

File No. 091329

Committee Item No. §

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 1/13/10

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
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OTHER

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Completed by: Gail Johnson

Date 1/8/10

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

INTRODUCTION FORM

By a member of the Board of Supervisors or the Mayor

AL 4:55 11/17/09
Time Stamp or
Meeting Date

I hereby submit the following item for introduction:

- _____ 1. For reference to Committee:
 An ordinance, resolution, motion, or charter amendment.
- _____ 2. Request for next printed agenda without reference to Committee
- X 3. Request for Committee hearing on a subject matter.
- _____ 4. Request for letter beginning "Supervisor _____ inquires...".
- _____ 5. City Attorney request.
- _____ 6. Call file from Committee.
- _____ 7. Budget Analyst request (attach written motion).
- _____ 8. Substitute Legislation File Nos.

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

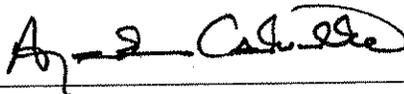
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| <input type="checkbox"/> Small Business Commission | <input type="checkbox"/> Youth Commission |
| <input type="checkbox"/> Ethics Commission | <input type="checkbox"/> Planning Commission |
| <input type="checkbox"/> Building Inspection Commission | |

Sponsor(s): Clerk of the Board

SUBJECT:

Hearing to consider the annual review and approval of the 2010-2011 Board of Supervisors/Clerk of the Board Annual Budget Guidelines.

Signature of Sponsoring Supervisor: _____



For Clerk's Use Only:

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

Date: January 11, 2010
To: Members of the Budget and Finance Committee
From: Angela Calvillo, Clerk of the Board
Subject: Board of Supervisors/Clerk of the Board
Annual Budget Guidelines FY 2010-2011

The process for review and approval of the Board of Supervisors/Clerk of the Board's annual budget is in Sections 6.23 and 6.24 of the San Francisco Board of Supervisors Rules of Order. These rules state that in preparation of the budget, the Board of Supervisors shall refer to the Budget and Finance Committee two public hearings for the discussion of balancing guidelines to be implemented by the Clerk of the Board, no later than 60 days, and again 15 days prior to submission of the proposed fiscal year budget to the Mayor. This memo is to facilitate our budget discussions.

Overview

As the Department develops its FY2010-2011 budget proposal, my principal objective is to prepare a budget that provides for the functions and duties apportioned to the Legislative Branch of government by the Charter, which includes maintenance of the legislative record of the Board of Supervisors, providing public access and compliance with open meeting laws, ensuring resources for the offices of our 11 members of the Board, including effective Budget and Legislative Analyst services, and for administrative and operations necessary to support the Board in its official duty. Additionally, the Board has prescribed other duties and responsibilities to our Department which require budgetary resources such as the support of the Assessment Appeals Board (AAB), Sunshine Ordinance Task Force (SOTF), Youth Commission (YC), and the Local Agency Formation Commission (LAFCO). During two hearings at the Budget and Finance Committee, I will seek policy direction on how best to prepare the budget.

The Department will meet new challenges in FY2010-2011, primarily because the Department has taken aggressive cost savings measures that require our staff and the Budget and Legislative Analyst consultant to provide the same level or more services with fewer resources. The Board of Supervisors will need to monitor whether the impacts of cost savings measures have impacted service levels beyond what is tolerable given the importance of the Board's mandates. Consistent with the direction of the Board of Supervisors in past years, our budget development will recognize the City's financial constraints and seek cost savings wherever savings will not impact our ability to serve the public and meet our obligations.

Mayor’s Budget Instructions

The Mayor’s Office projects a \$522.2 million General Fund deficit for FY2010-2011 and, as a result, has requested a 3.9 percent General Fund reduction in the current year and a 20 percent General Fund reduction and a 10 percent contingency in the budget year.

The implications to the Board of Supervisors’ budget based on our current year General Fund allocation of \$10,446,998 is as follows:

| | |
|--------------------------------|-------------|
| Current year reduction at 3.9% | \$ 407,433 |
| Budget year reduction at 20% | \$2,089,400 |
| Budget year contingency at 10% | \$1,044,700 |

Reductions of this level would require substantial changes in the level of service and that the voters revisit Charter mandated services. Each City Department is different with regarding to its ability to expand and contract and the impacts of such changes in a budget can range from minimal to significant. Because the Board of Supervisors is a small department that has not grown over the last many years with functions that are primarily mandates, substantially reducing the resources to this Department is not possible without a major change to our mandates.

