposal FY16-131

General Fund - Environmental Services Department

Reduction of 2.00 vacant Sanitation Driver Is and a net \$183,098 in expenditures associated with San Diego Works Proposal FY16-131 to improve productivity and efficiency on the Environmental Services Department Collection Services Division's refuse routes by eliminating two refuse routes each day without impacting service levels. The Meet and Confer process concluded on April 23, 2015.

San Diego Works Proposal FY16-132

General Fund - Environmental Services Department

Net reduction of \$33,361 in expenditures associated with San Diego Works Proposal FY16-132 to reduce the spare vehicles ratio of rear loaders by reducing one rear loader in the General Fund and two rear loaders in the Recycling Fund.

San Diego Works Proposal FY16-001***General Fund – Financial Management Department***

Net reduction of \$7,722 in expenditures associated with San Diego Works Proposal FY16-001 to discontinue production of budget books and CD-ROMs.

San Diego Works Proposal FY16-098***General Fund – Park & Recreation Department***

Net reduction of \$19,963 in expenditures associated with San Diego Works Proposal FY16-098 to save on overtime expenses by adjusting shift schedules for aquatics technicians. The Meet and Confer process concluded on April 23, 2015.

San Diego Works Proposal FY16-190***Central Stores Fund***

Net reduction of \$11,117 in expenditures associated with San Diego Works Proposal FY16-190 to save on postage expenses by replacing the use of a variety of envelopes with standard envelopes.

San Diego Works Proposal FY16-109***Fleet Services Replacement Fund***

Net reduction of \$30,687 in expenditures associated with San Diego Works Proposal FY16-190 to save on interest expenditures by utilizing fund balance to cash purchase vehicles rather than financing.

San Diego Works Proposal FY16-090***Publishing Services Fund***

Net reduction of \$11,664 in expenditures associated with San Diego Works Proposal FY16-090 to save on printing expenses by reducing the use of the blue header on certain printed products.

San Diego Works Proposal FY16-208***Recycling Fund***

Net reduction of \$1,328 in expenditures associated with San Diego Works Proposal FY16-208 to generate savings by conducting the compost voucher program online rather than by mail.

San Diego Works Proposal FY16-132***Recycling Fund***

Net reduction of \$124,800 in expenditures associated with San Diego Works Proposal FY16-132 to reduce the spare vehicles ratio of rear loaders by reducing one rear loader in the General Fund and two rear loaders in the Recycling Fund.

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San Diego Works Proposal FY16-136

Refuse Disposal Fund

Net reduction of \$20,373 in expenditures associated with San Diego Works Proposal FY16-136 to save water, labor, and fuel costs by implementing a polymer tablet designed for use in soil erosion and dust control at the Miramar Landfill.

San Diego Works Proposal FY16-226

Refuse Disposal Fund

Net reduction of \$20,691 in expenditures associated with San Diego Works Proposal FY16-226 to extend the replacement cycle for tarp use at the Miramar Landfill with a new repair method.

San Diego Works Proposal FY16-222

Refuse Disposal Fund

Net reduction of 1.00 vacant Public Works Supervisor and 1.00 vacant Equipment Operator 2 and \$210,603 in expenditures associated with San Diego Works Proposal FY16-222 related to Field Operations efficiencies. The Meet and Confer process concluded on April 23, 2015.

San Diego Works Proposal FY16-007

Sewer Funds

Net addition of \$248,784 in expenditures associated with San Diego Works Proposal FY16-007 to save energy and reduce long-term costs at Wastewater Treatment Plants by replacing aeration equipment.

San Diego Works Proposals

Water Utility Operating Fund

Net reduction of \$48,990 in non-personnel expenditures associated with anticipated savings from San Diego Works Proposals FY16-039, 044, 045, 046, 048, 051, 071, 072, 087, and 125. These proposals result in a number of technical improvements, many of which require investment in Fiscal Year 2016, in the water treatment process. For example, Proposal FY16-125 invests \$61,746 in Fiscal Year 2016 to install de-aeration equipment to remove oxygen and other dissolved gases from feed water entering the water treatment plant to increase filter lifetime and decrease chemical and backwash water usage.

SIRE Maintenance Redistribution

General Fund Expenditure Adjustment: (\$151,249)

Non-General Fund Expenditure Adjustment: \$473,604

The May Revision includes the transfer of \$322,355 in ongoing maintenance cost for the SIRE docketing system from the Office of the City Clerk in the General Fund to the Information Technology (IT) Fund. As a result of this cost being transferred to the IT

Fund, the cost was allocated to departments and funds via the non-discretionary Information Technology Services Transfer allocation.

DEPARTMENTAL ADJUSTMENTS

The department and fund totals contained in the following section include the budgeted amounts previously discussed in the Citywide Consideration section which were not itemized by department. A summary of all adjustments is included in *Attachment 2*.

GENERAL FUND

Major General Fund Revenues

Revenue Adjustment: **\$5,232,760**

Property Tax Revenue

Addition of \$2.7 million in Property Tax revenue based on an updated Fiscal Year 2016 Proposed Budget projection using an increased growth rate of 5.0 percent (from 4.25 percent in the proposed budget), the latest apportionment report received from the County of San Diego, and the latest updated Redevelopment Property Tax Trust Fund (RPTTF) distribution estimates from the California Department of Finance (DOF) and the County Auditor-Controller. The increase in Property tax is primarily due to a \$2.9 million increase in the 1.0 percent base property tax and an \$864,989 increase in the Motor Vehicle License Fee (MVLFF) Backfill. This increase is partially offset by decreases of \$549,167 in the RPTTF tax sharing distribution payment and a \$579,161 decrease in the residual tax sharing payment.

Transient Occupancy Tax (TOT) Revenue

Addition of \$2.2 million based on TOT receipts in Fiscal Year 2015. This adjustment also reflects a revision to the one-cent discretionary TOT allocation. The City's actual TOT receipts for February and March exceeded expectations, resulting in an increase in the Fiscal Year 2015 year-end projection which serves as the base for the Fiscal Year 2016 TOT budget. As a result of the positive growth in actual TOT receipts for the most recent two months, the growth rate for TOT is recommended to increase to 6.0 percent from the 5.5 percent that was incorporated in the Fiscal Year 2016 Proposed Budget.

Property Transfer Tax Revenue

Addition of \$146,664 based on current fiscal year Property Transfer Tax receipts.

Reimbursement from OHS Disaster Recovery

Addition of \$224,480 in disaster recovery reimbursements to the Office of Homeland Security (OHS) anticipated to be received during Fiscal Year 2016.

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Reimbursement from Parking Garage/Concourse Fund

Reduction of \$22,750 in the transfer to the General Fund based on the most up to date revenue and expense projections for Fiscal Year 2016 in the Parking Garage/Concourse Fund.

City Attorney

FTE Adjustment: 1.00
Expenditure Adjustment: \$88,116

Deputy City Attorney

Addition of 1.00 Deputy City Attorney and \$84,479 in expenditures to provide legal support for the Charter Review Committee.

City Auditor

FTE Adjustment: 1.00
Expenditure Adjustment: (\$2,208)

Information Technology Auditor

Addition of 1.00 City Auditor to perform information technology audits as recommended by the Audit Committee on April 29, 2015. The expenditures related to this position are offset by an equal reduction in contractual expenditures, resulting in a net zero impact to the General Fund.

City Auditor Salary Increase

Addition of \$12,000 to the salary for the City Auditor for a total annual salary of \$180,000 and an increase in associated fringe benefits. This addition was also recommended by the Audit Committee on April 29, 2015, and is offset by an equal reduction in contractual expenditures, resulting in a net zero impact to the General Fund.

City Council

Expenditure Adjustment: \$221,369

Community Projects, Programs, and Services Adjustment

Net reduction of \$82,049 in the Council Districts' budgets for Community Projects, Programs, and Services based on the estimated savings from the Fiscal Year 2015 Council Districts' budgets as detailed in the Year-End Report.

Personnel Expenditures Adjustment to Average Funding Level

Addition of \$309,154 in personnel expenditures for Council Districts 1, 4, 5, 6 and 9 to adjust the budgets to the average funding level of all Council Districts as requested by the Council President and other Council Members.

Citywide Program Expenditures

Expenditure Adjustment: \$24,148,403

Pension Stabilization Reserve Trust

Transfer of \$15.0 million from the General Fund to a new Pension Payment Stabilization Reserve Trust. The transfer is contingent upon determining the unrestricted fund balance is available in Fiscal Year 2015 after completing the year end close and after meeting the 14.0 percent General Fund reserve target level.

Public Liability Fund Reserve

The May Revision to the Fiscal Year 2016 Budget includes the addition of \$6.7 million (of which \$5.8 million is funded from Excess Equity) to prefund the General Fund contribution to the Public Liability reserve to meet the 47 percent target of outstanding public liability claims which is the target level for Fiscal Year 2018.

June 2016 Ballot Measures

Addition of \$1.8 million in non-personnel expenditures for additional ballot measures that may be included on the scheduled June 2016 primary elections.

Kinder Morgan Litigation

Addition of \$365,000 in non-personnel expenditures for legal services related to the ongoing Kinder Morgan litigation.

Corporate Master Lease

Addition of \$361,353 in non-personnel expenditures for rent expenses. This increase is primarily due to the move of the Planning Department from the City Operations Building (COB) to the Executive Complex. The space in the Executive Complex will be vacated by the Engineering & Capital Projects Department; therefore, the associated rent expenses will be reallocated from the Engineering & Capital Projects Fund to the General Fund.

Traffic Stop Study

Addition of \$50,000 in non-personnel expenditures for a contract with San Diego State University to perform a study on traffic stops performed by the Police Department. The proposed research project will include an analysis of the existing data gathered by the Police Department, community interviews to establish what community members in heavily policed precincts and lightly policed precincts perceive as the positive and negative aspects of policing public spaces, and police officer interviews.

Deferred Capital Debt Service

Reduction of \$101,533 for deferred capital debt service payments based on updated projections for the payment schedule on the \$120.0 million in lease revenue bonds to fund capital improvement projects.

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Development Services

Expenditure Adjustment: (\$1,458)

Revenue Adjustment: \$8,529

Noise Permit Revenue

Reduction of \$15,400 in revenue as a result of the transfer of the noise permit function from the General Fund to the Enterprise Fund in Fiscal Year 2016.

Economic Development

FTE Adjustment: 1.00

Expenditure Adjustment: \$77,939

Revenue Adjustment: \$80,250

Assistant Engineer-Traffic

Addition of 1.00 Assistant Engineer-Traffic, \$80,250 in expenditures, and offsetting revenue to assist with the implementation of projects for the Community Parking District program. The expenditures related to this position will be reimbursed to the General Fund by the Community Parking District Funds.

Fire-Rescue

FTE Adjustment: 2.00

Expenditure Adjustment: (\$121,919)

Revenue Adjustment: \$388,188

Helicopter Mechanics

Addition of 2.00 Helicopter Mechanics and a net reduction of \$200,160 in expenditures to provide maintenance and repair services for the Fire-Rescue Department's aircraft. By adding these 2.00 positions, the department is able to reduce contractual helicopter repair expenditures by \$340,000, resulting in net savings to the General Fund.

Safety Sales Tax

Addition of \$7,096 in safety sales tax revenue based on revised revenue projections for Fiscal Year 2016.

Library

FTE Adjustment: 2.56

Expenditure Adjustment: \$262,673

Revenue Adjustment: \$55,742

Library Materials

Addition of \$209,500 in non-personnel expenditures for library materials.

Custodial Staffing

Addition of 1.50 Custodian 2s and \$68,825 in expenditures to provide janitorial services for the Central Library on weekends and at special events. The Library as a venue has exceeded expectations and staff is needed based on the volume of bookings. Currently, the library is using overtime to cover the existing need for janitorial services. The addition of these positions is offset by a corresponding reduction in personnel expenditures resulting in a net zero impact to the General Fund.

Pacific Beach Library Sunday Hours

Addition of 1.06 FTE positions and \$39,906 in expenditures to provide Sunday hours at the Pacific Beach Library.

Revised Revenue

Addition of \$50,000 in photocopy fee revenue based on revised projections.

Office of Homeland Security

<i>FTE Adjustment:</i>	2.00
<i>Expenditure Adjustment:</i>	\$219,329
<i>Revenue Adjustment:</i>	\$162,607

Homeland Security Coordinators

Addition of 2.00 Supervising Management Analysts and \$216,408 in expenditures to coordinate the Regional Training Program and manage the department's Response and Recovery section. These positions are partially offset by \$162,607 in revenue, resulting in a net increase of \$53,801.

Office of the Assistant Chief Operating Officer

<i>Expenditure Adjustment:</i>	(\$705)
<i>Revenue Adjustment:</i>	(\$100,000)

Revised Revenue

Reduction of \$100,000 in revenue in the Corporate Partnerships & Development Program based on revised projections for Fiscal Year 2016.

Office of the Chief Operating Officer

<i>FTE Adjustment:</i>	1.00
<i>Expenditure Adjustment:</i>	\$82,924

Senior Management Analyst

Addition of 1.00 Senior Management Analyst and \$82,280 to support Mayoral Actions (1544s) for CIP streamlining. This position will also provide support to the Deputy Chief Operating Officer (DCOO) Departments.

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Park & Recreation

<i>FTE Adjustment:</i>	<i>30.00</i>
<i>Expenditure Adjustment:</i>	<i>\$1,682,432</i>
<i>Revenue Adjustment:</i>	<i>\$2,021,631</i>

Expansion of Hours at 20 Recreation Centers

Addition of 20.00 Assistant Recreation Center Directors, 5.00 Recreation Leader 1s-Hourly, and \$1.2 million in expenditures to support the expanded service hours from 45 to 60 hours per week at 20 additional recreation centers. The 20 additional recreation centers that will receive the expanded hours in Fiscal Year 2016 are listed below:

- Nobel Recreation Center
- Ocean Air Recreation Center
- Standley Recreation Center
- Carmel Mountain Ranch/Sabre Springs Recreation Center
- Hilltop Recreation Center
- Hourglass Recreation Center
- North Clairemont Recreation Center
- Allied Gardens Recreation Center
- Kearney Mesa Recreation Center
- Memorial Recreation Center
- South Bay Recreation Center
- San Ysidro Community Activity Center
- Colina del Sol Recreation Center
- Willie Henderson Sports Complex
- Balboa Activity Center
- Municipal Gymnasium
- Encanto Recreation Center
- Golden Hill Recreation Center
- Paradise Hills Recreation Center
- South Clairemont Recreation Center

Balboa Park/Mission Bay Park Program Manager

Addition of 1.00 Program Manager and \$129,744 in expenditures to oversee the infrastructure needs in Balboa Park and Mission Bay Park. This position will be responsible for developing and managing a program aimed at streamlining the process for funding and executing projects that address infrastructure deficiencies; fulfilling regulatory agency mandates, and creating and implementing a policy that protects the long-term interests of the City as it relates to dedicated park land.

Ward Canyon Park

Addition of \$100,000 in expenditures for the Ward Canyon Park.

Memorial Pool Expansion

Addition of 3.00 Pool Guard 2s – Hourly and \$97,977 in expenditures for the Memorial Pool expansion. This is a technical correction to the Fiscal Year 2016 Proposed Budget, as these are existing non-standard hour positions that were not included in the proposed budget and are needed to maintain current service levels.

Horticulturalist

Addition of 1.00 Horticulturalist and \$74,824 in expenditures to provide direct oversight of the Water Conservation Program. This position will bring a holistic approach to reviewing landscaping and irrigation needs throughout the City's parks.

Brush Management

Reduction of \$44,250 in non-personnel expenditures for brush management. The Fiscal Year 2016 Proposed Budget includes \$88,500 in non-personnel expenditures to conduct brush management in Otay Valley Regional Park, which is based on the cost to thin 14 acres. This adjustment reflects a technical correction to this amount based on the current policy of thinning acres every other year.

Transient Occupancy Tax Reimbursement

Addition of \$1.9 million (\$763,796 in one-time revenue) in Transient Occupancy Tax (TOT) reimbursements for tourism-related expenditures as a result of higher projected revenues for Fiscal Year 2016.

Performance & Analytics

Expenditure Adjustment: **\$97,584**

Performance Dashboard/Open Budget Tool

Addition of \$100,000 in contractual expenditures to design, create, and support an online performance dashboard and an online open budget tool to further the City's transparency initiatives and open data efforts.

Personnel

FTE Adjustment: **2.00**

Expenditure Adjustment: **\$142,327**

Employee Background Check Support

Addition of 1.00 Associate Personnel Analyst and \$78,627 to assist with pre-employment medical and background checks due to an expected increase in hiring in Fiscal Year 2016.

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NEOGOV Online Hiring Center Support

Addition of 1.00 Payroll Audit Specialist 2 and \$61,281 in expenditures to support the NEOGOV Online Hiring Center. This will enhance the hiring process by reducing the number of days to issue certifications to hiring departments.

Planning

<i>FTE Adjustment:</i>	<i>1.00</i>
<i>Expenditure Adjustment:</i>	<i>\$76,580</i>
<i>Revenue Adjustment:</i>	<i>(\$53,661)</i>

Assistant Traffic Engineer

Addition of 1.00 Assistant Traffic Engineer and \$80,250 in expenditures to facilitate and review consultant work on the development of Active Transportation Plans, which will allow all modes of transportation to move within and through the community safely and effectively. This position is fully cost recoverable from a federal Center for Disease Control grant administered by the County of San Diego Health and Human Services Agency.

Revised Revenue

Reduction of \$135,026 in revenue as a result of shifting California Environmental Quality Act (CEQA) project review duties from the General Fund to the Development Services Enterprise Fund and possibly the Engineering & Capital Projects Fund.

Police

<i>Expenditure Adjustment:</i>	<i>(\$5,572)</i>
<i>Revenue Adjustment:</i>	<i>\$269,392</i>

Program Coordinators

Addition of 3.00 Program Coordinators and \$389,232 in expenditures to support the department's operations.

Supervising Management Analysts

Reduction of 3.00 Supervising Management Analysts and \$441,290 in expenditures.

Safety Sales Tax

Addition of \$7,096 in safety sales tax revenue based on revised revenue projections.

Public Works – General Services

<i>Expenditure Adjustment:</i>	<i>\$1,696,280</i>
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Library and Park & Recreation Facility Repair

Addition of \$1.7 million for the transfer to the Facilities CIP Annual Allocation to fund repairs of libraries and Park & Recreation facilities.

Purchasing & Contracting

<i>FTE Adjustment:</i>	<i>4.00</i>
<i>Expenditure Adjustment:</i>	<i>\$331,145</i>
<i>Revenue Adjustment:</i>	<i>\$77,217</i>

Contract Compliance Positions

Addition of 3.00 Procurement Specialists and \$256,326 in expenditures for contract compliance. The positions will assist the department in implementing the recommendations of the performance audit for citywide contract oversight. These positions will be studied in Fiscal Year 2016 and reclassified as necessary in order to perform the duties identified in the audit.

Public Utilities Procurement Specialist

Addition of 1.00 Procurement Specialist, \$77,217 in expenditures, and offsetting revenue to support the Public Utilities Department's purchasing needs.

Public Utilities - General Fund

<i>Expenditure Adjustment:</i>	<i>\$400,900</i>
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Overhead Support and San Dieguito River Park JPA

Addition of \$400,900 in non-personnel expenditures to cover overhead support costs from the Public Utilities Enterprise Fund and the San Dieguito River Park Joint Powers Authority (JPA) cost allocation to the General Fund.

NON-GENERAL FUNDS**Airports Fund**

<i>Expenditure Adjustment:</i>	<i>\$686,724</i>
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Customs and Border Patrol Facility

Addition of \$650,000 in expenditures to acquire a modular building for the Custom Border Patrol facility at Brown Field. This structure complies with all of the requirements specified by Customs Border Patrol for a General Aviation facility.

Development Services Fund

<i>Expenditure Adjustment:</i>	<i>\$828,094</i>
<i>Revenue Adjustment:</i>	<i>\$15,400</i>

Noise Permit Revenue

Addition of \$15,400 in revenue as a result of the transfer of the noise permit function from the General Fund to the Enterprise Fund in Fiscal Year 2016.

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Energy Conservation Program Fund

Expenditure Adjustment: **\$249,904**

Alternative Energy Options

Addition of \$150,000 in expenditures for consultant costs to assess alternative energy sources and supply options. The consultant contract was added as a one-time expenditure in Fiscal Year 2015 but was not expended.

Regional Energy Network (REN) Formation

Addition of \$100,000 in expenditures for consultant costs to support the formation of a Regional Energy Network (REN). In Fiscal Year 2015, the REN participants (City of San Diego, County of San Diego, SANDAG, City of Chula Vista, and Port of San Diego) signed agreements in order to form a REN. Funding for the REN consultant contract services was included in the Fiscal Year 2015 budget as a one-time expenditure but was not expended.

Engineering & Capital Projects Fund

FTE Adjustment: **2.00**

Expenditure Adjustment: **(\$36,579)**

Revenue Adjustment: **\$114,750**

Administrative and Public Information Support for CIP

Addition of 2.00 Administrative Aide 1s, \$114,750 in expenditures, and \$114,750 in associated revenue to provide administrative and public information support for the expanded Capital Improvements Program.

Rent Expense

Reduction of \$156,339 in non-personnel expenditures for rent expenses. This reduction is primarily due to the move of the Planning Department from the City Operations Building (COB) to the Executive Complex. The space in the Executive Complex will be vacated by the Engineering & Capital Projects Department; therefore, the associated rent expenses will be reallocated from the Engineering & Capital Projects Fund to the General Fund

Fire/Emergency Medical Services Transport Program Fund

Expenditure Adjustment: **\$18,113**

FirstWatch Utility Service

Addition of \$20,000 in non-personnel expenditures to purchase FirstWatch online compliance utility services in order to measure 9-1-1 service delivery and monitor the City's Emergency Medical Service (EMS) 9-1-1 ambulance response time compliance.

Fleet Services Operating Fund

FTE Adjustment: 1.00
Expenditure Adjustment: \$213,386

Training Supervisor

Addition of 1.00 Training Supervisor and \$82,464 in expenditures to provide driver training to all operators citywide with the exception of public safety. This position is required to comply with State regulations which require a different individual for a driver trainer and tester.

Fleet Parts Buyer

Addition of 1.00 Fleet Parts Buyer and \$71,084 in expenditures to support fleet repairs. This position will allow for a Fleet Parts Buyer to be stationed at each of the City's three major repair locations.

Fleet Repair Supervisors

Addition of 3.00 Fleet Supervisors and a net \$1,607 in expenditures to provide night shift supervision at the Miramar, Chollas, and Rose Canyon repair facilities. These positions are offset by the reduction of 2.00 Master Fleet Technicians that were included in the Fiscal Year 2016 Proposed Budget and the reduction of 1.00 existing Fleet Team Leader, which are positions that provide general oversight but do not have supervisory responsibilities.

Equipment Operator

Addition of 1.00 Equipment Operator to provide debris hauling services, offset by the reduction of 1.00 Assistant Fleet Technician that was included in the Fiscal Year 2016 Proposed Budget for a net reduction of \$973.

Fleet Services Division Administration

Addition of 1.00 Account Clerk and 1.00 Storekeeper for department support as a result of Fleet Division needs. These positions are offset by the reduction of 2.00 Vehicle Fuel Clerks for a net reduction of \$46,268.

Supervising Management Analyst Reduction

Reduction of 1.00 Supervising Management Analyst and \$148,262 in expenditures as a result of Fleet Division's operational needs.

Inflation Rate Adjustment

Addition of \$261,760 in non-personnel expenditures to adjust for the inflation rate in expenditures as required by the Fleet Services Most Efficient Government Organization (MEGO).

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Golf Course Fund

FTE Adjustment: 1.00
Expenditure Adjustment: \$253,568

Water Conservation

Addition of 1.00 Horticulturalist and \$74,676 in expenditures in the Golf Division to develop and implement a water conservation program for the three City-operated golf facilities. This position will support water conservation and irrigation efforts while ensuring that they do not adversely affect golf course conditions.

Information Technology Fund

Expenditure Adjustment: (\$84,114)

Transfer of Financial Reports Budget

Transfer of \$400,000 in non-personnel expenditures for the development of citywide financial reports from the Information Technology Fund to the OneSD Support Fund. These expenditures were added in the Fiscal Year 2016 Proposed Budget and are being redistributed in the May Revision to properly align the budget with the fund responsible for these expenditures.

Maintenance Assessment District (MAD) Funds

Expenditure Adjustment: \$9,852
Revenue Adjustment: (\$4,355)

A net addition of \$9,852 in non-personnel expenditures and a net reduction of \$4,355 in revenue is included in the May Revision for the various MAD Funds to reflect revised projections for Fiscal Year 2016.

OneSD Support Fund

Expenditure Adjustment: \$395,640

Transfer of Financial Reports Budget

Transfer of \$400,000 in non-personnel expenditures for the development of citywide financial reports from the Information Technology Fund to the OneSD Support Fund. These expenditures were added in the Fiscal Year 2016 Proposed Budget and are being redistributed in the May Revision to properly align the budget with the fund responsible for these expenditures.

PETCO Park Fund***Expenditure Adjustment:*** **\$299,756****Reduction in Debt Service**

Addition of \$300,000 in expenditures based on updated debt service payment projections of the refunding of the ballpark bonds. The Fiscal Year 2016 Proposed Budget included an anticipate reduction of \$1.4 million in debt service as a result of the bond refunding of the Ballpark Refunding Bonds. The estimated savings have changed and based on the current market conditions, the projected debt service savings are \$1.1 million.

Public Art Fund***Expenditure Adjustment:*** **\$45,934*****Revenue Adjustment:*** **\$45,934*****Public Art Fund Allocation***

A budget neutral redistribution of \$45,934 within the Arts, Culture, and Community Festivals allocation from the TOT Fund to the Public Art Fund, and associated revenue of \$45,934 from the TOT Fund to support artwork repair, conservation, installation, and other professional art collections management practices.

Public Safety Services & Debt Service Fund***Expenditure Adjustment:*** **\$14,193*****Revenue Adjustment:*** **\$14,193*****Safety Sales Tax Allocation***

Adjustment of \$14,193 to reflect an increase in projected revenue and expenditures for public safety services.

QUALCOMM Stadium Operations Fund***Expenditure Adjustment:*** **\$13,190****Rent Expense**

Addition of \$15,000 in non-personnel expenditures associated with rent expenses paid to the Water Fund for use of the Water Fund's land under Qualcomm Stadium.

Recycling Fund***Expenditure Adjustment:*** **\$79,401*****Revenue Adjustment:*** **\$350,000****Beverage Container Recycling and Litter Abatement**

Addition of \$350,000 in revenue from the CalRecycle's City/County Payment Program to implement and support beverage container recycling and litter abatement projects.

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Sewer Funds

FTE Adjustment: 5.49
Expenditure Adjustment: \$15,749,810

Advanced Metering Infrastructure

Addition of 0.50 Associate Management Analyst, 0.50 Information Systems Analyst 3, 0.50 Program Manager and \$5.9 million in expenditures to support the implementation, maintenance, and operation of the Advanced Metering Infrastructure (AMI) project.

Pure Water Program

Addition of 2.00 Associate Engineer-Civil, 1.00 Assistant Engineer-Civil, and \$5.9 million in expenditures to support the Pure Water Program.

Trench Repair Reimbursement

Addition of \$1.5 million in non-personnel expenditures to reimburse the Transportation & Storm Water Department for trench repair personnel costs associated with a Service Level Agreement (SLA), material costs for asphalt, and capital costs for vehicles to support the Street Preservation Ordinance

Advanced Water Purification Facility Demonstration

Addition of \$500,000 in non-personnel expenditures for the continuation of the Advanced Water Purification Facility Demonstration Project.

Drought Mandate Enforcement

Addition of 0.99 FTE positions and \$60,845 in expenditures for the enforcement of water use restrictions as mandated by the California State Water Resources Control Board.

Assistant Deputy Director

Addition of 1.00 Assistant Deputy Director and \$133,968 to oversee City pump stations as mandated by the California State Water Resources Control Board.

Senior Wastewater Operator

Reduction of 1.00 Senior Wastewater Operator and \$81,627 that was included in the Fiscal Year 2016 Proposed Budget.

Rent Expense

Reduction of \$57,677 in non-personnel expenditures as a result of reallocation of rent expenses between Engineering and Capital Projects, Sewer, and Water Funds at 525 B Street.

Transient Occupancy Tax (TOT) Fund

Expenditure Adjustment: \$2,403,025

Revenue Adjustment: \$1,639,039

Transient Occupancy Tax (TOT) Revenue

Addition of \$1.7 million in revenue based on TOT receipts in Fiscal Year 2015. This adjustment also reflects a revision to the one-cent discretionary TOT allocation. The City's actual TOT receipts for March and April exceeded expectations, resulting in an increase in the Fiscal Year 2015 year-end projection which serves as the base for the Fiscal Year 2016 TOT budget. As a result of the positive growth in actual TOT receipts for the most recent two months, the growth rate for TOT is projected to increase to 6.0 percent from the 5.5 percent that was incorporated in the Fiscal Year 2016 Proposed Budget.

Four Cent Tourism Reimbursement

Addition of \$1.9 million in expenditures for the Four Cent Discretionary TOT transfer to reimburse the General Fund for tourism-related expenditures as a result of higher projected TOT receipts in Fiscal Year 2015.

Special Events Department Revenue

Reduction of \$75,000 in revenue based on Special Event Department revenue receipts in Fiscal Year 2015. This adjustment reflects lower trends in miscellaneous revenue collections for specialized event services as well as special event permit application processing fees.

One Cent Discretionary Allocation

Addition of \$342,862 in non-personnel One Cent Discretionary TOT expenditures to support the General Fund.

Public Art Fund Allocation

A budget neutral redistribution of \$45,934 within the Arts, Culture, and Community Festivals allocation from the TOT Fund to the Public Art Fund, and associated revenue of \$45,934 from the TOT Fund, to support artwork repair, conservation, installation, and other professional art collections management practices.

The May Revision includes *Attachment 4* (Excerpt from Council Policy 100-03: Transient Occupancy Tax) and *Attachment 5* (Transient Occupancy Tax Fund Allocations) for Fiscal Year 2016. Council Policy 100-03 directs the distribution and appropriation of TOT funds.

- ***Arts, Culture, and Community Festivals – Programs***

Allocation of \$9.2 million to Arts, Culture, and Community Festivals for programs and organizations in the categories of Organizational Support and Creative Communities.

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- Increase of \$205,117 in expenditures to Penny for the Arts based on an increase in projected TOT revenues for Fiscal Year 2016.
 - Transfer of \$435,000 to Organizational Support from Citywide Economic Development Programs for programs and organizations within the Special Promotional Programs Department.
- ***Economic Development - Programs***
Transfer of \$435,000 from Citywide Economic Development Programs to Organizational Support / Arts, Culture, and Community Festivals for programs and organizations within the Special Promotional Programs Department.

Water Utility Operating Fund

FTE Adjustment: 46.51
Expenditure Adjustment: \$2,019,427

Water Purchases

Reduction of \$20.6 million in expenditures to reflect a revised water purchases estimate based on preliminary reduction requirements from California State Water Resources Control Board and projected County Water Authority (CWA) rate increases (including desalination costs). The City is required to reduce water use by 16 percent.

Advanced Metering Infrastructure

Addition of 24.50 FTE positions and \$8.8 million in expenditures to support the implementation, maintenance, and operation of the Advanced Metering Infrastructure (AMI) project.

Pure Water Program

Addition of 2.00 Associate Engineer-Civil, 1.00 Assistant Engineer-Civil, and \$5.9 million in expenditures to support the Pure Water Program.

Trench Repair Reimbursement

Addition of \$2.2 million in non-personnel expenditures to reimburse the Transportation & Storm Water Department for trench repair personnel costs associated with a Service Level Agreement (SLA), material costs for asphalt, and capital costs for vehicles to support the Street Preservation Ordinance.

Support for Drought Response

Addition of 11.00 Water Systems Technician 3 and \$1.5 million in expenditures to support the Water Construction and Maintenance Division in order to increase response times for emergency repair calls to reduce water loss.

Turf Replacement and Drought Outreach

Addition of \$500,000 in non-personnel expenditures associated with the rebate program for turf replacement. Funding of \$1.3 million is also included in the May Revision for public outreach related to the drought.

Drought Mandates

Addition of 8.01 FTE positions and \$738,026 in expenditures for the enforcement of water use restrictions as mandated by the California State Water Resources Control Board.

Advanced Water Purification Facility Demonstration

Addition of \$500,000 in non-personnel expenditures for the continuation of the Advanced Water Purification Facility Demonstration Project.

Rent Expense

Reduction of \$93,414 in non-personnel expenditures as a result of reallocation of rent expenses between Engineering and Capital Projects, Sewer, and Water Funds at 525 B Street.

Zoological Exhibits Maintenance Fund

Expenditure Adjustment: **\$108,025**

Revenue Adjustment: **\$108,025**

Adjustment to Zoological Exhibits

Addition of \$108,025 in expenditures and revenues to reflect revised projections for Fiscal Year 2016.

FY 2016 PLANNED CONTRACTS EXCEEDING \$3.0 MILLION

The May Revision includes a revised list of anticipated department contracts over \$3.0 million that are planned for solicitation in Fiscal Year 2016. The revised list is reflected in *Attachment 6*, which incorporates changes from the list of contracts included in the Fiscal Year 2016 Proposed Budget as a result of discussions with the Budget Review Committee during the Fiscal Year 2016 Budget Hearings.

CAPITAL IMPROVEMENTS PROGRAM (CIP)

Adjustments to capital improvement projects are primarily due to the identification of additional funding and re-prioritization of proposed allocations. The Fiscal Year 2016 May Revision CIP adjustments total an increase of \$28.0 million to the Fiscal Year 2016 Proposed CIP Budget. *Attachment 7 – FY 2016 CIP May Revision Adjustments* provides an itemized list of the changes by project along with a brief description of each change.

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FY 2016 Underfunded Projects List

With the approval of the Annual CIP Budget, the City Council will also be asked to approve a list of underfunded projects to be funded with other project savings. The list, originally published on page 15 of Volume 3 of the Mayor's Fiscal Year 2016 Proposed Budget, has been expanded to include projects that span all Council Districts and are eligible for different types of restricted funding. *Attachment 8 – FY 2016 Underfunded Projects List* includes the updated list.

FY 2016 Planned Construction Contracts

The list of capital projects anticipated to move forward to bid and award construction contracts during Fiscal Year 2016 has been updated as shown in *Attachment 9 – FY 2016 Planned Construction Contracts List*.

Attachments:

1. FY 2016 General Fund Reserve Estimates
2. FY 2016 Mayor's May Revision Summary Table
3. FY 2016 Public Liability Reserve Estimates
4. Excerpt from Council Policy 100-03: Transient Occupancy Tax
5. FY 2016 Transient Occupancy Tax Fund Allocations
6. FY 2016 Contracts Exceeding \$3 Million
7. FY 2016 CIP May Revision Adjustments
8. FY 2016 Underfunded Projects (Waterfall List)
9. FY 2016 Construction Contracts List

cc: Honorable Mayor Kevin L. Faulconer
Stephen Puetz, Chief of Staff
Stacey LoMedico, Assistant Chief Operating Officer
David Graham, Deputy Chief Operating Officer
Ron Villa, Deputy Chief Operating Officer
Andrea Tevlin, Independent Budget Analyst
Brian Pepin, Director of Council Affairs
Department Directors
Tracy McCraner, Financial Management Director
Julio Canizal, Deputy Director of Financial Management
Financial Management Staff

FY 2016 General Fund Reserve Estimates

<i>in millions</i>

Description	Amount	Revenue % ¹
<hr/>		
FY 2015 Projected Ending Unrestricted Fund Balance	\$ 179.1	15.1%²
Emergency Reserve	\$ 89.9	8.0%
Stability Reserve	\$ 67.5	6.0%
<hr/>		
FY 2016 Projected Reserve Level	\$ 157.4	14.0%²
FY 2015 Projected Excess Equity ³	\$ 21.8	
Community Projects, Programs and Services	\$ (1.0)	
Public Liability Reserve Contribution	\$ (5.8)	
Pension Payment Stabilization Reserve Contribution	\$ (15.0)	
FY 2016 Projected Excess Equity	\$ -	

¹ The General Fund Reserve percentage calculation and measurement target is based on the most recent three year average of annual audited General Fund operating revenues.

² Based on FY 2012 through FY 2014 audited operating revenues in accordance with the City's Reserve Policy (CP 100-20).

³ 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.

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 2

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GENERAL FUND		BUDGET ADJUSTMENT					FTE				NPE				EXP				REV			
DEPARTMENT TITLE																						
City Attorney	Deputy City Attorney		1.00	\$	84,479	\$									\$	84,479	\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	12,112	\$									\$		\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$	8,140	\$			\$		-
	Fringe Benefit Adjustment		-	\$	(16,615)	\$									\$		\$			\$		-
City Attorney Total			1.00	\$	79,976	\$									\$	8,140	\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$	973	\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	535	\$									\$		\$			\$		-
	City Auditor Salary Increase		-	\$	18,958	\$									\$	(18,958)	\$			\$		-
City Auditor	Information Technology Auditor		1.00	\$	125,474	\$									\$	(125,474)	\$			\$		-
	Fringe Benefit Adjustment		-	\$	(3,716)	\$									\$		\$			\$		-
			1.00	\$	141,251	\$									\$	(143,459)	\$			\$		-
			-	\$	447	\$									\$		\$			\$		-
City Clerk	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	-	\$									\$		\$			\$		-
	User Fee Revenue		-	\$	-	\$									\$		\$			\$		-
	Fringe Benefit Adjustment		-	\$	(2,135)	\$									\$		\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$	(318,222)	\$			\$		-
City Clerk Total			-	\$	(1,688)	\$									\$	(318,222)	\$			\$		-
			-	\$	-	\$									\$	2,472	\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$		\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	207	\$									\$		\$			\$		-
City Comptroller	Fringe Benefit Adjustment		-	\$	(8,456)	\$									\$		\$			\$		-
			-	\$	(8,456)	\$									\$		\$			\$		-
	SIRE Maintenance Redistribution		-	\$	(8,249)	\$									\$	2,472	\$			\$		-
			-	\$	-	\$									\$	16,294	\$			\$		-
City Treasurer	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	2,289	\$									\$		\$			\$		-
	User Fee Revenue		-	\$	-	\$									\$		\$			\$		-
	Fringe Benefit Adjustment		-	\$	(7,240)	\$									\$		\$			\$		-
			-	\$	(4,951)	\$									\$		\$			\$		-
City Treasurer Total			-	\$	-	\$									\$	16,294	\$			\$		-
	Pension Payment Stabilization Reserve Trust		-	\$	-	\$									\$	15,000,000	\$			\$		-
	Public Liability Fund Reserve		-	\$	-	\$									\$	6,700,000	\$			\$		-
	June 2016 Ballot Measures		-	\$	-	\$									\$	1,773,583	\$			\$		-
Citywide Program Expenditures	Kinder Morgan Litigation		-	\$	-	\$									\$	365,000	\$			\$		-
	Corporate Master Lease		-	\$	-	\$									\$	361,353	\$			\$		-
	Traffic Stop Study		-	\$	-	\$									\$	50,000	\$			\$		-
	Deferred Capital Debt Service		-	\$	-	\$									\$	(101,533)	\$			\$		-
Citywide Program Expenditures Total			-	\$	-	\$									\$	24,148,403	\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	324	\$									\$		\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$	125	\$			\$		-
	Fringe Benefit Adjustment		-	\$	(1,564)	\$									\$		\$			\$		-
Communications			-	\$	(1,240)	\$									\$	125	\$			\$		-
			-	\$	531	\$									\$		\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	-	\$									\$	246	\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$		\$			\$		-
Council Administration	Fringe Benefit Adjustment		-	\$	(1,767)	\$									\$	(1,767)	\$			\$		-
			-	\$	531	\$									\$		\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	(1,236)	\$									\$	246	\$			\$		-
	SIRE Maintenance Redistribution		-	\$	55,689	\$									\$		\$			\$		-
Council Administration Total			-	\$	-	\$									\$		\$			\$		-
	Personnel Expenditures Adjustment to Average Funding Level		-	\$	-	\$									\$	55,689	\$			\$		-
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$	1,419	\$									\$		\$			\$		-
	SIRE Maintenance Redistribution		-	\$	-	\$									\$	181	\$			\$		-
Council District 1	Fringe Benefit Adjustment		-	\$	(628)	\$									\$		\$			\$		-
			-	\$	(1,419)	\$									\$		\$			\$		-
	Adjustment to Baseline Level		-	\$	-	\$									\$		\$			\$		-
			-	\$	55,061	\$									\$	181	\$			\$		-
Council District 1 - CPPS			-	\$	-	\$									\$	(18,128)	\$			\$		-
	Community Projects, Programs, and Services Adjustment		-	\$	-	\$									\$		\$			\$		-
			-	\$	-	\$									\$	(18,128)	\$			\$		-
			-	\$	-	\$									\$		\$			\$		-

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Council District 2	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 478	\$ -	\$ 478	\$ -
	SIRE Maintenance Redistribution	-	\$ -	171	\$ 171	\$ -
	Adjustment to Baseline Level	-	\$ (478)	-	\$ (478)	\$ -
	Fringe Benefit Adjustment	-	\$ (677)	-	\$ (677)	\$ -
Council District 2 Total		-	\$ (677)	171	\$ (506)	\$ -
Council District 2 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (15,277)	\$ (15,277)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (15,277)	\$ (15,277)	\$ -
	Adjustment to Baseline Level	-	\$ -	-	\$ -	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ -
Council District 3	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 43	\$ -	\$ 43	\$ -
	SIRE Maintenance Redistribution	-	\$ (43)	-	\$ (43)	\$ -
	Adjustment to Baseline Level	-	\$ (614)	-	\$ (614)	\$ -
	Fringe Benefit Adjustment	-	\$ (614)	-	\$ (614)	\$ -
Council District 3 Total		-	\$ (614)	178	\$ (436)	\$ -
Council District 3 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (6,719)	\$ (6,719)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (6,719)	\$ (6,719)	\$ -
	Adjustment to Baseline Level	-	\$ -	-	\$ -	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ -
Council District 4	Personnel Expenditures Adjustment to Average Funding Level	-	\$ 117,426	\$ -	\$ 117,426	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,399	\$ -	\$ 1,399	\$ -
	SIRE Maintenance Redistribution	-	\$ -	200	\$ 200	\$ -
	Fringe Benefit Adjustment	-	\$ (712)	-	\$ (712)	\$ -
Council District 4 Total	Adjustment to Baseline Level	-	\$ (1,399)	-	\$ (1,399)	\$ -
	Community Projects, Programs, and Services Adjustment	-	\$ 116,714	200	\$ 116,914	\$ -
	SIRE Maintenance Redistribution	-	\$ -	8,574	\$ 8,574	\$ -
	Fringe Benefit Adjustment	-	\$ -	8,574	\$ 8,574	\$ -
Council District 5	Personnel Expenditures Adjustment to Average Funding Level	-	\$ 54,775	\$ -	\$ 54,775	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,408	\$ -	\$ 1,408	\$ -
	SIRE Maintenance Redistribution	-	\$ -	163	\$ 163	\$ -
	Fringe Benefit Adjustment	-	\$ (823)	-	\$ (823)	\$ -
Council District 5 Total	Adjustment to Baseline Level	-	\$ (1,408)	-	\$ (1,408)	\$ -
	Community Projects, Programs, and Services Adjustment	-	\$ 53,952	163	\$ 54,115	\$ -
	SIRE Maintenance Redistribution	-	\$ -	(3,169)	\$ (3,169)	\$ -
	Fringe Benefit Adjustment	-	\$ -	(3,169)	\$ (3,169)	\$ -
Council District 6	Personnel Expenditures Adjustment to Average Funding Level	-	\$ 49,084	\$ -	\$ 49,084	\$ -
	SIRE Maintenance Redistribution	-	\$ -	167	\$ 167	\$ -
	Adjustment to Baseline Level	-	\$ (694)	-	\$ (694)	\$ -
	Fringe Benefit Adjustment	-	\$ 48,390	-	\$ 48,557	\$ -
Council District 6 Total	Community Projects, Programs, and Services Adjustment	-	\$ -	13,422	\$ 13,422	\$ -
	SIRE Maintenance Redistribution	-	\$ -	13,422	\$ 13,422	\$ -
	Adjustment to Baseline Level	-	\$ -	-	\$ -	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ -
Council District 7	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 761	\$ -	\$ 761	\$ -
	SIRE Maintenance Redistribution	-	\$ -	193	\$ 193	\$ -
	Adjustment to Baseline Level	-	\$ (761)	-	\$ (761)	\$ -
	Fringe Benefit Adjustment	-	\$ (812)	-	\$ (812)	\$ -
Council District 7 Total	Community Projects, Programs, and Services Adjustment	-	\$ (812)	193	\$ (619)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	(30,315)	\$ (30,315)	\$ -
	Adjustment to Baseline Level	-	\$ -	(30,315)	\$ (30,315)	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ -
Council District 8	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,325	\$ -	\$ 1,325	\$ -
	SIRE Maintenance Redistribution	-	\$ -	196	\$ 196	\$ -
	Adjustment to Baseline Level	-	\$ (721)	-	\$ (721)	\$ -
	Fringe Benefit Adjustment	-	\$ (1,325)	-	\$ (1,325)	\$ -
Council District 8 Total	Community Projects, Programs, and Services Adjustment	-	\$ (721)	196	\$ (525)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	(12,507)	\$ (12,507)	\$ -
	Adjustment to Baseline Level	-	\$ -	(12,507)	\$ (12,507)	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ -
Council District 9	Personnel Expenditures Adjustment to Average Funding Level	-	\$ 32,180	\$ -	\$ 32,180	\$ -
	SIRE Maintenance Redistribution	-	\$ -	192	\$ 192	\$ -
	Adjustment to Baseline Level	-	\$ (706)	-	\$ (706)	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ -

