

FISCAL YEAR

2024

PROPOSED
BUDGET



Volume 1
General Fund Expenditures

MAYOR TODD GLORIA



HOUSING • PROTECT & ENRICH • INFRASTRUCTURE • SUSTAINABILITY • PROSPERITY





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General Fund Expenditures

General Fund Expenditures

The Fiscal Year 2024 Proposed Budget for General Fund expenditures is \$2.04 billion, which represents an increase of \$88.2 million, or 4.5 percent, from the Fiscal Year 2023 Adopted Budget. **Table 1 - General Fund Expenditure Summary Fiscal Years 2022 - 2024** represents the expenditure change in the General Fund from Fiscal Year 2022 through Fiscal Year 2024. Similarly, **Table 2 - Fiscal Year 2024 General Fund Expenditures** displays the change in the General Fund Expenditures but with additional detail and by expenditure category.

Table 1 - General Fund Expenditure Summary Fiscal Years 2022 - 2024

	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Proposed Budget
Total General Fund Budget	1,760,232,191	1,955,008,750	2,043,183,406
Percent Change from Previous Year		11.1 %	4.5 %

Table 2 - Fiscal Year 2024 General Fund Expenditures (in millions)

Expenditure Category	FY 2022 Actual	FY 2023 Budget	FY 2024 Adopted	FY 2023-2024 Change	Percent Change
PERSONNEL					
Personnel Cost	\$ 688.3	\$ 767.0	\$ 843.4	76.4	10.0%
Fringe Benefits	529.9	511.4	544.2	32.8	6.4%
PERSONNEL SUBTOTAL	1,218.2	1,278.4	1,387.6	109.2	8.5%
NON-PERSONNEL					
Supplies	\$ 30.0	\$ 38.9	\$ 43.7	4.8	12.4%
Contracts & Services	291.0	360.9	365.8	4.9	1.3%
<i>External Contracts & Services</i>	189.3	256.7	250.3	(6.4)	(2.5%)
<i>Internal Contracts & Services</i>	101.7	104.2	115.5	11.3	10.9%
Information Technology	54.4	61.1	57.6	(3.5)	(5.7%)
Energy and Utilities	55.6	55.5	71.8	16.3	29.3%
Other	4.2	5.4	6.0	0.6	12.0%
Transfers Out	90.9	135.1	99.2	(35.9)	(26.6%)
Capital Expenditures	1.7	4.7	2.2	(2.5)	(52.4%)
Debt	14.2	15.0	9.2	(5.7)	(38.4%)
NON-PERSONNEL SUBTOTAL	542.0	676.6	655.6	(21.0)	(3.1%)
Total	\$ 1,760.2	\$ 1,955.0	\$ 2,043.2	\$ 88.2	4.5%

Personnel Cost

The General Fund Fiscal Year 2024 Proposed Budget includes a total of \$843.4 million in salaries and wages, which reflects a net increase of \$76.4 million, or 10.0 percent, from the Fiscal Year 2023 Adopted Budget.

This increase is primarily due to the terms of the current Memoranda of Understanding (MOU) with three of the City's six Recognized Employee Organizations (REO). The agreements between the Deputy City Attorneys Association of San Diego (DCAA), Municipal Employees Association (MEA), and American

General Fund Expenditures

Federation of State, County, and Municipal Employees (AFSCME Local 127) and the City ended in Fiscal Year 2023 and are currently being re-negotiated. The current MOUs between the City and International Association of Firefighters (IAFF Local 145), the Police Officers Association (POA), and Teamsters (Local 911) provided for various general salary increases effective July 1, 2023. In addition to the agreed upon salary increases in the current MOUs, the following adjustments also contributed to the increase:

- \$25.0 million increase in overtime primarily associated with the Police Department and Fire-Rescue Department associated with an increase in anticipated vacant positions and right sizing their overtime budgets.
- \$24.1 million increase in Budgeted Personnel Expenditure Savings. Budgeted Personnel Expenditure Savings is budgeted as a negative amount, an increase to the amount results in a net decrease in the Personnel Cost budget. This increase is primarily driven by assuming that most new positions will be filled in later periods through the fiscal year, and an increase in anticipated vacant positions in the Police Department and Fire-Rescue to offset overtime increases.
- \$7.1 million increase in Add-On Pays as a result of changes in the negotiated rates and/or percentages for various specialty pays, such as Emergency Medical Technician Pay, Field Training Pay, and Paramedic Pay.
- \$2.2 million in the Fire-Rescue Department associated with administrative support, complying with State mandates and contractual agreements with outside agencies, and lifeguard services.
- \$1.7 million in the Environmental Services Department associated with the restructure of positions related to General Benefit programs from the Refuse Disposal Fund into the General Fund.
- \$1.6 million in the Police Department associated with Police Investigative Service Officers to relieve patrol officers from administrative work and support department operations.
- \$1.1 million in the Environmental Services Department associated with positions to support the Asbestos Lead and Mold Program, the cost-of-service study, enhanced hot spot crew, operations, and Organics Waste Diversion.
- \$997,612 in the Human Resources Department associated with positions to support recruitment and the Employee and Empower Program.
- \$797,713 in the Parks and Recreation Department associated with positions to support new facilities, the new citywide maintenance services division, park rangers, and support for Get it Done requests.
- \$456,148 in the City Planning Department associated with the transfer of the Historical Resources Program from the Development Services Fund into the General Fund.
- \$515,165 in the Library Department associated to positions to support the new Pacific Highlands Ranch Library and the special events program.
- \$476,968 in the Department of Finance associated to positions for grants, CIP, and critical initiatives support.
- \$395,934 in the Transportation Department associated to positions to support electrical engineering assessments and urban forestry.
- \$338,217 in the General Services Department associated to positions for department administrative support and the capital improvements program.
- \$337,385 in the Department of Information Technology associated to positions to support the SD Access 4 All and Digital Navigator Programs.
- \$309,859 in the Office of the Chief Operating Officer associated with a new Deputy Chief Operating Officer for External Services and provisional Assistant Chief Operating Officer for special projects.
- \$299,996 in the Office of the City Attorney associated with positions to provide Civil Advisory to the Pure Water Program.