In the prior year, staff outlined for the Budget and Finance Committee the areas of discretionary and nondiscretionary spending in the Board’s budget. Using the discretionary spending figure, the Committee directed staff to adjust the targets to base the targets on discretionary spending. In the current year, the Board’s budget is comprised 83 percent, or \$8,700,416 of nondiscretionary spending areas as follows:

| Charter Mandated Positions and Services | Total Cost |
|--|-------------------|
| Board Members | 1,454,250 |
| Clerk of the Board | 234,108 |
| Assessment Appeals Board | 424,003 |
| Sunshine Ordinance Task Force | 103,564 |
| Youth Commission | 152,510 |
| CAFR | 276,524 |
| Official Advertising | 150,000 |
| Budget Analyst | 2,000,000 |
| Board Aides | 2,819,188 |
| Committee and Legislative Clerks | 1,086,268 |
| <i>Total Nondiscretionary General Fund</i> | 8,700,416 |
| <i>Discretionary General Fund Budget</i> | <u>1,746,582</u> |
| <i>General Fund Budget</i> | 10,446,998 |

The nondiscretionary spending includes resources that cannot be reduced without first changing the Charter or the Administrative Code. While the Charter and Administrative Code require the above listed positions and services; they do not specify at what cost these positions and services should be set. However, Department of Human Resources does set the position rates through classification studies.

This leaves a discretionary General Fund budget of \$1,746,582. The impacts of the Mayor's Budget instructions to the Board of Supervisors' budget based on our discretionary current year General Fund allocation of \$1,746,582 is as follows:

| | |
|--------------------------------|-----------|
| Current year reduction at 3.9% | \$ 68,117 |
| Budget year reduction at 20% | \$349,316 |
| Budget year contingency at 10% | \$174,658 |

Midyear Reductions

The Clerk offered \$68,000 in midyear savings from two sources: \$58,000 for salary savings due to vacancies and the voluntary work furlough program, and \$10,000 for contracts because the cost of the Budget Analyst RPF was lower than anticipated.

Budget Growth Trends

As previously mentioned, City departments differ with regard to the ability to expand and contract and the resulting impact on the budget can range from minimal to significant. One indicator of a department's ability to contract is the amount of growth and new added services over time. The Budget Analyst conducted an analysis at my request which demonstrated that over the last 11 years our annual growth rate averaged 2.33 percent. The Budget Analyst sampled ten other City departments and found the median rate of growth at 6.65 percent, which is three times more than the growth rate of the Board of Supervisors' budget. In the last five years, the annual growth rate for the Board of Supervisors' budget was 1.75 percent, and the median for the 10 other departments sampled was 5.10 percent which, again, is three times more than the Board of Supervisors.

With regards to position growth, over the last 11 years, the number of full-time positions in the Board's budget has decreased 11.02, or by 14.82 percent. Over the last 5 years, the number of full-time positions has decreased 1.25, or by 1.93 percent.

| Year | BOS FTEs |
|-------------|-----------------|
| FY1998-99 | 74.45 |
| FY2004-05 | 64.67 |
| FY2009-10 | 63.42 |

Workload Changes

Since the sharp economic decline which began in FY2008-2009, the Board has directed the Clerk to find ways to reduce the General Fund allocation. As a result, the current year budget is \$348,017 or 3.2 percent less than FY2008-2009. This reduction includes absorbing sharp increases in benefit costs, advertising, and services of other departments. The primary way the Board has saved funds is as follows:

- Eliminated the Office of the Legislative Analyst;
- Included Office of the Legislative Analyst Services in the Budget Analyst contract;
- Reduced the Budget Analyst Contract amount;
- Implemented voluntary salary reductions;
- Maintained vacant positions in the Clerk's Office and the Youth Commission;
- Reduced the official advertising expenditures by 85% since 2001 by streamlining official titles;
- Provided documents electronically via email instead of paper further reducing our need for paper and postage;
- Provided paperless agendas and packets when possible; and
- Increased the quantity of information available on our website, reducing our need for paper.

