

Original: Andrea  
cc: all  
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CITY OF SAN DIEGO  
COUNCILMEMBER SHERRI S. LIGHTNER  
DISTRICT ONE

MEMORANDUM

DATE: June 1, 2012  
TO: Andrea Tevlin, Independent Budget Analyst  
FROM: Councilmember Sherri S. Lightner *Sherri S. Lightner*  
SUBJECT: Fiscal Year 2013 Proposed Budget Priorities

Many of my budget priorities were included in the May Revise, including increasing the number of police academy recruits, adding a second fire academy, and additional funding for infrastructure projects. I appreciate the work that your office, the Mayor, and my colleagues have put into finding resources to make these restorations.

The following are my priorities for \$2.068 million in additional restorations in the FY 2013 Budget:

- Restoration of 3-5 Police Department civilian positions based on priorities identified by the Police Chief, as recommended in my March budget memo (approximately \$255,000 to \$425,000).
- Restoration of three Lifeguard relief positions (\$300,000).
- Funding for the Lifeguard wellness program (\$68,000).
- Support for the San Diego Workforce Partnership's Hire-A-Youth program. With the support of local government, educational, private, public and nonprofit organizations, they are seeking to develop a quality and sustainable youth employment program that will provide meaningful job placement now and in the years to come (\$100,000 to be matched by FY13 CPPS funds).
- Full funding of the Neil Good Day Center, in order to allow the San Diego Housing Commission to use available funds to fund the winter shelter program, if necessary (\$250,000).
- Funding for Phase II of the Citizen Survey of City Services (\$25,000).
- Increase Library Matching Funds, as requested by the Board of Library Commissioners (up to \$300,000).
- Addition or reassignment of existing city park ranger to the San Dieguito River Park Joint Powers Authority (approximately \$100,000).
- Funds to explore redevelopment funding alternatives (up to \$500,000).

- Sufficient funding for placing City forms and services online. Improving online accessibility of permit history in the Development Services Department is one of my top priorities.

Additional request:

- A report to the Economic Development and Strategies committee on the reorganization of the City's economic development programs and functions as this reorganization is implemented and additional transition information becomes available.

Additional revenue options:

- General Fund reserve balance in excess of our 8% goal. The General Fund reserve balance is currently projected to be funded at 10.3%. We should investigate raising the goal for our General Fund reserve balance to 10%. Using the 0.3% reserve balance above the 10% threshold would yield approximately \$3.5 million that could be used to restore city services in FY2013.
- Auctioning of surplus City vehicles, such as lifeguard vehicles.
- Implementation of an expanded alternative or flexible work schedule, such as 4/10/5.

Please contact my office at (619) 236-6611 or [sherrilightner@sandiego.gov](mailto:sherrilightner@sandiego.gov) if we may provide additional information.



**COUNCIL PRESIDENT PRO TEM KEVIN L. FAULCONER  
CITY OF SAN DIEGO  
SECOND DISTRICT**

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

**DATE:** June 4, 2012  
**TO:** Andrea Tevlin, Independent Budget Analyst  
**FROM:** Council President Pro Tem Kevin L. Faulconer  
**SUBJECT:** Budget Priorities for Fiscal Year 2013

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I am proud of the tough decisions the Mayor and City Council have made to guard taxpayer dollars and bring the City's expenditures in line with revenues. Financial reforms such as managed competition have saved millions of taxpayer dollars and delivered real results for San Diegans. The proposed budget includes several of my highest priorities. I am a strong supporter of the Mayor's proposal to begin restoring library and recreation hours as well as increase funding for public safety and park maintenance services. These are the type of core neighborhood services that taxpayers should expect from their City government. Below are my additional priorities for Fiscal Year 2013.

**Guarding San Diego Tax Dollars Through Strong Internal Controls**

The Audit Committee discussed and reaffirmed its interest in completing an audit of internal controls. The Kroll Report recommended that a "reputable independent auditing firm should be retained by the City's new Auditing Committee which should in connection with the annual audit of the financial statements of the City... conduct an audit of the City's internal controls."

It is important to complete the remaining Kroll Report recommendation to ensure that the City has accountable and transparent fiscal practices. If the City anticipates completing the necessary work to prepare for an internal control audit in Fiscal Year 2013, it is imperative that sufficient funding be made available to ensure the City has remediated internal control weaknesses identified in the 2006 Kroll Report. An estimated cost for a targeted scope internal control audit is \$150,000.

### **Maximizing Efficiencies in the Office of the Independent Auditor**

The Office of the City Auditor (OCA) plays an integral role in providing accountability and oversight and has identified millions of dollars in savings and efficiencies. It is necessary that OCA has the tools to remain effective so that the City maintains sound fiscal practices. On May 7, 2012, the Audit Committee recommended and approved that OCA Fiscal Year 2013 budget include \$51,850 to purchase a performance audit electronic work paper software system and \$25,000 for one time closeout audits to quickly and efficiently transition to a new mayoral administration. The work paper software system will allow for OCA to transition from manually prepared performance audit work papers to an electronic process which can help increase staff productivity.

