




OFFICE OF THE OMBUDSMAN Memorandum

DATE: August 17, 2022

TO: Austin Quinn-Davidson & Forrest Dunbar
Assembly Budget & Finance Co-Chairs

Cc: Dean Gates, Assembly Counsel

FROM: Darrel W. Hess, Ombudsman 

SUBJECT: Funding Source for Chief Equity Officer

Recently, when reviewing documents related to the alcohol tax while responding to a constituent concern, the Ombudsman's Office learned that the Chief Equity Officer position is 100% funded with alcohol tax revenue, under "Administration, Collection, and Audits to the Municipality".

After reviewing Proposition 13, approved by the voters during the April 7, 2020 election, Charter Section 14.07 – Alcoholic beverages retail tax, and the job description for the Chief Equity Officer, the Ombudsman's Office determined that funding the Chief Equity Officer position using alcohol tax revenue does not appear to comply with the requirements and intent of Charter Section 14.07, and the will of the voters.

The Ombudsman's Office notified the Administration of our concerns regarding the funding source for the Chief Equity Officer position, and the Office of Management & Budget has requested that the Municipal Attorney's Officer review the matter prior to development of the 2023 budget. The Ombudsman's Office recommends that the Assembly Budget & Finance Committee also review this matter prior to development of the 2023 budget. If you have any questions or concerns, please let me know.

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