



**THE COMMITTEE ON CHARTER REVIEW
OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO**

**Council President Sherri S. Lightner, Chair
Councilmember Chris Cate, Vice Chair
Councilmember Mark Kersey
Councilmember Marti Emerald**

**ACTIONS FOR THE COMMITTEE MEETING OF
THURSDAY, APRIL 16, 2015 AT 2:00 P.M.
CITY ADMINISTRATION BUILDING
COMMITTEE ROOM – 12TH FLOOR
202 “C” STREET, SAN DIEGO, CA 92101**

**For Information, contact Steven Hadley, Council Committee Consultant
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ROLL CALL

Committee members present: Lightner, Cate, Emerald
Committee members absent: Kersey

APPROVAL OF COMMITTEE ACTIONS

The Committee Record of Actions of the following meeting was approved by Unanimous Consent:

March 5, 2015

NON-AGENDA PUBLIC COMMENT :

John Stump requested that the ethics and lobbying rules be the same for the Mayor and the Council.

Beryl Flom on behalf of the League of Women Voters thanked the Committee for making

agendas available a week ahead of meetings, expressed support for adding a preamble to the Charter, suggested that articles IV, V and VX be consolidated because they all address the executive branch of city government, delete dollar figures from the Charter, and amend the Charter to required that contracts include sufficient funding for oversight and monitoring and take into consideration local contractors who may not necessarily have the lowest bid.

COMMITTEE MEMBERS, MAYOR, INDEPENDENT BUDGET ANALYST, CITY ATTORNEY, CITY CLERK, DIRECTOR OF LEGISLATIVE AFFAIRS COMMENT :

Felipe Monroig updated the Committee on previous referrals made to City staff regarding sections 32.1, 35 and 129.

REQUESTS FOR CONTINUANCE: None

DISCUSSION AGENDA :

ITEM-1: Consideration of the Chief Financial Officer’s recommendation to change the language “Auditor and Comptroller” to read “Chief Financial Officer” and “Manager” to read “Mayor” in Article VII.

Motion by Councilmember Emerald to approve the recommended changes and direct the City Attorney to return with draft ballot language in January 2016 for final review and submittal to the City Council for possible inclusion on the June 2016 ballot. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

ITEM-2: Report from the Independent Budget Analyst asking the Committee to consider whether certain budget processes, principles and/or practices should be included in the City Charter.

Point #1, Five-Year Financial Outlook

Items for consideration:

1. Require the Mayor issue an updated Outlook annually.

2. Include timing of the release (e.g. no later than November of each year.)
3. Major components that should be addressed by the Mayor in the Outlook.

Motion by Councilmember Emerald to request the Committee Consultant, Independent Budget Analyst and Mayor's staff return with recommended language for the items in Point #1, and a recommendation as to whether the items should be placed in the Charter, Municipal Code or a Council Policy. Second by Chair Lightner

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

Point #2, General Reserve Funds

Considered as part of ITEM-3: P) § 91

Point #3, City Council Budget Priorities Resolution

Item for consideration:

Include a reference to the Council's Budget Priorities Resolution process and timing.

Motion by Councilmember Cate to request the Committee Consultant, Director of Legislative Affairs, Independent Budget Analyst, and Mayor's staff return with recommended Municipal Code language for the item in Point #3. Second by Councilmember Emerald.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

Point #4, Mid-Year Council Budget Amendment Authority

Items for consideration:

1. Include the Council's Mid-Year Budget Amendment Authority in the

Charter.

2. Give the Council the sole authority to initiate Mid-Year Revisions.

Motion by Councilmember Emerald to request the Independent Budget Analyst and relevant City staff return with an analysis of the pros and cons of including the items in Point #4 in the Charter as opposed to the Municipal Code. Second by Chair Lightner.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

Point #5, Capital Project Planning and Program Development

Items for consideration: Incorporate in the Charter:

1. The Multi-Year Capital Plan.
2. State of the CIP semi-annual reports.
3. Elements of the Council Policy on CIP Transparency.
4. Elements of the Council Policy on CIP Neighborhood Input on Infrastructure.

Motion by Councilmember Emerald to request the Independent Budget Analyst and relevant City staff return with recommended Municipal Code language for the items in Point #5. Second by Councilmember Cate.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

Point #6, Budgetary Cooperation and Communication Between the Executive and Legislative Branches

Considered as part of ITEM-3: A) § 69

Point #7, Reporting Performance Results

Item for consideration:

1. Incorporate a requirement for the Mayor to provide performance reports to the Council and public.

Motion by Councilmember Emerald to request the Independent Budget Analyst, Mayor's Office and relevant City staff return with recommended "high level" Charter language for the item in Point #7. Second by Chair Lightner.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

Point #8, Appropriation Ordinance

Considered as part of ITEM-3: C) § 71

Point #9, Key Budget Dates, Call for Budget Hearings, and Mid-Year Budget Monitoring Report.

