



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 18, 2020

TO: Honorable Councilmember Barbara Bry, Budget Review Committee Chair, and Honorable Budget Review Committee Members

FROM: Matthew Vespi, Department of Finance Director and City Comptroller

SUBJECT: Fiscal Year 2021 Budget Review Committee Referral Responses for the May 8, 2020 Morning Session

This memorandum provides responses and/or follow up information to unanswered questions asked at the Budget Review Committee meeting held on the morning of May 8, 2020. The responses are listed by department in the order that they were reviewed by the Committee.

In response to Council President Gomez and the Independent Budget Analyst's (IBA) questions regarding Key Performance Indicators (KPIs), the Fiscal Year (FY) 2021 Proposed Budget webpage has been updated to include a link to the KPI page built and maintained by the Performance and Analytics Department. These KPIs, in addition to new visualizations, can be found at <https://www.sandiego.gov/finance/proposed>.

PERSONNEL

COUNCIL DISTRICT 5

QUESTION:

What is the length of time it takes to hire people to City positions compared to the same time last year, two years ago, and three years ago?

RESPONSE:

Please see the table below regarding hiring timelines related to the Personnel Department.

	Average number of days to issue certification list to department (without recruitment) ¹	Average number of days to issue certification list to department when recruitment is required ²
FY 2020	11	56
FY 2019	11	57
FY 2018	11	57
FY 2017	11	58

1. 'Without recruitment' means that Personnel already has an eligible list that can be sent to the hiring department.
2. 'With recruitment' means that Personnel had to open an exam process to get applicants since an eligible list is not available to send to the hiring department.

CITY AUDITOR

COUNCIL DISTRICT 7

QUESTION:

We are supposed to be hiring a full-time City Auditor and it was not in the budget. Is that just because we were looking at maybe postponing that decision?

RESPONSE:

The hiring and salary setting for the City Auditor position is under the Audit Committee's authority, not the Office of the City Auditor. Any decisions on hiring or postponing is a decision that is made by the Audit Committee. The Office of the City Auditor has nothing to do with the hiring process or salary setting for the position. Dan Manley, the audit committee consultant, may be able to provide clarity regarding the hiring timeline for the City Auditor position.

Additionally, the permanent Auditor Position is included the Fiscal Year 2021 Proposed Budget (See Attachment A).

CITY ATTORNEY

COUNCIL DISTRICT 5

QUESTION:

How much work/hours have occurred related to COVID-19 and how much of it is recoverable through the CARES Act?

RESPONSE:

The City Attorney's Office (CAO) is tracking COVID-19 related work and has already logged 6,215 hours related to the pandemic through April 17, 2020. We estimate that the CAO used \$590,000 in internal resources for this purpose. The CAO is working with City staff to determine which hours may be reimbursed to the City through the CARES Act. A legal analysis is not yet available.

COUNCIL DISTRICT 8

QUESTION:

What percentage reduction would the CAO be able to take and still be able to meet its Charter requirements?

RESPONSE:

During FY 2020, CAO staff has worked diligently to absorb a \$2.5M vacancy rate, which means that CAO has left a number of positions vacant to save \$2.5M in Personnel Expenditures (PE). This vacancy factor is roughly equivalent to 23 to 25 full-year vacancies. Despite the necessary vacancies, the CAO still performed its core functions; however, the CAO's response times slowed and the City needed to rely on its outside counsel panel to subsidize the lack of resources. If the FY 2021 budget reverts the vacancy rate to the FY 2019 level (~\$600,000), then the CAO can absorb a 3% reduction and maintain current service levels.

If, however, the vacancy factor remains at Proposed Budget levels and the CAO is required to further reduce its budget by 4%, then the CAO will need to reduce its workforce substantially, as the two combine for an almost 8% budget reduction. Such a reduction will demand the CAO having up to 40 positions vacant, or eliminated, for the year.

The CAO believes that will greatly impact response capabilities and increase the City's use of the outside counsel panel. In sum, the CAO can process a 4% budget reduction in the form of a 1% vacancy factor and 3% personnel budget reduction without a threat to meeting its Charter obligations. Exacting a greater percentage budget reduction in personnel expense and vacancy factor will result in service impacts, the identification of which is largely dependent on the service demands at the time implemented.

As the City Attorney noted during her testimony, future services are difficult to predict. Our response is based on past services rendered.

QUESTION:

The Office of the City Attorney's presentation says that the Vacancy Factor was increased from about \$650,000 in FY19 to \$2.3M in FY 2021. This is an increase of 350%. Why has the vacancy factor increased so rapidly? Were the vacancy factors for FY 2019 and FY 2020 accurate in hindsight?

RESPONSE:

During FY 2019, the CAO was budgeted to have a vacancy factor of \$603,241. During the FY 2019 Mid-Year Budget Monitoring Process and as part of Department of Finance's (DoF) analysis to calculate the FY 2020 Vacancy Factor, it was determined that the projected amount would be closer to \$1.5M in salary savings at the end of FY 2019. As a result, DoF calculated that their FY 2020 Vacancy Factor should be increased to approximately \$1.2M and that is what was included in the FY 2020 Proposed Budget.

