REVISED

THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: April 2, 2015

TO: Scott Chadwick, Chief Operating Officer

FROM: Mary Lewis, Chief Financial Officer

SUBJECT: Recommended Revisions to the City Charter

The Finance Branch recommends the following revisions to the City Charter for the Charter Committee's consideration.

ARTICLE III

LEGISLATIVE POWER

Section 23: Initiative, Referendum and Recall

The right to recall municipal officers and the powers of the initiative and referendum are hereby reserved to the people of the City. Ordinances may be initiated; and referendum may be exercised on any ordinance passed by the Council except an ordinance which by the provisions of this Charter takes effect immediately upon its passage; and any elective officer may be recalled from office. The Council shall include in the election code ordinance required to be adopted by Section 8, Article II, of this charter, an expeditious and complete procedure for the exercise by the people of the initiative, referendum and recall, including forms of petitions; provided that the number of signatures necessary on petitions for the initiation of an ordinance for the consideration of the Council shall be three percent of the registered voters of the City at the last general City election; that for the direct submission of a measure to the people it shall require a petition signed by ten per cent of the registered voters of the City at the last general City election; that for a referendum upon an ordinance passed by the Council it shall require a petition signed by five per cent of the registered voters of the City at the last general election; and that for the recall of an elected officer who is elected by all of the electors of the City, it shall require a petition signed by fifteen per cent of the registered voters of the City at the last general City election; and that for the recall of a Council member other than the Mayor it shall require a petition signed by fifteen percent of the registered voters of the Council District at the last general City election.

Suggested Change: 'Initiative, Referendum and Recall' – Increase petition threshold.

ARTICLE V

EXECUTIVE AND ADMINISTRATIVE SERVICE

Section 39: Chief Financial Officer

The Chief Financial Officer shall be appointed by the ~~City Manager~~ Mayor and confirmed by the City Council for an indefinite term and shall serve until his or her successor is appointed and qualified. The Chief Financial Officer shall be the chief fiscal officer of the City. He or she shall exercise supervision over all accounts, and accounts shall be kept showing the financial transactions of all Departments of the City upon forms prescribed by the Chief Financial Officer and approved by the ~~City Manager~~Mayor and the Council. Subject to the direction and supervision of the ~~City Manager~~Chief Operating Officer, the Chief Financial Officer shall be responsible for the preparation of the City's annual budget. He or she shall also be responsible for oversight of the City's financial management, treasury, risk management and debt management functions. He or she shall submit to the ~~City Manager~~Mayor and to the Council at least monthly a summary statement of revenues and expenses for the preceding accounting period, detailed as to appropriations and funds in such manner as to show the exact financial condition of the City and of each Department, Division and office thereof. No contract, agreement, or other obligation for the expenditure of public funds shall be entered into by any officer of the City and no such contract shall be valid unless the Chief Financial Officer shall certify in writing that the money required for such contract, agreement or obligation for such year is or will be in the treasury to the credit of the appropriation from which it is to be drawn and that it is otherwise unencumbered.~~there has been made an appropriation to cover the expenditure and that there remains a sufficient balance to meet the demand thereof~~. He or she shall perform the duties imposed upon chief municipal fiscal officers by the laws of the State of California, and such other duties as may be imposed upon him or her by ordinances of the Council, but nothing shall prevent the ~~City Manager~~Mayor from transferring to other officers matters in charge of the Chief Financial Officer which do not relate directly to the finances of the City. The Chief Financial Officer shall prepare and submit to the ~~City Manager~~~~Chief Operating Officer~~ Mayor such information as shall be required by the ~~City Manager~~~~Chief Operating Officer~~Mayor for the preparation of an annual budget. The Chief Financial Officer shall appoint his or her subordinates subject to the Civil Service provisions of this Charter. The authority, power and responsibilities conferred upon the Auditor and Comptroller by this Charter shall be transferred to, assumed, and carried out by the Chief Financial Officer.

Suggested Changes: Edits included above to make Section 39 consistent with Article VII - Section 80. Section 80 allows for actual or anticipated receipt of moneys for certification of funds, while Section 39 is more restrictive requiring an existing appropriation.

ARTICLE VII

FINANCE

This Article contains various references to the former Auditor & Comptroller. Revisions to this terminology are needed to reflect permanence of Strong Mayor form of government, e.g., Mayor, Chief Financial Officer, and City Comptroller.