General Fund Expenditures

The General Fund Fiscal Year 2024 Proposed Budget includes a total of 8,506.99 FTE positions, which reflects a net increase of 170.60 FTE positions, or 2.0 percent, from the Fiscal Year 2023 Adopted Budget. The increase in positions is primarily due to the following additions:

- 21.57 FTE positions in the Parks and Recreation Department primarily associated to new facilities, the new citywide maintenance services division, park rangers, and support for Get it Done requests.
- 21.88 FTE positions in the Fire-Rescue Department primarily associated with administrative support, complying with State mandates and contractual agreements with outside agencies, and lifeguard services.
- 23.00 FTE positions in the Police Department associated with Police Investigative Service Officers to augment patrol officers, supplemental positions, and support department operations.
- 49.68 FTE positions in the Environmental Services Department associated with the transfer of the General Benefit programs from the Refuse Disposal Fund and to support the Asbestos, Lead, and Mold Program, cost of service study, enhanced hot spot crew, and Organics Waste Diversion.
- 13.50 FTE positions in the Human Resources Department to support recruitment and the Employee and Empower Program.
- 8.00 FTE positions in the Library Department to support the new Pacific Highlands Ranch Library and the administration of special events.
- 6.34 FTE positions in the City Planning Department associated with the transfer of the Historical Resources Program from the Development Services Fund into the General Fund and to support Community Planning Group reform.
- 6.00 FTE net positions in the Department of Finance for grants, CIP, and critical initiatives support.
- 4.50 FTE positions in the Transportation Department to support electrical engineering assessments and urban forestry.
- 3.00 FTE positions in the General Services Department for department administrative support and the capital improvements program.
- 4.00 FTE positions in the Department of Information Technology to support the SD Access 4 All and Digital Navigator Programs.
- 0.35 FTE net positions in the Office of the Chief Operating Officer associated with the new Deputy Chief Operating Officer for External Services, transfer of an Associated Management Analyst to the Department of Finance, and provisional Assistant Chief Operating Officer for special projects.
- 2.00 FTE positions in the Office of the City Attorney to provide Civil Advisory to the Pure Water Program.
- 2.00 FTE positions in the Compliance Department to support grant and audit compliance and analyze citywide safety and driving data.

Table 3 - General Fund FTE Position Summary shows the change in the number of budgeted positions in the General Fund over the last three years.

Table 3: General Fund FTE Position Summary Fiscal Years 2022 – 2024

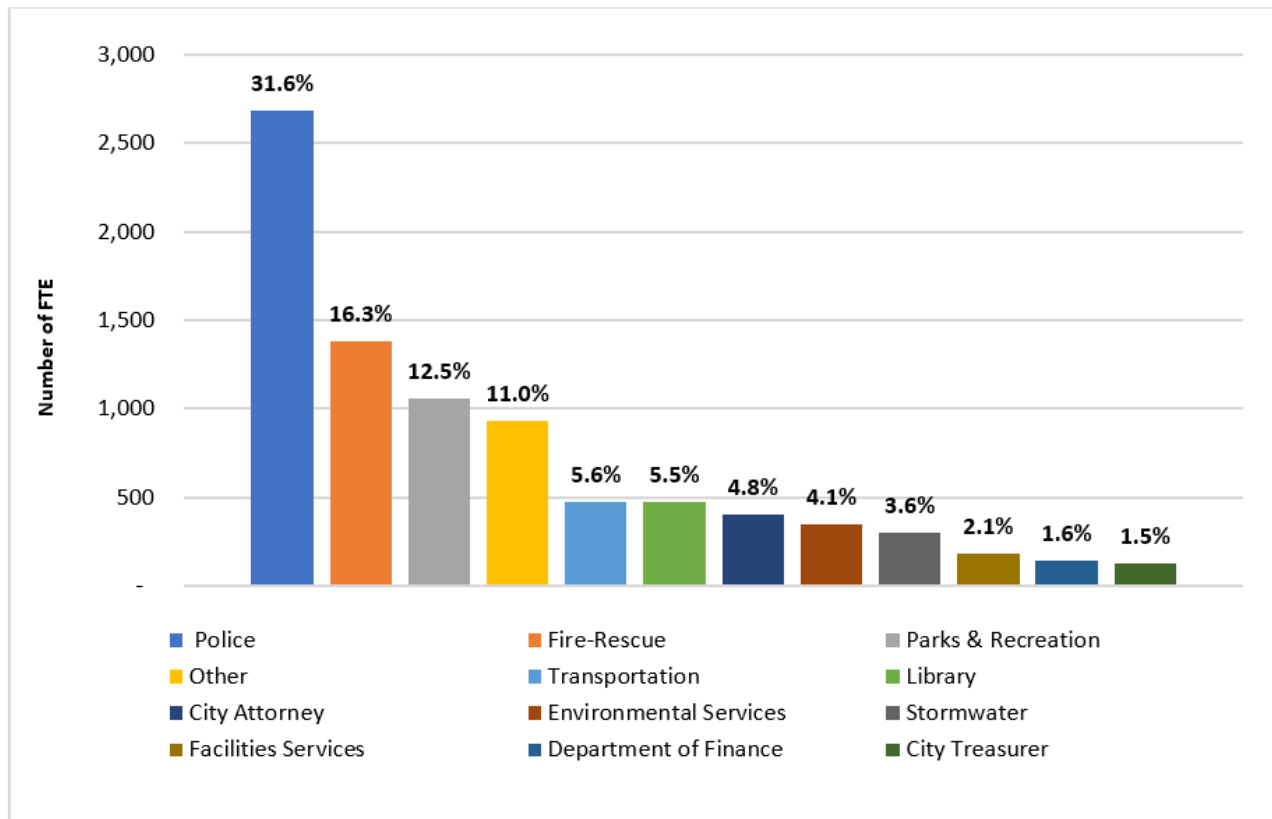
	FY 2022 Adopted Budget	FY 2023 Adopted Budget	FY 2024 Proposed Budget
Total General Fund Budget FTE Positions	7,731.03	8,336.39	8,506.99
Percent Change from Previous Year		7.8 %	2.0 %

Further details on position changes in the General Fund are reflected in **Attachment A - Fiscal Year 2023 Changes in Full-time Equivalent (FTE) Positions** in Appendix A.

