

# FISCAL YEAR 2025

Volume 1  
Executive Summary

## ADOPTED BUDGET

The City of  
**SAN DIEGO**  
MAYOR TODD GLORIA



HOUSING | PROTECT & ENRICH | INFRASTRUCTURE | SUSTAINABILITY | PROSPERITY



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# Executive Summary

## Executive Summary

The City of San Diego's Fiscal Year 2025 Adopted Budget is \$5.82 billion and is comprised of five operating fund types (listed below), and the Capital Improvements Program (CIP):

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds

The Fiscal Year 2025 Adopted Budget represents an increase of \$643.2 million, or 12.4 percent, compared to the Fiscal Year 2024 Adopted Budget. This is primarily due to increases in the Special Revenue Funds, Capital Improvements Program, Enterprise Funds, and General Fund. Increases in the General Fund are primarily associated with increased funding for salaries and fringe benefits, homelessness programs, and new facilities. The increases in the Special Revenue Funds are primarily associated with the EMS Alliance Model, and salaries and fringe benefits across various funds. The increase in the Enterprise Funds is associated with salaries and fringe benefits, water purchases, cost increases for chemicals to treat water and wastewater, and debt payments. The increase in the Capital Improvements Program is primarily related to water and wastewater project-related appropriations.

The Fiscal Year 2025 Adopted Budget includes a total of 13,352.19 Full-Time Equivalent (FTE) positions, representing an increase of 322.02 FTE positions, or 2.5 percent, compared to the Fiscal Year 2024 Adopted Budget. This net increase is primarily due to the following: a 91.97 FTE increase in the Enterprise Funds associated with supporting Pure Water Operations, Metro Pump Stations, Organics Processing, Street Preservation, and the People's Ordinance. The General Fund increase of 220.17 FTE is primarily associated with the Employ and Empower Interns that are fully reimbursable, positions for new facilities in Parks and Recreation and Fire Rescue, a Fast Response Squad for Fire-Rescue support in the San Pasqual Valley, a new Asphalt Team, and Street Preservation.

**Total City Expenditures Fiscal Years  
2024-2025 by Fund Type/Program**  
(in millions)

Fund Type/Program	FY 2024	FY 2025
General Fund	\$ 2,081.8	\$ 2,160.9
Special Revenue Funds	848.9	1,003.4
Capital Project Funds	23.7	26.3
Enterprise Funds	1,336.1	1,483.2
Internal Service Funds	178.0	191.9
Capital Improvement Program	704.1	950.0
<b>Total</b>	<b>\$ 5,172.5</b>	<b>\$ 5,815.7</b>

Numbers may not foot due to rounding.

**Total City FTE Positions Fiscal Years  
2024-2025 by Fund Type**

Fund Type	FY 2024	FY 2025
General Fund	8,512.99	8,733.16
Special Revenue Funds	1,078.51	1,088.66
Enterprise Funds	3,005.21	3,097.18
Internal Service Funds	379.46	380.19
Other Funds	54.00	53.00
<b>Total</b>	<b>13,030.17</b>	<b>13,352.19</b>

## Budget Process

The annual operating budget is developed in conjunction with the Mayor, City Council, City departments, Independent Budget Analyst, and the public. The Budget Development Process consists of three main phases: Budget Development, Budget Review, and Budget Adoption.

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The Budget Development phase began with the Fiscal Year 2025-2029 Five-Year Financial Outlook (Outlook) in the Fall of 2023, which is prepared each year as a long-range fiscal planning guide and serves as the framework for the development of the Fiscal Year 2025 Adopted Budget for the General Fund. The Outlook projected a Fiscal Year 2025 General Fund baseline deficit of \$136.8 million. City departments submitted budget requests and operational efficiency reductions to the Department of Finance in January 2024, which City Management analyzed, reviewed, and prioritized in February 2024 and presented to the Mayor in March 2024 for further evaluation, discussion, and approval. Once budget decisions were finalized, projected General Fund revenues and expenditures were balanced and included in the Fiscal Year 2025 Adopted Budget, along with changes to the non-general funds and CIP.

