

Amendment of the Whole  
In Committee, Bearing Same Title  
11/10/11

FILE NO. 110931

RESOLUTION NO.

1 [Response to the 2010-2011 Civil Grand Jury Report entitled "Continuity Reports Reviewing  
2 the State of Prior Recommendations"]

3 **Resolution responding to the Presiding Judge of the Superior Court on the findings**  
4 **and recommendations contained in the 2010-2011 Civil Grand Jury Report entitled**  
5 **"Continuity Reports Reviewing the State of Prior Recommendations" and urging the**  
6 **Mayor to cause the implementation of accepted findings and recommendations**  
7 **through his/her department heads and through the development of the annual budget.**

8  
9 WHEREAS, Under California Penal Code Section 933 et seq., the Board of  
10 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior  
11 Court on the findings and recommendations contained in Civil Grand Jury Reports; and

12 WHEREAS, In accordance with Penal Code Section 933.05(c), if a finding or  
13 recommendation of the Civil Grand Jury addresses budgetary or personnel matters of a  
14 county agency or a department headed by an elected officer, the agency or department head  
15 and the Board of Supervisors shall respond if requested by the Civil Grand Jury, but the  
16 response of the Board of Supervisors shall address only budgetary or personnel matters over  
17 which it has some decision making authority; and

18 WHEREAS, The 2010-2011 Civil Grand Jury Report entitled "Continuity Reports  
19 Reviewing the State of Prior Recommendations" is on file with the Clerk of the Board of  
20 Supervisors in File No. 110930, which is hereby declared to be a part of this resolution as if  
21 set forth fully herein; and

22 WHEREAS, The Civil Grand Jury has requested that the Board of Supervisors respond  
23 to Finding Nos. 1 and 2 as well as Recommendation Nos. 1 and 2 related to the 2008-2009  
24 Civil Grand Jury report entitled "Pensions Beyond Our Ability to Pay" and the 2009-2010 Civil  
25 Grand Jury report entitled "Pension Tsunami: The Billion Dollar Bubble", Findings No. 1 and 2

1 and Recommendation 1 related to the 2007-2008 Civil Grand Jury report entitled "Citizen's  
2 General Obligation Bond Oversight Committee" (CGOBOC), Findings No. 2 and 7 and  
3 Recommendations No. 1 and 4 related to the 2006-2007 Civil Grand Jury report entitled  
4 "Parking for the Disabled- Abuse of Over-Use" contained in the subject Civil Grand Jury  
5 report; and

6 WHEREAS, Finding No. 1 related to the 2008-2009 Civil Grand Jury report entitled  
7 "Pensions Beyond Our Ability to Pay" and the 2009-2010 Civil Grand Jury report entitled  
8 "Pension Tsunami: The Billion Dollar Bubble" states: "The City is relying on the Mayor's  
9 pension reform proposal that will, hopefully, appear on the November, 2011 ballot to address  
10 the City's health care plan's unfunded liability. However, as presently written the higher  
11 contribution rates mandated in the measure would only apply to employees hired after  
12 January 2009. Higher contributions for the majority of City workers hired before January 2009  
13 do not take effect until effect until 2016-2017. Therefore, the measure will not begin to have a  
14 meaningful impact on the City's health care costs for several years;" and

15 WHEREAS, Recommendation No. 1 related to the 2008-09 Civil Grand Jury report  
16 entitled "Pensions Beyond Our Ability to Pay" and the 2009-2010 Civil Grand Jury report  
17 entitled "Pension Tsunami: The Billion Dollar Bubble" states: "Until such time as the retiree  
18 health trust fund can cover the expense, the Controller, the Mayor and the Board of  
19 Supervisors' Budget and Finance Committee should develop a temporary remedy to the Other  
20 Post Employment Benefits unfunded liability, until the retiree health trust fund can cover the  
21 expense, in order to reduce its negative impact on funding levels for other city programs;" and

22 WHEREAS, Finding No. 2 related to the 2008-2009 Civil Grand Jury report entitled  
23 "Pensions Beyond Our Ability to Pay" and the 2009-2010 Civil Grand Jury report entitled  
24 "Pension Tsunami: The Billion Dollar Bubble" states: "A number of employees in the Fire  
25 Department and to a lesser extent the Police and other departments continue to receive

