



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: June 9, 2015

TO: City Council President Sherri Lightner and City Council Members

FROM: Tracy McCraner, Financial Management Director *Tracy McCraner*

SUBJECT: Fiscal Year 2015 Year-End Budget Monitoring Presentation Referral Response

This memorandum is in response to the question asked at the City Council Meeting held on June 8, 2015.

PUBLIC UTILITIES

COUNCIL DISTRICT 3

QUESTION:

The Fiscal Year 2015 Year-End Report de-appropriates \$25.3 million from Water-funded capital projects. Where will this be reallocated to?

RESPONSE:

The de-appropriation of \$25.3 million from Water-funded capital projects in the Fiscal Year 2015 Year-End Report is essentially a realignment of the Capital Improvements Program (CIP) budget versus current expenditure requirements within the Water CIP program. This is primarily due to changes in project schedules, project delivery, and bids coming in lower than anticipated. No projects in the Fiscal Year 2015 CIP budget are being cancelled as a result of this action. The de-appropriation also considers additional allocations included in the Fiscal Year 2016 May Revision. The Public Utilities Department reviews their CIP budget annually at minimum and proposes de-appropriations to ensure prudent cash management practices and financial reporting. The Department will bring forward additional capital budget modifications for City Council consideration during Fiscal Year 2016 as necessary.

Tracy McCraner

June 9, 2015

cc: Honorable Mayor Kevin L. Faulconer
Honorable Council Members
Stephen Puetz, Chief of Staff
Scott Chadwick, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Mary Lewis, Chief Financial Officer
David Graham, Deputy Chief Operating Officer
Ron Villa, Deputy Chief Operating Officer
Brian Pepin, Director of Council Affairs
Andrea Tevlin, Independent Budget Analyst
James Nagelvoort, Public Works Director
Halla Razak, Public Utilities
Financial Management Staff