During the Budget Review phase, the City Council held a series of public meetings from April through June 2024 to obtain the public's input on spending priorities. The Mayor and City Council used the information presented and recommend changes to the Fiscal Year 2025 Proposed Budget through the Mayor's May Revision and City Council modifications, respectively. The City Council modified and adopted the budget in June 2024, which was enacted into law via the [Appropriation Ordinance](#).

## General Fund Overview

Departments within the General Fund provide core community services such as public safety (including police/fire protection and life safety), parks and recreation, library services, and refuse collection, as well as vital support functions such as finance, legal and human resources. These core services are primarily supported by major revenue sources that include property tax, sales tax, transient occupancy tax, and franchise fees. These four major General Fund revenue sources account for \$1.50 billion, or 72.2 percent, of the revenue in the Fiscal Year 2025 Adopted Budget. Projected growth rates for these revenue sources in the Fiscal Year 2025 Adopted Budget are as follows:

- **Property Tax:** 4.37 percent
- **Sales Tax:** 4.25 percent
- **Transient Occupancy Tax:** 5.9 percent
- **Franchise Fees:**
  - **SDG&E:** 4.62 percent
  - **Cable:** (5.53) percent

The remainder of the revenues in the General Fund are generated by a variety of resources. After incorporating all adjustments, the Fiscal Year 2025 Adopted Budget maintains a balanced budget. Additional details for both revenue and expenditure adjustments are provided later in this Volume.

## Critical Expenditures

The Fiscal Year 2025 Adopted Budget includes funding to maintain current service levels. Expanded services include additional homelessness services and the operations of new facilities.

The list below highlights some of the General Fund critical expenditure additions.

### Administrative Support

<b><i>Acquisition and Disposition Support</i></b>	Funding of position to support Acquisitions and Dispositions for the Real Estate Division of the Economic Development Department.
<b><i>Contract Specialists</i></b>	Funding of positions to support job order contracts.
<b><i>Financial Support for the EMS Alliance Model</i></b>	Funding of positions to support accounting and reporting for the new EMS Alliance Model.
<b><i>Department Payroll Support</i></b>	Funding of position to support payroll duties for the Sustainability and Mobility Department.

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<b>Procurement and Contracting Support</b>	Funding of positions to support the procurement of goods and services.
<b>Project Labor Agreement Program Support</b>	Funding of positions and one-time non-personnel expenditures to support the Project Labor Agreement Program for the Capital Improvements Program.
<b>Software Technical Support</b>	Funding of position to support the Economic Development Department's IT and GIS needs.

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## City Facilities

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<b>Chollas Operations Yard Parking Expansion</b>	Funding to expand employee parking at the Chollas Operations Yard.
<b>Citywide Facility Job Order Contracting</b>	Funding to expand employee parking at the Chollas Operations Yard.
<b>Public Utilities Facility Maintenance</b>	Funding of positions to support repair and maintenance activities of Public Utilities Department facilities.

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## Climate Action Plan

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<b>Zero Emissions Vehicle Strategy</b>	Funding of a position to support the Zero Emissions Vehicle Strategy of the Climate Action Plan.
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## Equity and Diversity

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<b>Employ and Empower Intern Program Support</b>	Funding of positions citywide to support the Employ and Empower Internship Program.
<b>Youth Care and Development Pilot Program</b>	Funding of one-time non-personnel expenditures for a youth care and development pilot program.