### **Commitment to Public Safety**

I support the increase from 25 to 30 cadets in each of the four police academies and a second fire-rescue academy of 30 cadets, both scheduled for the upcoming fiscal year. It is critical to have a fully staffed Police Department to ensure public safety. I urge the City Council to restore up to five civilian positions to the Police Department to support and enhance department operations. The partial restorations of these positions will reduce the administrative burden on sworn police officers allowing them to focus on public safety.

### **Sustaining Neighborhood Revitalization and Economic Development**

The State of California action to dissolve redevelopment has deprived San Diego of a powerful economic engine. Centre City Development Corporation (CCDC) played a central role in building a vibrant downtown community. I recommend that CCDC continues to perform long-range planning to provide stability and continuity for downtown revitalization efforts during this time of transition. I support allocating adequate funding to ensure CCDC can continue to provide planning services for the downtown community.

### **Protecting Our Beaches and Bays**

Our beaches and bays host millions of San Diegans and visitors each year. As the economy shows signs of improvement and visits to the beach increase, we must make certain public safety is protected for residents, families and tourists. I support the Fire-Rescue Department's request for \$368,000 to restore two lifeguard positions and include lifeguards in the department's wellness program, which helps prevent injuries and ensures more lifeguards are on the beach serving the public.

I am pleased that \$1 million of funding has been identified to repair the Mission Beach boardwalk and seawall in the proposed budget. An additional \$650,000 of funding may become available if a pending state grant application is awarded to the City. The \$1.65 million of available funding would then be applied to design of the first phase of the project. Additional funding is required for construction. The remaining funds necessary to complete the first phase of the project is \$800,000. It is very important to me and the beach communities that the City invests and maintains this historic structure. I recommend that the City invests additional funding from the next deferred capital maintenance bond.

The Ocean Beach Lifeguard Station requires immediate work to increase pedestrian safety. The path that provides public access to the beach travels through the vehicle storage area of the lifeguard station. Emergency vehicles that enter and leave the facility must traverse the public access path. It is essential to rearrange the path so pedestrians can access the beach safely.

The first phase of the project will cost approximately \$100,000. There is currently no Capital Improvement Project fund established for this project. I recommend that this project is included in the Capital Improvement Program so that the first phase can begin as soon as possible.

**Continued Investment in Streets and Public Assets**

The City Council must continue its focus on reducing the City's deferred capital maintenance backlog. I strongly support the Mayor's recent action to allocate \$8.3 million of the Fiscal Year 2012 surplus to deferred capital maintenance, but even more must be done. This year, the City has a shortfall of approximately \$30 million that must be identified to ensure our public assets do not continue to deteriorate. Additional revenue that becomes available during the fiscal year should be allocated towards deferred capital maintenance during mid-year budget revisions.

I look forward to working with the Mayor and my Council colleagues to achieve our remaining goals for Fiscal Year 2013.

KLF:km



**OFFICE OF COUNCILMEMBER TODD GLORIA  
COUNCIL DISTRICT THREE**

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

DATE: June 1, 2012

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Todd Gloria, Third Council District

SUBJECT: Fiscal Year 2013 Budget Priorities and Issues for Consideration

As the chairman of the Budget and Finance Committee, I am proud that the reforms we have worked so hard on are generating real and lasting cost savings for taxpayers. That is demonstrated in the current budget proposal before us—a budget that prioritizes critical services, and for the first time in several years, restores, rather than cuts, community services.

Over the last several months, and during our budget review hearings, I have heard from community members about what City services they value most. Additionally, our deliberations have revealed a strong will to find alternate solutions to restore and fund some important services. The priorities I offer today are in response to citizen requests and are in line with the budget priorities I established earlier this year which champion Public Safety, Neighborhood Services, Job Creation/Economic Development, and Responsible Governance.

**FY 2013 BUDGET PRIORITIES**

**PUBLIC SAFETY**

- **Police.** Despite what recent crime index data may show, residents in our core urban communities are increasingly alarmed by the number of robberies, assaults and other violent crimes in their neighborhoods. A few key preventive steps will help address these concerns, such as prioritizing the hiring of budgeted sworn and civilian positions that currently stand vacant. Additionally, the restoration of civilian staff (dispatchers, property and records management staff, analysts, word processing clerks, etc.) can alleviate the duties of existing officers and allow them to return to covering responsibilities that can only be performed by sworn officials.
- **Infrastructure.** Smooth roads and reliable sewer and water pipelines are also critical public safety issues. As the Council considers the close-out of certain CIP projects, additional funding may become available to further increase cash funding of deferred capital projects. Continued, focused investments will take us one step closer to achieving a sustainable capital infrastructure and maintenance program so that the City no longer falls behind in caring for its assets.

- **Tree Maintenance.** Over the years, as the City faced budget woes, trimming of trees in the public right of way was one of the services eliminated. This has proven to be problematic, and often, a public safety matter in my Council District.

There are approximately 32,000 palm trees and 20,000 shade trees within the City's public right-of-way. The approximate cost to trim a palm tree is \$30 and \$50 for a shade tree. The funding I recommend would cover the maintenance cost for approximately 50% of the trees. The City should incrementally increase this service as additional resources become available.

