

# Budget Town Hall

## IBA Review of the FY 2025 Proposed Budget



Office of the Independent Budget Analyst



# IBA Review of the FY 2025 Proposed Budget

## Presentation Overview

- Budget Development and Adoption Process
- Overview of the Proposed Budget
- Key Budget Issues
- Next Steps
- Additional Resources

# Why is the City's Budget Important?

*The Budget is a statement of  
– and plan to address –  
City Priorities.*

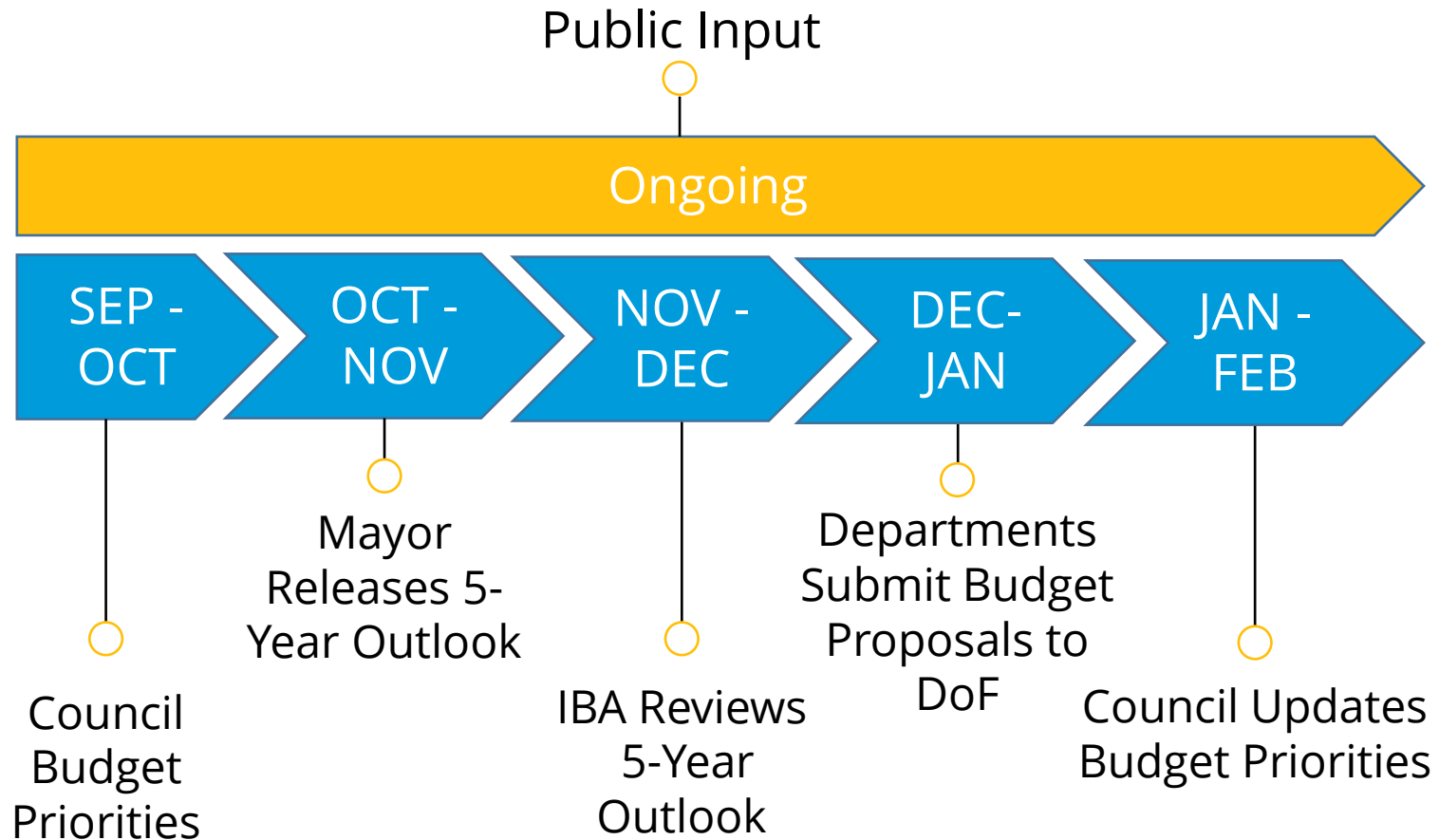


The background of the slide is a dark, semi-transparent image of a person in a white shirt sitting at a desk, working on a laptop. The image is overlaid with various financial data visualizations, including bar charts, line graphs, and circular gauges. Some of the data points visible are '308.52', '187.23', and '55'. The overall aesthetic is professional and data-driven.