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## Homelessness and Housing

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<b>1,000 Shelter Beds and Safe Parking Expansion</b>	Funding of non-personnel expenditures to expand the number of shelter beds and the safe parking program.
<b>Continued Shelter Operations</b>	Funding of non-personnel expenditures to support operations at interim shelters and support lease expenses and ancillary costs.
<b>Day Center Site Cost Increases</b>	Funding of one-time non-personnel expenditures to support site improvements and operating cost increases at the Day Center.
<b>Eviction Prevention Program</b>	Funding of one-time non-personnel expenditures to provide education and legal services for low-income renters facing eviction.
<b>Family Shelter Bed Capacity Expansion</b>	Funding of non-personnel expenditures to support the expansion of bed capacity at the Salvation Army Family interim shelter site.
<b>Living Wage and Cost-of-Living Increases</b>	Funding of non-personnel expenditures to provide cost-of-living adjustments to front-line staff of service operators.
<b>Multi-Disciplinary Outreach Program</b>	Funding of non-personnel expenditures for the San Diego Housing Commission's Multi-Disciplinary Outreach Program to provide services to the City's most vulnerable unsheltered individuals.
<b>Safe Sleeping Program Support</b>	Funding of non-personnel expenditures to support the Safe Sleeping Program.

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## Independent Departments

<b><i>City Attorney Civil Advisory Support</i></b>	Funding of positions and one-time non-personnel expenditures to provide legal support to the Capital Improvements Program.
<b><i>Consumer Protection and Penalty Collection</i></b>	Funding of positions to support consumer protection and penalty collection.
<b><i>Gun Violence Restraining Order Support</i></b>	Funding for a position to support the gun violence restraining order programs.
<b><i>Independent Legal Counsel</i></b>	Funding of non-personnel expenditures for independent legal counsel for the Office of the City Auditor.
<b><i>Legislative Services Support</i></b>	Funding for a position to support legislative proceedings.
<b><i>Medical Examinations</i></b>	Funding of non-personnel expenditures to support increases in medical examinations for City staff.
<b><i>Your Safe Place Support</i></b>	Funding of positions and one-time non-personnel expenditures to support Your Safe Place, a Family Justice Center.

## Livable Neighborhoods

<b><i>Balboa Park Botanical Building</i></b>	Funding to support the increased operating hours at the Balboa Park Botanical Building.
<b><i>Chilled Water Increase</i></b>	Funding of non-personnel expenditures to support contract for Chilled Water services at the Central Library.
<b><i>Debris Assistance Program</i></b>	Funding of non-personnel expenditures to support the Debris Assistance Program as emergency response to the January 2024 event.
<b><i>Janitorial Services</i></b>	Funding of non-personnel expenditures to support contractual increases in janitorial services at branch libraries.
<b><i>Land Acquisition</i></b>	Funding of positions and non-personnel expenditures to support land acquisition program development.
<b><i>Landscape Services</i></b>	Funding of non-personnel expenditures to support contractual increases in landscape services at branch libraries.
<b><i>Library Materials</i></b>	Funding of one-time non-personnel expenditures for library materials.
<b><i>New Parks and Recreation Facilities</i></b>	Funding of positions and non-personnel expenditures to support new parks, open spaces, joint-use facilities, and recreational facilities.
<b><i>Parking Services</i></b>	Funding of non-personnel expenditures to support parking services at the Central and Mission Hills libraries.
<b><i>San Carlos Library</i></b>	Funding of one-time non-personnel expenditures in the Capital Improvements Program to support the San Carlos Library designs.
<b><i>Security Services</i></b>	Funding for a position and reduction of non-personnel expenditures to support security services at branch libraries.
<b><i>Small Business Enhancement Program</i></b>	Funding of one-time non-personnel expenditures to support small businesses.
<b><i>Youth Services Librarians</i></b>	Funding of positions to support various youth services at libraries.

## Public Safety

<b><i>Alternative Energy Sources Support</i></b>	Addition of a grant-funded position to coordinate emergencies and training related to alternative energy sources.
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<b><i>False Alarm System Replacement</i></b>	Funding of non-personnel expenditures to replace the false alarm system.
<b><i>Membership Dues</i></b>	Funding of non-personnel expenditures for Unified Disaster Council membership dues.
<b><i>Personal Protective Equipment Cleaning</i></b>	Funding of non-personnel expenditures for mandated advanced cleaning and repair of personal protective equipment.
<b><i>Rental of Police Firearms Training Facility</i></b>	Funding of non-personnel expenditures for the rental of a firearms training facility.
<b><i>San Pasqual Fire Mitigations</i></b>	Funding of positions and non-personnel expenditures for an additional Fast Response Squad in the San Pasqual Valley.
<b><i>Special Events Support</i></b>	Funding for a position to process permits and inspections for special events.
<b><i>Torrey Pines Fire Station Support</i></b>	Funding of positions and non-personnel expenditures to support operations at the new Torrey Pines Fire Station.