While the Department's resources have been decreased, the workload in the Board of Supervisors and the Office of the Clerk of the Board and its Divisions has stayed constant or has increased. Information Technology (IT), under the Administrative Division has continued to refine and expand the Board's website by developing a more interactive and comprehensive Board webpage through a new content management system for electronic posting instead of paper copies. This has allowed over 1.4 million page views to the Department's 10 most popular pages for the period of January 2009 to December 15, 2009, a 50 percent increase since six months ago, with total viewers to all BOS pages for the same period to be over 25 million. The IT division is constantly uploading new information to the website created by the various divisions, such as posting over 250 agendas and minutes and over 2,500 agenda packet files for legislative items. Additionally, Wi-Fi for public access is operational in the Chamber, Committee Room and Board of Supervisors' hallway, with approximately 300 distinct users per month. IT also administers the Twitter functionality, with over 500 followers. Coming soon is our new Legislative Research Center, which will place all data of our legislative record from 1998 and forward on our website.

The most notable increase in our workload is the number of appeals at the Assessment Appeals Board, which has nearly doubled from last year (2,476 to 4,920). The Clerk's Office processes approximately 1,120 public records requests annually; this combined with the responsibilities of the Sunshine Ordinance Task Force has left the Clerk's Office under resourced in the area of records management. Further, Citywide layoffs and resignations have left key positions in the Clerk's Office vacant. The Clerk's Office experimented this year with ways to perform the work while maintaining several vacancies through natural attrition, including the Administrative Deputy (0952), Budget Manager (1371), Records and IT Manager (0922), two Committee Clerks (1492), a position in the

Youth Commission (1362), and front desk position in the Clerk’s Office (1404). I have concluded that the Department cannot maintain these vacancies. However, this experiment did allow staff to develop a proposal to expand the duties of manager positions, make reassignments to underserved areas and exchange a position to match the needs—all of this for a cost savings of approximately \$36,000. The proposal is as follows:

| | |
|--|-----------------|
| ▪ 0952 Administrative Deputy would be responsible for payroll personnel, accounting, budget development, contracts and IT management. | 0 |
| ▪ The Budget Manager position (1371) will be exchanged for a lower cost position (1454) and reassigned from the Clerk’s Office to the Assessment Appeals Board where the work load has doubled. | \$(26,848) |
| ▪ The Records and IT Manager (0922) will be reassigned to under resourced areas: .5 FTE to the Sunshine Ordinance Task Force and the other .5 FTE will continue with records management and Immediate Disclosure Requests for the entire Department. | 0 |
| ▪ On an experimental basis, we will temporarily exchange one 1492 Committee Clerk down to a 1454 position to provide an entry level position to the Committee Clerk’s profession and free up the Committee Clerks from the more clerical and custodial aspects of their positions. | \$(16,006) |
| ▪ Exchange the 1404 Clerk front desk position to a 1426 Senior Clerk Typist to better match the duties of the front desk position. | <u>\$6,561</u> |
| Savings | \$36,293 |

FY2010-2011 Budget

Revenues

The Assessment Appeals Board’s workload has nearly doubled since last year. As a result, from the current filing fee of \$30 per application, a hearing officer fee on a sliding scale from \$50 to \$1,200, and a finding of fact fee also on a sliding scale from \$100 to \$1,000, the Board will recover an estimated \$20,000 more for a total of \$160,000. However, the cost of the Assessment Appeals Board will be approximately \$545,466 in FY2010-2011. With the same \$160,000 revenue forecasted for 2010-2011, this means the fees will recover about 29 percent of the cost of service. The Court’s decision from the ProTax lawsuit confirmed that our existing filing fee is reasonable.

Procedural due process provided by the Constitution guarantees access to assessment appeal and other similar hearings, and allows for modest and reasonable administrative fees to be charged. In the last 15 years, there has not been an increase to fees charged by the Assessment Appeals Board. I therefore propose that the Budget and Finance Committee consider the following:

1. Increase the filing fee from \$30 to \$40 per application, which is in line with the CPI Inflation Calculator, and remains substantially less than the actual costs.
2. Waive the filing fee for property assessments valued at \$50,000 or less, and/or where there is a relatively small difference in value between the assessor and the taxpayer.
3. Raise the current fee for written findings of fact by 25%. This increase is less than the CPI Inflation Calculator and remains substantially less than the actual costs.