# Budget Development and Adoption Process

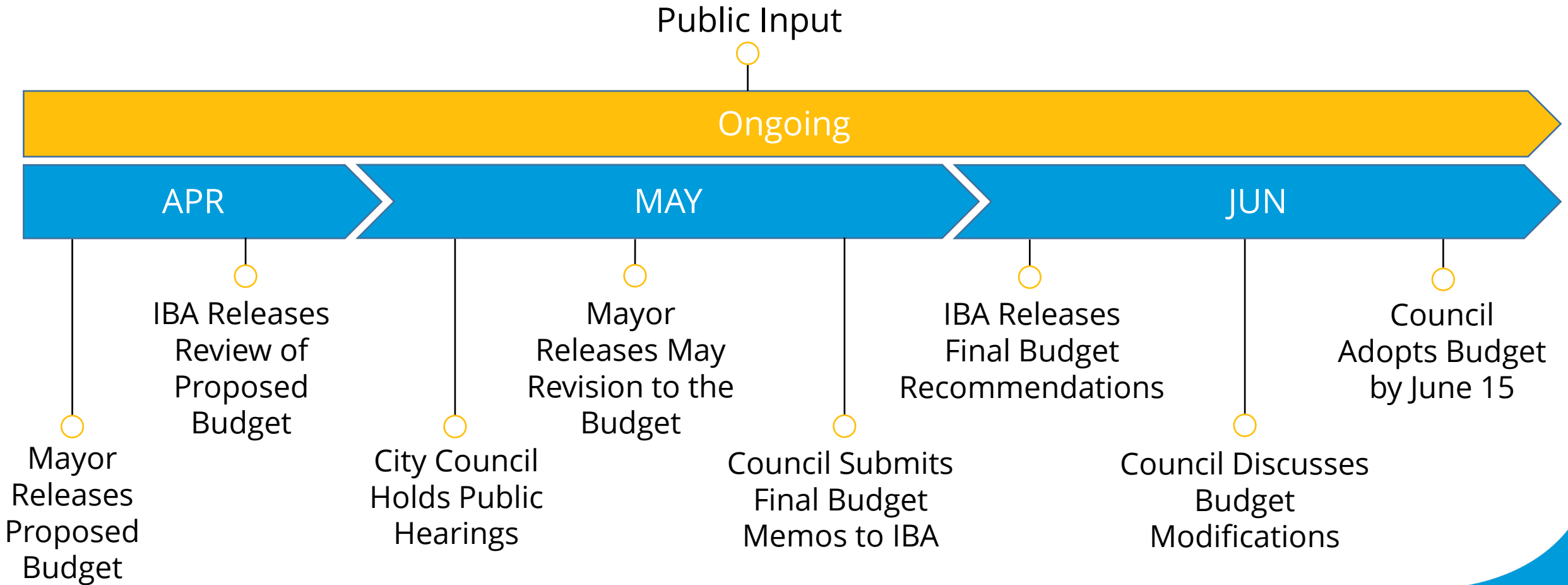
# How is the Budget created?