General Fund Expenditures

Figure 1 – Fiscal Year 2024 Proposed General Fund FTE Positions by Department summarizes the Fiscal Year 2024 Proposed General Fund FTE positions by department. Only the top eleven departments with the most FTE budgeted positions are displayed. All other General Fund departments are combined under the Other Category. Details on the budgeted FTE positions in the General Fund are included in the Financial Summary and Schedules section of this Volume.

Figure 1: Fiscal Year 2024 Proposed General Fund FTE Positions by Department



Note: The Other category includes: City Auditor, City Clerk, City Planning, Commission on Police Practices, Communications, Compliance, Council Administration, City Council, Department of Information Technology, Development Services, Economic Development, Ethics Commission, Government Affairs, Homelessness Strategies & Solutions, Human Resources, Office of Boards & Commissions, Office of Emergency Services, Race & Equity, Office of the Chief Operating Officer, Office of the IBA, Office of the Mayor, Performance & Analytics, Personnel, Purchasing & Contracting, Real Estate and Airport Management, and Sustainability & Mobility.

As displayed in **Figure 1 – Fiscal Year 2024 Proposed General Fund FTE Positions by Department** above, the Police Department and the Fire-Rescue Department account for approximately 47.9 percent of the total budgeted positions in the General Fund for Fiscal Year 2024.

Fringe Benefits

The General Fund Fiscal Year 2024 Proposed Budget includes fringe benefit expenditures totaling \$544.2 million, which reflects a net increase of \$32.8 million, or 6.4 percent, from the Fiscal Year 2023 Adopted Budget. This net increase is primarily due to adjustments in the following fringe benefits:

- \$41.1 million increase in the City’s Retirement ADC payment due to the addition of the normal cost for

General Fund Expenditures

the recently added Proposition B employees, the partial recognition of the market value asset losses, the liability experience loss due to salary increases exceeding expectations, and the amortization of the unfunded pension liability for Proposition B-affected employees.

- \$15.1 million decrease in Supplemental Pension Savings Plan driven by the large number of employees who elected to rejoin the SDCERS pension plan after the invalidation of Proposition B.
- \$2.1 million increase in Flexible Benefits due to position additions and reductions and changes in coverage selections of employees.

For a detailed discussion on fringe benefits, refer to the Citywide Budget Overview section of this Volume.

Table 4 - Fiscal Year 2024 General Fund Fringe Benefits by Fringe Type shows the change in fringe benefits in the General Fund from the Fiscal Year 2024 Proposed Budget by fringe type.

Table 4: Fiscal Year 2024 General Fund Fringe Benefits by Fringe Type

Fringe Type	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Proposed Budget	FY 2023 - FY 2024 Change	Percent Change
Fixed					
Long-Term Disability	\$ 2,376,503	\$ 2,202,132	\$ 2,725,223	\$ 523,091	23.8%
Other Post-Employment Benefits	43,463,373	43,419,782	43,372,385	(47,397)	(0.1%)
Retirement ADC	313,009,830	283,841,501	324,941,440	41,099,939	14.5%
Risk Management Administration	7,737,644	8,892,136	9,811,191	919,055	10.3%
Unemployment Insurance	827,655	799,369	796,171	(3,198)	(0.4%)
Workers' Compensation	30,591,008	29,558,300	30,964,513	1,406,213	4.8%
Fixed Subtotal	398,006,013	368,713,220	412,610,923	43,897,703	11.9%
Variable					
Employee Offset Savings	\$ 5,944,301	\$ 5,453,675	\$ 5,571,355	\$ 117,680	2.2%
Flexible Benefits	87,645,719	97,242,589	99,321,147	2,078,558	2.1%
Medicare	10,059,656	10,276,139	10,706,611	430,472	4.2%
Retiree Medical Trust	1,004,257	1,190,885	1,249,977	59,092	5.0%
Retirement 401 Plan	331,025	944,608	2,295,572	1,350,964	143.0%
Retirement DROP	1,831,482	1,956,895	1,881,051	(75,844)	(3.9%)
Supplemental Pension Savings Plan	25,025,322	25,649,765	10,559,591	(15,090,174)	(58.8%)
Variable Subtotal	131,841,762	142,714,556	131,585,304	(11,129,252)	(7.8%)
Fringe Benefits	\$ 529,847,775	\$ 511,427,776	\$ 544,196,227	\$ 32,768,451	6.4%

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Supplies

The Supplies category includes costs for office supplies, books, tools, uniforms, safety supplies, and building and electrical materials, among others. The Supplies category for the Fiscal Year 2024 Proposed Budget totals \$43.7 million, an increase of \$4.8 million, or 12.4 percent, from the Fiscal Year 2023 Adopted Budget. The increase is associated with the following:

- \$4.6 million in the Police Department for the deployment of smart streetlights and an increase in costs for supplies and equipment
- \$737,223 in the General Services Department for repair and maintenance of various facilities citywide.
- \$457,402 in the Fire-Rescue Department to support increased supply costs due to inflation and firefighter equipment.
-
- These increases are offset with the following decreases:
- \$600,000 in the Homelessness Strategies and Solutions Department associated with the one-time additions in Fiscal Year 2023 associated to bunk beds, furniture and supplies at two new non-congregate shelters.
- \$339,059 in the Environmental Services Department primarily related to one-time additions in Fiscal Year 2023 associated to food waste containers.

