

**OFFICE OF INDEPENDENT BUDGET ANALYST
CITY OF SAN DIEGO
M E M O R A N D U M**

No. 06-10

DATE: June 12, 2006

TO: Honorable Members of the Budget & Finance Committee

FROM: Andrea Tevlin, Independent Budget Analyst

SUBJECT: FY 2007 Appropriations Ordinance

For several weeks, staff members from the Mayor's Office, the Attorney's Office and the Office of the IBA have met to discuss revisions to the Appropriations Ordinance. On June 8, 2006, the Assistant Auditor & Comptroller, Lawrence Tomanek, issued a memo providing an overview on proposed modifications to the Appropriations Ordinance for 2007. The proposals are largely what were evaluated by our working group and therefore the IBA supports these proposals, with one exception.

The aforementioned memo recommends that authority be delegated by the City Council to the Auditor and Comptroller and Financial Management "on such matters as reallocations between departments to facilitate departmental reorganizations and process reengineering" (see page 2, attached). The IBA does not concur with this recommendation at this time and suggests that the City Council delegate that authority only to the level of the Budget & Finance Committee for Fiscal Year 2007. Given the Council's interest in the Mayor's reengineering processes and this being the first budget under the new form of government, in which the City Council has budgeting authority, the IBA recommends that staff be required to come to the Budget & Finance Committee to report on reengineering efforts and request the necessary budget changes. At the end of FY 2007 this policy should be evaluated and possibly modified for FY 2008.

The IBA recommends that staff return to the City Council in July with an Appropriations Ordinance that reflects the proposals before the Committee today, modified to delegate authority for inter-departmental reallocations as discussed above to the Budget & Finance Committee.

Attachment