- **Graffiti Removal Team.** The May Revision restored 4.00 FTE positions for the Neighborhood Code Compliance Division's (NCCD) Graffiti Removal Team. I recommend that the NCCD Graffiti Removal Team be consolidated with the Transportation and Storm Water Department's Graffiti Removal Team. Efficiencies and increased oversight may be realized by having one department in charge. Additionally, the public will benefit by having a central point of contact.

### **NEIGHBORHOOD SERVICES**

- **Programming for Teens.** State grant funding for the current Teen Night programs ends after this summer. I am recommending that funding be identified to sustain teen programming at the five existing recreation centers. Additionally, I would encourage the Park and Recreation Department and community members to consider programming additional hours, as they see fit, to prioritize the needs of teens in particular neighborhoods.
- **City Heights Skate Park.** As the Council considers the close-out of certain capital projects, there is an opportunity that funding specific to Mid-City could be reallocated for the creation of a community skate park. Additionally, I would encourage staff to seek grant opportunities to bring this project to fruition.

### **JOB CREATION AND ECONOMIC DEVELOPMENT: REDEVELOPMENT, LAND USE, AFFORDABLE HOUSING, HOMELESS PREVENTION**

- **Redevelopment.** I encourage the Mayor and Council to collaborate on creating a local economic development and redevelopment program that will continue the efforts of the former Redevelopment Agency. We must begin by approving a transition plan for the Redevelopment Department of the City, CCDC and SEDC and analyze potential costs of sustaining a new program. Additionally, we must identify funding to support a new program/organization to allow it to seek ongoing resources to continue the revitalization of blighted communities, and create more affordable housing, parks, and other facilities that have long been envisioned.
- **Neil Good Day Center.** In order to ensure that the Neil Good Day Center is fully funded while also enabling the San Diego Housing Commission to direct their available funds toward operation of the Adult Homeless Emergency Winter Shelter if necessary, I request that an additional \$250,000 (one-time expenditure) be identified for operation of the Neil Good Day Center. The Neil Good Day Center provides the critical function of giving San Diego's homeless individuals a safe and clean location to spend their days, take showers, receive mail and secure assessment, counseling and information and referral services. In addition to the direct benefit of helping break the cycle of homelessness, the positive impacts for the City are great. Without the Neil Good Day Center, San Diego's homeless would have no choice but spend days on the streets of

local neighborhoods, decreasing the likelihood of obtaining needed services and potentially increasing the need for law enforcement and Neighborhood Code Compliance activities.

- **Youth Services and Development: Hire-A-Youth Program.** The Workforce Partnership is seeking to develop a sustainable youth employment program through the support of local government, education, private, public and nonprofit organizations. I recommend that the City identify funding to develop a quality and sustainable San Diego Hire-A-Youth (HAY) employment program that will provide youth with meaningful job placements now and in the years to come.
- **Public Facilities Financing Plans.** The Capital Improvements Program hinges on effective Public Facilities Financing Plans (PFFP). I request that updated PFFPs be brought forward for Council consideration in advance of the production of the FY 2014 budget. For example, the Mid-City PFFP update was completed approximately three years ago. The City adopted the FY 2010 budget without first adopting the new PFFP, and we're nearing adoption of the FY2013 budget, also without benefit of the new PFFP. Approval of these plan updates could result in additional revenue for the Facilities Financing Division and also increase their reimbursement of administrative expenses from Development Impact Fees.

### **RESPONSIBLE GOVERNANCE**

- **City Reserve Policy.** The Council and the Mayor should continue to revisit and establish prudent goals for allocations to reserve accounts in order to ensure that emergencies and unanticipated economic circumstances, particularly State and Federal budget impacts, will not pose insurmountable challenges. We must rigorously adhere to these goals to not only provide "rainy day" protection, but also to sustain the City's favorable credit rating.
- **Compliance with Mandates and Other Best Practices.** We must provide sufficient resources for such activities as producing audits, maintaining prudent internal controls on financial transactions, and other mandates. I request that funding be identified for an Internal Controls Audit as recommended in the Kroll Report as well as funding for the acquisition of specialized audit management software.
- **Vacancies.** We must provide adequate workforce and staffing levels as necessary to meet our obligations and deliver core City services. The City must aggressively fill vacancies citywide and find efficiencies in the recruitment process to ensure that the workforce is staffed at budgeted levels.
- **Transparency, Reform and Efficiencies.** The Mayor and City Council must continue to strive for increased transparency, efficiency and innovation. One example is to implement ongoing improvements to the Capital Improvements Program website. I also support and encourage efforts to make the City's website more business and user friendly.

As I have mentioned previously, my goals are a) for San Diego to never have a structural budget deficit again, b) to remain focused on core services like public safety and infrastructure, and c) to make economic development investments that help create jobs. My budget recommendations are made should additional efficiencies and reforms be achieved and savings found, with the recognition that we must continue to meet our long term financial obligations and

live within our means while we strive to provide excellent service and quality of life to the residents of San Diego.