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 2

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Council District 9 Total		-	\$ 31,474	\$ 192	\$ 31,666	\$ -
Council District 9 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	(17,930)	\$ (17,930)	\$ -
Council District 9 - CPPS Total		-	\$ -	(17,930)	\$ (17,930)	\$ -
Debt Management	SIRE Maintenance Redistribution	-	\$ -	356	\$ 356	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 46	-	\$ 46	\$ -
	Fringe Benefit Adjustment	-	\$ (2,351)	-	\$ (2,351)	\$ -
Debt Management Total		-	\$ (2,305)	356	\$ (1,949)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	2,062	\$ 2,062	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,328	-	\$ 1,328	\$ -
Development Services	User Fee Revenue	-	\$ -	-	\$ -	\$ 23,929
	Noise Permit Revenue	-	\$ -	-	\$ -	\$ (15,400)
	Fringe Benefit Adjustment	-	\$ (4,848)	-	\$ (4,848)	\$ -
Development Services Total		-	\$ (3,520)	2,062	\$ (1,458)	\$ 8,529
Economic Development	Assistant Engineer-Traffic	1.00	\$ 80,250	-	\$ 80,250	\$ 80,250
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,490	-	\$ 1,490	\$ -
	SIRE Maintenance Redistribution	-	\$ -	189	\$ 189	\$ -
	Fringe Benefit Adjustment	-	\$ (3,990)	-	\$ (3,990)	\$ -
Economic Development Total		1.00	\$ 77,750	189	\$ 77,939	\$ 80,250
	Fringe Benefit Adjustment	-	\$ 69,890	-	\$ 69,890	\$ -
Environmental Services	SIRE Maintenance Redistribution	-	\$ -	3,811	\$ 3,811	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,790	-	\$ 2,790	\$ -
	San Diego Works Proposal FY16-132	-	\$ -	(33,361)	\$ (33,361)	\$ -
	San Diego Works Proposal FY16-131	(2.00)	\$ (131,437)	(51,661)	\$ (183,098)	\$ -
Environmental Services Total		(2.00)	\$ (58,757)	(81,211)	\$ (139,968)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	129	\$ 129	\$ -
Ethics Commission	Fringe Benefit Adjustment	-	\$ (991)	-	\$ (991)	\$ -
Ethics Commission Total		-	\$ (991)	129	\$ (862)	\$ -
Financial Management	SIRE Maintenance Redistribution	-	\$ -	510	\$ 510	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 200	-	\$ 200	\$ -
	Fringe Benefit Adjustment	-	\$ (4,126)	-	\$ (4,126)	\$ -
	San Diego Works Proposal FY16-001	-	\$ -	(7,722)	\$ (7,722)	\$ -
Financial Management Total		-	\$ (3,926)	(7,212)	\$ (11,138)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 81,094	-	\$ 81,094	\$ -
Fire-Rescue	SIRE Maintenance Redistribution	-	\$ -	19,784	\$ 19,784	\$ -
	Safety Sales Tax	-	\$ -	-	\$ -	\$ 7,096
	User Fee Revenue	-	\$ -	-	\$ -	\$ 381,092
	Fringe Benefit Adjustment	-	\$ (22,637)	-	\$ (22,637)	\$ -
	Helicopter Mechanics	2.00	\$ 139,840	(340,000)	\$ (200,160)	\$ -
Fire-Rescue Total		2.00	\$ 198,297	(320,216)	\$ (121,919)	\$ 388,188
Human Resources	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,629	-	\$ 1,629	\$ -
	SIRE Maintenance Redistribution	-	\$ -	434	\$ 434	\$ -
	Fringe Benefit Adjustment	-	\$ (2,571)	-	\$ (2,571)	\$ -
Human Resources Total		-	\$ (942)	434	\$ (508)	\$ -
Infrastructure/Public Works	SIRE Maintenance Redistribution	-	\$ -	129	\$ 129	\$ -
	Fringe Benefit Adjustment	-	\$ (560)	-	\$ (560)	\$ -
Infrastructure/Public Works Total		-	\$ (560)	129	\$ (431)	\$ -
Internal Operations	Fringe Benefit Adjustment	-	\$ (15)	-	\$ (15)	\$ -
Internal Operations Total		-	\$ (15)	-	\$ (15)	\$ -

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 2

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Library	Library Materials	-	\$ -	209,500	\$ 209,500	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 59,731	-	\$ 59,731	\$ -
	Pacific Beach Library Sunday Hours	1.06	\$ 39,906	-	\$ 39,906	\$ -
	SIRE Maintenance Redistribution	-	\$ -	12,653	\$ 12,653	\$ -
	Custodial Staffing	1.50	\$ -	-	\$ -	\$ -
	Revised Revenue	-	\$ -	-	\$ -	\$ 50,000
	User Fee Revenue	-	\$ -	-	\$ -	\$ 5,742
	Fringe Benefit Adjustment	-	\$ (59,117)	-	\$ (59,117)	\$ -
	Library Total	2.56	\$ 40,520	222,153	\$ 262,673	\$ 55,742
	Property Tax Revenue	-	\$ -	-	\$ -	\$ 2,655,765
Major Revenues	Transient Occupancy Tax (TOT) Revenue	-	\$ -	-	\$ -	\$ 2,228,602
	Reimbursement from OHS Disaster Recovery	-	\$ -	-	\$ -	\$ 224,480
	Property Transfer Tax Revenue	-	\$ -	-	\$ -	\$ 146,664
	Franchise Fees	-	\$ -	-	\$ -	\$ (1)
	Reimbursement from Parking Garage/Concourse Fund	-	\$ -	-	\$ -	\$ (22,750)
	Fringe Benefit Adjustment	-	\$ (848)	-	\$ (848)	\$ 5,232,760
Major Revenues Total		-	\$ -	-	\$ -	\$ -
Neighborhood Services		-	\$ (848)	-	\$ (848)	\$ -
Neighborhood Services Total		-	\$ (848)	-	\$ (848)	\$ -
Office of Homeland Security	Homeland Security Coordinators	2.00	\$ 216,408	-	\$ 216,408	\$ 162,607
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 3,885	-	\$ 3,885	\$ -
	SIRE Maintenance Redistribution	-	\$ -	685	\$ 685	\$ -
	Fringe Benefit Adjustment	-	\$ (1,649)	-	\$ (1,649)	\$ -
Office of Homeland Security Total		2.00	\$ 218,644	685	\$ 219,329	\$ 162,607
Office of the Assistant COO	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 483	-	\$ 483	\$ -
	SIRE Maintenance Redistribution	-	\$ -	17	\$ 17	\$ -
	Revised Revenue	-	\$ -	-	\$ -	\$ (100,000)
	Fringe Benefit Adjustment	-	\$ (1,205)	-	\$ (1,205)	\$ -
Office of the Assistant COO Total		-	\$ (722)	17	\$ (705)	\$ (100,000)
Office of the Chief Financial Officer	SIRE Maintenance Redistribution	-	\$ -	99	\$ 99	\$ -
	Fringe Benefit Adjustment	-	\$ (42)	-	\$ (42)	\$ -
Office of the Chief Financial Officer Total		-	\$ (42)	99	\$ 57	\$ -
Office of the Chief Operating Officer	Senior Management Analyst	1.00	\$ 82,280	-	\$ 82,280	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,074	-	\$ 1,074	\$ -
	SIRE Maintenance Redistribution	-	\$ -	29	\$ 29	\$ -
	Fringe Benefit Adjustment	-	\$ (459)	-	\$ (459)	\$ -
Office of the Chief Operating Officer Total		1.00	\$ 82,895	29	\$ 82,924	\$ -
Office of the IBA	SIRE Maintenance Redistribution	-	\$ -	152	\$ 152	\$ -
	Fringe Benefit Adjustment	-	\$ (1,471)	-	\$ (1,471)	\$ -
Office of the IBA Total		-	\$ (1,471)	152	\$ (1,319)	\$ -
Office of the Mayor	SIRE Maintenance Redistribution	-	\$ -	674	\$ 674	\$ -
	Fringe Benefit Adjustment	-	\$ (1,931)	-	\$ (1,931)	\$ -
Office of the Mayor Total		-	\$ (1,931)	674	\$ (1,257)	\$ -

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 2

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Park & Recreation	Expansion of Hours at 20 Recreation Centers	25.00	\$ 1,186,959	\$ 32,300	\$ 1,219,259	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 151,990	-	\$ 151,990	\$ -
	Balboa Park/Mission Bay Park Program Manager	1.00	\$ 129,744	-	\$ 129,744	\$ -
	Ward Canyon Park	-	\$ -	100,000	\$ 100,000	\$ -
	Memorial Pool Expansion	3.00	\$ 97,977	-	\$ 97,977	\$ -
	Horticulturalist	1.00	\$ 74,824	-	\$ 74,824	\$ -
	SIRE Maintenance Redistribution	-	\$ -	8,045	\$ 8,045	\$ -
	Transient Occupancy Tax Reimbursement	-	\$ -	-	\$ -	\$ 1,855,126
	User Fee Revenue	-	\$ -	-	\$ -	\$ 166,505
	San Diego Works Proposal FY16-098	-	\$ (27,948)	7,985	\$ (19,963)	\$ -
Performance & Analytics	Fringe Benefit Adjustment	-	\$ (35,194)	-	\$ (35,194)	\$ -
	Brush Management	-	\$ -	(44,250)	\$ (44,250)	\$ -
	Performance Dashboard/Open Budget Tool	30.00	\$ 1,578,352	104,080	\$ 1,682,432	\$ 2,021,631
	SIRE Maintenance Redistribution	-	\$ -	100,000	\$ 100,000	\$ -
	Fringe Benefit Adjustment	-	\$ (2,542)	126	\$ 126	\$ -
	Employee Background Check Support	-	\$ (2,542)	-	\$ (2,542)	\$ -
	NEOGOV Online Hiring Center Support	1.00	\$ 77,227	1,400	\$ 78,627	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	1.00	\$ 59,881	1,400	\$ 61,281	\$ -
	SIRE Maintenance Redistribution	-	\$ 6,321	-	\$ 6,321	\$ -
	Fringe Benefit Adjustment	-	\$ -	1,165	\$ 1,165	\$ -
Personnel	Assistant Traffic Engineer	2.00	\$ (5,067)	-	\$ (5,067)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	2.00	\$ 138,362	3,965	\$ 142,327	\$ -
	Revised Revenue	1.00	\$ 80,250	-	\$ 80,250	\$ 80,250
	User Fee Revenue	-	\$ 2,906	-	\$ 2,906	\$ -
	Fringe Benefit Adjustment	-	\$ -	-	\$ -	\$ (135,026)
	Program Coordinators	-	\$ -	-	\$ -	\$ 1,115
	SIRE Maintenance Redistribution	-	\$ (6,576)	-	\$ (6,576)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	1.00	\$ 76,580	-	\$ 76,580	\$ (53,661)
	Safety Sales Tax	3.00	\$ 389,232	-	\$ 389,232	\$ -
	Fringe Benefit Adjustment	-	\$ -	73,355	\$ 73,355	\$ -
Police	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 50,328	-	\$ 50,328	\$ -
	User Fee Revenue	-	\$ -	-	\$ -	\$ 262,296
	Safety Sales Tax	-	\$ -	-	\$ -	\$ 7,096
	Fringe Benefit Adjustment	-	\$ (77,197)	-	\$ (77,197)	\$ -
	Supervising Management Analysts	(3.00)	\$ (441,290)	-	\$ (441,290)	\$ -
	SIRE Maintenance Redistribution	-	\$ (78,927)	73,355	\$ (5,572)	\$ 269,392
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 186	624	\$ 186	\$ -
	Fringe Benefit Adjustment	-	\$ (2,184)	-	\$ (2,184)	\$ -
	Library and Park & Recreation Facility Repair	-	\$ (1,998)	624	\$ (1,374)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ -	1,700,000	\$ 1,700,000	\$ -
Public Works - General Services	SIRE Maintenance Redistribution	-	\$ 2,439	-	\$ 2,439	\$ -
	Fringe Benefit Adjustment	-	\$ -	2,071	\$ 2,071	\$ -
	Contract Compliance Positions	-	\$ (8,230)	-	\$ (8,230)	\$ -
	Public Utilities Procurement Specialist	-	\$ (5,791)	1,702,071	\$ 1,696,280	\$ -
	SIRE Maintenance Redistribution	3.00	\$ 253,326	3,000	\$ 256,326	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	1.00	\$ 76,217	1,000	\$ 77,217	\$ 77,217
	Fringe Benefit Adjustment	-	\$ -	1,574	\$ 1,574	\$ -
	Library and Park & Recreation Facility Repair	-	\$ 110	-	\$ 110	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ (4,082)	-	\$ (4,082)	\$ -
	Fringe Benefit Adjustment	4.00	\$ 325,571	5,574	\$ 331,145	\$ 77,217

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 2

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Real Estate Assets	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,170	\$ -	\$ 2,170	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 1,250	\$ 1,250	\$ -
	Fringe Benefit Adjustment	-	\$ (4,522)	\$ -	\$ (4,522)	\$ -
Real Estate Assets Total		-	\$ (2,352)	\$ 1,250	\$ (1,102)	\$ -
Transportation & Storm Water	SIRE Maintenance Redistribution	-	\$ -	\$ 7,159	\$ 7,159	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 6,769	\$ -	\$ 6,769	\$ -
	User Fee Revenue	-	\$ -	\$ -	\$ -	\$ -
	Fringe Benefit Adjustment	-	\$ (32,869)	\$ -	\$ (32,869)	\$ (213)
Transportation & Storm Water Total		-	\$ (26,100)	\$ 7,159	\$ (18,941)	\$ (213)
Water		-	\$ -	\$ 400,900	\$ 400,900	\$ -
Water Total	Overhead Support and San Dieguito JPA	-	\$ -	\$ 400,900	\$ 400,900	\$ -
General Fund Total		45.56	\$ 3,049,861	\$ 25,851,164	\$ 28,901,025	\$ 8,183,074

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment E

NON-GENERAL FUNDS		FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Airports Fund		Customs and Border Patrol Facility		-	\$ -	\$ 650,000	\$ 650,000	\$ -
		Pension Payment Stabilization Reserve Trust		-	\$ -	\$ 37,351	\$ 37,351	\$ -
		SIRE Maintenance Redistribution		-	\$ -	\$ 811	\$ 811	\$ -
		Fringe Benefit Adjustment		-	\$ (1,438)	\$ -	\$ (1,438)	\$ -
Airports Fund Total				-	\$ (1,438)	\$ 688,162	\$ 686,724	\$ -
Bay Terraces - Honey Drive MAD Fund		Projected Non-Personnel Expenditures and Revenue		-	\$ -	\$ 1,592	\$ 1,592	\$ 1,592
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$ 675	\$ -	\$ 675	\$ -
Central Stores Fund		SIRE Maintenance Redistribution		-	\$ -	\$ 265	\$ 265	\$ -
		Fringe Benefit Adjustment		-	\$ (1,117)	\$ -	\$ (1,117)	\$ -
		San Diego Works Proposal FY16-190		-	\$ -	\$ (11,117)	\$ (11,117)	\$ -
		SIRE Maintenance Redistribution		-	\$ (442)	\$ (10,852)	\$ (11,294)	\$ -
Concourse and Parking Garages Operating Fund		Fringe Benefit Adjustment		-	\$ (231)	\$ -	\$ (231)	\$ -
Concourse and Parking Garages Operating Fund Total				-	\$ (231)	\$ 178	\$ (53)	\$ -
Development Services Fund		Pension Payment Stabilization Reserve Trust		-	\$ -	\$ 834,993	\$ 834,993	\$ -
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$ 12,468	\$ -	\$ 12,468	\$ -
		SIRE Maintenance Redistribution		-	\$ -	\$ 11,580	\$ 11,580	\$ -
		Noise Permit Revenue		-	\$ -	\$ -	\$ -	\$ 15,400
Development Services Fund Total		Fringe Benefit Adjustment		-	\$ (30,947)	\$ -	\$ (30,947)	\$ -
El Cajon Boulevard MAD Fund				-	\$ (18,479)	\$ 846,573	\$ 828,094	\$ 15,400
El Cajon Boulevard MAD Fund Total		Projected Non-Personnel Expenditures and Revenue		-	\$ -	\$ (9,223)	\$ (9,223)	\$ (9,233)
Energy Conservation Program Fund		Alternative Energy Options		-	\$ -	\$ (9,223)	\$ (9,223)	\$ (9,233)
		Regional Energy/Network (REN) Formation		-	\$ -	\$ 150,000	\$ 150,000	\$ -
		SIRE Maintenance Redistribution		-	\$ -	\$ 100,000	\$ 100,000	\$ -
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$ 414	\$ -	\$ 414	\$ -
Energy Conservation Program Fund Total		Fringe Benefit Adjustment		-	\$ (1,228)	\$ -	\$ (1,228)	\$ -
Engineering & Capital Projects Fund		Administrative and Public Information Support for CIP		2.00	\$ 114,750	\$ -	\$ 114,750	\$ 114,750
		SIRE Maintenance Redistribution		-	\$ -	\$ 25,335	\$ 25,335	\$ -
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$ 14,377	\$ -	\$ 14,377	\$ -
		Fringe Benefit Adjustment		-	\$ (34,702)	\$ -	\$ (34,702)	\$ -
Engineering & Capital Projects Fund Total		Rent Expense		-	\$ -	\$ (156,339)	\$ (156,339)	\$ -
Environmental Growth 1/3 Fund				2.00	\$ 94,425	\$ (131,004)	\$ (36,579)	\$ 114,750
Environmental Growth 1/3 Fund Total		SIRE Maintenance Redistribution		-	\$ -	\$ 3	\$ 3	\$ -
Facilities Financing Fund		Council-Approved Sick Leave for Hourly Non-Benefitted Positions		-	\$ 859	\$ -	\$ 859	\$ -
		SIRE Maintenance Redistribution		-	\$ -	\$ 343	\$ 343	\$ -
		Fringe Benefit Adjustment		-	\$ (1,377)	\$ -	\$ (1,377)	\$ -
		Fringe Benefit Adjustment		-	\$ (518)	\$ 343	\$ (175)	\$ -
Facilities Financing Fund Total		FirstWatch Utility Service		-	\$ -	\$ 20,000	\$ 20,000	\$ -
Fire/Emergency Medical Services Transport Program Fund		SIRE Maintenance Redistribution		-	\$ -	\$ 371	\$ 371	\$ -
		Fringe Benefit Adjustment		-	\$ (2,258)	\$ -	\$ (2,258)	\$ -
Fire/Emergency Medical Services Transport Program Fund Total		Inflation Rate Adjustment		-	\$ (2,258)	\$ 20,371	\$ 18,113	\$ -
Fleet Services Operating Fund		Training Supervisor		1.00	\$ 82,464	\$ -	\$ 82,464	\$ -
		Fleet Parts Buyer		1.00	\$ 71,084	\$ -	\$ 71,084	\$ -
		SIRE Maintenance Redistribution		-	\$ -	\$ 2,689	\$ 2,689	\$ -
		Fleet Repair Supervisors		-	\$ 1,607	\$ -	\$ 1,607	\$ -
		Equipment Operator		-	\$ (973)	\$ -	\$ (973)	\$ -
		Fringe Benefit Adjustment		-	\$ (10,715)	\$ -	\$ (10,715)	\$ -
		Fleet Services Division Administration		-	\$ (46,268)	\$ -	\$ (46,268)	\$ -
		Supervising Management Analyst Reduction		(1.00)	\$ (148,262)	\$ -	\$ (148,262)	\$ -
Fleet Services Operating Fund Total				1.00	\$ (51,063)	\$ 264,449	\$ 213,386	\$ -

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FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Fleet Services Replacement Fund	San Diego Works Proposal FY16-109	-	\$ -	\$ (30,687)	\$ (30,687)	\$ -
Fleet Services Replacement Fund Total		-	\$ -	\$ (30,687)	\$ (30,687)	\$ -
GIS Fund	Fringe Benefit Adjustment	-	\$ (106)	\$ -	\$ (106)	\$ -
GIS Fund Total		-	\$ (106)	\$ -	\$ (106)	\$ -
Golf Course Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 178,892	\$ 178,892	\$ -
	Water Conservation	1.00	\$ 74,824	\$ -	\$ 74,824	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 4,089	\$ -	\$ 4,089	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 1,197	\$ 1,197	\$ -
	Fringe Benefit Adjustment	-	\$ (5,434)	\$ -	\$ (5,434)	\$ -
Golf Course Fund Total		1.00	\$ 73,479	\$ 180,089	\$ 253,568	\$ -
Information Technology Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 322,355	\$ 322,355	\$ -
	Fringe Benefit Adjustment	-	\$ (6,469)	\$ -	\$ (6,469)	\$ -
	Transfer of Financial Reports Budget	-	\$ -	\$ (400,000)	\$ (400,000)	\$ -
Information Technology Fund Total		-	\$ (6,469)	\$ (77,645)	\$ (84,114)	\$ -
Junior Lifeguard Program Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 26	\$ 26	\$ -
	Fringe Benefit Adjustment	-	\$ (157)	\$ -	\$ (157)	\$ -
Junior Lifeguard Program Fund Total		-	\$ (157)	\$ 26	\$ (131)	\$ -
Local Enforcement Agency Fund	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 307	\$ -	\$ 307	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 105	\$ 105	\$ -
	Fringe Benefit Adjustment	-	\$ (646)	\$ -	\$ (646)	\$ -
Local Enforcement Agency Fund Total		-	\$ (339)	\$ 105	\$ (234)	\$ -
Los Penasquitos Canyon Preserve Fund	Fringe Benefit Adjustment	-	\$ (81)	\$ -	\$ (81)	\$ -
Los Penasquitos Canyon Preserve Fund Total		-	\$ (81)	\$ -	\$ (81)	\$ -
Maintenance Assessment District (MAD) Management Fund	Projected Non-Personnel Expenditures	0.50	\$ 14,197	\$ -	\$ 14,197	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 433	\$ 433	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 392	\$ -	\$ 392	\$ -
	Fringe Benefit Adjustment	-	\$ (1,301)	\$ -	\$ (1,301)	\$ -
Maintenance Assessment District (MAD) Management Fund Total		0.50	\$ 13,288	\$ 433	\$ 13,721	\$ -
Metropolitan Sewer Utility Fund	Pure Water Program	3.00	\$ 260,563	\$ 5,593,000	\$ 5,853,563	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 897,635	\$ 897,635	\$ -
	Advanced Water Purification Facility Demonstration	-	\$ -	\$ 500,000	\$ 500,000	\$ -
	San Diego Works Proposal FY16-007	-	\$ -	\$ 248,784	\$ 248,784	\$ -
	Assistant Deputy Director	1.00	\$ 133,968	\$ -	\$ 133,968	\$ -
	Drought Mandate Enforcement	0.99	\$ 60,845	\$ -	\$ 60,845	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 32,594	\$ 32,594	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 6,449	\$ -	\$ 6,449	\$ -
	Rent Expense	-	\$ -	\$ (20,987)	\$ (20,987)	\$ -
	Fringe Benefit Adjustment	-	\$ (26,419)	\$ -	\$ (26,419)	\$ -
	Senior Wastewater Operator	(1.00)	\$ (81,627)	\$ -	\$ (81,627)	\$ -
Metropolitan Sewer Utility Fund Total		3.99	\$ 353,779	\$ 7,251,026	\$ 7,604,805	\$ -
Municipal Sewer Revenue Fund	Advanced Metering Infrastructure	1.50	\$ 147,455	\$ 5,716,091	\$ 5,863,546	\$ -
	Trench Repair Reimbursement	-	\$ -	\$ 1,535,043	\$ 1,535,043	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 781,970	\$ 781,970	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 21,551	\$ 21,551	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,366	\$ -	\$ 2,366	\$ -
	Fringe Benefit Adjustment	-	\$ (22,781)	\$ -	\$ (22,781)	\$ -
	Rent Expense	-	\$ -	\$ (36,690)	\$ (36,690)	\$ -
Municipal Sewer Revenue Fund Total		1.50	\$ 127,040	\$ 8,017,965	\$ 8,145,005	\$ -
North Park MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 619	\$ 619	\$ 619
North Park MAD Fund Total		-	\$ -	\$ 619	\$ 619	\$ 619
OneSD Support Fund	Transfer of Financial Reports Budget	-	\$ -	\$ 400,000	\$ 400,000	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 421	\$ -	\$ 421	\$ -
	Fringe Benefit Adjustment	-	\$ (4,781)	\$ -	\$ (4,781)	\$ -
OneSD Support Fund Total		-	\$ (4,360)	\$ 400,000	\$ 395,640	\$ -
Parking Meter Operations Fund	Fringe Benefit Adjustment	-	\$ (760)	\$ -	\$ (760)	\$ -
Parking Meter Operations Fund Total		-	\$ (760)	\$ -	\$ (760)	\$ -

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
PETCO Park Fund	Reduction in Debt Service	-	\$ -	\$ 300,000	\$ 300,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 17	\$ 17	\$ -
	Fringe Benefit Adjustment	-	\$ (261)	-	\$ (261)	\$ -
PETCO Park Fund Total		-	\$ (261)	\$ 300,017	\$ 299,756	\$ -
Public Art Fund	Public Art Fund Allocation	-	\$ -	\$ 45,934	\$ 45,934	\$ 45,934
Public Art Fund Total		-	\$ -	\$ 45,934	\$ 45,934	\$ 45,934
Public Safety Services & Debt Service Fund	Safety Sales Tax Allocation	-	\$ -	\$ 14,193	\$ 14,193	\$ 14,193
Public Safety Services & Debt Service Fund Total		-	\$ -	\$ 14,193	\$ 14,193	\$ 14,193
Publishing Services Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 240	\$ 240	\$ -
	Fringe Benefit Adjustment	-	\$ (476)	-	\$ (476)	\$ -
	San Diego Works Proposal FY16-090	-	\$ -	\$ (11,664)	\$ (11,664)	\$ -
Publishing Services Fund Total		-	\$ (476)	\$ (11,424)	\$ (11,900)	\$ -
QUALCOMM Stadium Operations Fund	Rent Expense	-	\$ -	\$ 15,000	\$ 15,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 213	\$ 213	\$ -
	Fringe Benefit Adjustment	-	\$ (2,023)	-	\$ (2,023)	\$ -
QUALCOMM Stadium Operations Fund Total		-	\$ (2,023)	\$ 15,213	\$ 13,190	\$ -
Recycling Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 204,409	\$ 204,409	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 3,994	-	\$ 3,994	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 2,913	\$ 2,913	\$ -
	Beverage Container Recycling and Litter Abatement	-	\$ -	\$ -	\$ -	\$ 350,000
	San Diego Works Proposal FY16-208	-	\$ -	\$ -	\$ -	\$ -
	Fringe Benefit Adjustment	-	\$ (5,787)	\$ (1,328)	\$ (1,328)	\$ -
	San Diego Works Proposal FY16-132	-	\$ -	\$ (124,800)	\$ (124,800)	\$ -
Recycling Fund Total		-	\$ (1,793)	\$ 81,194	\$ 79,401	\$ 350,000
Refuse Disposal Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 285,481	\$ 285,481	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 4,946	\$ 4,946	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 434	-	\$ 434	\$ -
	Fringe Benefit Adjustment	-	\$ (10,435)	-	\$ (10,435)	\$ -
	San Diego Works Proposal FY16-136	-	\$ -	\$ (20,373)	\$ (20,373)	\$ -
	San Diego Works Proposal FY16-226	-	\$ -	\$ (20,691)	\$ (20,691)	\$ -
	San Diego Works Proposal FY16-222	(2,00)	\$ (33,491)	\$ (177,112)	\$ (210,603)	\$ -
Refuse Disposal Fund Total		(2,00)	\$ (43,492)	\$ 72,251	\$ 28,759	\$ -
Remington Hills MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 315	\$ 315	\$ 315
Remington Hills MAD Fund Total		-	\$ -	\$ 315	\$ 315	\$ 315
Risk Management Administration Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 4,577	\$ 4,577	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,771	-	\$ 1,771	\$ -
	Fringe Benefit Adjustment	-	\$ (5,702)	-	\$ (5,702)	\$ -
Risk Management Administration Fund Total		-	\$ (3,931)	\$ 4,577	\$ 646	\$ -
Transient Occupancy Tax Fund	Four Cent Tourism Reimbursement	-	\$ -	\$ 1,855,126	\$ 1,855,126	\$ -
	One Cent Discretionary Allocation	-	\$ -	\$ 342,862	\$ 342,862	\$ -
	Penny for the Arts	-	\$ -	\$ 205,117	\$ 205,117	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 1,654	\$ 1,654	\$ -
	Budget Neutral Public Art Fund Allocation	-	\$ -	\$ -	\$ -	\$ -
	Special Events Department Revenue	-	\$ -	\$ -	\$ -	\$ (75,000)
	Transient Occupancy Tax (TOT) Revenue	-	\$ -	\$ -	\$ -	\$ 1,714,309
Transient Occupancy Tax Fund Total		-	\$ (1,734)	\$ 2,404,759	\$ 2,403,025	\$ 1,639,309
Underground Surcharge Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 329	\$ 329	\$ -
	Fringe Benefit Adjustment	-	\$ (706)	-	\$ (706)	\$ -
Underground Surcharge Fund Total		-	\$ (706)	\$ 329	\$ (377)	\$ -
Washington Street MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 273	\$ 273	\$ 273
Washington Street MAD Fund Total		-	\$ -	\$ 273	\$ 273	\$ 273

FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Water Utility Operating Fund	Advanced Metering Infrastructure	24.50	\$ 1,638,478	\$ 7,148,833	\$ 8,787,311	\$ -
	Pure Water Program	3.00	\$ 260,563	\$ 5,593,000	\$ 5,853,563	\$ -
	Trench Repair Reimbursement	-	\$ -	\$ 2,203,073	\$ 2,203,073	\$ -
	Turf Replacement and Drought Outreach	-	\$ -	\$ 1,849,752	\$ 1,849,752	\$ -
	Support for Drought Response	11.00	\$ 700,471	\$ 760,238	\$ 1,460,709	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 1,349,274	\$ 1,349,274	\$ -
	Drought Mandates	8.01	\$ 492,296	\$ 245,730	\$ 738,026	\$ -
	Advanced Water Purification Facility Demonstration	-	\$ -	\$ 500,000	\$ 500,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 38,161	\$ 38,161	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 19,641	\$ -	\$ 19,641	\$ -
	Fringe Benefit Adjustment	-	\$ (41,249)	\$ -	\$ (41,249)	\$ -
	San Diego Works Proposals	-	\$ -	\$ (48,990)	\$ (48,990)	\$ -
	Rent Expense	-	\$ -	\$ (93,414)	\$ (93,414)	\$ -
	Water Purchases	-	\$ -	\$ (20,596,430)	\$ (20,596,430)	\$ -
	Water Utility Operating Fund Total	46.51	\$ 3,070,200	\$ (1,050,773)	\$ 2,019,427	\$ -
	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 2,079	\$ 2,079	\$ 2,079
Webster-Federal Boulevard MAD Fund		-	\$ -	\$ 2,079	\$ 2,079	\$ 2,079
Webster-Federal Boulevard MAD Fund Total		-	\$ -	\$ 2,079	\$ 2,079	\$ 2,079
Wireless Communications Technology Fund		-	\$ (3,044)	\$ -	\$ (3,044)	\$ -
Wireless Communications Technology Fund Total		-	\$ (3,044)	\$ -	\$ (3,044)	\$ -
Zoological Exhibits Maintenance Fund		-	\$ -	\$ 108,025	\$ 108,025	\$ 108,025
Zoological Exhibits Maintenance Fund Total		-	\$ -	\$ 108,025	\$ 108,025	\$ 108,025
Non-General Fund Total		54.50	\$ 3,587,236	\$ 19,650,203	\$ 23,237,439	\$ 2,283,256
City Total		100.06	\$ 6,637,097	\$ 45,501,367	\$ 52,138,464	\$ 10,466,320

Attachment E

Fiscal Year 2016 Public Liability Reserve Estimates
<i>in millions</i>

Description	Amount	Liability % ¹
<hr/>		
FY 2015 Projected Public Liability Reserve²	\$ 37.9	40.0%
FY 2016 Projected Activity		
Fiscal Year 2016 Budgeted Contribution	\$ 0.9	
Excess Equity Contribution	5.8	
	\$ 6.7	
<hr/>		
FY 2016 Projected Public Liability Reserve	\$ 44.6	47.0%

¹ The Public Liability Reserve percentage calculation and measurement target is based on the most recent three year average of the annual actuarial liability valuations.

² Includes a General Fund contribution of \$3.4 million in Fiscal Year 2015 as discussed in the Fiscal Year 2015 Year-End Budget Monitoring Report.

Excerpt from Council Policy 100-03: Transient Occupancy Tax
Attachment A: General Requirements and Conditions
Section B: Funding

1. Expenses must be both incurred and paid by an organization before the City will release funding to the organization, except as otherwise may be provided.
2. Expenses must be incurred during the City's fiscal year (July 1 - June 30) for which the program is funded, except as otherwise may be provided.
3. City funds may not be used for alcoholic beverages. In addition, City funds may not be used for travel, meals, lodging, or entertainment expenses, except as otherwise may be provided. Waivers to this provision will be considered for expenditures within the Economic Development Program categories. Organizations receiving waivers may use City funds for travel, meals, or lodging within the following parameters:
 - a. Travel – when use of public air carrier transport is required in order to perform the contractual scope of services to the City, City funds may be applied toward the equivalent of coach airfare only. City funds may not be applied toward any upgrades.
 - b. Meals – when provision of meals is required in order to perform the contractual scope of services to the City, City funds may be applied toward a maximum of \$50 per day per person for meals (excluding sales tax and a maximum 15% gratuity, which are also eligible expenses). This daily maximum is further limited by meal, as follows: \$10, \$15, and \$25 are the maximum City funds that can be applied toward breakfast, lunch, and dinner, respectively, per person. If alcoholic beverages are consumed with meals, they may not be paid for with City funds. In the event that meals are provided to individuals who are not members of the funded organization within the scope of a business development meeting, documentation containing the purpose of the meeting, the benefit to the City, and a list of attendees must be provided to the City in order for City funding to be utilized.
 - c. Lodging – when out-of-town lodging is required in order to perform the contractual scope of services to the City, City funds may be applied toward the equivalent of the cost of a standard room in a business class hotel, or toward the conference rates of the host hotel when attending a conference.
 - d. Sponsorships – the City acknowledges the business requirement of event sponsorships by promotional organizations in order to market San Diego as a convention destination in a highly competitive market, and to attract businesses to

Attachment E

the region. The primary objective of a funded organization's participation in such events is to gain exposure for San Diego and secure access to important decision makers representing prominent convention groups and businesses. Financial sponsorship of such events is an acceptable application of City funds. If alcoholic beverages are consumed during event sponsorships, they may not be paid for with City funds.

4. City funds will be used only to assist an organization in its annual operating program or in its sponsorship of special events. City funding will not be used for capital or equipment outlay, for the purchase of awards, trophies, gifts, or uniforms, nor for the buildup of reserves.
5. Matching fund requirements will be determined by the appropriate application process as called for in the specific funding guidelines within each funding category, if applicable.
6. Organizations requesting funds should possess, at a minimum, a three-year track record of operations. Annual requests for funding may be for one-time events or projects, though applicant organizations must have a three-year history.

Fiscal Year 2016 Transient Occupancy Tax Fund Allocations

ORGANIZATION / PROGRAM	FY 2016 Allocation
Arts, Culture, and Community Festivals - Organizational Support	
Actors Alliance of San Diego	\$ 4,296
Art of Elan	\$ 13,058
Bach Collegium San Diego	\$ 26,001
Balboa Park Cultural Partnership	\$ 194,365
Balboa Park Online Collaborative	\$ 49,883
California Ballet Association, Inc.	\$ 108,127
Camarada, Inc.	\$ 10,483
Center for World Music	\$ 23,193
Choral Club of San Diego	\$ 1,500
Choral Consortium of San Diego	\$ 1,500
City Ballet, Inc	\$ 59,321
Classics for Kids	\$ 34,142
Cygnnet Theatre Company	\$ 124,367
Diversions Theatre Productions, Inc.	\$ 43,877
Finest City Performing Arts, Inc. dba: San Diego Gay Men's Chorus	\$ 29,113
Flying Leatherneck Museum	\$ 24,303
Horton Plaza Theatre Foundation	\$ 435,000
ion theatre company	\$ 13,479
Japanese Friendship Garden	\$ 77,467
La Jolla Chapter, SPEBSQSA, Inc.dba Pacific Coast Harmony	\$ 3,330
La Jolla Historical Society	\$ 57,192
La Jolla Music Society	\$ 212,621
La Jolla Symphony & Chorus	\$ 39,137
Lambda Archives of San Diego	\$ 5,924
Library Association of La Jolla	\$ 139,970
Mainly Mozart	\$ 143,903
Malashock Dance	\$ 38,254
Maritime Museum	\$ 241,890
Media Arts Center San Diego	\$ 72,009
Mingei International, Inc.	\$ 206,153
Mojalet Dance Collective	\$ 10,804
Mo'olelo Performing Arts Company	\$ 27,540
Moxie Theatre	\$ 13,246
Museum of Contemporary Art SD	\$ 387,154
Museum of Photographic Arts	\$ 156,558
New Americans Museum	\$ 17,190
NTC Foundation	\$ 56,097
Old Globe Theatre, The	\$ 445,829
Outside the Lens	\$ 18,136
Pacific Arts Movement	\$ 60,650
Persian Cultural Center	\$ 35,874

Attachment E

Arts, Culture, and Community Festivals - Organizational Support (continued)	FY 2016 Allocation
PGK Project, The	\$ 9,544
Playwrights Project	\$ 34,741
Prophet World Beat Productions	\$ 20,837
Putnam Foundation dba Timken Museum of Art	\$ 131,892
Reuben H. Fleet Science Center	\$ 278,286
SACRA/PROFANA	\$ 6,150
San Diego Air & Space Museum	\$ 254,426
San Diego Archaeological Center	\$ 22,488
San Diego Art Institute	\$ 40,453
San Diego Automotive Museum	\$ 46,642
San Diego Ballet	\$ 39,537
San Diego Center for Jewish Culture	\$ 116,146
San Diego Children's Choir	\$ 36,449
San Diego Chinese Historical Society	\$ 19,334
San Diego Civic Youth Ballet	\$ 64,297
San Diego Dance Theater	\$ 38,785
San Diego Guild of Puppetry, Inc.	\$ 8,858
San Diego Hall of Champions	\$ 61,012
San Diego Historical Society	\$ 112,153
San Diego Junior Theatre	\$ 88,011
San Diego Master Chorale, Inc.	\$ 13,324
San Diego Model Railroad Museum	\$ 47,181
San Diego Museum Council, Inc.	\$ 15,565
San Diego Museum of Art	\$ 290,960
San Diego Museum of Man	\$ 168,883
San Diego Musical Theatre	\$ 31,502
San Diego Opera Association	\$ 387,862
San Diego Repertory Theatre, Inc.	\$ 167,474
San Diego Society of Natural History dba SD Natural History Museum	\$ 439,409
San Diego Symphony	\$ 437,533
San Diego Watercolor Society	\$ 28,409
San Diego Winds	\$ 8,994
San Diego Women's Chorus	\$ 10,629
San Diego Writers Ink	\$ 15,125
San Diego Young Artists Music	\$ 10,105
San Diego Youth Symphony	\$ 98,264
Save Our Heritage Organisation	\$ 72,711
Scripps Ranch Theatre	\$ 20,585
So Say We All	\$ 5,369
Spreckels Organ Society	\$ 13,610
Tap Fever Studios	\$ 5,491
The AjA Project	\$ 28,935
The New Children's Museum	\$ 165,410
Theater and Arts Foundation dba La Jolla Playhouse	\$ 414,605
Unlimited Jazz Dance Productions dba Patricia Rincon Dance Collective	\$ 10,431

FY 2016
Allocation**Arts, Culture, and Community Festivals - Organizational Support (continued)**

Villa Musica	\$ 49,938
Westwind Brass, Inc.	\$ 6,974
Women's History Reclamation Project dba Women's Museum of CA	\$ 19,923
Young Audiences of San Diego	\$ 56,822
Arts, Culture, and Community Festivals - Organizational Support Total	\$ 8,135,000

Arts, Culture, and Community Festivals - Creative Communities San Diego

America's Finest City Dixieland Jazz Society	\$ 41,660
Armed Services YMCA of the U.S.A.	\$ 90,229
Asian Story Theater Incorporated	\$ 5,534
Balboa Park Conservancy	\$ 70,635
BAME Renaissance Community Development Corporation	\$4,534
Brazilian Institute for Arts & Culture	\$ 15,245
Cabrillo Festival, Inc.	\$ 5,979
California Lawyers for the Arts	\$ 2,072
Casa Familiar	\$ 5,445
Combat Arts	\$ 1,960
contACT Arts	\$ 51,897
Culture Shock Dance Troupe	\$ 12,443
CYT San Diego	\$ 1,500
Fern Street Community Arts	\$ 13,993
Guitars in the Classroom	\$ 1,979
Hillcrest Business Improvement Association Incorporated	\$ 20,572
House of Panama	\$ 1,500
Indian Fine Arts Academy of San Diego	\$ 21,628
Irish Congress of Southern California	\$ 10,169
Italian American Art and Culture Association of San Diego	\$ 17,761
Jacobs and Cushman San Diego Food Bank, The	\$ 39,349
Jacobs Center for Neighborhood Innovation	\$ 14,300
Justice Overcoming Boundaries In San Diego County	\$ 5,463
Karama	\$ 2,867
Kiwanis International K08275 Tierrasanta San Diego	\$ 2,288
La Maestra Family Clinic	\$ 3,083
Linda Vista Multi-Cultural Fair, Inc.	\$ 7,883
Little Italy Association	\$ 25,140
Little Saigon Foundation	\$ 27,851
Mariachi Juvenil de San Diego	\$ 19,790
Mariachi Scholarship Foundation	\$ 3,108
Media Heritage, Inc. dba Filmout San Diego	\$ 15,488
Musicians for Education	\$ 13,641
Ocean Beach Merchant's Association, Inc.	\$ 22,656
Operation Samahan	\$ 6,213
Pacific Beach Community Development Corporation dba Discover Pacific Beach	\$ 15,215
PASACAT	\$ 5,576

Attachment E

Arts, Culture, and Community Festivals - Creative Communities San Diego (continued)	FY 2016 Allocation
Point Loma Summer Concerts	\$ 17,360
Rancho de los Penasquitos Town Council, Inc.	\$ 7,579
Rolando Community Council, Inc.	\$ 5,374
San Diego Alpha Foundation	\$ 2,288
San Diego Audubon Society	\$ 14,387
San Diego Chinese Center	\$ 7,357
San Diego City College Foundation	\$ 3,291
San Diego Earth Day	\$ 25,802
San Diego Film Foundation	\$ 62,803
San Diego LGBT Pride	\$ 90,498
San Diego Music Foundation	\$ 34,292
San Diego Quilt Show	\$ 5,800
San Diego Shakespeare Society, Inc.	\$ 3,021
Sledgehammer Theatre	\$ 4,454
Space 4 Art	\$ 2,732
The Bon Temps Social Club of San Diego	\$ 108,000
The Cooper Family Foundation	\$ 5,022
Torrey Pines Kiwanis Foundation	\$ 35,248
Transcendance Youth Arts Project	\$ 9,352
Via International	\$ 2,893
Write Out Loud	\$ 5,801
Arts, Culture, and Community Festivals - Creative Communities San Diego Total	\$ 1,080,000

Economic Development - Citywide Economic Development

CleanTECH San Diego	\$ 60,000
CommNexus San Diego	\$ 30,000
Mission Trails Regional Park Foundation	\$ 45,000
San Diego Regional Economic Development Corporation	\$ 140,000
Sweedish-American Chamber of Commerce	\$ 15,000
The Maritime Alliance Foundation	\$ 25,000
Economic Development - City Economic Development Total	\$ 315,000

Economic Development - Economic Development and Tourism Support

Adams Avenue Business Association	\$ 52,753
Asian Business Association, San Diego	\$ 33,611
Cabrillo National Monument Inc.	\$ 50,417
City Heights Community Development Corporation	\$ 52,753
Greater San Diego Business Association	\$ 38,736
Hostelling International American Youth Hostels	\$ 60,200
Japan Society of San Diego and Tijuana	\$ 49,064
Juma Ventures	\$ 60,200
North Park Main Street	\$ 48,986
Old Town San Diego Chamber of Commerce	\$ 29,531
Otay Mesa Chamber of Commerce	\$ 52,753
San Diego Diplomacy Council	\$ 45,638
South County Economic Development Council	\$ 52,000

Economic Development - Economic Development and Tourism Support (continued)		FY 2016 Allocation
South Park Business Group, Inc.	\$	13,158
Travelers Aid Society of San Diego, Inc.	\$	60,200
Economic Development - Economic Development and Tourism Support Total	\$	700,000

Attachment E

Fiscal Year 2016 Planned Contracts Exceeding \$3.0 Million					
Department	Contract Name/Title	Contract Description	Contract Type	Planned Advertise Date	Estimated Contract Value
1	Fleet Services Police Patrol Vehicle Replacement	The purpose of this contract is for the purchase of (81) replacement Patrol vehicles, (17) vehicles to support new positions and (10) vehicles to support PISO vehicles for Police.	Replacement vehicles	August-15	\$ 4,497,350
2	Fleet Services Fire Rescue Aircraft Fire replacement	The purpose of this contract is for the purchase of (2) aircraft 'crash' trucks for Fire Rescue	Replacement vehicles	September-15	\$ 3,000,000
3	Fleet Services General Fund Work/Off-road vehicles replacement	The purpose of this contract is for the purchase of (30) Work/Off-road vehicles	Replacement vehicles	July-15	\$ 3,000,000
4	Fleet Services ESD General Fund Auto Refuse Trucks replacement	The purpose of this contract is for the purchase of (7) Auto Refuse Trucks for Environmental Services	Replacement vehicles	August-15	\$ 3,000,000
5	Fleet Services Non-General Fund replacement Heavy Duty Trucks	The purpose of this contract is for the purchase of Heavy Duty Trucks	Replacement vehicles	July-15	\$ 3,000,000
6	Fleet Services Non-General Fund replacement Packers	The purpose of this contract is for the purchase of Packers for Environmental Services	Replacement vehicles	September-15	\$ 3,000,000
7	Risk Management Industrial Medicine	The purpose of this contract is to provide industrial medicine services to City of San Diego employees. California Labor Code and California Code of Regulations allow for insurers and employers to create a "Medical Provider Network" consisting of a variety of physicians where injured workers can be directed for treatment of industrial injuries.	Industrial medicine services	June-15	\$ 25,000,000.00
8	City Treasurer Parking Citation Processing System	The purpose of this contract is for the purchase of an IT System for parking citation processing and payments.	IT system	July-15	\$ 5,000,000
9	Information Technology Computer equipment, peripherals, and related services	The purpose of this contract is for the purchase of computer equipment, peripherals, and related services	IT equipment & related services	October-15	\$ 4,130,000.00
10	Public Utilities Laboratory supplies	The purpose of this contract is for the purchase of laboratory supplies	Laboratory supplies	July-15	\$ 4,000,000.00
11	Public Utilities Digester cleaning services, Hauling and disposal of digester sludge	The purpose of this contract is for the purchase of digester cleaning services, hauling and disposal of digester sludge	Maintenance service	November-15	\$ 3,500,000.00

Capital Improvements Program (CIP) Attachment E

FY2016 May Revision

Fire-Rescue

Fire-Rescue Air Operations Facility - S15012

Fund	Proposed	Change	Revised
200636 Monetary Conditions Placed on Future Deposits	\$0	\$39,981	\$39,981

An additional \$39,981 in Developer Contributions CIP funding has been allocated to this project for Fiscal Year 2016 to support the design of the Fire-Rescue Air Operations ("Air Ops") Facility.

