

## CITY OF SACRAMENTO

### MEASURE K

**K** “Shall the measure amending the city charter adding the city auditor as a charter officer; combining duties of the city auditor and the independent budget analyst, as may be further prescribed by ordinance; repealing the city code related to the budget analyst; and amend the charter to allow city council to set an annual meeting calendar by resolution, be adopted?”

### IMPARTIAL ANALYSIS OF MEASURE K

Prepared by Sacramento City Attorney

Measure K, titled the “Sacramento City Government Accountability and Efficiency Act,” has been placed on the ballot by the Sacramento City Council. The measure proposes to amend the Sacramento City Charter in two ways: by designating the city auditor as a council-appointed officer and by providing that the city council’s meeting dates and times be established annually by council resolution. It also proposes to repeal chapter 2.33 of the Sacramento City Code, regarding the office of the independent budget analyst so that the functions of that office would be performed by the city auditor.

#### Charter Amendments

The city charter designates certain city officers, commonly referred to as “charter officers,” who are appointed by the city council. The current charter officers are the city manager, city attorney, city clerk, and city treasurer. Measure K adds the city auditor to that list. Once the office of the city auditor is established under the charter rather than under the city code, as is now the case, it would no longer be subject to elimination by ordinance. Only the voters could eliminate it.

The charter amendment describes the city auditor’s duties: “The city auditor shall independently assess and report on city operations and services; shall assist the council in the conduct of budgetary inquiries and in the making of budgetary decisions; and shall have such other powers and duties as may be prescribed by state law and by ordinance or resolution of the city council.” And the amendment provides that the city auditor’s powers and duties may be further prescribed by council-adopted ordinance or resolution.

Measure K also amends section 31 of the city charter, governing city council meetings. Section 31 currently requires the council to meet after 5 p.m. at least one day a week, with up to four weeks off a year. If Measure K passes, the council could instead set its regular meeting schedule by annual resolution, provided that a majority of regular meetings each year are held after 5 p.m.

#### City Code Amendment

Chapter 2.33 of the city code creates the office of the independent budget analyst. Measure K repeals that chapter. The functions of the independent budget analyst—assisting the council in the conduct of budgetary inquiries and in the making of budgetary decisions—would then be transferred to the city auditor.

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A “yes” vote is in favor of amending the Sacramento City Charter and repealing Sacramento City Code chapter 2.33. A “no” vote is against the charter amendments and code repeal. A majority of “yes” votes is required to pass Measure K.

Susana Alcalá Wood  
City Attorney

**\*\*\*YOU CAN FIND THE MEASURE ARGUMENTS FOLLOWING THE FULL TEXT OF THIS MEASURE\*\*\***

### FULL TEXT OF MEASURE K

**Sacramento City Government Accountability and Efficiency Act**

**Section 1.** Title, Findings, and Purpose.

A. Title.

This charter amendment and city code repeal is titled and may be cited as the “Sacramento City Government Accountability and Efficiency Act” (hereinafter, the “Act”).

B. Findings.

1. The City of Sacramento values transparency, accountability, and informed decision-making. Its residents support the function of an independent internal auditor’s office and would like to ensure its continued operation for the foreseeable future.
2. Since its first audits in 2010, the city auditor’s office has provided vital oversight, accountability, and information to the public, which has generated substantial cost savings and improved the delivery of vital city services.
3. Sacramento’s citizens and municipal management want and need to know not only whether city funds are handled properly in compliance with laws and regulations, but also whether public programs are achieving their intended purposes efficiently, effectively, and equitably.
4. Independent auditing, research, and budget analysis can provide objective information on the operations and cost-benefit analysis of government programs; assist managers in carrying out their responsibilities; inform better decision-making by elected officials; and help ensure full accountability to the public.
5. The city auditor’s whistleblower-hotline-generated investigations have detected, deterred, and resolved reported instances of fraud, waste, and abuse.
6. Recognized government auditing standards provide a framework for improved government decision-making, oversight, risk management, and accountability.
7. Combining the duties of the city auditor’s office and independent budget analyst’s office – as they existed before the adoption of this Act – results in greater government efficiency and accountability.
8. Amending the charter to grant greater flexibility to schedule regular council meetings will allow the city council to better respond to community issues.