## Budget Development Process



# How is the Budget Created?

## Budget Adoption Process



# Overview of the Proposed Budget

# Overview

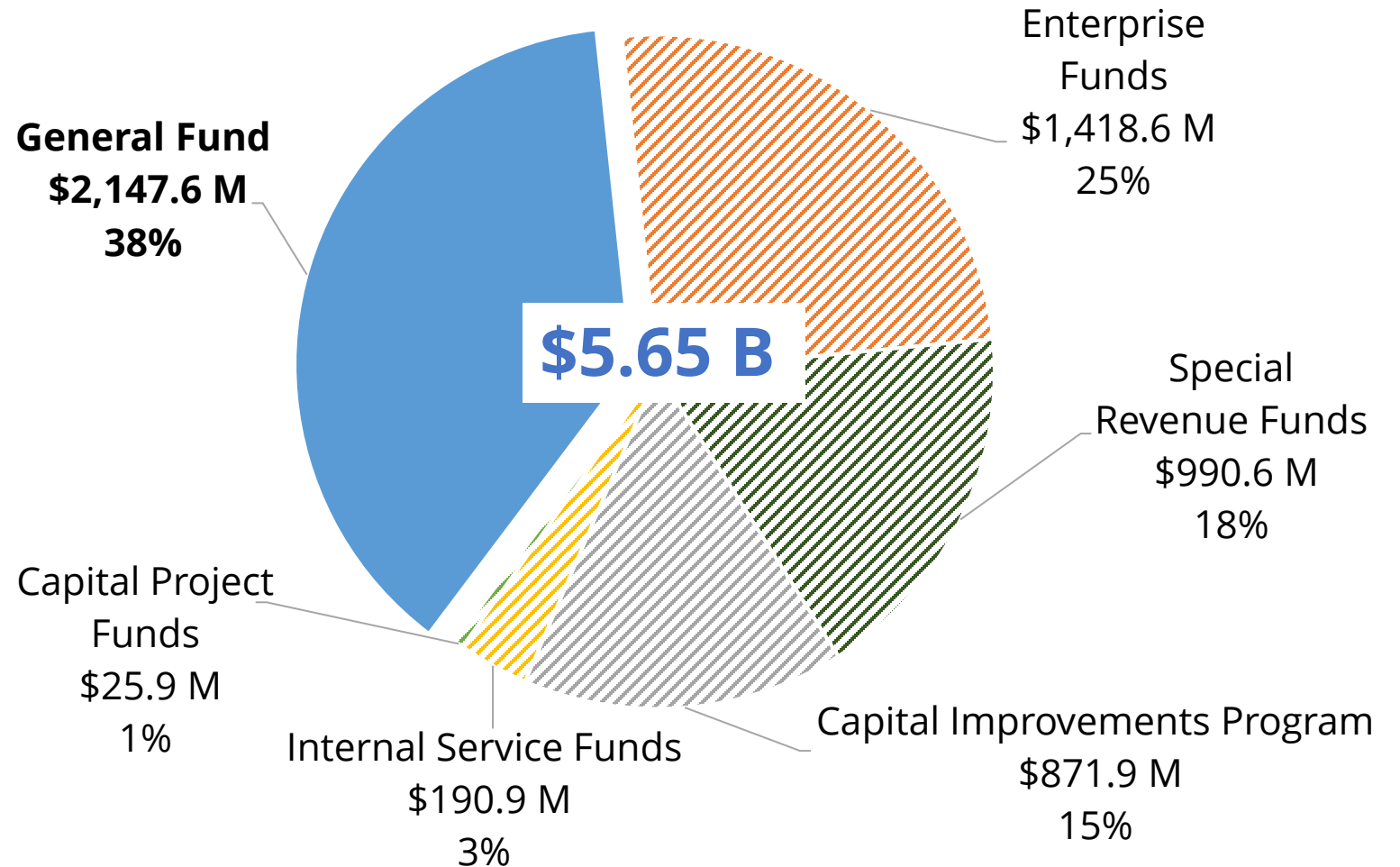
## Key Findings

- Difficult budget year was anticipated
- Programmatic additions are limited and reductions are proposed
- Significant structural budget imbalance remains as ongoing expenses are being covered with one-time resources
- New revenue is needed or far deeper cuts will be needed for FY 2026



