

To: San Diego City Council
From: League of Women Voters of San Diego
Subject: Items 330/331 Budget Authority between Mayor and Council
Date: April 10, 2007

* The way we understand the city charter, budgetary authority over publicly-established priorities, policies, and programs rests with the city council.

* The way we understand the democratic process, the public has the right to be informed and heard on core public issues. It is the city council's responsibility to make decisions about the extent of concessions that may be necessary to balance the city's overwhelmed budget. The public has the right to be included in open council hearings to help you make the difficult choices.

* The way we understand the balance of power between the executive and legislative branches of our city government, a dynamic and evolving process is a good thing that should be encouraged. But the role of the public is not open to compromise. Threats to initiate charter changes that would weaken the city council in a way that weakens the public voice are anathema to our democratic principles. The public needs you to stand up for us today and we will need you to stand up for us in the coming months if and when the mayor's new charter committee proposes changes to *permanently* reduce many of your governing powers.

* The way we understand how it works in the strong-mayor city of Los Angeles, a mid-year budget change that exceeds \$50,000 must be brought back to the city council for approval. Yet here in San Diego, the word "compromise" is being used to describe a \$4M threshold per city department. Promoting this as a "compromise" is blatant doubletalk.

Frankly, we are confused. What is the point of financial disclosure training sessions for the city council, what's the point of council audit and budget committees, or of the Independent Budget Analyst office, if you can be so easily "persuaded" by the mayor's office to give up your legally-constituted budgetary authority?

This city council has the responsibility, power, and duty to the public to set reasonable limits on the mayor's authority to single-handedly reduce or eliminate programs and service levels.

You also have the responsibility, power, and tools to convince the mayor to help create a transparent, user-friendly, programmatic format for future budgets, one that is based on performance measures, service levels, and clearly stated objectives. This, and not capitulation, would be a worthy and lasting gift to the people of San Diego.

Our city is sinking under billions of dollars of ever-growing debt. The mayor's official 5-year financial outlook shows a huge gap in our ability to pay our bills this year, next year, the year after that, and so on. The public will be paying for past practices long after you and the mayor have left office. And soon the financial burden on future generations will be compounded by huge new bond debt as city audits are completed.

The Mayor has a huge job in this city to pull us from the jaws of bankruptcy. He needs everyone's help. He cannot do it alone.

If the mayor thinks *he* can take care of this crisis on his own through budget autonomy, hit-or-miss fee increases, sale of city assets, turning city staff into skeleton crews, or making San Diego a poster child for privatized government, he's greatly mistaken. The mayor's tendency toward "assertion of mayoral power," to paraphrase Bob Kittle's recent reference to the assertion of *presidential* power-grabs, is not merely misguided, it's undemocratic. And no one on the city council should go along with it.

For many years the languages most commonly spoken in our town have been Cover-Up, Deception, Denial, and Evasion. Now there's one even more popular. It's called Doubletalk. For example:

The city council is now engaged in financial disclosure training sessions so you can become more informed and responsible public servants.

Establishment of a council budget committee and audit committee means the council finally has the opportunity to confront budget issues realistically and knowledgeably. And the council's access to the Independent Budget Analyst office moves you light years forward. In this new and greatly improved setting, isn't it bizarre to reduce your budgetary authority?

At the same time, undisclosed to the public and perhaps to you, the mayor effectively eliminated internal audits and routine oversight of city departments, creating a new level of irresponsibility and negligence. Under our previous mayor, the office of auditor sat empty for a prolonged period of time. A new mayor, and the auditor's office has been effectively vacated once again. What happened to the promises of accountability and transparency? Just consider what this type of negligence could mean under managed competition and outsourcing core city services, where the need for adequate performance auditing and financial oversight will be greater than ever.

I've been told by our council president that I'm overreacting to the city's troubles -that the mayor's 5-year outlook takes care of our problems.

Under the thin veneer of normalcy, the city is actually in a state of frozen inaction. The mayor does not have a handle on our city's financial crisis.

To get our city back on its feet, it's going to take the active participation of all sectors of our city to create a comprehensive recovery plan so we know how many assets have to be sold, what kind of tax increases we'll need, who should pay higher fees, which contracts must be renegotiated, and so

on. It's what we'd have to do under Chapter 9 bankruptcy and it's what we have to do to avoid chapter 9 bankruptcy.

that uses the word "compromise" to eliminate a basic public concept like "service levels" and grants the mayor a \$4M threshold to *personally* decide what's good for the public and to silence and prevent you from fulfilling the public and fiduciary responsibilities your constituents elected you to fulfill.

I'd like to point out that in Los Angeles -- a strong mayor city with a powerful mayor - the limit to the mayor's authority to move money around without council approval is \$50,000.

It will be a shameful legacy to go down in history as the city council that allowed itself to be bullied into weakening San Diego's legislative body and depriving future generations of council members of their rightful powers to serve and respond to the public.

Our switch to a new form of city government is an experiment with a new balance of powers - a stronger mayor, an effective city council, and an open legal forum for the public. To reiterate what our council president recently said, Prop F did not create an "only-mayor form of government."

We're asking you in straight and simple terms, no doubletalk, to take a stand on behalf of the public's right to be heard and heeded. We're asking you stand up for your own rights as the duly-elected legislative arm of our city government. We're asking you to become more vigilant and resistant to increasingly undemocratic efforts to make the voice of the city council, as well as public, irrelevant.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **San Diego County, California** for the Annual Budget beginning July 1, 2004. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.