

File No. 091421

Committee Item No. 2
Board Item No. 9

COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: January 6, 2010

Board of Supervisors Meeting

Date 1/17/10

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Victor Young
Completed by: _____

Date December 30, 2009
Date 1/7/10

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

P

04/11

FILE NO. 091421

ORDINANCE NO. _____ RO#10020
SA#20

1 [Appropriating ~~\$847,222~~ \$739,355 of various fee revenues for salaries, fringe benefits, and
2 services of other departments in the Department of Building Inspection for Fiscal Year 2009-
3 2010.]

4
5 **Ordinance appropriating ~~\$847,222~~ \$739,355 of Intergovernmental Memorandum of
6 Understanding and Vacant Building Fee revenues for salaries and fringe benefits for
7 limited duration positions to fund fee collection costs, and to fund a projected work
8 order shortfall with the City Attorney, for the Department of Building Inspection for
9 Fiscal Year 2009-2010.**

10 Note: Additions are single-underline italics Times New Roman;
11 Deletions are ~~strikethrough italics Times New Roman~~;
12 Board amendment additions are double underlined.
13 Board amendment deletions are ~~strikethrough-normal~~.

14 Be it ordained by the People of the City and County of San Francisco:

15
16 Section 1. The sources of funding outlined below are herein appropriated to reflect the
17 funding available for Fiscal Year 2009-2010.

18
19 **SOURCES Appropriation**

Fund	Index Code	Subobject	Description	Amount
2S BIF ANP- BIF-	DBIINSP	61130	Plumbing Permit	\$144,505
Operating - Non-				<u>\$120,421</u>
Project Fund				

	Fund	Index Code	Subobject	Description	Amount
1					
2	2S BIF ANP-- BIF-	DBIINSP	61140	Electrical Permit	\$69,064
3	Operating - Non-				<u>\$57,554</u>
4	Project Fund				
5					
6	2S BIF ANP-- BIF-	DBIINSP	61115	Building Permits	\$138,134
7	Operating - Non-				<u>\$115,110</u>
8	Project Fund				
9					
10	2S BIF ANP-- BIF-	DBIPERM	61101	Plan Checking	\$209,183
11	Operating - Non-				<u>\$174,320</u>
12	Project Fund				
13					
14	2S BIF ANP-- BIF-	DBIADM	61186	Vacant/Abandoned	\$86,339
15	Operating - Non-			Building Fee	<u>\$71,950</u>
16	Project Fund				
17					
18	2S BIF ANP-- BIF-	DBIINSP	61115	Building Permits	\$200,000
19	Operating - Non-				
20	Project Fund				
21	Total SOURCES Appropriation				<u>\$847,222</u>
22					<u>\$739,355</u>
23					
24					
25					

1 Section 2. The uses of funding outlined below are herein appropriated in Subobjects 00100
 2 Miscellaneous Salaries Budget, 01300 Fringe Benefits, which reflects the projected uses of
 3 funding to support fee collection costs, and in Subobject 081CT City Attorney Legal Services,
 4 which reflects a projected shortfall with the work order with the City Attorney primarily due to
 5 attorney time associated with code enforcement cases, for the Department of Building
 6 Inspection for Fiscal Year 2009-2010.

7
 8 **USES Appropriation**

9	Fund	Index Code	Subobject	Amount
10	2S BIF ANP-- BIF-Operating -	DBIPID	00100 Salaries	\$114,594
11	Non-Project Fund			<u>\$92,992</u>
12				
13	2S BIF ANP-- BIF-Operating -	DBIPID	01300 Fringe	\$32,915
14	Non-Project Fund		Benefits	<u>\$27,429</u>
15				
16	2S BIF ANP-- BIF-Operating -	DBIBID	00100 Salaries	\$106,149
17	Non-Project Fund			<u>\$88,458</u>
18				
19	2S BIF ANP-- BIF-Operating -	DBIBID	01300 Fringe	\$34,982
20	Non-Project Fund		Benefits	<u>\$26,652</u>
21				
22	2S BIF ANP-- BIF-Operating -	DBIEID	00100 Salaries	\$53,074
23	Non-Project Fund			<u>\$44,229</u>
24				
25	2S BIF ANP-- BIF-Operating -	DBIEID	01300 Fringe	\$45,989
	Non-Project Fund		Benefits	<u>\$13,325</u>