Contracts & Services

The Contracts & Services category is broken down into two categories, the External Contracts & Services and the Internal Contracts & Services. This was done to distinguish contracts and provide a clearer presentation of discretionary and non-discretionary contracts. External Contracts & Services are expenditures that are paid to an outside agency, consultant, or contractor. Internal Contracts & Services are expenditures to support internal or enterprise services among various City departments. Examples of external contracts includes: the cost of legal fees, insurance, rent expenses, consulting services, and other contractual expenses. Examples of internal contracts and services include refuse disposal fees, fleet vehicle usage and assignment fees, and reimbursements for services provided by other non-general fund departments. The Contracts and Services category for the Fiscal Year 2024 Proposed Budget totals \$365.7 million, an increase of \$4.9 million, or 1.3 percent, from the Fiscal Year 2023 Adopted Budget. This increase is primarily due to the following adjustments:

\$6.9 million net decrease in External Contracts & Services associated with the following:

- \$28.0 million decrease in the Citywide Program Expenditures Department primarily associated with the one-time removal of the Pension Payment Transition costs for Post Proposition B Employees that was budgeted in Fiscal Year 2023.
- \$10.7 million decrease in the Stormwater Department associated to the removal of one-time equipment purchases, education and outreach contracts, and watershed master planning budgeted in Fiscal Year 2023.
- \$5.9 million decrease in the Economic Development Department associated to the removal of one-time contribution for the Housing Stability Fund that was budgeted in Fiscal Year 2023.
- \$5.1 million decrease in the Citywide Program Expenditures Department associated with the removal of one-time public liability operating fund transfer that was budgeted in Fiscal Year 2023.
- \$4.3 million decrease in the Parks and Recreation Department associated to the removal of one-time vehicle purchases budgeted in Fiscal Year 2023.
- \$2.8 million decrease in Transportation Department associated to the removal of one-time consulting services for the traffic management center and street conditioning assessment.
- \$1.1 million decrease in the Economic Development and Sustainability and Mobility Department associated to the removal of one-time consulting services budgeted in Fiscal Year 2023 offset with a partial increase to these consultants due to delays in implementation.

General Fund Expenditures

- \$18.8 million increase in the Homelessness Strategies and Solutions Department associated to Homeless Shelters and Services, Coordinated Outreach, and Prevention Programming.
- \$14.8 million increase in the Citywide Program Expenditures Department to support public liability claims, and general liability and excess insurance programs.
- \$6.6 million increase in the Parks and Recreation Department to support the new animal services contract, contribution to the MAD Funds, new off leash dog park areas, park master plan, and the one-time acquisition of new vehicles to support new facilities.
- \$4.4 million increase in the Citywide Program Expenditures Department for citywide elections, new and revised leases, and one-time special consulting services associated to space planning, feasibility studies and financial analysis.
- \$2.5 million increase in the Stormwater Department related to the implementation and the monitoring of the time schedule order.
- \$1.1 million increase in the Police Department to support the rental of a firearms training facility and increases in sexual assault examination kits and contractual increases in janitorial services.
- \$1.0 million increase in the Environmental Services Department associated with the hot spot crew, cost of service study, and transfer of General Benefit programs from the Refuse Disposal Fund.
- \$979,273 increase in the Library Department primarily associated with increased security costs at various library facilities.
- \$758,700 increase in the Transportation Department related to the urban forestry air pollution control district settlement.

\$11.3 million net increase in Internal Contracts & Services associated with the following:

- \$7.8 million increase in vehicle usage fees associated with cost increases to parts, tires, compensation increases, services to repair vehicles, and a contribution to the CIP.
- \$7.2 million increase in refuse disposal fees associated to proposed fee increases and the transfer of General Benefit programs from the Refuse Disposal Fund.
- \$4.0 million decrease in vehicle assignment fees associated with the lease to own program that will now be expended out of the debt category.
- \$414,827 increase in Citywide Program Expenditures Department to support the reimbursement for services in the right-of-way provided by the Engineering & Capital Projects Department.

Information Technology

The Information Technology category includes the costs related to hardware and software maintenance, help desk support, and other information technology (IT) services. The Information Technology category for the Fiscal Year 2024 Proposed Budget totals \$57.6 million, a decrease of \$3.5 million, or 5.7 percent, from the Fiscal Year 2023 Adopted Budget. This decrease is associated to one-time additions in Fiscal Year 2023 related to network services contracts such as Okta Public Portal, Broadband Access Expansion program, constituent relations management platform, and replacement of aging hardware.

Energy and Utilities

The Energy and Utilities category includes the costs of electricity, fuel, gas, and other related expenditures. The Energy and Utilities category for the Fiscal Year 2024 Proposed Budget totals \$71.8 million, an increase of \$16.3 million, or 29.3 percent, from the Fiscal Year 2023 Adopted Budget. This increase is primarily due to the following:

- \$6.2 million increase in electrical services citywide primarily due to a 36.0 percent rate increase and higher utilization of city facilities.
- \$4.3 million increase in electrical services for traffic signal and streetlights associated with a rate increase of 36.0 percent.

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- \$3.4 million increase in natural gas budget citywide due to a 43.0 percent rate increase and higher utilization of city facilities.
- \$891,145 in wireless communication transfer associated with one-time increases for maintenance costs associated to the Public Safety Radio Modernization Project.
- \$607,898 increase in cell phone operating costs associated with the issuance of cellphones to all sworn and some civilian positions within the Police Department.
- \$423,200 increase in fuel primarily associated with an increase in the cost per gallon.
- \$282,357 increase in water services as a result of higher usage at city facilities.
- \$187,708 increase in sewer services charges due to rate increases and higher usage at city facilities.

Other

The Other category includes miscellaneous expenditures that do not fall under one of the other expenditure categories, such as transfers to Proprietary Funds, Governmental Funds and Other Funds. The Fiscal Year 2024 Proposed Budget for the Other category totals \$6.0 million, which is an increase of \$647,509, or 12.0 percent, from the Fiscal Year 2023 Adopted Budget primarily due to the following:

- \$767,210 increase in the Citywide Program Expenditures Department primarily associated to the Water Infrastructure Finance and Innovation Act (WIFIA) loan for Stormwater projects.
- \$171,600 increase in the Police Department associated to police management incentive pay.
- \$247,000 decrease associated with the one-time removal of a tax rebate payment that was budgeted in Fiscal Year 2023 as a result of the Business Cooperation Program.

