



## COUNCILMEMBER DAVID ALVAREZ

City of San Diego  
Eighth District

### MEMORANDUM

**DATE:** May 25, 2011

**TO:** Andrea Tevlin, Independent Budget Analyst

**FROM:** Councilmember David Alvarez

**SUBJECT:** Final FY 2012 Budget Modifications

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The Mayor's May revision of his proposed FY 2012 budget took many suggestions made by the City Council over the last few weeks into account and has spared some basic city services from being reduced. I was particularly appreciative of the \$1.7 million funding for the first phase of installing a new in-station alerting system for the Fire Department and look forward to working with the Mayor to pursue additional grant funding for the second phase. However, I believe that there are budget saving measures that can be used to fully fund a number of essential city services that the public deserves to continue to receive, which I have listed in the attached matrix.

Due to the amount of savings that can be achieved through the package of budget reductions outlined in the attached matrix, I have proposed a number of services that should also be funded, which include:

- **Fully Restore All Library Branch Hours:** Branch libraries are a vital city service to our neighborhoods. Continuing the current staffing and hours our branch libraries are open for use is important to all communities throughout the city. (\$4,700,000)
- **Hazardous Materials Cleanup Crew:** Currently, the Fire Department provides hazmat cleanup services, using critical public safety personnel to address issues like cleaning up

oil spills in local alleyways. Transferring this function to the Environmental Services Department would free up our fire rescue personnel to respond to emergency situations. Hazmat cleanup service is a vital tool that our communities can utilize to ensure that when hazardous substances are identified in our neighborhood streets, canyons and alleyways that it can be removed in an expeditious manner. This service could also be considered for outsourcing (the County currently outsources their hazmat cleanup services) if it would reduce the cost of the service to taxpayers. (\$500,000)

- **Proactive Code Compliance Program:** Keeping our communities free from graffiti and dealing with nuisance properties is vital to maintaining community pride in our neighborhoods. Institution of a proactive code compliance program would assist residents in keeping local streets and properties clean and beautiful. (\$1,500,000)
- **Restoration of Lifeguard Training and Staffing:** Restoring the level of lifeguard training needed to keep our lifeguards up-to-date in current safety and rescue procedures is critical to providing a high level of safety at our beaches, bays, lakes and pools. Restoring three lifeguard relief positions will allow lifeguard personnel to attend training while others perform regular lifeguard duties. Maintaining a high standard of lifeguard training is a critical function that the city must provide. (\$540,000)
- **Restoration of Pool Operating Hours and Swim Programs:** Although the Park and Recreation budget has restored staffing and recreation center hours, pool operating hours and swim programs have not been restored. Allowing our city pools and associated programs to continue operating gives residents of all ages an opportunity to participate in healthy exercise programs that otherwise would not be available to them. (\$331,206)
- **Restoration of After School Programs:** After school programs provide many working families a safe place to allow their children to go to do their homework and continue learning at the end of the school day. These programs are a wonderful alternative for children who may otherwise be left in a less structured environment between the end of the school day and their parents' work day. The benefits of continuing these programs far outweigh the small budgetary savings achieved from eliminating them. (\$137,597)
- **Restoration of Police Department Vehicle Abatement Unit:** My office receives calls from residents daily regarding assistance with removing abandoned or illegally parked vehicles. This is an important service to taxpayers and through the additional revenue brought in through issued citations, the service is, in part, cost recoverable. (\$329,152)
- **Increase Reserves Funding:** Maintaining a healthy reserve level is an important measure the city has been striving to achieve over the past few years. As additional savings are identified, funding not earmarked for a particular service should be placed in our reserves so that an appropriate reserve level can be maintained while allowing some cushion for unexpected funding needs that may arise throughout the year. (\$8,602,045)

I strongly urge the City Council to include these budget savings and restoration proposals in the final Fiscal Year 2012 budget. By including these savings the City can avoid unnecessary cuts to

basic city services such as library hours, after school programs, lifeguard training and youth swimming programs.

Further, in addition to the attached budget suggestions, as we move forward into Fiscal Year 2012, there are a couple steps we can take to ensure that our budgeting process is more transparent to the public. First, the way vacant positions are currently reported throughout the budget does not allow the public to understand the status of each position. For instance, it is my understanding that some vacancies are funded, some are unfunded and some have been eliminated. Understanding the process by which each vacant position is determined and ultimately categorized is helpful to the public and the City Council to make final decisions on whether a particular position should be allowed to remain vacant until such a time when the city has the ability to fill it or if it should be completely eliminated.

Second, I believe the City Council should consider changing how the Transient Occupancy Tax (TOT) is officially allocated. Currently four cents of the ten and one half cents of TOT must be used solely for the purpose of promoting the City. Given that the City has a Tourist Marketing District that does a great deal of marketing and promotions to attract visitors to San Diego, much of these funds now are used for various General Fund related activities such as debt service and the operation and maintenance of City owned facilities. Therefore I propose we amend the applicable municipal code section and City Council Policy to eliminate the dedicated four cents that the City is obligated to use from the TOT for purposes of promoting the City, and instead direct that those funds be allocated to the General Fund. In the spirit of transparency I believe the changes to the municipal code and City Council Policy will allow the city some additional flexibility within the budget and make our intentions clear to the public.

Please see the attached comparison between my proposed budget cuts and restoration of services that were not in the Mayor's May revise.

<b>Budget Savings Proposals</b>	
Expand Marketing Partnerships	\$500,000
Eliminate Management Benefit Bonus	\$1,400,000
Eliminate Cell Phones for non-Public Safety	\$200,000
Adjust Terminal Leave	\$400,000
Adjust Long Term Disability Reserve Amounts	\$1,600,000
Reduce overtime and Training for non-public safety	\$1,000,000
Reduce funding for Arts and Culture by 10%	\$620,000
Eliminate Mayor and Council Discretionary Arts & Culture Funds	\$ 220,00
Reduce IT Discretionary Funding by 20%	\$1,500,000
Collect Retroactive Fire High-Rise Inspection Fees	\$1,000,000
Redevelopment Agency Debt Repayment	\$200,000
Elimination of Press Liaison and Management Analyst Positions	\$930,000
9th Council District Budget Neutrality from the Office of the Mayor	\$900,000
Managed Competition for Fleet Services	\$2,720,000
Environmental Growth Fund transfer to General Fund	\$4,881,999
Implement Recovery Auditing	\$500,000
Increased Sales Tax (1%) Projections: \$1.7 million	\$1,700,000
Elimination of Take Home Vehicles	TBD
<b>TOTAL</b>	<b>\$20,271,999</b>

<b>Service Restoration Proposals</b>	
Full Restoration of Fire Engine Brownouts on July 1	\$2,800,000
Fully restore all Library branch hours	\$4,700,000
Hazardous Materials Cleanup Crew	\$500,000
Proactive Code Compliance Program	\$1,500,000
Full Restoration of Lifeguard Training	\$540,000
Restoration of Pool Operating Hours	\$107,875
Restoration of swim programs	\$223,331
Restoration of After School Programs	\$137,597
Restoration of PD Vehicle Abatement Unit	\$329,152
<b>TOTAL</b>	<b>\$10,837,955</b>
Remaining Savings Should be Placed in Reserves	\$9,434,044