Items for consideration: Incorporate required timeframes for:

1. The Mayor's annual release of the Multi-Year Capital Plan and the Five-Year Outlook.
2. City Council's annual adoption of the Budget Priorities Resolution.
3. Annual departmental/agency budget hearings to be held by the Budget Review Committee.
4. Requirement and timing for the Mayor's May Revise.

Motion by Councilmember Cate to request City staff review current Charter language and return with streamlined language. Second by Councilmember Emerald.

Passed by the following vote:

Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

ITEM-3: Consideration of the following Charter Article VII Sections including but not limited to the options, suggestions or recommendations from the presenters noted parenthetically in italics:

A) § 69 Fiscal Year and Manager's Estimate

- 1) Move the section to Art. XV (*City Attorney*)

Motion by Councilmember Cate to support the recommended rewrite of section 69, but leave it in article VII. Second by Chair Lightner.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

- 2) Print a reasonable number of copies of the budget and distribute 15 days before final passage, distributing particularly to the newspapers and all public libraries. (*Mayor's Office*)

Motion by Councilmember Cate to approve the Mayor's recommendation. Second by Councilmember Emerald

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

- 3) Amend the section to set April 15 as the date for the release of the annual budget, change "Manager" to "Mayor" throughout the section, enable the Mayor to set a schedule as well as the form of the departmental annual budget estimate submittals, and specify that the Mayor instead of the Council shall provide for public access to the budget document through digital or hard copy formats and the City's website. (*Chief Financial Officer*)

Motion by Councilmember Cate requesting the Mayor and relevant City

staff return with shorter, plain language incorporating the Chief Financial Officer's recommendations. Second by Councilmember Emerald

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

- 4) Amend the Charter to enable the City Council to make mid-year budget adjustments based on a set of established criteria. (*Independent Budget Analyst*)

By consent, incorporated in the earlier action on section 69 point #4, Mid-Year Council Budget Amendment Authority

B) § 70 Power to Fix Salaries

- 1) Delete the limiting language and conform to section 290 and the Meyers-Milias-Brown Act. (*City Attorney*)

Motion by Councilmember Emerald to approve the City Attorney's recommendation, and request the Mayor and relevant City staff return with language incorporating section 290 into section 70. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

- 2) Clarify the departments for which the City Council sets the salaries. (*Chief Financial Officer*)

Motion by Councilmember Cate to request the Chief Financial Officer and relevant City staff return with language for section 70 incorporating the recommended clarification. Second by Councilmember Emerald.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

C) § 71 Preparation and Passage of Annual Appropriation Ordinance

- 1) Combine the Council votes on the annual budget and appropriation

ordinance into one approval action. *(City Attorney, Chief Financial Officer, Independent Budget Analyst)*

Motion by Councilmember Cate to request the Chief Financial Officer, Independent Budget Analyst and City Attorney study the proposal further with the Committee's discussion in mind, and return with suggested language. Second by Chair Lightner.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

- 2) Incorporate section 71 with section 290 or a nearby section. *(City Attorney)*

Motion by Councilmember Emerald to place section 71 in the Charter article addressing financial issues rather than in section 290. Second by Chair Lightner.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

- 3) Specify that the Mayor instead of the Council will prepare the annual appropriation ordinance for Council approval. *(Chief Financial Officer)*

Motion by Councilmember Cate to request the Chief Financial Officer, Independent Budget Analyst and City Attorney study the proposal further with the Committee's discussion in mind, and return with suggested language. Second by Chair Lightner.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

- D) § 71A Re-appropriations at Beginning of Fiscal Year for Salaries and Maintenance and Support of Expenses
Incorporate the section with other appropriation provisions. *(City Attorney)*

Motion by Councilmember Emerald to repeal section 71A and roll the

language into section 71. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

E) § 72 Appropriation Accounts

- 1) Remove the requirement that a department notify the Chief Financial Officer by letter when a project is completed. *(Chief Financial Officer)*

Motion by Councilmember Emerald to approve the Chief Financial Officer's recommendation. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

- 2) Restore unexpended restricted funds to the fund from which they were appropriated instead of transferring them to the general fund. *(Chief Financial Officer)*

Motion by Councilmember Emerald to approve the Chief Financial Officer's recommendation. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

F) § 75 Annual Tax Levy

Simplify the section to state that any legally authorized taxes shall be levied not later than July of each fiscal year and transmitted to the tax collector. *(City Attorney, Chief Financial Officer)*

Motion by Councilmember Cate to approve the City Attorney's recommendation. Second by Chair Lightner.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None