Transfers Out

The Transfers Out category includes transfers of funding between City funds, including the transfer of funding for annual debt service payments for outstanding bonds. The Transfers Out category for the Fiscal Year 2024 Proposed Budget totals \$99.2 million, a decrease of \$35.9 million, or 26.6 percent, from the Fiscal Year 2023 Adopted Budget. This net decrease is primarily due to the following:

- \$40.2 million decrease associated to the removal of a one-time transfer to the Capital Improvements Program in Fiscal Year 2023.
- \$6.9 million net decrease associated with a transfer to the Infrastructure Fund in accordance with City Charter Section 77.1.
- \$6.4 million decrease in the Citywide Program Expenditures Department associated to the purchase of the 101 Ash Street building and no longer making payments associated to the lease to own agreements.
- \$1.6 million decrease in the transfer to the Energy Independence Fund due to the General Fund no longer being a passthrough.
- \$1.5 million decrease in the General Fund Reserve contribution due to no longer classifying the contribution as a budgetary expenditure.
- \$1.2 million decrease in the Parks and Recreation Department associated to the transfer of the City's MAD fund reimbursement to the contract's category.
- \$425,000 decrease in the Fire Rescue Department primarily due to the removal of Fiscal Year 2023 one-time additions associated to the boating safety locker room trailer and sleeping quarters.
- These decreases are offset with the following increases:
- \$11.3 million increase in the Citywide Program Expenditures Department associated to the issuance and restructuring of 2023 Lease Revenue Bonds, pay-go for vehicle replacements due to a reclassification from assignment fees, and higher than anticipated interest rates.
- \$8.0 million increase for a one-time transfer to the Mission Bay and Regional Park Improvement Funds associated with an increase in revenue from leases and property.
- \$2.3 million increase in the Environmental Services Department associated with the transfer of ownership of refuse disposal trucks from the Refuse Disposal Fund to the General Fund.
- \$684,150 increase in the transfer to the Climate Equity Fund based on revised franchise revenues.

General Fund Expenditures

Capital Expenditures

The Capital Expenditures category for the Fiscal Year 2024 Proposed Budget totals \$2.2 million, a decrease of \$2.4 million, or 52.4 percent, from the Fiscal Year 2023 Adopted Budget. This net decrease is primarily related to the following:

- \$3.5 million decrease in various departments, most notably in the Police and Environmental Services Departments, related to the removal of one-time vehicle purchases in Fiscal Year 2023.
- \$762,500 increase in the Fire-Rescue Department associated with the acquisition of vehicles to support State-mandated fire inspections.

Debt

The Debt category for the Fiscal Year 2024 Proposed Budget totals \$9.2 million, a decrease of \$5.7 million, or 38.0 percent, from the Fiscal Year 2023 Adopted Budget. The debt category includes long-term debt service on liabilities such as bonds, loans, and capital lease obligations. The decrease in budget is primarily associated to the following:

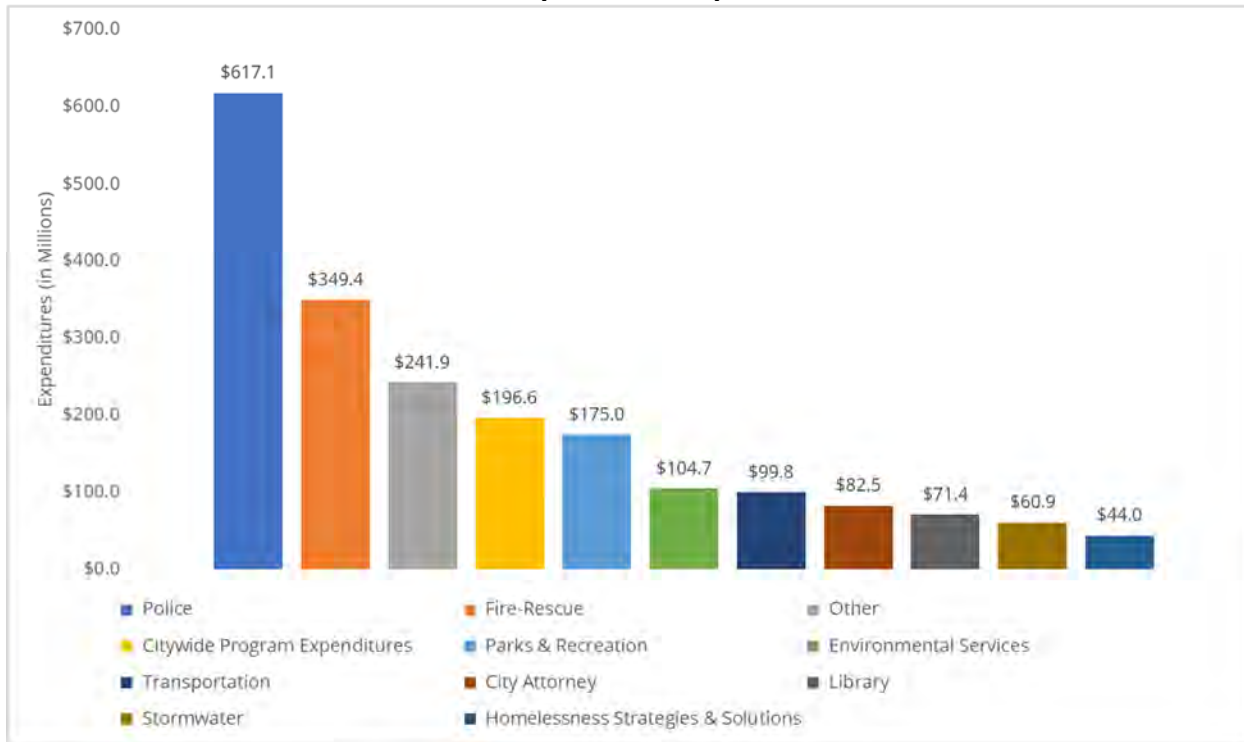
- \$3.9 million in the Citywide Program Expenditures Department associated to the outright purchase of the Civic Center Plaza building and no longer making payments associated to the lease to own agreements.
- \$2.4 million due to lease closures for the Fire-Rescue, Performance and Analytics, Police, and Transportation Departments.