Fire Station No. 02 – Bayside - S15042

Fund	Proposed	Change	Revised
400122 Centre City DIF-Admin	\$0	\$15,000,000	\$15,000,000

An additional \$15.0 million in Development Impact Fee funding has been allocated to this project for Fiscal Year 2016 for a new fire station located in the Little Italy community. This is one of the new stations recommended by the Citygate Report.

Library

San Ysidro Branch Library - S00802

Fund	Proposed	Change	Revised
400698 SY-TAB 2010A (TE) Proceeds	\$0	\$2,580,000	\$2,580,000
400699 SY-TAB 2010B (T) Proceeds	\$0	\$1,296,000	\$1,296,000

An additional \$3.9 million in Redevelopment funding has been allocated to this project in Fiscal Year 2016 to support the construction of the San Ysidro Branch Library.

Park & Recreation

Balboa Park Golf Course - AEA00002

Fund	Proposed	Change	Revised
700044 Balboa Park Golf Course CIP Fund	\$0	\$175,000	\$175,000

An additional \$175,000 in Golf Enterprise funding has been allocated to this project for Fiscal Year 2016 to fully fund the installation of an above ground fuel storage tank and wash rack at Balboa Park Golf Course.

Canyonside Community Park Improvements - S12004

Fund	Proposed	Change	Revised
400023 Penasquitos South-Major Dist	\$0	\$1,008	\$1,008

An additional \$1,008 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support the improvements at Canyonside Community Park.

Doyle Park Community Park ADA Upgrades - S15037

Fund	Proposed	Change	Revised
400044 Univ City Central-Major Dist	\$0	\$2,586	\$2,586
400045 Univ City North - Sub Dist	\$0	\$17,816	\$17,816

An additional \$20,402 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support ADA improvements at Doyle Park Community Park.

Attachment E Capital Improvements Program (CIP)

FY2016 May Revision

EB Scripps Pk Comfort Station Replacement - S15035

Fund	Proposed	Change	Revised
400046 La Jolla - Major District	\$0	\$35,379	\$35,379

An additional \$35,379 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support improvements at EB Scripps Park.

Encanto Comm Pk Security Lighting Upgrades - S16017

Fund	Proposed	Change	Revised
400064 Encanto - Major District	\$0	\$1,678	\$1,678
400265 CIP Contributions from General Fund	\$0	\$150,000	\$150,000

An additional \$151,678, of which \$150,000 in CIP Contributions from the General Fund and \$1,678 in Park Service District Funds, has been allocated to this project for Fiscal Year 2016 to fully fund the design phase of this project.

Fairbrook Neighborhood Park Development - S01083

Fund	Proposed	Change	Revised
400029 Scripps/Miramar-Major District	\$0	\$41,004	\$41,004

An additional \$41,004 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support the development of the Fairbrook Neighborhood Park.

Golf Course Drive Improvements - S15040

Fund	Proposed	Change	Revised
400060 Golden Hill - Major District	\$0	\$9,023	\$9,023

An additional \$9,023 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support improvements at the Balboa Golf Course.

Kelly St Neighborhood Pk Security Lighting Upgrade - S16016

Fund	Proposed	Change	Revised
400265 CIP Contributions from General Fund	\$0	\$150,000	\$150,000

An additional \$150,000 in CIP Contributions from the General Fund has been allocated to this project for Fiscal Year 2016 to fully fund the design phase of the project.

Larsen Field ADA Improvements Phase II - S13004

Fund	Proposed	Change	Revised
400070 South Bay - Major District	\$0	\$2,543	\$2,543

An additional \$2,543 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support ADA improvements at Larsen Field.

Linda Vista Skate Park - S15008

Fund	Proposed	Change	Revised
400036 Linda Vista-Major District	\$0	\$1,999	\$1,999

An additional \$1,999 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support construction of the Linda Vista Skate Park.

Capital Improvements Program (CIP) Attachment E

FY2016 May Revision

Lomita Neighborhood Park Playground ADA Upgrades - S16019

Fund	Proposed	Change	Revised
400265 CIP Contributions from General Fund	\$0	\$450,000	\$450,000

An additional \$450,000 in CIP Contributions from the General Fund has been allocated to this project for Fiscal Year 2016 for ADA upgrades to the existing playground as well as ADA path of travel requirements.

Marie Widman Memorial Pk Security Lighting Upgrade - S16018

Fund	Proposed	Change	Revised
400265 CIP Contributions from General Fund	\$0	\$150,000	\$150,000

An additional \$150,000 in CIP Contributions from the General Fund has been allocated to this project for Fiscal Year 2016 to fully fund the design phase of the project.

Memorial Comm Pk Playground ADA Upgrades - S16020

Fund	Proposed	Change	Revised
400265 CIP Contributions from General Fund	\$0	\$450,000	\$450,000

An additional \$450,000 in CIP Contributions from the General Fund has been allocated to this project for Fiscal Year 2016 for ADA upgrades to the existing playground as well as ADA path of travel requirements.

Mira Mesa CP - Exp & Aquatic Complex - S00667

Fund	Proposed	Change	Revised
400223 ANA - Blk Mtn Rd Bridge	\$0	\$23,751	\$23,751

An additional \$23,751 in Facilities Benefit Assessments funding has been allocated to this project for Fiscal Year 2016 for additional storm water requirements and drought tolerant landscaping at the Mira Mesa Community Park.

Rancho Mission Neighborhood Park Play Area Upgrade - S15004

Fund	Proposed	Change	Revised
400075 Pk/Rec Bldg Permit Fee Dist C	\$0	\$983	\$983

An additional \$983 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support the play area improvements at Rancho Mission Neighborhood Park.

Silver Wing NP Sports Field/Lighting - S11051

Fund	Proposed	Change	Revised
400069 Montgomery/Waller-Major Dist	\$0	\$27,843	\$27,843

An additional \$27,843 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support the construction of the sports field lighting.

Skyline Hills Comm Pk Security Lighting Upgrades - S16021

Fund	Proposed	Change	Revised
400265 CIP Contributions from General Fund	\$0	\$150,000	\$150,000

An additional \$150,000 in CIP Contributions from the General Fund has been allocated to this project for Fiscal Year 2016 to fully fund the design phase of the project.

Attachment E Capital Improvements Program (CIP)

FY2016 May Revision

Skyline Hills Community Park ADA Improve - S15038

Fund	Proposed	Change	Revised
400066 Skyline Hills - Major District	\$0	\$7,624	\$7,624
400265 CIP Contributions from General Fund	\$0	\$250,000	\$250,000

An additional \$257,624, of which \$250,000 in CIP Contributions from the General Fund and \$7,624 in Park Service District Funds, has been allocated to this project for Fiscal Year 2016 for ADA upgrades to the existing playground as well as ADA path of travel requirements.

Valencia Park Acquisition & Development - S11103

Fund	Proposed	Change	Revised
400065 Valencia Park - Major District	\$0	\$8,449	\$8,449

An additional \$8,449 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support the acquisition and development of Valencia Park.

Webster Neighborhood Identification Sign - S14005

Fund	Proposed	Change	Revised
200066 Webster-Federal Boulevard MAD Fund	\$15,000	(\$15,000)	\$0

This change reflects the removal of \$15,000 in Maintenance Assessment District funding for Fiscal Year 2016 due to lower than anticipated construction costs.

West Maple Canyon MP - S00760

Fund	Proposed	Change	Revised
400054 Balboa Park West-Major Dist	\$0	\$292,630	\$292,630

An additional \$292,630 in Park Service District Funds has been allocated to this project for Fiscal Year 2016 to support the improvements at West Maple Canyon Park.

Public Utilities

La Jolla View Reservoir - S15027

Fund	Proposed	Change	Revised
700010 Water Utility - CIP Funding Source	\$0	\$150,000	\$150,000

An additional \$150,000 in Water funding has been allocated to this project for Fiscal Year 2016 for an environmental study necessary to secure a State Revolving Fund (SRF) loan.

Large Diameter Water Transmission PPL - AKA00003

Fund	Proposed	Change	Revised
700010 Water Utility - CIP Funding Source	\$6,622,877	\$3,781,678	\$10,404,555

An additional \$3.8 million in Water funding has been allocated to this annual allocation for Fiscal Year 2016 for the design of two new water main projects.

Capital Improvements Program (CIP) Attachment E

FY2016 May Revision

Metro Treatment Plants - ABO00001

Fund	Proposed	Change	Revised
700009 Metro Sewer Utility - CIP Funding Source	\$4,500,000	(\$500,000)	\$4,000,000

This change reflects the removal of \$500,000 in Sewer funding for Fiscal Year 2016 due to the delay of a number of subprojects.

NCWRP Sludge Pump Station Upgrade - S00309

Fund	Proposed	Change	Revised
700009 Metro Sewer Utility - CIP Funding Source	\$0	\$250,000	\$250,000

An additional \$250,000 in Sewer funding has been allocated to this project for Fiscal Year 2016 to support additional project requirements.

Point Loma Grit Processing Improvements - S00315

Fund	Proposed	Change	Revised
700009 Metro Sewer Utility - CIP Funding Source	\$0	\$1,000,000	\$1,000,000

An additional \$1.0 million in Sewer funding has been allocated to this project for Fiscal Year 2016 to support additional project requirements.

PURE Water Program - ALA00001

Fund	Proposed	Change	Revised
700010 Water Utility - CIP Funding Source	\$12,240,913	\$3,000,000	\$15,240,913

An additional \$3.0 million in Water funding has been allocated to this annual allocation for Fiscal Year 2016 in order to design a pipeline from the North City Advanced Water Purification facility to the San Vicente reservoir.

Recycled Water Tank Modifications - S12014

Fund	Proposed	Change	Revised
700010 Water Utility - CIP Funding Source	\$0	\$408,016	\$408,016

An additional \$408,016 in Water funding has been allocated to this project for Fiscal Year 2016 to support higher than anticipated project costs.

Standpipe and Reservoir Rehabilitations - ABL00001

Fund	Proposed	Change	Revised
700010 Water Utility - CIP Funding Source	\$7,539,333	(\$5,451,085)	\$2,088,248

This change reflects the removal of \$5.5 million in Water funding for Fiscal Year 2016 as the subproject it was funding has become a standalone project (S15027 - La Jolla View Reservoir) and will not need these funds until Fiscal Year 2018.

University Ave Pipeline Replacement - S11021

Fund	Proposed	Change	Revised
700010 Water Utility - CIP Funding Source	\$7,973,485	\$1,884,911	\$9,858,396

An additional \$1.9 million in Water funding has been allocated to this project for Fiscal Year 2016 to support higher than anticipated project costs.

Attachment E **Capital Improvements Program (CIP)**
FY2016 May Revision

Public Works - General Services

City Facilities Improvements - ABT00001

Fund	Proposed	Change	Revised
400265 CIP Contributions from General Fund	\$3,564,086	\$1,700,000	\$5,264,086

An additional \$1.7 million in CIP Contributions from the General Fund has been allocated to this project for Fiscal Year 2016 to fund the repair of libraries and park and recreation facilities.

Transportation & Storm Water

SR 163/Friars Road - S00851

Fund	Proposed	Change	Revised
400135 Mission Valley-Urban Comm.	\$0	\$450,000	\$450,000

An additional \$450,000 in Development Impact Fees has been allocated to this project for Fiscal Year 2016 to support the construction phase of the project.

Total CIP	\$338,271,557	\$27,973,817	\$366,245,374
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Project	Priority Score	Phase	Amount
Midway Street Bluff Repair / S12005	80	Construction	\$ 92,000
Tierasanta Library Expansion / S15001	42	Construction	295,000
Valencia Park Acquisition & Development / S11103	61	Construction	344,000
Pacific Breezes (Ocean View Hills) CP / S00649	62	Construction	350,000
California Tower Seismic Retrofit / L12003	68	Construction	500,000
Keiller Neighborhood Park ADA Improvements / S15030	57	Construction	654,000
Mission Bay Athletic Area Comfort Station Mod / S10021	68	Construction	820,000
Scripps Miramar Ranch Library / S00811	59	Construction	1,090,400
Interstate 5 Underpass-Bikeway/Ped Conn / S00982	66	Construction	1,116,010
El Cajon Blvd Streetscape Improvements / S00826	46	Construction	1,269,800
Sixth Avenue Playground Improvements / S00616	65	Construction	1,880,000
Kensington/Normal Heights Library / S00795	49	Construction	2,246,530
El Camino Real to ViaDeLaValle (1/2) / S00856	53	Construction	3,200,000
Rancho Bernardo Library / S00812	62	Construction	3,467,682
Police Range Refurbishment / S10118	N/A	Construction	6,999,593
Ocean Beach Lifeguard Station / S10121	79	Design	600,000
Fire Station No. 54 - Paradise Hills / S00785	81	Design	800,000
Americans with Disabilities Improvements / ABE00001	Annual		5,000,000
Resurfacing of City Streets / AID00005	Annual		5,000,000
New Walkways / AIK00001	Annual		3,000,000
Concrete Streets / AID00006	Annual		2,000,000

Attachment E

Fiscal Year 2016 Planned Construction Contracts

Project	Delivery Method		Estimated Construction Contract	Estimated Total Project Cost*
Airports				
Brown Field / AAA00002				
Brown Field Airport Runway 8L/26R Rehab / B11010	Design Bid Build	\$	9,411,600	\$ 11,697,908
Montgomery Field / AAA00001				
Montgomery Fld MYF Terminal ADA Upgrades / B12073	Design Bid Build		415,000	583,000
Airports Total		\$	9,826,600	\$ 12,280,908
Environmental Services				
CNG Fueling Station for Refuse & Recycling / S15000				
	Design Build	\$	3,000,000	\$ 3,000,000
Environmental Services Total		\$	3,000,000	\$ 3,000,000
Fire-Rescue				
Fire Station No. 05 - Hillcrest / S00788	Design Bid Build	\$	7,855,000	\$ 9,161,923
Fire Station No. 08 - Mission Hills / S10029	Design Bid Build		545,000	863,500
Fire Station No. 15 - Ocean Beach Expansion / S13011	Design Bid Build		225,000	500,000
Fire Station No. 17 - Mid-City / S00783	Design Bid Build		8,735,000	12,028,624
Fire Station No. 22 - Point Loma / S00787	Design Bid Build		4,967,200	6,453,161
Fire-Rescue Total		\$	22,327,200	\$ 29,007,208
Library				
Mission Hills-Hillcrest Library / S13022				
	Design Build	\$	10,304,500	\$ 17,847,523
Library Total		\$	10,304,500	\$ 17,847,523
Park & Recreation				
Balboa Park Golf Course / AEA00002				
Balboa Park Golf Course -Fuel Tank Installation / B12019	Design Bid Build	\$	71,000	\$ 385,407
Coastal Erosion and Access / AGF00006				
Orchard Av, Capri by Sea & Old Salt Pool / B14073	Design Bid Build		215,000	361,000
Angier Elementary School Joint Use / S00762	Design Bid Build		1,671,000	2,207,000
California Tower Seismic Retrofit / L12003	Design Bid Build		1,011,000	3,275,612
Canyonside Community Park Improvements / S12004	Design Bid Build		226,050	999,833
Del Mar Mesa Neighborhood Park Ph II / S13023	Design Bid Build		1,440,354	2,060,354
Larsen Field ADA Improvements Phase II / S13004	Design Bid Build		419,175	1,689,175
Linda Vista Skate Park / S15008	Design Bid Build		1,740,000	3,040,000
Mid City Skate Park / S15003	Design Bid Build		1,020,000	1,750,000
Mission Bay GC Practice Ctr Bldg Improve / S01090	Design Bid Build		963,882	1,400,000
Mission Bay GC Renovation/Reconstruction / S11010	Design Bid Build		2,119,000	2,960,000
Mountain View NP Area Upgrades / S11019	Design Bid Build		850,000	1,638,086
North Park/Main St Sidewalk Improvements / S10040	Design Bid Build		134,200	210,000
Pacific Breezes (Ocean View Hills) CP / S00649	Design Bid Build		11,200,000	16,800,000
Pomerado Median Improve-N of R Bernardo / S10035	Design Bid Build		650,000	899,840
Rancho Penasquitos Towne Centre Park Imp / S12003	Design Bid Build		50,000	175,000
Riviera Del Sol Neighborhood Park / S00999	Design Bid Build		4,224,204	6,924,640
SD River Dredging Qualcomm Way to SR163 / S00606	Design Bid Build		739,000	1,089,000
Silver Wing NP Sports Field/Lighting / S11051	Design Bid Build		423,500	1,200,609
Tierrasanta CP Sports Field Lighting / S11011	Design Bid Build		685,022	1,050,876
Torrey Highlands Community ID & Enhance / S11009	Design Bid Build		102,000	325,000
Torrey Meadows NP South / S00651	Design Bid Build		2,193,200	7,922,755
Torrey Pines N. Golf Course-Improvements / S14019	Design Bid Build		13,000,000	14,170,000
Trail for All People / S13001	Design Bid Build		173,000	511,000
University Village Park Tot Lot / S13005	Design Bid Build		250,000	475,253
Webster Neighborhood Identification Sign / S14005	Design Bid Build		10,000	40,000

Attachment E

Fiscal Year 2016 Planned Construction Contracts

Project	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost*
West Maple Canyon MP / S00760	Design Bid Build	367,400	1,037,630
Wightman Street Neighborhood Park / S00767	Design Bid Build	2,250,000	3,480,779
Park & Recreation Total		\$ 48,197,987	\$ 78,078,849
Police			
Police HQs CoGeneration Repower Project / S10131	Design Bid Build	\$ 650,000	\$ 983,085
Police Range Refurbishment / S10118	Design Bid Build	900,000	8,975,812
Police Total		\$ 1,550,000	\$ 9,958,897
Public Utilities			
Dams and Reservoirs / ABK00001			
Hodges Resv Hypolimnetic Oxygenation Sys / B15195	Design Build	\$ 2,792,051	\$ 3,600,000
Metro Treatment Plants / ABO00001			
MBC Chemical System Improvements Phase 2 / B10178	Design Bid Build	4,235,000	6,090,354
SBWRP Sludge Pump & Grinder Installation / B14167	Design Bid Build	392,500	789,000
Metropolitan Waste Water Department Trunk Sewers / AJB00001			
ROSE CANYONE TRUNK SEWER (RCTS) JOINT REPAIR / B11025	Design Bid Build	5,850,000	6,537,745
S Mission Valley TS Accelerated Project / B14068	Design Bid Build	715,000	1,000,000
North City Reclamation System / AHC00002			
Sorrento Mesa Recycled Water PL / B15080	Design Build	2,133,000	2,837,000
Pipeline Rehabilitation / AJA00002			
Citywide Manhole Improvements / B13177	Design Bid Build	330,000	440,000
Otay Valley Manhole Improvements Phase 2 / B14155	Design Bid Build	2,776,420	3,226,120
PIPELINE REHABILITATION - PHASE J-2 (LATERALS) / B11061	Design Bid Build	7,944,010	8,800,000
Pipeline Rehabilitation AC-1 / B14008	Design Bid Build	4,589,000	5,596,000
Pipeline Rehabilitation AD-1 / B14009	Design Bid Build	5,816,500	7,423,500
Pipeline Rehabilitation AF-1 / B14125	Design Bid Build	5,070,000	6,720,000
Pipeline Rehabilitation AG-1 / B14118	Design Bid Build	4,417,000	5,437,000
Pipeline Rehabilitation AH-1B / B15146	Design Bid Build	4,915,090	6,296,450
Pipeline Rehabilitation Z-1A / B14110	Design Bid Build	4,336,000	5,560,500
Pump Station Restorations / ABP00001			
SPS 13 14 16 25A & 85 Dual FM / B00501	Design Bid Build	944,000	1,495,000
SPS 23T - Reliability Improvements / B14131	Design Build	751,000	1,074,000
SPS 76 Generator / B14168	Design Bid Build	41,500	75,000
Reclaimed Water Retrofit / AHC00003			
Penasquitos Creek Park RW Retrofit / B14143	Design Bid Build	83,500	121,500
Sewer Main Replacements / AJA00001			
AC Water & Sewer Group 1014 (S) / B15079	Design Bid Build	481,000	705,000
BUCHANAN CANYON SEWER B / B00429	Design Bid Build	3,487,493	4,894,396
PACIFIC BEACH PIPELINE SOUTH (S) / B12117	Design Bid Build	2,110,000	2,788,500
Sewer & AC Water Group 752 (S) / B00360	Design Bid Build	2,788,400	4,105,815
SEWER & WATER GROUP 701 / B00452	Design Bid Build	4,571,000	5,987,600
Sewer and AC Water Group 785 (S) / B00383	Design Bid Build	3,784,000	5,813,500
Sewer and AC Water Group 827 (S) / B00436	Design Bid Build	4,865,334	5,843,628
Sewer and Water Group 834 (S) / B13099	Design Bid Build	2,803,523	3,663,459
SEWER GJ 798C / B00409	Design Bid Build	212,420	484,380
SEWER GROUP 721 / B00460	Design Bid Build	3,723,351	4,878,277
Sewer Group 767A / B11077	Design Bid Build	4,175,117	5,463,186
SEWER GROUP 798 / B00399	Design Bid Build	1,574,400	2,371,440
Sewer Group 839 / B14070	Design Bid Build	315,500	500,000
Tecolote Canyon 8-inch CI Sewer Main / B11111	Design Bid Build	600,000	912,811
Tyrian Street and Soledad Avenue Sewer Main Replac / B12111	Design Bid Build	583,000	981,300

Attachment E

Fiscal Year 2016 Planned Construction Contracts

Project	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost*
Water & Sewer GJ 816 (S) / B00443	Design Build	873,300	1,290,813
Water and Sewer Group 954 (S) / B13203	Design Bid Build	458,700	666,200
Water and Sewer Group 965 (S) / B12048	Design Bid Build	2,182,900	2,932,600
Standpipe and Reservoir Rehabilitations / ABL00001			
La Jolla Country Club Reservoir / B11024	Design Bid Build	4,534,250	6,782,000
Unscheduled Projects / AJA00003			
False Bay RR Trunk Sewer / B00507	Design Bid Build	1,026,011	1,424,841
Manning Canyon Sewer and Water Replacement (S) / B00504	Design Bid Build	5,692,368	7,228,461
MOC 5 Materials Bins / B14133	Design Bid Build	570,000	760,000
Water Main Replacements / AKB00003			
AC Water & Sewer Group 1014 (W) / B15078	Design Bid Build	3,722,000	5,452,000
AC Water Group 1007 / B15036	Design Bid Build	2,300,000	3,330,000
Manning Canyon Sewer and Water Replacement (W) / B00095	Design Bid Build	589,072	872,910
Meadow Lark Dr/Health Center Dr Water Main / B15105	Design Build	4,645,000	6,860,000
Sewer & AC Water Group 752 (W) / B15058	Design Bid Build	480,000	618,000
Sewer & AC Water Group 785 (W) / B13208	Design Bid Build	1,074,000	1,575,500
Sewer & AC Water Group 834 (W) / B14141	Design Bid Build	2,410,113	3,075,619
Sewer & Water Group 701 / B00039	Design Bid Build	241,000	322,400
Sewer and AC Water Group 827 (W) / B15066	Design Bid Build	375,000	450,000
USD Water Main Replacement Phase II / B15204	Design Bid Build	800,000	1,600,000
Water and Sewer Group 954 (W) / B10187	Design Bid Build	1,404,000	2,049,400
Water and Sewer Group 965 (W) / B12057	Design Bid Build	2,081,600	2,934,600
Water Group Job 942 / B11038	Design Bid Build	3,081,000	4,596,000
Water Pump Station Restoration / ABJ00001			
College Ranch Hydro Pump Station / B11023	Design Bid Build	7,233,980	9,189,190
Bayview Reservoir Solar Project / S14021	Design Build	1,627,500	2,325,000
Chollas Building / S11025	Design Build	17,064,000	22,500,000
EMTS Boat Dock and Steam Line Relocation / S00319	Design Bid Build	1,547,325	2,018,535
Lower Otay Reservoir Emer Outlet Improve / S00044	Design Bid Build	1,225,930	2,600,000
MBC Odor Control Facility Upgrades / S00323	Design Bid Build	4,608,500	6,615,612
Miramar Clearwell Improvements / S11024	Design Bid Build	71,031,967	88,848,226
MOC Complex Solar Project / S14022	Design Build	1,872,000	2,675,000
Pacific Beach Pipeline South (W) / S12015	Design Bid Build	20,985,032	27,516,758
PS2 Power Reliability & Surge Protection / S00312	Design Bid Build	34,300,000	43,000,000
Tierrasanta (Via Dominique) Pump Station / S12040	Design Bid Build	13,251,833	16,688,861
Upas St Pipeline Replacement / S11022	CMAR	25,500,000	32,184,000
Water & Sewer Group Job 816 (W) / S13015	Design Build	7,842,400	10,755,363
WDSU - Reservoirs & Dams - Phase II / S11106	Design Build	2,200,000	15,724,930
Public Utilities Total		\$ 343,036,890	\$ 459,975,280

Public Works - General Services

Americans with Disabilities Improvements / ABE00001			
67th b/s El Cajon to Richard Bond MS DS / B13061	Design Bid Build	\$ 143,000	\$ 200,000
Alzheimer Family Center ADA Improvements / B12074	Design Bid Build	85,477	108,572
Barrio Youth Facilities 2 & 3 / B13067	Design Bid Build	346,900	583,000
Bay Bridge Community Center ADA Improvements / B13076	Design Bid Build	350,000	608,000
Carmel Creek Park Comfort Station ADA Access Impr / B14153	Design Bid Build	159,185	234,000
Carmel Del Mar Comfort Station ADA Accessilibty Im / B14154	Design Bid Build	317,200	431,000
Carmel Valley Rec Ctr ADA Accessibility Improvemen / B14152	Design Bid Build	310,360	423,000
City Heights Youth & Community Center ADA / B13068	Design Bid Build	190,000	403,000
Colina Del Sol Pool ADA / B13077	Design Bid Build	324,800	541,000
El Cajon & 59th Obstruction DIF CR DS / B13105	Design Bid Build	152,584	203,800

Fiscal Year 2016 Planned Construction Contracts

Project	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost*
Euclid w/s Federal Blvd to Marilou Bond MS DS / B13060	Design Bid Build	112,000	150,000
Golden Hill CR Obstruction DIF 14 / B14052	Design Bid Build	75,700	117,300
Group Job 13F Linda Vista DIF CR / B13108	Design Bid Build	89,000	123,000
Group Job 13H Midway-Pacific DIF CR / B13110	Design Bid Build	127,000	226,000
Group Job 13I North Park DIF CR / B13111	Design Bid Build	308,700	466,800
Group Job 13J Peninsula DIF CR / B13112	Design Bid Build	261,200	404,800
Mission Beach Community Center / B12004	Design Bid Build	75,800	142,915
Mission Beach Obstruction DIF 13 CR / B13125	Design Bid Build	339,700	490,000
Orange & Altadena CR Obstruction DS / B13072	Design Bid Build	82,200	127,000
Santa Clara Recreation Center - ADA / B12006	Design Bid Build	436,000	559,000
SY Comm and Rec CTR-ADA Barrier Removal / B13078	Design Bid Build	596,200	1,040,000
City Facilities Improvements / ABT00001			
Air & Space Museum Elevator Modernization / B10035	Design Build	290,000	355,000
Fire Station 14 Roof & HVAC Replacement / B13189	Design Bid Build	548,000	725,000
Fire Station 19 Roof & HVAC Replacement / B13190	Design Bid Build	729,000	959,000
Fire Station 3 Roof & HVAC Replacement / B13187	Design Bid Build	260,000	495,700
Malcolm X Library Facility Repairs / B10038	Design Bid Build	516,800	717,000
Museum of Art Elevator Modernization / B10042	Design Build	525,000	675,150
Fleet Servs Elect & Fac Impvts. / L14002	Design Bid Build	282,500	713,000
Public Works - General Services Total		\$ 8,034,306	\$ 12,222,037
QUALCOMM Stadium			
QUALCOMM Stadium / ABG00001			
Qualcomm Stdm Concrete Spalling / B15027	Design Build	\$ 188,000	\$ 224,000
Qualcomm Stdm Fiber Optic & CATV / B14071	Design Build	325,000	500,000
QUALCOMM Stadium Total		\$ 513,000	\$ 724,000
Transportation & Storm Water			
Bridge Rehabilitation / AIE00001			
Replace Barrier Rail on Barnett o/ PCH / B00869	Design Bid Build	\$ 427,500	\$ 613,000
Drainage Projects / ACA00001			
Burroughs & W Dunlop Sts Storm Dr Repl / B13101	Design Bid Build	582,000	900,000
Cardinal Dr (2383) Storm Drain Replacemt / B12025	Design Bid Build	488,000	750,000
Hornblend Alley (1761) Storm Drain Upgrade / B12035	Design Bid Build	362,000	550,000
Industrial Ct Channel Replacement / B13118	Design Bid Build	222,000	400,000
Jean Drive Storm Drain Replacement / B11013	Design Bid Build	390,000	745,000
Langmuir St (2252) Storm Drain Replacement / B12091	Design Bid Build	525,000	900,000
Whitney Ct (6969) Storm Drain Replacemt / B13210	Design Bid Build	228,000	400,000
Installation of City Owned Street Lights / AIH00001			
70th St, Pso Lucido & San Ysidro St Lts / B14064	Design Bid Build	135,900	193,600
City Street Lights - 25 Locations / B14106	Design Bid Build	184,000	270,000
New Street Lights - 19 Locations / B14012	Design Bid Build	282,450	389,200
Median Installation / AIG00001			
Mission BI-Ventura/Sn Fernando Turn Pocket / B14093	Design Bid Build	152,200	236,000
University Ave-Winona to 50th Median / B13093	Design Bid Build	302,000	497,000
New Walkways / AIK00001			
N Harbor Dr Pedestrian Access Improvmnts / B12060	Design Bid Build	487,600	705,500
School Traffic Safety Improvements / AIK00002			
31st St & Market St School Traffic Sgnal / B15014	Design Bid Build	192,000	275,000
Traffic Calming / AIL00001			
38th at Wightman Popouts / B13087	Design Bid Build	409,500	594,000
60th St and Vale Way Traffic Circle / B14056	Design Bid Build	180,000	283,000

Attachment E

Fiscal Year 2016 Planned Construction Contracts

Project	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost*
C Street-Park to 16th-Ped Improvements / B15019	Design Bid Build	200,000	300,000
Orange Av btwn 49 & Winona Xwlv/Chkrs / B12080	Design Bid Build	271,000	351,000
Traffic Signals - Citywide / AIL00004			
36th St & El Cajon Bl Traffic Signal / B13138	Design Bid Build	38,000	64,524
3rd Ave @ Washington St Traffic Signal / B14062	Design Bid Build	303,200	395,100
Division St & Osborn St Traffic Signal / B15047	Design Bid Build	212,200	275,000
Division St & Valencia Pky Traffic Signal / B15008	Design Bid Build	232,155	301,000
Traffic Signals Modification / AIL00005			
Traffic Signal Upgrades Citywide FY14 / B14048	Design Bid Build	626,700	814,000
Utilities Undergrounding Program / AID00001			
28th Street UUD (Island Av - Clay St) / B13156	Design Bid Build	126,000	213,948
30th Street Phase III Broadway to K UUD / B00717	Design Bid Build	141,000	651,000
32nd Street UUD (Market St - F St) / B13144	Design Bid Build	27,000	45,846
Altadena/Wightman/Winona-El Cajon UUD / B00850	Design Bid Build	227,000	495,000
Block 1M UUD (La Jolla 4) / B13151	Design Bid Build	238,000	404,124
Block 2S1 South Mission Beach UUD / B12067	Design Bid Build	108,000	183,384
Block 4-J1 UUD (Mid City) / B13152	Design Bid Build	243,000	412,614
Block 6DD1 UUD (Clairemont Mesa) / B13153	Design Bid Build	329,000	494,118
Block 7O1 UUD (College Area) / B13154	Design Bid Build	291,000	412,614
Block 7R Allied Gardens UUD / B12064	Design Bid Build	249,000	422,802
Block 8A Golden Hill UUD / B12056	Design Bid Build	122,000	207,156
Block 8C UUD (Greater Golden Hill) / B13155	Design Bid Build	259,000	558,642
Cardiff Street UUD (Carlisle Dr - Wade St) / B13145	Design Bid Build	31,000	52,638
District 7 Block 7-A UUD / B00842	Design Bid Build	470,000	771,000
District 8 Block 8-B UUD / B00841	Design Bid Build	441,000	1,187,664
Euclid Ave UUD Streetlights (Euclid-Univ) / B11131	Design Bid Build	150,000	216,000
Fanual St Pl Archer to Tourmaline UUD / B00721	Design Bid Build	40,000	67,920
Fanual Street Phase II Grand to Reed UUD / B00722	Design Bid Build	70,000	118,860
Howard Avenue UUD (Park Bl - I-805) / B13146	Design Bid Build	86,000	146,028
Illion Street UUD (Gardena Av - Milton St) / B13147	Design Bid Build	32,000	54,336
Lincoln Av UUD (30th St-Wabash Av) / B12066	Design Bid Build	330,000	651,000
Moraga Ave Ph II -Moraga Ct to Monair UUD / B00788	Design Bid Build	237,000	439,782
Paradise Valley Rd UUD (Potomac St-Parkland Wy) / B13149	Design Bid Build	20,000	33,960
Potomac St UUD (Calle Tres Lomas-Sea Breeze) / B12069	Design Bid Build	94,000	459,000
San Vicente Street to Ashmore UUD / B00725	Design Bid Build	120,000	203,760
Sunset Cliffs Dr Coronado to Newport UUD / B00720	Design Bid Build	306,000	355,500
Trojan Ave 56th to 60th UUD / B00718	Design Bid Build	40,000	67,920
Watershed CIP / ACC00001			
Beta Street and 37th Street Green Alley / B11057	Design Bid Build	585,100	768,815
Maple Canyon Restoration - Phase 1 / B12040	Design Bid Build	2,636,000	4,307,400
34th & 35th @ Madison Ave Improvements / S00922	Design Bid Build	845,854	1,430,854
Alta La Jolla Drive Drainage Repair PhII / S10001	Design Bid Build	2,562,000	4,693,605
Azalea Park Artistic Enhancement / S00700	Design Bid Build	240,000	411,830
Carmel Country Road Low Flow Channel / S00969	Design Bid Build	282,000	2,712,000
Cherokee Street Improvements / S00921	Design Bid Build	1,606,164	1,986,005
Coolidge Street Storm Drain / S11003	Design Bid Build	330,000	469,000
El Camino Real/SR 56 Bike Path Connector / S00981	Design Bid Build	326,700	545,340
Five Points Neighborhood Pedestrian Impr / S00988	Design Bid Build	220,000	475,000
Georgia Street Bridge Improvements / S00863	Design bid Build	9,200,000	13,585,042
La Jolla Mesa Drive Sidewalk / S00928	Design Bid Build	585,900	826,000
Mission Beach Boardwalk Bulkhead / S00726	Design Bid Build	2,178,500	3,792,225
Old Otay Mesa Road-Westerly / S00870	Design Bid Build	9,025,000	11,536,671

Fiscal Year 2016 Planned Construction Contracts

Project	Delivery Method	Estimated Construction Contract	Estimated Total Project Cost*
Pacific Beach Curb Ramp Barrier Removal / S11048	Design Bid Build	339,700	370,000
Pacific Hwy Curb Ramp Barrier Removal / S11045	Design Bid Build	266,856	450,000
Palm Avenue Roadway Improvements / S00913	Design Bid Build	980,000	4,617,209
Regents Rd Widening-Genesee to Executive / S00881	Design Bid Build	3,500,000	6,295,000
SR 163/Friars Road / S00851	Design Bid Build	23,200,000	119,723,432
Streamview Drive Improvements / S00864	Design Bid Build	2,355,000	3,275,000
Torrey Pines Road Slope Restoration / S00877	Design Bid Build	1,800,000	3,686,220
Transportation & Storm Water Total		\$ 75,325,179	\$ 206,485,188
Total		\$ 522,115,662	\$ 829,579,890

* Estimated Total Project Costs may not represent what was published in the Fiscal Year 2016 Proposed Budget and will be revised as necessary for the Fiscal Year 2016 Adopted Budget publication.



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 21, 2015

TO: Honorable Council President Sherri Lightner and Members of the City Council

FROM: Scott Chadwick, Chief Operating Officer
Mary Lewis, Chief Financial Officer *Mary Lewis*

SUBJECT: Supplement to the May Revision to the Fiscal Year 2016 Proposed Budget

The Mayor proposes further amendments to his Fiscal Year 2016 Proposed Budget. These amendments are in addition to the Mayor's May Revision dated May 19, 2015 and represent ongoing expenditures and revenue in the amount of \$180,783 to the Office of the City Attorney:

- The addition of 1.00 City Attorney Investigator and \$96,304 in personnel expenditures and reimbursable revenue. This position is proposed to be added to provide support to the City Attorney's Code Enforcement Unit as a result of the increased workload generated by the additional Code Enforcement Officers in the Development Services Department.
- The addition of 1.00 Deputy City Attorney and \$84,479 in personnel expenditures and reimbursable revenue. This position is proposed to be added to the City Attorney's Code Enforcement Unit specifically to address issues of substandard housing.

Both of these positions are fully reimbursable with revenue from the Civil Penalty Enforcement Fund.