C. Purpose and Effect.

Under current law, the city auditor is an officer established by ordinance. The city council can, by ordinance, eliminate the office of the city auditor. To help preserve city-government accountability achieved through the work of the city auditor, this Act establishes the city auditor as an officer under the Sacramento City Charter. It also combines the offices and duties of the current city auditor and independent budget analyst into one office, to consolidate functions and provide the city auditor more robust resources. Once established under the charter, the city auditor’s office could no longer be eliminated by the city council.

This Act also supersedes provisions of the Sacramento City Code relating to the city auditor and independent budget analyst, while enshrining their core functions in the charter: independently assessing and reporting on city operations and services; and assisting the council in the conduct of budgetary inquiries and in the making of budgetary decisions.

This Act provides a time to transition between the city auditor appointed under the Sacramento City Code and the installation of a city auditor as a charter officer.

Under current law the charter specifies that the city council hold meetings after 5:00 PM weekly, except for four weeks as designated. This Act would authorize the council to set its annual meeting schedule by resolution, require that a majority of the regular council meetings be held after 5:00 PM, and require that all city council meetings comply with the Brown Act.

**Section 2.** Section 70 of the Sacramento City Charter is amended to read as follows:

**§ 70 Appointive officers.**

The following other city officers shall be appointed by the city council:

- (a) City Clerk;
- (b) City Attorney;
- (c) City Treasurer;
- (d) City Auditor; and
- (e) Such other officers and employees of its own body as it deems necessary.

**Section 3.** Section 77 is added to the Sacramento City Charter to read as follows:

**§ 77 City Auditor.**

- (a) The city council shall appoint a city auditor and shall prescribe the qualifications, duties, and compensation of such officer. The city auditor shall independently assess and report on city operations and services; shall assist the council in the conduct of budgetary inquiries and in the making of budgetary decisions; and shall have such other powers and duties as may be prescribed by state law and by ordinance or resolution of the city council. The city auditor shall appoint all other members of the city auditor's office.
- (b) The city auditor shall discharge the duties of the office as prescribed by ordinance enacted by the city council.

**Section 4.** Chapter 2.33 of the Sacramento City Code is hereby repealed.

**Section 5.** Section 31 of the Sacramento City Charter is amended to read as follows:

**§ 31 Meetings.**

The city council shall hold regular meetings and provide the time, place, and manner of holding its meetings, by annual resolution. A majority of regular council meetings shall be held after 5:00 p.m. All meetings of the council shall be open to the public, except as permitted by state law.

**Section 6.** Effective Date.

This Act shall take effect as provided in California Government Code sections 34459 and 34460, except that Sections 2 and 3 of this Act shall not be operational until July 1, 2019.

**Section 7.** Severability.

The provisions of this Act, including any portion, section, subsection, paragraph, subparagraph, sentence, clause, or word, are severable. If any provision of this Act or its application is held to be invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

**ARGUMENT IN FAVOR OF MEASURE K**

Vote Yes on Measure K to amend Sacramento's Charter to include an independent and strong City Auditor to guarantee fiscal accountability and oversight for public expenditures. The Sacramento Auditor works for Sacramento residents protecting taxpayers against waste, fraud, and abuse.

An Auditor saves tax dollars by recommending efficiency measures and improvements to services. Independent oversight of public expenditures allows for unbiased audit reports. Including the Auditor in the city charter ensures transparency and accountability into the future. An Auditor mandated by a voter approved amendment to the Charter cannot be defunded to suit a political agenda. The Auditor provides independent analysis of governmental practice and human resource management allowing for good governance. It provides checks and balances for Sacramento's Council-Manager government structure at no additional cost to taxpayers. It ensures a system of internal controls by conducting performance, financial, compliance, safety, risk assessment, budgetary studies on all aspects of Sacramento's governance. All audits and evaluations done by the Auditor's office are public and presented to the council regularly.

