

### First Motion

Motion to classify recommendations on Interim Strong Mayor and Legislative Tightening as changes that are proposed for the 2008 ballot:

#### I. CHANGES PROPOSED FOR THE 2008 BALLOT

##### INTERIM STRONG MAYOR AND LEGISLATIVE TIGHTENING

1. Extends the trial period in Section 255 (Operative Date; Sunset of Article; Future Action by Voters) to December 31, 2014, at which point Article XV (Strong Mayor Trial Form of Governance) shall be made permanent, unless voters approve a ballot measure to extend, shorten or repeal the effective period of this Article.
2. Amends Section 285 (Enactment Over Veto) and Section 290 (Council Consideration of Salary Ordinance and Budget; Special Veto Power) to require a two-thirds Council majority vote to override a mayoral veto.  
(AND)  
Amends Section 285 (Enactment Over Veto) to require that if an ordinance or resolution requires a two-thirds vote or other supermajority vote greater than two-thirds of the Council to pass, then the number of Council votes necessary to override the Mayor's veto shall be one vote more than was necessary to pass the resolution or ordinance. (Also amends Section 290 (Council Consideration of Salary Ordinance and Budget; Special Veto Power) to correct an inaccurate reference to Section 71 as the Charter Section regarding a balanced budget; the language, such as it is at present, occupies Section 69.)
3. Amends Section 270 (The Council) to increase the number of Council districts from eight to eleven, with the redistricting to add the three additional districts to occur as soon as practicable.
4. Amends Section 270 (The Council) to clarify that Office of the Independent Budget Analyst is authorized under the Charter to act as a budgetary and policy analyst for the City Council.

The first motion was approved by Roll-call Vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sparrow; Negative = Gordon, Sorensen; Absent = Jones, McDade, Wilson.<sup>1</sup>

### Second Motion

Motion to classify recommendations on Financial Reform and the Kroll Report as changes that are proposed for the 2008 ballot:

#### I. CHANGES PROPOSED FOR THE 2008 BALLOT

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<sup>1</sup> Committee members Donna Jones, J. Michael McDade and Lei-Chala Wilson were unable to attend the final meeting of the Committee. However, they approved the Final Report in draft form, and signed the signature sheet that it includes. The Committee did not make any substantive changes to the items upon which these three Committee members had voted in prior meetings, and the Final Report presented on October 4, 2007 had already been edited in accordance with their directions, based on the draft issued September 27, 2007.

## FINANCIAL REFORM AND THE KROLL REPORT

5. Amends Section 39 (City Auditor and Comptroller) and Section 265 (The Mayor) to indicate that the Chief Financial Officer shall assume the responsibilities of the City Auditor and Comptroller (or "City Auditor and Controller"); amends Section 117 (Unclassified and Classified Officers) to clarify that the Chief Financial Officer remains exempt from civil service, as the City Auditor and Comptroller presently is by virtue of department head status.

(AND)

Amends Section 45 (City Treasurer) to remove the need for Council confirmation of the City Treasurer.

6. Adds a new Section 39.1 (Audit Committee) to establish an Audit Committee consisting of five members composed of two members of the City Council, one of whom shall serve as Chair, and three members of the public. The public members shall be appointed by the City Council from a pool of candidates to be recommended by a majority vote of a screening committee comprised of the Chief Financial Officer, the Independent Budget Analyst, the City Attorney or his or her designee, a member of the City Council and two outside financial experts.
7. Adds a new Section 39.2 (City Auditor) to establish a City Auditor who shall be appointed by the City Manager in consultation with the Audit Committee and confirmed by the City Council. The City Auditor shall be a Certified Public Accountant or Certified Independent Auditor. The City Auditor shall serve for a term of ten (10) years and report to the Audit Committee. The Audit Committee with a four-fifths vote may terminate the City Auditor with a right to appeal to the City Council who can override the Audit Committee's action with a two-thirds vote. Amends Section 111 (Audit of Accounts of Officers) to transfer auditing responsibilities of City Auditor and Comptroller to City Auditor and Audit Committee.
8. Amends Section 69 (Fiscal Year and Manager's Estimate) to require that the Manager propose and the Council adopt a balanced budget annually. The term "balanced budget" will mean sufficient funds are available to cover projected expenditures. The Manager shall monitor and report on the budget throughout the fiscal year and if he or she determines there will no longer be sufficient funding from all available sources to cover projected expenditures and encumbrances, the Manager shall propose revisions to keep the budget balanced. Within 60 days of the Manager's submission of these revisions, the Council shall adopt them or offer alternative ones to ensure a balanced budget. The Manager and Council shall take the necessary steps to ensure a balanced budget by the end of each fiscal year. The City shall post copies of the budget on appropriate electronic media, such as the internet, to allow the public full access to the document.

The second motion was unanimously approved by Roll-call vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

Third Motion

Motion to move the SDCERS status quo recommendation, which the Report had originally placed among the Financial Reform and the Kroll Report category, to an alternate section of the report, including items to which the Committee recommends no changes:

### III. ITEMS UPON WHICH NO CHANGES ARE RECOMMENDED

15. Recommends maintenance of the *status quo* in regard to the Board of Administration of the San Diego City Employees Retirement System. The recent Charter changes seem to be working well, despite recommendations by the Kroll Report for a board with a different number of members and different affiliations.