## Stormwater

<b><i>Time Schedule Order and Compliance Monitoring</i></b>	Funding of non-personnel expenditures to support compliance monitoring and to comply with the Time Schedule Order.
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## Transportation

<b><i>Central Asphalt Team</i></b>	Funding of positions and non-personnel expenditures to support a new Central Asphalt team.
<b><i>Pothole Repair Vehicle</i></b>	Funding of one-time non-personnel expenditures to purchase a pothole repair vehicle.
<b><i>Ready, Set, Grow San Diego Grant Support</i></b>	Funding of positions and non-personnel expenditures to support the Ready, Set, Grow tree planting grant.
<b><i>Street Resurfacing Program</i></b>	Funding of positions and non-personnel expenditures to support the Street Resurfacing Program.
<b><i>Urban Forestry Services</i></b>	Funding of non-personnel expenditures to support tree planting and maintenance to comply with the Air Pollution Control District settlement agreement.

## Operational Efficiencies and Budget Reductions

The Fiscal Year 2025 Adopted Budget includes operational efficiencies and expenditure reductions to achieve a balanced budget for Fiscal Year 2025.

The list below highlights some of the budget reductions by departments.

<b><i>Citywide Reductions</i></b>	Reductions associated with executive approval to fill vacancies process, consultants, cost of living adjustments, preservation of benefits, use of Infrastructure Fund to fund operations, and the waiving of contributions to reserves and the Climate Equity Fund.
<b><i>Boards and Commissions</i></b>	Reduction of positions and non-personnel expenditures that support the department.
<b><i>City Attorney</i></b>	Reductions associated with operational efficiencies.
<b><i>City Auditor</i></b>	Reduction of personnel expenditures.
<b><i>City Clerk</i></b>	Reduction of personnel expenditures.
<b><i>City Planning</i></b>	Reductions associated with operational efficiencies.

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<b>City Treasurer</b>	Reductions associated with external contracts, supplies, administrative support, and department reorganization.
<b>Commission on Police Practices</b>	Reduction of professional services.
<b>Communications</b>	Reduction of Graphic Designer and use of PEG Fund.
<b>Compliance</b>	Reduction of personnel expenditures.
<b>Council Admin and Council Districts</b>	Miscellaneous reductions of personnel and non-personnel expenditures.
<b>Department of Finance</b>	Reductions in positions, training, and supplies.
<b>Department of Information Technology</b>	Reduction to PC replacement lease program.
<b>Development Services</b>	Reduction of a Zoning Investigator 2 and non-personnel expenditures.
<b>Economic Development</b>	Reduction of eviction notice registry, various technical and service contracts, and office space analysis.
<b>Environmental Services</b>	Reduction of organics waste containers, radio frequency identification readers, and implementation of a discount on refuse disposal fees.
<b>Fire-Rescue</b>	Reductions associated with dispatch operations, helicopter staffing, recruitment, wellness support, and a fire academy.
<b>General Services</b>	Reductions associated with supplies and services for facilities maintenance.
<b>Homelessness Strategies &amp; Solutions</b>	Reduction associated with a one-time use of Affordable Housing Fund support.
<b>Human Resources</b>	Reduction of citywide employee training and recruitment.
<b>Library</b>	Reductions associated with security services, training, supplies, personnel expenditures, and computer replacements.
<b>Office of Emergency Services</b>	Reductions associated with discretionary non-personnel expenditures.
<b>Office of the Chief Operating Officer</b>	Reduction of the Office of Immigrant Affairs, and support for the Office of Child and Youth Success and special projects.
<b>Office of the IBA</b>	Reductions associated with operational efficiencies.
<b>Parks and Recreation Department</b>	Reductions associated with brush management, park maintenance, and water services.
<b>Performance and Analytics</b>	Reductions associated with hiring and performance dashboard/open budget tool.
<b>Personnel</b>	Reductions associated to operational efficiencies.
<b>Police</b>	Reductions in positions and non-personnel expenditures associated with Police Investigative Services Officers, police academies, shared mobility enforcement, and extension of shift overtime.
<b>Public Utilities</b>	Reductions associated with recreational programming at City lakes.
<b>Purchasing &amp; Contracting</b>	Reduction of consulting services.
<b>Race and Equity</b>	Reductions associated with community grants and the Cannabis Social Equity Program.
<b>Stormwater</b>	Reduction associated with various as-needed services and consultants.
<b>Sustainability &amp; Mobility</b>	Reductions associated with contracts for the Climate Action Plan, Bicycle Master Plan, Complete Streets Design Manual, and zero emission vehicle initiatives.