General Fund Departments

Figure 2 - Fiscal Year 2024 Proposed General Fund Expenditures by Department summarizes the Fiscal Year 2024 Proposed General Fund budgeted expenditures by department. The ten largest General Fund expenditure budgets by department are displayed individually. All other General Fund departments are combined in the Other category. For a complete review of expenditures by department in the General Fund, refer to the Financial Summary and Schedules section of this Volume.

General Fund Expenditures

Figure 2: Fiscal Year 2024 Proposed General Fund Expenditures by Department (in millions)



Note: The Other category includes: City Auditor, City Clerk, City Council, City Planning, City Treasurer, Communications, Compliance, Department of Finance, Department of Information Technology, Development Services, Economic Development, Ethics Commission, General Services-Facilities Services, Government Affairs, Human Resources, Office of Boards & Commissions, Office of Emergency Services, Race & Equity, Office of the Chief Operating Officer, Office of the Commission on Police Practices, Office of the IBA, Office of the Mayor, Performance & Analytics, Personnel, Public Utilities, Real Estate & Airport Management, and Sustainability & Mobility.

Significant Budget Adjustments

The following is a summary of critical expenditure adjustments. After incorporating all these expenditure adjustments, the Fiscal Year 2024 Proposed Budget remains balanced.

Administrative Support

Civic Center Revitalization

This adjustment includes the addition of 1.00 Program Coordinator and total expenditures of \$187,563 in the Economic Development Department to support the development and execution of the Civic Center Revitalization Project (CCRP). The CCRP will be a transformative legacy project that will include housing, city services, businesses and arts and cultural space on six city-owned blocks downtown. Due to the historic nature and complexity of this undertaking, this position will also focus on monitoring of related contracts and obligations and ensure compliance to the State Surplus Land Act and other associated regulations.

Deputy Chief Operating Officer

This adjustment includes the addition of 1.00 Deputy Chief Operating Officer and total expenditures of \$257,966 to support the External Services functions associated with the reorganization of the Department of the Chief Operating Officer.

General Fund Expenditures

Get It Done Support

This adjustment includes the addition of 1.00 Program Manager, 1.00 Senior Management Analyst, and total expenditures of \$286,872 in the Parks and Recreation Department to manage Get It Done requests, conduct data analysis and provide customer follow-up. These positions will allow for system oversight, training, customer service, performance level tracking, and administrative activities that will help ensure the system exceeds customer experience objectives. The department is midway through implementation of the first phase of Get It Done. These positions will help with this implementation and allow the department to go live.

Fiscal Support

This adjustment includes the addition of 4.00 FTE positions and total expenditures of \$529,391 in the Department of Finance associated to supplement positions added during the last two fiscal years to right-size staffing levels and support the growing demand for centralized fiscal services. These new positions are critical to support budget equity, the Climate Action Plan, and Homelessness Strategies and Solutions. As the City moves forward on these critical initiatives, there has been an increasing need for finance staff to evaluate proposals for economic impact, and a greater need to track, report, and provide fiscal analyses on the implementation of these initiatives.

Grant Support

This adjustment includes the addition of 1.00 Program Manager, 2.00 Finance Analyst 2s and total expenditures of \$389,188- to support City grant compliance and audit response within the city.

- Program Manager in the Compliance Department to assist the Chief Compliance Officer in several critical initiatives which has taken on the role of coordinating a citywide grants compliance program, focusing on additional support for those departments without grants teams.
- 2.00 Finance Analyst 2s in the Department of Finance to support the increase in grant funding to be received over the next several years from the Federal Build Back Better Act.

Revenue Audit Program

This adjustment includes the addition of 1.00 Accountant 3, total expenditures of \$108,166, and projected revenue of \$250,000 in the City Treasurer's Office to support the Revenue Audit program and assist in meeting the goal of a maximum three-year audit cycle for its audit population.

City Facilities

Facilities Maintenance and Support

This adjustment includes the addition of 3.00 FTE positions, and total expenditures of \$1.4 million in the General Services Department to support department operations, procurement, capital improvements program, and repair and maintenance of city facilities.

Janitorial and Maintenance Services

This adjustment includes the addition of \$472,920 in non-personnel expenditures to support janitorial and maintenance services at various city facilities including police stations and libraries.

Climate Action Plan

Americans with Disabilities Act (ADA) Evaluation

This adjustment includes the addition of \$262,000 in one-time non-personnel expenditures in the Sustainability and Mobility Department to update citywide pedestrian evaluation and remediation plans. The expenditure will be used for consultant services to begin the federally mandated citywide evaluation

General Fund Expenditures

including curb ramps, audible pedestrian signals, and pedestrian areas of bus stops and is a requirement of federal and State transportation grant funding.

Organics Waste Diversion

This adjustment includes the addition of 3.34 FTE positions and total expenditures of \$375,345 to support compliance with Organics Waste Diversion. As the implementation of Senate Bill 1383 has taken effect, the workload is more than was initially expected. The additional positions will help with various functions such as mapping out efficient routes, providing timely and thorough communication between field employees, their direct supervisors and management, and handling service requests.

Employee Compensation and Support

Employee Compensation

This adjustment includes an allocation in the General Fund for employee compensation. This funding will support agreements with Recognized Employee Organizations and special salary adjustments for job classifications with recruitment challenges. These increases reflect an ongoing effort to make progress in the alignment of the City's employee compensation with the current employment market.

Employee Support

This adjustment includes the addition of 6.00 FTE positions and total expenditures of \$1.3 million in the Human Resources Department to provide HR support to City Departments, support the Recruitment and Retention Program, and conduct a compensation study. The goal of the compensation study is to ensure that actual employee compensation is consistent with the compensation philosophy. The purpose of the Recruitment and Retention Program is to identify talent and develop and implement a full cycle recruiting program.