With the above recommendations, Assessment Appeals Board total revenue for FY2010-2011 is estimated at \$219,750. This would generate additional revenues of \$59,759, and is a 27 percent increase over the current fee schedule, bringing 2010-2011 cost recovery to 40 percent.

In the current year, the Planning Department has begun charging the appeal surcharge on all environmental applications that are potentially appealable and passing on this surcharge to the Board of Supervisors. The revenue to date indicates that we will recover \$10,000 more than is budgeted. Therefore, we can increase our budget assumption for next year by \$10,000.

Potential Revenue Changes

| Fee Types | FY2009-10 Budget | FY2010-11 Proposed Budget | Change |
|-------------------------------------|---------------------|------------------------------|---------------|
| Planning Appeal Surcharge | 25,000 | 35,000 | 10,000 |
| Assessment Appeals and Copy Charges | 140,000 | 160,000 | 20,000 |
| <i>AAB Fee Increase</i> | <i>0</i> | <i>59,759</i> | <i>59,759</i> |
| Total | 165,000 | 254,759 | 89,759 |

The potential fee increase to recover 40 percent of costs for the Assessment Appeals Board is a policy call for the Committee.

Expenditures

Salary Costs. The above described proposed position changes in the Clerk's Office, the elimination of the Office of the Legislative Analyst Office, and reduction in Premium Pay as a result of the MOU with MEA, offset by other salary adjustments, results in an estimated reduction in salary and benefits costs of \$68,101. The proposed salary budget includes the following assumptions and policy options:

1. While the voters removed the requirement that the Board Aide positions be limited to two per office, the proposed budget does not add any 1835 Legislative Aide positions. It is a policy call whether the budget should include more FTEs for Board Aides, whether revenue neutral or for a cost.
2. The estimate assumes that the labor unions will agree to wage concessions next year that are equal to those concessions this year. It is a policy call for the Committee whether the budget should assume a voluntary program in addition to or instead of Citywide labor concessions.
3. The estimate below also assumes that the Youth Commission maintains one vacant 1362 position. It is a policy call for the Committee whether this position should be filled.

Proposed Board of Supervisors FY2010-2011 Salary Budget

| <i>Item</i> | FY 2009-2010 Approved Budget | FY 2010-2011 Proposed Budget | Change |
|-------------------------------------|---|---|-----------------|
| Salaries | \$5,512,877 | \$5,474,408 | (\$38,469) |
| Temporary | 83,408 | \$95,784 | \$12,376 |
| Premium | 44,399 | \$25,521 | (\$18,878) |
| Overtime | 10,300 | \$10,300 | \$0 |
| Benefits | 1,845,742 | \$1,822,612 | (\$23,130) |
| <i>Subtotal salaries and fringe</i> | 7,496,726 | 7,428,625 | (68,101) |

Non-Salary Costs. Initial estimates show that the non-salary budget can be reduced by approximately \$5,000. This is achieved through a reduction to the \$2,050,000 for the Budget Analyst contract (\$50k is a service or equipment contingency), reducing the work order with Public Works, reducing the travel budget in the Clerk's Office by 30 percent, and removing the travel budget from the Assessment Appeals Board. All of these savings are offset by a needed increase to the advertising budget based on actual expenditures, an increase in the cost of the CAFR of seven percent, and increases to other current expenses primarily for the cost of software licensing which has been deferred for too long. This estimate assumes that the LAFCO carryforward will be used to meet the LAFCO budget needs in FY2010-2011, and is an early estimate as the LAFCO will need to finalize their budget discussions and present their formal budget request to the Clerk.

Memberships

The Board of Supervisors' budget includes membership in the following three associations: National Association of Counties (NACO), National League of Cities (NLC) and California State Association of Counties (CSAC). The current membership dues are \$15,950, \$25,490 and \$120,101, respectively. Although these memberships are in the Board's budget, they are not specific to the Board but to the City and County of San Francisco. It is unknown why these Citywide costs are in the Board's budget. The membership dues have gradually increased over the years, which results in an increase in our Department's budget. I am placing these memberships for the Committee to consider as policy questions. 1) Is the Board of Supervisors' budget the most appropriate place for these memberships, possibly with the exception of CSAC? 2) Does membership in these associations provide a benefit, financially or otherwise, that is equal to or greater than the cost of membership?