Attachment 1 includes these additional changes to the Fiscal Year 2016 Proposed Budget and replaces the summary schedule that was included in the May Revision dated May 19, 2015.

cc: Honorable Mayor Kevin L. Faulconer
Stephen Puetz, Chief of Staff

Page 2 of 2

Honorable Council President Sherri Lightner and Members of the City Council

May 21, 2015

Stacey LoMedico, Assistant Chief Operating Officer

David Graham, Deputy Chief Operating Officer

Ron Villa, Deputy Chief Operating Officer

Andrea Tevlin, Independent Budget Analyst

Brian Pepin, Director of Council Affairs

Department Directors

Tracy McCraner, Financial Management Director

Julio Canizal, Deputy Director of Financial Management

Financial Management Staff

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment F

GENERAL FUND	DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
	City Attorney	City Attorney Code Enforcement Support	2.00	\$ 180,783	\$ -	\$ 180,783	\$ 180,783
		Deputy City Attorney	1.00	\$ 84,479	\$ -	\$ 84,479	\$ -
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 12,112	\$ -	\$ 12,112	\$ -
		SIRE Maintenance Redistribution	-	\$ -	\$ 8,140	\$ 8,140	\$ -
		Fringe Benefit Adjustment	-	\$ (16,615)	\$ -	\$ (16,615)	\$ -
City Attorney Total			3.00	\$ 260,759	\$ 8,140	\$ 268,899	\$ 180,783
		SIRE Maintenance Redistribution	-	\$ -	\$ 973	\$ 973	\$ -
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 535	\$ -	\$ 535	\$ -
City Auditor		City Auditor Salary Increase	-	\$ 18,958	\$ (18,958)	\$ -	\$ -
		Information Technology Auditor	1.00	\$ 125,474	\$ (125,474)	\$ -	\$ -
		Fringe Benefit Adjustment	-	\$ (3,716)	\$ -	\$ (3,716)	\$ -
City Auditor Total			1.00	\$ 141,251	\$ (143,459)	\$ (2,208)	\$ -
		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 447	\$ -	\$ 447	\$ -
City Clerk		User Fee Revenue	-	\$ -	\$ -	\$ -	\$ 27,171
		Fringe Benefit Adjustment	-	\$ (2,135)	\$ -	\$ (2,135)	\$ -
		SIRE Maintenance Redistribution	-	\$ -	\$ (318,222)	\$ (318,222)	\$ -
City Clerk Total			-	\$ (1,688)	\$ (318,222)	\$ (319,910)	\$ 27,171
		SIRE Maintenance Redistribution	-	\$ -	\$ 2,472	\$ 2,472	\$ -
City Comptroller		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 207	\$ -	\$ 207	\$ -
		Fringe Benefit Adjustment	-	\$ (8,456)	\$ -	\$ (8,456)	\$ -
City Comptroller Total			-	\$ (8,249)	\$ 2,472	\$ (5,777)	\$ -
		SIRE Maintenance Redistribution	-	\$ -	\$ 16,294	\$ 16,294	\$ -
City Treasurer		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,289	\$ -	\$ 2,289	\$ -
		User Fee Revenue	-	\$ -	\$ -	\$ -	\$ 13,461
		Fringe Benefit Adjustment	-	\$ (7,240)	\$ -	\$ (7,240)	\$ -
City Treasurer Total			-	\$ (4,951)	\$ 16,294	\$ 11,343	\$ 13,461
		Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 15,000,000	\$ 15,000,000	\$ -
		Public Liability Fund Reserve	-	\$ -	\$ 6,700,000	\$ 6,700,000	\$ -
Citywide Program Expenditures		June 2016 Ballot Measures	-	\$ -	\$ 1,773,583	\$ 1,773,583	\$ -
		Kinder Morgan Litigation	-	\$ -	\$ 365,000	\$ 365,000	\$ -
		Corporate Master Lease	-	\$ -	\$ 361,353	\$ 361,353	\$ -
		Traffic Stop Study	-	\$ -	\$ 50,000	\$ 50,000	\$ -
		Deferred Capital Debt Service	-	\$ -	\$ (101,533)	\$ (101,533)	\$ -
Citywide Program Expenditures Total			-	\$ -	\$ 24,148,403	\$ 24,148,403	\$ -
Communications		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 324	\$ -	\$ 324	\$ -
		SIRE Maintenance Redistribution	-	\$ -	\$ 125	\$ 125	\$ -
Communications Total			-	\$ (1,564)	\$ -	\$ (1,564)	\$ -
		Fringe Benefit Adjustment	-	\$ (1,240)	\$ 125	\$ (1,115)	\$ -
Council Administration		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 531	\$ -	\$ 531	\$ -
		SIRE Maintenance Redistribution	-	\$ -	\$ 246	\$ 246	\$ -
		Fringe Benefit Adjustment	-	\$ (1,767)	\$ -	\$ (1,767)	\$ -
Council Administration Total			-	\$ (1,236)	\$ 246	\$ (990)	\$ -
		Personnel Expenditures Adjustment to Average Funding Level	-	\$ 55,689	\$ -	\$ 55,689	\$ -
Council District 1		Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,419	\$ -	\$ 1,419	\$ -
		SIRE Maintenance Redistribution	-	\$ -	\$ 181	\$ 181	\$ -
		Fringe Benefit Adjustment	-	\$ (628)	\$ -	\$ (628)	\$ -
		Adjustment to Baseline Level	-	\$ (1,419)	\$ -	\$ (1,419)	\$ -
Council District 1 Total			-	\$ 55,061	\$ 181	\$ 55,242	\$ -
Council District 1 - CPPS		Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (18,128)	\$ (18,128)	\$ -
Council District 1 - CPPS Total			-	\$ -	\$ (18,128)	\$ (18,128)	\$ -

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 1

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Council District 2	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 478	\$ -	\$ 478	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 171	\$ 171	\$ -
	Adjustment to Baseline Level	-	\$ (478)	\$ -	\$ (478)	\$ -
	Fringe Benefit Adjustment	-	\$ (677)	\$ -	\$ (677)	\$ -
Council District 2 Total		-	\$ (677)	\$ 171	\$ (506)	\$ -
Council District 2 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (15,277)	\$ (15,277)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (15,277)	\$ (15,277)	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ (15,277)	\$ (15,277)	\$ -
	Fringe Benefit Adjustment	-	\$ -	\$ 178	\$ 178	\$ -
Council District 3	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 43	\$ -	\$ 43	\$ -
	Adjustment to Baseline Level	-	\$ (43)	\$ -	\$ (43)	\$ -
	SIRE Maintenance Redistribution	-	\$ (614)	\$ -	\$ (614)	\$ -
	Fringe Benefit Adjustment	-	\$ (614)	\$ 178	\$ (436)	\$ -
Council District 3 Total		-	\$ -	\$ (6,719)	\$ (6,719)	\$ -
Council District 3 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (6,719)	\$ (6,719)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (6,719)	\$ (6,719)	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ (6,719)	\$ (6,719)	\$ -
	Fringe Benefit Adjustment	-	\$ 117,426	\$ -	\$ 117,426	\$ -
Council District 4	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,399	\$ -	\$ 1,399	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ 200	\$ 200	\$ -
	SIRE Maintenance Redistribution	-	\$ (712)	\$ -	\$ (712)	\$ -
	Fringe Benefit Adjustment	-	\$ (1,399)	\$ -	\$ (1,399)	\$ -
Council District 4 Total		-	\$ 116,714	\$ 200	\$ 116,914	\$ -
Council District 4 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ 8,574	\$ 8,574	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 8,574	\$ 8,574	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ 8,574	\$ 8,574	\$ -
	Fringe Benefit Adjustment	-	\$ 54,775	\$ -	\$ 54,775	\$ -
Council District 5	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,408	\$ -	\$ 1,408	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ 163	\$ 163	\$ -
	SIRE Maintenance Redistribution	-	\$ (823)	\$ -	\$ (823)	\$ -
	Fringe Benefit Adjustment	-	\$ (1,408)	\$ -	\$ (1,408)	\$ -
Council District 5 Total		-	\$ 53,952	\$ 163	\$ 54,115	\$ -
Council District 5 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (3,169)	\$ (3,169)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (3,169)	\$ (3,169)	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ (3,169)	\$ (3,169)	\$ -
	Fringe Benefit Adjustment	-	\$ 49,084	\$ -	\$ 49,084	\$ -
Council District 6	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ -	\$ 167	\$ 167	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ 167	\$ 167	\$ -
	SIRE Maintenance Redistribution	-	\$ (694)	\$ -	\$ (694)	\$ -
	Fringe Benefit Adjustment	-	\$ (694)	\$ -	\$ (694)	\$ -
Council District 6 Total		-	\$ 48,390	\$ 167	\$ 48,557	\$ -
Council District 6 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ 13,422	\$ 13,422	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 13,422	\$ 13,422	\$ -
	Adjustment to Baseline Level	-	\$ -	\$ 13,422	\$ 13,422	\$ -
	Fringe Benefit Adjustment	-	\$ 761	\$ -	\$ 761	\$ -
Council District 7	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ -	\$ 193	\$ 193	\$ -
	Adjustment to Baseline Level	-	\$ (761)	\$ -	\$ (761)	\$ -
	SIRE Maintenance Redistribution	-	\$ (812)	\$ -	\$ (812)	\$ -
	Fringe Benefit Adjustment	-	\$ (812)	\$ 193	\$ (619)	\$ -
Council District 7 Total		-	\$ -	\$ (30,315)	\$ (30,315)	\$ -
Council District 7 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (30,315)	\$ (30,315)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (30,315)	\$ (30,315)	\$ -
	Adjustment to Baseline Level	-	\$ 1,325	\$ -	\$ 1,325	\$ -
	Fringe Benefit Adjustment	-	\$ -	\$ 196	\$ 196	\$ -
Council District 8	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ (721)	\$ -	\$ (721)	\$ -
	Adjustment to Baseline Level	-	\$ (1,325)	\$ -	\$ (1,325)	\$ -
	SIRE Maintenance Redistribution	-	\$ (721)	\$ 196	\$ (525)	\$ -
	Fringe Benefit Adjustment	-	\$ (721)	\$ (12,507)	\$ (12,507)	\$ -
Council District 8 Total		-	\$ -	\$ (12,507)	\$ (12,507)	\$ -
Council District 8 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (12,507)	\$ (12,507)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ (12,507)	\$ (12,507)	\$ -
	Adjustment to Baseline Level	-	\$ 32,180	\$ -	\$ 32,180	\$ -
	Fringe Benefit Adjustment	-	\$ (706)	\$ -	\$ (706)	\$ -
Council District 9 Total		-	\$ 31,474	\$ 192	\$ 31,666	\$ -

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Council District 9 - CPPS	Community Projects, Programs, and Services Adjustment	-	\$ -	\$ (17,930)	\$ (17,930)	\$ -
Council District 9 - CPPS Total		-	\$ -	\$ (17,930)	\$ (17,930)	\$ -
Debt Management	SIRE Maintenance Redistribution	-	\$ -	\$ 356	\$ 356	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 46	-	\$ 46	\$ -
	Fringe Benefit Adjustment	-	\$ (2,351)	\$ -	\$ (2,351)	\$ -
Debt Management Total		-	\$ -	\$ (2,305)	\$ (1,949)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 356	\$ (1,949)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,328	\$ 2,062	\$ 2,062	\$ -
Development Services	User Fee Revenue	-	\$ -	\$ -	\$ 1,328	\$ 23,929
	Noise Permit Revenue	-	\$ -	\$ -	\$ -	\$ (15,400)
	Fringe Benefit Adjustment	-	\$ (4,848)	\$ -	\$ (4,848)	\$ -
Development Services Total		-	\$ (3,520)	\$ 2,062	\$ (1,458)	\$ 8,529
Economic Development	Assistant Engineer-Traffic	1.00	\$ 80,250	\$ -	\$ 80,250	\$ 80,250
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,490	\$ -	\$ 1,490	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 189	\$ 189	\$ -
	Fringe Benefit Adjustment	-	\$ (3,990)	\$ -	\$ (3,990)	\$ -
Economic Development Total		1.00	\$ 77,750	\$ 189	\$ 77,939	\$ 80,250
	Fringe Benefit Adjustment	-	\$ 69,890	\$ -	\$ 69,890	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 3,811	\$ 3,811	\$ -
Environmental Services	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,790	\$ -	\$ 2,790	\$ -
	San Diego Works Proposal FY16-132	-	\$ -	\$ (33,361)	\$ (33,361)	\$ -
	San Diego Works Proposal FY16-131	(2.00)	\$ (131,437)	\$ (51,661)	\$ (183,098)	\$ -
Environmental Services Total		(2.00)	\$ (58,757)	\$ (81,211)	\$ (139,968)	\$ -
Ethics Commission	SIRE Maintenance Redistribution	-	\$ -	\$ 129	\$ 129	\$ -
	Fringe Benefit Adjustment	-	\$ (991)	\$ -	\$ (991)	\$ -
Ethics Commission Total		-	\$ (991)	\$ 129	\$ (862)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 510	\$ 510	\$ -
Financial Management	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 200	\$ -	\$ 200	\$ -
	Fringe Benefit Adjustment	-	\$ (4,126)	\$ -	\$ (4,126)	\$ -
	San Diego Works Proposal FY16-001	-	\$ -	\$ (7,722)	\$ (7,722)	\$ -
Financial Management Total		-	\$ (3,926)	\$ (7,212)	\$ (11,138)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 81,094	\$ -	\$ 81,094	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 19,784	\$ 19,784	\$ -
Fire-Rescue	Safety Sales Tax	-	\$ -	\$ -	\$ -	\$ 7,096
	User Fee Revenue	-	\$ -	\$ -	\$ -	\$ 381,092
	Fringe Benefit Adjustment	-	\$ (22,637)	\$ -	\$ (22,637)	\$ -
	Helicopter Mechanics	2.00	\$ 139,840	\$ (340,000)	\$ (200,160)	\$ -
Fire-Rescue Total		2.00	\$ 198,297	\$ (320,216)	\$ (121,919)	\$ 388,188
Human Resources	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,629	\$ -	\$ 1,629	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 434	\$ 434	\$ -
	Fringe Benefit Adjustment	-	\$ (2,571)	\$ -	\$ (2,571)	\$ -
Human Resources Total		-	\$ (942)	\$ 434	\$ (508)	\$ -
Infrastructure/Public Works	SIRE Maintenance Redistribution	-	\$ -	\$ 129	\$ 129	\$ -
	Fringe Benefit Adjustment	-	\$ (560)	\$ -	\$ (560)	\$ -
Infrastructure/Public Works Total		-	\$ (560)	\$ 129	\$ (431)	\$ -
Internal Operations	Fringe Benefit Adjustment	-	\$ (15)	\$ -	\$ (15)	\$ -
Internal Operations Total		-	\$ (15)	\$ -	\$ (15)	\$ -

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Library	Library Materials	-	\$ -	\$ 209,500	\$ 209,500	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 59,731	\$ -	\$ 59,731	\$ -
	Pacific Beach Library Sunday Hours	1.06	\$ 39,906	\$ -	\$ 39,906	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 12,653	\$ 12,653	\$ -
	Custodial Staffing	1.50	\$ -	\$ -	\$ -	\$ -
	Revised Revenue	-	\$ -	\$ -	\$ -	\$ 50,000
	User Fee Revenue	-	\$ -	\$ -	\$ -	\$ 5,742
	Fringe Benefit Adjustment	-	\$ (59,117)	\$ -	\$ (59,117)	\$ -
	Library Total	2.56	\$ 40,520	\$ 222,153	\$ 262,673	\$ 55,742
	Property Tax Revenue	-	\$ -	\$ -	\$ -	\$ 2,655,765
Major Revenues	Transient Occupancy Tax (TOT) Revenue	-	\$ -	\$ -	\$ -	\$ 2,228,602
	Reimbursement from OHS Disaster Recovery	-	\$ -	\$ -	\$ -	\$ 224,480
	Property Transfer Tax Revenue	-	\$ -	\$ -	\$ -	\$ 146,664
	Franchise Fees	-	\$ -	\$ -	\$ -	\$ (1)
	Reimbursement from Parking Garage/Concourse Fund	-	\$ -	\$ -	\$ -	\$ (22,750)
	Fringe Benefit Adjustment	-	\$ (848)	\$ -	\$ (848)	\$ 5,232,760
Neighborhood Services Neighborhood Services Total	Homeland Security Coordinators	-	\$ (848)	\$ -	\$ (848)	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	2.00	\$ 216,408	\$ -	\$ 216,408	\$ 162,607
	SIRE Maintenance Redistribution	-	\$ 3,885	\$ -	\$ 3,885	\$ -
	Fringe Benefit Adjustment	-	\$ -	\$ 685	\$ 685	\$ -
Office of the Assistant COO	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	2.00	\$ 218,644	\$ 685	\$ 219,329	\$ 162,607
	SIRE Maintenance Redistribution	-	\$ 483	\$ -	\$ 483	\$ -
	Revised Revenue	-	\$ -	\$ 17	\$ 17	\$ -
	Fringe Benefit Adjustment	-	\$ (1,205)	\$ -	\$ (1,205)	\$ (100,000)
Office of the Chief Financial Officer	SIRE Maintenance Redistribution	-	\$ (722)	\$ 17	\$ (705)	\$ (100,000)
	Fringe Benefit Adjustment	-	\$ (42)	\$ -	\$ (42)	\$ -
	Senior Management Analyst	1.00	\$ 82,280	\$ -	\$ 82,280	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,074	\$ -	\$ 1,074	\$ -
Office of the Chief Operating Officer	SIRE Maintenance Redistribution	-	\$ -	\$ 29	\$ 29	\$ -
	Fringe Benefit Adjustment	-	\$ (459)	\$ -	\$ (459)	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 152	\$ 152	\$ -
	Fringe Benefit Adjustment	-	\$ (1,471)	\$ -	\$ (1,471)	\$ -
Office of the Mayor	SIRE Maintenance Redistribution	-	\$ (1,471)	\$ 152	\$ (1,319)	\$ -
	Fringe Benefit Adjustment	-	\$ -	\$ 674	\$ 674	\$ -
	SIRE Maintenance Redistribution	-	\$ (1,931)	\$ -	\$ (1,931)	\$ -
	Fringe Benefit Adjustment	-	\$ (1,931)	\$ 674	\$ (1,257)	\$ -

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 1

DEPARTMENT TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Park & Recreation	Expansion of Hours at 20 Recreation Centers	25.00	\$ 1,186,959	\$ 32,300	\$ 1,219,259	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 151,990	-	\$ 151,990	\$ -
	Balboa Park/Mission Bay Park Program Manager	1.00	\$ 129,744	-	\$ 129,744	\$ -
	Ward Canyon Park	-	\$ -	100,000	\$ 100,000	\$ -
	Memorial Pool Expansion	3.00	\$ 97,977	-	\$ 97,977	\$ -
	Horticulturalist	1.00	\$ 74,824	-	\$ 74,824	\$ -
	SIRE Maintenance Redistribution	-	\$ -	8,045	\$ 8,045	\$ -
	Transient Occupancy Tax Reimbursement	-	\$ -	-	-	\$ 1,855,126
	User Fee Revenue	-	\$ -	-	-	\$ 166,505
	San Diego Works Proposal FY16-098	-	\$ (27,948)	\$ 7,985	\$ (19,963)	\$ -
	Fringe Benefit Adjustment	-	\$ (35,194)	-	\$ (35,194)	\$ -
	Brush Management	-	\$ -	(44,250)	\$ (44,250)	\$ -
	Performance Dashboard/Open Budget Tool	30.00	\$ 1,578,352	\$ 104,080	\$ 1,682,432	\$ 2,021,631
	SIRE Maintenance Redistribution	-	\$ -	100,000	\$ 100,000	\$ -
Performance & Analytics	Fringe Benefit Adjustment	-	\$ (2,542)	-	\$ (2,542)	\$ -
Performance & Analytics Total		-	\$ (2,542)	\$ 100,126	\$ 97,584	\$ -
		1.00	\$ 77,227	\$ 1,400	\$ 78,627	\$ -
Personnel	Employee Background Check Support	1.00	\$ 59,881	\$ 1,400	\$ 61,281	\$ -
	NEOGOV Online Hiring Center Support	-	\$ 6,321	-	\$ 6,321	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ -	1,165	\$ 1,165	\$ -
	SIRE Maintenance Redistribution	-	\$ (5,067)	-	\$ (5,067)	\$ -
Personnel Total	Fringe Benefit Adjustment	2.00	\$ 138,362	\$ 3,965	\$ 142,327	\$ -
	Assistant Traffic Engineer	1.00	\$ 80,250	-	\$ 80,250	\$ 80,250
Planning	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,906	-	\$ 2,906	\$ -
	Revised Revenue	-	\$ -	-	-	\$ (135,026)
	User Fee Revenue	-	\$ -	-	-	\$ 1,115
	Fringe Benefit Adjustment	-	\$ (6,576)	-	\$ (6,576)	\$ -
Planning Total		1.00	\$ 76,580	-	\$ 76,580	\$ (53,661)
	Program Coordinators	3.00	\$ 389,232	-	\$ 389,232	\$ -
Police	SIRE Maintenance Redistribution	-	\$ -	73,355	\$ 73,355	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 50,328	-	\$ 50,328	\$ -
	User Fee Revenue	-	\$ -	-	-	\$ 262,296
	Safety Sales Tax	-	\$ -	-	-	\$ 7,096
	Fringe Benefit Adjustment	-	\$ (77,197)	-	\$ (77,197)	\$ -
Police Total	Supervising Management Analysts	(3.00)	\$ (441,290)	-	\$ (441,290)	\$ -
	SIRE Maintenance Redistribution	-	\$ (78,927)	\$ 73,355	\$ (5,572)	\$ 269,392
Public Works - Contracts	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 186	-	\$ 186	\$ -
	Fringe Benefit Adjustment	-	\$ (2,184)	-	\$ (2,184)	\$ -
		-	\$ (1,998)	624	\$ (1,374)	\$ -
Public Works - General Services	Library and Park & Recreation Facility Repair	-	\$ -	1,700,000	\$ 1,700,000	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 2,439	-	\$ 2,439	\$ -
	SIRE Maintenance Redistribution	-	\$ -	2,071	\$ 2,071	\$ -
	Fringe Benefit Adjustment	-	\$ (8,230)	-	\$ (8,230)	\$ -
Public Works - General Services Total		-	\$ (5,791)	\$ 1,702,071	\$ 1,696,280	\$ -
	Contract Compliance Positions	3.00	\$ 253,326	\$ 3,000	\$ 256,326	\$ -
Purchasing & Contracting	Public Utilities Procurement Specialist	1.00	\$ 76,217	\$ 1,000	\$ 77,217	\$ 77,217
	SIRE Maintenance Redistribution	-	\$ -	1,574	\$ 1,574	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 110	-	\$ 110	\$ -
Purchasing & Contracting Total	Fringe Benefit Adjustment	-	\$ (4,082)	-	\$ (4,082)	\$ -
		4.00	\$ 325,571	\$ 5,574	\$ 331,145	\$ 77,217

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

DEPARTMENT TITLE	BUDGET ADJUSTMENT				FTE	PE	NPE	EXP	REV
Real Estate Assets	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$	2,170	\$	-	\$	2,170	\$
	SIRE Maintenance Redistribution	-	\$	-	\$	1,250	\$	1,250	\$
	Fringe Benefit Adjustment	-	\$	(4,522)	\$	-	\$	(4,522)	\$
Real Estate Assets Total		-	\$	(2,352)	\$	1,250	\$	(1,102)	\$
Transportation & Storm Water	SIRE Maintenance Redistribution	-	\$	-	\$	7,159	\$	7,159	\$
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$	6,769	\$	-	\$	6,769	\$
	User Fee Revenue	-	\$	-	\$	-	\$	-	\$
	Fringe Benefit Adjustment	-	\$	(32,869)	\$	-	\$	(32,869)	\$
Transportation & Storm Water Total		-	\$	(26,100)	\$	7,159	\$	(18,941)	\$
Water		-	\$	-	\$	400,900	\$	400,900	\$
Water Total	Overhead Support and San Dieguito JPA	-	\$	-	\$	400,900	\$	400,900	\$
General Fund Total		47.56	\$	3,230,644	\$	25,851,164	\$	29,081,808	\$
									8,363,857

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

NON-GENERAL FUNDS

FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Airports Fund	Customs and Border Patrol Facility	-	\$ -	\$ 650,000	\$ 650,000	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 37,351	\$ 37,351	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 811	\$ 811	\$ -
	Fringe Benefit Adjustment	-	\$ (1,438)	\$ -	\$ (1,438)	\$ -
Airports Fund Total		-	\$ (1,438)	\$ 688,162	\$ 686,724	\$ -
Bay Terraces - Honey Drive MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 1,592	\$ 1,592	\$ 1,592
Bay Terraces - Honey Drive MAD Fund Total		-	\$ -	\$ 1,592	\$ 1,592	\$ 1,592
Central Stores Fund	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 675	\$ -	\$ 675	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 265	\$ 265	\$ -
	Fringe Benefit Adjustment	-	\$ (1,117)	\$ -	\$ (1,117)	\$ -
	San Diego Works Proposal FY16-190	-	\$ -	\$ (11,117)	\$ (11,117)	\$ -
Central Stores Fund Total		-	\$ (442)	\$ (10,852)	\$ (11,294)	\$ -
Concourse and Parking Garages Operating Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 178	\$ 178	\$ -
	Fringe Benefit Adjustment	-	\$ (231)	\$ -	\$ (231)	\$ -
Concourse and Parking Garages Operating Fund Total		-	\$ (231)	\$ 178	\$ (53)	\$ -
Development Services Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 834,993	\$ 834,993	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 12,468	\$ -	\$ 12,468	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 11,580	\$ 11,580	\$ -
	Noise Permit Revenue	-	\$ -	\$ -	\$ -	\$ 15,400
	Fringe Benefit Adjustment	-	\$ (30,947)	\$ -	\$ (30,947)	\$ -
Development Services Fund Total		-	\$ (18,479)	\$ 846,573	\$ 828,094	\$ 15,400
El Cajon Boulevard MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ (9,223)	\$ (9,223)	\$ (9,233)
El Cajon Boulevard MAD Fund Total		-	\$ -	\$ (9,223)	\$ (9,223)	\$ (9,233)
Energy Conservation Program Fund	Alternative Energy Options	-	\$ -	\$ 150,000	\$ 150,000	\$ -
	Regional Energy Network (REN) Formation	-	\$ -	\$ 100,000	\$ 100,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 718	\$ 718	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 414	\$ -	\$ 414	\$ -
	Fringe Benefit Adjustment	-	\$ (1,228)	\$ -	\$ (1,228)	\$ -
Energy Conservation Program Fund Total		-	\$ (814)	\$ 250,718	\$ 249,904	\$ -
Engineering & Capital Projects Fund	Administrative and Public Information Support for CIP	2.00	\$ 114,750	\$ -	\$ 114,750	\$ 114,750
	SIRE Maintenance Redistribution	-	\$ -	\$ 25,335	\$ 25,335	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 14,377	\$ -	\$ 14,377	\$ -
	Fringe Benefit Adjustment	-	\$ (34,702)	\$ -	\$ (34,702)	\$ -
	Rent Expense	-	\$ -	\$ (156,339)	\$ (156,339)	\$ -
Engineering & Capital Projects Fund Total		2.00	\$ 94,425	\$ (131,004)	\$ (36,579)	\$ 114,750
Environmental Growth 1/3 Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 3	\$ 3	\$ -
Environmental Growth 1/3 Fund Total		-	\$ -	\$ 3	\$ 3	\$ -
Facilities Financing Fund	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 859	\$ -	\$ 859	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 343	\$ 343	\$ -
	Fringe Benefit Adjustment	-	\$ (1,377)	\$ -	\$ (1,377)	\$ -
Facilities Financing Fund Total		-	\$ (518)	\$ 343	\$ (175)	\$ -
Fire/Emergency Medical Services Transport Program Fund	FirstWatch Utility Service	-	\$ -	\$ 20,000	\$ 20,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 371	\$ 371	\$ -
	Fringe Benefit Adjustment	-	\$ (2,258)	\$ -	\$ (2,258)	\$ -
Fire/Emergency Medical Services Transport Program Fund Total		-	\$ (2,258)	\$ 20,371	\$ 18,113	\$ -
	Inflation Rate Adjustment	-	\$ -	\$ 261,760	\$ 261,760	\$ -
	Training Supervisor	1.00	\$ 82,464	\$ -	\$ 82,464	\$ -
	Fleet Parts Buyer	1.00	\$ 71,084	\$ -	\$ 71,084	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 2,689	\$ 2,689	\$ -
	Fleet Repair Supervisors	-	\$ 1,607	\$ -	\$ 1,607	\$ -
	Equipment Operator	-	\$ (973)	\$ -	\$ (973)	\$ -
	Fringe Benefit Adjustment	-	\$ (10,715)	\$ -	\$ (10,715)	\$ -
	Fleet Services Division Administration	-	\$ (46,268)	\$ -	\$ (46,268)	\$ -
	Supervising Management Analyst Reduction	(1.00)	\$ (148,262)	\$ -	\$ (148,262)	\$ -
Fleet Services Operating Fund Total		1.00	\$ (51,063)	\$ 264,449	\$ 213,386	\$ -

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Fleet Services Replacement Fund	San Diego Works Proposal FY16-109	-	\$ -	\$ (30,687)	\$ (30,687)	\$ -
Fleet Services Replacement Fund Total		-	\$ -	\$ (30,687)	\$ (30,687)	\$ -
GIS Fund	Fringe Benefit Adjustment	-	\$ (106)	-	\$ (106)	\$ -
GIS Fund Total		-	\$ (106)	-	\$ (106)	\$ -
Golf Course Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 178,892	\$ 178,892	\$ -
	Water Conservation	1.00	\$ 74,824	-	\$ 74,824	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 4,089	-	\$ 4,089	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 1,197	\$ 1,197	\$ -
	Fringe Benefit Adjustment	-	\$ (5,434)	-	\$ (5,434)	\$ -
Golf Course Fund Total		1.00	\$ 73,479	\$ 180,089	\$ 253,568	\$ -
Information Technology Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 322,355	\$ 322,355	\$ -
	Fringe Benefit Adjustment	-	\$ (6,469)	-	\$ (6,469)	\$ -
	Transfer of Financial Reports Budget	-	\$ -	\$ (400,000)	\$ (400,000)	\$ -
Information Technology Fund Total		-	\$ (6,469)	\$ (77,645)	\$ (84,114)	\$ -
Junior Lifeguard Program Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 26	\$ 26	\$ -
	Fringe Benefit Adjustment	-	\$ (157)	-	\$ (157)	\$ -
Junior Lifeguard Program Fund Total		-	\$ (157)	\$ 26	\$ (131)	\$ -
Local Enforcement Agency Fund	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 307	-	\$ 307	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 105	\$ 105	\$ -
	Fringe Benefit Adjustment	-	\$ (646)	-	\$ (646)	\$ -
Local Enforcement Agency Fund Total		-	\$ (339)	\$ 105	\$ (234)	\$ -
Los Penasquitos Canyon Preserve Fund	Fringe Benefit Adjustment	-	\$ (81)	-	\$ (81)	\$ -
Los Penasquitos Canyon Preserve Fund Total		-	\$ (81)	-	\$ (81)	\$ -
Maintenance Assessment District (MAD) Management Fund	Projected Non-Personnel Expenditures	0.50	\$ 14,197	-	\$ 14,197	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 433	\$ 433	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 392	-	\$ 392	\$ -
	Fringe Benefit Adjustment	-	\$ (1,301)	-	\$ (1,301)	\$ -
Maintenance Assessment District (MAD) Management Fund Total		0.50	\$ 13,288	\$ 433	\$ 13,721	\$ -
Metropolitan Sewer Utility Fund	Pure Water Program	3.00	\$ 260,563	\$ 5,593,000	\$ 5,853,563	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 897,635	\$ 897,635	\$ -
	Advanced Water Purification Facility Demonstration	-	\$ -	\$ 500,000	\$ 500,000	\$ -
	San Diego Works Proposal FY16-007	-	\$ -	\$ 248,784	\$ 248,784	\$ -
	Assistant Deputy Director	1.00	\$ 133,968	-	\$ 133,968	\$ -
	Drought Mandate Enforcement	0.99	\$ 60,845	-	\$ 60,845	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 32,594	\$ 32,594	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 6,449	-	\$ 6,449	\$ -
	Rent Expense	-	\$ -	\$ (20,987)	\$ (20,987)	\$ -
	Fringe Benefit Adjustment	-	\$ (26,419)	-	\$ (26,419)	\$ -
	Senior Wastewater Operator	(1.00)	\$ (81,627)	-	\$ (81,627)	\$ -
Metropolitan Sewer Utility Fund Total		3.99	\$ 353,779	\$ 7,251,026	\$ 7,604,805	\$ -
Municipal Sewer Revenue Fund	Trench Repair Reimbursement	1.50	\$ 147,455	\$ 5,716,091	\$ 5,863,546	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 1,535,043	\$ 1,535,043	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 781,970	\$ 781,970	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ -	\$ 21,551	\$ 21,551	\$ -
	Fringe Benefit Adjustment	-	\$ 2,366	-	\$ 2,366	\$ -
	Rent Expense	-	\$ (22,781)	-	\$ (22,781)	\$ -
Municipal Sewer Revenue Fund Total		1.50	\$ 127,040	\$ 8,017,965	\$ 8,145,005	\$ 619
North Park MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 619	\$ 619	\$ 619
North Park MAD Fund Total		-	\$ -	\$ 619	\$ 619	\$ 619
OneSD Support Fund	Transfer of Financial Reports Budget	-	\$ -	\$ 400,000	\$ 400,000	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 421	-	\$ 421	\$ -
	Fringe Benefit Adjustment	-	\$ (4,781)	-	\$ (4,781)	\$ -
OneSD Support Fund Total		-	\$ (4,360)	\$ 400,000	\$ 395,640	\$ -
Parking Meter Operations Fund	Fringe Benefit Adjustment	-	\$ (760)	-	\$ (760)	\$ -
Parking Meter Operations Fund Total		-	\$ (760)	\$ -	\$ (760)	\$ -

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 1

FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
PETCO Park Fund	Reduction in Debt Service	-	\$ -	\$ 300,000	\$ 300,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 17	\$ 17	\$ -
	Fringe Benefit Adjustment	-	\$ (261)	\$ -	\$ (261)	\$ -
PETCO Park Fund Total		-	\$ (261)	\$ 300,017	\$ 299,756	\$ -
Public Art Fund	Public Art Fund Allocation	-	\$ -	\$ 45,934	\$ 45,934	\$ 45,934
Public Art Fund Total		-	\$ -	\$ 45,934	\$ 45,934	\$ 45,934
Public Safety Services & Debt Service Fund	Safety Sales Tax Allocation	-	\$ -	\$ 14,193	\$ 14,193	\$ 14,193
Public Safety Services & Debt Service Fund Total		-	\$ -	\$ 14,193	\$ 14,193	\$ 14,193
Publishing Services Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 240	\$ 240	\$ -
	Fringe Benefit Adjustment	-	\$ (476)	\$ -	\$ (476)	\$ -
	San Diego Works Proposal FY16-090	-	\$ -	\$ (11,664)	\$ (11,664)	\$ -
Publishing Services Fund Total		-	\$ (476)	\$ (11,424)	\$ (11,900)	\$ -
QUALCOMM Stadium Operations Fund	Rent Expense	-	\$ -	\$ 15,000	\$ 15,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 213	\$ 213	\$ -
	Fringe Benefit Adjustment	-	\$ (2,023)	\$ -	\$ (2,023)	\$ -
QUALCOMM Stadium Operations Fund Total		-	\$ (2,023)	\$ 15,213	\$ 13,190	\$ -
Recycling Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 204,409	\$ 204,409	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ -	\$ 3,994	\$ -	\$ 3,994
	SIRE Maintenance Redistribution	-	\$ -	\$ 2,913	\$ 2,913	\$ -
	Beverage Container Recycling and Litter Abatement	-	\$ -	\$ -	\$ -	\$ 350,000
	San Diego Works Proposal FY16-208	-	\$ -	\$ (1,328)	\$ (1,328)	\$ -
	Fringe Benefit Adjustment	-	\$ (5,787)	\$ -	\$ (5,787)	\$ -
	San Diego Works Proposal FY16-132	-	\$ -	\$ (124,800)	\$ (124,800)	\$ -
Recycling Fund Total		-	\$ (1,793)	\$ 81,194	\$ 79,401	\$ 350,000
Refuse Disposal Fund	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 285,481	\$ 285,481	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 4,946	\$ 4,946	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 434	\$ -	\$ 434	\$ -
	Fringe Benefit Adjustment	-	\$ (10,435)	\$ -	\$ (10,435)	\$ -
	San Diego Works Proposal FY16-136	-	\$ -	\$ (20,373)	\$ (20,373)	\$ -
	San Diego Works Proposal FY16-226	-	\$ -	\$ (20,691)	\$ (20,691)	\$ -
	San Diego Works Proposal FY16-222	(2.00)	\$ (33,491)	\$ (177,112)	\$ (210,603)	\$ -
Refuse Disposal Fund Total		(2.00)	\$ (43,492)	\$ 72,251	\$ 28,759	\$ -
Remington Hills MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 315	\$ 315	\$ 315
Remington Hills MAD Fund Total		-	\$ -	\$ 315	\$ 315	\$ 315
Risk Management Administration Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 4,577	\$ 4,577	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 1,771	\$ -	\$ 1,771	\$ -
	Fringe Benefit Adjustment	-	\$ (5,702)	\$ -	\$ (5,702)	\$ -
Risk Management Administration Fund Total		-	\$ (3,931)	\$ 4,577	\$ 646	\$ -
Transient Occupancy Tax Fund	Four Cent Tourism Reimbursement	-	\$ -	\$ 1,855,126	\$ 1,855,126	\$ -
	One Cent Discretionary Allocation	-	\$ -	\$ 342,862	\$ 342,862	\$ -
	Penny for the Arts	-	\$ -	\$ 205,117	\$ 205,117	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 1,654	\$ 1,654	\$ -
	Budget Neutral Public Art Fund Allocation	-	\$ -	\$ -	\$ -	\$ -
	Special Events Department Revenue	-	\$ -	\$ -	\$ -	\$ (75,000)
	Transient Occupancy Tax (TOT) Revenue	-	\$ -	\$ -	\$ -	\$ 1,714,309
Transient Occupancy Tax Fund Total		-	\$ (1,734)	\$ 2,404,759	\$ 2,403,025	\$ 1,639,309
Underground Surcharge Fund	SIRE Maintenance Redistribution	-	\$ -	\$ 329	\$ 329	\$ -
	Fringe Benefit Adjustment	-	\$ (706)	\$ -	\$ (706)	\$ -
Underground Surcharge Fund Total		-	\$ (706)	\$ 329	\$ (377)	\$ -
Washington Street MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 273	\$ 273	\$ 273
Washington Street MAD Fund Total		-	\$ -	\$ 273	\$ 273	\$ 273

UPDATE TO THE FY 2016 MAYOR'S MAY REVISION SUMMARY TABLE

Attachment 1

FUND TITLE	BUDGET ADJUSTMENT	FTE	PE	NPE	EXP	REV
Water Utility Operating Fund	Advanced Metering Infrastructure	24.50	\$ 1,638,478	\$ 7,148,833	\$ 8,787,311	\$ -
	Pure Water Program	3.00	\$ 260,563	\$ 5,593,000	\$ 5,853,563	\$ -
	Trench Repair Reimbursement	-	\$ -	\$ 2,203,073	\$ 2,203,073	\$ -
	Turf Replacement and Drought Outreach	-	\$ -	\$ 1,849,752	\$ 1,849,752	\$ -
	Support for Drought Response	11.00	\$ 700,471	\$ 760,238	\$ 1,460,709	\$ -
	Pension Payment Stabilization Reserve Trust	-	\$ -	\$ 1,349,274	\$ 1,349,274	\$ -
	Drought Mandates	8.01	\$ 492,296	\$ 245,730	\$ 738,026	\$ -
	Advanced Water Purification Facility Demonstration	-	\$ -	\$ 500,000	\$ 500,000	\$ -
	SIRE Maintenance Redistribution	-	\$ -	\$ 38,161	\$ 38,161	\$ -
	Council-Approved Sick Leave for Hourly Non-Benefitted Positions	-	\$ 19,641	\$ -	\$ 19,641	\$ -
	Fringe Benefit Adjustment	-	\$ (41,249)	\$ -	\$ (41,249)	\$ -
	San Diego Works Proposals	-	\$ -	\$ (48,990)	\$ (48,990)	\$ -
	Rent Expense	-	\$ -	\$ (93,414)	\$ (93,414)	\$ -
	Water Purchases	-	\$ -	\$ (20,596,430)	\$ (20,596,430)	\$ -
	Water Utility Operating Fund Total	46.51	\$ 3,070,200	\$ (1,050,773)	\$ 2,019,427	\$ -
Webster-Federal Boulevard MAD Fund	Projected Non-Personnel Expenditures and Revenue	-	\$ -	\$ 2,079	\$ 2,079	\$ 2,079
	Wireless Communications Technology Fund	-	\$ -	\$ 2,079	\$ 2,079	\$ 2,079
	Fringe Benefit Adjustment	-	\$ (3,044)	\$ -	\$ (3,044)	\$ -
	Wireless Communications Technology Fund Total	-	\$ (3,044)	\$ -	\$ (3,044)	\$ -
	Zoological Exhibits Maintenance Fund	-	\$ -	\$ 108,025	\$ 108,025	\$ 108,025
	Zoological Exhibits Maintenance Fund Total	-	\$ -	\$ 108,025	\$ 108,025	\$ 108,025
Non-General Fund Total		54.50	\$ 3,587,236	\$ 19,650,203	\$ 23,237,439	\$ 2,283,256
City Total		102.06	\$ 6,817,880	\$ 45,501,367	\$ 52,319,247	\$ 10,647,103

EXECUTIVE SUMMARY

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: June 3, 2015

IBA Report Number: 15-22

City Council Docket Date: June 8, 2015

Item Number: 202

PROPOSED REVISIONS TO THE MAYOR'S FY 2016 BUDGET

Final IBA Recommended Funding Revisions to the FY 2016 Budget

<i>Description</i>	One-Time (Excess Equity)	General Fund Ongoing
<i>IBA Proposed Resources</i>		
Fund Public Liability Reserve through FY 2016 rather than FY 2018, freeing up \$5.8 million in excess equity and \$900,000 in ongoing funds. This is consistent with City policy goals and the FY 2016-FY 2020 Outlook.	\$ 5,800,000	\$ 900,000
Free up \$5.0 million of ongoing resources by utilizing excess equity to fund \$5.0 million in one-time costs for the Bayside Fire Station construction.	(5,000,000)	5,000,000
Total Available Resources	\$ 800,000	\$ 5,900,000
<i>IBA Proposed FY 2016 Budget Revisions for Council Consideration</i>		
Penny for the Arts Blueprint - Increase from 5.7% to 6% of 1 cent TOT	\$ -	\$ (500,000)
IBA consultant to support complex analyses	-	(20,000)
7.00 FTE Mechanics to help achieve Fleet vehicle maintenance and safety goals	-	(453,000)
2.00 FTE Associate Personnel Analysts to support hiring workload	-	(192,000)
3.00 FTE Park Rangers for Shoreline Parks, Sunset Cliffs Natural Park, and Chicano Park	-	(384,000)
ADA Upgrades/Tot lots in neighborhood parks (one-time cost)*	-	(500,000)
Traffic Signal Optimization Technology to address traffic congestion (one-time cost)*	-	(1,500,000)
Mission Beach street vacuuming to help mitigate fly infestation during summer months	-	(40,000)
Market Street Sidewalks - design and environmental analysis conducted in FY 2016 (one-time cost)*	(375,000)	(625,000)
Replacement of old City Hall carpet to prevent trips and falls (one-time cost)	(425,000)	-
Total Suggested Budget Revisions	\$ (800,000)	\$ (4,214,000)
Net Balance **	\$ -	\$ 1,686,000

*One-time expenditure funded with ongoing resources

**Available for excess equity or one-time unfunded Council/community priorities

Council Majority Priorities Not Recommended for Funding at this Time**Implementing the Police Executive Research Forum (PERF) Report/Focusing on Community Oriented Policing**

A majority of Councilmembers requested resources for implementing the Police Executive Research Forum (PERF) report, focusing on community oriented policing, and/or designating Community Relations Officers. Specific estimated costs have yet to be developed for implementing the PERF and community oriented policing recommendations. A status update on PERF report implementation, including a discussion of potential costs, is scheduled for review at the Public Safety and Livable Neighborhoods Committee on July 29, 2015.

Permanent Police Traffic and Special Events Building

A majority of Councilmembers requested funding for the design of a permanent Police Traffic and Special Events building to replace the current temporary modular facility adjacent to the Eastern Division Substation. This project requires further discussion with the Police and Engineering & Capital Projects Departments regarding facility priorities and the Department's operational needs at this site.

Other Significant Budget Issues**May Revision Proposed Pension Payment Stabilization Trust Fund - \$15.0 million Excess Equity**

In budget priority memoranda, all Councilmembers expressed interest in exploring the concept of a pension payment stability fund or similar mechanism to protect the General Fund from potential future variances in annual pension payments. While several Councilmembers supported a \$15.0 million irrevocable trust, a majority of Councilmembers supported setting aside no less than 1% of excess equity, or \$11.6 million, which could be used for establishing this fund pending development of a pension stabilization policy. This is a \$3.4 million difference from the Mayor's current \$15.0 million proposal. Options for using these one-time funds include: remaining in excess equity at year-end; potentially increasing funding levels for a pension stabilization reserve depending on policy decisions; advance funding the Public Liability Fund for FY 2017 once the amount of excess equity is determined at year-end; or using a small portion of it for a one-time capital item consistent with the City's Reserve Policy.

A majority also expressed support for the Budget and Government Efficiency Committee working expeditiously with appropriate parties to develop a policy, parameters, and a multi-year funding plan prior to returning to full Council for action.

May Revision Proposed Public Liability Reserve Funding - \$5.8 million Excess Equity, \$0.9 million General Funds

The May Revision included \$6.7 million in funding to advance fund policy targets for the Public Liability Reserve through FY 2018, two years ahead of schedule. In their memos, a majority of Councilmembers supported funding the Public Liability Reserve target through FY 2016 as reflected in the Mayor's Proposed Budget. Achieving the FY 2016 funding target is consistent with the City's Reserve Policy as well as the Mayor's FY 2016-2010 Five-Year Outlook.

Attachment G

Eliminating advance funding for the FY 2017 and FY 2018 target contributions frees up excess equity, which can fund one-time costs for construction of the Bayside Fire Station. This would make the \$5.0 million in ongoing General Funds that are currently budgeted for the Bayside Station available for other funding priorities as shown in the table on the first page.

Update on Residual RPTTF Money Potentially Impacting FY 2016 and Beyond

On May 26, 2015, the Superior Court of California issued a ruling that will impact the process used by the San Diego County Auditor and Controller (CAC) to determine residual Redevelopment Property Tax Trust Fund (RPTTF) payments to taxing entities in the region. Per State law, residual RPTTF payments are to be apportioned to taxing entities based on the amount of property tax available in the RPTTF after deducting amounts reserved for Recognized Obligations and administrative payments.

The Court found that the CAC's calculation of residual RPTTF payments was not in compliance with State law, and effectively favored those entities that receive more pass-through payments than those that do not. Should the decision stand, preliminary estimates show that the City will receive a one-time payment of between \$18.0 million and \$25.0 million to make up for previous residual RPTTF distributions, and additional ongoing payments of several million dollars annually in RPTTF distributions.

Appeals to the decision must be filed within 60 days. To date we are unaware of any appeal, but urge caution in relying on additional RPTTF receipts until the window for appeals has closed. This is provided for information only in the context of potential future budget impacts.

Other IBA FY 2016 Budget Recommendations:

The following recommendations are also suggested for Council consideration:

1. That a list of Park & Recreation and Library facilities, planned for repair utilizing the \$1.7 million allocation as proposed in the May Revise, be provided to the Council in advance of their vote on final budget decisions on June 8, 2015.
2. That the Personnel Department provide raw data on a quarterly basis to Council on the status of all vacancies, as well as the vacancy status of new positions added in FY 2016.
3. That the results of the Traffic Signal Communication Master Plan be brought to the Infrastructure Committee in the near future to apprise the Council of Plan priorities, time frames, and funding needs for implementing traffic signal optimization throughout various communities.

