

CITY OF SAN DIEGO  
OFFICE OF THE INDEPENDENT BUDGET ANALYST

SNAPSHOT OF REPORTS AND ACTIVITIES  
JUNE 2008

**Highlights of Major Reports Issued:**

**“FY 2009 Budget Deliberations”**

[Report No. 08-61](#) (6/6/08) (PDF: 38K) [Attachment](#) (5/30/08) (PDF: 5.2Mb)

On June 4, 2008, the Budget & Finance Committee held its last hearing and deliberations on the FY 2009 Proposed Budget, including the final recommended revisions by the Independent Budget Analyst (IBA Report 08-57). The committee took public comment, heard from City staff and discussed various options presented to them. At the conclusion of the meeting, the committee voted 4-0 to forward the IBA’s recommendations to the full City Council for discussion, along with a number of referrals to staff for more information. To reflect the discussion at the Committee meeting, the IBA presented this report which reflects modifications made to the original IBA proposal, and feedback from the CFO.

At the June 9th City Council meeting, the City Council adopted the modified IBA proposal, resulting in the addition of 61.85 full-time equivalents (FTEs) at a cost of \$4.3 million to the Mayor’s FY 2009 Proposed Budget. Positions were predominantly restored to the Park and Recreation and Library Departments. Funding was identified primarily through the increased use of franchise fees from the Environmental Growth Fund, and an increase to the loan payments from the Redevelopment Agency’s downtown Centre City project area. On June 16, the Mayor exercised his line-item veto on the City Council approved modifications, which the City Council subsequently voted to override on June 23, retaining the modifications as originally adopted.

**“Update on Managed Competition Issues”**

[Report No. 08-65](#) (6/12/08) (PDF: 37K) [Attachment 1](#) (PDF: 243K) [Attachment 2](#) (PDF: 98K)

On May 28, 2008, representatives from the Mayor’s Office, the Office of the Independent Budget Analyst, Councilmember Atkins’ office, the labor organizations, and the Center for Policy Initiatives (CPI) met to discuss outstanding issues and concerns related to the managed competition process. These issues include: 1) clarifying the role of the Independent Review Board; 2) discussing an accelerated step for determining which functions proceed to competitive procurement; 3) review and approval of preliminary statement of work; 4) status of issues raised by the Center for Policy Initiatives (CPI); 5) pre-screening of proposals to ensure 10% savings requirement is met; and 6) status of changes to the Business Process Reengineering Ordinance. It is expected that the resolution of these issues would result in recommended changes to the Managed Competition Guide, possible amendments to the Managed Competition implementing

ordinance, and/or the Business Process Reengineering ordinance, subject to City Council review and approval.

At the June 18 Budget Committee meeting, the Committee members voted to move these items forward to the City Council, with direction that work continue among all parties to resolve remaining outstanding issues.

**“Implementing Proposition C: Suggested Process for Appointing New Audit Committee”**

[Report No. 08-67](#) (6/19/08) (PDF: 41K)

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. Specifically, the new Charter language calls for a reconfigured Audit Committee comprised of two members of the City Council (one to serve as Chair of the Committee) and three public members. The Audit Committee is currently comprised of three Councilmembers. This report reviews the new Charter language requirements for composition of the Audit Committee and makes implementation process suggestions.

At the June 23rd Audit Committee meeting, the IBA was directed to schedule both the selection of the Council representative and the appointment of outside financial experts to the screening committee for City Council consideration before the August legislative recess, if possible.

**Next Steps in Budget Process:**

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|-------------------|--|
| Wednesday, July 9 | Budget and Finance Committee Review of FY 2009 Appropriation Ordinance and Statement of Budgetary Principles                                     |
| 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. 08-68](#) (6/25/08) (PDF: 26K)

[Attachment](#) (6/25/08) (PDF: 1.2Mb)

Response to Grand Jury Report Titled "San Diego City Development Services Department: Professionals in a Maze"

**Other IBA Reports Issued this Month (continued):**

[Report No. 08-66](#) (6/12/08) (PDF: 27K)

Modernization of Elevators at the City Administration Building and Evan V. Jones Parking Facility

[Report No. 08-64](#) (6/12/08) (PDF: 158K)

Proposed Amendment to the Municipal Code Regarding Allocation of Transient Occupancy Tax Revenue

[Report No. 08-63](#) (6/6/08) (PDF: 54K)

Review of Fiscal Year 2008 Year-End Appropriation Adjustments

[Report No. 08-62](#) (6/5/08) (PDF: 34K)

Grants & Gifts Business Process Reengineering (BPR)

[Report No. 08-60](#) (6/5/08) (PDF: 23K)

[Attachment](#) (6/5/08) (PDF: 30K)

Protocols for Presenting Internal Audit Reports

[Report No. 08-59](#) (6/5/08) (PDF: 31K)

Fiscal Year 2009 Tax and Revenue Anticipation Note

[Report No. 08-58](#) (6/5/08) (PDF: 26K)

[Attachments](#) (6/5/08) (PDF: 2.1Mb)

Response to Grand Jury Report Titled "History Hysteria: Historical Resources in The City of San Diego"