Section 69: Fiscal Year and Manager's Estimate

The fiscal year of the City shall begin with the first day of July and shall end with the next succeeding 30th day of June. The Mayor shall present a balanced budget to City Council by April 15. ~~On or before the first meeting in May of each year the Manager shall prepare and submit to the Council a budget~~ of the expense of conducting the affairs of the City for the ensuing fiscal year. Departments not under the ~~Manager~~ Mayor shall submit their annual budget estimates to the ~~Manager~~Mayor, or to such official as he may designate, and in such form and schedule as he or she shall require ~~on or before April 1~~ for transmittal in proper form by the ~~Manager~~ Mayor to the Council. The budget shall include a summary outline of the fiscal policy of the City for the budget year, describing in connection therewith the important features of the budget plan; a general budget summary setting forth the aggregate figures of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated income and other means of financing the budget for the ensuing year, contrasted with corresponding figures for the current year. The classification of the estimate shall be as nearly uniform as possible for the main divisions of all Departments and shall furnish necessary detailed fiscal information.

The Mayor~~Council~~ shall provide for public access to the budget document though digital or hard copy formats, and by posting on the City's website ~~printing a reasonable number of copies of the estimate thus prepared,~~ for examination or distribution to citizens at least fifteen days before final passage. Copies shall also be furnished to the newspapers of the City and to each library thereof which is open to the public.

Suggested Changes: Revise Section 69 as indicated above.

Section 70: Power to Fix Salaries

The Council shall have the power to fix salaries of the ~~City Manager~~Independent Budget Analyst, the City Clerk,~~the City Treasurer~~ the City Auditor~~ and Comptroller~~, and all other officers under its jurisdiction. All members of Commissions shall serve without compensation except where otherwise provided by State law or this Charter. Except as otherwise provided by law, the City Manager and other departmental heads outside of the departments under control of

the City Manager shall have power to recommend salaries and wages subject to the personnel classification determined by the Civil Service Commission, of all other officers and employees within the total amount contained in the Annual Appropriation Ordinance for personal service in each of the several departments of the City Government. All increases and decreases of salary or wages of officers and employees shall be determined at the time of the preparation and adoption of the budget, and no such increase or decrease shall be effective prior to the fiscal year for which the budget is adopted; provided, however, that if during any fiscal year, the Council should find and determine that because of a significant change in living costs, the salaries and wages fixed for such fiscal year are not comparable to the level of other salaries and wages of other public or private employments for comparable services and as a result, the best interests of the City are not being protected or are in jeopardy, said Legislative Body, upon recommendation of the Manager or other department head, and if funds are available, may revise such salary and wage schedules to the extent necessary to protect the City's interests.

Section 71: Preparation and Passage of Annual Appropriation Ordinance

~~Upon receipt of the Manager's~~ The Mayor ~~estimate the Council~~ shall prepare an appropriation ordinance for City Council approval using such estimate as a basis. The form, arrangement and itemization of the appropriation ordinance shall be determined and prescribed by the Auditor and Comptroller, and City Attorney. Provision shall be made by the Council for a minimum of two (2) public hearings upon the appropriation ordinance either before a Committee of the Council or before the Council sitting as a committee of the whole. Following the public hearings the appropriation ordinances shall take the same course in the Council as other ordinances and shall be adopted during the month of July.

No Suggested Changes: The City Attorney's Office suggested in a memorandum dated February 5, 2015 that the approval of the Appropriation Ordinance occur when the budget is approved. This is not practically possible due to various adjustments that and the preparation of final schedules for approval. The Finance Branch does not suggest any change to the ***timing*** of the approval of the appropriation Ordinance.

Section 71a: Reappropriations at Beginning of Fiscal Year for Salaries and Maintenance and Support Expenses

If at the beginning of any fiscal year the appropriations necessary for the support of the various City offices, departments, services or institutions for such fiscal year shall not have been made, the several amounts appropriated in the Annual Appropriation Ordinance for the preceding year for the objects and purposes therein specified, so far as the same shall relate to salaries and wages and maintenance and support expenses, shall be deemed to be reappropriated for the several objects and purposes specified in said previous year's Annual Appropriation Ordinance until the Council shall adopt the Annual Appropriation Ordinance for the new fiscal year; and during such interim the ~~Auditor and Comptroller~~Chief Finance Officer shall approve the payments necessary for the support of the various City offices, departments, services and institutions on the basis of the appropriations of the preceding fiscal year.