**Attachment A** of my memorandum provides a list of sources and uses based on the priorities listed above.

I would like to conclude by acknowledging you and your staff. Your ongoing guidance is instrumental in creating a better informed and more effective process. My appreciation, as well, to the Mayor and his staff, particularly his budget team, for providing us with overviews of the many departmental budgets and for being responsive to Councilmembers' questions and requests for additional information. The collaboration that occurred during this year's budget process will result in a more responsible and responsive budget—one that our citizens expect and deserve. It is amazing what can be done when we come together to govern.

TG:pi

**ATTACHMENT A**

**COUNCILMEMBER TODD GLORIA  
FY 2013 RECOMMENDED BUDGET MODIFICATIONS  
SOURCES AND USES OF FUNDS**

<b>ONGOING SOURCES</b>	<b>LEVEL ONE</b>	<b>LEVEL TWO</b>
Adjust FY 2013 Sales Tax Revenue Estimates by 0.5%	\$1,200,000	\$1,200,000
Adjust FY 2013 Transient Occupancy Tax Revenue Estimates by 0.5%	\$800,000	\$800,000
<b>Sub-Total Ongoing Sources</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>

<b>ONE-TIME SOURCES</b>	<b>LEVEL ONE</b>	<b>LEVEL TWO</b>
Further Adjust FY 2013 Long Term Disability Contribution	\$184,000	\$735,000
Unclaimed Monies	\$420,000	\$420,000
Revenue Recovery Audit	\$500,000	\$500,000
<b>Sub-Total One-Time Sources</b>	<b>\$1,104,000</b>	<b>\$1,655,000</b>
<b>TOTAL SOURCES</b>	<b>\$3,104,000</b>	<b>\$3,655,000</b>

<b>ONGOING USES</b>	<b>LEVEL ONE</b>	<b>LEVEL TWO</b>
Restore Police Civilian Positions		
- Addition of Three Civilian Positions	(\$255,000)	N/A
- Addition of Five Civilian Positions	N/A	(\$425,000)
Restore Urban Forestry/Tree Maintenance		
- Tree Maintenance of 50% of Palm Trees in Public Right-of-Way	(\$500,000)	(\$500,000)
- Tree Maintenance of 50% of Shade Trees in Public Right-of-Way	N/A	(\$700,000)
Spring/Summer Teen Nights Programming at Existing Five Recreation Centers (May-June 2013)	(\$50,000)	(\$50,000)
<b>Sub-Total Ongoing Uses</b>	<b>(\$805,000)</b>	<b>(\$1,675,000)</b>

<b>ONE-TIME USES</b>	<b>LEVEL ONE</b>	<b>LEVEL TWO</b>
Complete Funding for the Operation of the Neil Good Day Center	(\$250,000)	(\$250,000)
Start-up Funding for Citywide Community and Economic Development (Post-Redevelopment)	(\$400,000)	(\$500,000)
Youth Services and Development: Hire-A-Youth Program	(\$100,000)	(\$100,000)
Kroll Report Recommendation: Internal Controls Audit	(\$150,000)	(\$200,000)
Specialized Audit Management Software	(\$51,850)	(\$51,850)
<b>Sub-Total One-Time Uses</b>	<b>(\$951,850)</b>	<b>(\$1,101,850)</b>
<b>TOTAL USES</b>	<b>(\$1,756,850)</b>	<b>(\$2,776,850)</b>

<b>OTHER POTENTIAL SOURCES</b>	
Transient Occupancy Tax Fund Balance	\$0 - \$10.7M
Redevelopment Property Tax Trust Fund Allocations and Distribution	\$2.7M - \$10.3M
Close-out of Unused CIP funds (Capital Outlay, General Fund, Transnet, etc.)	\$0 - \$300K
Savings from Managed Competition of Street and Sidewalk Maintenance	\$0-\$1.5M
<b>Total Other Potential Sources</b>	<b>\$2.7M - \$22.8M</b>



**CITY OF SAN DIEGO  
OFFICE OF COUNCIL PRESIDENT ANTHONY YOUNG  
FOURTH COUNCIL DISTRICT**

**DATE: June 1, 2012**

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

**FROM: Council President Anthony Young**

**SUBJ: Budget Priorities for Fiscal Year 2013 Budget**

I support the Mayor's May revision to the fiscal year 2013 proposed budget. As we begin this new era of developing and maintaining a disciplined budget based on spending priorities and as you conduct your review of the proposed FY13 budget, I am recommending the following spending priorities if you identify appropriate funding:

Additional funding to the Police Department for civilian positions to be selected at the discretion of the police chief.

Additional funding for Life Guard Services to address the need for additional lifeguard relief positions.

Additional funding for the Library Department to fully fund the County Library Cooperation

Additional funding for Park and Recreation Department to provide Wi-Fi availability at park and recreation centers.

Additional funding for the San Diego Workforce Partnership to help provide jobs for the Hire –A-Youth Program.

I look forward to us continuing our efforts to do even more in 2013 and beyond.



City of San Diego

**CARL DEMAIO**  
CITY COUNCILMEMBER –DISTRICT 5

## MEMORANDUM

DATE: June 5, 2012  
TO: Andrea Tevlin, Independent Budget Analyst  
FROM: Councilmember Carl DeMaio   
RE: Budget Priorities for FY 13 Budget

At the request of Councilmember Todd Gloria, Chairman of the Budget and Finance Committee, I am submitting my budget priorities for the FY 13 Budget.

