

RESOLUTION NUMBER R- 299665

ADOPTED ON SEP 20 2004

WHEREAS, in the Fall of 2003 certain errors were discovered in the City of San Diego's Comprehensive Annual Financial Report; and

WHEREAS, in January of 2004, the City filed disclosure relating to those errors, and relating to the City's obligation to fund the San Diego City Employee's Retirement System; and;

WHEREAS, in early February of 2004 the City sought expert legal advice to address the sufficiency of the City's disclosure under the federal and state securities laws; and

WHEREAS, the City retained the services of Mr. Paul Maco, Esq., and the law firm of Vinson & Elkins LLP to investigate and report on the City's disclosure and disclosure practices from 1996 through the present; and

WHEREAS, subsequent to the retention of Mr. Maco and Vinson & Elkins the City was informed by the Securities and Exchange Commission, and the United States Attorney's Office for the Southern District of California that each office had initiated investigations into certain City financial matters; and

WHEREAS, Mr. Maco and Vinson & Elkins have completed their investigation and report; and

WHEREAS, a presentation on the report was made to the City Council in an open and public hearing on September 20, 2004; NOW THEREFORE,

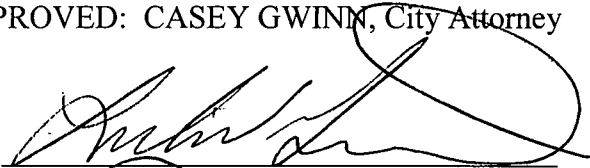
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BE IT RESOLVED, by the Council of the City of San Diego, that the City Attorney is hereby directed to return to the City Council on September 28, 2004, with the necessary and appropriate actions for City Council consideration to implement the ordinance as recommended in the Report.

BE IT FURTHER RESOLVED, that the City Manager and City Attorney are hereby directed to study the Report and return to the City Council on September 28, 2004, with any necessary or appropriate comment on the ordinance as recommended in the Report.

APPROVED: CASEY GWINN, City Attorney

By



Leslie J. Girard
Assistant City Attorney

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