

**CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST**

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TO: Budget and Finance Committee

FROM: Budget and Legislative Analyst



SUBJECT: September 28, 2017 Budget and Finance Committee Meeting

TABLE OF CONTENTS

Item	File		Page
2	17-0967	Hearing – Release of Reserved Funds – Fine Arts Museums – General Facility Maintenance and Capital Projects - \$2,237,166	1

Item 2 File 17-0967	Department: Fine Arts Museum of San Francisco (FAM)
EXECUTIVE SUMMARY	
<p>Legislative Objectives</p> <ul style="list-style-type: none"> • The Fine Arts Museums is requesting the Budget and Finance Committee of the Board of Supervisors to release the \$2,237,166 placed on reserve by the Budget and Finance Committee during the FY2017-18 budget review. <p>Key Points</p> <ul style="list-style-type: none"> • On June 21, 2017, the Budget and Finance Committee placed \$2,237,166, appropriated to the Fine Arts Museums for General Facility Maintenance and Capital Projects as approved by the Capital Planning Committee¹, on Budget and Finance Committee reserve, pending satisfactory resolution of Service Employees International Union (SEIU) Local 1021's request that all security guards at the Fine Arts Museums and Asian Art Museum be awarded 40 hour per week schedules. • According to the Fine Arts Museums Chief Financial Officer, a final settlement agreement was reached on September 21, 2017 between the City and SEIU. The Fine Arts Museums will convert all 0.875 Full Time Equivalent positions (FTEs) to 1.0 FTE in accordance with the settlement agreement. <p>Fiscal Impact</p> <ul style="list-style-type: none"> • The \$2,237,166 on Budget and Finance Committee reserve would be used for capital and maintenance projects necessary to maintain the museum buildings and for the protection and preservation of the City's art collections. Projects include general facility maintenance, secure bike parking, roof replacement and other capital improvements at the Legion of Honor, and roof replacement and tower exterior repairs at the De Young Museum. <p>Recommendation</p> <ul style="list-style-type: none"> • Approve the requested release of reserved funds. 	

¹ The Capital Planning Committee approved the General Facility Maintenance and Capital Projects on May 8, 2017. The Fine Arts Museum submits a list of requested projects to the staff at Capital Planning in January. After initial review, Capital Planning and Fine Arts Museum staff discuss and prioritize projects for the 2 year budget cycle.

MANDATE STATEMENT

City Administrative Code Section 3.3(e) states that the Budget and Finance Committee of the Board of Supervisors has jurisdiction over the City's budget and may reserve proposed expenditures to be released at a later date subject to Budget and Finance Committee approval.

BACKGROUND

On June 21, 2017, the Budget and Finance Committee placed \$2,237,166, appropriated to the Fine Arts Museums for General Facility Maintenance and Capital Projects as approved by the Capital Planning Committee², on Budget and Finance Committee reserve, pending satisfactory resolution of Service Employees International Union (SEIU) Local 1021's request that all security guards at the Fine Arts Museums and Asian Art Museum be awarded 40 hour per week schedules.

DETAILS OF PROPOSED LEGISLATION

The Fine Arts Museums is requesting the Budget and Finance Committee of the Board of Supervisors to release the \$2,237,166 placed on reserve by the Budget and Finance Committee during the FY2017-18 budget review.

FISCAL IMPACT

According to Fine Arts Museums Chief Financial Officer Ed Prohaska, the requested release of \$2,237,166 on Budget and Finance Committee reserve would be used for capital and maintenance projects necessary to maintain the museum buildings and for the protection and preservation of the City's art collections. Table 1 below summarizes the breakdown of the Fine Art Museums' requested release of \$2,237,166 placed on Budget and Finance Committee reserve for General Facility Maintenance and Capital Projects.

² The Capital Planning Committee approved the General Facility Maintenance and Capital Projects on May 8, 2017. The Fine Arts Museum submits a list of requested projects to the staff at Capital Planning in January. After initial review, Capital Planning and Fine Arts Museum staff discuss and prioritize projects for the 2 year budget cycle.

Table 1: Summary of the Fine Arts Museums General Facility Maintenance and Capital Projects

Project Title	Description	Amount
Fine Arts Museums: Facility Maintenance	Funding for general facility maintenance at the de Young and Legion of Honor.	\$192,166
De Young: Add bike parking	Increase amount of secure bike parking for staff.	\$50,000
Legion of Honor: Add bike lockers	Add secure bike parking for staff.	\$30,000
Legion of Honor: Colonnade Roof	Replace roof membrane and flashing over colonnade roof and Court of Honor water table.	\$60,000
Legion of Honor: Cooling Tower	Replace cooling tower that is approaching the end of its service life.	\$250,000
Legion of Honor: Masonry Work	Continuation of project that commenced in 2015 to repair masonry that has deteriorated and poses a safety risk to Legion visitors.	\$600,000
Legion of Honor: Roof Replacement	Continuation of project that commenced in 2008 to replace various roofing systems to ensure building is watertight over the City's art collections.	\$280,000
De Young: Roof Repairs	Repairs to the roof over the paintings conservation studio to ensure building is watertight over the City's art collections.	\$100,000
Legion of Honor: Tech Shop Exhaust	Install an exhaust system for museum technician shop to provide a safe work area for staff.	\$75,000
De Young: Tower Exterior Repairs	Perform repairs to connections at tower pipes which provide support for the copper panel façade.	\$600,000
Total Funds		\$2,237,166

POLICY CONSIDERATION

Status of Negotiations with SEIU 1021

The Board of Supervisors placed \$2,237,166 in the Fine Arts Museums FY 2017-18 budget on Budget and Finance Committee reserve, pending satisfactory resolution of SEIU Local 1021's request that all security guards at the Fine Arts Museums and Asian Art Museum be awarded 40 hour per week schedules. According to Mr. Prohaska, the Fine Arts Museums have agreed to award 40 hour per week schedules for all security guards. Mr. Prohaska stated that on June 23, 2017, a tentative agreement was executed by the City's Department of Human Resources (DHR) and SEIU, calling for 40 hour work weeks for all museum guards³ at the Fine Arts Museums and Asian Art Museum effective October 1, 2017. According to Mr. Prohaska, a final settlement agreement was reached on September 21, 2017 between the City and SEIU. The Fine Arts

³ This includes job classifications 8226 and 8202.

Museums will convert all 0.875 Full Time Equivalent positions (FTEs) to 1.0 FTE in accordance with the settlement agreement.

RECOMMENDATION

Approve the requested release of reserved funds.