Youth Internship Program

San Francisco YouthWorks, a program of the Department of Children, Youth, and Their Families (DCYF), provides young people with the opportunity to explore a city government career and learn basic job skills in a supportive environment. The Offices of the Board of Supervisors employs 10th, 11th, and 12th grade San Francisco high school students each year as interns to engage in career-oriented internships. The amount budgeted over the past two years has remained static at \$4,200. While the Department has received requests to increase this funding, the draft budget assumes it is held constant.

Proposed Board of Supervisors FY2010-2011 Non-Salary Budget

| <i>Item</i> | FY 2009-2010 Approved Budget | FY 2010-2011 Proposed Budget | Change |
|---------------------------------------|---|---|----------------|
| Travel | 2,500 | 1,550 | (950) |
| Training | 6,250 | 8,845 | 2,595 |
| Memberships | 171,700 | 171,765 | 65 |
| Interpreters | 0 | 2,000 | 2,000 |
| Professional Services | 2,413,166 | 2,378,608 | (34,558) |
| Office Equipment | 2,500 | 500 | (2,000) |
| Other current expenses | 164,166 | 180,100 | 15,934 |
| Advertising | 150,000 | 181,583 | 31,583 |
| <i>Subtotal Non-Personal Services</i> | 2,910,282 | 2,924,951 | 14,669 |
| Materials and Supplies | 26,901 | 27,129 | 228 |
| Services of other Departments | 268,089 | 248,089 | (20,000) |
| Interdepartmental Recovery | <u>(90,000)</u> | (90,000) | 0 |
| Subtotal | 3,115,272 | 3,110,169 | (5,103) |

Total Budget Proposal and Impacts to Divisions

The preliminary budget proposal results in a \$10,538,794 budget which is .7 percent less than the current year and 3.8 percent less than FY2008-2009. Notably, this proposal reduces the Budget and Legislative Analyst Services division nearly 25 percent over two years. The Board of Supervisors must monitor whether this change maintains the level of analysis required for effective decision-making. The Sunshine Ordinance Task Force and the Assessment Appeals Board would experience growth due to a reallocation of resources in the Clerk's Office to these divisions to meet the workload demands. The Youth Commission, while a small budget, will also experience a sharp budget reduction of approximately 32 percent over two years because the proposal recognizes one 1362 position which has been vacant for a year. However, it is notable that over the past three years, the Department of Children Youth and Their Families (DCYF) has partnered with the Youth Commission to reach more youth through a contract that employs a full-time position housed in the Youth Commission to implement YouthVote. This program is a civic engagement effort aimed at making elections and San Francisco policy development more relevant to students in the San Francisco Unified School District (SFUSD) and has successfully reached 47 percent of the SFUSD's high school population.

Additionally, DCYF has granted a separate contract to the Youth Commission, also employing a full-time position to be housed in the Youth Commission to implement the Youth Empowerment Initiative, an effort to increase the capacity of the Youth Commission's policy impact through holding youth policy forums and trainings in the community and at City Hall.

Proposed Budget by Division

| Division | FY2008-2009 | FY2009-10 | FY2010-11 Proposed | Change from Current Year | | Change from FY2008-09 | |
|--|-------------|------------|-----------------------|-----------------------------|---------|--------------------------|---------|
| | | | | Amount | Percent | Amount | Percent |
| Clerk of the Board | 2,745,770 | 2,714,847 | 2,736,297 | 21,450 | 0.8% | (9,473) | -0.3% |
| Board of Supervisors | 4,727,091 | 4,910,935 | 4,878,064 | (32,871) | -0.7% | 150,973 | 3.2% |
| Assessment Appeals Board | 403,531 | 442,789 | 545,466 | 102,677 | 23.2% | 141,935 | 35.2% |
| Youth Commission | 238,084 | 199,597 | 161,823 | (37,774) | -18.9% | (76,261) | -32.0% |
| Sunshine Ordinance Task Force | 99,569 | 106,319 | 167,145 | 60,826 | 57.2% | 67,576 | 67.9% |
| Budget and Legislative Analyst Services | 2,725,784 | 2,208,078 | 2,050,000 | (158,078) | -7.2% | (675,784) | -24.8% |
| LAFCO | 20,186 | 29,433 | 0 | (29,433) | 100.0% | (20,186) | 100.0% |
| <i>Total</i> | 10,960,015 | 10,611,998 | 10,538,794 | (73,204) | -0.7% | (421,221) | -3.8% |

