

RESOLUTION NUMBER R- 303940

DATE OF FINAL PASSAGE JUL 29 2008

RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING THE STATEMENT OF BUDGETARY PRINCIPLES WITH RESPECT TO ADMINISTRATION BY THE MAYOR OF THE FISCAL YEAR 2009 BUDGET

WHEREAS, in accordance with sections 71 and 290 of the Charter, the Council will adopt the Appropriation Ordinance in order to provide for the appropriation and expenditure of funds for the Fiscal Year 2008-2009; and

WHEREAS, the Mayor and the Council desire to provide for a more effective administration of the Fiscal Year 2009 budget; and

WHEREAS, the Independent Budget Analyst, in consultation with the Mayor, has prepared a Statement of Budgetary Principles (attached hereto as Exhibit A) which acknowledges the duties of the Mayor as Chief Budget Officer and Chief Fiscal Officer of the City, and the Council as sole legislative and law making body of the City; and

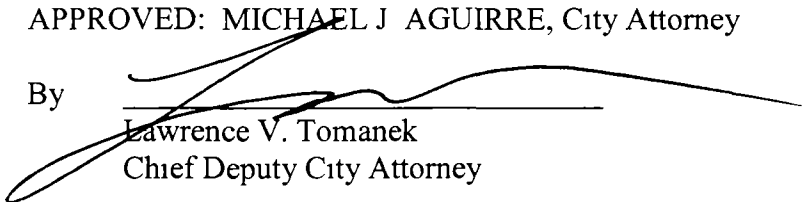
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of San Diego, as follows:

Section 1. That the Council hereby adopts the Statement of Budgetary Principles.

Section 2. This resolution shall go into effect immediately upon passage of the Fiscal Year 2008-2009 Appropriation Ordinance.

APPROVED: MICHAEL J AGUIRRE, City Attorney

By


Lawrence V. Tomanek
Chief Deputy City Attorney

LVT.ca
07/8/08

Or.Dept:IBA
R-2009-52

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 21 2008.

ELIZABETH S. MALAND
City Clerk

By *Sara Richardson*
Deputy City Clerk

Approved: 7-29-08
(date)

JS
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

FY 2009 STATEMENT OF BUDGETARY PRINCIPLES

WHEREAS, pursuant to section 265(b)(15) of the City Charter the Mayor is required to propose a budget to the Council and make it available for public view no later than April 15 of each year; and

WHEREAS, on April 14, 2008, the Mayor released the Fiscal Year 2009 Budget to the Council and to the public; and

WHEREAS, the Council has duly considered the Mayor's Fiscal Year 2009 Budget and discussed such budget at several public meetings beginning on April 30, 2008 and ending on May 21, 2008, and at such meetings members of the public were invited to comment on and ask questions about the Fiscal Year 2009 Budget; and

WHEREAS, on May 16 and May 29, 2008, the Mayor delivered supplementary budget reports to the Council making technical changes to the Fiscal Year 2009 Budget; and

WHEREAS, on May 20, 2008, each Council member delivered his or her budgetary priorities for the Fiscal Year 2009 budget for review by the City's Independent Budget Analyst; and

WHEREAS, on June 4, 2008, the Budget and Finance Committee reviewed the Report of the Independent Budget Analyst, dated May 30, 2008, entitled "Recommended Revisions to the Fiscal Year 2009 Proposed Budget", and recommended to the City Council adoption of the Mayor's Fiscal Year 2009 Budget, including certain amendments thereto; and

WHEREAS, on June 9, 2008 the Council approved the Fiscal Year 2009 Budget, together with budget modifications as recommended by the IBA, and forwarded the same to the Mayor for his consideration under Charter section 290(b)(2); and

WHEREAS, on June 16, 2008 the Mayor approved the Fiscal Year 2009 Budget, with a line-item veto to the Council's budget modifications, in accordance with Charter section 290(b)(2)(A); and

WHEREAS, on June 23, 2008 the Council voted to override the Mayor's line-item veto, as allowed under Charter section 290(b)(2)(B), and approved the Fiscal Year 2009 Budget, together with certain amendments including Council's budget modifications; and

service level impact. Notwithstanding the forgoing, the Mayor need not give notice of any change or modification that results in a more efficient delivery of public services and that accomplishes the legislative intent.

Written notification of a service or program reduction will be triggered by criteria based on four categories of Activity Level (OCA) as identified in the City's Financial Accounting System and the corresponding size of the proposed service reduction:

Cost of Activity (OCA)	Up to \$2 0M	\$2.0M to \$5 0M	\$5.0M to \$10.0M	\$10.0 M Plus
Service Criteria Trigger	\$200,000+	\$500,000+	\$1.0M+	\$1.5M+

Notwithstanding anything herein to the contrary, the Mayor shall provide written notice to the Council, as part of the Auditor's reports as required by Charter Section 39, and also as part of the Mayor's next quarterly report to the Council, when the cumulative amount of Fiscal Year 2009 budgetary reductions undertaken for any reasons reaches 3% of the General Fund of the City, or 3% of any other Major Fund of the City (provided that any such reductions shall not cause the City to breach or violate any covenant or other obligation to which such Major Fund may be subject). Such notice shall describe the nature of the budgetary reductions, the fiscal reasons therefor, and the impact on City services, if any. For purposes of this paragraph, Major Fund of the City shall mean the Water Enterprise Fund, the Sewer Enterprise Fund, the Development Services Enterprise Fund, and the Airports Enterprise Fund.

Fiscal Year 2009 Budget---Appropriation Ordinance

- 1 Neither the Mayor nor the Council has unilateral authority to make changes to the spending authority contained in the Fiscal Year 2009 Budget.
- 2 The Mayor shall in good faith fulfill the legislative intent reflected in the adopted Fiscal Year 2009 Budget, including the appropriations reflected in the Fiscal Year 2009 Appropriation Ordinance. However, the Mayor has discretion to effectively and efficiently spend public monies, and shall not be obligated to spend all the money the Council has appropriated if there is a less costly means of accomplishing the Council's stated purposes.
- 3 The Council shall have no authority to make or adopt changes to the Fiscal Year 2009 Budget without first receiving a funding recommendation of the Mayor. The Mayor will provide such funding recommendation within 30 calendar days of the Council request, or such later period as contained in the request of the Council.