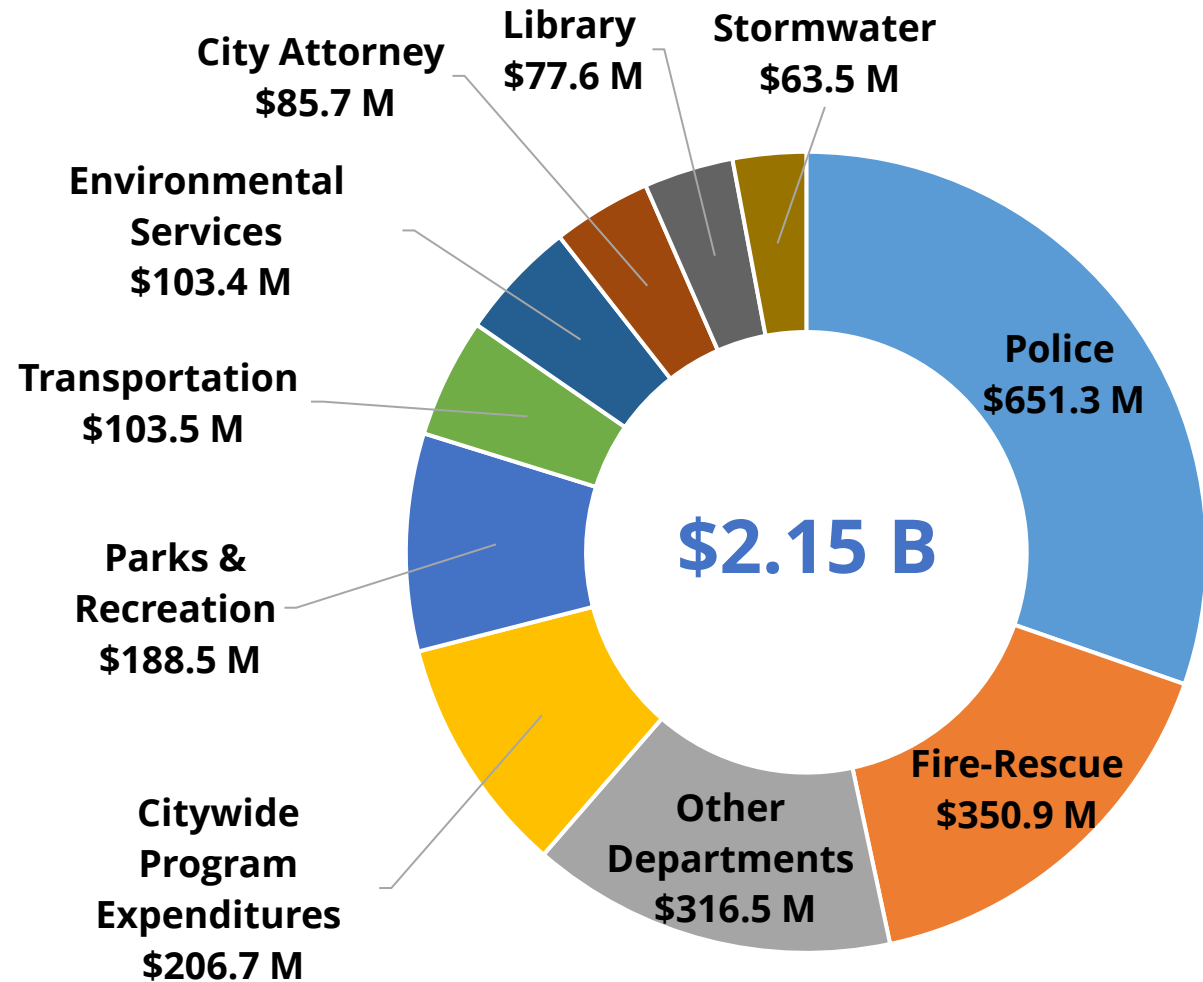
# FY 2025 Proposed Budget by Fund

**General Fund  
has the most  
flexibility for use**



# The Mayor's Proposal to Spend Money

## General Fund Expenditures by Department



# A Closer Look at the Mayor's Proposed Budget

## Significant Budget Additions

### Operating

Homeless Shelters and Programs



\$29.4M

Parks and Recreation



\$5.1M

Fire-Rescue



\$4.9M

Transportation Department



\$4.4M

Employ and Empower  
(Various Departments)



\$5.3M

# A Closer Look at the Mayor's Proposed Budget

## Significant Budget Additions

### Capital Infrastructure

#### Streets

(Modifications and Pavement)