Deficit of Draft Budget Proposal and Options

The proposed revenue increase of \$30,000 for volume changes in Planning applications and Assessment Appeal filings, combined with the savings of \$73,205 leaves a deficit from the Mayor's Budget instruction request of \$246,111 to reach the 20 percent target, and \$420,769 with the 10 percent contingency.

The Clerk's Office has identified the following areas of potential cost savings and revenue recovery for your consideration.

| Items | Revenue/ Savings |
|--|-----------------------------|
| Cost Recovery for Assessment Appeals Board | (\$59,750) |
| Membership Fees | (170,000) |
| Voluntary Furlough Program | (20,000) |
| <i>Total for Potential Cost Savings and Revenues</i> | (\$249,750) |
| <i>Overage/ (deficit) from 20 percent target</i> | 3,637 |
| <i>Overage/ (deficit) from 30 percent target</i> | (\$171,021) |

As previously outlined, the Assessment Appeals Board fees have not been increased for over a decade. I proposed a modest increase that would result in cost recovery at 40 percent.

Membership fees are for Citywide membership in important regional bodies. The budget for these memberships would perhaps be more appropriately shared among departments.

The initial draft budget estimate assumes that the labor unions will agree to wage concessions next year that are equal to those concessions this year. It is a policy call for the Committee whether the budget should assume a voluntary program in addition to or instead of Citywide labor concessions. In the current year, the Committee opted to include an assumption for a voluntary program before the labor unions agreed to wage concessions. While some staff members did complete the voluntary program in addition to the wage concession, many could not.

Policy Questions

The Clerk seeks the Budget and Finance Committee's direction and policy guidance. Below are some initial questions for the Committee's consideration:

- *Should the Department work with the City Attorney's Office to modify the fee structure at the Assessment Appeals Board to achieve 40 percent recovery?*
- *Should the budget add positions for Board Aides given the voters decision and should this change be revenue neutral or for a cost?*
- *Should the budget assumptions include a voluntary furlough program or continue with the assumption that the labor unions will agree to wage concession at the same amount as in the current year?*
- *Does the Committee wish to maintain the vacant position in the Youth Commission?*
- *Does the Committee support the cost saving position changes and reassignments in the Clerk's Office and to the Assessment Appeals Board and Sunshine Ordinance Task Force?*
- *Does the Committee support the use of the LAFCO carryforward in FY 2010-11?*
- *Should the membership budget of \$170,000 stay in the Board's budget?*

Board of Supervisors/Clerk of the Board

Budget Guidelines FY2010-2011

Budget and Finance Committee Hearing

January 13, 2010



Goals of the Hearing

To seek policy direction and guidance on
the development of the Board's
FY2010-2011 budget.

Mayor's Budget Instructions

- 3.9% General Fund reduction in current year
- 20% General Fund reduction and 10% contingency in FY2010-2011



Discretionary Spending

| Charter Mandated Positions and Services | Total Cost |
|---|-------------------------|
| Board Members | 1,454,250 |
| Clerk of the Board | 234,108 |
| Assessment Appeals Board | 424,003 |
| Sunshine Ordinance Task Force | 103,564 |
| Youth Commission | 152,510 |
| CAFR | 276,524 |
| Official Advertising | 150,000 |
| Budget Analyst | 2,000,000 |
| Board Aides | 2,819,188 |
| Committee and Legislative Clerks | <u>1,086,268</u> |
| <i>Total Nondiscretionary General Fund</i> | 8,700,416 |
| <i>Discretionary General Fund Budget</i> | <u>1,746,582</u> |
| <i>General Fund Budget</i> | 10,446,998 |



Budget Targets without Mandated Positions and Services

| | |
|---|-------------|
| <i>General Fund: Discretionary Budget</i> | \$1,746,582 |
| <i>20% reduction</i> | \$349,316 |
| <i>10% contingency</i> | \$174,658 |
| <i>3.9% midyear reduction</i> | \$68,117 |