During the approval of the budget process by the City Council, 9.25 supplemental FTEs were added to CAO with the cost to be offset by an increase of \$1.3M in FY 2020 Vacancy Factor which resulted in City Attorney's budget having an FY 2020 Adopted Budget Vacancy Factor of \$2.5M. As part of the FY 2021 Proposed Budget, the Vacancy Factor for CAO was maintained since the Vacancy Factor was used as a solution in the FY 2020 Adopted Budget to offset the ongoing costs of adding 9.25 supplemental positions.

COUNCIL DISTRICT 9

QUESTION:

What are the duties related to the associated proposed Full-time Equivalent (FTE) reduction?

RESPONSE:

To meet budget expectations, we would not fill the Assistant City Attorney (ACA) position that was vacated in February due to retirement. This ACA oversaw special projects, which we define as complex projects that involve attorneys with specialized skill sets (i.e., homelessness and the convention center).

We will also be unable to fill an Associate Management Analyst position that would be assigned to the Family Justice Center (FJC). This position is charged with assisting the FJC with grant writing.

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We would not fill an open Civil Investigator position, nor would we fill five investigator vacancies we expect by the close of FY 2020. One of the five investigators is in DROP and will leave by the close of this fiscal year and four have advised of June resignations because of the low salary paid by the City.

We are unable to successfully fill these positions due to the pay scale. We have largely relied on provisional employees to patch together an investigator workforce, but due to the large number of vacancies, the City may need to rely on an outside service provider. Note that this is a meet and confer issue as well. Deputy City Attorneys (DCA) rely on investigators to perform investigatory work on civil and criminal matters; they are essential team members.

We will further reduce staffing by two Clerical Assistants, three Court Support Clerks, and one Word Processing Operator. These individuals manage our files and conduct data input for DCAs in the Criminal Division. Without their assistance, the DCAs must do the data entry themselves, which is a tall order since the Division annually reviews more than 20,000 criminal cases and 3,000 domestic violence cases.

The Civil Advisory Division will lose four DCA positions in the Land Use, Government Affairs, and Public Services sections of the Office, and one legal secretary. This Division interfaces the most with Mayoral Departments and the City Council.

In addition, we will not fill positions vacated by those in DROP during FY 2021. This includes the aforementioned Civil Investigator, one Legal Secretary, one Victim Services Coordinator, one DCA, one Paralegal, and two Court Support Clerks.

Finally, should the Proposed Budget vacancy factor be maintained at its present level, it is unlikely any CAO Division will be able to fill vacancies throughout the year. This will result in steady rebalancing of and shifts in services to effort meeting Charter duties throughout the fiscal year.

Matthew Vespi
Department of Finance Director and City Comptroller

MV/tb

Attachment: A. Budget Inquiry Position Detail Report – City Auditor

cc: Honorable Mayor Kevin L. Faulconer
Honorable City Attorney Mara Elliott
Kris Michell, Chief Operating Officer
Aimee Faucett, Chief of Staff, Office of the Mayor
Andrea Tevlin, Independent Budget Analyst
Jeff Sturak, Assistant Chief Operating Officer
Rolando Charvel, Chief Financial Officer
Matt Awbrey, Chief of Civic & External Affairs, Office of the Mayor
Almis Udrys, Deputy Chief of Staff-Innovation & Policy, Office of the Mayor
Francis Barraza, Deputy Chief of Staff-Community Engagement, Office of the Mayor
Jessica Lawrence, Director of Policy and Council Affairs, Office of the Mayor

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cc continued:

Robert Vacchi, Deputy Chief Operating Officer, Neighborhood Services
Erik Caldwell, Deputy Chief Operating Officer, Smart & Sustainable Communities
Alia Khouri, Deputy Chief Operating Officer, General Services
Johnnie Perkins, Jr., Deputy Chief Operating Officer, Public Utilities
Kyle Elser, Interim City Auditor
Douglas Edwards, Director, Personnel
Department of Finance Staff

Budget Inquiry Position

Last Refreshed: 01:45 PM 05/08/2020

Fiscal Year: 2021**Projection ID: 2751****Fund: 100000 - General Fund****Business Area / Division: 1215 - City Auditor**

Reporting Job Number	Reporting Job Class Number	Reporting Job Name	Job Number	Job Class Number	Job	Full-Time Equivalent	Personnel Expenditures
20001135	2175	Performance Auditor	20001135	2175	Performance Auditor	17.00	\$2,297,966
20001233	2281	Assistant to the Director	20001233	2281	Assistant to the Director	2.00	\$248,938
20001252	2109	City Auditor	20001252	2109	City Auditor	1.00	\$236,824
21000000	2285	Assistant City Auditor	21000000	2285	Assistant City Auditor	1.00	\$164,736
21000001	2284	Performance Audit Manager	21000001	2284	Performance Audit Manager	1.00	\$272,104
Total						22.00	\$3,220,568