\$112.3M

#### Stormwater



\$88.4M

#### Transportation and Mobility Safety



\$25.6M

# A Closer Look at the Mayor's Proposed Budget

## Highlighted Budget Mitigations

- \$68.7M – Use of available fund balance
- \$36.5M – Reduction of Equity related programs
- \$21.4M – Waiving of General Fund Reserve contribution
- \$18.9M – Use of Infrastructure Funds for non-CIP
- \$4.5M – Request to Fill savings (delayed hiring)
- \$3.9M – Reduction of Police Academy size
- \$3.0M – Elimination of Eviction Prevention Program

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# Key Budget Issues

# Key Budget Issues

## Climate Action Plan (CAP)

- \$761.0M – new funding in Proposed Budget
  - 97% in the CIP budget, primarily for the Pure Water project
  - \$201.0M – direct CAP support
  - \$188.1M – funding gap (mostly in Stormwater)
- Climate funds not supported
  - \$8.5M Climate Equity Fund (waive contribution)
  - \$5.8M Energy Independence Fund (waive contribution and use of fund balance)

# Key Budget Issues

## Homelessness and Housing Programs

- Significant additions for new activities/spending include:
  - \$4.3M 200 new Safe Parking Spaces at H-Barracks
  - \$2.8M 1,000 new shelter beds at Kettner/Vine
  - \$1.0M shelter contracts (compensation increases)
  - \$450,000 family shelter expansion
- Funding to continue existing activities include:
  - \$9.7M continued shelter operations (grant funding replacement)
  - \$4.0M Safe Sleeping Program (annualization)
  - \$2.8M Non-congregate shelter leases
  - \$3.7M public restrooms (annualization)



# Key Budget Issues

## Equity Issues

### \$24.0M additions

\$9.0M	Infrastructure for Communities of Concern
\$7.6M	New homelessness programs
\$5.3M	Employ and Empower Internships
\$1.8M	Tree Planting
\$167,000	Sidewalk repairs in Communities of Concern
\$167,000	Your Safe Place

