

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 7, 2023

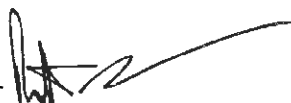
CAO File No. 0590-00098-5242

Council File No. 23-0082

Council District: All

To: The Mayor and Council

From: Matthew W. Szabo, City Administrative Officer



Subject: **FY 2022-23 INTERIM BUDGET REQUEST – OFFICE OF THE CITY ATTORNEY – POSITION AUTHORITIES AND EXPENSE FUNDING**

RECOMMENDATION

That the Council, subject to the approval of the Mayor:

Authorize employment by resolution authority, the following three positions within the Office of the City Attorney for the period of February 1, 2023 through June 30, 2023, to allow for the reorganization of the Office of the City Attorney:

<u>No. of Positions</u>	<u>Class Code</u>	<u>Class Title</u>
1	0555	Chief Assistant City Attorney
1	0554	Senior Assistant City Attorney
1	0598	Assistant City Attorney

SUMMARY

On January 20, 2023, a Motion (C.F. 23-0082) was introduced and referred to the Budget, Finance & Innovation, and Personnel, Audits & Hiring Committees directing this Office to report on the City Attorney's Office (Department) interim budget request to support the Department's immediate needs on critical personnel, training, and technology. This request is a major component of an effort to reorganize the Department's new operational structure. This Office worked with the Department to determine the projected workload and resources required for the effective implementation of this reorganization effort.

Accordingly, this Office recommends the addition of three new positions in support of the City Attorney's reorganization plan. The Discussion section of this report details the Department's requests and the City Administrative Officer recommendations.

DISCUSSION

This Office was instructed to provide an analysis of the Office of City Attorney (Department) funding and position authority requests and to make recommendations on the need and justification for these resources as an interim budget action, rather than being considered as part of the 2023-24 budget development process. Specifically, we were asked to review the restoration of position authority and funding for three senior-level attorneys; one-time funding for specialized management and leadership training, technology and facility upgrades, and funding for an analysis by a legal technology consultant for the modernization of the City Attorney’s civil case and risk management systems.

Executive and Administrative Management Team - Three Positions

The Department requested funding and resolution authority for three positions consisting of one Chief Assistant City Attorney, one Senior Assistant City Attorney, and one Assistant City Attorney to allow the newly-elected City Attorney to restructure and begin rebuilding staff operations to address increasing responsibilities with citywide legal counsel and litigation caseloads.

During 2021-22, funding and regular authority for 22 positions were deleted as a result of the Separation Incentive Program (SIP) including one Chief Assistant City Attorney. The SIP action included the savings from the elimination of regular authority positions vacated through the Program and from alternative reductions that City departments assumed in order to preserve critical vacated positions and the cost of incentive payouts.

A detail of the requested positions and salary costs is provided in the table below:

City Attorney Requested Positions - Salary and Indirect Costs

No.	Class Title	Class Code	Annual Costs for All Positions			Five-Months Costs for All Positions		
			Direct	Indirect	Total	Direct	Indirect	Total
1	Chief Assistant City Attorney	0555	\$297,607	\$206,509	\$504,116	\$118,166	\$74,610	\$192,776
1	Senior Assistant City Attorney	0554	\$281,527	\$195,352	\$476,879	\$113,298	\$71,536	\$184,834
1	Assistant City Attorney	0598	\$264,901	\$183,815	\$448,716	\$106,474	\$67,228	\$173,702
	Total		\$844,035	\$585,676	\$1,429,711	\$337,938	\$213,374	\$551,313

This Office reviewed the Department’s request and recommends the approval of three new resolution authority positions, consisting of one Chief Assistant City Attorney, one Senior Assistant City Attorney, and Assistant City Attorney assigned to the City Attorney’s Executive and

Administrative Management Team. The Department currently staffs a total of 70 Assistant City Attorney regular position authorities. Of this total, 17-percent of the positions are filled with an in-lieu classification (e.g., Deputy City Attorney IV).

The Department's current salary account projection indicates that the Department will end the fiscal year with an account deficit; however, we anticipate that existing vacancies may be sufficient to offset the projected deficit, therefore an appropriation to this account is currently not recommended. This Office will work with the Department to monitor and report on its fiscal condition in subsequent Financial Status Reports (FSRs).

