

CITY OF SAN DIEGO
OFFICE OF THE INDEPENDENT BUDGET ANALYST

SNAPSHOT OF REPORTS AND ACTIVITIES
JULY 2008

Highlights of Major Reports Issued:

“Implementing Proposition C: Appointing Two Outside Financial Experts to Serve on the Screening Committee”

[Report No. 08-84](#) (7/23/08) (PDF: 55K)

On June 3, 2008, voters approved Proposition C which, in part, provided for City Charter language addressing the responsibilities and composition of the City’s Audit Committee. On July 3, 2008, the City Council appointed Councilmember Faulconer as its representative to the screening committee, to serve with the City’s Chief Financial Officer and IBA. As a group, these members recommended two outside financial experts to complete the screening committee, pursuant to the voter-approved process.

On July 28, 2008, the City Council confirmed the appointments of Ed Kitrosser and Tracy Sandoval, to serve as the outside financial expert members of the screening committee, and directed the IBA to initiate solicitation efforts for public Audit Committee member candidates in consultation with the screening committee.

“Action Items for Managed Competition and Business Process Reengineering”

[Report No. 08-77](#) (7/16/08) [Attachment A](#) (6/12/08) [Attachment B](#) (3/18/08)

The Office of the Independent Budget Analyst has facilitated dual discussions on the City’s Business Process Reengineering and Managed Competition processes with representatives from the Mayor’s Office, Councilmember Atkins’ office, City Attorney’s Office, Labor, the Managed Competition Independent Review Board, and the Center for Policy Initiatives (CPI). Our goal has been and continues to be to clarify issues and preserve Council’s policy role in both processes. IBA Report 08-77 addresses following:

- Clarification of the Managed Competition Independent Review Board (MCIRB) Role Early in the Process.
- An Accelerated Step of Identifying which Functions Proceed to Competitive Procurement.
- The Review and Approval of Preliminary Statement of Works by the City Council.
- Center for Policy Initiatives (CPI) proposals on Healthcare, Service Levels, Independent Auditor Approval, Retaining Core Capacity, and Worker Retention.
- Timely Implementation and streamlined docketing process of BPRs.

The City Council approved our recommendations to amend the Business Process Reengineering (BPR) Ordinance, and the Managed Competition Ordinance with the following additions:

- Ensure an independent contractor does not receive an advantage for a bid proposal that offers less health coverage than the City
- Require contractors give first preference in hiring to displaced City employees
- Provide the Preliminary Statement of Work to the City Council and Managed Competition Independent Review Board two weeks prior to the City Council hearing.

“Ballot Proposition Amending the City Charter to Designate the Use of Lease Revenues from Mission Bay Park”

[Report No. 08-75](#) (7/11/08) and [Report No. 08-85](#) (7/25/08)

Councilmembers Faulconer and Frye presented a proposal for a ballot measure to amend the City Charter, adding Section 55.2, requiring that annual lease revenue generated in Mission Bay Park in excess of \$20 million be appropriated for public capital improvements in Mission Bay Park (75%) and in current and future Regional Parks (25%). The IBA issued Report No. 08-75 which compared the proposed ballot measure to the current Municipal Code requirements that allocated funds, at lower levels, for these purposes. A second report, No. 08-85, was issued in response to a revised measure that included significant changes made in response to concerns that had been raised. The revisions included changes that minimized the short term financial impact to the City’s General Fund. On July 28, the City Council voted to place the ballot measure on the November 2008 ballot measure.

“FY 2009 IBA Policy Matrix”

[Report No. 08-79](#) (7/16/08) [Attachment](#) (7/16/08)

Since its inception, the IBA has made policy and financial recommendations to the City Council as part of its review of the Mayor’s Proposed Budget. Last year, during our review of the Fiscal Year 2008 Budget, the IBA made thirty-three policy recommendations, which were intended to provide avenues for improved financial governance or increased efficiency and effectiveness.

In developing the FY 2009 IBA Policy Matrix, our office compiled inputs from various sources, including: 1) requests made by Council members in their budget memorandum; 2) items requiring monitoring during the year due to budgetary impacts; and 3) issues previously identified that have not yet been completed. The FY 2009 IBA Policy Matrix contains thirty-one recommendations, and suggestions have been provided as to the Council subcommittees that may be the appropriate venue for specific reports or actions to occur. Following the review of these items by the Budget and Finance Committee, the IBA will distribute information to affected departments and City staff and provide assistance, as needed, in these areas, and will track and periodically report the status of the Policy Matrix to the Budget and Finance Committee.

Recent Steps in Budget Process:

- Monday, July 21 First Public Hearing of FY 2009 Appropriation Ordinance at City Council
- Monday, July 28 Second Public Hearing and Introduction and Adoption of the FY 2009 Appropriation Ordinance and Statement of Budgetary Principles by City Council

Other IBA Reports Issued this Month:

[Report No. 08-86](#) (7/25/08) (PDF: 44K)
Preliminary Statements of Work

[Report No. 08-83](#) (7/18/08) (PDF: 39K)
Fiscal Year 2009 Appropriation Ordinance and Revisions to the City's Reserve Policy

[Report No. 08-82](#) (7/17/08) (PDF: 38K)
Community Planning Group Bylaws Updates Inconsistent with Council Policy 600-24

[Report No. 08-81](#) (7/17/08) (PDF: 27K) [Attachment](#) (7/17/08) (PDF: 269K)
Ballot Measure: Retirement Benefits Reform

[Report No. 08-80](#) (7/16/08) (PDF: 35K)
FY 2009 Statement of Budgetary Principles

[Report No. 08-78](#) (7/18/08) (PDF: 52K) [Attachment A](#) (6/12/08) (PDF: 772K)
[Attachment B](#) (7/18/08) (PDF: 109K)
Council President Peters' Proposed Amendment to Municipal Code Regarding Transient Occupancy Tax Allocations

[Report No. 08-76](#) (7/16/08) (PDF: 26K) [Attachment](#) (7/16/08) (PDF: 47K)
Response to Grand Jury Report Titled "Waste Not, Want Not - Recycle Now!"

[Report No. 08-74](#) (7/10/08) (PDF: 23K)
Office of Homeland Security Business Process Reengineering Study

[Report No. 08-73](#) (7/9/08) (PDF: 24K)
Storm Water Pollution Prevention Business Process Reengineering Study

[Report No. 08-72](#) (7/9/08) (PDF: 34K) [Attachment](#) (5/22/08) (PDF: 28K)
The Waterfall (Amendments to the San Diego Municipal Code Eliminating the Surplus Undistributed Earnings ["Waterfall"] Relating to the City Employees' Retirement System)

Other IBA Reports Issued this Month (continued):

[Report No. 08-71](#) (7/9/08) (PDF: 32K)

Potential Charter Amendments on Mayor & Council Salary Setting

[Report No. 08-70](#) (7/3/08) (PDF: 28K)

Comments on the Comptroller's Internal Controls Status Report

[Report No. 08-69](#) (7/1/08) (PDF: 35K) [Attachment](#) (6/30/08) (PDF: 16K)

FY 2009 Statement of Budgetary Principles