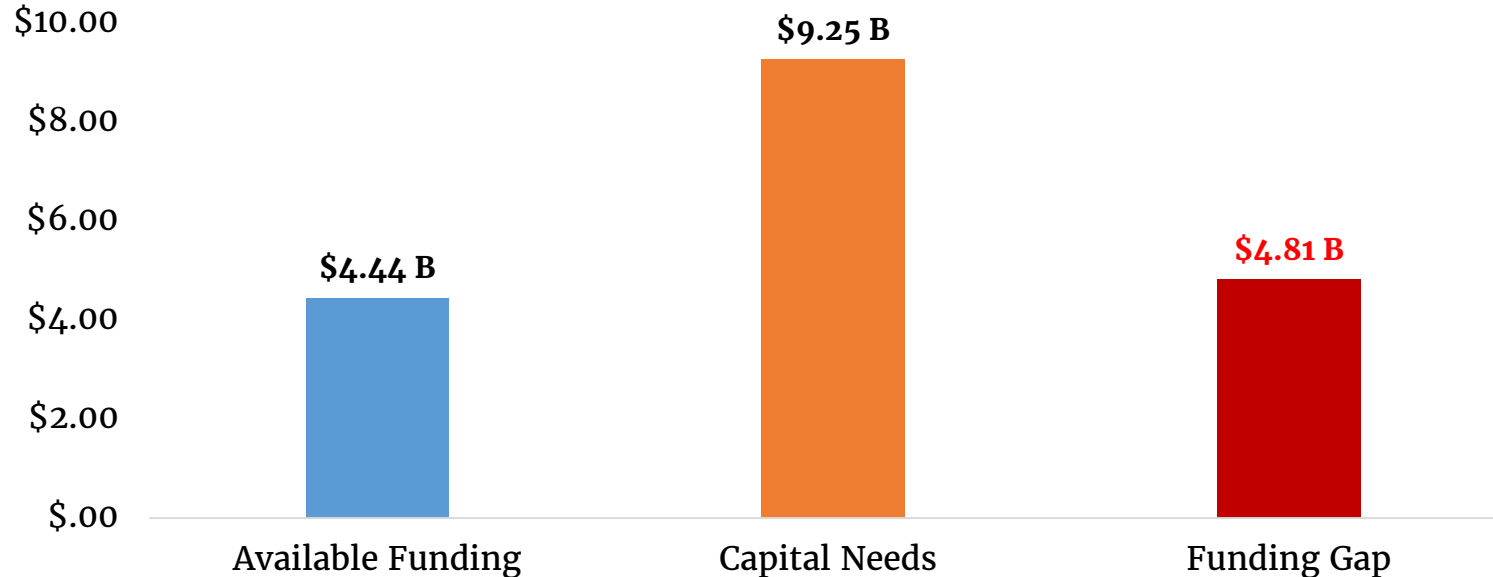
### \$36.5M reductions

\$15.0M	Withheld from Housing Commission
\$8.5M	Climate Equity Fund waiver
\$5.8M	Bridge to Home waiver
\$3.1M	Elimination of the Community Equity Fund
\$3.1M	Elimination of programs (Cannabis Social Equity, No Shots Fired, Immigrant Affairs Office, FY 2024 Youth Drop-In, After School and Teen Center Programs)
\$960,000	Other reductions

# Key Budget Issues

The City's infrastructure needs far exceed funding available

**City's Five-Year Capital Infrastructure Needs, Available Funding, and Funding Gap**  
(*\$ in billions*)



# Key Budget Issues

## District 4 – Other Items of Interest

- Sewer and Water Pipe Projects (\$25.1M)
- Flood Resilience Infrastructure Project, Calle Pavana (\$3.2M)
- Street Resurfacing and Reconstruction (\$3.7M)
- Willie Henderson Sports Complex Improvements (\$1.4M)
- MLK Pool Improvements (\$900,000)
- Oak Park Library (\$745,000)
- HAWK Beacons at 47<sup>th</sup> St and Hartley St (\$488,000)
- New Sidewalks (\$240,000)

A background image showing two people in a business meeting, with various data visualization overlays such as bar charts, line graphs, and numerical values (e.g., 308.52, 187.23, 55, 85%, 54) scattered across the scene. The text 'Next Steps' is centered in white.

# Next Steps

# Next Steps in the Process

## Mayor's May Revision

- The May Revision contains recommended changes to the Proposed Budget
- Based on the most current financial information
- To be released May 14, 2024
- Heard by Council's Budget Review Committee on May 16, 2024

### Mayor Todd Gloria



[MayorToddGloria@sandiego.gov](mailto:MayorToddGloria@sandiego.gov)

(619)236-6330

# Next Steps in the Process

## City Council's Role and Community Involvement

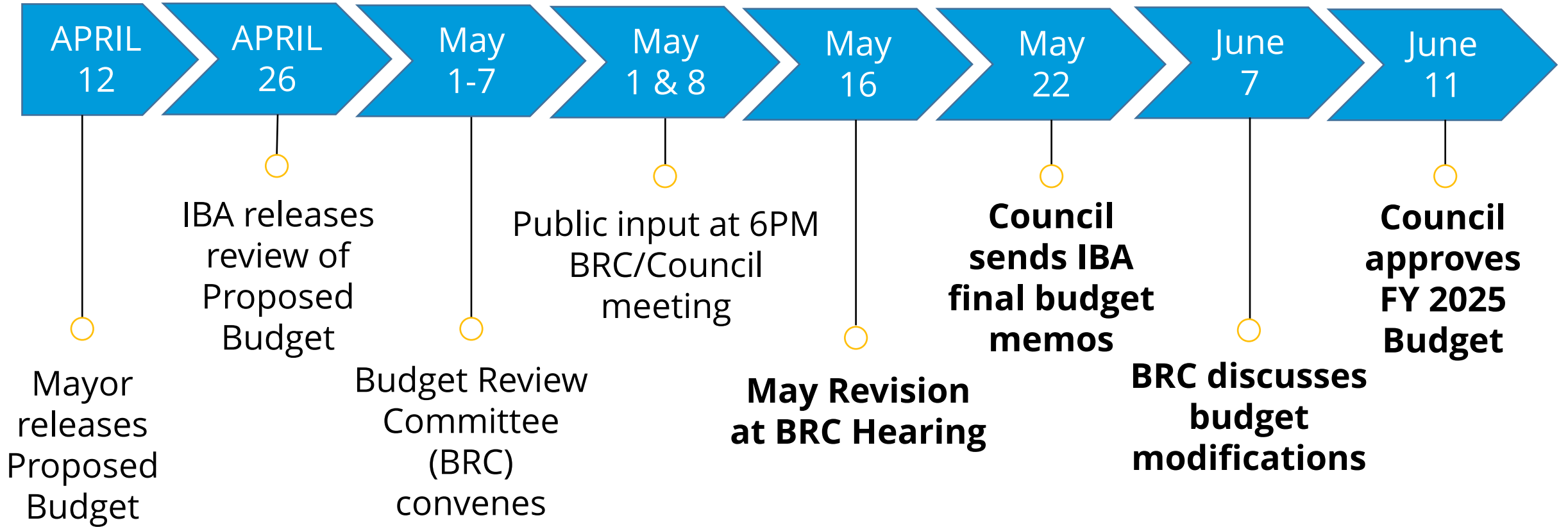
- The City Council adopts the budget
- **Public has an important role in budget process**
  - Email your Councilmember
  - Call your Councilmember
  - Provide Public Comments