	Fund	Index Code	Subobject	Amount
1				
2				
3	2S BIF ANP-- BIF-Operating -	DBISTR	00100 Salaries	\$152,163
4	Non-Project Fund			<u>\$126,803</u>
5				
6	2S BIF ANP-- BIF-Operating -	DBISTR	01300 Fringe	\$57,020
7	Non-Project Fund		Benefits	<u>\$47,517</u>
8				
9	2S BIF ANP-- BIF-Operating -	DBIADM	00100 Salaries	\$59,694
10	Non-Project Fund			<u>\$49,743</u>
11				
12	2S BIF ANP-- BIF-Operating -	DBIADM	01300 Fringe	\$26,648
13	Non-Project Fund		Benefits	<u>\$22,207</u>
14				
15	2S BIF ANP-- BIF-Operating -	DBIINSP	081CT City Attorney	\$200,000
16	Non-Project Fund		Legal Services	
17	Total USES Appropriation			<u>\$847,222</u>
18				<u>\$739,355</u>
19				
20				
21				
22				
23				
24				
25				

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

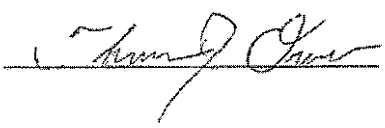
FUNDS AVAILABLE

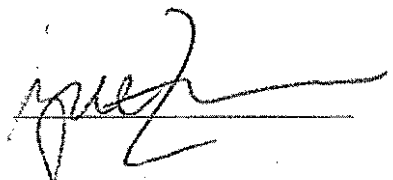
APPROVED AS TO FORM:

BEN ROSENFELD

DENNIS J. HERRERA, City Attorney

Controller

By: 

By: 

Deputy City Attorney

Date: 12/8/2009

Amended Date: 1/6/2010



DATE: December 7, 2009
 TO: Honorable Supervisor John Avalos, Chair, Budget and Finance Committee
 FROM: Vivian L. Day, C.B.O., Director, Department of Building Inspection *Vivian L. Day*
 RE: FY 2009-10 Supplemental Appropriation Ordinance and Annual Salary Ordinance Amendment

The Department of Building Inspection requests approval from the Board of Supervisors for a supplemental appropriation ordinance and an amendment to the Annual Salary Ordinance (ASO) totaling \$847,222 of which \$647,222 is for salaries and fringes for 5.5 FTE in FY 2009-10 (11.00 FTE in FY 2010-11). An additional \$200,000 will fund services of other departments. The revenue sources consist of \$560,883 from work associated with intergovernmental memorandums of understanding (MOUs), \$86,339 from vacant buildings fees and \$200,000 from surplus charges for other services.

Intergovernmental MOUs

The Department has negotiated MOUs with the following entities.

Entity	Services to be provided by DBI
Transbay Joint Powers Authority	Plan review and field inspection services for Transbay Transit Center Program
San Francisco Public Utilities Commission	Plan review and field inspection services associated with construction of new administration building at 525 Golden Gate Avenue
Treasure Island Development Authority	Plan review and field inspection services for the Former Naval Station on Treasure Island
Port of San Francisco	Plan review and field inspection services on Port Projects

A total of \$875,000 is currently projected from the MOUs in FY 2009-10. The supplemental appropriates \$560,883 for 4.50 FTE in limited duration positions in FY 2009-10 which annualizes to 9.00 FTE in FY 2010-11. The remaining revenue will fund work performed by existing staff.

SOURCES

Funding Source	Amount
MOU Revenues	\$ 560,883

USES

Class	Amount	FY 2009-10 FTE	FY 2010-11 FTE
Building Inspector (6331) - Limited Duration	\$ 138,131	1.00	2.00
Plumbing Inspector (6242) - Limited Duration	69,043	0.50	1.00
Electrical Inspector (6248) - Limited Duration	69,064	0.50	1.00
Senior Plumbing Inspector (6246) - Limited Duration *	75,462	0.50	1.00
Principal Clerk (1408) - Limited Duration	79,675	1.50	3.00
Engineer (5241) - Limited Duration	<u>129,508</u>	<u>0.50</u>	<u>1.00</u>
	\$ 560,883	4.50	9.00

Office of the Director
 1660 Mission Street – San Francisco CA 94103
 Office (415) 558-6131 – Fax (415) 558-6225 – www.sfdbi.org

Vacant Building Fees

Implementation of the Vacant and Abandoned Buildings Ordinance requires creation of a registry to facilitate inspections and code enforcement activities. The Department is in the process of notifying over 200 vacant and abandoned building owners of the requirement to pay an annual registration fee per building. A total of \$86,339 is projected in FY 2009-10.