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: June 3, 2015**IBA Report Number:** 15-22**City Council Docket Date:** June 8, 2015**Item Number:** 202

Review of the FY 2016 May Revision and Recommended Revisions to the Mayor's FY 2016 Budget

The IBA's review of the Mayor's FY 2016 Proposed Budget was issued on April 27, 2015 as IBA Report No. 15-16. Departmental and agency budget hearings with the Budget Review Committee took place May 4, 2015 through May 8, 2015. On May 11, 2015, the City Council held an evening budget hearing to solicit input from the community on the Mayor's budget proposals and their budget priorities for FY 2016. On May 19, 2015, the Mayor issued a May Revision to his Proposed Budget (May Revision) along with the FY 2015 Year-End Budget Monitoring Report (Year-End Report), which was discussed at the Budget Review Committee on May 21, 2015. The Mayor issued a supplement to the May Revision on May 21, 2015.

This report presents our final FY 2016 budget review and recommendations for Council budget modifications based on the following: our analysis of the FY 2016 May Revision and its subsequent supplement, the FY 2015 Year-End Report, and the FY 2016 Proposed Budget; our review of Councilmember budget priority memoranda submitted to our office on May 22, 2015; and consideration of feedback from the public, City staff, and City Councilmembers during the budget review hearings.

OVERVIEW OF THE FY 2015 YEAR-END BUDGET MONITORING REPORT

Our office has reviewed the FY 2015 Year-End Report and notes that the Financial Management Department (FM) has provided detailed explanations for variances between the Year-End Report and the year-end projections that were included as part of the FY 2015 Mid-Year Budget Monitoring Report (Mid-Year Report). We note, however, that the variances discussed in the Mid-Year Report are comparisons of updated year-end revenue and expenditure projections to the Current Budget, as opposed to the Adopted Budget. The Current Budget includes increases made as part of the Mid-Year Budget adjustments to the Adopted Budget, and those adjustments provide sufficient appropriations to cover the year-end projections. This section provides

Attachment G

comparisons of the year-end projections to the Adopted Budget for General Fund revenues and expenditures.

General Fund Revenues

FY 2015 Projected Year-End General Fund Revenue (in millions)					
	FY 2015 Adopted Budget	FY 2015 Mid-Year Projection	FY 2015 Year-End Projection	Variance: Adopted Budget to Year-End	Variance: Mid-Year to Year-End
Property Tax	\$445.4	\$446.6	\$446.4	\$0.9	\$(0.2)
Property Transfer Tax	9.2	8.1	8.1	(1.0)	0.0
Sales Tax	257.1	259.1	259.0	1.9	(0.1)
Transient Occupancy Tax	92.3	94.5	96.4	4.0	1.9
Major Franchise Fees	70.7	76.1	79.1	8.5	3.0
Other General Fund Revenue	313.8	318.4	318.3	4.4	(0.1)
Total:	\$1,188.6	\$1,202.8	\$1,207.3	\$18.7	\$4.5

Totals may not add due to rounding

As displayed in the table above, General Fund revenues are projected to be approximately \$1.21 billion at fiscal year end, which is \$18.7 million or 1.6% over the FY 2015 Adopted Budget, and \$4.5 million or 0.4% over the year-end projection reported in the Mid-Year. Changes in General Fund revenue projections have not changed significantly from the year-end projections reported in the Mid-Year, with the following two exceptions:

Transient Occupancy Tax (TOT): TOT revenues are projected to be approximately \$96.4 million at fiscal year end, which is \$4.0 million or 4.4% over the FY 2015 Adopted Budget, and \$1.9 million or 2% over the increased year-end projection reported in the Mid-Year. TOT is levied on the daily room price of hotels, motels, and vacation rentals in which the transient's stay is less than one month. Due to the sustained increase in TOT receipts, FM has increased the TOT growth rate from 5.5% to 6% for the rest of the fiscal year. Our office agrees with this increase and suggests that TOT revenue be closely monitored in order to determine if another increase in the growth rate is warranted as part of the FY 2016 Mid-Year Report.

Major Franchise Fees: Franchise Fees are projected to total \$79.1 million at the year-end, which is \$8.5 million or 11.9% above the FY 2015 Adopted Budget, and \$3.0 million or 4% above the year-end projection reported in the Mid-Year. Almost all of this increase is due to increases in projected franchise fees paid by SDG&E. As stated in FM's Year-End Report, the franchise fee projections in the Mid-Year report used an estimated February clean-up payment amount from SDG&E, the actual payment received was higher than that estimate, and total projected SDG&E Franchise Fees have increased by \$2.1 million.

General Fund Expenditures

General Fund Expenditures (\$ in millions)	FY 2015 Adopted Budget	FY 2015 Mid- Year Projection	FY 2015 Year-End Projection	Variance: Adopted to Year-End	Variance: Mid-Year to Year-End
Salaries and Wages	\$ 493.4	\$ 504.9	\$ 501.1	\$ (7.7)	\$ 3.8
Fringe Benefits	339.9	344.3	345.5	(5.6)	(1.2)
Subtotal Personnel Expenditures	\$ 833.3	\$ 849.2	\$ 846.6	\$ (13.3)	\$ 2.6
Contracts	\$ 173.7	\$ 172.9	\$ 168.4	\$ 5.4	\$ 4.5
Energy & Utilities	40.5	39.9	37.0	3.5	3.0
Information Technology	25.9	27.0	27.2	(1.3)	(0.2)
Supplies	27.0	26.7	27.9	(0.8)	(1.1)
Other Expenditures	102.0	96.0	103.7	(1.7)	(7.7)
Subtotal Non-Personnel Expenditures	\$ 369.1	\$ 362.5	\$ 364.1	\$ 5.1	\$ (1.6)
TOTAL EXPENDITURES	\$ 1,202.4	\$ 1,211.7	\$ 1,210.6	\$ (8.2)	\$ 1.1

Totals may not add due to rounding

As shown in the table above, the total variance from the FY 2015 Adopted Budget to the Year-End Report projection is \$8.2 million in over-budget expenditures that is mitigated by the budget increases made as part of the Mid-Year Budget adjustments. The \$8.2 million in over-budget projected expenditures include the following:

- \$7.7 million over-budget salaries and wages, including the following off-setting components:
 - \$15.9 million in under-budget salaries: As mentioned in the Year-End Report, under-budget salaries are due to vacancies, and we note higher vacancies than budgeted. The projected savings is \$15.9 million higher than the \$18.7 million budgeted vacancy savings. The largest components of the \$15.9 million in under-budget salaries include:
 - \$8.9 million for Police (combining \$8.9 million under-budget salaries and \$11.9 million over-budget overtime nets an over-budget amount of \$3.0 million)
 - \$2.2 million for Fire-Rescue (combining \$2.2 million under-budget salaries and \$4.5 million over-budget overtime nets an over-budget amount of \$2.3 million)
 - \$1.3 million for Transportation & Storm Water
 - \$1.0 million for Communications
 - \$500,000 for Planning
 - \$463,000 for the City Attorney's Office
 - \$17.9 million in over-budget overtime largely related to public safety departments
 - \$11.9 million for Police:
 - \$5.5 million of the FY 2015 over-budget overtime is related to amounts that were budgeted elsewhere in the Police Department. Note that for FY 2016, adjustments have been made to include these amounts as overtime

- \$1.4 million is related to the task force work conducted by the Police Department that is reimbursed by other agencies. This amount was not included in the FY 2015 Adopted Budget but has been added to the overtime budget for FY 2016
- The remaining \$5.0 million in over-budget overtime for Police includes \$1.1 million related to reimbursable AB 109 activities, \$2.0 million related to other reimbursable grant activities, and \$2.0 million related to understaffing and operations. These amounts have not been included in either the FY 2016 Proposed Budget or the May Revision
 - \$4.5 million for Fire-Rescue, which is related to vacancies and constant staffing issues
 - \$2.2 million in over-budget termination pay, largely due to Police and Fire-Rescue overages of \$1.1 million and \$583,000, respectively
 - \$1.6 million in over-budget pay in lieu of annual leave spread over various departments
 - \$895,000 in over-budget hourly wages, primarily due to \$289,000 for Police, \$345,000 for Fire-Rescue, and \$627,000 for Park & Recreation, off-set with savings in Library of \$364,000
 - \$899,000 in over-budget special pay, largely due to \$1.1 million in over-budget Fire-Rescue special pay (which is off-set by savings in other departments). The FY 2016 budget amount for Fire-Rescue has been increased by only \$264,000
- \$5.6 million over-budget in fringe benefits, of which the largest components include:
 - \$2.4 million for increased Workers' Compensation (WC) claims and an increased WC reserve requirement resulting from an updated reserve target amount
 - \$1.4 million for an increased Long-Term Disability (LTD) reserve requirement resulting from an updated reserve target amount, as well as \$1.1 million to pre-fund the LTD reserve contribution for FY 2016
 - \$1.2 million for an increased General Fund allocation for the Actuarially Determined Contribution (ADC) pension payment
- \$5.4 million under-budget in contracts, largely due to delays in contracting for various departments, as well as \$1.7 million in savings in elections costs
- \$3.5 million under-budget in energy and utilities costs, largely due to savings in fuel costs
- \$1.7 million over-budget in other expenditures including the following offsetting variances:
 - A \$6.2 million increase in Public Liability reserve contributions (see the Public Liability section, discussed later in this Report)
 - A \$2.5 million decrease in debt service due to the delay in issuing the DC3 infrastructure bonds
 - A \$2.3 million decrease in Economic Development's other expenditures budget largely due to moving the budget for winter shelters and other homeless support services to the contracts category

- A \$870,000 decrease due to the decline in Mission Bay lease revenues to be transferred to the Park Improvement Funds

Engineering & Capital Projects Fund

The Engineering & Capital Projects (E&CP) Fund net year-end projection for Fiscal Year 2015 is a \$1.9 million deficit that is largely attributable to the Department's vacant reimbursable positions. A total of 30.00 FTEs were added to E&CP's budget in FY 2015 for project management and delivery. However, hiring for these positions has taken several months, and the issue is compounded as vacancies filled through promotions create new vacancies. In some cases, promotions have meant that staff have moved from positions with higher reimbursable rates to lower reimbursable rates, therefore temporarily reducing Department revenue. The revenue projection has decreased by \$2.5 million from the Mid-Year because previous revenue estimates assumed vacancies would be filled at a faster rate.

Public Works Department (PWD) staff indicates they are looking to "true-up" the deficit before the end of Fiscal Year 2015 by proportionally allocating costs to E&CP's customer base. Staff is consulting with the City Attorney's Office to determine the appropriate basis of allocation. To proactively address a potential deficit in FY 2016, PWD, Financial Management, and Comptroller's Office staff are currently calculating an increase in the FY 2016 overhead rate for E&CP. PWD staff anticipates the need to increase their overhead rate to fully recover E&CP costs in FY 2016 due to the addition of 112.00 FTEs in the FY 2016 Proposed Budget. The impact of any overhead increase to the FY 2016 Adopted Budget will be monitored and reported on in the First Quarter Budget Monitoring Report.

OVERVIEW OF THE FY 2016 MAY REVISION AND KEY ISSUES

The May Revision (including the supplement) increases the Mayor's FY 2016 General Fund budget expenditures by approximately \$29.1 million or 2.3% from the Proposed Budget, increasing total expenditures from \$1.28 billion to \$1.30 billion. General Fund revenues increased by approximately \$8.4 million, or 0.7%, from \$1.27 billion to \$1.28 billion. Expenditure increases grew \$20.7 million above new resources due to the proposed use of a corresponding amount of excess equity to fund a number of one-time expenses, as discussed later in this Report.

The May Revision and its supplement increased the net number of General Fund FTEs by 47.56 from the Proposed Budget, to a total of 7,268.95 FTEs—a proposed overall increase of 293.66 FTEs in the General Fund in FY 2016. For FY 2016, the Mayor has proposed a City-wide increase of 526.15 FTEs; in our Review of the FY 2016 Proposed Budget, our office raised the question of whether the City had sufficient internal resources to manage and hire for those additional positions, especially given the number of current City vacancies. Councilmembers discussed the adequacy of internal City resources during the Budget Review Committee meetings and a majority of Councilmembers requested additional support for internal operations as discussed in the Councilmembers' Final Budget Priority Memoranda section later in this Report.

PRIMARY RESOURCES USED TO BALANCE THE MAY REVISION

The increased expenditures included in the May Revision and its supplement are funded through a variety of sources: increases in General Fund revenues; a number of reductions in expenditures due to savings identified through the San Diego Works program; net expenditure savings in the Fire-Rescue Department associated with helicopter maintenance; a reduction in debt service payments associated with the infrastructure bond; and the use of one-time resources, most significantly \$20.8 million in projected FY 2015 year-end excess equity. An overview of revenue and equity resources that fund a net \$29.1 million in expenditure increases is displayed in the table below.

<i>Resources for May Revision General Fund Expenditures (per Supplemental May Revision)</i>	<i>FY 2016</i>
Excess Equity-Pension Stabilization Fund	\$ 15,000,000
Excess Equity-Public Liability Reserve	5,800,000
Excess Equity-Community Projects, Programs & Services (CPPS)	(82,049)
Property Tax Revenue	2,655,765
Transient Occupancy Tax (TOT) Revenue	2,228,602
Park & Recreation TOT Reimbursement	1,855,126
User Fee Increases	881,098
Revenue Associated With Position Additions	581,107
Property Transfer Tax Revenue	146,664
Net Other Revenue Adjustments	15,495
TOTAL RESOURCES	\$29,081,808

Our office reviewed the significant resources used to balance the May Revision in the sections below, and later in this report in our discussion of excess equity.

General Fund Revenue

FY 2016 Proposed General Fund Revenue (in millions)			
	FY 2016 Proposed Budget	FY 2016 May Revision	Total FY 2016 Budget
Property Tax	\$467.4	\$2.7	\$470.1
Property Transfer Tax	8.2	0.1	8.4
Sales Tax	285.8	0	285.8
Transient Occupancy Tax	100.3	2.2	102.5
Major Franchise Fees	80.8	(.0)	80.8
Other General Fund Revenue	332.2	3.3	335.5
Total:	\$1,274.6	\$8.4	\$1,283.0

Totals may not add due to rounding

As displayed in the table above, General Fund revenues increased by approximately \$8.4 million or 0.7% from the FY 2016 Proposed Budget due mainly to increases in Property Tax, TOT, increases in TOT reimbursements to the General Fund, and approximately \$881,000 in increased user fee revenue.

Increased Property Tax and TOT revenues are based on updated information from the San Diego County Assessor's Office and an increase in recent revenue distributions received by the City in FY 2015 above projected amounts, respectively. The General Fund's portion of TOT (5.5 cents of the total 10.5 cent assessment) has increased by \$2.2 million in the May Revision; and total TOT (full 10.5 cent) has increased \$3.6 million. TOT receipts came in consistently over-budget in FY 2015, and the growth rate was increased at year-end from 5.5% to 6%. The 6% growth rate for TOT is maintained in FY 2016.

Both Franchise Fees and Sales Tax projections did not change from the Proposed Budget due to no new revenue distributions being received by the City since formulation of the budget (both revenues are distributed to the City on a quarterly basis).

Based on our review, we believe these major revenue adjustments in the May Revision are appropriate, although as stated in our review of the FY 2015 Year-End Report, we suggest that TOT revenue be closely monitored in order to determine if another increase in the growth rate is warranted at the mid-year in FY 2016.

User Fees

The May Revision included an increase of \$881,000 in ongoing user fee revenue related to fees updated through the Comprehensive General Fund User Fee Analysis. This revenue assumption included updates to all associated user fees except those related to Police Department-regulated firearms dealers and entertainment permits. However, when the City Council took action on the User Fee Analysis on May 19, 2015, several other proposed fee adjustments were returned to staff. These include permit fees for massage therapists, pawn shop and secondhand retailers, and holistic health practitioners. Financial Management has indicated that the revenue associated with the fees returned to staff is approximately \$15,000. Therefore, the anticipated increase in FY 2016 user fee revenue over the Proposed Budget is now \$866,000.

REVIEW OF TOP COUNCIL EXPENDITURE PRIORITIES ADDRESSED IN THE PROPOSED BUDGET AND MAY REVISION

On February 3, 2015 the City Council adopted the FY 2016 Council Budget Priorities Resolution No. 309499 which was forwarded to Mayor Faulconer for his consideration as he developed the FY 2016 Proposed Budget. As we noted in our review of the Proposed Budget, all of the priorities supported by a majority of the Councilmembers received funding in FY 2016. An overview of those priorities is provided in the sections below, as are Councilmember requests discussed during the Budget Review Committee meetings that were included in the Mayor's May Revision.

Police Recruitment and Retention: Councilmembers unanimously identified Police recruitment and retention as a top priority when they developed their FY 2016 budget priority memoranda. The FY 2016 Proposed Budget includes funding for the Police Department to address recruitment and retention, including:

- \$11.1 million in personnel and non-personnel expenditures to support the first year of the Memorandum of Understanding with the Police Officers' Association
- The addition of 22.00 FTE civilian positions
- The addition of 5.00 FTE sworn positions
- \$1.1 million to support sworn positions, including new recruits
- \$2.1 million for the continued implementation of body worn cameras

Fire-Rescue: Councilmembers indicated their ongoing support for improving Fire-Rescue response times which is addressed in the FY 2016 Proposed Budget through the following funding allocations:

- \$2.5 million for the operation of two new fire stations: East Side Mission Valley Fire Station and the Skyline Temporary Fire Station
- \$1.2 million for Fast Response Squad program continuation and expansion
- \$1.1 million for a one-time increase to fund two additional fire academies

Infrastructure: When Councilmembers developed their budget priority memoranda in January, they unanimously agreed on the necessity of providing funding for infrastructure. The FY 2016 Proposed Budget allocates cash funding to support the City's infrastructure needs, and additional resources were identified in the May Revision:

- The FY 2016 Proposed Budget includes:
 - \$29.2 million for street repairs
 - \$5.0 million for implementation of the SAP Enterprise Asset Management module (General Fund portion)
 - \$3.2 million for sidewalk repairs
 - \$1.4 million for condition assessments (General Fund facilities)
- The May Revision includes a \$1.7 million transfer of funding for the repair of libraries and park and recreation facilities, as discussed in the Other Significant Issues section later in this Report.

Community Services: The FY 2016 Proposed Budget included funding for increased park maintenance services, funding for brush management in Otay Valley Regional Park, and the addition of recreation center hours at 16 facilities, which were in line with priorities identified by Council in their budget priorities resolution. During the Budget Review Committee meetings however, Councilmembers raised concerns about the number of recreation centers that were identified for increased hours of operation, as well as the reduction of the library materials budget. These, and other concerns, are addressed in the Mayor's May Revision:

- Library Department:
 - Addition of approximately \$210,000 to restore the library materials budget
 - Approximately \$40,000 to support Sunday hours at the Pacific Beach Library
- Park & Recreation Department:
 - \$1.2 million to support increased hours of operations at 20 additional recreation centers resulting in extended hours at a total of 36 centers

- Addition of 1.00 Program Manager and approximately \$130,000 to support Balboa Park/Mission Bay Park
- Addition of 1.00 Horticulturalist and approximately \$75,000 to support the Water Conservation Program

Internal Efficiencies: The FY 2016 Proposed Budget included significant support for information technology (IT) initiatives that are designed to promote efficiencies for City staff as well as for people seeking information or services from the City, such as online customer portals; upgrades to the City's budgeting, human resources, personnel, and procurement modules; upgrades/replacement to the City's CAD systems; and library broadband upgrades.

The May Revision also includes funding for IT initiatives including:

- Approximately \$98,000 in the Performance & Analytics Department to support a performance dashboard and an online open budget tool
- Additional support from the Water Utility Operating Fund (Non-General Fund) to support the implementation, maintenance, and operation of the Advanced Metering Infrastructure project as well as funds to support the continuation of the Advanced Water Purification Facility Demonstration Project and acceleration of the PURE Water Program

NEW INFORMATION SINCE THE PROPOSED BUDGET – PUBLIC UTILITIES

The May Revision includes a number of changes to the budget for the Public Utilities Department (PUD), largely to address new State drought mandates. Changes are supported by both the Sewer Funds and the Water Fund. Significant drought-related changes include:

\$20.6 million reduction in Water Fund expenses related to water purchases: This decrease in expenditures is related to the implementation of drought mandates in the City, which require a 16% reduction in water use. The total expenditure reduction also recognizes a 6.6% increase in rates being charged by the County Water Authority for wholesale purchase of water.

No corresponding reduction in revenues to the Water Fund is included in the May Revision; PUD staff indicates that the overall revenue associated with water sales will be addressed in the upcoming Cost of Service Study, which is expected to move forward this summer.

\$14.7 million increase and 26.00 new FTEs to support the City's Advanced Metering Infrastructure (AMI) Project: AMI will allow real-time tracking of water consumption and can help the City more accurately track consumption and allow PUD customers to monitor water use and to take corresponding conservation efforts, rather than relying on their bills to determine their overall use. PUD plans to replace or retrofit all water meters in the City to an AMI meter over the next 30 months.

Of the 26.00 FTEs added for AMI implementation, 15.00 positions are limited (as opposed to permanent positions), and are associated with the installation of new meters.

\$738,000 increase and 8.01 FTEs for Water Use Restriction Enforcement: In order to enforce the City's drought restrictions, the May Revision includes additional funding and staff

Attachment G

for enforcement. Proposed staff include: 1.00 FTE Supervisor, 1.00 FTE Administrative Aide, 4.00 FTE Code Compliance officers to enforce restrictions, and 2 FTE Field Representatives to assist with water use surveys requested by ratepayers.

Additionally, the May Revision includes:

- \$11.8 million and 6.00 new FTEs to support the PURE Water Program
- \$1.8 million for turf replacement/conservation outreach
- \$1.5 million and 11.00 FTEs to respond immediately to any emergency repairs necessary to minimize loss of water
- \$3.7 million to conform with the City's Street Preservation Ordinance
- \$3.0 million to support the proposed Pension Payment Stabilization Reserve Trust
- \$1.0 million to continue the Advanced Water Purification Facility Demonstration Project

KEY RESULTS OF COUNCILMEMBERS' FINAL BUDGET PRIORITY MEMORANDA & ADDITIONAL IBA RECOMMENDATIONS

As part of the FY 2016 budget development process, Councilmembers submitted budget priority memoranda to our office on May 22, 2015, which are included in their entirety as attachments to IBA Report Number 15-23. Our office reviewed the budget priorities mentioned by a majority of Councilmembers (five or more) in their memoranda, and we discuss the expenditures prioritized by a majority of Councilmembers in the sections below. We have recommended funding for seven of the top priorities. For two of the top priorities, we have noted that funding plans, cost estimates, or other information is needed before developing a funding recommendation.

Three other items which were not mentioned by a majority of Councilmembers are recommended for funding by our office to address health and safety issues.

Budget priorities that were mentioned by a significant number of Councilmembers (four) in their memoranda are listed in **Attachment 1** of this Report for further Council consideration. Many Councilmembers also provided recommendations on the use of excess equity, including the pre-funding of the Public Liability Reserve and the creation of a Pension Payment Stabilization Trust Fund, which we discuss in the sections following the expenditure proposals.

Discussion of Councilmember Expenditure Proposals

The following items were mentioned by five or more members of the City Council in their budget priority memos:

ONGOING EXPENDITURE PRIORITIES RECOMMENDED FOR FUNDING***Addition of Park Rangers for Shoreline Parks, Sunset Cliffs Natural Park, and Chicano Park
- \$384,000***

The FY 2016 Proposed Budget includes funding for 38 Park Ranger positions, the same number of positions as in the FY 2015 Budget. The following table provides the current allocation of park ranger staffing for each area:

Site/District	Number of Park Rangers
Balboa Park	6
Chollas Lake	1
Presidio Park and Mission Hills Park	1
Mission Bay Park	5
Open Space Parks	23
Shoreline Parks	2
TOTAL	38

A majority of the City Council budget priority memos collectively requested additional Park Rangers to support the City's Shoreline Parks (coastal system includes 65 view areas and coastal access points), Sunset Cliffs Natural Park, and Chicano Park. The Shoreline Parks (which exclude Mission Bay Regional Park) span approximately 14 miles of beachfront coastline and extend from Torrey Pines City Park South to Sunset Cliffs Natural Park. Chicano Park, a 7.9 acre park located beneath the Coronado Bridge in Barrio Logan, is listed on the National Register of Historic Places for San Diego County.

Currently, the Shoreline Parks are allocated two Park Rangers to address public information and safety needs. One Park Ranger is assigned exclusively to the Children's Pool to meet the commitments of the Coastal Development Permit for the rope barrier, with the other Park Ranger assigned to patrol Tourmaline Surf Park and Shoreline Parks northward. These positions report directly to the District Manager for the Shoreline Parks group. No Park Rangers are currently assigned to the Shoreline Parks south of the Tourmaline Surf Park. Similar to the southern Shoreline Parks, Chicano Park does not currently have a Park Ranger assigned to patrol it. Due to limited Park & Recreation Department resources, other City departments such as the Police and Fire-Rescue Departments have assisted in providing services to the public at these locations.

The FY 2015 Adopted Budget added one Park Ranger position to the Shoreline Parks group to initiate the creation of a "pool" of resources for the Shoreline Parks, similar to the resource structure used for Balboa Park. However, coverage for the Shoreline Parks south of Tourmaline Surf Park continues to lack resources. The Park & Recreation Department anticipates that the addition of 1.00 Senior Park Ranger and 2.00 Park Ranger positions would be able to provide the coverage requested within the City Council budget priority memos. These positions would allow for a dedicated Ranger position for shoreline parks from Tourmaline Surf Park southward to Sunset Cliffs, supplement additional coverage within the shoreline parks as necessary, and potentially dedicate a position to provide coverage at Sunset Cliffs and Chicano Parks. The exact division of responsibilities would need to be evaluated by the Park & Recreation Department to ensure the intended additional coverage is achieved.

Attachment G

It is projected that the addition of these positions would allow for a Park Ranger to patrol the shoreline areas seven days per week for a majority of the time as well as provide coverage to Sunset Cliffs and Chicano Parks. The addition of a Senior Park Ranger position would allow for an effective reporting structure for the rangers assigned to the Shoreline Parks group. The projected cost for these positions in FY 2016 would be \$384,000 (\$156,000 for 1.00 Senior Park Ranger and \$228,000 for 2.00 Park Rangers) which includes costs for vehicles, equipment, and other personnel and non-personnel expenses. Ongoing costs beyond FY 2016 are estimated at \$273,000 annually.

Increased Support for the Penny for the Arts Blueprint Goal - \$500,000

The FY 2016 Proposed Budget increased funding for the Penny for the Arts Five-Year Blueprint (Blueprint) by approximately \$871,000 over FY 2015, an increase in dollars spent but maintenance of the 5.7% of 1 cent of TOT allocation. The Mayor's May Revision included an additional increase of approximately \$205,000 in expenditures towards the Blueprint in order to maintain the 5.7% allocation for the program in FY 2016, due to the projected increase in TOT.

The Blueprint specifies that allocations to Arts, Culture, and Community Festivals programs should equal 8.55% of 1 cent of TOT in FY 2016. In FY 2016, TOT is projected to be approximately \$195.0 million; 8.55% of that total equals \$16.7 million, which is approximately \$5.6 million more than the \$11.1 million budget (5.7% of 1 cent of TOT) proposed in the May Revision.

A majority of Councilmembers indicated support in their budget priority memoranda for additional funding for the Blueprint ranging from \$500,000 to \$1.0 million. The table below displays the amount of Penny for the Arts funding/percent of TOT currently allocated in FY 2016, the amount of Penny for the Arts funding/percent of TOT specified in the Blueprint for FY 2016, and the percent of TOT in FY 2016 if Penny for the Arts funding is increased by \$500,000 or \$1.0 million. Our office is recommending an additional total increase over FY 2015 of approximately \$705,000.

PENNY FOR THE ARTS				
	FY 2016 May Revision	FY 2016 Penny for the Arts Blueprint Goal	Increased Support: \$500,000	Increased Support: \$1,000,000
Penny for the Arts Funding as a % of TOT	5.70%	8.55%	5.96%	6.21%
Transient Occupancy Tax Projection (10.5 cent) ¹	\$ 195,040,104	\$ 195,040,104	\$ 195,040,104	\$ 195,040,104
Penny for the Arts Funding (\$)	11,117,286	16,675,929	11,617,286	12,117,286
Variance in Funding from the Blueprint Goal (\$)	\$ (5,558,643)	\$ -	\$ (5,058,643)	\$ (4,558,643)

¹ 10.5 cent Transient Occupancy Tax projections as included in the FY 2016 May Revision.

Fleet Services Personnel Additions - \$453,000

A majority of Budget Priority Memos call for the addition of 14.00 FTE Fleet Technicians. Those memos show related costs of between \$906,000 and \$1.4 million in associated personnel costs. Fleet Services indicates that it is in the process of identifying both administrative and operational needs, and that the Proposed Budget takes positive steps towards addressing the

Department's needs. Additional PE and NPE funding could assist the Department in ensuring improved fleet service operations, though additional administration and physical infrastructure may be necessary to accommodate large increases in FTEs.

Fleet Services indicates that it could accommodate between 5.00 and 7.00 additional Mechanic/Technician FTEs beyond those included in the Proposed Budget and May Revise in its existing service bays, but that an increase in personnel beyond that amount may require additional changes to ensure those FTEs could be accommodated.

Should Council wish to add additional technician FTEs to Fleet Services, it would be appropriate to include the addition of 7.00 FTEs and \$453,000 in associated personnel expenditures, and to request Fleet Services report back during Council's review of the First Quarter or Mid-Year Budget Monitoring Report on whether additional FTEs beyond that amount would be desired, and how they could be accommodated.

IBA Consultant Funds - \$20,000

A majority of Council offices supported adding \$20,000 to the budget of the IBA to enable the Office to hire outside consultant expertise on an as-needed basis. This will provide the IBA with the ability to consult with independent, outside experts on particularly complex matters that come before the Council. Examples include but are not limited to: economic impacts of development projects, actuarial impacts of various compensation proposals, and analysis of lease and contractual proposals. The IBA currently does not have funds budgeted for this purpose, and in her May 14, 2015 memorandum to the City Council, the IBA indicated this funding would assist the Office in fulfilling its charge of providing clear, objective, and unbiased analysis and advice to the City Council.

Associate Personnel Analyst Positions - \$192,000

A majority of Council offices supported adding 2.00 FTE Associate Personnel Analysts and associated costs of \$192,000, given the over 500 position additions in the Proposed Budget and May Revision. One position would be involved with rolling out the NEOGOV Online Hiring Center. The second position would assist in more-timely initiation and processing of examinations. The Personnel Department has indicated that current staffing levels severely limit their ability to meet current, as well as future, demand.

ONE-TIME EXPENDITURE PRIORITY RECOMMENDED FOR FUNDING

Traffic Signal Optimization - \$1,500,000

A majority of Councilmembers requested in their memos that \$400,000 in one-time expenditures be added to the FY 2016 Budget to incorporate traffic signal optimization technology on major thoroughfares citywide and specifically on Friar's Road in Mission Valley. Councilmember memos noted that traffic signal optimization technology can reduce travel times on arterial streets and provide positive benefits to the climate by reducing the idling of cars.

Attachment G

In FY 2015, Transportation & Storm Water (TSW) completed its first Traffic Signal Communication Master Plan. The goals of the five-year Master Plan are to upgrade the City's 25 year-old signal communications system to handle new technologies and to meet the demands of our current signal system. The components of the new communication system include: cameras, enhanced traffic detection, wireless technology, changeable message signs, adaptive traffic signals, communication with connected vehicle technology, and data collection.

In the "City of San Diego Fiscal Year 2016 through Fiscal Year 2020 Consolidated Multi-Year Capital Planning Report," funding needs for implementation of the Master Plan indicates \$6.5 million annually for Fiscal Years 2016 through 2018 and \$22.0 million annually for Fiscal Years 2019 and 2020, totaling \$63.5 million. For FY 2016, there is an unidentified funding need of approximately \$4.9 million. Funding totaling \$1.6 million is identified in FY 2016 from the Regional Transportation Congestion Improvement Program and Development Impact Fees. The FY 2016 Proposed Budget includes 3.00 FTE positions to implement the Master Plan as well as seek grant funding to apply to the Master Plan implementation.

TSW staff indicates that Kearny Mesa/Clairemont Mesa is the next high-priority area to be addressed per the Master Plan. The cost to fully incorporate traffic signal optimization technology in this area is approximately \$1.5 million. The project scope includes upgrading 72 traffic signals, and would tie in with SANDAG's Bus Rapid Transit project that will be installed on Clairemont Mesa Boulevard. The corridors include: Clairemont Mesa Blvd., Convoy St., Genesee Ave., Linda Vista Rd., and Ruffin Rd.

Per TSW staff, a cost estimate is not available at this time to implement traffic signal optimization technology on Friar's Road in Mission Valley; and this area is considered a lower priority per the Master Plan. TSW has not yet presented the results of the Traffic Signal Communication Master Plan at the Infrastructure Committee. Our office recommends that this take place in the near future to apprise Council of the Master Plan priorities, time frames, funding needs, and a plan for accomplishing the Master Plan goals. The proposed allocation of \$1.5 million can be used by the Department in FY 2016 to implement Master Plan priorities and components in consultation with the Infrastructure Committee.

ADA Compliance and Tot Lot Improvements at Neighborhood Parks - \$500,000

A majority of budget priority memos requested one-time funding be allocated to incorporate Americans with Disabilities Act (ADA) standards and tot lot improvements at neighborhood parks. Councilmember memos referenced neighborhood parks including Olive Grove, Boone, Island, and Emerald Hills. The Park & Recreation Department should work with the City Council to determine the prioritization of neighborhood parks for implementing these improvements with the recommended funding.

HEALTH AND SAFETY ISSUES RECOMMENDED FOR FUNDING

This section includes items that were mentioned by less than five members of the City Council in their budget priority memos, but that our Office is recommending for funding for health and safety reasons.

Mission Beach Fly Infestation Abatement - \$40,000 (potential ongoing cost)

Several, but less than a majority, of Councilmember budget priority memos included requests for the City to address the issue of a fly infestation at Mission Beach during the summer months. Those memos recommend addressing the issue through increased street vacuuming, increased trash and recycling pick-up, or both. Our recommendation would allow for the street vacuuming component during the summer months.

Preliminary discussions indicate that there may be issues with increased trash and recycling pick-up, and that this requires additional study by the Environmental Services Department before being funded.

Replacement of Old City Hall Carpet on Multiple Floors to Prevent Trips and Falls - \$425,000 (one-time)

Our office is putting forward this request, which also was included in one Council memorandum, for one-time funding to replace 20+ year old carpet on Floors 2, 3, 5, 7, 9, 11, and 12 of the City Administration Building. (The carpet on the remaining floors has been replaced more recently.) The carpet on these floors is ripped, rippled, and deteriorated; has outworn its useful life; and is no longer in safe or clean condition. The carpet is at a point where it has become a potential safety hazard for City employees and the public who are often observed tripping on its numerous ripples and tears.

Market Street Sidewalks (Initiate Design & Environmental Study) - \$1,000,000 (one-time)

Several Councilmembers requested in their budget priority memoranda that \$4.0 million in one-time expenditures be allocated for the design and construction of concrete sidewalks along the north side of Market Street between Malcolm X Library and Pitta Street. Per TSW, the scope of this project is consistent with the Community Plan and also includes cycle tracks on the north and south side of Market Street and additional streetlights. According to TSW staff, the project will require extensive environmental studies because the location along the north side of Market Street is adjacent to a Multi-Habitat Planning Area. The estimated total project cost is approximately \$4.5 to \$5.0 million, of which approximately \$700,000 is needed to complete the design phase and \$1.0 million for the environmental study. The proposed allocation of \$1.0 million can be used by the Department in FY 2016 to begin design work on this project.

Transportation & Storm Water (TSW) intends to design and construct concrete sidewalks in FY 2016 on the south side of Market Street between Malcolm X Library and Pitta Street. The project totals \$400,000 and is fully funded. The funding sources include \$200,000 from the General Fund and \$200,000 from TransNet funding. This project is within the high priority category per the sidewalk condition assessment recently completed because it will provide a pedestrian link between the residential neighborhood at the east end of Market Street, and the Malcolm X Library and the Elementary Institute of Science.

Also identified in the Councilmember memos were a pedestrian improvement project along Martin Luther King Jr. promenade and sidewalk installation in the Paradise Hills Community. TSW in conjunction with Arts & Culture are jointly working on a pedestrian improvement

project along the Martin Luther King Jr. promenade in District 4. Funding totaling approximately \$200,000 has been identified for Arts & Culture to hire a consultant in FY 2016 that will assist in drafting a design of the art work. Per TSW staff, a preliminary estimate of the total project cost is approximately \$2.0 million and is currently unfunded. The scope will include widening the sidewalks, installation of the art work, and traffic-calming measures.

There are several locations in the Paradise Hills Community with missing sidewalks. TSW staff indicates that they are finalizing the sidewalk condition assessment report and it will be presented to Council in the first quarter of FY 2016. Staff intends to determine the priority areas citywide in the first half of FY 2016 and assemble a plan and budget to begin addressing the priority areas.

EXPENDITURE PRIORITIES NOT RECOMMENDED FOR FUNDING AT THIS TIME

As noted earlier, two of the priorities noted in a majority of Councilmembers' budget priority memoranda are not being recommended by our office at this time, as the necessary funding plans, cost estimates, or other information is not currently in place. These priorities are discussed in greater detail in the sections that follow.

Police Department–Community-Oriented Policing, Community Relations Officers (CROs), and Implementation of PERF Report Recommendations

A majority of Councilmembers requested in their memos that Police Department resources be realigned or augmented to focus on community-oriented policing. Specifically, the Councilmember memos called for an increase in the number of officers designated as CROs, and several also requested that funding be included in the FY 2016 Budget to enable the Police Department to fully implement the recommendations of the Police Executive Research Forum (PERF) report. Because community-oriented policing and the PERF report have been discussed as a combined policy issue by the City Council at recent meetings of the Budget Review Committee as well as the Public Safety and Livable Neighborhoods Committee, we have consolidated our discussion of these issues in this report.

Specific estimated costs have yet to be developed for implementing the PERF recommendations. While the Police Department has already implemented or begun implementing many recommendations at minimal or no additional expense, other recommendations have the potential to incur additional costs. For example, recommended upgrades to the Early Identification & Intervention System (EIIS) could potentially require significant investments in information technology. The Department has indicated that it has arranged for a subject matter expert, Timothy J. Longo, Chief of Police of Charlottesville, Virginia, to visit the San Diego Police Department in late June to evaluate the EIIS system.

The Department is expected to present an updated report on its implementation of PERF recommendations, including a discussion of potential costs, to the Public Safety and Livable Neighborhoods Committee on July 29, 2015. This report will be followed by an update to the Police Department Five-Year Plan at the November 12, 2015 Committee meeting, which will likely include further discussion of PERF-related items.

San Diego Police Department Traffic and Special Events Building

A majority of Councilmembers requested in their memos that \$700,000 in one-time expenditures be added to the FY 2016 Budget to fund the design of a permanent facility to house the Police Department Traffic Division and Special Events operations. Currently, Traffic and Special Events operates out of a temporary modular building. Councilmember memos noted that the current facility is outdated, deteriorated, and in need of replacement.

Engineering & Capital Projects has indicated that there is currently no CIP for this project, nor was it included in the condition assessments recently conducted as part of the Multi-Year Capital Plan (MYCP). The MYCP only included condition assessments of permanent facilities, not temporary ones. Engineering & Capital Projects has indicated that in order to properly design a permanent facility for Traffic and Special Events, it will need a more thorough assessment of the Police Department's operational needs at this site.

Additionally, the location of the facility adjacent to Montgomery Field presents unique challenges due to FAA restrictions on construction within flight paths that must be taken into account in any future design. Should the Council wish to designate funds for design of a permanent Traffic and Special Events facility, Engineering & Capital Projects and the Police Department should be requested to develop a plan to further assess the project and create a corresponding CIP to be discussed at a future meeting of the Infrastructure Committee and/or Public Safety and Livable Neighborhoods Committee.

IBA FINAL RECOMMENDED REVISIONS TO THE BUDGET

The table below summarizes potential revisions to the FY 2016 Proposed Budget for Council consideration, as discussed in this Report in the sections above. Resources of up to \$6.7 million are identified, as well as recommended expenditures of up to approximately \$5.0 million. Options for allocating the remaining \$1.7 million include:

- Leaving the remainder in excess equity
- Consider funding one or more of the one-time budget priorities that did not receive a majority of mentions in Council member memoranda, but did receive a significant level of support (Attachment 1)

<i>Description</i>	One-Time (Excess Equity)	General Fund Ongoing
<i>IBA Proposed Resources</i>		
Fund Public Liability Reserve through FY 2016 rather than FY 2018, freeing up \$5.8 million in excess equity and \$900,000 in ongoing funds. This is consistent with City policy goals and the FY 2016-FY 2020 Outlook.	\$ 5,800,000	\$ 900,000
Free up \$5.0 million of ongoing resources by utilizing excess equity to fund \$5.0 million in one-time costs for the Bayside Fire Station construction.	(5,000,000)	5,000,000
Total Available Resources	\$ 800,000	\$ 5,900,000
<i>IBA Proposed FY 2016 Budget Revisions for Council Consideration</i>		
Penny for the Arts Blueprint - Increase from 5.7% to 6% of 1 cent TOT	\$ -	\$ (500,000)
IBA consultant to support complex analyses	-	(20,000)
7.00 FTE Mechanics to help achieve Fleet vehicle maintenance and safety goals	-	(453,000)
2.00 FTE Associate Personnel Analysts to support hiring workload	-	(192,000)
3.00 FTE Park Rangers for Shoreline Parks, Sunset Cliffs Natural Park, and Chicano Park	-	(384,000)
ADA Upgrades/Tot lots in neighborhood parks (one-time cost)*	-	(500,000)
Traffic Signal Optimization Technology to address traffic congestion (one-time cost)*	-	(1,500,000)
Mission Beach street vacuuming to help mitigate fly infestation during summer months	-	(40,000)
Market Street Sidewalks - design and environmental analysis conducted in FY 2016 (one-time cost)*	(375,000)	(625,000)
Replacement of old City Hall carpet to prevent trips and falls (one-time cost)	(425,000)	-
Total Suggested Budget Revisions	\$ (800,000)	\$ (4,214,000)
Net Balance**	\$ -	\$ 1,686,000

*One-time expenditure funded with ongoing resources

** Available for excess equity or one-time unfunded Council/community priorities

OTHER SIGNIFICANT ISSUES

The following sections outline additional items for Councilmember consideration when discussing the FY 2016 Proposed Budget and Mayor's May Revision.

PROJECTED YEAR-END EXCESS EQUITY AND USES PROPOSED IN MAY REVISION

Current Excess Equity Policy Guidelines

The availability and use of excess equity first surfaced during discussions last year when a \$14.1 million surplus was projected for year-end after fully funding the City's General Fund Reserve goal of 14%. At that time the Chief Financial Officer (CFO) recommended that these funds be set aside to mitigate potential fluctuations in revenues and expenditures throughout the year and at year-end. Our office recommended that a policy be developed to address an appropriate level of funding and allowable uses of excess equity, which is considered a one-time resource. On June 24, 2014 Council adopted revisions to the General Fund Reserve Policy to provide guidelines for excess equity in the future. Key guidelines include the following:

- Excess equity will be projected in Quarterly Budget Monitoring Reports recognizing that these are estimates only and the actual amount of excess equity will not be considered final until the books are closed at year-end.
- The Mayor may propose uses during the May Revision to fund "General Fund Reserves, Risk Management Reserves, or priority one-time capital needs."¹
- The transfer of these funds would not occur until after the fiscal year closes when it is certain the 14% General Fund Reserve requirement has been met.

IBA Recommendations for Excess Equity

The Mid-Year Report presented to Council on March 2, 2015 projected year-end excess equity at \$11.3 million which the Mayor recommended remain as excess equity to be available in the event of year-end budget overages or revenue shortfalls. During discussions of the Mid-Year Report, questions remained regarding the prudent and justifiable amount of funding that should remain in excess equity, above and beyond our 14% General Fund Reserve.

In the IBA's review of the Mayor's FY 2016 Proposed Budget, our Office recommended consideration of the following addition to the Reserve Policy to provide further definition and potential consensus:

Set aside an amount of excess equity (identified as the "Equity Reserve") equal to 1% of General Fund revenues to be calculated in the same manner as the 14% General Fund Reserve requirement. (For FY 2016, 1% is projected to be \$11.6 million.) The Equity Reserve would provide a reasonable cushion for budget variances, and expenditures proposed for use of excess equity above the 1% would be restricted to one-time capital or funding other City reserves consistent with current policy.

