



**COUNCILMEMBER CHRIS CATE  
CITY OF SAN DIEGO  
SIXTH DISTRICT**

**M E M O R A N D U M**

**DATE:** January 22, 2016  
**TO:** Councilmember Gloria, Chair, Budget and Government Efficiency Committee  
**FROM:** Councilmember Chris Cate   
**SUBJECT:** 2016 Budget and Government Efficiency Committee Priorities

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It is my pleasure to submit my 2016 priorities for the Budget and Government Efficiency Committee. I look forward to partnering with my Council colleagues to ensure the City operates in a manner that is transparent, efficient, and effective.

**Reinstitute a Mentor Protégé Program**

Originally established in 1999, the Mentor Protégé Program was developed to provide assistance and guidance to small firms seeking to do business with the City. By working with industry stakeholder groups, mentors and protégés were paired to form relationships as a means to successfully navigate through the City bidding process. The program dissipated in recent years due to a lack of staffing and resources. The committee should work with the Economic Development Department and Purchasing and Contracting to revisit this program and consider its restoration.

**Present Results of the Zero-Base Budgeting Pilot Program**

In preparation for the new fiscal year, individual City departments use the current year's budget as a baseline for any variances in the upcoming year. Though mid-year budget adjustments are made to self-correct based upon trends and projections throughout the remaining budget year, variances still often exist within departments. Under the Zero-Base Budgeting model, the department would commence with a zero-dollar baseline to evaluate all programs planned for the upcoming year and determine the costs necessary to support them. Financial Management is currently conducting a Zero-Base pilot program with several City departments. In an effort to develop a transparent, smart and results-oriented budget process, the Committee should review the results of the pilot program and consider new departments to undergo the Zero-Base Budgeting process.

**Update on the Implementation of the Police Department's Five-Year Plan and Police Officer Recruitment and Retention Plan**

In order for the San Diego Police Department (SDPD) to reach their sworn staffing goal of 2,128 officers by Fiscal Year 2018 (FY18), as outlined in the Five-Year Plan, SDPD must hire more officers than it loses to attrition each year. In March 2015, the City Council approved a new contract for San

Diego Police officers. The terms of the contract increased pay and offered additional benefits to officers in order to help reduce attrition rates as well as increase the recruitment of officers. In the first seven months of FY16, data shows that we are losing officers at a rate of 13 per month, which is the same attrition rate in FY15 prior to the implementation of the new contract. The Committee should receive an updated report on the attrition rates and request that further evaluation be done to identify additional ways to address officer staffing issues. In addition, with many members of the police force at or near retirement age, the Committee should evaluate how we can better recruit experienced police officers from other departments to ensure an experience gap is avoided.

#### **Enhance and Continue the Managed Competition Process**

An initiative approved by San Diego voters in 2006, Managed Competition provides the City with a valuable tool in ensuring taxpayer dollars are maximized. Now generating nearly \$9 million in annual savings, this program has demonstrated its value. Nevertheless, the true potential of this program has yet to be realized. The Committee should work collaboratively with the Mayor's office and stakeholders to review additional competitions to provide further savings to taxpayers.

#### **Continue Identifying and Implementing Hiring Efficiencies**

As the City continues making significant investments to address its infrastructure and deferred maintenance backlog, the Committee should continue working with the Personnel Department to effectively and efficiently identify improvements in streamlining the hiring process. The Department received six recommendations from the City Auditor. It is imperative that the Committee maintain an open dialogues with the Department to ensure the recommendations are implemented while offering any necessary assistance and resources.

#### **Consider Review of Biennial Budget**

The Committee should work with Financial Management to bring forward an informational presentation on the viability of transitioning to a biennial budget process. The current budget development process takes nearly three-quarters of the calendar year to allow sufficient time for the submission of priorities, drafting of the budget document, and final approval. A biennial budget would grant the City more time to better plan and monitor the effectiveness of City programs during non-budget years while providing flexibility in making budgetary adjustments when necessary.

#### **Consider Enhanced Community Engagement During the Annual Budget Process**

Input from San Diego residents and business owners is vital to the development of an annual operating budget that is reflective of the community's needs. To facilitate the solicitation of information from the public, the Committee should consider hosting budget meetings in the community. One meeting should occur both before and after adoption of the budget in order to effectively engage the community and distribute the contents of the budget. The location of the meetings may be left to the discretion of the Committee.

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cc: Mayor Kevin L. Faulconer  
Honorable Committee Members