



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: December 4, 2009

TO: Council Member Tony Young, Budget and Finance Committee Chair
Budget and Finance Committee Members

FROM: Jay M. Goldstone, Chief Operating Officer

SUBJECT: Addendum to Fiscal Year 2010 Budget Amendment Report and Fiscal Year 2011
Proposed General Fund Budget, #09-167, Corrections and Revisions

The Fiscal Year 2010 Budget Amendment Report and Fiscal Year 2011 Proposed General Fund Budget discusses the corrective actions recommended to mitigate the projected General Fund deficit for Fiscal Year 2011 and proposes the Fiscal Year 2011 budget for General Fund operations. This memorandum and the attachments provide corrections and revisions regarding these recommended adjustments.

Corrections

The following attachments have been corrected. Corrections are highlighted in yellow on the attachments and described below.

Attachment 1: Summary of Fiscal Years 2010 and 2011 Solutions

- The Park and Recreation Department's "Reduction of Balboa Park Parking Lots and Road Sweeping Services" reduction has been updated to include non-personnel expenditures (NPE) associated with this reduction.
- The Park and Recreation Department's "Reduction of Mission Bay Aquatic Maintenance" reduction description has been corrected to exclude the word "Aquatic".
- The personnel expenditures (PE) total for the Office of the City Clerk's "Reduction of Vacant Position" has been updated to reflect the cost of a Clerical Assistant II position, rather than a Deputy City Clerk I position.
- The Personnel Expenditures (PE) total for the Administration Department's Reduction of EOCP Staff Support Position has been updated to reflect the cost of a Supervising Management Analyst position, rather than a Senior Management Analyst position.

Attachment 2: Summary of Position Adjustments

- The Deputy City Clerk I position reduction in the Office of the City Clerk has been corrected to reflect a Clerical Assistant II position.
- The Senior Management Analyst position reduction in the Administration Department has been corrected to reflect a Supervising Management Analyst position.
- The Marine Safety Lieutenant position reduction in the Fire-Rescue Department previously listed under the reduction “Shift Training Hours to Up Staff for High Attendance and Reduce Training Staff Service-Wide” is now listed under the “Reduction of Lifeguard Lieutenant”.

Report Text

The following reflects changes to the text included within the Report:

- Restructure of the McGuigan Settlement
 - The sentence “As a result, the amount to be financed would be reduced by these amounts to approximately **\$37.0 million**” should be revised to reflect the amount of **\$33.6 million**.
 - The sentence “The General Fund budget deficit for Fiscal Year 2011 will be reduced by the difference between the General Fund portion of the settlement of \$32.0 million (included in the \$179.1 million projected deficit) and the **debt service amount of \$7.6 million** due in Fiscal Year 2011 under the financing plan” should be revised to state “...and the **General Fund** debt service amount of **\$6.7 million**...”.
- Transfer Mission Bay Revenue
 - “Table **4**” should read “Table **5**”
- Adjustment to Pension ARC

The sentence “The forecasted ARC for Fiscal Year 2011 is expected to be approximately \$12.0 million lower city-wide or approximately **\$9.6 million** lower for the General Fund” should be revised to reflect the amount of **\$9.7 million**.
- Deferred Maintenance Debt Service

The sentence “Debt service is expected to increase in Fiscal Year 2011 to \$9.5 million **as new bonds are issued to continue the work on deferred capital projects**” should be revised to state “Debt service is expected to increase in Fiscal Year 2011 to \$9.5 million **as the existing private note with interest only payments will be refunded into long term bond with principal to be amortized starting in Fiscal Year 2011**”.
- City Planning & Community Investment – Department Reduction Detail

The reduction description for Senior Planner Adjustments should read “Reduction of 2.00 Senior Planner positions from **full to three-quarter time**”, rather than three-quarter to half-time.

- Park & Recreation – Department Reduction Detail
 - The reduction description for the “Modification of Street Median Maintenance Program” that reads “**Maintenance to all medians will be eliminated in Fiscal Year 2011**” should be revised to state “Median maintenance will be reduced significantly.”
- Fire Rescue – Department Reduction Detail

The Marine Safety Lieutenant position for the “Shift Training Hours to Up Staff for High Attendance and Reduce Training Staff Service-Wide” reduction should be revised to reflect a Lifeguard II position.