Section 72: Appropriation Accounts

Accounts shall be kept by the ~~Auditor and Comptroller~~Chief Financial Officer for each item of appropriation made by the Council. Each such account shall show in detail the appropriations made thereto, the amount drawn thereon, the transfers made thereto, the unpaid obligations charged against it, and the unencumbered balance to the credit thereof. Upon completion of a project for which specific ordinance appropriation is made, it shall be the duty of the Director of the Department concerned at once to so notify the ~~Auditor and Comptroller~~Chief Financial Officer ~~by letter~~ of completion and clearance. The ~~Auditor and Comptroller~~Chief Financial Officer shall thereupon transfer any unexpended balance to the ~~general fund~~appropriate fund. If after one year from date of approval of such ordinance, the ~~Auditor and Comptroller~~Chief Financial Officer has not received notice of completion or that the work is not progressing, he **or she** shall without further consideration restore the unexpended balance in the item so set up to the ~~general~~ appropriate fund.

Suggested changes: Funds should not in all cases be restored to the General Fund. If there are restrictions on the funds from which the appropriation is made, the unexpended balance should be restored to that fund.

Sections 75 and 76: Annual Tax Levy and Limit of Tax Levy

Suggested Changes: These sections provide for ad valorem property tax levy with limit of $1.34 / $100 and 25% assessed valuation (AV) limit for debt. Recommend the City Attorney Office review to determine if it is consistent with Proposition 13 and other provisions of the California Constitution. In addition, the 25% AV limit for debt is too high a threshold and may warrant re-evaluation.

Section 77: Capital Outlay Fund

There is hereby created a fund in the City Treasury, to be known as the Capital Outlay Fund. Into this fund each year there shall be placed all moneys derived from taxation required or needed for capital outlay expenditures and all proceeds received from the sale of city-owned real property.

The moneys in the Capital Outlay Fund shall be used exclusively for the acquisition, construction and completion of permanent public improvements, and the debt service to acquire and construct public improvements, including public buildings and such initial furnishings, equipment, supplies, inventory and stock as will establish the public improvement as a going concern. This fund may also be used for the acquisition, construction, and completion of real property, water and sewer mains and extensions, and other improvements of a permanent character and also the replacement or reconstruction of the same, but not the ~~repair or~~ maintenance thereof, and shall

not be used for any other purpose or transferred from said fund, except with the consent of two-thirds of the qualified electors of said City, voting at a general or special election.

No moneys in said fund shall be transferred at the end of a fiscal year, but shall remain therein as trust moneys for the purposes above outlined, and the said fund shall be used and maintained, if possible, as a cash reserve to enable the City to meet public emergencies or acquire needed permanent public improvements without the issuance of bonds.

Each year the Council may appropriate from said fund in the Annual Appropriation Ordinances,~~except for use of the Harbor Department~~ sufficient moneys to care for the needs of the various departments of the City for capital outlay expenditures of a permanent character.

Suggested Changes: Full debt service, including principal and interest, should be an allowable expense of the monies in the Capital Outlay Fund. Currently only the principal portion of the debt service payment is an allowable expense. In addition, the City Attorney requested a definition of real property in the February 5, 2015 Memorandum. Real Property is defined as land and building permanently affixed to land. Easements/right of way is not real property and should be excluded by definition in this section.

Section 80: Money Required to Be in Treasury

No contract, agreement, or other obligation, involving the expenditure of money out of appropriations made by the Council in any one fiscal year shall be entered into, nor shall any order for such expenditure be valid unless the ~~Auditor and~~ Chief Financial Officer ~~Comptroller~~ shall first certify to the Council that the money required for such contract, agreement or obligation for such year is or will be in the treasury to the credit of the appropriation from which it is to be drawn and that it is otherwise unencumbered. The certificate of the ~~Auditor and Comptroller~~Chief Financial Officer shall be filed and made a matter of record in his office and the sum so certified as being in the treasury shall not thereafter be considered unencumbered until the City is discharged from the contract, agreement or obligation. All unencumbered moneys actually in the treasury to the credit of the appropriation from which a contract, agreement or obligation is to be paid and all moneys applicable to its payment which before the maturity thereof are anticipated to come into the treasury to the credit of such appropriation shall, for the purpose of such certificate, be deemed in the treasury to the credit of the appropriation from which the contract, agreement or obligation is to be paid.

