



## MAKING GOVERNMENT WORK BETTER

### Meeting Report December 1, 2005

PRESENT: Chair Reed, Member LeZotte

Only two members present.

EXCUSED: Members Yeager and Cortese

Chair Reed called the meeting to order at 1:33 p.m.

**a. Discussion of Recent Problems with Public Employee Pension Systems and Analysis Lessons Learned for San Jose's Pension System (City Manager's Office, Retirement, Finance)**

Chair Reed recommended staff prepare a supplemental report explaining the answer to Number 3 of the staff report, Health Care Benefits, in order to understand the difference between the way it was explained in the CAFR and the way it was explained in the staff report. Chair Reed recommended to staff that we ask the Boards to consider whether or not there should be rules about ex-parte contacts with the actuaries for Councilmembers and Boardmembers. Kay Winer, Deputy City Manager, said the item would be agendaized and brought before the Retirement Board for separate discussion. Upon motion of Councilmember LeZotte, seconded by Chair Reed, the Committee accepted the report to include Chair Reed's recommendations.

**b. Activities and Accomplishments of the City Auditor (Deferred from October 20) (Auditor)**

Chair Reed commended Gerald Silva, City Auditor, and staff for a good report and for saving the City money. The Committee approved the report.

**c. City Auditor Peer Review (Auditor)**

**i) Compliance Report (Follow-up from October 20)**

Upon motion of Councilmember LeZotte, seconded by Chair Reed, the Committee accepted the report.

**d. Semi-Annual Auditor Recommendations Follow Up Report on all Outstanding Audit Recommendations as of June 30, 2005 (Deferred from November 17) (Auditor)**

Gerald Silva, City Auditor, brought to the attention of the Committee Audit 00-02: An Audit of the City of San Jose's Master Vendor File. Mr. Silva recommended that his office continue to monitor the Administration's efforts of the Master Vendor File until system replacement is implemented. Councilmember LeZotte supported the Auditor's recommendation.

Gerald Silva, City Auditor, brought to the attention of the Committee Audit 01-05: An Audit of the City of San Jose Fire Department's Strategic Plan Regarding Proposed Fire Stations. One of the recommendations is that the Department development for City Council consideration, plans for expanding the San Jose Fire Department's use of the Omega priority response level, to include obtaining the software necessary to fully implement the Omega priority response level; options and costs for dispensing non-emergency medical advice; and any other issues that need to be addressed. This would improve on the efficiency and effectiveness of the emergency response. The software is in place. Mr. Silva continued by stating that the City has a contract with the County that requires the City to be first responder to all "911" calls. That contract expires June 2006. The Fire Department would be required to negotiate a change in the contract to allow for priority dispatching system. The Fire Department will work with the County on the contract change.

Gerald Silva, City Auditor, brought to the attention of the Committee, San Jose Fire Department's implementation of a pilot project to evaluate the use of SUVs or Light Units to respond to lower priority emergency medical calls. This is a way to save costs for the Fire Department. The Fire Department is proposing that the pilot study be done in concurrence with the opening of Fire Station 33. Also, the expedited implementation of the Department's Fire EMS records management system is in response the Mayor's June, 2005 budget message. This will enable the Department to gather and analyze operational and clinical data on the effectiveness of alternative deployment options. The implementations will save costs and improve the efficiency of the Fire Department.

Gerald Silva, City Auditor, brought to the attention of the Committee, Audit 02-04: An Audit of the San Jose Police Department's method of projecting sworn Officer retirements and other separations. Mr. Silva said this program is not implemented due to the City's current fiscal situation and ongoing negotiations. The Administration is recommending deferral of this recommendation. The Auditor's Office concurs with the Administration's recommendation. Given the current state of things with Police and Fire negotiations, Mr. Silva recommended deferral at this time.

Gerald Silva, City Auditor, brought to the attention of the Committee, Audit #3 (City Departments/JO) 04-04: An Audit of the Utilization and Replacement of the City's Transport Vehicles, and Audit #4 (City Manager's Office/JO): Implement the City's policy to track 24-hour vehicle assignments and provide a complete list of authorized vehicles and employees to appropriate departments. Pending the Administration's status on the recommendations, Peter Jensen, Acting Director of General Service, will work with the Budget Office and Auditor's Office to complete the implementation of recommendations.

Chair Reed added to the recommendation that the Auditor review the assumptions and talk to the Department about the Police Department's method of projecting sworn officer retirements and separations.

Upon motion of Councilmember LeZotte, seconded by Chair Reed, the Committee approved the staff recommendations to include additional recommendations made by Chair Reed.

**e. Oral Petitions**

Mr. Chew expressed concern that the New City Hall had no exercise facility or child day care center for employees' children. Mr. Chew said these should be included in the New City Hall.

**f. Adjournment**

Meeting adjourned at 3:23 p.m.

**Chuck Reed, Chairperson**  
**Making Government Work Better**

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