The supplemental appropriates \$86,339 for 1 FTE in limited duration positions for FY 2009-10 which annualizes to 2 FTE in FY 2010-11. The clerks will be responsible for the creation and maintenance of the database, scheduling inspections and maintaining records of the Notices of Violation (NOV) process.

SOURCES

	Amount
Vacant Building Fee	\$ 86,339

USES

	Amount	FY 2009-10	FY 2010-11
Class		FTE	FTE
Principal Clerk (1408) - Limited Duration	\$ 86,339	1.00	2.00

Charges for Other Services

A surplus in charges for services is projected for FY 2009-10 of which \$200,000 will fund a projected shortfall in the workorder with the City Attorney. This is primarily due to additional attorney time associated with code enforcement cases.

Conclusion

The Building Inspection Commission approved submission of the supplemental appropriation ordinance and the amendment to the Annual Salary Ordinance to the Board of Supervisors on November 18, 2009. All the positions are limited duration and the Department will bring back individuals who were laid off last fiscal year and are on the holdover list as much as possible.

For additional information, please contact me at (415) 558-6131 or Pamela Levin at (415) 558-6239



BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

December 31, 2009

TO: Budget and Finance Committee

FROM: Budget and Legislative Analyst

SUBJECT: January 6, 2010 Budget and Finance Committee Meeting

Items # 2 and 3
File 09-1421 and 09-1422

Department(s):
Department of Building Inspection (DBI)

EXECUTIVE SUMMARY

Legislation

- File 09-1421: The proposed ordinance would appropriate \$847,222 of Intergovernmental Memorandum of Understanding (MOU) revenues, Vacant and Abandoned Building Fee revenues and building permit fee surplus revenues in FY 2009-2010 to fund (a) the salaries and mandatory fringe benefits for 5.50 FTE new limited duration positions, from January 1, 2010 through June 30, 2010, and (b) an anticipated shortfall in a workorder between the Department of Building Inspection (DBI) and the City Attorney's Office.
- File 09-1422: The proposed ordinance would amend the FY 2009-2010 Annual Salary Ordinance (ASO) to add 5.50 FTE limited duration positions (11.00 FTEs on an annualized basis).

Key Points

- The proposed two ordinances would allow DBI to (a) hire 5.50 FTE new limited duration positions to (i) conduct plan reviews and field inspection services for the Transbay Joint Powers Authority, San Francisco Public Utilities Commission (PUC), Treasure Island Development Authority (TIDA), and the Port of San Francisco (Port) and (ii) enforce the Vacant and Abandoned Building Ordinance through registration and enforcement activities, and (b) fund an anticipated shortfall in the workorder between DBI and the City Attorney's Office.

- If approved, the proposed two ordinances would allow DBI to hire the 5.50 FTE new limited duration positions effective January 1, 2010.
- The City Attorney's Office has only sent DBI billings for the first quarter of FY 2009-2010 although the second quarter is nearly complete. As a result, DBI cannot more accurately project City Attorney expenses for FY 2009-2010.

Fiscal Impact

- The 5.50 FTE new limited duration positions (\$647,222) and anticipated shortfall in a workorder between DBI and the City Attorney's Office (\$200,000) are together projected to cost \$847,222 in FY 2009-2010. The 5.50 FTE positions would be annualized to 11.00 FTE positions and are estimated to cost a total of \$1,294,445 in FY 2010-2011.
- The projected cost for the City Attorney workorder is \$2,176,024, which is \$360,386 more than the \$1,815,638 included in DBI's FY 2009-2010 budget. DBI is currently requesting a \$200,000 appropriation and the remaining projected \$160,386 will be absorbed within the existing DBI budget.

Recommendation

- The earliest that the proposed ordinances could be approved by the Board of Supervisors is January 26, 2010, such that the new DBI positions could commence on February 1, 2010. Therefore, the Budget Analyst recommends (a) amending File 09-1422 to reduce the requested 5.50 FTEs positions by 0.91 FTEs from 5.50 FTEs to 4.59 FTEs, (b) amending File 09-1421 to reduce the requested appropriation by \$107,867 from \$847,222 to \$739,355, (c) returning the remaining \$107,867 to the specified revenue subobjects in DBI Operating Non-Project Fund to cover existing staff working on the projects and (d) adding the "L" designation to the proposed positions.

