

ORDINANCE NUMBER O- 20389 (NEW SERIES)

DATE OF FINAL PASSAGE JUL 21 2014

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2015 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 29, 2014 Ordinance No. O-20365, the Salary Ordinance, was approved by the City Council in accordance with Charter section 290; and

WHEREAS, on June 10, 2014, the Mayor approved R-308995 (Budget Resolution), adopting the Fiscal Year 2015 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, 2014, and ending June 30, 2015 (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 Council approved economic development, business incentive and other programs that include the Business and Industry Incentive Program (Council Policy 900-12), the Housing Impact Fee Waiver-Enterprise Zones Program (Council Policy 900-12), the Small Business Enhancement Program (Council Policy 900-15), the 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 City departments 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. 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 2015 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-1, 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 2015. 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. 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.la. 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.

4. 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 |

5. 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.

6. 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.

7. 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 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.
4. 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.

5. 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.
6. Facilities Benefit Assessment Funds and Development Impact Fee Funds (Fund Nos. 400080-400095, 400111-400137, 400097-400110, 400849, 400855-400857)
 - (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.

7. Mission Bay Improvements Fund (Fund No. 200386) and Regional Park Improvements Fund (Fund No. 200391)

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.

8. 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).
9. 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. 700011, 700010) and Sewer Funds (Fund Nos. 700000, 700001, 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. 700011, 700000, 700001) 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 or between employee benefit-related internal service 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.

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, 2014, 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' surplus monies within the Flexible Benefit/Management Benefit Programs' reimbursement funds after fiscal year end. Any remaining surplus monies (excluding flexible spending accounts) in the reimbursement funds may be transferred by the CFO 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/reserves within other employee benefit funds or to reallocate these monies to other fringe benefit 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 \$3,007,271,243, 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 2015 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.

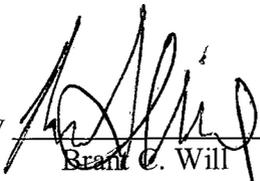
Section 16. The powers of the City Council not delegated to the Mayor and CFO, as specifically set forth herein, are reserved to the Council in accordance with the terms of the Charter.

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  _____
Brent C. Will
Deputy City Attorney

BCW:jdf
7/7/2014
Or.Dept: FM
Doc. No.: 817160

STRIKEOUT ORDINANCE

OLD LANGUAGE: ~~Struck-Out~~

NEW LANGUAGE: Double Underline

ORDINANCE NUMBER O- _____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2014 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 ~~May 14, 2013~~ April 29, 2014, Ordinance No. ~~O-20260~~ O-20365, the Salary Ordinance, was approved by the City Council in accordance with Charter section 290 ~~and on June 25, 2013, Ordinance No. O-20272, was approved by the City Council as an amendment to Ordinance No. O-20260. Ordinance No. O-20260 and Ordinance No. O-20272 are, collectively, the Salary Ordinance. ; and~~

WHEREAS, on ~~June 19, 2013~~, the Mayor approved ~~R-308247~~ (Budget Resolution), adopting the Fiscal Year 2014 Budget ~~and exercising his line item veto on certain items approved by the City Council; and, NOW, THEREFORE,~~

~~WHEREAS, on June 25, 2013, the City Council reconsidered the Mayor's line item veto but there were insufficient votes to override the Mayor's veto; and~~

~~WHEREAS, on June 28, 2013, the Board of Administration of the San Diego City Employees' Retirement System declined to adopt a revised actuarial valuation which would have reduced the City's required pension contribution; and~~

~~WHEREAS, certain items approved by the City Council, identified as items c, d, e, and f in the Budget Resolution, were dependent on realizing budgetary savings resulting from a reduced pension contribution and such items are not included in the Fiscal Year 2014 Adopted Budget (Adopted Budget) because the pension contribution was not reduced, 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, 2013, and ending June 30, 2014 (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 Council approved economic development, business incentive and other programs that include the Business and Industry Incentive Program (Council Policy 900-12), the Housing Impact Fee Waiver–Enterprise Zones Program (Council Policy 900-12), the Small Business Enhancement Program (Council Policy 900-15), the Storefront Improvement Program (Council Policy 900-17), ~~the Community Parking District Policy (Council Policy 100-18)~~, 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).

~~5.6.~~ 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.

~~6.7.~~ 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 City departments 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.

~~7.8.~~ 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 2014 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-1, 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 20145. 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. 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.

4. 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 |
| Del Mar Terrace | 200060 | 200059 |
| El Cajon Boulevard | 200050 | 200095 |
| First SD River Improvement Project | 200054 | 200053 |
| Genesee/No. Torrey Pines Road | 200623 | 200068 |
| Mira Mesa | 200621 | 200037 |
| North Park | 200064 | 200063 |
| Penasquitos East | 200628 | 200039 |
| Park Village | 200043 | 200042 |
| Rancho Bernardo | 200622 | 200038 |
| Talmadge | 200077 | 200076 |

5. 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.

6. 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.

7. 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 ~~Unallocated Reserve~~, ~~Annual Allocation~~ or to Fund Balance.
3. 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 ~~Unallocated Reserves~~, 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.
4. 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.

5. 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.
6. Facilities Benefit Assessment Funds and Development Impact Fee Funds (Fund Nos. 400080-400095, 400111-400136, 400097-400110, 400849, 400855-400857)
 - (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.
7. Mission Bay Improvements Fund (Fund No. 200386) and Regional Park Improvements Fund (Fund No. 200391)

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.

8. 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).
9. 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. 700011, 700010) and Sewer Funds (Fund Nos. 700000, 700001, 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. 700011, 700000, 700001) 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 or between employee benefit-related internal service funds.

2. ~~Equipment Fleet Services~~ Operating Fund (Fund No. 720000) and ~~Equipment Fleet Services~~ Replacement Funds.

The CFO is hereby authorized to redistribute contributions among the ~~Equipment Fleet Services~~ Operating and ~~Equipment 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), ~~Equipment Fleet Services~~ Operating Fund (Fund No. 720000), ~~Equipment Fleet Services~~ Replacement Funds, and 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.

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, 2014, 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' surplus monies within the Flexible Benefit/Management Benefit Programs' reimbursement funds after fiscal year end. Any remaining surplus monies (excluding flexible spending accounts) in the reimbursement funds may be transferred by the CFO 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/reserves within other employee benefit funds or to reallocate these monies to other fringe benefit 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 are hereby 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 ~~\$2,795,250,003~~ \$3,007,271,243 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 20145 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).

BCW:jdf
07/10/14
Or.Dept: Mayor
Doc. No.: 818840

Passed by the Council of The City of San Diego on JUL 21 2014, 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"/> |
| Ed Harris | <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"/> |
| Lorie Zapf | <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 type="checkbox"/> | <input checked="" 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 2014

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 *Annelle J. Smith*, Deputy

I HEREBY CERTIFY that the foregoing ordinance was passed on the day of its introduction, to wit, on JUL 21 2014, 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 *Annelle J. Smith*, Deputy

Office of the City Clerk, San Diego, California

Ordinance Number O- 20389