Suggested changes: Finance recommends that the language be clarified so that the requirement to certify funds is based on the actual ***or anticipated receipt of moneys before the maturity of the obligation***.

Section 81: Allotments

The Manager shall be responsible for establishing internal budgetary allotments based on the allocations contained in the annual appropriation ordinance for each department of the City.

Suggested Change: This section is obsolete and should be eliminated. "Internal Budgetary Allotments" have no clear meaning or relevancy to the budget and expenditure controls.

Section 82: Examination and Investigation of Claims by the ~~Auditor and Comptroller~~ Chief Financial Officer

The ~~Auditor and Comptroller~~Chief Financial Officer shall examine all payrolls, bills, and other claims and demands, except claims for damages against the City, and shall issue no warrant or check-warrant for payment unless he or she finds that the claim is in proper form, correctly computed, and duly approved; that it is legally due and payable; that an appropriation has been made therefore which has not been exhausted; and that there is money in the treasury to make payment. He or she may investigate a claim and for that purpose may summon before him or her any officer, agent or employee of the City, any claimant or other person, and examine him upon oath or affirmation relative thereto, and if ~~he~~he or she finds a claim to be fraudulent, erroneous or otherwise invalid, ~~he~~he or she shall not issue a warrant or check-warrant therefore. If the ~~Auditor and Comptroller~~Chief Financial Officer issues a warrant or check-warrant on the treasury authorizing payment of any claim in contravention of the provisions of this Section, he or her and his or her sureties shall be jointly and severally liable to the City for the amount of such warrant or check-warrant if paid. All payrolls, bills and other claims and demands under the provisions of this section may be paid by ~~warrants or~~ check-warrants, ~~-~~electronic funds transfer (ACH), ~~or~~ wire or other form of payment as authorized by the provisions of Section 53911 of the Government Code of the State of California.

Suggested Change: This change brings current the forms of payment used by the City.

Section 83: Payment of Claims Against the City

No claim against the City shall be paid except by means of a check-warrant, electronic funds transfer (ACH), ~~or~~ wire or other form of payment authorized under the provisions of Section 53911 of the Government Code ~~or a warrant on the treasury issued by the Auditor and Comptroller~~. The ~~Auditor and Comptroller~~Chief Financial Officer shall issue no ~~warrant or check-warrant for the~~ payment of a claim unless the claim be evidenced by ~~voucher approved~~approval by the head of the Department or office for which the indebtedness was incurred, and each such officer and his or her surety shall be liable to the City for all loss or damage sustained by reason of his or her negligence or corrupt approval of any claim. No demand shall be allowed, approved, audited, or paid unless it shall specify each item of the claim and the date thereof; provided, however, that ~~warrants or check-warrants~~payments for salaries of officers and employees shall be allowed by the ~~Auditor and Comptroller~~Chief Financial Officer and paid regularly from the treasury without the necessity of any demand therefore or approval thereof as in this section prescribed for other claims.

Suggested Change: This change brings current the forms of payment used by the City.

Section 86: Disposition of Public Moneys

All City officials and employees empowered to collect money for fees, permits, licenses, inspections, services, taxes or other municipal charges, shall collect the same promptly at the time they become due, turn them into the City Treasury daily, obtain a receipt therefore, and report the same to the Chief Financial Officer ~~weekly~~ daily; provided, however, that in the case of employees located in distant parts of the city or county who in the course of their duties collect money belonging to the City, which collections can be deposited in the City Treasury daily only with difficulty and undue cost to the City, such collections may be deposited in the City Treasury within one week after their receipt by the employee collecting the same. All such moneys and all fines or pecuniary penalties or forfeitures which may accrue to the City, and all funds which may remain in the possession of the City unclaimed after a period of one year from the date when due and payable, shall be credited to the ~~general~~ appropriate fund of the City, and shall be applicable to any purpose to which the Council may appropriate them and the Council shall appropriate from this fund whatever sum may be necessary to pay valid claims of more than one year's standing.

Suggested Changes: **Change to Lines 1- 4:** This is very important language that carries considerable weight for the Office of the City Treasurer's deposit process and should remain intact with the important change from *weekly* to ***daily***: "…and report the same to the Chief Financial Officer **daily**". Treasury Accounting can't reconcile with the General Ledger until deposits are recorded. We reconcile daily with the bank (Deposit Upload) and follow-up on all discrepancies. **Daily deposits are essential.**

Change to Line 12: If there are unclaimed payments from restricted sources, the unclaimed payments should be credited to the appropriate restricted fund. Consistent with suggested change to Section 72.

