



San Diego City Attorney Mara W. Elliott

FOR IMMEDIATE RELEASE: October 31, 2017

Contact: [Cheryl Nolan](mailto:cnolan@sandiego.gov) at cnolan@sandiego.gov or (619) 533-6176

City Attorney Statement on Receptions Council Funds

City Attorney Mara W. Elliott today issued the following statement concerning the proposed City Council action to give the City control of public funds that are now held in private accounts:

“My Office issued a memo on September 8th which concluded that funds collected by recreation councils are City funds that are subject to Charter and Municipal Code requirements.

“What the City Council understands, but the public may not, is that recreation councils currently control these funds without City oversight. There are no checks and balances in place to ensure public dollars are spent fairly, appropriately and in compliance with state and local laws.

“The City has numerous protections in place to ensure proper use of public funds, such as competitive bidding processes, Equal Opportunity Contracting requirements, prevailing wage law, and conflict of interest policies.

“Today, the Council is being asked to take actions that will give back to the City control of recreation council funds.

“The actions will also restrict the use of funds for recreation programs so that they can only be spent in the communities where the funds were generated.

“If the Council adopts these actions, the recreation councils will continue in their advisory role as established by Council Policy 700-42.

“The only change is they will no longer take physical possession of the funds paid by users of recreation programs. The money won’t be in their private accounts. It will be in a designated City fund.

“Whether or not Council takes action today, the Special Use Permits that currently govern recreation council operations expire on December 31st.

“If the Council chooses not to act, the City would then have no mechanism to collect funds and no authority to spend funds on recreation programs. And without permits, the recreation councils would have no authority to collect or spend funds on these programs.

“This would likely result in a significant impact on the communities and an interruption in services at the City’s recreation centers.”

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