¹ In recent discussions with the City Attorney's Office, we have confirmed that Council may approve or reject the Mayor's recommendations in the May Revision for use of excess equity in full or in part, and Council may also propose and adopt alternative uses exclusive of a Mayoral recommendation.

While we had preliminary discussions with the CFO and City Attorney's Office on this matter, we noted in our report that we would continue to work with these offices and have further discussions at the Budget and Government Efficiency Committee before bringing a formal proposal to Council.

Mayor's May Revision Recommendations for Use of Excess Equity

In the May Revision, the amount of excess equity is now projected to be \$20.8 million or 1.8% of General Fund Revenues, \$9.5 million more than at Mid-Year. The Mayor has recommended the following uses for the remaining excess equity:

- 1) \$5.8 million (in addition to \$900,000 from on-going resources) to advance fund the Public Liability Reserve to achieve the FY 2018 target goal of 47% of outstanding public liability claims. FY 2015 year-end actions are anticipated to fully fund the City's Fiscal Year 2016 Reserve target of 40%, consistent with the City's Reserve Policy and the Mayor's FY 2016-2020 Financial Outlook.
- 2) \$15.0 million to establish an irrevocable trust (Pension Payment Stabilization Reserve Trust) which would serve as a source of funds for future pension payments and help mitigate the risks of investment losses or other actuarial changes.

These two proposals combined would commit all remaining excess equity leaving no flexibility to address variances in expenditures and revenues at year-end. (Note: Further discussion of the first proposal, for two-year advanced funding of the Public Liability Reserve, is presented later in this report.)

Discussion of Pension Payment Stabilization Reserve Trust (PPSRT) at Budget Review Committee during the Review of the May Revision

At the Budget Review Committee on May 21, 2015, our office discussed that, similar to our proposal for a new 1% Equity Reserve, the concept of a \$15.0 million irrevocable trust committed to future pension payments warranted additional discussion. At the same time, we conveyed our strong support for preparing for potential market-driven or other actuarial factors that could increase future annual pension payments. In our review of the Mayor's Proposed Budget ("Looking Ahead to FY 2017") we identified potential changes to the discount rate assumption by the SDCERS Board as one of several risks to future budgets.

Significant financial policies and proposals are typically brought to the Budget and Government Efficiency Committee for airing, followed by additional work with appropriate offices to develop a guiding policy, before being brought to Council for approval or included in the budget. There is currently no financial policy in place that provides parameters, purposes, funding levels, or authorization for an irrevocable trust restricted to pension payments. Our current Reserve Policy specifies that uses of excess equity in the May Revision (the source of funding for the proposed trust), are intended for the General Fund Reserve, Risk Management Reserves, and one-time capital expenditures.

A plan for annual funding of the trust in future years also needs to be discussed with the Council, as noted in the May Revision report. Pros and cons of a restricted, irrevocable trust versus a more flexible equity reserve need to be discussed, including assurances that flexibility for budget fluctuations may no longer be as critical as when the excess equity policy was first developed.

While expressing support for the pension trust, the general consensus of the Budget Review Committee was to refer this to the Budget and Government Efficiency Committee to develop a policy and proposal for future Council actions.

Pension Payment Stabilization Trust/Equity Reserve Proposals Addressed in Council Memoranda

In their memoranda, all Councilmembers expressed interest in exploring the concept of a pension payment stability fund or similar mechanism to protect the General Fund from potential future variances in annual pension payments. A majority of Councilmembers also indicated support for the Budget and Government Efficiency Committee holding timely policy discussions on this matter and working with appropriate staff to develop a policy and parameters prior to returning to full Council for approval.

While several Councilmembers supported a \$15.0 million irrevocable trust, a majority of Councilmembers also supported setting aside no less than 1% or \$11.6 million during this time, which could be used for establishing this fund pending development of a pension stabilization policy. This is a \$3.4 million difference from the Mayor's current \$15.0 million proposal. Options for using these one-time funds include: having them remain in excess equity at year-end; potentially increasing funding levels for a pension stabilization reserve depending on policy decisions; advance funding the Public Liability Fund for FY 2017 once the amount of excess equity is determined; or using a small portion of it for a one-time capital item consistent with the City's Reserve Policy.

A majority of Councilmembers also expressed support for the Budget and Government Efficiency Committee working expeditiously with appropriate parties to develop a policy, parameters, and a multi-year funding plan prior to returning to full Council for action. A decision on the appropriate funding level for this trust will be a subject of the policy discussion at the Budget and Government Efficiency Committee, and will be decided by the City Council working with the Mayor's Office.

Potential funding sources for the trust include remaining excess equity, which will be determined when year-end reports are complete; FY 2016 mid-year surplus if available; and potential new funds from a higher distribution of residual property tax balances to cities in the County, due to a successful challenge of the method the County used to calculate redevelopment money used by the entities. This matter is discussed in greater detail below.

REDEVELOPMENT PROPERTY TAX TRUST FUND (RPTTF) UPDATE

On May 26, 2015, the Superior Court of California issued a ruling that will impact the process used by the San Diego County Auditor and Controller (CAC) to determine residual RPTTF payments to taxing entities in the region. Per State law, residual RPTTF payments are to be

apportioned to taxing entities based on the amount of property tax available in the RPTTF after deducting amounts reserved for Recognized Obligations and administrative payments.

The Court found that the CAC's calculation of residual RPTTF payments was not in compliance with state law, and effectively favored those entities that receive more pass-through payments than those that do not. Should the decision stand, preliminary estimates show that the City will receive a one-time payment of between \$18.0 million and \$25.0 million to make up for previous residual RPTTF distributions, and additional ongoing payments of several million dollars annually in RPTTF distributions.

Appeals to the decision must be filed within 60 days. To date we are unaware of any appeal, but urge caution in relying on additional RPTTF receipts until the window for appeals has closed. This is provided for information only in the context of potential future budget impacts.

PROPOSED PUBLIC LIABILITY RESERVE FUNDING

The goal for the Public Liability Reserve per the City Reserve Policy is that the overall reserve target of 50% of the outstanding actuarial liability be reached by FY 2019. Updated reserve target amounts (based on updated three-year averages of outstanding liability figures for the fund) are shown under the "Projected Reserve Balance–Updated" column in the table below.

With increased Public Liability funding in FY 2015—\$2.8 million at mid-year and \$3.4 million in the Year-End Report—the FY 2016 target of \$37.9 million is projected to be met early, at the end of FY 2015.

The additional \$6.7 million in the FY 2016 May Revision (\$5.8 million from anticipated excess equity and \$900,000 from ongoing sources) would provide funding for the FY 2017 and FY 2018 target contributions. This \$6.7 million is anticipated to bring the Reserve balance to the FY 2018 target of \$44.6 million, or 47%, during FY 2016 and two years ahead of schedule.

A majority of Councilmembers supported funding the Public Liability Reserve for FY 2016 only, as recommended in the Mayor's Proposed Budget. Achieving the FY 2016 target of \$37.9 million is consistent with the City's Reserve Policy as well as the Mayor's FY 2016-2020 Five-Year Outlook. Eliminating funds proposed for meeting FY 2017 and FY 2018 target goals would free up \$5.8 million of excess equity which could be used to fund one-time costs for the construction of the Bayside Fire Station. This action would in turn free up \$5.0 million in General Fund ongoing resources, and has been included in our proposed revisions.

Public Liability Reserve Fund Targets (\$ in millions)					
Target Date	Target Contribution		Projected Reserve Balance		Balance as % of Total Outstanding Actuarial Liability *
	Reserve Policy	Updated	Reserve Policy	Updated	
June 30, 2015	\$3.2	**	\$35.4	\$35.1	37%
June 30, 2016	\$3.2	\$2.8	\$38.6	\$37.9	40%
June 30, 2017	\$3.2	\$2.8	\$41.8	\$40.8	43%
June 30, 2018	\$3.2	\$3.8	\$45.0	\$44.6	47%
June 30, 2019	\$3.2	\$2.8	\$48.3	\$47.4	50%

*Based on the average value of the annual actuarial liability for the three fiscal years 2011 through 2013, or \$96.5 million, for the current City Reserve Policy, and for the three fiscal years 2012 through 2014, or \$94.8 million, for the Updated Target Contribution and Updated Projected Reserve Balance.

**\$3.2 million reserve contribution was prefunded in FY 2014.

\$1.7 MILLION TRANSFER TO THE ANNUAL ALLOCATION FOR GENERAL FUND FACILITIES SUCH AS PARK & RECREATION AND LIBRARY BUILDINGS

In the May Revision, one of the items included is a transfer of \$1.7 million from the Public Works General Services Department to the Facilities Capital Improvements Program (CIP) annual allocation for General Fund facilities such as Park & Recreation and Library buildings.

The list of specific facilities proposed for repair with this new funding has not yet been developed. The Public Works Department (PWD) will present the Facilities Condition Assessment Update and Proposed Service Level for City-Occupied General Fund Facilities/Buildings to the Infrastructure Committee on June 3, 2015. PWD staff has indicated that the new \$1.7 million will address repairs to facilities prioritized in this assessment, but they have not yet identified them.

The list of locations planned for repair utilizing these funds should be provided to Council prior to Councilmembers voting to adopt the FY 2016 Proposed Budget and May Revision on June 8, 2015.

CITY-WIDE VACANCIES

In FY 2015 the projected salary savings is \$15.9 million higher than the \$18.7 million budgeted vacancy savings, as noted earlier in our report. However, this additional vacancy savings is more than offset by other salary costs such as overtime, termination pay, pay in lieu of annual leave, and hourly wages. **Attachment 2** includes a comparison of budgeted vacancies to vacancies in May 2015, as well as January 2015 vacancies that were provided as a supplemental to the Mid-Year Budget Monitoring Report in March 2015.²

² The vacancy status is a snapshot in time – vacancies are constantly changing. Also the budgeted vacancies are not exact indicators for the number of positions that should remain vacant. The information regarding budgeted vacancies is provided to give a general means of comparison to current vacancies.

Attachment G

The Mayor is taking a number of steps to accelerate the hiring process for the FY 2016 proposed increase of 526 positions. Our Office recommends that the Personnel Department provide quarterly raw data on the status of all vacancies, as well as the vacancy status of new positions added in FY 2016.

LAWSUIT REGARDING THE BALLPARK REFUNDING BONDS

On May 19, 2015, the City Council and the Public Facilities Financing Authority approved the City's Ballpark Refunding Bonds that were anticipated to result in a reduction of \$1.1 million in debt payment for the General Fund in FY 2016. On May 20, 2015 the Office of the CFO released a memorandum indicating that a lawsuit had been filed challenging the validity of that action, and that as a result the refunding will likely be delayed. The memorandum notes that if the refunding is delayed significantly, the anticipated \$1.1 million in anticipated FY 2016 savings may not be realized. The CFO has indicated that any changes in debt service obligations as a result, will be addressed during the FY 2016 Mid-Year Budget Monitoring Report.

- Attachments:
1. Councilmember Priorities Receiving Significant Support
 2. FY 2015 City-wide Vacancies

COUNCILMEMBER PRIORITIES RECEIVING SIGNIFICANT SUPPORT

As part of the FY 2016 budget development process, each Councilmember was requested by the Budget and Government Efficiency Chair to submit their budget priority memos to our office by May 22, 2015. Budget priorities mentioned by a majority of Councilmembers (five or more) are discussed in the body of this Report; budget priorities that were mentioned by a significant number of Councilmembers in their memoranda (four) are included in this Attachment for further Council consideration.

On-going Expenditure Suggestions

Increase Fire Safety throughout the Wildland-Urban Interface - \$1,000,000

Municipal Code Section 142.0412 requires brush management on publicly or privately owned premises that are within 100 feet of a structure and contain native or naturalized vegetation. Of the over 26,000 acres of open space managed by the Park & Recreation Department, approximately 900 acres are located within 100 feet of structures. The Park & Recreation Department has established a brush management plan to thin the entire brush management area (900 acres) every two years. The City uses a combination of non-profit contractors, City forces, and for-profit companies to achieve the goal of thinning 450 acres annually. Non-profit and City forces have a goal of thinning 150 acres annually and the City contracts with a for-profit company for the remaining 300 acres to be thinned annually.

On December 9, 2014, the City Council approved a contract with a for-profit company for brush management services. The agreement with the company contracts for a minimum of six and a maximum of 12 acres of brush per week to be thinned. With the achievement of the minimum thinning rate, the outside company will thin 312 acres per year, slightly exceeding the City's for-profit thinning goal of 300 acres per year. The agreement allows for a range of thinning rates, depending upon the availability of funding. Based upon the costs per acre established within the approved contract, the FY 2016 Proposed Budget allocates approximately \$1.9 million to fully fund the goal for the for-profit company of thinning 300 acres. For FY 2016, the average cost for the outside vendor to thin an acre of brush is approximately \$6,200.

Based upon requirements within the Municipal Code and funding allocated in the FY 2016 Proposed Budget, the Park & Recreation Department anticipates meeting the brush management requirements for FY 2016. Should additional areas or the frequency of the brush thinning be desired to be increased, the development of clear goals and additional discussion with the Park & Recreation Department, Purchasing & Contracting Department, and outside vendor is recommended.

Establishment of a Regional Film Commission - \$485,000

The FY 2016 Proposed Budget includes \$125,000 to fund a Request for Ideas (RFI) to obtain industry feedback on the necessary structure of the film office (staffing, goals, reporting requirements, etc.); establish a panel consisting of participating agencies and film industry stakeholders to evaluate the submitted ideas/recommendations; develop a Request for Proposal

Attachment G

(RFP) for an individual/entity/organization to administer the film office; develop a website and other collateral material to promote the San Diego region as a film destination; and potentially fund the initial implementation of the film office. The City anticipates that the County of San Diego will provide a matching contribution of \$125,000 to this program and is expected to consider this item in July. The San Diego Community Foundation is also seeking additional partners such as the Port of San Diego and private entities.

Additionally, the FY 2016 Proposed Budget included approximately \$141,000 for the addition of a Program Manager position within the Special Events Department to address current and ongoing capacity issues associated with the permitting and coordination of existing filming on City public property. This position will be responsible for the development and implementation of policies, procedures, and permitting to support motion picture, television, and commercial productions on City public property; and establish customer service and industry relations programs to generate increased filming in the City of San Diego. Upon the re-establishment of the film office, this position would serve as a direct liaison with the film office for the City of San Diego. Currently, the Program Manager for Citywide Special Events is also handling filming issues and cannot sustain the current level of demand required to manage special events and filming issues.

Several Councilmembers, but less than a majority, requested in their memos that an additional \$485,000 be identified to restart the San Diego Film Commission, in addition to the \$266,000 included in the FY 2016 Proposed Budget. They propose that this funding be used to hire 4.00 FTEs consisting of a PR/Marketing Director, Community Liaison/Locations Coordinator, a Permitting Coordinator, and office administrator.

Purchasing & Contracting Support - TBD

A number of Councilmembers listed additional staff for the Purchasing & Contracting Department as a priority, in order to accelerate the City's procurement and contract award process. The May Revision added 4.00 Procurement Specialist positions to the Purchasing & Contracting Department, and staff has indicated that they will work to maximize those additions to support the anticipated increase in workload in FY 2016 as a result of the proposed significant increase in FTEs and increases in the City's overall supplies and contracts budgets.

Our Office notes that Purchasing & Contracting will come to the Budget and Government Efficiency Committee in the fall of FY 2016 to present an update on streamlining efforts that went into effect earlier this year. That update will include a discussion of the Department's performance measures, and we recommend that staff specifically address a) whether or not the Department's workload has increased as anticipated (while taking into account how many of the City's new positions have been filled at that time), and b) whether additional staffing or consulting resources are needed.

Support Staff for the Office of the City Attorney - \$217,000

The Mayor released a supplement to the May Revision that added expenditures and revenue to support the addition of 1.00 Deputy City Attorney and 1.00 City Attorney Investigator for work related to code enforcement and substandard housing. This is in addition to 1.00 Deputy City

Attorney that was added in the May Revision for Charter Review Committee support, and the 6.00 Deputy City Attorneys and 1.00 City Attorney Investigator added in the FY 2016 Proposed Budget to support increased workload and expanded programs. Several Councilmember memos expressed support for additionally funding the Office of the City Attorney's outstanding request for 3.00 support positions (1.00 Legal Secretary 2, 1.00 Court Support Clerk 2, and 1.00 Paralegal). The Office of the City Attorney has indicated that the estimated total cost for these three positions is \$217,000.

One-time Expenditure Suggestions

Fire-Rescue Department—Home Avenue Temporary Station - \$900,000

The FY 2016 Proposed Budget includes \$1.9 million in DC3 bond proceeds for design and land acquisition for the Home Avenue Fire Station. This station is the highest-priority new fire station recommended by the 2011 Citygate report. Several Councilmember memos included a request to reallocate \$900,000 of this existing \$1.9 million in order to construct a temporary fire station in FY 2016. Operation of the facility would begin in FY 2017. This concept would be similar to the Skyline Temporary Fire Station.

The Real Estate Assets Department (READ) has indicated that it plans to purchase land for Home Avenue Fire Station in FY 2016, which would accelerate the land acquisition schedule by one year, ahead of the FY 2017 estimate noted in Volume 3 of the FY 2016 Proposed Budget. Assuming READ acquires a suitable site, the Fire-Rescue Department and Engineering & Capital Projects would need to report on the feasibility of constructing and operating a temporary fire station at Home Avenue. The departments would need to determine, among other things, whether the site would allow for a temporary facility to be co-located with a future permanent fire station while under construction.

Engineering & Capital Projects does not currently have cost estimates for a temporary fire station, as the \$1.9 million in DC3 funds was intended for land acquisition and design for a permanent facility. The Fire-Rescue Department has provided a preliminary project cost estimate of \$900,000, which includes \$700,000 for site preparation and design, and \$200,000 for equipment and the structure itself. This estimated cost is above and beyond the land purchase price for the site. Should a temporary fire station at Home Avenue become operational in FY 2017, ongoing personnel and non-personnel expenditures of approximately \$1.7 million to \$2.2 million would be required to support an additional crew of firefighters. Additionally, a one-time expenditure of \$850,000 would be required for the purchase of a fire engine.

Based on the timeline provided by the FY 2016-2020 Five-Year Financial Outlook, the permanent Home Avenue Fire Station is anticipated to become operational in FY 2019. Should the City Council choose to expend additional funds to construct a temporary station in FY 2016 for operation in FY 2017, the Fire-Rescue Department could potentially accelerate operations at Home Avenue by two or more years. We note that the FY 2016 Proposed CIP Budget lists \$10.0 million in unidentified funding needs for construction beyond the \$1.9 million provided by DC3 bond proceeds for land and design. To meet this gap, Home Avenue Fire Station could be a candidate for future DC4 bond funding in FY 2017.

Relocation of Electrical Boxes on Meade Avenue, CIP B14048 - \$91,000

Several Councilmembers requested in their memos that \$91,000 in one-time expenditures be used to fund the relocation of three utility boxes currently in the public right-of-way on Meade Avenue, between 43rd and Fairmont, adjacent to the new Copley-Price YMCA. Councilmember memos noted that the electrical boxes in their current location block pedestrian traffic and encourage graffiti. Pedestrian and bicycle traffic is expected to increase with the opening of the new YMCA, and relocating these utility boxes will improve pedestrian access.

The Transportation & Storm Water Department has indicated that they are funded for design, but need \$91,000 in additional funding to complete the project. The scope of work includes relocating two traffic signal controller cabinets as well as one Type III electrical service cabinet (all owned by the City). Staff expects to go to Council in the next two months to award their as-needed Traffic Engineering Consultant contract. Once the contract is in place, staff can issue a task order for the design work and expect design to be completed by late September. If funding is identified, construction is expected to begin in October or November, depending on whether City forces can be utilized for this work.

Flashing Crosswalk at Adams Avenue and Kensington Drive - \$100,000

Several Councilmembers requested in their memos that \$60,000 in one-time expenditures be added to the FY 2016 Budget to install a flashing crosswalk using in-pavement flashers and flashing signs to improve pedestrian safety at the crosswalk at Adams Avenue and Kensington Drive. Councilmember memos noted that the lack of a crosswalk has made it dangerous and challenging for pedestrians to cross Adams Avenue, particularly in the evening, and that the installation of a flashing crosswalk would improve the safety of pedestrians by warning oncoming traffic of pedestrians crossing.

Transportation & Storm Water staff has indicated that a similar flashing crosswalk installed along Oviedo Street, east of Black Mountain Road, in the Rancho Penasquitos Community cost approximately \$100,000. According to staff, the Adams Avenue and Kensington Drive project would take 12 to 18 months to go through the design, bid, and award process. Staff indicates \$100,000 is a more accurate amount if funding is identified.

Tubman Charter School Joint Use Park, CIP S-13000 - \$1,860,000

Several Councilmembers requested in their memos that \$2.7 million in one-time expenditures be added to the FY 2016 Budget to build a new neighborhood park on an approximately 1.72 acre site shared with the San Diego City School District located at 6880 Mohawk Street in the College Area community. Councilmember memos indicate the park is in a community that is severely park deficient, and a joint use park would provide play fields, other active areas, and landscaping. A General Development Plan of the park has been completed.

The cost estimate totaling \$2.7 million was prepared by the Public Works Department in February 2014. According to the Park & Recreation Department, \$840,000 in Development Impact Fees is currently allocated toward the project. Developer contribution funds to be received for this project from the Alvarado Apartments project are not expected until FY 2017

per Facilities Financing staff. Should Council choose to designate funding for park improvements at this site, \$1,860,000 in funds would need to be identified.

Attachment G

FY 2015 Citywide Vacancies

	Budgeted Vacancies	May Actuals	January Actuals
General Fund - Mayoral Departments & Offices			
City Comptroller	4.0	1.0	5.0
City Planning	2.0	5.0	9.0
City Treasurer	5.0	5.0	5.8
Communications Department	-	6.0	4.0
Debt Management	1.0	1.0	1.0
Development Services	3.0	3.0	7.0
Economic Development	2.5	3.0	5.0
Environmental Services	6.4	10.6	6.2
Financial Management	2.0	2.0	-
Fire-Rescue	81.0	65.0	69.0
General Services	5.0	11.0	15.0
Infrastructure/Public Works	-	2.0	-
Library	18.5	17.0	16.5
Office of the ACOO	-	-	1.0
Office of Homeland Security	-	2.0	1.0
Office of the Mayor	1.0	-	-
Neighborhood Services	-	-	1.0
Park & Recreation	33.5	36.8	32.8
Police	124.0	191.5	221.5
Public Works - Contracting	1.0	3.0	3.0
Purchasing & Contracting	2.0	6.0	6.0
Real Estate Assets	1.0	4.0	4.0
Transportation & Storm Water	21.0	47.0	54.0
Subtotal	313.9	421.8	467.7
General Fund - Non-Mayoral Departments			
City Attorney	14.5	24.0	23.0
City Clerk	1.0	2.0	2.0
City Council	-	15.0	15.5
Independent Budget Analyst	-	-	1.0
Personnel	1.0	-	3.0
Subtotal	16.5	41.0	44.5
Non-General Funds			
Airports Fund	-	2.0	5.0
Central Stores Fund	1.0	2.0	2.0
Concourse/Parking Garage Fund	-	-	1.0
Development Services Fund	100.5	92.5	102.8
EMS/MTS Fund	-	16.0	16.0
Energy Conservation Fund	-	1.2	3.2
Engineering & Capital Projects Fund	23.0	34.0	50.0
Facilities Financing Fund	1.0	3.0	4.0
Fleet Services Fund	-	10.0	12.0
GIS Fund	-	1.0	1.0
Golf Course Fund	2.0	6.0	3.5
Information Technology Fund	2.0	6.0	11.0
Local Enforcement Agency Fund	1.0	1.0	1.0
Maintenance Assessment District Fund	1.0	-	-
Parking Meter Operations Fund	-	3.0	4.3
Public Utilities Funds	73.0	107.5	136.8
Publishing Services Fund	-	1.0	1.0
QUALCOMM Stadium Operations Fund	2.0	3.0	3.0
Recycling Fund	5.8	8.2	5.9
Refuse Disposal Fund	8.3	13.1	16.8
SAP Support Fund	-	5.0	3.0
Risk Management Administration Fund	3.5	8.0	5.0
Transient Occupancy Fund	-	2.0	2.0
Underground Surcharge Fund	-	1.0	3.0
Wireless Communications Technology Fund	2.0	3.0	4.0
Subtotal	226.1	329.4	397.0
TOTAL - CITYWIDE	556.5	792.3	909.3

NOTES:

The vacancy status is a snapshot in time - vacancies are constantly changing. Also the budgeted vacancies are not exact indicators for the number of positions that should remain vacant. The information regarding budgeted vacancies is provided to give a general means of comparison.

*Totals may not add due to rounding.



**CITY OF SAN DIEGO
COUNCILMEMBER SHERRI S. LIGHTNER
DISTRICT ONE**

MEMORANDUM

DATE: May 22, 2015

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Council President Sherri S. Lightner

SUBJECT: Fiscal Year 2016 Budget Priorities in response to the Mayor's May Revised Budget

Thank you to Mayor Faulconer for recognizing many of the needs and priorities of the citizens of San Diego in his proposed FY16 budget and subsequent May revised budget.

I am especially pleased to see funding for the following items included in the FY16 budget and the May revised budget:

- Critical public safety needs, including increased funding to equip new Police Department recruits, and the funding of Fire-Rescue Department FAST response squads in University City and Encanto.
- Community services, including recreation center hours extensions, restoration of the Library materials budget, and funding for citywide tree trimming.
- Infrastructure needs, including an additional \$1 million for streetlights and sidewalks.
- Operational needs, such as funding for additional staff in the Personnel Department and the Performance and Analytics Department, as well as a Deputy City Attorney to provide legal support for the Charter Review Committee.

Attachment H

The following are my priorities for additional funding in the FY16 Budget:

Priorities for Ongoing Funding:

Public Safety:

- **Police Community Relations Officers (CROs):** Reallocation of Police Department resources for more Community Relations Officers to assist with and facilitate community oriented policing, which has shown to be effective in San Diego.
- **Additional Rangers for Shoreline Parks:** Approximately \$92,000 in the first year, and \$61,800 in subsequent years, to fund a Senior Park Ranger overseeing the existing Shoreline Park Rangers, and patrolling the coastline to address quality of life issues.
- **Windansea Lifeguard:** \$138,703 to fund an additional Lifeguard II at Windansea Beach in La Jolla during peak season.

Community Services:

- **Tree Warden:** Restoration of the Tree Warden position to assist in enforcing permit landscaping provisions with an approximate cost of \$70,000.
- **Additional trash collection in Mission Beach during the peak summer months:** to address issues with flies.

Operational Needs:

- **Fleet Services:** \$905,800 for 14 additional FTE Fleet Technicians to address the understaffing issues in this department, which impact public health, safety, and resource utilization.
- **Office of the Independent Budget Analyst:** \$20,000 in funding to engage an outside consultant on an as-needed basis, to augment staff research and analysis for certain docket items such as complex leases, fiscal analyses of ballot measures, environmental matters, specific economic studies, etc.
- **Personnel Department:** \$191,602 in funding for additional staff in the Personnel Department to facilitate the filling of the more than 400 new positions that have been added in the proposed FY16 budget. Specifically, two Associate Personnel Analyst positions at \$95,801 each. The first position would be assigned to the liaison section and be primarily responsible for rolling out the NEOGOV Online Hiring Center. The second position would expedite the initiation and processing of more timely examinations.
- **Purchasing & Contracting:** Funding for an additional Procurement Specialist in the Purchasing & Contracting Department, which could accelerate the procurement and contract award process.
- **City Attorney's Office:** \$383,472 in funding for additional support staff, per the request of their office.

City Commitments:

- **Penny for the Arts:** Funding in the amount of \$1 million for Penny for the Arts. Although the Penny for the Arts funding does reflect the funding that was allocated to this program in the Outlook for FY 2016 – 2020, it still falls short of the Blueprint goal of 8.55% of 1 cent of TOT. The increase in funding still falls short, but does get the City incrementally closer to the Blueprint goal.

One Time Costs:**Infrastructure:**

- **Design and Construction of a Temporary Home Avenue Fire Station:** \$700,000 for the design and construction of the Home Avenue Fire Station. This fire station has been designated priority one in the Citygate report, and it will serve the critical needs of Districts 3, 4, 8, and 9.
- **Traffic Signal Optimization for Mission Valley:** \$400,000 for traffic signal optimization in Mission Valley to address chronic traffic congestion issues on main thoroughfares.
- **Relocation of Electrical Boxes on Meade Avenue:** \$91,000 for the engineering and design needed to relocate three utility boxes currently in the public right of way on Meade Avenue, adjacent to the Copley-Price YMCA. In their current location, the utility boxes block pedestrian traffic and encourage graffiti. Foot traffic is expected to increase with the opening of the new YMCA, and moving these utility boxes will improve heavily used sidewalks.
- **Flashing Crosswalk at Adams Avenue and Kensington Drive:** \$60,000 for the installation of a flashing crosswalk for pedestrian safety improvement. Due to the concentration of restaurants and shops, this area experiences heavy foot traffic, and it is dangerous for pedestrians to cross Adams Avenue, which is a very busy street. The flashing crosswalk would enhance pedestrian safety.
- **San Diego Police Department Traffic & Special Events Building:** \$700,000 allocated to initiate the design of the Traffic & Special Events building. The trailer in which Traffic & Special Events is housed has fallen into disrepair. It has been in use for more than 15 years, and is used by employees and volunteers in the Traffic division. A new, permanent structure for these employees would improve their working conditions significantly.
- **Tubman Charter School Joint Use Park:** \$2.7 million for a neighborhood park at 6880 Mohawk Street. It will be located on a 1.72 acre site that is shared with the San Diego Unified School District. In a community that has few parks, this park would provide activity areas, playing fields, and landscaping.
- **Market Street Sidewalk:** \$4 million for the design and construction of sidewalks along Market Street from Pitta Street to the Malcolm X Library. Currently, there are no sidewalks, and pedestrians have to walk mostly in the dirt along a busy street. Sidewalks would greatly improve pedestrian safety, and improve access to the Malcolm X Library.
- **Midway Bluff Repair Project:** \$82,000 to address the funding shortfall for this long-awaited project in the Bird Rock area of La Jolla, which was originally proposed to be fully funded from the Deferred Capital 3 bond.

Operational Needs:

- **Carpet Replacement:** \$425,000 to replace the carpet on multiple City Administration Building office floors. The carpet on floors 2, 3, 5, 7, 9, 11, and 12 has deteriorated and is rippled, creating a safety hazard for employees.

Potential Revenue Sources:

In order to fund the proposed projects, programs, and services recommended above, we have identified the following areas in which additional revenue can be generated in order to offset our additional budget recommendations.

- **Adjust Excess Equity.** Set aside 1% in excess equity for a total of \$11.6 million that could be used for pension stabilization, on top of the 14% reserves. This would free up \$3.4 million in one-time funds that could be used for other one-time purposes.
- **Fund the public liability reserve for FY 2016 only.** By not pre-funding the public liability reserve for 2017 and 2018, \$5.8 million in funds would be freed up for one-time expenses.
- **De-fund the \$5 million contribution from the General Fund to the Bayside Fire Station,** and fund this from Excess Equity instead in order to free up \$5 million in General Fund money that could be used for ongoing purposes.

We look forward to the collaborative work ahead to weigh the numerous competing priorities in order to deliver a balanced and responsible budget. Thank you for your consideration of these budget priorities and options for revenue generation.

SL:blm



M E M O R A N D U M

DATE: May 22, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Lorie Zapf *Lorie Zapf*
SUBJECT: May Revise Budget Suggestions

Below is a list of Council District 2 priorities that I would like to see included in the upcoming budget discussions for the Fiscal Year 2016 May Revise. This list is not in a ranked order.

1. ***Addition of a Coastal Senior Park Ranger:*** Sunset Cliffs Natural Park is undergoing a major renovation that will add and improve trails and restore vegetation. In order to preserve the pristine nature of this and other coastal parks while accommodating the increasing number of visitors, it is important to have adequate staff. I am requesting \$160,000 to hire a Senior Park Ranger to help protect and preserve our coastal parkland. This figure includes base salary, fringe, and a vehicle.
2. ***Street Vacuuming in Mission Beach:*** Fly infestations plague the Mission Beach community in the summer months. Adding street vacuuming once a week from July-September would help pick up fallen trash and debris while also getting into places where flies may be breeding. I would like to request \$40,000 for street vacuuming in Mission Beach weekly from July-September.
3. ***Weekly Recycling Pickup in Mission Beach:*** In addition to the street vacuuming, I believe the addition of weekly recycling pickup in Mission Beach from July to September will significantly improve the summer fly infestation problem. The cost for weekly recycling pickup in the summer months is estimated at \$80,000.
4. ***Implementation of Penny for the Arts:*** According to the economic impact report released this week, in 2014 there were 80 arts and culture nonprofit organizations which received \$6.4 million in funding from the Commission, and stimulated the economy with over \$191 million in expenditures. While I am grateful for the increased Penny for the Arts funds in FY 2016, totaling 5.7% of the full Penny, we are still short of the benchmark. I would like to request an additional \$500,000 in Penny for the Arts spending. The case can be made that we see significant returns our investment from these funds.

5. ***Additional Equipment for Western Division:*** SDPD is in need of additional equipment that is necessary to help address quality of life issues in the Ocean Beach, Point Loma, and Midway areas. I am asking for a minimum of \$50,000 for various new equipment and upgrades, including: fixed HD cameras with infrared that can be positioned along the Ocean Beach Seawall, Saratoga Park, and Dog Beach; three large frame police bicycles and a Connex Secure storage box to keep them secure; four high-quality binoculars; and a mobile lighting/camera trailer to position in problematic areas.
6. ***Pension Payment Stabilization Reserve Trust Fund:*** I support the Mayor's proposal for a pension payment stabilization reserve trust funded at \$15 million, subject to guidelines, parameters, and a long-term funding plan to be established at the Budget & Government Efficiency Committee and adopted by the Council as soon as possible. This trust will be critically important to ensure regular fluctuations in the pension payment don't negatively impact the General Fund. As the Independent Budget Analyst's Review of the FY16 Proposed Budget explained, the investment returns for the City's pension fund are trending lower than the current assumed rate of return of 7.25%. This, coupled with changes to the way the pension system calculates administrative costs, could lead to a significant increase in next year's pension payment. Also concerning is a possible reduction in the discount rate from 7.25% to 7.00%, which the IBA notes could increase the Actuarially Determined Contribution (ADC) by \$15 million (Pg. 31 in the IBA's FY16 Budget Review report). Due to these potential impacts, I support the Mayor's \$15 million pension stabilization reserve trust fund proposal.
7. ***Traffic Signal Optimization:*** In order to help reduce traffic congestion in Mission Valley, I would like to request \$400,000 to incorporate traffic signal optimization in areas where traffic volume is high. Traffic signal optimization would be a great improvement especially with the upcoming improvements for the transition of Friars Road and the SR-163 freeway. This would improve the flow of traffic as well as reduce idling of cars which helps reduce greenhouse gas emissions.
8. ***Olive Grove Community Park:*** We have many communities throughout San Diego that are in need of new parks and park improvements. Olive Grove Community Park has a comfort station with limited ADA access and a tot lot in need of new equipment. In order to improve ADA access, I would like to request \$250,000 to allow an adequate path to the comfort station and to improve tot lot play structures and mats.
9. ***Increase Fire Safety throughout the Wildland-Urban Interface:*** San Diego has approximately 500 linear miles of Wildland Urban Interface (WUI). The WUI, combined with the ongoing drought and regular Santa Ana winds, has resulted in a sustained fire season. Additional contract funding is requested for brush management along the WUI to reduce fire risk and protect our neighborhoods.




**OFFICE OF COUNCILMEMBER TODD GLORIA
COUNCIL DISTRICT THREE**

M E M O R A N D U M

DATE: May 22, 2015

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Todd Gloria, Council District Three 

SUBJECT: Council District Three Budget Priorities and Revisions to the Fiscal Year 2016 Budget

The following items are my priorities and proposed revisions to the Fiscal Year (FY) 2016 City Budget. As Chair of the Budget and Government Efficiency Committee for the fifth consecutive year, I have prioritized increased public involvement early in the budget development process. The priorities I offer today are in response to the feedback received from community members during our budget hearings and deliberations. These priorities are also in line with my established policy priorities including neighborhood services, transportation, affordable housing and solutions to ending homelessness, infrastructure, public safety, the environment, and good governance.

This proposal reflects our growing economy and the strengthening fiscal health of the City with the continued restoration of critical services and the addition of new programs. I appreciate the Mayor including many of the Council's budget priorities in the May Revise, and am in full support of the additional funding for many projects and items for which I have advocated, including:

- **Restoration of the library materials budget;**
- **Increased Park & Recreation Center hours;**
- **Program Manager for Balboa Park and Mission Bay;**
- **Horticultural/Irrigation specialist in Park & Recreation;**
- **Information Technology Auditor;**
- **Assistant Traffic Engineer for transportation planning;**
- **Additional staffing in Personnel and Purchasing & Contracting;**
- **Additional Deputy City Attorney position;**
- **Additional support staff for the Community Parking District Program Manager; and**
- **Funding to implement the Council-approved sick leave policy (AB 1522).**

I am also pleased to see the supplement to the May Revise adding two positions to the City Attorney's Office, particularly the Deputy City Attorney position included to enforce substandard housing issues. Substandard housing and slumlord activity are major challenges facing working families, and the City must do its part to make sure that we are enforcing fair and healthy living conditions throughout San Diego.

Attachment H

Page 2

Independent Budget Analyst Andrea Tevlin

CD3 FY16 Budget Priorities and Revisions

May 22, 2015

Additionally, I appreciate the inclusion of funding for a **temporary dog park for Ward Canyon Neighborhood Park** in Normal Heights and believe this is an important step toward realizing this long awaited and significant community asset. I would like to see this interim solution completed as quickly as possible in FY 2016, and hope that we can make progress towards designing Phase I of this park in FY 2017.

FY 2016 BUDGET REVISIONS

- **Public Safety:** Public safety must always be the City's top priority. Now that we have implemented a plan to stabilize the Police Department and retain officers with a new contract, it is my hope that we can focus more efforts on community oriented policing to ensure that our law enforcement is building ties and working closely with our citizens and neighborhood groups. While I understand and appreciate the approach that all officers should be community-oriented in how they conduct business, I have seen the dramatic impact of Community Relations Officers (CRO) in District Three through the added value of continuity, accessibility and strong community relationships. I request that the department develop and present a community-policing restoration plan for the current year. Accountability must equally be a priority for the department, and I would like to see department reforms this year to include enhanced oversight and mandatory reporting guidelines. I further ask to include all funds necessary to ensure the complete and timely implementation of the recommendations made by the Police Executive Research Forum (PERF).

Finally, I have been very vocal about my concerns related to data privacy and surveillance technologies, particularly with respect to the Police Department. I continue to advocate for a citywide privacy policy, and believe the addition of an IT Auditor position to examine risk within the City's IT functions is a step in the right direction.

- **Ending Homelessness:** I am glad to see that this budget proposal maintains the same level of General Funds for homeless programs and services. As Chair of the Regional Continuum of Care Council, I will continue to advocate for a coordinated system of outcomes-driven homeless programs and services to move people off the streets as efficiently as possible into permanent housing. The Council has paved the way for systems change this fiscal year by approving my plan to reallocate the City's limited homeless services funds to results-oriented programs and transitioning the City's interim housing facility from a 16-week winter tent to a year-round permanent program. In FY 2016, the City should continue to monitor and report on the efficacy of these programs and continue to build relationships between service providers, government, businesses, philanthropists, and the public to leverage additional resources to achieve our goal of ending homelessness in San Diego.
- **Library:** I am pleased to see that the Mayor responded to the requests of the community and the Council and restored the materials budget for the Library Department. I continue to be a strong advocate for our library system and am concerned that we are still not committing the required 6.0% of General Funds to the library as outlined in the City's Library Ordinance.
- **Arts & Culture Commission:** The percentage of TOT dedicated to Arts and Culture has remained systematically flat for the past few years. I recognize we are unable to fund the full blueprint amount, but I would like to see an upward trajectory in the spirit of the Penny for the Arts Blueprint.

- **Film Commission:** I support funding to re-establish the San Diego Film Commission, and was encouraged to see funding in the proposed budget. This effort has the potential to bring \$100 million in local spending by film and television companies each year and will create thousands of good paying jobs annually for the San Diego economy. Coupled with these benefits, San Diego would be eligible for the related 5% tax credit authorized by the state legislature last year. I'd like to see the City increase its total investment to \$750,000, an increase of \$483,731 over the current proposal. This amount would fund \$250,000 in start-up costs for the newly re-established commission and five positions including an Executive Director/CEO/Commissioner, a PR/Marketing Director, a Community Liaison/Locations Coordinator, a Permitting Coordinator and a Secretary/Office Administrator. Additionally, I am happy to see that we are working with the County and the San Diego Foundation to identify matching funds, and encourage the Mayor's Office to pursue matching funds from the Tourism Marketing District.
- **Fleet Mechanics:** I appreciate the inclusion of nine additional mechanics in the Fleet Division and am encouraged by the work of our new management team to repair this division. However, the alarming number of vehicles down combined with extremely overworked employees paints a clear picture of the failure of this managed competition. I urge management to continue to evaluate the number of mechanics necessary to support services levels and encourage funding to be considered for 14 additional Fleet Technicians (Job 20000420) for a total cost of \$1,368,416 annually (\$97,744 average salary and fringe per technician).
- **Personnel:** I continue to have concerns about the City's ability to hire more than 500 new positions and worry that our Personnel Department is being set up for failure. We must provide adequate workforce and staffing levels as necessary to meet our obligations and deliver core City services, and request that additional positions be included to support new hires in FY 2016. I request funding for two Associate Personnel Analysts to provide more timely review of applications and assistance to the hiring departments at a total cost of \$191,602 annually.
- **Mission Beach Fly Infestations:** I was alarmed by the concerns of residents and business owners in Mission Beach regarding fly infestations in the summer months, and encourage management to look for a creative solution to this problem.
- **Comprehensive Infrastructure Investment Strategy:** The lack of a comprehensive long-term solution to our multi-billion dollar infrastructure problem is the biggest long-term challenge facing our City. To remain economically competitive, we must work together to develop a sustainable plan for how we will pay for the Citywide infrastructure upgrades. With 870 miles of roads paved in the last five years, the Mayor's 1,000 miles proposal is not much more than status quo. Steps must be taken to identify a robust revenue plan and pursue potential bond options on the ballot.
- **Independent Budget Analyst:** I request an additional \$20,000 for you to hire outside consultants on an as-needed basis throughout the course of the fiscal year on particularly complex matters. This will ensure that your office can continue to provide clear, objective and unbiased analysis and advice to the City Council.

FY 2016 ADDITIONAL REVENUE SOURCES AND BUDGET MODIFICATIONS

- The **Huron Competitive Initiatives Analysis Report**, which was funded at my request as part of my plan to reorganize City government when serving as Interim Mayor, identified 24 strategy, process and employee relations options to improve the managed competition program in order to ensure cost savings and efficiencies are realized through this process. Additionally, I will be requesting a status update at the Budget & Government Efficiency Committee on the implementation of recommendations laid out in the Huron report to streamline ongoing operations and achieve cost savings in Fleet, Real Estate Assets, and Purchasing and Contracting.
- **Encourage Corporate Sponsorships and Public-Private Partnerships:** The City should continue to explore innovative ways and revisit existing codes and policies in order to encourage the private industry to partner with the City. These partnerships are sure to benefit our taxpayers and strengthen our General Fund.
- **Real Estate Assets Vacant City Inventory:** In the first quarter of FY 2016, I will request a review and status update of vacant City assets at the Budget & Government Efficiency Committee to examine opportunities for new revenues from the sale or lease of facilities that are no longer of value to the City.
- **\$1.8 Million Elections Fund:** It is my understanding that the Charter Review Committee intends to bring forward a package of Charter revisions to the voters in 2016, and it is my hope that this package will include additional reforms to the referendum process and elections timeline. However, with the City Council's rescission of the One Paseo project, the full \$1.8 million set aside for additional elections-related costs may not be necessary and could be freed up for alternative one-time uses.
- **Bayside Fire Station:** I recommend utilizing \$5 million in one-time excess equity to fund the Bayside Fire Station instead of tying up ongoing resources. This one-time expenditure could be funded in lieu of prefunding the Public Liability Reserve to our full FY 2018 target of 47% and creating the Pension Reserve Trust prior to a robust policy discussion. Remaining excess equity will still enable us to meet our FY 2017 reserve target of 43%.
- **Pension Payment Stabilization Reserve Trust:** The City has taken drastic steps to reform and stabilize our pension system, and this fiscal year will be the eleventh consecutive year that the City pays its pension bill on time and in full. With unpredictable market activity and the fluctuations in actuarial assumptions, I recognize the potential need to put away funding so that public services are not impacted in the future. The City Council must immediately weigh in on policies and procedures related to establishing this trust fund, and consider the size of this fund with respect to our needs and risk potential. I am committed to docketing this discussion at the Budget & Government Efficiency Committee in June. In the meantime, I support your recommendation to keep a set aside of Excess Equity equal to 1% of the General Fund revenues calculated in the same manner as the 14% reserve requirement, equal to \$11.6 million.

