



THE CITY OF SAN DIEGO  
**MANAGER'S REPORT**

DATE ISSUED: April 6, 2005 REPORT NO. 05-085

ATTENTION: Honorable Mayor and City Council  
Docket of April 11, 2005

SUBJECT: Mayor – Council Transition: Consultant Report on the Independent  
Budget Analyst

SUMMARY

THIS IS AN INFORMATION ITEM ONLY. NO ACTION IS REQUIRED ON THE PART OF THE CITY COUNCIL.

BACKGROUND

On March 1, 2005, the Mayor and City Council authorized the City Manager to enter into a contract with the consulting team of Dewey Square Group for assistance with the Mayor – Council Transition process relating to the Legislative Branch. The City Council also identified the top priorities on the work plan as those tasks that would most likely have associated budgetary impacts. Because of this, discussion needs to occur and decisions must be made on these issues prior to finalizing the FY 2006 budget.

The first priority on the work plan is the consideration of the new Office of Independent Budget Analyst. City staff has been working with the Dewey Square Group over the past month in order to bring forward thoughtful considerations obtained from research and comparative analysis of other cities throughout the country. The Independent Budget Analyst Report was distributed to the Mayor, City Council, Citizens Advisory Committee and posted on the City's web site on March 30, 2005. In response to initial feedback from the Citizens Advisory Committee and staff, the consulting team prepared an Executive Summary to synthesize their findings. The Executive Summary and Independent Budget Analyst Report are included as Attachment A.

## DISCUSSION

Proposition F, approved by the voters last November, states that:

*“The Council shall have the right to establish an Office of Independent Budget Analyst to be managed and controlled by the Independent Budget Analyst. The Council shall appoint this independent officer who shall serve at the pleasure of the Council and may be removed from Office by the Council at any time. The Council shall determine the powers of this Office and its manager by ordinance.”* [Charter Section 270(f)]

To provide the Council with a framework for discussion, the City’s consulting team has conducted both academic and anecdotal research of cities throughout the country that have structures and/or experiences that would be applicable to the City of San Diego’s transition. The consultant’s report describes in greater detail case studies of cities that have undergone similar transitions and implemented varied independent budget functions as part of their governmental structure.

The consulting team researched several large cities whose government structures are similar to San Diego’s proposed structure including Los Angeles, Detroit, Indianapolis, Jacksonville, San Francisco, and Kansas City. The cities of Chicago, Houston, Philadelphia, and Oakland were not evaluated because they do not have an independent budget function as part of their government structure. New York City was not analyzed because the Independent Budget Analyst serves the public at large and does not serve the City Council as an entity. The cities of Phoenix, San Antonio, Dallas and San Jose all operate under a Council–Manager form of government therefore were not evaluated.

The City Manager’s staff carefully reviewed the consultant’s report and Executive Summary which contains specific considerations for the City Council to make in order to define the structure of the new Office of the Independent Budget Analyst. Once the City Council provides direction in terms of the duties they want the Independent Budget Analyst to perform, staff size, and staff qualifications, City staff will be better equipped to make any further recommendations. Ultimately it will be the City Council’s decision to determine the makeup of the new Office of the Independent Budget Analyst.

However, in light of the current fiscal climate that the City of San Diego is facing, the City Manager recommends that the City Council consider utilizing existing resources wherever possible by reallocating current staff members to new functions. Once we have begun implementation of the new form of government and better understand the specific needs, we will be better equipped to make budgetary recommendations for the next fiscal year.

### Future Discussion Topics

Staff is continuing to work with the Dewey Square Group to gather information on other aspects of the transition process. Future meetings will include reports on issues such as the potential for an Office of Legislative Analyst, Council Committee structure, Presiding Officer of the Council as well as a comprehensive schedule of transition tasks.

### Ad Hoc Citizens Advisory Committee

As you know, an Ad Hoc Citizens Advisory Committee was formed for the purpose of providing public input throughout the Mayor – Council transition process as well as to serve as an important link between communities and City government. It is our understanding that the Citizens Advisory Committee will provide input at the April 11, 2005 City Council meeting.

Respectfully submitted,

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Deputy City Manager

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Beth A. Murray  
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Herring / BAM

[Attachment A: Consultant Report on the Independent Budget Analyst\\*](#)

\* Due to the number of pages, Attachment A had a limited distribution. A complete version of Attachment A can be viewed at the City Clerk's office or online on the City's web page under City Manager's Report No. 05-085.