

**REGULAR MEETING OF THE SAN JOSE
PUBLIC SAFETY, FINANCE AND STRATEGIC SUPPORT COMMITTEE**

SAN JOSE, CALIFORNIA

THURSDAY, DECEMBER 17, 2009

The Public Safety, Finance and Strategic Support Committee of the City of San José convened in regular session at 1:34 p.m. in Committee Rooms 118 and 119, Council Wing, City Hall.

PRESENT: Council Member Madison Nguyen, Council Member Peter Constant, Vice Chair and Council Member Pierluigi Oliverio (arrived at 1:48 p.m.) and Council Member Kansen Chu.

ABSENT: None.

STAFF: Chief Deputy City Manager Edward K. Shikada, Chief Deputy City Attorney Danielle Kenealey, Redevelopment Agency Chief Financial Officer David Baum and Legislative Secretary Susan Davis.

REVIEW OF WORK PLAN

Action: The Committee voted to defer Items (1)-(5) and (7) to January 2010 in lieu of February 2010, Item (6) was dropped and referred to the full Council for consideration on January 12, 2010.

(1) Accept the Status Report on the Fire Department's Strategic Plan. (Fire)

Action: Deferred to January 2010.

(2) Accept the Report on the Police Department's Crime Prevention Service Delivery Model. (Police)

Action: Deferred to January 2010.

REVIEW OF WORK PLAN

- (4) **Accept the Independent Auditor's Report on Internal Controls and Recommendations Related to the City's Financial Management. (Finance)**

Action: Deferred to January 2010.

- (5) **Accept the Domestic Violence Activity Report. (City Manager/Police)**

Action: Deferred to January 2010.

- (6) **Update on the Conservation Corps Audit. (Auditor)**

Documents Filed: Memorandum from Chief Deputy City Manager Edward K. Shikada, dated December 4, 2009, recommending referring the update of the Conservation Corps to the full Council for their consideration.

Action: Item (6) was dropped and referred to the full Council for consideration on January 12, 2010.

- (7) **Report on City Manager's Downtown Advisory Committee. (City Manager)**

Action: Deferred to January 2010.

CONSENT CALENDAR

- (1) **Accept the Report on the Redevelopment Agency's Monthly Financial Reports, Capital Cost and Cash Flow Projections. (RDA)**

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated December 9, 2009, transmitting the three financial Agency reports.

Public Comments: David Wall suggested that the Redevelopment Agency report out about the vacancy rates of all high density living projects.

Action: The Committee accepted the reports.

- (2) **Accept the Bi-Monthly Financial Report for September/October 2009. (City Manager/Budget)**

Documents Filed: Memorandum from Budget Director Jennifer Maguire, dated December 8, 2009, recommending acceptance of the Bi-Monthly Financial Report for September/October 2009.

Action: The Committee accepted the report.

CONSENT CALENDAR

(3) Accept the Status Report on the Citywide Technology Investments. (IT)

Documents Filed: Memorandum from Chief Information Officer Stephen Ferguson, dated December 3, 2009, recommending acceptance of the report.

Action: The Committee accepted the report.

REPORTS TO COMMITTEE

Action: The Committee voted to hear Item (2) last, referred Items (3) and (4) to the full City Council for discussion and consideration on January 12, 2010 and deferred Item (6) to January 2010.

(1) Accept the Fiscal Year 2008-2009 Audit of the Hayes Mansion. (Finance)

Documents Filed: Memorandum from Director of Finance Scott Johnson, dated December 3, 2009, recommending acceptance of the reports.

Action: The Committee accepted the reports.

(3) Accept the Fiscal Year 2009 -2010 First Quarter Revenue Collection Strategic Plan Report. (Finance)

Documents Filed: Memorandum from Director of Finance Scott Johnson, dated December 3, 2009, recommending acceptance of the report and to refer the attached list of bad debt write-offs to the City Council for approval. The list represents 126 accounts in the amount of \$1,702,757.42.

Council Member Oliverio arrived at 1:48 p.m.

Action: The Committee accepted the report. The Committee referred Item (3) to the full Council for discussion and consideration on January 12, 2010. Staff will work with the City Attorney's Office and Planning, Building and Code Enforcement specifically on why the lien ties to the person and not the property on uncollectible monies and return to the Public Safety, Finance and Strategic Support Committee with an information memorandum.

(4) Accept the Audit of Pensionable Earnings and Time Reporting. (Auditor)

Documents Filed: Report of Pensionable Earnings and Time Reporting from the Office of the City Auditor dated December 2009.

REPORTS TO COMMITTEE

(4) (Cont'd.)

Action: The Committee accepted the report, with the following direction to Staff: Recommendation 1 of the Audit: *“Establish a process to spread all retroactive raises back through affected pay periods, as they already do for general wage increases”*: Staff directed to consider implementing measures to ensure that higher class pay is used only for limited periods of time; Recommendation 4 of the Audit: *“To the extent possible, correct pension payments and retirement contributions for the Police and Fire Retirement members and for the Federated Retirement members where higher class pay or management allowances were considered pensionable”*: Staff directed to begin the implementation of this recommendation by correcting payroll records for active employees and to work closely with the City Attorney’s Office to determine what code amendments are necessary to implement the audit recommendations. In addition, Employee Relations will work closely with Retirement Services, Finance and other offices as needed, to implement the recommendations of the audit. The Committee referred Item (4) to the full Council for discussion and consideration on January 12, 2010.

(5) **Accept the External Quality Control Review of the City Auditor’s Office, San José, California. (Auditor)**

Documents Filed: (1) Memorandum from City Auditor Sharon W. Erickson, dated December 10, 2009, recommending approval of the report. (2) External Quality Control Review of the Office of the City Auditor for the period of July 1, 2007 through June 30, 2009.

Action: The Committee accepted the report.

(6) **Accept the Review of the Executive Home Loan Program. (City Manager)**

Action: Deferred to January 2010.

(7) **Accept the Quarterly Report on Worker’s Compensation. (Human Resource)**

Documents Filed: Memorandum from Director of Human Resources Mark Danaj, dated December 4, 2009, recommending acceptance of the report.

Action: The Committee accepted the report.

(2) **Accept the Fiscal Year 2008-2009 Audit of the San José Convention Center and Cultural Facilities. (Finance)**

Documents Filed: Memorandum from Director of Finance Scott Johnson, dated December 3, 2009, recommending acceptance of the reports.

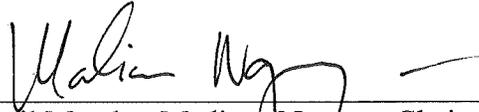
Action: The Committee accepted the reports.

OPEN FORUM

There was no testimony from the floor.

ADJOURNMENT

Council Member Nguyen adjourned the meeting at 2:30 p.m.



Council Member Madison Nguyen, Chair
Public Safety, Finance and Strategic Support Committee

MN/smd