Equity and Diversity

Digital Navigator Program

This adjustment includes the addition of 3.00 Information Systems Analysts and total expenditures of \$308,580 in the Department of Information Technology to support the City's Digital Navigator Program. These roles will perform a critical function for SD Access 4 All by acting as sustainable staffing for the City's Digital Navigator program which serves City residents. They will also work as ambassadors at key outreach events to enroll residents in services and connect them to city resources. Digital Navigators are trusted guides that work directly with the community to make technology more accessible.

SD Access 4 All Program

This adjustment includes the addition of 1.00 Program Coordinator and total expenditures of \$885,377 in the Department of Information Technology to expand the SD Access 4 All Program via hot spots, provide community outreach, and develop the Digital Equity Program and the Digital Literacy Program.

Homelessness and Housing

Support for Homeless Shelters and Services

This adjustment includes the addition of \$31.9 million in non-personnel expenditures to support the Homelessness Strategies and Solutions Department. This is a net increase of \$18.8 million from the Fiscal

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Year 2023 Adopted Budget as a result of prior year additions budgeted as one-time. The budget adjustments include:

- \$16.6 million to continue providing Shelter operations and maintain for leases and ancillary costs associated with certain shelters.
- \$5.0 million associated to expanding homeless shelter capacity through the creation of a safe camping program.
- \$2.7 million associated to existing storage center operations and ancillary costs to store belongings of those experiencing homelessness.
- \$2.3 million associated to provide rental assistance for individuals at risk of homelessness.
- \$1.8 million associated to existing and additional Safe Parking Programs to support individuals experiencing homelessness in their vehicles.
- \$1.2 million associated to support the Homelessness Response Center.
- \$1.0 million associated to support existing and provide additional winter shelter beds.
- \$810,000 associated to coordinated outreach support that focuses on client engagement.
- \$500,000 associated to Day Center Operations and to support site improvements and operating cost increases.

Neighborhood Services

Focused Economic Development Strategy

This adjustment includes the addition of \$200,00 in one-time non-personnel expenditures in the Economic Development Department (EDD) to implement a focused economic development strategy. The strategy is intended to serve as an actionable tactical plan to guide the day-to-day decision-making of EDD personnel, and is expected to reflect the City's vision, mission, and Strategic Plan.

Library Branches Security

This adjustment includes the addition of \$864,000 in non-personnel expenditures in the Library Department for security at library branches. City Council approved an amendment to the security budget requiring guards to carry and administer naloxone. It will also allow for enhanced public safety and increased monitoring at key library branch locations.

New Library Branch Support

This adjustment includes the addition of 9.50 FTE positions and total expenditures of \$900,085 in the Library Department to support the new Pacific Highlands Ranch Library.

New Parks and Recreation Facilities

This adjustment includes 18.50 FTE positions and total expenditures of \$3.6 million in the Parks and Recreation Department to maintain and operate new parks and recreation facilities citywide including: comfort station at Ellen Browning Scripps Park, Chollas Triangle, Clairemont Canyon Academy, Memorial Senior Center, Marston Middle School, Mountain View Teen Center, Olive Street Mini Park, Riviera Del Sol Neighborhood Park, Salk Middle School Joint Use, the Cathy Hopper Friendship Senior Center, the Eugene Brucker Education Center, Allied Gardens, Paradise Hills, and Gompers dog off leash area.

Park Rangers

This adjustment includes the addition of 4.00 Supervising Park Rangers and total expenditures of \$986,232 in the Parks and Recreation Department to support enhanced security at community and open space parks. The Park Rangers are vital in the education and integration of programs aimed at creating more equality and inclusion in communities of concern. Park Rangers will also support additional management of security contracts and added security to the Community Parks.

General Fund Expenditures

Public Safety

Airport Operations Staffing Unit

This adjustment includes the addition of 4.00 FTE positions and expenditures of \$654,792 in the Fire-Rescue Department to support the Staffing Unit at the Airport Fire Station due to a newly executed agreement with the San Diego County Regional Airport Authority.

Assistant Police Chief

This adjustment includes the addition of 1.00 Assistant Police Chief and total expenditures of \$502,132 in the Police Department to support Police operations.

Cellphones for Sworn Personnel

This adjustment includes the addition of \$358,380 in non-personnel expenditure in the Police Department to support cellphone assignment to all sworn and some civilian positions in the Police Department. This request includes funding to replace approximately 400 cellphones and necessary accessories annually in a phased approach. Providing all officers cell phones allows them to be more responsive to those they serve in the community.

Firearms Training Facility

This adjustment includes the addition of \$975,000 in one-time non-personnel expenditures in the Police Department for the rental of a firearms training facility. The Department's only firearms training facility at 4008 Federal Boulevard was recently decommissioned; therefore, funding is needed for the rental of a third-party firearms training facility. In addition, this request for funding will allow the increased scheduling availability at the temporary training facility from three days to five days a week.

Lifeguard Support

This adjustment includes 3.00 FTE positions and total expenditures of \$759,331 in the Fire-Rescue Department to support lifeguard services, La Jolla shores, and enhance service levels and public beaches.

Mandated Building Inspections

This adjustment includes the addition of 11.00 FTE positions, total expenditures of \$2.6 million, and associated revenue in the Fire-Rescue Department to support new and existing mandated building inspections. Due to this mandate, reassignments were shifted for most of the Inspection Services staff to complete Senate Bill 1205 Inspections and for the re-launching of the Fire Company Inspection Program. As a result, having a designated Fire Prevention Inspector Supervisor and Fire Prevention Inspector 2s to manage the Hazmat program and State mandated SB 1205 requirements is critical.

Overtime Expenditure Alignment

This adjustment reflects a reclassification of budgeted personnel expenditure savings to overtime expenditures in the amounts of \$2.2 within the Fire-Rescue Department and \$1.7 within the Police Department.