Revisions to Attachments

The following attachments have been revised. Revisions are highlighted in yellow on the attachments and described below.

Attachment 1: Summary of Fiscal Years 2010 and 2011 Solutions

- The “Reduction in Library Matching Fund” for the Library Department has been increased.
- The Library Department’s “Pairing of 16 Branches” reduction has been replaced with the following two reductions:
 - **Reduce Branch Library Service to 36 Hours/Week**

Reduce all branch library hours from 41 hours to 36 hours per week. Impacts include fewer open hours, fewer children services and programs, less outreach, and a more limited schedule in which to book meeting rooms. Reduction will result in 15.00 FTE position reductions.
 - **Central Library Consolidation of Service Points and Reduction from 52 to 44 service hours / week**

Consolidate from 11 Service Points to 5. Reduction of six service points will result in longer waits for information and materials. Reorganizing will result in fewer librarians performing book selection and a potential loss of collection breadth. Some services including disability services and rare books will be reduced. One day of service will be eliminated, resulting in fewer open hours for the public. Reductions in attendance, reference activity, computer use and circulation are expected. This reduction option will result in 21.68 FTE position reductions.
- The total PE for the Human Resources Department’s “Reduction of Employee Training and Development” reduction has been revised to reflect the cost of an Associate Management Analyst position, rather than a Word Processing Operator position.
- The total PE for the Police Department’s “Reduction in Civilian Positions” has been revised to reflect the swap of 1.00 Associate Management Analyst, 1.00 Assistant

Criminalist, and 1.00 Laboratory Technician position reductions for 1.00 Word Processing Operator, 1.00 Cal-Id Technician, and 1.00 Data Entry Operator position reductions.

- The total PE for the Risk Management Department's "Reduction to Employee Assistance Program" reflects a decrease of 0.15 Employee Assistance Counselor FTE position, rather than the elimination of the full position. In addition, the proposal now includes the reduction of 1.00 Clerical Assistant II position and 0.25 Employee Assistance Manager positions.

Attachment 2: Summary of Position Adjustments

- The reduction of Library Assistant, Library Clerk, Librarian II Hourly, Library Aide, Library Assistant, and Library Clerk positions have been added to the Library Department's "Reduction of Branch Library Service to 36 Hours/Week".
- The reduction of Librarian Aide, Information Systems Analyst II, Librarian III, Library Assistant, Library Clerk, and Librarian II Hourly positions have been added for the Library Department's "Central Library Consolidation of Service Points and Reduction of 52 to 44 Service Hours/Week".
- The reduction of a Word Processing Operator position in the Human Resources Department has been revised to reflect an Associate Management Analyst position.
- The Police Department's "Reduction in Civilian Positions" have been revised to reflect the swap of 1.00 Associate Management Analyst, 1.00 Assistant Criminalist, and 1.00 Laboratory Technician position reductions for 1.00 Word Processing Operator, 1.00 Cal-Id Technician, and 1.00 Data Entry Operator position reductions.
- The Risk Management Department's "Reduction of Employee Assistance Program" has been revised to reflect a decrease of 0.15 Employee Assistance Counselor FTE position, rather than the elimination of the full position. In addition, the proposal now includes the reduction of 1.00 Clerical Assistant II position and 0.25 Employee Assistance Manager positions.

Due to these corrections and revisions, Attachments 3 and 4 for the Fiscal Year 2011 Proposed General Fund Budget have been revised accordingly.

- Attachments:
1. Summary of Fiscal Years 2010 and 2011 Solutions
 2. Summary of Position Adjustments
 3. Summary of General Fund Revenues and Expenditures by Department
 4. Summary of General Fund Positions by Department

cc: Honorable Mayor Sanders
Honorable Members of the City Council
Mary J. Lewis, Chief Financial Officer
Wally Hill, Assistant Chief Operating Officer

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Council Member Tony Young, Budget and Finance Committee Chair
Budget and Finance Committee Members
December 4, 2009

Nader Tirandazi, Financial Management Director
Andrea Tevlin, Independent Budget Analyst
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