A charter auditor is independent. Sacramento's policy authority remains in the hands of elected representatives, however, an independent city auditor ensures they are held accountable. The Auditor has access to all city records and information.

It will maintain the successful, anonymous "Whistleblower Hotline" which investigates reports of fraud, waste, and government misconduct. The City Auditor conducts audits in accordance with Government Auditing Standards and provides the public with objective, timely, and accurate information.

Hundreds of jurisdictions across the nation have Auditors working independently to improve their local governments including Orange County, Oakland, Los Angeles, Portland, Seattle, Berkeley, Denver, and 24 states. Our Auditor saves 10 taxpayers dollars for every dollar invested through process improvements and liability reduction.

Protect your pocketbook, improve city government. Ensure transparency and accountability, Vote Yes on Measure K.

s/Steve Hansen  
Vice Mayor, City of Sacramento

s/Angelique Ashby  
Councilwoman, City of Sacramento

s/Rick Jennings  
Councilmember, City of Sacramento

s/Nicolas Heidorn  
Policy & Legal Director, California Common Cause

s/Claudia Bonsignore  
President, League of Women Voters of Sacramento

### **NO REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE K WAS FILED**

#### **ARGUMENT AGAINST MEASURE K**

This proposed city charter amendment is ill conceived, was hastily drafted and heavily edited at the council dais; and it shows. Measure K will add nothing that is not already in the councils' purview regarding the duties, responsibilities, resource availability, expectations, accountability and reporting by the City Auditor to the City Council and the people of Sacramento.

One justification for Measure K is to shield the auditor from harassment by city departments. History has shown this to be a false argument as the council has not received any claims of obstruction from any city department nor the auditor. In fact, just the opposite has proven to be true. Even the auditor has extolled the cooperation received from city departments. Moreover, the auditor already has council authority to view all city files and records and has explicit direction from the council on job expectations. The auditor is therefore already inoculated from undue pressure or harassment by any city employee up to and including the city manager.

Yet another rationale for Measure K is that the auditor's position is important. By that logic it could be absurdly argued that all city departments should be charter positions for the very same reason.

All this amendment does is tie the hands of this council and future councils to modify the organizational structure of the city.

Vote no on this charter amendment, it is unnecessary.

s/Larry Carr  
Sacramento City Councilmember

#### **REBUTTAL TO ARGUMENT AGAINST MEASURE K**

Measure K is about good governance. The proposed charter amendment costs nothing and ensures that the City Auditor remains in place until voters decide otherwise. The argument against this measure assumes that an auditor does not experience political pressure. That premise is incorrect; auditors are exposed to political pressure and attempted influence.

Adding the Auditor to the City Charter helps address undue influence by mandating the position's existence.

Over the past few years the City of Sacramento has partnered with good governance agencies, including Common Cause and League of Women Voters to establish and adopt an entire suite of Ethics and Good Governance practices.

As a result the City has created an Ethics Commission, an Ethics Code, a Sunshine Ordinance, an Independent Budget Analyst Office, and an anonymous Whistle Blower hotline. Further, the City has implemented mandatory anti-sexual

harassment and unconscious bias trainings for all City employees and elected officials.

An independent City Auditor provides essential oversight, accountability, and transparency over government programs. Adding the Auditor to the City Charter is the final component of the initial set of recommendations brought forward by the Good Governance Committee made up of outside partner agencies who worked with the City Attorney's office, the City Clerk's office and members of the City Council, led by Councilwoman Ashby.

Measure K rounds out the implementation of Good Governance policies already serving our City well.

Audits are important. Transparency and ethics are critical. Vote for oversight. Vote for guaranteed checks and balances. Please Vote Yes on Measure K.

s/Steve Hansen  
Vice Mayor, City of Sacramento

s/Angelique Ashby  
Councilwoman, City of Sacramento

s/Rick Jennings  
Councilmember, City of Sacramento

s/Claudia Bonsignore  
President, League of Women Voters of Sacramento County

s/Nicolas Heidorn  
Policy & Legal Director, California Common Cause