Smart Streetlights

This adjustment includes the addition of \$4.0 million in non-personnel expenditures in the Police Department to support the deployment of Smart Streetlights. The Surveillance Ordinance was created in September 2022, and with this Ordinance in place, the Police Department will be removing the existing sensors that have passed their useful life and replace them with new cameras throughout the city capable of working with other technologies. This process would be in accordance with State law along with all requirements of San Diego's Surveillance Ordinance.

Supplemental Positions

This adjustment includes the addition of 22.00 FTE positions and expenditures of \$2.2 million in the Police Department to support police operations and augment patrol officers. 10.00 Police Investigative Service

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Officer 2s will augment patrol officers in the field and investigative units and support the property room. The remaining 12.00 FTE positions which are 1.00 sworn and 11.00 civilian supplemental positions will support operations and be assigned to several units throughout the Department.

Wellness Center Rent

This adjustment includes the addition of \$368,268 in non-personnel expenditures in the Fire-Rescue Department for a new leased space that will house the wellness center in the Fire-Rescue Department.

Stormwater

Time Schedule Order and Compliance Monitoring

This adjustment includes the addition of \$2.5 million in non-personnel expenditures in the Stormwater Department to implement monitoring and comply with the Time Schedule Order (TSO). A TSO would provide additional time for the City to come into compliance with the final dry weather requirements and would ensure that Mandatory Minimum Penalties are avoided during implementation of the prescribed time schedule of actions. In order to receive these protections from the TSO, the City must fully implement and comply with all requirements listed in the TSO.

Transportation

Asphalt and Concrete Materials

This adjustment includes the addition of \$275,642 in non-personnel expenditures in the Transportation Department to support cost increases for asphalt and concrete materials. Street Division has two major contracts to supply asphalt and concrete materials. The average cost of material has increased by 93% since Fiscal Year 2018 when the previous 5-year contract was executed. This additional budget will align with the estimated annual needs and authorization for the new contract.

Urban Forestry

This adjustment includes the addition of 3.00 FTE positions and total expenditures of \$1.1 million in the Transportation Department to meet requirements of the Air Pollution Control District settlement. The positions will support the Urban Forestry Program to implement an aggressive and robust tree planting and tree well cutting program in Historically Underserved Communities.

Waste & Recycling Management

Corrective Action Plan

This adjustment includes the addition of 2.00 Environmental Health Inspectors and total expenditures of \$294,442 in the Environmental Services Department for the Asbestos, Lead, and Mold Program. These expenditures will help implement cleaning and maintenance and provide as needed abatement services to reduce risk and liability associated with asbestos and lead containing building materials in City facilities to ensure compliance with Air Pollution Control District and other local, State, and federal regulations.

Cost of Service Study

This adjustment includes the addition of 1.00 Community Development Specialist 4 and total expenditures of \$618,068 in the Environmental Services Department to support a cost-of-service study and stakeholder engagement process.

Enhanced Hot Spot Crew

This adjustment includes the addition of 6.00 FTE positions and total expenditures of \$1.4 million in the Environmental Services Department for a permanent Enhanced Hot Spot Program Crew. The Program

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consists of teams that will be dispatched to provide public right-of-way waste and large litter removal focused specifically on areas most heavily impacted by waste resulting from the unsheltered population.

Refuse Disposal Fee

This adjustment includes the addition of \$5.1 million in Refuse Disposal Fees in the Environmental Services Department associated with a \$16 per ton tip fee increase.

Transfer of Vehicles

This adjustment includes the addition of \$2.3 million in one-time non-personnel expenditures associated with the transfer of vehicles due to the transfer of the General Benefit Programs from the Refuse Disposal Enterprise Fund to the General Fund.

One-Time Resources and Uses

The Fiscal Year 2024 Proposed Budget includes \$129.6 million in one-time resources as displayed in **Table 5 – Fiscal Year 2024 One-Time Resources**.

Table 5: Fiscal Year 2024 One-Time Resources¹

One-Time Resources	Amount
Fund Balance in Excess of Reserves (Excess Equity)	\$68,558,329
American Rescue Plan Act Funds	\$52,066,296
Tailgate Park Sales Proceeds	\$5,847,660
Grant Revenue	\$1,108,287
Fire/Emergency Medical Services Transport Fund Transfer	\$1,000,000
Short-Term Residential Occupancy Revenue	\$645,000
Internal Service Funds Use of Fund Balance	\$410,038
Total	\$129,635,610

This compares to approximately \$16.5 million in one-time uses as displayed in **Table 6 – Fiscal Year 2024 One-Time Uses**.

Table 6: Fiscal Year 2024 One-Time Uses

One-Time Uses	Amount
Bridge to Home Program	\$5,847,660
Purchase of Refuse Packers	\$2,631,288
Vehicles for New Facilities	\$1,080,000
Animal Services Contract	\$1,034,150
Rental of Police Firearms Training Facility	\$975,000
Vehicles for Enhanced Hot Spot Crew	\$970,000
Vehicles to Support Mandated Programs	\$750,000
Dog Park Improvements	\$600,000
Vehicles for Park Rangers	\$540,000
Citywide Space Planning and Condition Assessments	\$500,000
Reimbursements for Joint Use Agreements	\$380,980
Americans with Disabilities Act Evaluations	\$262,000

General Fund Expenditures

One-Time Uses	Amount
Focused Economic Development Strategy	\$200,000
Biannual Independent Performance Audit	\$150,000
Assistance to Firefighters Grant Match	\$108,004
Specialized Consultant Services	\$100,000
New Employee Supplies	\$97,555
Vehicles for State-Mandated Programs	\$85,000
Urban Forestry Vehicles	\$50,000
City Clerk Software Enhancements	\$38,050
Vehicles to support Park Rangers	\$36,000
SD Access 4 All	\$15,000
Total	\$16,450,687

The information shown in the table above reflects that there is \$113.2 million more in one-time resources than uses. In keeping with best practices in governmental budgeting, the City has a policy of supporting ongoing expenditures with ongoing revenues. Since the pandemic has subsided, and the economy continues to recover, on-going revenue will return to more normal levels, narrowing this gap. The City will continue to monitor revenues during Fiscal Year 2024 and will continue to address any structural shortfalls during next year's budget process.



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