Thank you for your guidance in consolidating our priorities, which will help to ensure an effective and informed budget development process. I look forward to working with you, the Council, the Mayor and our citizens to deliver a balanced and responsible budget for FY 2016.

RECOMMENDED FY 2016 BUDGET ADJUSTMENTS			
RESOURCES		EXPENDITURES	
Bayside Fire Station Adjustment	\$ 5,000,000	Film Commission	\$ 358,731
		2.0 Associate Personnel Analysts	\$ 191,602
		14.0 Fleet Technicians	\$ 1,368,416
		IBA Outside Consultant	\$ 20,000
Sub-Total Additional Ongoing Resources	\$ 5,000,000	Sub-Total Additional Expenditures Using Ongoing Resources	\$ 1,938,749
Prefund Public Liability Reserve	\$ 1,725,000	Bayside Fire Station Adjustment	\$ 5,000,000
Pension Reserve Trust	\$ 15,000,000	Film Commission	\$ 125,000
		1% Excess Equity Reserve	\$ 11,600,000
Sub-Total Additional One Time Resources	\$ 16,725,000	Sub-Total Additional Expenditures Using One Time Resources	\$ 16,725,000
Total Additional Resources	\$ 21,725,000	Total Additional Expenditures	\$ 18,663,749

TG:jl



CITY OF SAN DIEGO

COUNCILMEMBER MYRTLE COLE, DISTRICT FOUR

COUNCILMEMBER DAVID ALVAREZ, DISTRICT EIGHT

COUNCIL PRESIDENT PRO TEM MARTI EMERALD, DISTRICT NINE

JOINT BUDGET MEMORANDUM

DATE: May 22, 2015

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Myrtle Cole *Myrtle Cole*

Councilmember David Alvarez *David Alvarez*

Council President Pro Tem Marti Emerald *Marti Emerald*

SUBJECT: Budget Priorities and Revisions to the Fiscal Year 2016 Budget

While the proposed Fiscal Year 2016 budget and subsequent May Revision recognizes many of the needs and priorities of the citizens of San Diego, we continue to collaborate on a joint budget proposal to prioritize the needs of neighborhoods South of Interstate 8, which have historically been underserved. We believe that investment into these neighborhoods will ensure that every community is on a level playing field and has the essential resources such as adequate fire-rescue, community-oriented policing services, and safe streets and sidewalks. We also advocate for additional resources to ensure that City departments have the appropriate resources to fulfill essential operations and provide optimal customer service. Our priorities continue to focus on building a San Diego of which we can all be proud.

The following are our priorities for additional funding and revenue in the FY16 Budget:

Public Safety

- Implementation of the Police Executive Research Forum (PERF) Report Recommendations and Community Oriented Policing: The U.S. Department of Justice's

recent completion of an assessment of the San Diego Police Department's policies and practices for preventing, detecting and investigating misconduct identified a number of deficiencies in recruiting practices, supervision and training of officers, accountability systems, mechanisms for reviewing citizen complaints and leadership. The assessment recommended a comprehensive approach to all aspects of policing that can help prevent misconduct. The Department must have adequate resources to fully implement the approximately forty recommendations which includes the training and supervision of officers, the recruitment and selection of new officers, accountability mechanisms, internal investigations and disciplinary practices.

In San Diego, Community Oriented Policing efforts have proven to be effective. Community Policing is not only a philosophy, it is also a program which requires staffing and resources to implement. The Department must establish clear goals, assign resources, create the infrastructure, and measure and track deliverables of its Community Oriented Policing Program. It is imperative that we invest resources to expand the program to continue to build the trust and relationship between our residents and police officers. We continue to request that additional Community Relations Officers and/or Community Service Officers be identified as the Police Department continues to rebuild and as staffing levels stabilize.

Additionally, we strongly support the expanded academies, and ask that funding be specifically set aside funding for community-led officer trainings. This funding could be used for current community collaborations, such as the Compassion Project, which are now done on a volunteer-basis and should be formalized with ongoing funding.

- Implementation of PD Five Year Plan: Civilian Positions and Equipment Replacement: The City must continue to implement the Police Department's Five-Year Plan. There is cost benefit in restoring civilian positions. The elimination of these critical positions over the years has resulted in slower police non-emergency response times, additional overtime costs, decreased revenues from permit and fee collections, case backlogs and other impacts. The restoration of civilian staff will allow existing sworn officers to return to patrol duties. We ask that the filling of vacancies within the Communications/Dispatch Division be prioritized. We are extremely concerned that the low staffing levels have resulted in a third consecutive year of mandatory overtime for public safety dispatchers. The City must ensure that the Communication/Dispatch Division is an attractive place to work and is competitive with other law enforcement agencies in the region.

Additionally, according to the Plan, the existing trailer that houses Traffic/Special Events, adjacent to Eastern Division, must be replaced with a new 20,000 square foot trailer. The existing trailer has been at the current site for approximately fifteen years, is in severe disrepair, and affects working conditions and staff morale. The trailer houses over 300 men and women of the Police Department and includes Traffic Investigation, Motors, Parking Enforcement, Special Events, Traffic Controllers and RSVP volunteers. The approximate cost is \$700,000.

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- Temporary Home Avenue Fire Station: The City must prioritize the identification and acquisition of land for a much-needed fire station on Home Avenue. In addition, the design of this fire station must be completed in FY16. We request that the \$900,000 budgeted for this phase of the project be spent to allow for the operation of a temporary station in FY17 (\$700,000 from preparation and design and \$200,000 for equipment/temporary structure).
- Provide Adequate Staffing Levels for Fleet Services: The City's Fleet Services division is critical to the public health and safety of the city. Currently, the operation performs maintenance for more than 4,000 vehicles used in City operations, including police, fire, trash collection utility service and repair, park maintenance, and general services. In order to ensure the safety and reliability of our workforce and the services they provide, the Division must have adequate staffing. We request that \$905,800 be identified for 14.00 additional Fleet Technicians at an annual value of \$64,700 per FTE.
- Neighborhood Code Compliance/City Attorney Support: The Neighborhood Code Compliance Division of the Development Services Department administers programs designed to protect the public's health, safety, welfare, and property value through enforcement of the City's ordinances and State/Federal laws relating to land use, zoning, housing, public nuisances, graffiti abatement, and vegetation/fire hazard abatement. For too long, the staffing levels in the Division have been dismal and enforcement priorities have been adjusted downward to keep pace.

We note the supplement to the May Revision adding City Attorney and Investigator support to the Code Enforcement Unit, specifically for Substandard Housing Enforcement. This is critical to the success of the new proactive code enforcement program. Council District 8, the Office of the Mayor, and the Office of the City Attorney have held preliminary discussions for how to structure this program to best address problem properties.

- Regional Park Ranger: We appreciate the funding in the May Revision for a Regional Parks Park Ranger split between Balboa Park and Mission Bay Park. The same or greater need exists for another regional park, Chicano Park. To meet this need and join with other identified requests for a ranger in Sunset Cliffs, the same time-split position should be added to the budget for a Chicano Park/Sunset Cliffs Park Ranger (1 FTE, \$70,000). Although a valued and historic part of the community, Chicano Park requires a Park Ranger to assist with issues including indicting drug use, graffiti, and transients.

Infrastructure

The City must make infrastructure improvements and maintenance a higher priority going forward, particularly in areas of the city which have historically been underserved. We seek to achieve equity for the neighborhoods we represent, which means targeted infrastructure investments are needed to address the substandard conditions which have presented roadblocks to true economic and social opportunities. The following focused investments into

many of our low-income urban neighborhoods will not only address the visual conditions, they will create jobs, promote economic growth, foster environmental sustainability and meaningfully address pressing community needs.

- Annual Allocations: Prior to the adoption of the FY16 budget, we request that specific locations and projects be identified for the following Annual Allocations:
 - Installation of City Owned Street Lights/AIH00001 (\$1,000,000)
 - Sidewalk Repair and Reconstruction/AIK00003 (\$3,600,000)
 - Sidewalk Replacement 1601 (\$1,200,000 – Council Districts: 4,8,9)
 - Sidewalk Replacement 1602 (\$1,200,000 – Council Districts: 2,3,7)
 - Sidewalk Replacement 1603 (\$1,200,000 – Council Districts: 1,5,6)

The April 30, 2015 Memo from Financial Management titled *Fiscal Year 2016 Proposed CIP Budget: Anticipated Projects Funded by Annual Allocations* did not specify a project list for these two very important Annual Allocations.

We request that installation priorities include areas with high pedestrian activity, including parks, community centers, schools, business corridors, and transit stations. Street lighting can be an important tool in combating crime, as well as increasing safety for motorists, cyclists, and pedestrians. Specific to streetlights, considerable savings in reducing the backlog can be achieved by locating new lighting fixtures on existing poles, where available.

- Council District Four Sidewalks/Market Street Sidewalks: We request a minimum of \$4 million to address critical pedestrian/public safety needs in Council District Four. A CIP must be established to allow for the installation of sidewalks on Market Street between Pitta Street and the Malcolm X library. The current condition puts children as well as their parents at risk. Citizens should not have to walk in the street or on dirt to access a public facility. Additionally, funding is needed to complete the long-awaited Martin Luther King Jr. Promenade pedestrian improvements and to install missing sidewalks throughout the Paradise Hills Community as recommended by its official Community Planning Group.
- Tubman Charter School Joint Use Park, CIP S-13000: We request \$2.7 million to build a new neighborhood park on an approximately 1.72 acre site shared with the San Diego City School District at 6880 Mohawk Street in the College Area community. This park is in a community that is severely park deficient. The park would potentially provide play fields, and other active areas, and landscaping. A General Development Plan of the park has been completed.
- San Ysidro Library: We request \$2.0 million to complete funding for the new library to replace the current branch library in San Ysidro. The current facility is one of the oldest (built in 1931), smallest (3,000 square feet) and outdated library facilities in the entire city. The construction of the new library has been long delayed. We request funding allocation to complete the existing funding gap.

Attachment H

- Pedestrian and Cycling Safety Upgrades: We renew our request to fund \$3.8 million, as based on the 2013 Pedestrian Master Plan and 2013 Bicycle Master Plan in biking and walking safety improvements in several key corridors identified by SANDAG. Specifically:
 - Market Street from 31st Street to I-805 including at least \$915,000 to support curb extensions, high visibility crosswalks, countdown signals, EVPE, road and lane diets, and cycle tracks;
 - Euclid Avenue from Hilltop to Imperial including at least \$1.1 million to support curb extensions, high visibility crosswalks, countdown signals, road and lane diets, and cycle tracks, ADA compliant curb ramps, and Class II bike lanes; and
 - El Cajon Boulevard from 35th Street to 43rd Street including at least \$1.7 million for curb extensions, high visibility crosswalks, countdown signals, pedestrian refuge, and restricted right turn on reds.
 - Curb ramp installation projects surrounding undergrounding activities are also critically needed (including sidewalk and streetscape resurfacing) along 24th Street (G to Imperial) and K Street (19th to 30th Streets)

Community Services and Operational Needs

While Public Safety and Infrastructure needs remain the twin areas of focus for our districts, there are significant citywide operational needs that should be accounted for in the FY16 budget to ensure that City departments have the appropriate resources to fulfill essential operations and provide optimal community and customer services.

- Distribution of Recreation Center hours: We deeply appreciate the additional positions and funding in the May Revision to allow 20 Recreation Centers to increase hours from 45 to 60 per week. This is critically needed across the City, but especially in the districts we represent. As we noted, recreation centers make communities desirable places to live, work, play, and visit, thereby contributing to the ongoing economic vitality of communities throughout our country. The programming promotes healthy lifestyles, deters crime, and helps our youth develop into contributing members of our communities.

While we strongly support the additional 20 Centers that will receive increased hours, there are additional centers in our districts that serve at-risk youth and where the community relies heavily on the access to technology and services these smaller centers provide. Specifically, we support funding for additional hours (from 45 to 60) at the Stockton and Skyline Hills Recreation Centers. Additional Assistant Recreation Center Directors or Recreation Leader 1 positions are approximately \$56,000. These additional hours could also be accomplished by sharing positions at existing recreation centers at little to no cost.

- Penny for the Arts: We recommend returning to our City's promise of funding arts at the levels described in the Penny for the Arts Five-Year Blueprint. The Blueprint was

adopted by the Council in 2012 with the goal of restoring Arts, Culture, and Community Festivals allocations within the annual Special Promotional Programs budget to FY02 funding levels. Unfortunately, the Penny for the Arts funding in the FY16 Proposed Budget falls short of the FY 2016 Blueprint goal of 8.55% of 1 cent of Transient Occupancy Tax (TOT) revenue.

While it may not be possible to reach that Blueprint goal in FY16, we should be making a significant increase. Allocating an additional \$1 million will allow the arts program to reach additional residents and get the City back on track to implementing the Blueprint.

- Literacy Program: We request \$125,000 to support the San Diego Unified School District's Summer-Readers-Future Leaders (SRFL) program for second and third graders in Southeastern San Diego, particularly at Chollas-Mead, Johnson, and Horton Elementary Schools. SRFL is a literacy program linked to the arts. The program engages students in learning experiences designed to reduce summer reading loss, fuel motivation to read, enhance physical and social-emotional growth, and increases exposure to inquiry-based science activities.
- Establish a San Diego Film Office: We request that an additional \$484,731 be identified to restart the San Diego Film Commission. This is in addition to the \$266,269 already budgeted for a Film Commission Program Manager and startup funds, for a total of \$750,000. The additional funding would allow for the hiring of 4.00 FTEs, consisting of personnel common in a film office/commission: PR/Marketing Director, Community Liaison/Locations, Permitting Coordinator and a Secretary/Office administrator. In addition, this request includes non-personnel costs.
- Library Department: We request that the former Librarian II Step E position (1.00 FTE, \$60,300) in San Ysidro be restored. The position at San Ysidro is not currently open. San Ysidro once had a Children/Youth Services Librarians but that position has not existed for the past few years. This library position is critical to add now, as it would be responsible for needed outreach as the new San Ysidro library moves forward.
- IBA Consultant Contract: We request that \$20,000 be allocated to allow the Office of the IBA to engage consultant expertise on an as-needed basis throughout the year, in order to augment staff research and analysis, for certain docket items e.g. complex leases, fiscal analyses of ballot measures, environmental matters, specific economic studies.
- City Attorney Support Staff: We concur with the Office of the City Attorney that additional support staff are needed to assist the positions added in the May Revision.
- Personnel Department: We request \$191,602 in funding for additional staff in the Personnel Department to facilitate and expedite the hiring of over 500 new positions that are proposed in the FY16 Budget. We specifically request that 2.00 FTE Associate

Attachment H

Personnel Analysts (\$95,801 each) be funded to implement the NEOGOV Online Hiring Center and to expedite the initiation and processing of more examinations.

- Purchasing and Contracting: We request that additional staff be allocated to evaluate SAP and the citywide audit-related findings in the Purchasing and Contracting Department, which could accelerate the procurement and contract award process.
- Increase CIP Website Transparency: We request that as part of the City's Open Data Policy implementation, that attention and resources be provided to improve the transparency and data available on the CIP Website. Currently, the website is out of date and difficult to navigate.

Revenue Opportunities

In order to fund the proposed projects, programs, and services recommended above, we have identified the following areas in which additional revenue can be generated in order to offset our additional budget recommendations.

- Public Liability Fund Reserve: Per Council Policy 100-20: Reserve Policy, the City is on target to reach the 50% reserve level by FY19 without additional pre-funded contributions in FY16. (Additional funding: \$5,800,000 one-time)
- 1% Equity Reserve: As recommended by your office, the City should establish an Excess Equity Reserve equal to 1% of the General Fund. This Equity Reserve is in addition to the General Fund Reserve of 14% and may be used for pension stabilization or one-time capital improvements. We look forward to a future policy discussion regarding the establishment of a Pension Payment Stabilization Reserve Irrevocable Trust. (Additional funding: \$3,400,000 one-time)
- Use of Excess Centre City Bond Proceeds or Excess Equity for the Bayside Fire Station: We request that the one-time need to construct the Bayside Fire Station be funded either via excess Centre City Bond Proceeds or Excess Equity. (Additional funding: \$5,000,000 one-time)
- Timing of New Hires: The proposed FY16 budget adds more than 500 FTE positions across departments. We note our confidence in the Personnel Department to move smoothly through the hiring process. However, it is unrealistic to assume that all 500 new hires will be in place in this calendar year. The hiring process simply cannot move that quickly, and some positions are not needed until other work has been completed. Thus, we recommend 5-10% of the positions be funded at 50% levels (mid-year funding). (Additional funding: \$2,100,000 - \$4,200,00 one-time)

This memo reflects our top priorities and will serve as the basis for our support of the final FY16 Budget. The developments and operations we have laid out above are critical to providing

equity in a budget process that has too often neglected our communities. In addition to the South of Interstate-8 combined priorities listed above, we have also included district-specific projects, which we all support, as Attachment A to this memorandum. As we enter a strong period of growth for our city, we are hopeful that we have the resources to bring each of these projects to fruition.

We look forward to the collaborative work ahead to weigh the numerous competing priorities in order to deliver a balanced and responsible budget. Thank you for your consideration of our budget priorities and options for revenue generation.

Attachment H

Attachment A

The following projects are district-specific investments which are critically important to the health and well-being of our residents. Many of these projects are eligible for additional or alternative funding streams such as General Fund, Regional Park Improvement Funds, TransNet, DIF, CDBG, ADA/Capital Outlay or grant funding.

District 4:

- Paradise Hills Multi-Purpose Field: We request staff attention and/or the advice of subject-matter experts to explore the remediation and reuse of former landfills for recreational uses, particularly for the former landfill at Paradise Valley Road and Potomac Street. There is growing interest in the community to remediate the former landfills to expand recreational and renewable energy opportunities—soccer, baseball fields, solar farms, etc.)
- Rolando Joint Use Facility: (no new fiscal impact) expedite the design and construction of a much-anticipated joint-use facility at Rolando Elementary School.
- Bay Terraces Community Park: identify \$200,000 to reinitiate design and construction of the Community/Senior Center.
- Valencia Park (La Paz Mini-Park): (no new fiscal impact) \$734,000 has been identified. We request timely completion of the design and permitting of this new mini-park so that grant funding for construction can be sought.
- Tot Lot enhancements and ADA upgrades at the following neighborhood parks: (costs TBD)
 - Boone Neighborhood Park
 - Emerald Hills Neighborhood Park

District 8:

- Island Park: \$200,000 to bring the park into ADA compliance, as well as leveling the ground in preparation for a tot lot.
- Clay Park: \$100,000 for a pocket park in a residential area to provide benches, barbecue grills, night lighting, synthetic grass and playground equipment.
- Sherman Heights Community Center: \$70,000 to provide playground equipment for the only community center in the northern part of District 8. The Center once had playground equipment but the pieces are missing, have been removed, or lack repairs.
- San Ysidro Skate Park: \$100,000 toward initiation of planning and design for a skate park at the City-owned property on the southwest corner of the intersection of Beyer Blvd and Beyer way adjacent to 325 Mesa Ave, San Ysidro 92173. The City's Public Works

department should begin planning and design to determine the funding and time needed to construct a skateboard park on this property.

- Beyer Park: \$500,000 to revise and update the General Development Plan (GDP) and begin environmental analysis for Beyer park development (CIP S00752). Beyer Park Development would create a 12.6 acre community park from about 43 total acres acquired by the City in 2002. This park would serve both the San Ysidro and Otay Mesa communities. A GDP was created but never approved in 2002, and the costs of construction haven't been estimated since. Public works should update the GDP and begin the environmental work needed to estimate the current construction cost and timeline for the park.


District 9:

- Grounds Maintenance Worker 2: \$70,600 (annually) for City Heights area parks.
- Park at Chollas Parkway: \$250,000 for a General Development Plan to design a community park and open space network that utilizes the existing Chollas Parkway right-of-way from 54th Street on the west to University Avenue on the east. The little used parkway would be closed and vacated, allowing for a new (approximately 11-acre) neighborhood recreation and open space park located in its place. Opportunities exist for a mixture of active and passive park uses. The open space lands would be part of a habitat restoration effort consistent with the goals of the Chollas Creek Enhancement Program. The area is currently undergoing a Community Plan Amendment and environmental review. Phased construction could potentially be funded from Development Impact Fees and other sources beginning in FY17.
- Relocation of Electrical Boxes on Meade Avenue, CIP B14048: \$91,000 to complete the design and engineering and relocate three utility boxes (with traffic signal controls) in the public Right-of-Way on Meade Avenue, between 43rd and Fairmont, adjacent to the new Copley-Price YMCA. The new YMCA is expected to generate additional pedestrian and bicycle traffic in this community where a large percentage of the population, including children, the elderly, and the disabled, do not have access to private transportation. The sidewalk improvements generated by the YMCA project should be completed by moving these city-owned utility boxes from the middle of the sidewalk, where they could block pedestrian access and attract graffiti.
- Flashing Crosswalk at Adams Avenue and Kensington Drive: \$60,000 to install a flashing crosswalk using in-pavement flashers and flashing signs to improve pedestrian safety. There is a thriving business community at this location that attracts customers and visitors from and outside the neighborhood. The lack of a crosswalk has made it dangerous and challenging for pedestrians to cross Adams. Ave., particularly at night. The installation of a flashing crosswalk would improve the safety of pedestrians by warning oncoming traffic of people crossing.



City of San Diego
MARK KERSEY
CITY COUNCILMAN, FIFTH DISTRICT

MEMORANDUM

DATE: May 22, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilman Mark Kersey 
RE: Fiscal Year 2016 Budget Revisions

This is in response to Budget and Government Efficiency Committee Chair Todd Gloria's May 12, 2015 memorandum requesting Councilmember priorities, budget amendments, service/program restorations and other goals for inclusion in the Fiscal Year 2016 Budget.

I support the proposed General Fund allocation of \$15 million for a **Pension Payment Stabilization Reserve Trust** and look forward to crafting a policy to establish this critical safety net in the coming Fiscal Year.

I applaud Mayor Kevin Faulconer for proposing a budget and May Revision that prioritizes restoring services to neighborhoods, addressing our infrastructure backlog, maintaining and expanding sound fiscal practices, and increasing government openness and transparency. To those ends, the following items should be considered for funding as we continue to monitor the budget and identify additional revenue.

Rebuild San Diego through Neighborhood Investment. The City of San Diego faces over \$2 billion in deferred maintenance. While the Council is making progress through historic monetary investment and the development of the City's first-ever Multi-Year Capital Improvement Plan, it will take the continued diligence of the Council to make our neighborhoods whole.

- **Improve Traffic Signal Optimization.** Traffic congestion is an issue that affects all districts. Every day, San Diegans are frustrated with traffic that results in less time with their families, and high gas consumption. To help residents and gain efficiency in commutes, I recommend the City invest in advancing traffic signal optimizations along main corridors, particularly roads that connect to freeway ramps and those with the highest volume of traffic.

- **Restore Transportation in the San Pasqual Valley.** The San Pasqual Valley is home to the City's last remaining dairy farm, a highly-used hiking trail system, and the San Diego Zoo Safari Park. Ysabel Creek Road is the main thoroughfare between Bandy Canyon Road, where farmers package their products, to San Pasqual Valley Road, where the Zoo Safari Park and the Archaeological Society are located. However, severe storms have moved much of the asphalt off the path, leaving the road dangerous and inconsistent with the City's Street Design Manual. In order to avoid road hazards, people have been observed driving off the loosely-defined path onto the watershed property, potentially affecting water quality. Additionally, insufficient access is detrimental for local farmers who lease property in the valley. I request funding for an engineering analysis to determine options for restoring Ysabel Creek Road, and development of a CIP to begin restoring transportation access to the community.
- **Expedite Cast Iron Water Main Replacement.** Some of our water mains have been in service for nearly a century. These older cast iron water mains are less than 10% of our system but account for 60-80% of water main breaks.

Preventing water main breaks is not only a quality of life issue in our neighborhoods but a water conservation issue. Often when a main breaks, the surrounding residents and businesses are left without running water, property is damaged, and gallons of precious water run down the drain. Approximately 12.2 million gallons of potable water were lost due to main breaks in 2014. The City is already outpacing the state's requirement for replacing cast iron pipes, but to the extent feasible, this schedule should be expedited even further.

- **ADA Compliance at Neighborhood Parks.** Community parks are a core piece of neighborhood infrastructure. In order to continue to provide a safe play environment for our children, parks must be brought up to current Americans with Disabilities Act (ADA) standards, and aging play structures and surfaces must be maintained or replaced.


Improve Fire-Rescue Response Times. The rural community of San Pasqual would greatly benefit from a Fast Response Squad of a dedicated ambulance. A majority of calls are medical aids at the San Diego Zoo Safari Park and minor car accidents that do not require a full engine company. With the community left without medical mutual aid from neighboring Escondido, responders are called from Fire Station 33 in Rancho Bernardo. On a good day with no traffic, Engine 33 can get to the Zoo Safari Park in 15 minutes, far exceeding the national response time standards. While Engine 33 is out on a 30-minute minimum call to the San Pasqual Valley, Rancho Bernardo residents are left waiting for life-saving services from Carmel Mountain Ranch or Rancho Peñasquitos. Placing a Fast Response Squad or dedicated ambulance unit at the Zoo Safari Park can relieve the stress on the first responder system in northeastern San Diego and keep residents and visiting tourists safe while visiting the world-famous destination.

Increase Fire Safety throughout the Wildland-Urban Interface. San Diego has approximately 500 linear miles of Wildland Urban Interface (WUI). The WUI, combined with the ongoing drought and regular Santa Ana winds, has resulted in a sustained fire season. Additional contract funding is requested for brush management along the WUI to reduce fire risk and protect our neighborhoods.



**COUNCILMEMBER CHRIS CATE
CITY OF SAN DIEGO
SIXTH DISTRICT**

MEMORANDUM

DATE: May 22, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Chris Cate 
SUBJECT: Budget Priorities and Revisions to the Fiscal Year 2016 Budget

It is my pleasure to offer my budget priorities and revisions to the Fiscal Year 2016 budget.

I look forward to reviewing a policy that will establish a Pension Payment Stabilization Reserve Fund. As we have seen in the past, the City's pension fund is susceptible to poor returns due to unpredictable market activity and assumption changes that result increased contributions. This fund will protect the City's financial health and ensure the continuation of increased investments in core neighborhood services. It is imperative to set aside a significant amount of the total Fiscal Year 2015 excess equity until a new reserve fund is discussed.

Should new revenues continue until the close of Fiscal Year 2015, I recommend the following projects be considered for funding.

Olive Grove Community Park (\$250,000)

Enhancing community parks for the enjoyment of local residents is a core neighborhood service. Olive Grove Community Park is in vital need of ADA improvements in order to improve the path of travel and access to the comfort station. This project would also enhance the tot lot with new play structures and safety mats. In alignment with the City's cash management policy, I request that \$250,000 be allocated from ABE0001 to S15028, in addition to any new potential revenues to successfully fully fund this project.

Fund the Major Events Revolving Fund (\$750,000)

As the City looks forward to hosting Major League Baseball's All-Star Game in 2016, it is imperative to ensure San Diego taxpayer dollars are protected. The City Council has authorized the waiving of up to \$1.5 million in fees for General Fund department services, including, but not limited to Police, Fire-Rescue, Park and Recreation, and Special Events Departments. Given this event provides the City a unique platform to showcase San Diego

to an international audience and new tourism markets, the Major Events Revolving Fund should fully reimburse the City's General Fund expenditures. This reimbursement can be accomplished by prefunding over Fiscal Years 2016 and 2017.

Mira Mesa Community Plan Update

Community plans are the guiding documents that protect neighborhood identity and character. As one of the largest communities in the City of San Diego, the Mira Mesa Community Plan was last updated in 1994. It is imperative that funding be identified to initiate a comprehensive update process that reflects the current needs and priorities of the community, ensuring that Mira Mesa continues to be a vibrant San Diego neighborhood.

Increase Fire Safety throughout the Wildland-Urban Interface

San Diego's current drought situation, coupled with dry conditions, has created a very arid environment that is susceptible to serious wildfires. Funding for additional brush management contracts is crucial, particularly throughout the 500 linear miles of Wildland Urban Interface. It is imperative that the City of San Diego continues taking steps to protect local residents and businesses from the hazards of fire season.

Design and Construction for SDPD Traffic/Special Events Building (\$700,000)

The existing trailer that houses Traffic/Special Events is in severe disrepair and no longer meets the needs of the department. A new building is needed to house 350 full and part time Traffic Division employees and volunteers who serve on a citywide basis. I request funding in the amount of \$700,000 to design and begin constructing a new Traffic/Special Events Building.

Traffic Signal Optimization (\$400,000)

Traffic signal optimization technology is a proven method to reduce travel time on heavily used arterials and transit corridors. Results have shown improvements by as much as 22% in some areas. As the City continues to target strategies to accommodate regional population growth, it is imperative that funding for traffic signal optimization be allocated to reduce travel time in key congestion areas.

Addition of a Senior Park Ranger (\$160,000)

Sunset Cliffs Natural Park is an invaluable environmental resource to the entire San Diego community. In light of current restoration initiatives to the Park's natural landscape, it is critical to ensure these improvements are protected for the enjoyment of future generations. A Senior Park Ranger is paramount to protect the health of not only the natural environment but the safety of residents and visitors who frequent this asset.

CC:ic



City of San Diego
Councilmember Scott Sherman
Seventh District

MEMORANDUM

DATE: May 22, 2015
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Scott Sherman
RE: Recommended FY 2016 Budget Revisions

The following are my budget priorities for additional funding in the FY16 Budget.

Pension Payment Stabilization Reserve Trust

Setting aside \$15 million for the Pension Payment Stabilization Reserve Trust is common sense financial planning. The IBA noted in its review of the FY 2016 budget that there is a good chance the Actuarially Determined Contribution (ADC) to the pension fund may rise by \$15 million dollars if the SDCERS' Board were to lower the discount rate to 7.00%. Setting aside savings to help pay for potential issues such as these in the future is prudent financial planning and should be encouraged. Please support the retention of this money for this purpose.

Traffic Signal Optimization (\$400,000)

The City should work to incorporate traffic signal optimization technology into our streets with the highest volume of traffic and major thoroughfares such as Friars Road in Mission Valley. Traffic signal optimization has been found to improve efficiency by up to 20%. In addition, the State recently recognized this technology as having positive climate benefits because it reduces the idling of cars.

Hex Building in Tierrasanta (\$340,000)

The Hex Building in Tierrasanta has been a community asset for decades. Unfortunately, over the last 30 years the facility has not been maintained and will sit unoccupied until it is updated. An assessment was done on the building in May 2014 which identified the total cost of repair as \$340,000. The community has made the improvements to this building a

priority. By updating this facility, the City would be able to provide needed meeting space in Tierrasanta.

Continued Support for the San Carlos Branch Library

The old San Carlos Branch Library has been a staple of the community staple for the last 40 years. Initially planned as the flagship branch for the surrounding neighborhoods, the new San Carlos Library has been in planning stages for almost 20 years. In January 2014, the San Carlos Library kicked off its year-long 40th Anniversary Celebration. The recent infrastructure bond identified \$1 million in FY 2015 to finalize the design documents for the new San Carlos Library which will complete the last steps in preparation for construction. After the design phase is completed, I request that the Mayor and City Council continue to help prioritize funding for the San Carlos Library.

Independent Budget Analyst Outside Consultant (\$20,000)

The Independent Budget Analyst office provides Council with essential reports that are used to help make financial decisions for the City. The IBA has requested funding for as-needed outside experts to consult on complex matters that the IBA has limited expertise in. Consultation with outside experts on complex issues on a case by case basis will ensure a clear and unbiased analysis is presented to the Council.

Increase Fire Safety throughout the Wildland-Urban Interface

San Diego has approximately 500 linear miles of Wildland Urban Interface (WUI). As seen last May, San Diego is extremely susceptible to fires during this sustained drought. The annual allocation for brush management was increased in last year's budget, but that only covered the increased cost of service. Additional funding is needed for enhanced brush management along the WUI to reduce fire risk and protect our neighborhoods.

Olive Grove Community Park (\$250,000)

Olive Grove Community Park is in vital need of ADA improvements in order to improve the path of travel and access to the comfort station. Ensuring safety and access for residents is an important aspect of parks. In addition, this CIP will enhance the tot lot with new play structures and safety mats.

Street Vacuuming in Mission Beach (\$40,000)

Fly infestations have continually been a major issue in Mission Beach during the summer months. One solution to help prevent this is adding street vacuuming once a week from July-September. This would help pick up litter and debris while also getting into places where flies may be breeding.

cc: Honorable Mayor Kevin Faulconer

RESOLUTION NUMBER R- **309779**

DATE OF FINAL PASSAGE **JUN 10 2015**

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING THE FISCAL YEAR 2016 BUDGET, INCLUDING APPROVING THE MAYOR'S FISCAL YEAR 2016 PROPOSED BUDGET, THE MAY REVISION TO THE PROPOSED BUDGET, THE INDEPENDENT BUDGET ANALYST'S RECOMMENDED REVISIONS TO THE PROPOSED BUDGET AND OTHER CHANGES AS APPROVED BY THE CITY COUNCIL.

WHEREAS, pursuant to San Diego Charter section 290(b), prior to June 15 of each year and after holding a minimum of two public hearings, the City Council shall adopt a resolution approving the City's budget as proposed by the Mayor or modified in whole or part; and

WHEREAS, on April 14, 2015, the Mayor's proposed budget (Proposed Budget) was presented to the City Council; and

WHEREAS, on May 21, 2015, the Mayor's May revision (May Revision) to the Proposed Budget, dated May 19, 2015, was presented to the City Council; and

WHEREAS, on May 21, 2015, a Supplement to the May Revision (Supplement) was released to the City Council and the public; and

WHEREAS, on June 3, 2015, the Independent Budget Analyst issued her Review of the Fiscal Year 2016 May Revise and Recommended Revisions to the Mayor's Fiscal Year 2016 Budget, IBA Report No. 15-22 (IBA FY 2016 Budget Report); and

WHEREAS, between May 4 and May 19, 2015, the City Council held more than two public hearings to consider the City's Fiscal Year 2016 budget in accordance with San Diego Charter sections 290(b) and 71; and

WHEREAS, the City Council has determined to approve the City's Fiscal Year 2016 Budget, including the Mayor's Proposed Budget, as modified by the May Revision and the Supplement, including certain recommendations contained in the IBA FY 2016 Budget Report, and with other changes approved by the City Council as set forth below; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego that the Mayor's Proposed Budget, as modified by the May Revision and the Supplement, is hereby approved including the recommendations contained in the IBA FY 2016 Budget Report as modified by the City Council as follows:

- a. Increase total on-going additional expenditures in the IBA FY 2016 Report to \$5,898,000 from \$4,214,000 by:
 - decreasing ADA Upgrades/Tot lots in neighborhood parks by \$500,000;
 - decreasing Traffic Signal Optimization Technology to address traffic congestion by \$1,500,000;
 - increasing the Library Department budget for additional hours in 23 branches and the Central Library by \$2,300,000;
 - increasing the Penny for the Arts Blueprint by \$500,000;
 - increasing the Fire-Rescue/Lifeguard Services budget for 1 Lifeguard III FTE for Windansea/Boating Safety Unit by \$131,000;
 - increasing the Fire-Rescue/Lifeguard Services budget for 2 Lifeguard III FTEs for Pacific Beach by \$262,000;

- increasing the Special Events Department Budget for 1 FTE in the Film Office by \$100,000;
 - increasing funding for the Beyer Park General Development Plan by \$200,000;
 - increasing funding for Electrical Boxes on Meade Avenue by \$91,000; and
 - increasing funding for Flashing Crosswalks at Adams Avenue and Kensington Drive by \$100,000;
- b. Adjust total one-time additional expenditures in the IBA FY 2016 Report by:
- decreasing one-time expenditure to replace City Hall carpet from \$425,000 to \$363,000; and
 - increasing one-time expenditures in the Police Department for Western Division Police Equipment by \$62,000.

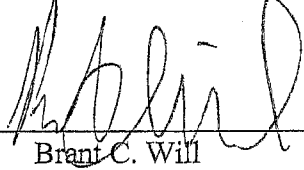
BE IT FURTHER RESOLVED, that this action does not include approval of the \$25 million Industrial Medicine Contract under the Risk Management Department included in the May Revision, which shall be brought for City Council consideration at a later date.

BE IT FURTHER RESOLVED, that the Mayor is directed to present to the City Council the Fiscal Year 2016 First Quarter Budget Monitoring Report (First Quarter Budget Monitoring Report), along with the Five Year Financial Outlook, no later than November 30, 2015.

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to return, as soon as practicable, the Approved Budget to the Mayor in accordance with section 290(b)(2)(A) of the Charter.

APPROVED: JAN I. GOLDSMITH, City Attorney

By



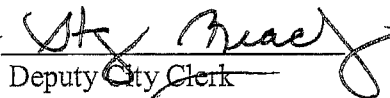
Brant C. Will
Deputy City Attorney

BCW:jdf:sc
05/27/15
06/08/15 REV.
Or.Dept:IBA
Doc. No.: 1031012_4

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 08 2015.

ELIZABETH S. MALAND City Clerk

By



Deputy City Clerk

Approved:

6/10/15
(date)



KEVIN L. FAULCONER, Mayor

Vetoed:

(date)

KEVIN L. FAULCONER, Mayor

Attachment I

Passed by the Council of The City of San Diego on JUN 08 2015, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 10 2015

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By , Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- **309779**

RESOLUTION NUMBER R- **309813**

DATE OF FINAL PASSAGE JUL 16 2015

RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO ADOPTING THE STATEMENT OF
BUDGETARY PRINCIPLES WITH RESPECT TO
ADMINISTRATION BY THE MAYOR OF THE FISCAL
YEAR 2016 BUDGET

WHEREAS, in accordance with San Diego Charter sections 71 and 290, on July 21, 2014, the City Council is expected to adopt the Appropriation Ordinance to provide for the appropriation and expenditure of funds for the Fiscal Year 2016; and

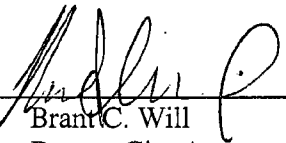
WHEREAS, the Mayor and the City Council desire to provide for the effective administration of the Fiscal Year 2016 budget; and

WHEREAS, the Independent Budget Analyst, in consultation with the Mayor, has prepared a Statement of Budgetary Principles, on file with the City Clerk as Document No.

RR- **309813**, which acknowledges the duties of the Mayor as Chief Budget Officer and Chief Fiscal Officer of the City, and the City Council as sole legislative and lawmaking body of the City; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the City Council hereby adopts the Statement of Budgetary Principles.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Brant C. Will
Deputy City Attorney

BCW:jdf
6/12/15
Or.Dept:IBA
Doc. No.: 1043197

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 29 2015

ELIZABETH S. MALAND
City Clerk

By Stacy Bracy
Deputy City Clerk

Approved: 7/16/15
(date)

Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUN 29 2015, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUL 16 2015.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

(Seal)

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By Sty Brady, Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- **309813**

ORDINANCE NUMBER O- 20543 (NEW SERIES)

DATE OF FINAL PASSAGE JUL 21 2015

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2016 AND APPROPRIATING THE NECESSARY MONEY TO OPERATE THE CITY OF SAN DIEGO FOR SAID FISCAL YEAR.

WHEREAS, San Diego City Charter (Charter) section 71 requires that the form, arrangement and itemization of the Appropriation Ordinance be determined and prescribed by the Chief Financial Officer and the City Attorney; and

WHEREAS, in accordance with Charter section 290, the annual Salary Ordinance and the adopted budget are controlling documents for the preparation of the Appropriation Ordinance; and

WHEREAS, on April 21, 2015 Ordinance No. O-20484, the Salary Ordinance, was approved by the City Council in accordance with Charter section 290; and

WHEREAS, on June 10, 2015, the Mayor approved R-309779 (Budget Resolution), adopting the Fiscal Year 2016 Budget; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. The budget for the expense of conducting the affairs of the City of San Diego (City) for the fiscal year commencing July 1, 2015, and ending June 30, 2016 (Fiscal Year), heretofore prepared and submitted to this City Council by the Mayor is hereby adopted as the Annual Budget for said Fiscal Year.

Section 2. There is hereby appropriated for expenditure out of the funds of said City for municipal purposes the amounts set forth in Attachment I and in the approved Capital Improvements Program Budget, which defines the legal levels at which the Chief Financial Officer (CFO), as designee of the Mayor, shall control operational and capital project spending.

A. GENERAL FUND

1. The CFO is authorized to appropriate and expend interest earnings and/or original issue premium generated from the issuance and/or administration of Tax and Revenue Anticipation Notes for the purpose of funding expenditures related to their issuance, including interest costs.
2. The provisions in the Library Ordinance, San Diego Municipal Code section 22.0228, restricting funding are hereby waived.
3. The CFO is authorized to transfer appropriations for costs avoided in one department by a mutual agreement to incur them in another department.
4. The CFO is authorized to increase and/or decrease revenue and expenditure appropriations for the purpose of implementing City Charter or City Council Policy approved programs:
 - Business and Industry Incentive Program (Council Policy 900-12)
 - Small Business Enhancement Program (Council Policy 900-15)
 - Storefront Improvement Program (Council Policy 900-17), and
 - Mission Bay and Other Regional Park Improvements (San Diego Charter section 55.2b).
5. The CFO is authorized to increase and/or decrease revenue and expenditure appropriations for the purpose of implementing City Council approved Community Parking District Policy (Council Policy 100-18).

The CFO is authorized to transfer funds from Community Parking District Funds to the General Fund, and to appropriate and expend those funds for the purpose of implementing City Council approved Community Parking

District Plans in accordance with the Community Parking District Policy (Council Policy 100-18).

6. The CFO is authorized to increase revenue and expenditure appropriations for the purpose of paying unanticipated Property Tax Administration fees to the County of San Diego.
7. City Council Community Projects, Programs and Services
 - (a) The City Council Community Projects, Programs and Services funds shall be administered in accordance with Council Policy 100-06.
 - (b) Upon written direction from the City Councilmember, the CFO is authorized to transfer and appropriate funds from that Councilmember's Community Projects, Programs and Services account to other General Fund departments, Non General Funds, and/or existing capital improvement projects to implement the project, program, or service identified by the Councilmember.
 - (c) Upon written direction from the City Councilmember, the CFO is authorized to transfer excess non-personnel appropriations from the administration of that Councilmember's office to the Councilmember's Community Projects, Programs and Services account.
8. Upon written direction from the City Councilmember, the CFO is authorized to transfer funds from EDCO Community Fund (Fund No. 700042) to the General Fund and to appropriate and expend those funds

for the purpose that fund was created which is to enhance community activities (Park and Recreation and Library) in neighborhoods near the EDCO Transfer Station.

9. The CFO is authorized to modify revenue and expenditure appropriations for the purpose of transferring funds to Civic San Diego in accordance with any approved adjustments to the Fiscal Year 2016 Budget for Civic San Diego, solely in its capacity as the designated successor agency to the former Redevelopment Agency (Successor Agency).

B. SPECIAL REVENUE FUNDS

1. Transient Occupancy Tax Fund (Fund No. 200205)

The provisions of Council Policy 100-03 (Transient Occupancy Tax), for specific activities funded by this ordinance, are deemed and declared to be complied with, by the adoption of this Ordinance. Notwithstanding the foregoing, the City Council hereby waives certain provisions of Council Policy 100-03, *see* Attachment II, for the entities set forth below:

Horton Plaza Theatres Foundation	B-1, B-2, and B-4
CONNECT2Careers Program	B-I, B-2, B-3 and B-4

2. The Mayor or his designee is hereby authorized to execute appropriate agreements for the conduct of activities associated with the allocations for Fiscal Year 2016. It is the intent of the City Council that the Transient Occupancy Tax Fund appropriations be expended in accordance with Council Policy 100-03.