The third motion was approved unanimously by Voice-vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

#### Fourth Motion

Motion to classify recommendations on Duties of Elected Officials as changes that are proposed for the 2008 ballot:

#### I. CHANGES PROPOSED FOR THE 2008 BALLOT

##### DUTIES OF ELECTED OFFICIALS

9. Amend section 117 (Unclassified and Classified Services) to clarify that Police officers, fire fighters and lifeguards who participate in the Safety Retirement System are exempt from Managed Competition.
10. Amend Section 40 (City Attorney) to create professional qualifications for this Office, define the civil client as the municipal corporation of the City of San Diego, clarify authority over the control and settlement of litigation, and establish a process allowing a City entity to retain outside legal counsel (at the entity's own expense) when the City Attorney's Office may not provide legal advice due to an ethical or financial conflict of interest.

The fourth motion was approved by Roll-call vote: Affirmative = Bersin, Channick, Davies, Milliken, Mudd, Nelson, Roth; Negative = Cleves Anderson, Gordon, Kwiatkowski, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

#### Fifth Motion

Motion to re-classify the Salary Setting recommendation, so that it is listed among the recommendations on Duties of Elected Officials as changes that are proposed for the 2008 ballot; further to retain the "Later Ballot" classification proposed for the recommendations on Appointments to Outside Organizations, Personnel Director and Redevelopment Agency:

#### I. CHANGES PROPOSED FOR THE 2008 BALLOT

##### DUTIES OF ELECTED OFFICIALS

11. Repeal Section 24.1 (Mayor's Salary) and amend Section 12.1 (Councilmanic Salaries), Section 40 (City Attorney) and Section 41.1 (Salary Setting Commission) to alter the salary setting process for all elected officials. Henceforth, the Salary Setting Commission shall include individuals with particular expertise, authorized to examine all appropriate factors and establish the salaries of the Mayor, City Attorney and Council. The Council must adopt the Salary Setting Commission's

recommendations for salaries, and the Mayor may not veto them. The public will retain its referenda authority over the ordinance enacting these salaries.

## II. CHANGES PROPOSED FOR A LATER BALLOT

12. Amend Section 265 (The Mayor) to allow the Mayor to submit nominees for consideration when controlling law vests the power to appoint City representatives to boards, commissions, committees and governmental agencies in the City Council or a City Official other than the Mayor.
13. Amends Section 265 (The Mayor) to authorize the Mayor to act as the Chief Executive Officer of any organization established by federal or state law for which the City Council acts as the governing or legislative body. In this capacity, the Mayor will supervise the administrative affairs of these organizations, and hold the same administrative and procedural power and authority that the Mayor has in conducting City affairs, including the power of veto. This would institutionalize the Mayor's present position as Executive Director of the Redevelopment Agency.
14. Amend Section 265 (The Mayor) to allow the Mayor to appoint the Personnel Director, subject to Council confirmation, and to dismiss the Personnel Director without recourse.

The fifth motion was approved unanimously by Roll-call vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

### Sixth Motion

Motion to approve Municipal Code recommendations regarding the Audit Committee and City Auditor:

## IV. SUMMARY OF MUNICIPAL CODE PROPOSALS

16. The Subcommittee on Financial Reform offered draft language to provide an idea of its "legislative intent" for the actions of the Audit Committee. If the voters pass the Audit Committee Charter Amendment, then the Charter Review Committee has recommended language to codify the operations of the Audit Committee.
17. The Subcommittee on Financial Reform has offered draft language to provide an idea of its "legislative intent" regarding the types of auditing that the City Auditor should include in the Audit Plan. These include management audits, performance audits, and audits of the economy and efficiency of City operations. If the voters pass the City Auditor Charter Amendment recommended above, then the Committee has recommended language to codify the operations of the City Auditor.

The sixth motion was unanimously approved by Voice-vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

### Seventh Motion

Motion to forward list of items for further study by a later Charter Committee or Commission (parking lot):

V. ITEMS RESEARCHED, BUT NEEDING FURTHER STUDY BY A FUTURE CHARTER COMMITTEE OR COMMISSION

18. Appointment of City Attorney
19. Automatic Charter Review
20. Budgetary Authority
21. City Investment Policies
22. Filling Vacancies
23. Independent Budget Analyst's Status
24. Integration of Strong Mayor Concept into City Charter
25. Intergovernmental Relations
26. Mayor's Role in Closed Session
27. Possibility of Opting into CalPERS
28. Timing of Budget Process

The seventh motion was unanimously approved by Voice-vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

Eighth Motion

This was a motion to alter recommendations in accordance with staff input. The staff noted that some of the recommendations would have been problematic, as the Committee had originally approved them. Such items as clearly retaining the CFO's civil service-exempt status, avoiding gender references in the City Treasurer language, specifying a manner by which the screening committee would recommend candidates for the Audit Committee, needed to be fixed. None of these changes substantively altered the original recommendations by the full Committee. The Committee voted to approve all of these changes, and they are reflected in the language of the recommendations listed above. The eighth motion was unanimously approved by Voice-vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

Ninth Motion

This was a motion to approve the report, with a request that the Chair edit it to reflect both fixes to any typographical errors, as well as changes in the tone and diction of some sections which members found problematic. The ninth motion was approved unanimously by Roll-call vote: Affirmative = Bersin, Channick, Cleves Anderson, Davies, Gordon, Kwiatkowski, Milliken, Mudd, Nelson, Roth, Sorensen, Sparrow; Absent = Jones, McDade, Wilson.

The Chair worked closely with staff to ensure that the Final Report accomplished all of the things that Committee members sought through the passage of the ninth motion. If there are any mistakes in the final document, these are not by design, but rather are the product of the human imperfection that has rendered every City Charter a work in progress.