Since taking office, my top priorities have been fixing the City's finances, supporting reforms that make city government more efficient and cost effective for taxpayers, and restoring services to our neighborhoods.

I am pleased to see the City on better financial footing than we have been in recent years and I commend my colleagues on the City Council for implementing many reforms. However, much work remains and the unfortunate reality is that we are still very much in the middle of a fiscal crisis. The City's backlog of deferred maintenance on streets, storm drains, and facilities has grown to almost \$900 million. It is also anticipated that infrastructure conditions will continue to get worse over the next five years.

I have made street and infrastructure repair one of my top priorities since taking office and I will continue to push to ensure we deliver on that core responsibility of city government.

In addition, I offer the following budget options for inclusion in the IBA's final report on recommended changes to the Mayor's proposed budget.

- **Regional Consolidation of Services:** The City must actively pursue alternative service delivery methods, efficiency improvements, and eliminate service duplications. If the City were to partner with regional government agencies to eliminate these duplications, taxpayers could save upwards of \$10 million annually.
- **DROP Cost Neutrality:** The DROP program has almost 1,000 city retirees currently collecting payouts from the program, almost 1,200 employees enrolled in the program, and 5,600 employees eligible for the program in the future. The following DROP

reforms are based on legal analysis conducted by City Attorney Jan Goldsmith and would save taxpayers \$24 million annually.

- **Eliminate DROP Interest Rate:** DeMaio is proposing that the SDCERS Board remove the guaranteed interest rate on DROP accounts and return any interest to the pension system, removing this burden on taxpayers.
  - **Increase Contribution Rates for DROP Participants to Maximum Allowed:** Increase the city employee contribution rate from the current 3.05% to a range of 6.7% to 17.6% depending on their age and classification.
  - **Reduce DROP Participant Salaries:** To eliminate the “double dipping” nature of DROP entirely, reduce each active DROP participants’ salary by an amount equal to the pension payout paid to the employee. If an employee does not want a reduction in salary, they simply would not enter the DROP program.
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- **Reduce Overtime by 50%:** The proposed FY 13 budget includes additional funds for overtime expenses. These increases are a result of overages in previous budgets and highlight the need to reevaluate the constant staffing budgeting methodology employed in the Fire Department and overtime practices citywide.
  - **Cut Mayoral and City Council Budgets by 15% for a Cost –Neutral Council District 9**

Additionally, I continue to ask my colleagues to pursue cost-savings and efficiencies by encouraging the use of volunteers, public-private partnerships, and other means. I believe that we can begin restoring city services at lower cost than before by utilizing innovative new ways to deliver services to taxpayers.

cc: Honorable Mayor and City Councilmember



## MEMORANDUM

**DATE:** June 1, 2012  
**TO:** Andrea Tevlin, Independent Budget Analyst  
**FROM:** Councilmember Lorie Zapf- Council District 6  
**SUBJECT:** Final Budget Suggestions

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As we near the final budget vote for FY 2013, below is my final list of budgetary suggestions:

***Restore the 3 Relief Positions for Lifeguards and Add Wellness Program:*** As we look to restore the public safety cuts we were forced to make in the past few fiscal years, we have yet to restore the lost relief lifeguard positions. I would encourage the City to add back in 3 relief lifeguards at a cost of approximately \$285,000. Additionally, the only public safety department without a wellness program in place is Lifeguards. I would strongly urge the Council to find the \$68,000 in funding.

***Restore 3-5 Civilian Positions within Police Department:*** I was pleased by the Mayor's recommendation to add another Police Academy in order to increase the number of sworn officers we have on the street. While I understood the need to cut these positions due to prior fiscal constraints in prior fiscal years, I recommend consideration be given to restoring 3-5 civilian positions based on the priorities identified by the Police Chief. The Council could address this matter as part of its FY 2013 final budget decisions if ongoing funding can be identified. These positions are less expensive than sworn officers and would free up sworn officers from administrative duties and instead be used for core public safety functions.

***D6 CPPS Funding for the Library Circuit-*** My office has worked with Financial Management to use our FY12 funding (\$31,000 for one time set up costs) and FY13 funding (\$44,500 for the first year annual costs). By participating in the San Diego Library Circuit, we will enable our residents to have access to materials from university and public libraries throughout the region. This means millions more materials available to those who use the San Diego Public Library. Participation in the circuit was recommended by the San Diego Library Commission.

***Flexing Library Hours:*** Even with full restoration, City libraries will only be open 44 hours a week. Currently, their hours open have been left entirely to the discretion of the library department staff. Staff has chosen to have every library open the exact same hours and for many communities some of the traditionally highest use hours have been neglected (in particular Sundays). Park and Recreation facilities have faced similar cutbacks. The Park and Recreation

Department has gone to each community and asked residents which hours (within their department's budgeted limits) they would like their facilities to be open. Obviously, this makes staffing for absences and vacations a little bit more difficult but it is accomplished by private businesses and other City departments (such as park and recreation, fire and police) each and every day. Additionally, it may be worthwhile to flex nearby libraries so that greater coverage might be accomplished within sub-regions of the City.