Recused: None
Not Present: Kersey

G) § 77 Capital Outlay Fund

- 1) Revise the section to clarify the intended scope of real property interests intended to be affected. *(City Attorney, Chief Financial, Mel Shapiro)*

Motion by Councilmember Emerald to request the Chief Financial Officer and City Attorney return with shorter, plain language, clarifying the scope of real property interests referenced in the section. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

- 2) Amend the section to include debt service to acquire and construct public improvements as an appropriate use of the fund, and remove the reference to the Harbor Department in the last paragraph. *(Chief Financial Officer)*

Motion by Councilmember Emerald to approve the Chief Financial Officer's recommendation. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None
Recused: None
Not Present: Kersey

H) § 77A Provisions for Zoological Exhibits

- Expand the use of the Zoo tax to include capital maintenance and capital improvements in Balboa Park as appropriated annually by City Council. *(Independent Budget Analyst)*

Motion by Councilmember Emerald to request the City Attorney clarify the meaning of zoological exhibits and gardens in the section, and refer the discussion to the Environment Committee to see if it recommends any changes before considering the section further. Second by Chair Lightner.

Passed by the following vote:
Yea: Lightner, Cate, Emerald
Nay: None

Recused: None
Not Present: Kersey

I) § 78 Assessment and Collection of Taxes

Retain only the first sentence of the section, and add “or the City of San Diego” to the end of that sentence. *(Mayor’s Office)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

J) § 80 Money Required to be in Treasury

1) Amend the section to clarify that the requirement to certify funds is based on the actual or anticipated receipt of moneys before the maturity of the obligation. *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

2) Amend the section to allow contracts and expenditures to be made on phases of projects and transferred to other priority projects to the extent that money is in the Treasury. *(Councilmember Cate)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

K) § 81 Allotments

Remove the section, because it is obsolete. *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

L) § 82 Examination and Investigation of Claims by the Auditor and Comptroller

1) Amend the section to permit electronic funds transfer (ACH), wire or other forms of payment. *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

2) Move the section to the municipal code as a Comptroller’s role and responsibility. *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

M) § 83 Payment of Claims Against the City

Amend the section to permit electronic funds transfer (ACH), wire or other forms of payment; replace the references to warrants and check warrants with payments and replace the reference to vouchers with approval. *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

N) § 90 Contracting Bond Indebtedness

Set the voter approval requirement in accordance with State law instead of an automatic two-thirds majority. *(Independent Budget Analyst)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

O) § 90.3 Voter Approval for Major Projects Conferring Significant Private Benefit
Define the terms, “major public project” and “other public infrastructure.” *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

P) § 91 General Reserve Fund

- 1) Clarify the section to reflect the City’s current reserve structure. *(Independent Budget Analyst)*
- 2) Revert to pre-1962 language or be revised to more clearly state the purpose of maintaining sufficient cash on hand to meet all demands against the treasury until receipt of property taxes; and change the section title to avoid confusion with other reserve funds. *(City Attorney)*
- 3) Add a section requiring a “Stability Reserve,” including the conditions under which monies will be allocated to such a fund. *(Councilmember Cate)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

Q) § 103.1a Environmental Growth Fund

- 1) Streamline the section to reflect current practices and allow more flexibility in the use of the funds. *(Independent Budget Analyst)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

- 2) Remove the section or adjust the funding level. *(Chief Financial Officer)*

Due to time constraints, the sub-item was trailed to the May 14, 2015, meeting.

R) §110 Claims Against the City

Provide that claims against the City shall be submitted in accordance with state law. (*Mayor's Office, City Attorney*)

Motion by Councilmember Emerald to approve the City Attorney's recommendation. Second by Councilmember Cate.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

S) § 111 Audit of Accounts of Officers

Conform the requirements of the section to current practices, or conform what is practiced to what is currently written. (*Chief Financial Officer*)

Motion by Councilmember Emerald to request the City Auditor, Mayor and relevant city staff return with recommended language. Second by Councilmember Cate.

Passed by the following vote:

Yea: Lightner, Cate, Emerald

Nay: None

Recused: None

Not Present: Kersey

T) § 112 Appraisal of City Assets

1) Add Real Estate Assets Department to the section. (*Mayor's Office*)

No action taken. See the action taken on sub-item 2) below.

2) Remove the requirement that a proper balance sheet under classified heads be included in the annual budget and published in the annual report of the Auditor and Comptroller. Accounting of capital assets reported in the Comprehensive Annual Financial Report makes this requirement unnecessary. (*Chief Financial Officer*)

Motion by Councilmember Emerald to repeal section 112. Second by Councilmember Cate.

Passed by the following vote:
Yea: Lightner, Emerald, Cate
Nay: None
Recused: None
Not Present: Kersey

A handwritten signature in black ink that reads "Sherri S. Lightner". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Sherri S. Lightner
Chair