Mid-Year Reductions

| | |
|-------------------------------|----------|
| <i>3.9% midyear reduction</i> | \$68,117 |
|-------------------------------|----------|

| | |
|-----------------------|------------|
| <i>Salary Savings</i> | \$(58,117) |
|-----------------------|------------|

| | |
|-------------------------|------------|
| <i>Contract Savings</i> | \$(10,000) |
|-------------------------|------------|

| | |
|----------------|-----|
| <i>Balance</i> | \$0 |
|----------------|-----|



Growth Over Last 11 Years

- The annual growth rate for the Board of Supervisors' General Budget is 2.33 percent.
- The median rate of growth for 10 other Departments used for comparison is 6.65 percent.
- These Departments on average grew three times more than the Board of Supervisors.
- Our Department had the lowest growth rate of all other Departments sampled.

Growth Over Last 5 Years

- The annual growth rate for the Board of Supervisors' General Budget is 1.75 percent.
- The median rate of growth for 10 other Departments used for comparison is 5.10 percent.
- These Departments on average grew three times more than the Board of Supervisors.
- Our Department had the lowest growth rate of all other Departments sampled.

Position Growth

- Over the last 11 years, the number of full-time positions has decreased 11.03, or by 14.82 percent.
- Over the last 5 years, the number of full time positions has decreased 1.25, or by 1.93 percent.

| Year | FTEs |
|-----------|-------|
| FY1998-99 | 74.45 |
| FY2004-05 | 64.67 |
| FY2009-10 | 63.42 |

Budget Reductions in the Current Year

- Eliminated the Office of the Legislative Analyst;
- Included Office of the Legislative Analyst services in the Budget Analyst contract;
- Reduced the Budget Analyst contract amount;
- Implemented voluntary salary reductions; and
- Maintained vacant positions in the Clerk's Office and the Youth Commission.
- Reduced advertising and printing costs.



Workload Changes

- Assessment appeals have nearly doubled from the prior year (2,476 to 4,920);
- Public information requests and Sunshine complaints constant, but areas are under resourced;
- IT is meeting new demands to post information on-line, and
- Experimented with maintaining vacancies.

Staffing Changes for Cost Savings and Increased Efficiencies

- Expand duties: 0952 Administrative Deputy would be responsible for personnel, contracts and *budget development*, and *IT management*.
- Reassignments to areas of need:
 - 1371 Budget Manager position exchanged for a 1454 Executive Secretary position and reassigned from the Clerk's Office to the Assessment Appeals Board where the work load has doubled.
 - 0922 Records and Information Manager (reassign .5 FTE to the Sunshine Ordinance Task Force and .5 FTE to continue with records management).
- Add an entry level position: Temporarily exchange one 1492 Committee Clerk down to a 1454 Executive Secretary III position.
- Classification correction: Exchange 1404 Clerk front desk position to a 1426 Senior Clerk Typist to better match work duties.



FY2010-2011 Budget Objectives

Prepare a budget that provides for the functions and duties apportioned to the Legislative Branch of government by the Charter, which include:

- Maintenance of the Legislative Record of the Board of Supervisors,
- Provide Public Access to that Record and Compliance with Open Meeting Laws, and
- Provide Administrative and Operations Necessary to Support the Board in its official duty,
 - Including Effective Budget and Legislative Analyst services, and

Additionally, the Board has prescribed other duties and responsibilities to our Department which require budgetary resources such as:

- Assessment Appeals Board,
- Sunshine Ordinance Task Force,
- Youth Commission,
- LAFCO, and
- PUC Bond Revenue Oversight Committee



Draft FY2010-2011 Revenue Budget

| Fee Types | FY2009-10 Budget | FY2010-11 Proposed Budget | Change |
|--|---------------------|---------------------------------|---------------|
| Planning Appeal Surcharge | 25,000 | 35,000 | 10,000 |
| Assessment Appeals and Copy Charges | 140,000 | 160,000 | 20,000 |
| <i>AAB Fee Increase</i> | <u>0</u> | <u>59,759</u> | <u>59,759</u> |
| Total | 165,000 | 254,759 | 89,759 |