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<b>Transportation</b>	Reductions associated with traffic signal cabinets and tree planting.
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## Non-General Fund Overview

In addition to the General Fund, the Fiscal Year 2025 Adopted Budget includes the following major changes in non-general funds:

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<b>Airports Fund</b>	Addition of non-personnel expenditures to support repairs and maintenance to the Airport Commercial Retail Center as well as upgrades to information technology equipment at Brown Field Customs and Border Patrol facility.
<b>Community Equity Fund</b>	Addition of non-personnel expenditures to support flood impacted City residents.
<b>Concourse and Parking Garages</b>	Addition of one-time non-personnel expenditures for a transfer to the General Fund.
<b>Convention Center Expansion Administration Fund</b>	Addition of one-time non-personnel expenditures to support Convention Center pump station repairs.
<b>Development Services Fund</b>	Addition of positions and non-personnel expenditures to support the Complete Communities Program, as needed plan check and inspection services, relocation costs, and energy calculations for commercial projects.
<b>Energy Conservation Program Fund</b>	Addition of expenditures and revenue to support payroll functions and consulting services to identify citywide energy bill savings.
<b>Energy Independence Fund</b>	Addition of one-time non-personnel expenditures for a Public Power Feasibility Study.
<b>Engineering &amp; Capital Projects Fund</b>	Addition of positions to support the Pure Water CIP Program.
<b>Environmental Growth Funds</b>	Addition of expenditures for the increase of reimbursements to the General Fund and stormwater mitigation related to channel maintenance.
<b>Facilities Financing Fund</b>	Addition of one-time, non-personnel expenditures to support Development Impact Fee (DIF) program operations.
<b>Fire/Emergency Medical Services Transport Fund</b>	Addition of non-personnel expenditures to support ambulance services due to cost increases and call volume.
<b>Fleet Services Operating Fund</b>	Addition of expenditures to support vehicle repair diagnostic software, new facility maintenance operations, chollas yard parking expansion, and fuel cost increases.
<b>GIS Fund</b>	Addition of non-personnel expenditures related to increases in the ESRI software contract.
<b>Infrastructure Fund</b>	Addition of one-time non-personnel expenditures to support infrastructure maintenance including facility repairs, stormwater maintenance, and right-of-way maintenance.
<b>OneSD Support Fund</b>	Addition of one-time non-personnel expenditures related to a new budgeting module.
<b>Sewer Utility Funds</b>	Addition of positions and expenditures associated with Pure Water implementation, equipment upgrades at water treatment facilities, regulatory compliance, support for pump stations, debt, and cost increases for treatment chemicals.
<b>Solid Waste Management Fund</b>	Creation of a new fund and addition of expenditures to support implementing changes to the People's Ordinance.

