

**THE COMMITTEE ON BUDGET AND FINANCE
OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO**

**ACTIONS FOR
WEDNESDAY, SEPTEMBER 26, 2007, AT 9:00 A.M.**

**COUNCIL COMMITTEE ROOM (12TH FLOOR),
CITY ADMINISTRATION BUILDING
202 C STREET, SAN DIEGO, CALIFORNIA**

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NON-AGENDA PUBLIC COMMENT: None.

COMMITTEE COMMENT: None.

CITY ATTORNEY, IBA, AND MAYORAL STAFF COMMENT: None.

ADOPTION AGENDA

Approval of the Record of Action Items for September 12, 2007

ACTION: Motion by Councilmember Faulconer, second by Councilmember Frye, to approve.

VOTE: 3-0; Atkins-yea, Peters-not present, Faulconer-yea, Frye-yea, Madaffer-not present

ITEM-1: Report from the Director of Management regarding PROPOSED DEBT MANAGEMENT POLICY

(See Independent Budget Analyst's Report No. 07-92; Jay Goldstone's September 18, 2007, memorandum)

ACTION: Motion by Council President Peters, second by Councilmember Faulconer, to recommend forwarding the proposed Debt Policy to the full Council for approval, with the following changes and additions:

1. The Redevelopment Agency and the Housing Authority are requested to also adopt debt policies which would then be incorporated as appendices to the City Debt Policy;
2. That the policy be reviewed by Mayor's staff annually with any needed

ACTIONS
Committee on Budget and Finance
September 26, 2007

- 2 -

- changes recommended to Budget and Finance Committee;
3. That the materials provided to the full City Council for their review when considering the proposed Debt Policy include analysis and recommendations, as appropriate, by the Independent Budget Analyst and a legal opinion from the City Attorney regarding whether the annual review of the Debt Policy should include a review of all of the City's financial obligations;
 4. That operations and maintenance costs for capital improvement projects be discussed before the time financing is proposed and a recommendation for the upcoming budget made at that time;
 5. That Debt Management is requested to develop a proposed policy for Variable Rate Debt and Derivative Options for consideration by the Committee at a future time; and
 6. To repeal Council Policy 800-3, Public Infrastructure Financing Assessment Districts and Community Facilities.

VOTE: 4-0; Atkins-yea, Peters-yea, Faulconer-yea, Frye-yea,
Madaffer-not present

ITEM-2: Report from the Chief Financial Officer regarding PROPOSED RESERVE POLICY

(See Independent Budget Analyst's Report No. 07-90; Jay Goldstone's September 26, 2007, memorandum)

ACTION: Motion by Council President Peters, second by Councilmember Madaffer, to recommend forwarding the proposed Reserve Policy to the full Council for approval, with the following changes and additions:

1. That the second sentence on page 5, in the section on Dedicated Reserves, which reads as follows be deleted: "These funds shall automatically carry over to future budget years and not require any further appropriation of funds by the City Council as long as the funds are used for the pre-identified purpose(s)." The Chief Financial Officer is requested to suggest alternative language for the Council's consideration when it takes up the proposed Reserve Policy; and
2. That all recommendations by the Independent Budget Analyst be included in the policy.

VOTE: 5-0; Atkins-yea, Peters-yea, Faulconer-yea, Frye-yea,
Madaffer-yea

ACTIONS
Committee on Budget and Finance
September 26, 2007

- 3 -

ITEM-3: Report from the Chief Financial Officer regarding REPEAL AND REPLACEMENT OF THE BUSINESS PROCESS RE-ENGINEERING ORDINANCE

(See Mayor's Executive Summary Sheet dated September 18, 2007; Chief Operating Officer's September 26, 2007, PowerPoint)

ACTION: Motion by Council President Peters, second by Councilmember Madaffer, to continue the item for 60 days.

VOTE: 5-0; Atkins-yea, Peters-yea, Faulconer-yea, Frye-yea, Madaffer-yea

ITEM-4: Information AUDITOR'S CHARTER SECTION 39 REPORT: PERIOD THIRTEEN AND FISCAL YEAR 2007 YEAR END by the Comptroller

(See City Comptroller's September 26, 2007, report; City Comptroller's September 26, 2007, PowerPoint)

ACTION: Motion by Councilmember Faulconer, second by Councilmember Madaffer, to receive the report.

VOTE: 3-0; Atkins-yea, Peters-not present, Faulconer-yea, Frye-not present, Madaffer-yea

Toni Atkins
Chair