1 annual salary increases in excess of 10% in at least one of the three years before they retire.  
2 This leads to a deficit in the City's retirement system account, which is calculated on an  
3 anticipated 4.5% annual salary increase. It also unfairly spreads the costs of pension spiking  
4 to other departments that do not engage in this practice;” and

5 WHEREAS, Recommendation No. 2 related to the 2008-2009 Civil Grand Jury report  
6 entitled “Pensions Beyond Our Ability to Pay” and the 2009-2010 Civil Grand Jury report  
7 entitled “Pension Tsunami: The Billion Dollar Bubble” states: “The City should implement  
8 changes as to how salary increases are currently granted to employees within at least three  
9 years of their retirement. Changes would include a review of all salary increases in excess of  
10 actuarial estimates (currently 4.5%) within 3 years of full retirement age, including temporary  
11 assignments. This review should be performed by the Office of the Controller and the San  
12 Francisco Employee Retirement System's Actuarial and would identify the additional funds  
13 needed by the pension system to support the higher salary. The employee's department  
14 would then transfer the additional pension liability arising from the promotion to the Retirement  
15 System. ;” and

16 WHEREAS, Finding No. 1 related to the 2007-2008 Civil Grand Jury report entitled  
17 “Citizen’s General Obligation Bond Oversight Committee” states: “Because the 2007-2008  
18 Jury's recommendation did not define "appearing regularly", there is a possibility that the  
19 CGOBOC and Board of Supervisors would disagree about how often such presentations  
20 should occur;” and

21 WHEREAS, Finding No. 2 related to the 2007-2008 Civil Grand Jury report entitled  
22 “Citizen’s General Obligation Bond Oversight Committee” states: “A 20-month gap between  
23 the promise of regular appearances and the first such appearance does not constitute  
24 appearing regularly;” and

25

1           WHEREAS, Recommendation No. 1 related to the 2007-2008 Civil Grand Jury report  
2 entitled “Citizen’s General Obligation Bond Oversight Committee” states: “The CGOBOC and  
3 Board of Supervisors should work together to ensure that the Annual Report is presented at a  
4 hearing annually. This appearance should occur within one month of the CGOBOC's  
5 publishing its Annual Report;” and

6           WHEREAS, Finding No. 2 related to the 2006-2007 Civil Grand Jury report entitled  
7 “Parking for the Disabled- Abuse of Over-Use” states: “In March 2007 Ordinance File No.  
8 070406 would have set up a review panel. However, in November of 2007 this piece of  
9 legislation died without a single hearing. The City Attorney has advised that under the City's  
10 Charter the San Francisco Municipal Transportation Agency (SFMTA) has the authority to  
11 establish an independent review panel, but it has not done so;” and

12           WHEREAS, Recommendation 1 No. related to the 2006-2007 Civil Grand Jury report  
13 entitled “Parking for the Disabled- Abuse of Over-Use” states: “The Board of Supervisors and  
14 Mayor should work to establish an independent review panel. If the Board of Supervisors does  
15 not act, the Mayor should request the SFMTA Board of Directors to authorize an independent  
16 review panel. The panel should include at least one qualified physician or medical authority as  
17 specified in CVC Section 255511.58. The panel should have adequate statistical and clerical  
18 staff. The panel should be empowered to hold open hearings and make its findings available  
19 to the general public;” and

20           WHEREAS, Finding No. 7 related to the 2006-2007 Civil Grand Jury report entitled  
21 “Parking for the Disabled- Abuse of Over-Use” states: “Polls have shown that a majority of  
22 residents do not begrudge disabled drivers some special parking privileges, but it is the  
23 government's responsibility to curb abuse and protect city residents from unfair financial  
24 burdens. They pay higher parking fees and fines to fill the revenue hole created by that  
25 abuse;” and