Draft FY2010-2011 Salary Budget

| <i>Item</i> | FY 2009-2010 Approved Budget | FY 2010-2011 Proposed Budget | Change |
|-------------------------------------|---|---|-----------------|
| Salaries | \$5,512,877 | \$5,474,408 | (\$38,469) |
| Temporary | 83,408 | \$95,784 | \$12,376 |
| Premium | 44,399 | \$25,521 | (\$18,878) |
| Overtime | 10,300 | \$10,300 | \$0 |
| Benefits | 1,845,742 | \$1,822,612 | (\$23,130) |
| <i>Subtotal salaries and fringe</i> | 7,496,726 | 7,428,625 | (68,101) |



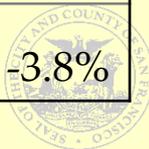
Draft FY2010-11 Non-Salary Budget

| <i>Item</i> | FY 2009-2010 Approved Budget | FY 2010-2011 Proposed Budget | Change |
|---------------------------------------|---------------------------------|---------------------------------|----------------|
| Travel | 2,500 | 1,550 | (950) |
| Training | 6,250 | 8,845 | 2,595 |
| Memberships | 171,700 | 171,765 | 65 |
| Interpreters | 0 | 2,000 | 2,000 |
| Professional Services | 2,413,166 | 2,378,608 | (34,558) |
| Office Equipment | 2,500 | 500 | (2,000) |
| Other Current Expenses | 164,166 | 180,100 | 15,934 |
| Advertising | 150,000 | 181,583 | 31,583 |
| <i>Subtotal Non-Personal Services</i> | 2,910,282 | 2,924,951 | 14,669 |
| Materials and Supplies | 26,901 | 27,129 | 228 |
| Services, Other Departments | 268,089 | 248,089 | (20,000) |
| Interdepartmental Recovery | (90,000) | (90,000) | 0 |
| Subtotal | 3,115,272 | 3,110,169 | (5,103) |



Proposed Budget By Division

| Division | FY2008-2009 | FY2009-10 | FY2010-11 Proposed | Change from FY2008-09 | |
|----------------------|-------------|------------|-----------------------|-----------------------|---------|
| | | | | Amount | Percent |
| Clerk of the Board | 2,745,770 | 2,714,847 | 2,736,297 | (9,473) | -0.3% |
| Board of Supervisors | 4,727,091 | 4,910,935 | 4,878,064 | 150,973 | 3.2% |
| AAB | 403,531 | 442,789 | 545,466 | 141,935 | 35.2% |
| Youth Commission | 238,084 | 199,597 | 161,823 | (76,261) | -32.0% |
| Sunshine | 99,569 | 106,319 | 167,145 | 67,576 | 67.9% |
| Budget Analyst | 2,725,784 | 2,208,078 | 2,050,000 | (675,784) | -24.8% |
| LAFCO | 20,186 | 29,433 | 0 | (20,186) | -100.0% |
| <i>Total</i> | 10,960,015 | 10,611,998 | 10,538,794 | (421,221) | -3.8% |



Shortfall from Budget Targets

| | |
|----------------------------------|----------------|
| Budget Target (20% reduction) | \$(349,316) |
| Revenues and Expenditure Savings | <u>103,205</u> |
| <i>To 20% reduction</i> | \$(246,111) |
| <i>To 30% reduction</i> | \$(420,769) |



Areas of Potential Cost Savings

| Items | Revenue/ Savings |
|--|---------------------|
| Cost Recovery for Assessment Appeals Board | (\$59,750) |
| Membership Fees | (170,000) |
| Voluntary Furlough Program | (20,000) |
| <i>Total for Potential Cost Savings and Revenues</i> | (\$249,750) |
| <i>Overage/ (deficit) from 20 percent target</i> | 3,635 |
| <i>Overage/ (deficit) from 30 percent target</i> | (\$171,019) |



Policy Questions

- *Modify the fee structure at the Assessment Appeals Board to achieve cost recovery?*
- *Add positions for Board Aides given the voters decision?*
- *Include a voluntary furlough program?*
- *Maintain the vacant position in the Youth Commission?*
- *Retain membership budget of \$170,000 in the Board's budget?*

FYI: LAFCO will determine whether to use it's carryforward in FY2010-11?