Management and Leadership Development Training Program

The Department requested funding in the amount of \$100,000 for the *Lean Six Sigma* management-training program to provide training for 100 attorney and support staff in supervisory roles, to increase efficiency with the hiring challenges that the Department has been experiencing.

The Department states that implementing this leadership development training program would allow for the proper training of the management team on best practices to help navigate challenging personnel situations and provide for the identification and preparation of high-potential employees for positions in critical management roles throughout the Department.

An analysis of the Department's Contractual Services Account projection indicates an end-of-year surplus and therefore, an appropriation of funding is not recommended as the Department can move forward with this training within existing budgeted resources. This Office will work with the Department to monitor and report on its fiscal condition in subsequent FSRs.

Technology and Facility/Equipment Upgrades

The Department requested funding in the amount of \$338,200, consisting of updated earthquake kits (\$20,000); facility upgrades (\$40,050); and *Adobe*® (\$70,196) and *Microsoft* (\$207,954) software upgrades to enhance executive teleconferencing capabilities and ensure compliance with U.S. Department of Justice security protocols.

The Department states that 10 office earthquake survival kits need to be purchased, as each kit contains the necessary items to sustain 100 people for a period of three days during an emergency event. Each kit has a five-year shelf life for food and water and provisions for first aid, sanitation and comfort, lighting and electrical, search and rescue and other necessities required during an earthquake or natural disaster.

In order to accommodate an increased shift to virtual meetings and conferences, the Department requires facility and equipment upgrades to enhance and expand executive teleconferencing capabilities. The requested upgrades consist of two LED flat panel display screens, one desktop PC, two conference cameras, three speakers/microphones, one presentation system, and related hardware and installation items.

On June 6, 2022, *Adobe® Acrobat 2017* became an end-of-life (EOL) product, effectively ending its product lifecycle. *Adobe* states that all users can continue to access discontinued products; however, it cannot provide security updates and technical support. In addition, the end of product lifecycle for *Microsoft Office 2013* is scheduled for April 11, 2023. To ensure technical support and U.S. Department of Justice security compliance, the purchase of 400 *Adobe Acrobat 2020*, 695 *Microsoft Office 2021*, and 30 *Microsoft Access 2021* software licenses are necessary.

An analysis of the Department's Office and Administrative Account projection indicates that the Department will end the year with a funding deficit; however, anticipated salary savings may be sufficient to offset the projected deficit, and therefore an appropriation of funding is currently not recommended. This Office will work with the Department to monitor and report on its fiscal condition in subsequent FSRs.

Civil Case and Risk Management System Replacement

The Department requests funding in the amount of \$100,000 to initiate the process of an assessment on the existing civil case and risk management system, *CityLaw*, which is significantly outdated.

Despite efforts made to enhance the existing system for greater functionality, *CityLaw* has experienced significant limitations regarding risk management profiling, search functionality, security of confidential designations, and real-time and historical reporting capabilities. Additionally, the system experienced various outages, data loss, and glitches in data tracking. Such limitations of the system have greatly affected operating efficiency and has since cost the City more than \$20,000 due to missed discovery or court-ordered deadlines.

To assess the existing case management system and make recommendations on available options for replacement in order to enhance functionality, reporting and risk management capabilities, the Department will seek a consultant through the Request for Proposals process, with subsequent recommendations to be evaluated by the City's Information Technology Agency.

The Department's Contractual Services Account projection indicates that the Department will end the year with a funding surplus; therefore, an appropriation of funding is not recommended. Given the need to conduct a selection process and finalize a procurement contract, this Office will work with the Department to monitor and report on its fiscal condition in subsequent FSRs. If necessary, we may need to recommend a reappropriation of funds in the Year-End FSR if there is insufficient time to complete the contracting process and encumber funds before fiscal year-end closing deadlines.

FISCAL IMPACT STATEMENT

Approval of the recommendations within this report will have no additional impact to the General Fund for Fiscal Year 2022-23. For Fiscal Year 2023-24, the projected annual General Fund impact is \$1,429,711, for direct and indirect salary costs for the three City Attorney positions, which would need to be considered for funding during the 2023-24 budget development process.

FINANCIAL POLICIES STATEMENT

The recommendations stated in this report comply with the City's Financial Policies, as the funding transactions utilize current revenues and account balances to fund current operations.

MWS:EFR:CN:04230075