It may be possible to spend almost the same amount of money and increase the level of service we provide to our residents. It is my understanding that the COO's office is exploring staffing models in other departments around the state and country. Over the next six months we would like for the IBA's office to work with the Mayor's Office and bring suggestions back to Council regarding flexing out librarians to stretch hours out even farther.

***Preserving Reserves:*** I would urge my colleagues to not touch the various reserve funds recommended by the Mayor in his May Revise. I worry that the soft international and national economy could hurt the local economy in the next year. Our best defense will be strong reserves.



**CITY OF SAN DIEGO  
COUNCILMEMBER MARTI EMERALD  
DISTRICT SEVEN**

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

REF: M-12-06-01

**DATE:** June 1, 2012  
**TO:** Andrea Tevlin, Independent Budget Analyst  
**FROM:** Councilmember Marti Emerald  
**SUBJECT:** FY2013 Budget Priorities

I am very encouraged by the Mayor's May Revise that will better protect and restore public safety services and neighborhood resources. In addition, I support increased funding for recreation centers, libraries and arts & culture programs. I commend the Mayor for increasing our reserves to 10.3%, or \$26.9 million above our targeted level of 8%. While I support this funding I believe we should review our policy to keep it in alignment with best practices and credit rating agency expectations.

My FY 2013 budgetary priorities below were developed with recommendations from constituent communications, public dialogue, and IBA recommendations. I have outlined additional budgetary priorities that will keep tax dollars focused on core city services while providing accountability to taxpayers. I have listed some budget savings actions to draw from and I am awaiting the IBA's report on projected revenues that was not available for this memo. The options I propose would produce the least impact to the City's operations while increasing public safety & neighborhood services.

- 1) **\$900K Returned From SRM Module Implementation** – Last year the council approved \$900,000 to implement the SRM module for SAP. Unfortunately this project was not implemented. I propose re-allocating this \$900,000 for neighborhood services.
- 2) **\$1.1M in Bond Obligation Savings** - \$10.7 Million in TOT Balance and \$3.7 Million in appropriated reserves have been set aside to pay Petco Park and Convention Center bonds. The \$14.4 Million set aside is \$1,100,000 more than the maximum amount needed for the bond payments.

**Proposed Budgetary Savings**

<b>ITEM</b>	<b>ACTION</b>	<b>AMOUNT</b>
1	900K returned from SRM Module not being implemented	\$900K
2	Excess reserves above bond obligations	\$1.1M
	<b>TOTAL</b>	<b>\$2M</b>

With the Proposed savings outlined above, restoration of the following services is critical to public safety and our neighborhoods:

- 3) **Mission Valley Fire Station** - Cost: \$2 Million needed to build this vital fire station.

- 4) **Restoration of Lifeguard Services** – Cost: \$368,000.  
 Currently City Lifeguards lack the resources they need to ensure the highest level of safety at our beaches and bays. I would like to see the FY13 budget include funding for lifeguard wellness and 3 lifeguard relief positions.
  
- 5) **Restoration of the Executive Director Position to Citizens Review Board on Police Practices.** Cost: Approximately \$150,000.
  
- 6) **Restoration of Civilian Officers in PD** – Cost: Approximately \$350,000  
 The City’s MOU with the Municipal Employees Association specifically refers to the City’s intent to restore civilian positions in the Police Department that were eliminated during recent budget cuts. After filling more than 50 current civilian vacancies in 911 dispatch, labs and property rooms, I propose we add up to five civilian police officer positions as outlined in the IBA report.
  
- 7) **Funding for a Youth Development Office** – Cost: \$25,000.  
 The Community Budget Alliance is actively pursuing a Youth Development Office. They currently have MOU’s with the city, county and San Diego Unified School District. They are seeking an additional \$25-\$50,000 for start-up and overhead costs.
  
- 8) **Funding for the Teen Nights Program** – Cost: \$80,000.  
 The Teen Night Program is endorsed by our Park and Recreation staff and San Diego Police, to keep kids off the streets during the summer and out of trouble. The cost to continue the Teen Nights Program at its current locations and to add the program in Linda Vista would be \$80,000.
  
- 9) **Mission Trails Regional Park Campground Restorations** – Cost: \$226,000.  
 Funding to restore Kumeyaay Lake Campground, with overnight camping during FY2013. To restore the facility to its original operational days would require two full-time rangers and one full-time center director.
  
- 10) **Addition of Admin Position and Training for City Auditor’s Office** – Cost: \$75,000.  
 The City Auditor makes a good case for adding one administrative position and a training budget. The cost of adding one additional administrative position would be \$50,000. The auditor says the extra staff and training would help his office work more efficiently and complete more audits in the next fiscal year.