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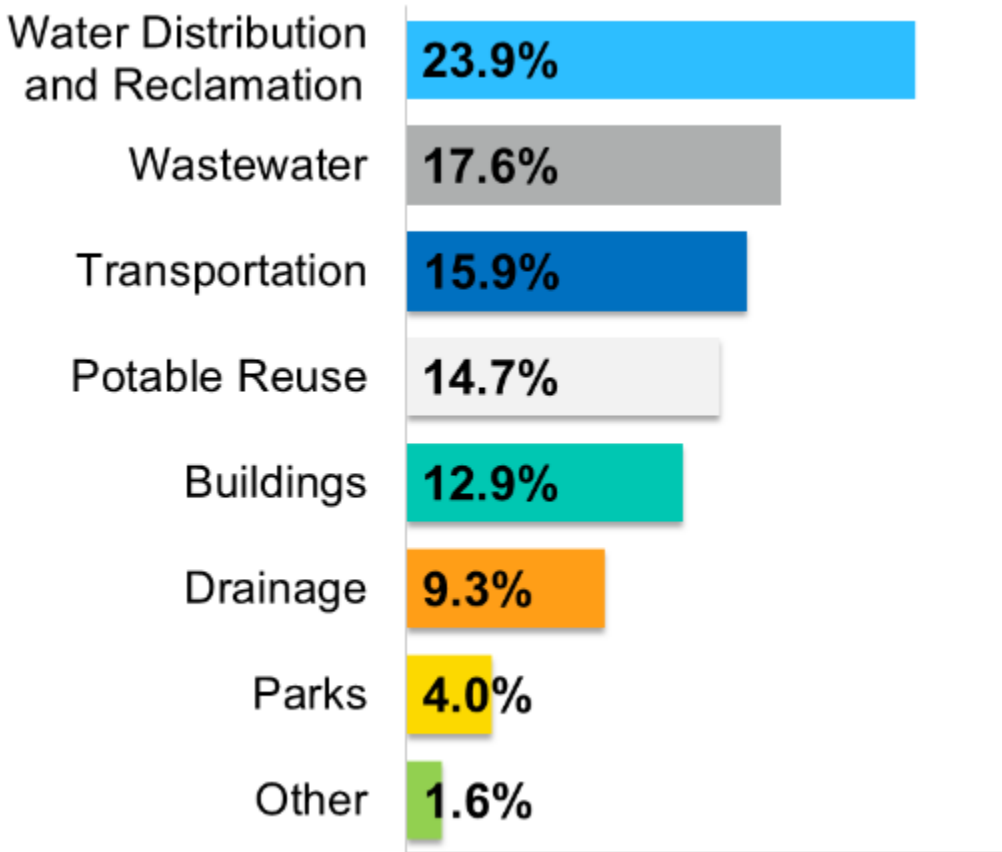
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<b>Transient Occupancy Tax Fund</b>	Addition of expenditures to reimburse activities that support tourism including: the safety and maintenance of visitor-related facilities; homelessness services; support for the World Design Capital 2024; and reductions of grant allocations to community, arts, and economic development community organizations.
<b>Water Utility Operating Fund</b>	Addition of positions and expenditures to support the maintenance of dams and treatment plants, Pure Water operations, water meter services, water treatment chemical cost increases, water purchases, and water rate increases.

## Capital Improvements Program Overview

The Fiscal Year 2025 Adopted CIP Budget for all funds is \$950.0 million, which is an increase of \$245.8 million from the Fiscal Year 2024 Adopted Budget. This increase is primarily associated with water and wastewater-related projects. This budget allocates existing funds and anticipated revenues to both new and continuing projects. The allocation of funds is based upon an analysis of available funding sources, as well as a review of project needs and priorities.

**Fiscal Year 2025 Adopted Budget by Project Type<sup>1</sup>**



<sup>1</sup>Figures may not foot due to rounding.

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## Conclusion

The Fiscal Year 2025 Adopted Budget protects the progress made in recent fiscal years, while continuing to invest in key City priorities, including public safety, homelessness, housing, and infrastructure. This balanced budget includes funding to maintain current services, utilizing a mix of one-time and ongoing resources. Absent new funding, however, the City may need to consider ongoing reductions and limiting new additions to achieve a structurally balanced General Fund budget in the near future. Additional details are included throughout this Volume.