1           WHEREAS, Recommendation No. 4 related to the 2006-2007 Civil Grand Jury report  
2 entitled “Parking for the Disabled- Abuse of Over-Use” states: “The Board of Supervisors  
3 should not pass new legislation that allows installing additional meters, extending operation  
4 hours or raising meter rates and parking fines until meaningful policies are implemented to  
5 eliminate the \$8 million hole in the City's parking revenue caused by continued disabled  
6 placard abuse;” and

7           WHEREAS, in accordance with Penal Code Section 933.05(c), the Board of  
8 Supervisors must respond, within 90 days of receipt, to the Presiding Judge of the Superior  
9 Court on Finding Nos. 1 and 2 as well as Recommendation Nos. 1 and 2 related to the 2008-  
10 2009 Civil Grand Jury report entitled “Pensions Beyond Our Ability to Pay” and the 2009-2010  
11 Civil Grand Jury report entitled “Pension Tsunami: The Billion Dollar Bubble”, Findings No. 1  
12 and 2 and Recommendation No. 1 related to the 2007-2008 Civil Grand Jury report entitled  
13 “Citizen’s General Obligation Bond Oversight Committee”, Findings No. 2 and 7 and  
14 Recommendations No. 1 and 4 related to the 2006-2007 Civil Grand Jury report entitled  
15 “Parking for the Disabled- Abuse of Over-Use” contained in the subject Civil Grand Jury  
16 report; now, therefore, be it

17           RESOLVED, That the Board of Supervisors reports to the Presiding Judge of the  
18 Superior Court that it disagrees with Finding Nos. 1 and 2 related to the 2008-2009 Civil  
19 Grand Jury report entitled “Pensions Beyond Our Ability to Pay” and the 2009-2010 Civil  
20 Grand Jury report entitled “Pension Tsunami: The Billion Dollar Bubble”; and be it

21           FURTHER RESOLVED, That the Board of Supervisors reports that it disagrees with  
22 Recommendation Nos. 1 and 2 related to the 2008-2009 Civil Grand Jury report entitled  
23 “Pensions Beyond Our Ability to Pay” and the 2009-2010 Civil Grand Jury report entitled  
24 “Pension Tsunami: The Billion Dollar Bubble”, for reasons as follows: Proposition C, which  
25 was recently approved by the San Francisco voters on November 8, 2011 will result in

1 significant changes such that these recommendations are not warranted and impossible to  
2 implement in some regards; and be it

3 FURTHER RESOLVED, That the Board of Supervisors reports to the Presiding Judge  
4 of the Superior Court that it agrees with Finding Nos. 1 and 2 related to the 2007-2008 Civil  
5 Grand Jury report entitled "Citizen's General Obligation Bond Oversight Committee"; and be it

6 FURTHER RESOLVED, That the Board of Supervisors reports that it agrees with  
7 Recommendation No. 1 related to the 2007-2008 Civil Grand Jury report entitled "Citizen's  
8 General Obligation Bond Oversight Committee"; and be it

9 FURTHER RESOLVED, That the Board of Supervisors reports to the Presiding Judge  
10 of the Superior Court that it agrees with Finding Nos. 2 and 7 related to the 2006-2007 Civil  
11 Grand Jury report entitled "Parking for the Disabled- Abuse of Over-Use"; and be it

12 FURTHER RESOLVED, That the Board of Supervisors reports that it disagrees with  
13 Recommendation No. 1 related to the 2006-2007 Civil Grand Jury report entitled "Parking for  
14 the Disabled- Abuse of Over-Use", for the following reasons: an independent review panel is  
15 fine when it has the power to do something, but creating an independent review panel which  
16 has no authority to make recommendations or make changes is a waste; and be it

17 FURTHER RESOLVED, That the Board of Supervisors reports that it disagrees with  
18 Recommendation No. 4 related to the 2006-2007 Civil Grand Jury report entitled "Parking for  
19 the Disabled- Abuse of Over-Use", for the following reasons: implementation of  
20 Recommendation No. 4 is impractical because of the SFMTA's need for flexibility to move  
21 forward on many different policies while the issue of parking and placards is being debated;  
22 and be it

23 FURTHER RESOLVED, That the Board of Supervisors urges the Mayor to cause the  
24 implementation of accepted findings and recommendations through his/her department heads  
25 and through the development of the annual budget.