**Proposed Services Funding**

ITEM	ACTION	AMOUNT
3	Mission Valley Fire Station	\$2M
4	Restoration of Lifeguard Services	\$368K
5	Restoration of Citizens Review Board Executive Director	\$150K
6	Restoration of 3-5 Civilian Officers in PD	\$350K
7	Funding for a Youth Development Office	\$25K
8	Funding for the Teen Nights Program	\$80K
9	Mission Trails Regional Park Restorations	\$226K
10	Administrative Position & Training for City Auditor’s Office	\$75K
	<b>TOTAL</b>	<b>\$3.27M</b>

An additional item of note is the Citygate Working Group 5 Year Plan Recommendations. In

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Councilmember Marti Emerald  
June 1, 2012

order to stay on track to complete the recommendations outlined in the Citygate report, we will need to fund \$17.9 Million in FY13 and similar amounts for each of the next three years. I intend to pursue support for a public safety bond to pay for these necessary improvements.

As well, it is critical that we maintain our FY2012 level of airtime for our police helicopters. Currently the police department is anticipating possible shortages in seized asset and COP grant dollars. While the amount remains uncertain, I would like to see a reasonable cushion.

In closing, I look forward to approving the new City Council budget that will benefit the communities we serve.

ME: de



**COUNCILMEMBER DAVID ALVAREZ**

**City of San Diego  
Eighth District**

**MEMORANDUM**

**DATE:** June 1, 2012

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

**FROM:** Councilmember David Alvarez

**SUBJECT:** Final FY 2013 Budget Modifications

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The Mayor's May revision of his proposed FY 2013 budget addressed many suggestions made by the City Council over the last few weeks. I was particularly appreciative of the restoration of funding for the City's Graffiti Removal Team and the inclusion of additional Fire-Rescue and Police academies. However, I believe that there are a number of essential city services that the public deserves to receive, which I have listed below with corresponding funding sources:

**Proposed General Fund Budget Restorations:**

- **Restoration of Lifeguard Relief Positions and Injury Prevention Program:** Our beach and coastal areas are visited by tens of thousands of people every year, which requires the need for the city to provide adequate lifeguard services to ensure a safe environment for those visitors. 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. Restoration of 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. The following positions and resources should be restored:
  - 3 Relief Positions: \$300,000
  - Injury Prevention Program: \$65,000
  
- **Restoration of Civilian Positions in the Police Department:** Cutting civilian positions within the Police Department has a direct impact on sworn police officers' ability to be actively patrol our neighborhoods. Police support staff are vital and need to be retained so that our sworn

officers are free to have a greater presence in our communities. As referenced in IBA Report 12-19, restoring at least 3-5 civilian positions based on priorities identified by the Police Chief in FY13 is critical as we move towards putting more officers on our streets.

- 3-5 Civilian positions (half year funding): \$127,500-\$212,500
- **Teen Nights Program and Youth Development Office:** State grants funding the current Teen Night programs ends after this summer. The 5 existing Teen Nights will not have the funding to hold the program next summer. The Teen Night programs run from May-September, but that the funds for next summer would need to be appropriated in the FY 13 budget because two of the months fall in FY13. The Teen Nights program is a vital service to our young people that should not be discontinued. Additionally, a Youth Development Office should be formed utilizing not only city funds but also available state grant funding.
  - Teen Nights Program: \$50,000
- **Neil Good Day Center Funding:** The Neil Good Day Center provides a safe environment for homeless individuals during the day. Although the Mayor restored \$300,000 in funding for the Neil Good Day Center, I believe it is critical that the City fully fund the operations of the Center. Fully funding the Neil Good Day Center requires an additional \$250,000 in funds.
  - Fully fund Neil Good Day Center: \$250,000
- **Urban Forester/Certified Arborist Position:** Growing and maintaining the urban forest in our city is vital. More trees planted throughout our communities result in everything from increased savings on energy costs to slowing down traffic on our neighborhood streets. Restoring this position will allow us to grow our urban forest as well as take advantage of state and federal funds to plant trees throughout our communities.
  - Urban Forester/Certified Arborist Position (half year funding): \$31,130
- **Tree Trimming:** There is a major shortage in maintaining all City owned palm and shade trees. I have had numerous residents contact my office with their concerns about the lack of maintenance on these trees. Even when residents volunteer to trim the trees, they do not have the proper equipment to deal with the palm trees that drop waste from high above. As a safety concern, a plan to restore at least some of these services should be a priority.
  - Restoration tree trimming: \$2.4 million
- **Citywide Community and Economic Development Office:** Should property tax funding become available, a Community and Economic Development Office should be established to allow for long range planning for all former redevelopment areas (SEDC, CCDC and all other project areas), establish programmatic EIRs and seek additional funding and grant opportunities.
  - Citywide Community and Economic Development Office: \$400,000
- **City Auditor Staff Position and Resources:** It is important that we continue to increase the staff resources of the City Auditors Office. The City Auditor's ability to conduct comprehensive audits on various city departments and functions is vital in promoting accountability, efficiency and transparency in our city government. As such the FY13 budget should add at least one administrative assistant position. The cost of hiring an administrative assistant is significantly less than that of hiring an additional performance auditor, but would have much the same impact

by allowing current staff to focus solely on audit work. To further assist in allowing the City Auditor to efficiently produce various audits, the FY13 budget should allow for the procurement of a specialized audit management software system. The software is common in the industry and will reduce the amount of staff time required on each audit. Finally, it is critical the City follow through with the Kroll Report recommendation to produce an internal controls audit and the FY13 budget should allow for this work to move forward.