3. Public Art Fund (Fund No. 200002)
 - (a) The CFO is authorized to transfer, appropriate, and expend Arts, Culture, & Community Festivals funds between the Transient Occupancy Tax (TOT) Fund and the Public Art Fund, in accordance with the budget.
 - (b) The CFO is authorized to appropriate and expend unbudgeted revenues or fund balance in the Public Art Fund to support public art and civic enhancement-related programs, projects, administration costs and activities in accordance with San Diego Municipal Code section 26.0701.
4. Environmental Growth Funds (Funds Nos. 200110, 200111, 200109)
 - (a) It is the intent of the City Council that the Environmental Growth Fund(s) appropriations are to be expended for those purposes described in Charter section 103.1a. The provisions in the San Diego Municipal Code Section 63.30 as amended by Ordinance No. O-19159 dated March 17, 2003, are hereby waived.
 - (b) Any monies deposited in the Environmental Growth Fund(s) in excess of estimated revenue as described in Charter section 103.1a and any carryover monies from the previous fiscal year are hereby appropriated for the purpose for which the Environmental Growth Fund was created and may be expended only by City Council resolution. The City Council may, from time-to-time, for purposes of augmenting specified programs, elect to allocate additional

monies to the Environmental Growth Fund from sources other than those enumerated in Charter section 103.1a. In that event, those additional monies shall not be subject to any fractional allocation but shall be used solely and exclusively for the program purpose designated by City Council.

5. Maintenance Assessment District Funds

- (a) The CFO is authorized to transfer allocations from contributing Maintenance Assessment District (MAD) Funds excess revenue or reserves to increase the appropriations to reimburse the MAD Management Fund (Fund No. 200023) accordingly, in the event that actual expenses related to administration exceed budgeted levels.
- (b) The CFO is authorized to appropriate and expend any monies deposited in the MAD Funds in excess of estimated revenue and any carryover monies from the previous fiscal year for which said Fund(s) was created.
- (c) The CFO is authorized to transfer Capital Improvements Program (CIP) appropriations and any remaining fund balances from the MAD Capital Projects Funds to the appropriate MAD Funds, where the reallocation does not change the CIP project budget nor the funding source, and close the MAD Capital Projects Funds.

MAD	CIP Fund No.	MAD Fund No.
Camino Santa Fe	200624	200081
Carmel Valley	200620	200033
El Cajon Boulevard	200050	200095
First SD River Improvement Project	200054	200053
Genesee/No. Torrey Pines Road	200623	200068
North Park	200064	200063
Penasquitos East	200628	200039
Rancho Bernardo	200622	200038
Talmadge	200077	200076

6. Zoological Exhibits Fund (Fund No. 200219)

The CFO is authorized to appropriate and expend unanticipated revenues or fund balance for the purpose of transferring funds to support zoological exhibits in accordance with Charter section 77A.

7. Utilities Undergrounding Program Fund (Fund No. 200217)

The CFO is authorized to reallocate appropriations among the Utilities Undergrounding Program Fund's capital improvement project (AID00001) and the annual operating budget for costs associated with San Diego Gas and Electric provided that such reallocation does not increase or decrease the total Utilities Undergrounding Program Fund appropriations.

8. Prop 42 Replacement – Transportation Relief Fund (Fund No. 200306)

The CFO is authorized to adjust operating appropriations in the Prop 42 Replacement – Transportation Relief Fund (Fund No. 200306) at the end of the fiscal year based on actual revenues received and/or available fund balance.

C. CAPITAL PROJECTS FUNDS AND CAPITAL IMPROVEMENTS PROGRAM

1. The CFO is authorized to add maintenance projects funded elsewhere which are determined to be of a capital nature to the CIP.
2. The CFO is authorized to close completed CIP projects and transfer unexpended balances to the underfunded projects (Attachment III) in priority order, contingent upon eligibility for the funding source and up to the maximum amount listed, or to the appropriate reserve, or to Fund Balance.
3. Once an asset has been put into service (Technically Completed "TECO"), the CFO is authorized to transfer unexpended balances not required to close the project to the underfunded projects (Attachment III) in priority order, contingent upon eligibility for the funding source and up to a maximum amount listed, or to fund balance.
4. Once an asset has been put in service, the CFO is authorized to transfer and appropriate a maximum of \$200,000 per project not to exceed 10% of the project budget from Annual Allocations, earned interest or Unappropriated Fund Balances to CIP projects to support remaining project costs in excess of approved appropriations in order to complete and/or close the project.
5. The CFO is authorized to make cash advances from the appropriate revenue source funds for the purpose of funding incidental and engineering costs of projects included in the long-range CIP Budget. Such advances shall be reimbursed to the respective Fund upon appropriation.

In addition, the CFO is authorized and directed to advance funds as required for grant funded projects based on earned grant revenue receivable. Advances will be returned upon the payment of the grant receivable.

6. The CFO is authorized to reallocate revenue sources between CIP projects, in accordance with the restrictions placed on various revenues where the net reallocation does not result in a net increase to any of the revenue sources or project budgets.
7. Facilities Benefit Assessment Funds and Development Impact Fee Funds (Fund Nos. 400080-400095, 400111-400137, 400097-400110, 400849, 400855-400858).
 - (a) The CFO is authorized to modify individual project appropriations and/or add new projects to the CIP in accordance with City Council-approved Community Public Facilities Financing Plans provided funding is available for such action.
 - (b) The CFO is authorized to reallocate Development Impact Fee Funds (DIF) funded appropriations between City Council-approved projects to expedite the use of DIF funds in accordance with AB1600 requirements.
 - (c) The CFO is authorized to appropriate in the Facilities Benefit Assessment Funds (FBA) and DIF funds a sufficient and necessary amount to reimburse the administrative costs incurred by other City funds.

8. Mission Bay Improvements Fund (Fund No. 200386) and Regional Park Improvements Fund (Fund No. 200391)

- (a) Capital Improvements in San Diego Regional Parks, as recommended and prioritized by the San Diego Regional Park Improvement Fund Oversight Committee, pursuant to Charter section 55.2, are hereby approved as set forth below.

CIP Project	Amount
Junipero Serra Museum ADA Improvements / S15034	\$500,000
Mohnike Adobe and Barn Restoration / S13008	\$500,000
Resource-Based Open Space Parks / AGE00001 La Jolla Pkwy/Mt Soledad Open Space Eros / B10089	\$500,000
Sunset Cliffs Park Drainage Improvements / L14005	\$1,000,000

- (b) The CFO is authorized to increase and/or decrease appropriations in the Mission Bay Improvements project (AGF00004) and Regional Park Improvements project (AGF00005) at the end of the fiscal year based on actual revenues received and/or available fund balance to support capital improvements in accordance with Charter section 55.2.
9. The CFO is authorized to appropriate and expend the remaining fund balances and/or interest earnings from Park Service District funds up to \$15,000 as listed in Attachment IV – CIP Park Service District Funds. Park Service District funds shall be used solely for the purpose that the funds were intended and for Council-approved projects. The CFO is further directed to close Park Service District Funds where funds have been fully expended.

10. The CFO is authorized to appropriate and expend interest earnings from any bond construction funds for the purpose of transferring bond construction fund interest earned to support debt service payments as permitted in the respective bond indenture(s).
11. The CFO is authorized to transfer unexpended capital bond fund appropriations from completed and closed CIP projects to an Annual Allocation for the same asset type (e.g., facilities, streets or storm drains) in order to expedite the expenditure of capital bond funds.

D. ENTERPRISE FUNDS

1. All Enterprise Funds are hereby appropriated for the purpose of providing for the operation, maintenance and development of their respective purposes.
2. Reserve Funds are hereby appropriated to provide funds for the purpose for which the Fund was created. The CFO is hereby authorized to return to the source Fund monies deposited in Reserve Funds in excess of amounts required, consistent with the City's Reserve Policy.
3. Water Funds (Fund Nos. 700010, 700011, 700012) and Sewer Funds (Fund Nos. 700000, 700001, 700002, 700008, 700009)
 - (a) The CFO may reallocate appropriations and associated encumbrances from any City Council approved budgeted project in the CIP to the Fund's annual operating budget for costs associated with extended environmental monitoring for re-vegetation. Such reallocation shall decrease the total appropriation and encumbrance

for the project and increase the appropriation and encumbrance in the annual operating budget by an equal amount provided that the reallocation is no greater than 5% of the Capital Project Budget.

- (b) The CFO is authorized to increase expenditure appropriations for the purpose of implementing the Metropolitan Wastewater Department and Water Department Fiscal years 2011 and prior Memorandums of Understanding for Bid to Goal Public Contract Operations Agreements.
- (c) The CFO is authorized to transfer CIP appropriations and associated fund balances from the Water and Sewer operating funds (Fund Nos. 700000, 700001, 700002, 700011, 700012) into Water and Sewer CIP funds (Fund Nos. 700010, 700008, 700009) where the reallocation does not change the CIP project budget nor the funding source.

E. INTERNAL SERVICE FUNDS

- 1. The CFO is hereby authorized to distribute surplus retained earnings or excess contributions from various internal service funds back to the appropriate contributing funds.
- 2. Fleet Services Operating Fund (Fund No. 720000) and Fleet Services Replacement Funds

The CFO is hereby authorized to redistribute contributions among the Fleet Services Operating and Fleet Services Replacement Internal Service Funds or to advance funds between these internal service funds.

3. Central Stores Fund (Fund No. 720040), Publishing Services Fund (Fund No. 720041), Fleet Services Operating Fund (Fund No. 720000), Fleet Services Replacement Funds (Fund No. 720001-720038, 720056), Risk Management Administration Fund (Fund No. 720048), and Engineering and Capital Projects Fund (Fund No 720057)

The CFO is hereby authorized to appropriate expenditures from unanticipated revenues for the purpose of allowing for the uninterrupted provision of services.

4. The CFO is authorized to increase and/or decrease revenue and expenditure appropriations in Non General Funds for the purpose of reimbursing the Public Liability Operating Fund (Fund No. 720045) for Non General Fund claims incurred in the course of complying with Council Policy on Claims Against the City (Council Policy 000-09).

F. TRUST AND AGENCY FUNDS

These Funds are established to account for assets held by the City as an agent for individuals, private organizations, other governments and/or funds; for example, federal and State income taxes withheld from employees, 401(k) and deferred compensation plans, parking citation revenues, and employee benefit plans. The CFO is authorized and directed to establish the appropriate agency funds and to deposit and disburse funds in accordance with the respective agency relationships.

G. GRANT FUNDS

Community Development Block Grant Funds

- (a) Community Development Block Grant (CDBG) Funds are appropriated for the purposes established by the grant provisions as approved and authorized by the City Council. All authorized but incomplete program activities and unexpended monies related thereto remaining in the CDBG Funds on June 30, 2015, shall be carried forward to future years for the purpose of completing said authorized activities in accordance with Council Policy 700-02 which includes the requirement to use funds within 18 months of the start of the fiscal year for which the funds are allocated.
- (b) The CFO is authorized to transfer funds allocated to projects that have been completed, or where any portion has been deemed ineligible upon written confirmation from the sub-recipient or the CDBG Program office or in accordance with section 2.C.2 for the City's CIP projects, to Unobligated CDBG Funds to be reappropriated by the City Council.
- (c) In accordance with section 2.C.3 herein, the CFO is authorized to transfer and appropriate a maximum of \$100,000 per City CIP project from Unobligated CDBG Funds or excess program income to projects for eligible costs, such as engineering, in excess of previously approved appropriations.

Section 3. The Mayor is hereby authorized to execute appropriate initial and continuing contracts and agreements for the conduct of activities associated with the allocations authorized by City Council and in accordance with provisions of grant agreements.

Section 4. The CFO is authorized and directed to make inter-fund loans, including interest at the City's pooled rate of return, between funds to cover cash needs. These loans may, if appropriate, extend beyond the current Fiscal Year.

Section 5. All interest earnings generated by any fund which has been established pursuant to a legal or contractual requirement, externally imposed restriction, or by enabling legislation (including, but not limited to, the Appropriation Ordinance) shall remain in said fund solely for the purpose the fund was intended.

Section 6. All Funds, not otherwise contained herein, established by the City Council in previous fiscal years or during the current fiscal year, are appropriated for the purposes established by applicable laws and/or in accordance with provisions of agreements authorized by Council and for projects contained in the Council-approved CIP or authorized by Council resolution. The CFO is authorized and directed to appropriate and expend monies within the funds for services provided by those funds. The CFO is authorized and directed to return any surplus monies to the contributing funds or, when the contributing funds cannot be legally determined, to the General Fund.

Section 7. The CFO is authorized and directed to transfer current and/or prior years' forfeited monies within the flexible spending accounts to the Risk Management Administration Fund (Fund No. 720048) to be expended, up to the full forfeited amount, for programs which benefit City employees.

The CFO is authorized and directed to transfer surplus monies between flexible benefit plan funds.

Section 8. The CFO is authorized and directed to make appropriate inter-fund transfers in accordance with the Annual Budget Document and estimated sources of revenue.

The CFO may transfer funds to related City entities in accordance with the Annual Budget Document and appropriate funding source rules and regulations.

Section 9. The CFO is authorized and directed to appropriate and expend donations in accordance with Council Policy 100-02 (City Receipt of Donations).

Section 10. All revenues generated consistent with the Public Trust pursuant to California Public Resources Code section 6306 in relation to operation of Mission Bay Park and Ocean Beach Park which are greater than expenditures for operations, maintenance and capital improvements during the fiscal year are hereby placed in a special fund to be used exclusively for past and future operations, maintenance and capital improvements and for past, current, and future expenditures uncompensated by past, current and future revenues derived from Mission Bay Park and Ocean Beach Park as required by agreements with the State of California. Unanticipated revenues are hereby appropriated for said purposes and may be expended only by Council resolution or in accordance with projects contained in the Council-approved Capital Improvements Program.

All revenues generated by sovereign trust lands granted by the State of California to the City pursuant to California Public Resources Code section 6306 are hereby appropriated for purposes consistent with the Public Trust.

Section 11. All other revenues which are not appropriated by any other section of this ordinance, and which are in excess of budgeted revenue may be transferred by the CFO to legally established reserve fund(s) or account(s). However, in no event shall the total appropriations of all tax revenues as defined by article XIII B of the California Constitution made pursuant to this ordinance exceed the City's legal limit.

The total appropriation is \$3,275,073,254, a portion of which will be derived from proceeds of taxes as defined within article XIII B of the California Constitution.

It is the intent of this ordinance to comply with article XIII B of the California Constitution.

Section 12. The CFO is authorized and directed to modify appropriations in accordance with the Fiscal Year 2016 Tax Rate Ordinance as approved by Council.

Section 13. The CFO is authorized and directed to close obsolete or inactive funds and appropriate and expend for the purpose of returning residual balances of such funds to their source or, if the source cannot be determined, to the General Fund. The CFO shall periodically report fund closures to the City Council and recommend the appropriation of any residual balances.

Section 14. The CFO is hereby authorized to restrict from the departmental appropriations as set forth in Attachment I an amount sufficient to assure that, in the event there is a shortfall in projected revenues, there are sufficient revenues to cover the remaining appropriations; provided that in the case that projected revenue estimates are met, the restricted funds may be released.

Section 15. Unless otherwise specified in this ordinance, the CFO is authorized to modify appropriations upon adopted City Council resolution, provided funding is available for such action and in accordance with funding source guidelines and applicable grant agreements.

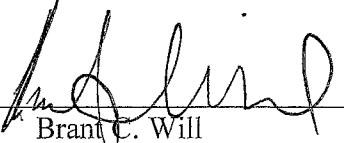
Section 16. The powers of the City Council not delegated to the Mayor and CFO, as specifically set forth herein, are reserved to the Council in accordance with the terms of the Charter.

Section 17. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been available to the City Council and the public prior to the day of its final passage.

Section 18. This ordinance is declared to take effect and be in force immediately upon its passage after two public hearings pursuant to the authority contained in Charter sections 71, 275, and 295.

Section 19. The Mayor shall have no veto power over this ordinance pursuant to Charter section 280(a)(4).

APPROVED: JAN I. GOLDSMITH, City Attorney

By  _____
Brant C. Will
Deputy City Attorney

BCW:jdf
7/7/2015
Or.Dept: FM
Doc. No.: 1058420

Attachment K

Passed by the Council of The City of San Diego on JUL 21 2015, by the following vote:

Council Members	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUL 21 2015

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By [Signature], Deputy

I HEREBY CERTIFY that the foregoing ordinance was passed on the day of its introduction, to wit, on JUL 21 2015, said ordinance being of the kind and character authorized for passage on its introduction by Section 16 of the Charter.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By [Signature], Deputy

Office of the City Clerk, San Diego, California

Ordinance Number O- **20543**

ATTACHMENT I**Fiscal Year 2016 Operating and Capital Appropriations**

OPERATING APPROPRIATIONS	Salary & Wages	Fringe & Non-Personnel	FY 2016 Appropriation
General Fund			
City Attorney	\$26,490,866	\$20,218,822	\$46,709,688
City Auditor	\$1,993,590	\$1,724,070	\$3,717,660
City Clerk	\$2,379,565	\$3,016,571	\$5,396,136
City Comptroller	\$5,891,033	\$5,220,905	\$11,111,938
City Treasurer	\$6,142,399	\$10,116,833	\$16,259,232
Citywide Program Expenditures	-	\$89,609,808	\$89,609,808
Communications	\$2,004,821	\$1,558,231	\$3,563,052
Council Administration	\$1,097,536	\$961,630	\$2,059,166
Council District 1	\$487,589	\$578,252	\$1,065,841
Council District 1 - CPPS	-	\$78,653	\$78,653
Council District 2	\$526,340	\$570,628	\$1,096,968
Council District 2 - CPPS	-	\$90,149	\$90,149
Council District 3	\$630,577	\$595,858	\$1,226,435
Council District 3 - CPPS	-	\$76,851	\$76,851
Council District 4	\$568,424	\$497,352	\$1,065,776
Council District 4 - CPPS	-	\$63,581	\$63,581
Council District 5	\$658,103	\$407,525	\$1,065,628
Council District 5 - CPPS	-	\$202,276	\$202,276
Council District 6	\$691,792	\$373,969	\$1,065,761
Council District 6 - CPPS	-	\$196,954	\$196,954
Council District 7	\$724,245	\$406,952	\$1,131,197
Council District 7 - CPPS	-	\$90,725	\$90,725
Council District 8	\$660,072	\$457,545	\$1,117,617
Council District 8 - CPPS	-	\$67,391	\$67,391
Council District 9	\$551,074	\$514,700	\$1,065,774
Council District 9 - CPPS	-	\$108,720	\$108,720
Debt Management	\$1,515,483	\$1,243,345	\$2,758,828
Department of Information Technology	-	\$500,000	\$500,000
Development Services	\$4,005,886	\$2,985,173	\$6,991,059
Economic Development	\$3,414,687	\$10,408,994	\$13,823,681
Environmental Services	\$7,864,567	\$28,763,264	\$36,627,831
Ethics Commission	\$507,586	\$540,191	\$1,047,777
Financial Management	\$2,465,347	\$1,929,219	\$4,394,566
Fire-Rescue	\$117,805,837	\$111,452,828	\$229,258,665

Attachment K

OPERATING APPROPRIATIONS	Salary & Wages	Fringe & Non-Personnel	FY 2016 Appropriation
General Fund (continued)			
Human Resources	\$1,739,735	\$1,528,537	\$3,268,272
Infrastructure/Public Works	\$489,194	\$616,702	\$1,105,896
Internal Operations	\$219,230	\$177,131	\$396,361
Library	\$20,052,606	\$29,262,767	\$49,315,373
Neighborhood Services	\$579,751	\$277,273	\$857,024
Office of Homeland Security	\$1,272,959	\$1,060,449	\$2,333,408
Office of the Assistant COO	\$990,295	\$815,184	\$1,805,479
Office of the Chief Financial Officer	\$274,778	\$306,061	\$580,839
Office of the Chief Operating Officer	\$587,444	\$455,719	\$1,043,163
Office of the IBA	\$1,067,537	\$765,639	\$1,833,176
Office of the Mayor	\$2,317,195	\$1,988,454	\$4,305,649
Park & Recreation	\$35,648,705	\$69,951,005	\$105,599,710
Performance & Analytics	\$1,052,583	\$915,511	\$1,968,094
Personnel	\$4,165,473	\$3,268,663	\$7,434,136
Planning	\$4,840,965	\$5,482,153	\$10,323,118
Police	\$213,205,394	\$222,295,745	\$435,501,139
Public Utilities	-	\$2,549,736	\$2,549,736
Public Works - Contracts	\$1,232,680	\$926,142	\$2,158,822
Public Works - General Services	\$7,639,683	\$18,868,100	\$26,507,783
Purchasing & Contracting	\$3,486,722	\$4,125,813	\$7,612,535
Real Estate Assets	\$2,465,906	\$3,715,693	\$6,181,599
Transportation & Storm Water	\$30,004,733	\$100,647,600	\$130,652,333
General Fund Total	\$522,410,987	\$765,628,042	\$1,288,039,029
Capital Project Funds			
TransNet Extension Administration & Debt Fund	-	\$320,070	\$320,070
TransNet Extension Congestion Relief Fund	-	\$3,351,330	\$3,351,330
TransNet Extension Maintenance Fund	-	\$9,506,079	\$9,506,079
Capital Project Funds Total	-	\$13,177,479	\$13,177,479
Enterprise Funds			
Airports Fund	\$1,011,262	\$4,290,645	\$5,301,907
Development Services Fund	\$26,812,536	\$28,496,531	\$55,309,067
Golf Course Fund	\$4,330,633	\$12,471,806	\$16,802,439
Recycling Fund	\$5,714,421	\$17,160,357	\$22,874,778
Refuse Disposal Fund	\$8,291,901	\$23,955,411	\$32,247,312
Sewer Funds	\$52,340,783	\$315,608,456	\$367,949,239
Water Utility Operating Fund	\$44,780,613	\$461,705,197	\$506,485,810
Enterprise Funds Total	\$143,282,149	\$863,688,403	\$1,006,970,552

OPERATING APPROPRIATIONS	Salary & Wages	Fringe & Non-Personnel	FY 2016 Appropriation
Internal Service Funds			
Central Stores Fund	\$825,279	\$12,481,877	\$13,307,156
Energy Conservation Program Fund	\$899,856	\$1,723,127	\$2,622,983
Engineering & Capital Projects Fund	\$40,472,754	\$35,262,132	\$75,734,886
Fleet Services Operating Fund	\$11,595,663	\$40,312,583	\$51,908,246
Fleet Services Replacement Fund	-	\$31,059,920	\$31,059,920
Publishing Services Fund	\$480,488	\$3,186,008	\$3,666,496
Risk Management Administration Fund	\$4,933,396	\$5,625,482	\$10,558,878
Internal Service Funds Total	\$59,207,436	\$129,651,129	\$188,858,565
Special Revenue Funds			
Automated Refuse Container Fund	-	\$800,000	\$800,000
Concourse and Parking Garages Operating Fund	\$118,809	\$4,320,208	\$4,439,017
Convention Center Expansion Funds	-	\$13,803,450	\$13,803,450
Environmental Growth 1/3 Fund	-	\$3,942,458	\$3,942,458
Environmental Growth 2/3 Fund	-	\$10,456,488	\$10,456,488
Facilities Financing Fund	\$1,150,645	\$1,034,595	\$2,185,240
Fire and Lifeguard Facilities Fund	-	\$1,426,582	\$1,426,582
Fire/Emergency Medical Services Transport Program Fund	\$2,876,534	\$8,944,529	\$11,821,063
Gas Tax Fund	-	\$27,466,639	\$27,466,639
GIS Fund	\$110,697	\$1,951,877	\$2,062,574
Information Technology Fund	\$3,912,816	\$9,451,081	\$13,363,897
Junior Lifeguard Program Fund	\$71,760	\$523,831	\$595,591
Local Enforcement Agency Fund	\$336,445	\$429,868	\$766,313
Los Penasquitos Canyon Preserve Fund	\$112,236	\$114,610	\$226,846
Maintenance Assessment District (MAD) Funds	\$1,544,072	\$34,437,632	\$35,981,704
Mission Bay/Balboa Park Improvement Fund	-	\$2,128,526	\$2,128,526
New Convention Facility Fund	-	\$3,405,000	\$3,405,000
OneSD Support Fund	\$1,637,558	\$23,803,516	\$25,441,074
Parking Meter Operations Fund	\$764,626	\$9,433,226	\$10,197,852
PETCO Park Fund	\$114,998	\$16,238,471	\$16,353,469
Police Decentralization Fund	-	\$2,003,262	\$2,003,262
Prop 42 Replacement - Transportation Relief Fund	-	\$6,233,477	\$6,233,477
Public Art Fund	-	\$154,643	\$154,643
Public Safety Services & Debt Service Fund	-	\$9,159,111	\$9,159,111
QUALCOMM Stadium Operations Fund	\$2,154,303	\$17,193,615	\$19,347,918
Seized Assets - California Fund	-	\$11,919	\$11,919
Seized Assets - Federal DOJ Fund	-	\$1,678,565	\$1,678,565
Seized Assets - Federal Treasury Fund	-	\$119,187	\$119,187

Attachment K

OPERATING APPROPRIATIONS	Salary & Wages	Fringe & Non-Personnel	FY 2016 Appropriation
Special Revenue Funds (continued)			
State COPS	-	\$2,125,446	\$2,125,446
Storm Drain Fund	-	\$5,700,000	\$5,700,000
Transient Occupancy Tax Fund	\$963,601	\$96,625,352	\$97,588,953
Trolley Extension Reserve Fund	-	\$1,089,225	\$1,089,225
Underground Surcharge Fund	\$576,710	\$57,811,831	\$58,388,541
Wireless Communications Technology Fund	\$2,963,216	\$5,186,248	\$8,149,464
Zoological Exhibits Maintenance Fund	-	\$11,777,761	\$11,777,761
Special Revenue Funds Total	\$19,409,026	\$390,982,229	\$410,391,255

TOTAL OPERATING APPROPRIATIONS	\$744,309,598	\$2,163,127,282	\$2,907,436,880
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CAPITAL IMPROVEMENTS PROGRAM APPROPRIATIONS	FY 2016 Appropriation
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Environmental Services

S15000	CNG Fueling Station for Refuse & Recycling	\$900,000
Environmental Services Total		\$900,000

Fire-Rescue

S13011	Fire Station No. 15 - Ocean Beach Expansion	\$100,000
S13021	Fire Station No. 50 - North University City	\$5,000,000
S15012	Fire-Rescue Air Operations Facility	\$1,023,081
S15042	Fire Station No. 02 – Bayside	\$20,000,000
S16015	College Area Fire Station	\$270,000
Fire-Rescue Total		\$26,393,081

Library

S00795	Kensington/Normal Heights Library	\$75,000
S00800	San Carlos Branch Library	\$140,000
S00802	San Ysidro Branch Library	\$3,876,000
S13022	Mission Hills-Hillcrest Library	\$70,000
S15011	Tierrasanta Library Expansion	\$170,000
Library Total		\$4,331,000

Park & Recreation

AEA00002	Balboa Park Golf Course	\$175,000
AGE00001	Resource-Based Open Space Parks	\$1,353,152
AGF00004	Mission Bay Improvements	\$6,296,250
L12001	Talmadge Historic Gates	\$15,000
L14005	Sunset Cliffs Park Drainage Improvements	\$1,000,000
S00667	Mira Mesa CP - Exp & Aquatic Complex	\$7,590,638

CAPITAL IMPROVEMENTS PROGRAM APPROPRIATIONS		FY 2016 Appropriation
Park & Recreation (continued)		
S00752	Beyer Park Development	\$200,000
S00760	West Maple Canyon MP	\$292,630
S00826	El Cajon Blvd Streetscape Improvements	\$50,000
S01083	Fairbrook Neighborhood Park Development	\$41,004
S10037	Camino Santa Fe Median Improvements	\$30,000
S10040	North Park/Main St Sidewalk Improvements	\$10,000
S10054	Switzer Canyon Bridge Enhancement Prog	\$5,000
S11051	Silver Wing NP Sports Field/Lighting	\$27,843
S11103	Valencia Park Acquisition & Development	\$8,449
S12004	Canyonside Community Park Improvements	\$1,008
S13004	Larsen Field ADA Improvements Phase II	\$2,543
S13008	Mohnike Adobe and Barn Restoration	\$1,950,000
S13014	Los Penasquitos Canyon Preserve South Tr	\$981,098
S15004	Rancho Mission Neighborhood Park Play Area Upgrade	\$983
S15008	Linda Vista Skate Park	\$1,999
S15034	Junipero Serra Museum ADA Improvements	\$500,000
S15035	EB Scripps Pk Comfort Station Replacement	\$35,379
S15037	Doyle Park Community Park ADA Upgrades	\$20,402
S15038	Skyline Hills Community Park ADA Improve	\$257,624
S15040	Golf Course Drive Improvements	\$9,023
S16012	East Village Green Phase 1	\$14,300,000
S16013	Children's Park Improvements	\$600,000
S16014	East Village Green General Development Plan	\$100,000
S16016	Kelly St Neighborhood Pk Security Lighting Upgrade	\$150,000
S16017	Encanto Comm Pk Security Lighting Upgrades	\$151,678
S16018	Marie Widman Memorial Pk Security Lighting Upgrade	\$150,000
S16019	Lomita Neighborhood Park Playground ADA Upgrades	\$450,000
S16020	Memorial Comm Pk Playground ADA Upgrades	\$450,000
S16021	Skyline Hills Comm Pk Security Lighting Upgrades	\$150,000
Park & Recreation Total		\$37,356,703
Police		
S13100	CAD System Replacement Project	\$5,145,132
Police Total		\$5,145,132

Attachment K

CAPITAL IMPROVEMENTS PROGRAM APPROPRIATIONS		FY 2016 Appropriation
Public Utilities		
ABI00001	Water Treatment Plants	\$615,940
ABJ00001	Water Pump Station Restoration	\$3,125,040
ABK00001	Dams and Reservoirs	\$5,500,000
ABL00001	Standpipe and Reservoir Rehabilitations	\$2,088,248
ABO00001	Metro Treatment Plants	\$4,000,000
ABP00001	Pump Station Restorations	\$1,900,000
AJA00001	Sewer Main Replacements	\$42,000,000
AJA00002	Pipeline Rehabilitation	\$47,745,627
AJA00003	Unscheduled Projects	\$2,600,000
AKA00002	Pressure Reduction Facility Upgrades	\$250,000
AKA00003	Large Diameter Water Transmission PPL	\$10,404,555
AKB00003	Water Main Replacements	\$45,966,097
AKB00007	Instrumentation and Control	\$500,000
ALA00001	PURE Water Program	\$18,693,478
S00044	Lower Otay Reservoir Emer Outlet Improve	\$300,000
S00050	Water Department Security Upgrades	\$500,000
S00309	NCWRP Sludge Pump Station Upgrade	\$250,000
S00312	PS2 Power Reliability & Surge Protection	\$9,140,000
S00315	Point Loma Grit Processing Improvements	\$1,000,000
S00323	MBC Odor Control Facility Upgrades	\$415,612
S11021	University Ave Pipeline Replacement	\$9,858,396
S11022	Upas St Pipeline Replacement	\$3,000,000
S11024	Miramar Clearwell Improvements	\$2,192,000
S12008	Catalina 12inch Cast Iron Mains	\$867,184
S12009	La Jolla Scenic Drive 16inch Main	\$3,927,505
S12012	Cielo & Woodman Pump Station	\$932,000
S12013	Alvarado 2nd PL Exten & Morena Blvd CI	\$203,986
S12014	Recycled Water Tank Modifications	\$408,016
S12015	Pacific Beach Pipeline South (W)	\$4,093,000
S12016	Otay 1st/2nd PPL West of Highland Avenue	\$1,250,000
S12040	Tierrasanta (Via Dominique) Pump Station	\$7,050,000
S13015	Water & Sewer Group Job 816 (W)	\$3,608,375
S14000	EAM ERP Implementation	\$7,077,531
S15019	Alvarado Trunk Sewer Phase IV	\$330,000
S15020	Tecolote Canyon Trunk Sewer Improvement	\$30,000
S15027	La Jolla View Reservoir	\$150,000
Public Utilities Total		\$241,972,590

CAPITAL IMPROVEMENTS PROGRAM APPROPRIATIONS		FY 2016 Appropriation
Public Works - General Services		
ABE00001	Americans with Disabilities Improvements	\$1,461,900
ABT00001	City Facilities Improvements	\$5,264,086
Public Works - General Services Total		\$6,725,986
Transportation & Storm Water		
ACA00001	Drainage Projects	\$1,675,000
ACC00001	Watershed CIP	\$4,380,361
AID00001	Utilities Undergrounding Program	\$5,000,000
AID00006	Concrete Streets	\$5,000,000
AID00007	Bus Stop Improvements	\$60,000
AIE00001	Bridge Rehabilitation	\$1,500,000
AIH00001	Installation of City Owned Street Lights	\$1,000,000
AIH00002	Street Light Circuit Upgrades	\$2,700,000
AIK00003	Sidewalk Repair and Reconstruction	\$3,600,000
AIL00001	Traffic Calming	\$100,000
AIL00002	Install T/S Interconnect Systems	\$1,349,521
AIL00004	Traffic Signals - Citywide	\$220,000
AIL00005	Traffic Signals Modification	\$101,000
S00851	SR 163/Friars Road	\$12,450,000
S00944	Bayshore Bikeway	\$30,000
S11048	Pacific Beach Curb Ramp Barrier Removal	\$196,000
S11060	Otay Mesa Truck Route Phase 4	\$4,450,000
S16022	Market St-Euclid to Pitta-Improvements	\$1,000,000
Transportation & Storm Water Total		\$44,811,882
TOTAL CAPITAL IMPROVEMENTS PROGRAM APPROPRIATIONS		\$367,636,374
TOTAL COMBINED APPROPRIATIONS		\$3,275,073,254

Attachment K

MAINTENANCE ASSESSMENT DISTRICT APPROPRIATIONS

Fund	Maintenance Assessment District Fund	Salary & Wages	Fringe & Non-Personnel	FY 2016 Appropriation
200023	Maintenance Assessment District (MAD) Management Fund	\$1,544,072	\$2,571,810	\$4,115,882
200025	Street Light District #1 MAD Fund	-	\$618,661	\$618,661
200028	Scripps/Miramar Ranch MAD Fund	-	\$2,258,910	\$2,258,910
200030	Tierrasanta MAD Fund	-	\$1,806,331	\$1,806,331
200031	Campus Point MAD Fund	-	\$66,671	\$66,671
200032	Mission Boulevard MAD Fund	-	\$155,425	\$155,425
200033	Carmel Valley MAD Fund	-	\$3,088,915	\$3,088,915
200035	Sabre Springs MAD Fund	-	\$353,062	\$353,062
200037	Mira Mesa MAD Fund	-	\$1,430,225	\$1,430,225
200038	Rancho Bernardo MAD Fund	-	\$958,607	\$958,607
200039	Penasquitos East MAD Fund	-	\$612,825	\$612,825
200040	Coronado View MAD Fund	-	\$42,550	\$42,550
200042	Park Village MAD Fund	-	\$576,103	\$576,103
200044	Eastgate Technology Park MAD Fund	-	\$273,448	\$273,448
200045	Calle Cristobal MAD Fund	-	\$353,444	\$353,444
200046	Gateway Center East MAD Fund	-	\$313,975	\$313,975
200047	Miramar Ranch North MAD Fund	-	\$1,674,153	\$1,674,153
200048	Carmel Mountain Ranch MAD Fund	-	\$619,407	\$619,407
200052	La Jolla Village Drive MAD Fund	-	\$99,031	\$99,031
200053	First SD River Imp. Project MAD Fund	-	\$414,908	\$414,908
200055	Newport Avenue MAD Fund	-	\$76,234	\$76,234
200056	Linda Vista Community MAD Fund	-	\$282,583	\$282,583
200057	Washington Street MAD Fund	-	\$139,201	\$139,201
200058	Otay International Center MAD Fund	-	\$636,891	\$636,891
200059	Del Mar Terrace MAD Fund	-	\$155,651	\$155,651
200061	Adams Avenue MAD Fund	-	\$63,194	\$63,194
200062	Carmel Valley NBHD #10 MAD Fund	-	\$421,245	\$421,245
200063	North Park MAD Fund	-	\$710,248	\$710,248
200065	Kings Row MAD Fund	-	\$17,605	\$17,605
200066	Webster-Federal Boulevard MAD Fund	-	\$45,650	\$45,650
200067	Stonecrest Village MAD Fund	-	\$939,664	\$939,664
200068	Genesee/North Torrey Pines Road MAD Fund	-	\$394,246	\$394,246
200070	Torrey Hills MAD Fund	-	\$1,655,368	\$1,655,368
200071	Coral Gate MAD Fund	-	\$218,716	\$218,716

Attachment K

Fund	Maintenance Assessment District Fund	Salary & Wages	Fringe & Non- Personnel	FY 2016 Appropriation
200074	Torrey Highlands MAD Fund	-	\$802,338	\$802,338
200076	Talmadge MAD Fund	-	\$252,610	\$252,610
200078	Central Commercial MAD Fund	-	\$454,885	\$454,885
200079	Little Italy MAD Fund	-	\$1,249,559	\$1,249,559
200080	Liberty Station/NTC MAD Fund	-	\$235,983	\$235,983
200081	Camino Santa Fe MAD Fund	-	\$238,451	\$238,451
200083	Black Mountain Ranch South MAD Fund	-	\$987,729	\$987,729
200084	College Heights Enhanced MAD Fund	-	\$575,643	\$575,643
200086	C&ED MAD Management Fund	-	\$225,000	\$225,000
200087	City Heights MAD Fund	-	\$434,685	\$434,685
200089	Black Mountain Ranch North MAD Fund	-	\$657,016	\$657,016
200091	Bay Terraces - Parkside MAD Fund	-	\$50,710	\$50,710
200092	Bay Terraces - Honey Drive MAD Fund	-	\$34,464	\$34,464
200093	University Heights MAD Fund	-	\$117,444	\$117,444
200094	Hillcrest MAD Fund	-	\$38,812	\$38,812
200095	El Cajon Boulevard MAD Fund	-	\$556,072	\$556,072
200096	Ocean View Hills MAD Fund	-	\$926,100	\$926,100
200097	Robinhood Ridge MAD Fund	-	\$151,744	\$151,744
200098	Remington Hills MAD Fund	-	\$59,057	\$59,057
200099	Pacific Highlands Ranch MAD Fund	-	\$578,058	\$578,058
200101	Rancho Encantada MAD Fund	-	\$208,051	\$208,051
200103	Bird Rock MAD Fund	-	\$307,389	\$307,389
200105	Hillcrest Commercial Core MAD Fund	-	\$138,182	\$138,182
200106	Greater Golden Hill MAD Fund	-	\$0	\$0
200614	Mission Hills Special Lighting MAD Fund	-	\$124,588	\$124,588
200707	Barrio Logan Community Benefit MAD Fund	-	\$636,431	\$636,431
200714	Civita MAD Fund	-	\$216,592	\$216,592
200717	Kensington Heights MAD	-	\$46,933	\$46,933
200718	Kensington Manor MAD	-	\$33,051	\$33,051
200719	Kensington Park North MAD	-	\$22,604	\$22,604
200720	Talmadge Park North MAD	-	\$12,397	\$12,397
200721	Talmadge Park South MAD	-	\$20,097	\$20,097
MAINTENANCE ASSESSMENT DISTRICT TOTAL		\$1,544,072	\$34,437,632	\$35,981,704

Excerpt from Council Policy 100-03: Transient Occupancy Tax
Attachment A: General Requirements and Conditions
Section B: Funding

1. Expenses must be both incurred and paid by an organization before the City will release funding to the organization, except as otherwise may be provided.
2. Expenses must be incurred during the City's fiscal year (July 1 - June 30) for which the program is funded, except as otherwise may be provided.
3. City funds may not be used for alcoholic beverages. In addition, City funds may not be used for travel, meals, lodging, or entertainment expenses, except as otherwise may be provided. Waivers to this provision will be considered for expenditures within the Economic Development Program categories. Organizations receiving waivers may use City funds for travel, meals, or lodging within the following parameters:
 - a. Travel – when use of public air carrier transport is required in order to perform the contractual scope of services to the City, City funds may be applied toward the equivalent of coach airfare only. City funds may not be applied toward any upgrades.
 - b. Meals – when provision of meals is required in order to perform the contractual scope of services to the City, City funds may be applied toward a maximum of \$50 per day per person for meals (excluding sales tax and a maximum 15% gratuity, which are also eligible expenses). This daily maximum is further limited by meal, as follows: \$10, \$15, and \$25 are the maximum City funds that can be applied toward breakfast, lunch, and dinner, respectively, per person. If alcoholic beverages are consumed with meals, they may not be paid for with City funds. In the event that meals are provided to individuals who are not members of the funded organization within the scope of a business development meeting, documentation containing the purpose of the meeting, the benefit to the City, and a list of attendees must be provided to the City in order for City funding to be utilized.
 - c. Lodging – when out-of-town lodging is required in order to perform the contractual scope of services to the City, City funds may be applied toward the equivalent of the cost of a standard room in a business class hotel, or toward the conference rates of the host hotel when attending a conference.
 - d. Sponsorships – the City acknowledges the business requirement of event sponsorships by promotional organizations in order to market San Diego as a convention destination in a highly competitive market, and to attract businesses to

the region. The primary objective of a funded organization's participation in such events is to gain exposure for San Diego and secure access to important decision makers representing prominent convention groups and businesses. Financial sponsorship of such events is an acceptable application of City funds. If alcoholic beverages are consumed during event sponsorships, they may not be paid for with City funds.

4. City funds will be used only to assist an organization in its annual operating program or in its sponsorship of special events. City funding will not be used for capital or equipment outlay, for the purchase of awards, trophies, gifts, or uniforms, nor for the buildup of reserves.
5. Matching fund requirements will be determined by the appropriate application process as called for in the specific funding guidelines within each funding category, if applicable.
6. Organizations requesting funds should possess, at a minimum, a three-year track record of operations. Annual requests for funding may be for one-time events or projects, though applicant organizations must have a three-year history.

FY 2016 Underfunded CIP Projects (Waterfall List)

	Project	Amount
1	Midway Street Bluff Repair / S12005	\$ 92,000
2	Tierasanta Library Expansion / S15001	295,000
3	Valencia Park Acquisition & Development / S11103	344,000
4	Pacific Breezes (Ocean View Hills) CP / S00649	350,000
5	California Tower Seismic Retrofit / L12003	500,000
6	Keiller Neighborhood Park ADA Improvements / S15030	654,000
7	Mission Bay Athletic Area Comfort Station Mod / S10021	820,000
8	Scripps Miramar Ranch Library / S00811	1,090,400
9	Interstate 5 Underpass-Bikeway/Ped Conn / S00982	1,116,010
10	El Cajon Blvd Streetscape Improvements / S00826	1,269,800
11	Sixth Avenue Playground Improvements / S00616	1,880,000
12	Kensington/Normal Heights Library / S00795	2,246,530
13	El Camino Real to ViaDeLaValle (1/2) / S00856	3,200,000
14	Rancho Bernardo Library / S00812	3,467,682
15	Police Range Refurbishment / S10118	6,999,593
16	Ocean Beach Lifeguard Station / S10121	600,000
17	Fire Station No. 54 - Paradise Hills / S00785	800,000
18	Americans with Disabilities Improvements / ABE00001	5,000,000
19	Resurfacing of City Streets / AID00005	5,000,000
20	New Walkways / AIK00001	3,000,000
21	Concrete Streets / AID00006	2,000,000

Fund #	Fund Name
400022	CARMEL MT EAST-MAJOR DISTRICT
400027	MIRA MESA WEST-MAJOR DISTRICT
400028	MIRA MESA EAST-MAJOR DISTRICT
400031	TIERRASANTA(ELLIOTT WEST)MAJ D
400032	SAN CARLOS - MAJOR DISTRICT
400034	ALLIED GARDENS-MAJOR DISTRICT
400036	LINDA VISTA-MAJOR DISTRICT
400038	CLAIREMONT -MAJOR DISTRICT
400039	KEARNY MESA - MAJOR DISTRICT
400041	NORTH CLAIREMONT - MAJOR DIST
400042	CADMAN - MAJOR DISTRICT
400044	UNIV CITY CENTRAL-MAJOR DIST
400048	MISSION BAY - MAJOR DISTRICT
400049	SANTA CLARA - MAJOR DISTRICT
400050	OCEAN BEACH - MAJOR DISTRICT
400051	POINT LOMA - MAJOR DISTRICT
400052	LOMA PORTAL - MAJOR DISTRICT
400053	PRESIDIO - MAJOR DISTRICT
400056	NORMAL HGTS/KENSINGTON MAJ DIS
400058	CHOLLAS - MAJOR DISTRICT
400060	GOLDEN HILL - MAJOR DISTRICT
400061	MEMORIAL(SOUTHEAST SD)MAJ DIST
400062	SOUTHCREST - MAJOR DISTRICT
400064	ENCANTO - MAJOR DISTRICT
400065	VALENCIA PARK - MAJOR DISTRICT
400066	SKYLINE HILLS - MAJOR DISTRICT
400067	BAY TERRACES - MAJOR DISTRICT
400068	PARADISE HILLS-MAJOR DISTRICT
400070	SOUTH BAY - MAJOR DISTRICT
400071	SAN YSIDRO - MAJOR DISTRICT
400075	PK/REC BLDG PERMIT FEE DIST C