### D4 Councilmember Henry Foster III



[HenryFoster@sandiego.gov](mailto:HenryFoster@sandiego.gov)  
(619)236-6644

# Next Steps in the Process



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# Additional Resources



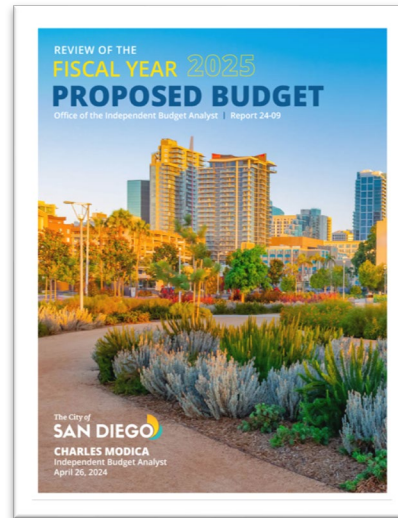
# Important Resources

## The Mayor's FY 2025 Proposed Budget



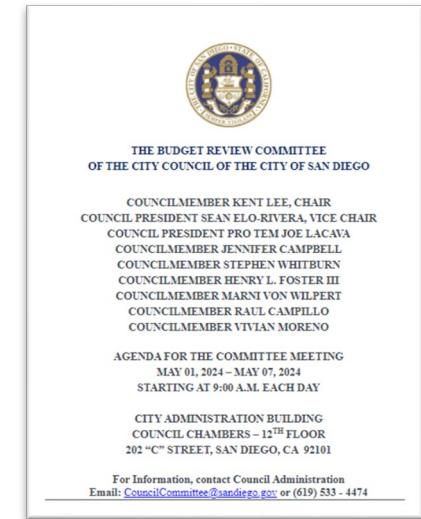
<https://rb.gy/s7yfmm>

## IBA's Review of the FY 2025 Proposed Budget



<https://rb.gy/5vzg8c>

## Budget Review Committee Schedule



<https://rb.gy/yjoi1z>

# Important Resources

## Office of the IBA

Website <https://www.sandiego.gov/iba>

- [IBA Reports](#)
- [Key Budget Dates](#)
- [Public's Guide to the Budget](#)
- [Public's Guide to Infrastructure](#)

X (Twitter)



**Office of the Independent Budget Analyst**  
@SanDiegoIBA

Phone number **619-236-6555**

## Department of Finance

Website <https://www.sandiego.gov/finance>

### Adopted Budget



### Other Financial Reports

Financial Reports	
Five-Year Financial Outlook	▼
Budget Monitoring Reports	▼
Annual Comprehensive Financial Report	▼
Single Audit Reports	▼
State and Local Recovery Funds Performance Report	▼
Metropolitan Wastewater Utility Allocation of Billing Report	▼
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters	▼
Annual Internal Controls Reports	▼
Charter 39 Financial Performance Reports	▼
City Employee Compensation Reports	▼
Discontinued Reports	▼
CFD (Mello Roos) Reports	▼