



**DIANNE JACOB**  
**CHAIRWOMAN**  
**SUPERVISOR, SECOND DISTRICT**  
**SAN DIEGO COUNTY BOARD OF SUPERVISORS**

**AGENDA ITEM**

**DATE:** May 12, 2009

**TO:** Board of Supervisors

**SUBJECT:** OUTSOURCING COUNTY SERVICES (District: ALL)

**SUMMARY:**

**Overview**

The County of San Diego is facing a financial triple whammy! The County's local revenues, predominantly from sales and property taxes, are down over \$100 million. These funds are used for public safety, libraries, parks and other essential County services. Secondly, the County's pension fund has suffered significant losses because of a tumbling stock market. And lastly, the State of California is battling budget deficits at catastrophic levels, which directly impacts County services.

Unfortunately, the decline in revenue is not a short-term problem for County operations, and long-term solutions are needed. Our strong fiscal discipline has allowed the County to decisively respond to the current financial challenge, and will also allow us to find innovative ways to take action for the future. Tough decisions must be made. We have a responsibility to the taxpayers to explore any and all cost saving measures. One cost saving option is to identify additional services for outsourcing. As I stated in the State of the County address, "we already know that - in some situations - the private and non-profit sectors can perform services cheaper than government without compromising quality."

Today's action will direct the Chief Administrative Officer to identify additional County services for outsourcing and return to the Board within 120 days with recommendations.

**Recommendation(s)**

**CHAIRWOMAN JACOB**

Direct the Chief Administrative Officer to identify additional County services for outsourcing and return to the Board within 120 days with recommendations.

**SUBJECT:** OUTSOURCING COUNTY SERVICES (DISTRICTS: ALL)

**Fiscal Impact**

There is no fiscal impact associated with this recommendation.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**BACKGROUND:**

The County of San Diego is facing a financial triple whammy! The County's local revenues, predominantly from sales and property taxes, are down over \$100 million. These funds are used for public safety, libraries, parks and other essential County services. Secondly, the County's pension fund has suffered significant losses because of a tumbling stock market. And lastly, the State of California is battling budget deficits at catastrophic levels. And lastly, the State of California is battling budget deficits at catastrophic levels, which directly impacts County services.

Unfortunately, the decline in revenue is not a short-term problem for County operations, and long-term solutions are needed. Our strong fiscal discipline has allowed the County to decisively respond to the current financial challenge, and will also allow us to find innovative ways to take action for the future. Tough decisions must be made. We have a responsibility to the taxpayers to explore any and all cost saving measures. One cost saving option is to identify additional services for outsourcing. As I stated in the State of the County address, "we already know that - in some situations - the private and non-profit sectors can perform services cheaper than government without compromising quality."

Outsourcing of services would help the County put decreasing tax dollars where they stand the greatest chance of doing the most good for the most people. This may be the only way to keep some programs alive.

Today's action will direct the Chief Administrative Officer to identify additional County services for outsourcing and return to the Board within 120 days with recommendations. I urge your support.

**SUBJECT:** OUTSOURCING COUNTY SERVICES (DISTRICTS: ALL)

Respectfully submitted,

DIANNE JACOB  
CHAIRWOMAN  
Supervisor, Second District

**SUBJECT:** OUTSOURCING COUNTY SERVICES (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**

**CONCURRENCE(S)**

<b>COUNTY COUNSEL REVIEW</b>	<input checked="" type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>GROUP/AGENCY FINANCE DIRECTOR</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
<b>CHIEF FINANCIAL OFFICER</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
<b>COUNTY TECHNOLOGY OFFICE</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
<b>DEPARTMENT OF HUMAN RESOURCES</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A

**Other Concurrence(s):** N/A

**ORIGINATING DEPARTMENT:** District 2

**CONTACT PERSON(S):**

Tale Halse	_____	_____
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E-mail	_____	E-mail

**AUTHORIZED REPRESENTATIVE:** \_\_\_\_\_

**SUBJECT:** OUTSOURCING COUNTY SERVICES (DISTRICTS: ALL)

**AGENDA ITEM INFORMATION SHEET**  
(continued)

**PREVIOUS RELEVANT BOARD ACTIONS:**

N/A

**BOARD POLICIES APPLICABLE:**

N/A

**BOARD POLICY STATEMENTS:**

N/A

**CONTRACT AND/OR REQUISITION NUMBER(S):**

N/A