Section 87: Uniform Accounts and Reports

The ~~Auditor and Comptroller~~Chief Financial Officer shall prescribe uniform forms of accounts which shall be observed by all officers and Departments of the City which receive or disburse City moneys. Whenever an act shall be passed by the legislature of the State providing for uniform municipal accounts or reports, the City Council may elect to conform thereto.

Section 89: Monthly Statements by the ~~Auditor and Comptroller~~Chief Financial Officer

The ~~Auditor and Comptroller~~Chief Financial Officer shall prepare for submission to the Council at least monthly, or when requested, a summary statement of revenues and expenses for the preceding accounting period, detailed as to appropriations and funds in such manner as to show the exact financial condition of the City and of each Department and Division thereof as of the last day of the previous accounting period.

Sections 90.1: Waterworks

Suggested Change: This section requires an election among "qualified voters" for water revenue bonds. Recommend a review by the City Attorney's Office to determine if this section comports with state law. The City issues Water bonds using the State Special Fund Exception. This section may be obsolete.

Sections 90.2: Sewer

Suggested Change: Same issue as in section 90.1 in that it requires an election among "qualified voters" for sewer revenue bonds. Recommend City Attorney review to determine relevancy of the section to State law.

Section 90.3: Voter Approval for Major Public Projects Conferring Significant Private Benefit

Suggested Change: Recommend review by the City Attorney of this voter approval provision on Public/Private Partnerships. This language may conflict with P3 possibilities for core infrastructure if voter approval is a strict requirement under the Charter. Revise to allow for P3 partnerships.

Subsection II. 90.3 (b) (1), The terms, "major public project" and the exception, "other public infrastructure" should be defined to clarify.

Section 99: Continuing Contracts

Suggested Change: Contracts of more than 5 years require 2/3 City Council approval by ordinance after a public hearing. To enhance efficiencies, the Section should be amended to change the requirement to approval by resolution with 2/3 Council approval, thus eliminating the requirement for two readings.

Section 110: Claims Against the City

Whenever it is claimed that the City of San Diego is liable to any person because of injuries suffered by such person, either to person or property, because of negligence of the City or its officers, a verified claim for damages shall be presented in writing and filed with the designated City official of the City of San Diego within one hundred (100) days after the occurrence giving rise to the claim for damages.

Whenever it is claimed that the City of San Diego is obligated to pay money to any person because of contract or by virtue of operation of law, a demand or claim for such money shall be presented in writing and filed with the ~~Auditor and Comptroller~~Chief Financial Officer of the City of San Diego within one hundred (100) days after the last item of the account or claim has accrued.

Each claim for damages because of tort shall specify the name and address of the claimant, the date and place of the accident and the extent of the injuries or damages received.

Each claim or demand for money due because of contract or operation of law shall specify the name and address of the claimant, a brief description of the contract or a brief recital of the facts giving rise to the obligation of the City imposed by law.

The time limit of one hundred (100) days shall not begin to run against a claimant whose claim or demand for money due is because of operation of law until such claimant shall have actual notice of the existence of such claim.

No suit shall be brought on any claim for money or damages against The City of San Diego until a demand for the same has been presented, as herein provided.

Suggested Change: We believe this Article conflicts with the California Government Code for claim filing deadlines. Request the City Attorney's Office modify Article VII, Section 110 to conform to the California Government Code requirements.

Section 103.1a Environmental Growth Fund

The EGF is currently funded with 25% of the revenue collected from gas and electric franchise fees. Is the continuation of this provision and/or the 25% funding level an appropriate Charter section or should the section be written to allow for a policy determination by City Council?

Section 111: Audit of Accounts of Officers

Each year the Council shall provide that an audit shall be made of all accounts and books of all the Departments of the City. Such audit shall be made by independent auditors who are in no way connected with the City. Upon the death, resignation or removal of any officer of the City, the City Auditor shall cause an audit and investigation of the accounts of such officer to be made and shall report to the Audit Committee. Either the Audit Committee or the Council may at any time provide for an independent examination or audit of the accounts of any or all officers or Departments of the City government. In case of death, resignation or removal of the City Auditor, the Audit Committee shall cause an audit to be made of his or her accounts. If, as a result of any such audit, an officer be found indebted to the City, the City Auditor, or other person making such audit, shall immediately give notice thereof to the Audit Committee, the Council, the ~~Manager~~ Mayor and the City Attorney, and the latter shall forthwith proceed to collect such indebtedness.