- 1 Administrative Assistant Position: \$82,462
- Specialized Audit Management Software: \$51,850
- Internal Controls Audit: \$100,000

**Proposed Funding Sources:** Each of the above items can be funded via any combination of the following options:

- **Elimination of flex management benefits:** \$1.4 million
- **Elimination of 10 management analyst positions:** \$750,000
- **One Week Unclassified/Unrepresented employee furlough:** \$1.12 million
- **Consolidation of Public Information Officer Positions:** \$180,000
- **Reserves:** Use of existing reserves over 8% funding level for one time funding items, such as Neil Good Day Center operations is appropriate. Reserves currently stand at \$118.9 million after accounting for the increase in deferred capital O&M spending. This is \$26.9 million above the 8% policy.
- **General Plan Maintenance Fee Increase:** Currently this fee is only 56% cost recoverable. It should be 100% cost recoverable. Increasing this fee to be 100% cost recoverable would result in additional \$800,000 and would allow funds currently subsidizing the service to be used for other critical city services.
- **Increased property taxes due to elimination of redevelopment agencies:** Unknown, but should provide funding for ongoing expenses.
- **'Lifeguards' Weather Channel Reality Show Renewal:** Potential revenue unknown, but could provide funding for one-time expense.
- **109 New Positions Added to FY13 Budget:** Some positions do not increase service levels to the public, these positions should be reviewed and funding for those not increasing service levels to the public should be considered as potential funding for other purposes. Other positions are duplicative or do not justify expenditure. The following positions are a few examples:
  - 1 Program Manager position (Administration): \$170,629
  - 1 Information Technology Security Position (Dept. of IT): \$169,112
  - 2.24 Public Information Clerk positions (ESD): \$69,395
  - 2 Program Manager positions (Human Resources): \$170,254
  - 1 Community Development Coordinator position and 1 Program Manager position (Office of the Mayor): \$307,973\*

*\*Note these positions could fund most of the Community and Economic Development Office discussed earlier*

In addition to the above funding recommendations, the following CIP projects are high priority and should see significant progress through FY13 or should be prepared to be included in the FY14 CIP budget:

- **New San Ysidro Library CIP:** The current branch library in San Ysidro is one of the oldest (built in 1931), smallest (3,000 square feet) and outdated library facilities in the entire city. The construction of the new library has been long delayed. A site has been secured and the design and construction of the library needs to be funded. It is critical that this is a priority Capital Improvement Project in FY13.
- **Silver Wing Neighborhood Park Sports Field and Security Lighting CIP:** Security lights are highly recommended for operational purposes as there have been on-going requests and complaints from the surrounding residents about the need for additional security lighting in the park. The design for this project is nearly complete and construction can be phased throughout the fiscal year. Security lighting at this location is important and it is imperative that this phase of the project stay on schedule.
- **Old Otay Mesa Road-Westerly CIP:** This project provides for design and construction of Old Otay Mesa Road from the Princess Park Subdivision (Crescent Bay Drive) to the Remington Hills Subdivision (Hawken Drive). This project includes approximately 2,400 linear feet of a two-lane collector street, sidewalks, curb, gutter, street lighting, new roadway sections, guardrail and traffic calming facilities. Most importantly, this project will address a dangerous situation for pedestrians using the road to walk to San Ysidro High School, as there is not an adequate sidewalk area for students to utilize going to and coming from the school. According to the FY13 CIP Budget document, this project is slated for construction in FY14 and it is crucial to student and pedestrian safety that the project be prepared to move forward by FY14 or sooner.
- **Palm Ave Roadway Improvements CIP:** This project provides for traffic safety improvements on Palm Avenue from Beyer Way to Interstate 805. The improvements include installation of raised center medians, turn pockets, traffic signals, a pedestrian refuge area, crosswalks, landscaping, striping and signage. These improvements will benefit the community by increasing the safety and flow of traffic. It is imperative that this project progress and move to construction by the next fiscal year.
- **Initiate Capital Improvement Project for La Media Road Improvements:** La Media Road, between I-905 and Siempre Viva Road in the Otay Mesa community, is a route used by commercial vehicles accessing the border. Significant improvements (such as widening) are required on La Media Road as the city moves forward with plans to improve the road, provide better access to commercial vehicles crossing the border and addressing significant flooding issues, which often make the road impassable. Currently, no CIP exists to address these specific deficiencies, which has prevented the project from moving forward and has hampered the city's ability to better facilitate international commerce.
- **Initiate Capital Improvement Project to Design Southwest Neighborhood Park in Otay Mesa/Nestor:** The City owns undeveloped park land on 27<sup>th</sup> Street in the Otay Mesa/Nestor community. The design and development of the 11.4 acres into a Neighborhood Park was first proposed in 1992 and would provide much needed park space and be of great benefit to all members of the community. Children from Southwest Middle School as well as condominiums,

apartments, and mobile homes within walking distance would benefit from the use. Currently no CIP exists for this project and in order to move forward funds need to be dedicated to the design of the park.

DAA/ks