Section 112: Appraisal of City Assets

The ~~Auditor and Comptroller~~Chief Financial Officer shall show in his or her records the cost or value of all real estate, buildings, structures, furniture and fixtures, equipment and property of any kind owned by the City, and may require every officer or Commission to assist him or her in procuring the data required therefore. Proper depreciation shall be made of all property of any kind which is used by the City for utility purposes. ~~A proper balance sheet under classified heads shall be presented to the Manager for inclusion in the annual budget and shall be published in the annual report of the Auditor and~~~~Office of the City Comptroller. This balance sheet shall show all convertible and other assets and all liabilities of the City.~~

Suggested Changes: This section is outdated and should be eliminated or at minimum modified as shown above. Accounting of capital assets is conducted in accordance with Generally Accepted Accounting Principles for municipal governments and reported in the City's audited Comprehensive Annual Financial Report (CAFR).

Section 114 Bureau of Information and Publicity

Suggested Change: Eliminate this section. It appears to be obsolete.

ARTICLE VIII

Civil Service (Sections 115-139)

Section 129.1: Removal of Striking Employees
This provision appears to be obsolete as it appears to be in conflict with current laws.

Responses to the Office of the City Attorney Memorandum dated February 5, 2015

Charter Section 71: Preparation and Passage of Annual Appropriation Ordinance

~~Upon receipt of the Manager's~~ The Mayor ~~estimate the Council~~ shall prepare an appropriation ordinance for City Council approval using such estimate as a basis. The form, arrangement and itemization of the appropriation ordinance shall be determined and prescribed by the Auditor and Comptroller, and City Attorney. Provision shall be made by the Council for a minimum of two (2) public hearings upon the appropriation ordinance either before a Committee of the Council or before the Council sitting as a committee of the whole. Following the public hearings the appropriation ordinances shall take the same course in the Council as other ordinances and shall be adopted during the month of July.

Suggested Changes: The City Attorney's Office suggested in the February 5, 2015 memorandum that the approval of the Appropriation Ordinance occur when the budget is approved. This is not practically possible due to various adjustments that and the preparation of final schedules for approval. The Finance Branch does not suggest any change to the ***timing*** of the approval of the appropriation Ordinance.

Charter Section 71a: Reappropriations at Beginning of Fiscal Year for Salaries and Maintenance and Support Expenses

No Change: The City Attorney's memorandum suggested that this section could be deleted. However, the Finance Branch recommends that this section remains as a standalone provision in the event continuing appropriations are needed to continue the operations of the City into the new fiscal year.

Charter Section 86 - Disposition of Public Moneys

When explaining the issue for Section 86, the CAO stated that the City is currently following the State process of holding unclaimed money for three years. This is incorrect; the City is currently following City Charter requirements holding unclaimed money for one year.

Suggested Change: Recommend revising the City Charter to be consistent with state law.

Charter Section 91 – General Fund Reserve

The Council shall ~~create and maintain a permanent revolving fund, to be known as the General Reserve Fund, for the purpose of keeping the payment of the running expenses of the City on a cash basis. Said fund shall be~~ maintain sufficient **unrestricted cash and investments in the City's cash and investment pool** in an amount sufficient to meet all legal demands against the treasury for the first four months or other necessary period of each fiscal year prior to the collection of taxes. **The balance of the City's cash and investment pool can be reduced below this level** ~~This fund may be expended~~ only in the event of a public emergency when it shall be determined by the affirmative vote of at least two-thirds of the members elected to the Council that such expenditures are necessary in order to insure the safety and lives and property of the City or its inhabitants.

Suggested Change: We agree with the changes proposed by the City Attorney to the Reserve Section and also propose the additional language changes noted above.

Mary Lewis

Mary Lewis
Chief Financial Officer

ML/cb

cc: Stephen Puetz, Chief of Staff, Office of the Mayor
Felipe Monroig, Deputy Chief of Staff, Office of the Mayor
Greg Bych, Director, Risk Management
Rolando Charvel, City Comptroller
Gail Granewich, City Treasurer
Lakshmi Kommi, Director, Debt Management
Tracy McCraner, Director, Financial Management