BACKGROUND/MANDATE STATEMENT

Background and Legal Requirements:

Vacant and Abandoned Building Registration, Fee, Maintenance and Security Ordinance: On August 27, 2009, the Board of Supervisors amended the City's Building Code by adding Section 103A.4, to require property owners to (a) register their vacant and abandoned buildings with the Department of Building Inspection (DBI), (b) maintain the exterior and interior of the buildings, including the grounds, (b) secure the buildings and (c) keep the buildings in good condition (File 09-0554). In addition, the Board of Supervisors amended Section 110, Table 1A-J in the City's Building Code to establish an annual \$765 registration fee for vacant and abandoned buildings, which is approximately 4 ½ hours at the existing DBI standard inspection hourly rate of \$170.00.

Intergovernmental Memorandums of Understanding (MOUs): In the fall of 2009, DBI executed four separate Intergovernmental MOUs with the Transbay Joint Powers Authority, San Francisco Public Utilities Commission (PUC), Treasure Island Development Authority (TIDA), and the Port of San Francisco (Port) to conduct plan review and plumbing, electric and building inspection services, as shown in Table 1 below. The Intergovernmental MOUs did not specify a designated amount that the Transbay Joint Powers Authority, PUC, TIDA, and the Port will pay for DBI's various plan review and field inspection services. However, the Intergovernmental MOUs state that DBI will charge the appropriate fees¹ for each plan review and field inspection provided. The Transbay Joint Powers Authority Intergovernmental MOU was approved by the Board of Supervisors on October 29, 2009 (File 09-1054). The three Intergovernmental MOUs between DBI and the PUC, TIDA and the Port did not require Board of Supervisors approval because (a) the Intergovernmental MOUs were between City departments, and (b) the anticipated fees were less than \$1,000,000 for each MOU. As stated in the Budget Analyst's File 09-1054 report, DBI will submit a supplemental appropriation ordinance to the Board of Supervisors to request additional staff and amend the FY 2009-2010 Annual Salary Ordinance if DBI determines that the plan review and field inspection services workload requires additional staff.

Table 1: Intergovernmental MOUs with DBI

Intergovernmental MOU	Execution Date	DBI Services
Transbay Joint Powers Authority	October 29, 2009	Conduct plan review and plumbing, electric and building inspection services for Transbay Transit Center
San Francisco Public Utilities Commission	September 14, 2009	Conduct plan review and plumbing, electric and building inspection services for the construction of the PUC administrative building at 525 Golden Gate Avenue
Treasure Island Development Authority	August 12, 2009	Conduct plan review and plumbing, electric and building inspection services for the former Naval Station on Treasure Island
Port of San Francisco	September 24, 2009	Conduct plan review and plumbing, electric and building inspection services on various Port projects

Source: DBI

¹ The specific plan review and field inspection service fees are listed in Table 1A-A through Table 1A-J in Section 110A of the San Francisco Building Code.

Workorder between DBI and City Attorney's Office: Based on the FY 2008-2009 appropriated amount, the Board of Supervisors approved a total appropriation of \$1,815,638 in the FY 2009-2010 budget for a workorder between DBI and the City Attorney's Office. Under this workorder, the City Attorney's Office provides legal services for code enforcement cases and other related DBI issues that occur throughout the fiscal year.

Department's Response to Requirements:

Vacant and Abandoned Building Registration, Fee, Maintenance and Security Ordinance: According to Ms. Pamela Levin, Deputy Director, Administrative Services of DBI, DBI sent out a letter and registration form to approximately 250 property owners in November and December of 2009 informing them that their vacant or abandoned buildings must now comply with the recently approved legislation. In accordance with the recently approved Vacant and Abandoned Building ordinance, property owners have 30 days to register their vacant or abandoned buildings and pay the required fees. Ms. Levin advises that, in response to DBI's initial notification letters, property owners have (a) registered their vacant or abandoned buildings, (b) disputed the Vacant and Abandoned Building ordinance, or (c) not responded to the letter and registration form. Ms. Levin advises that DBI will provide the number of the 250 property owners who have registered their buildings, disputed the ordinance or not responded to the notices at the January 6, 2009 Budget and Finance Committee. According to Ms. Levin, DBI will send a second letter and registration form to those property owners who do not respond to the original letter and registration form in early January 2010. Ms. Levin advises that DBI has been able to absorb this initial work with existing staff, however the ordinance has exacerbated the impact of the staffing shortage that resulted from May 2009 layoffs. Staff is now required to update and maintain two databases: (1) vacant and blighted buildings and (2) buildings that are vacant but exempt from the new ordinance due to actively being for sale/lease or have a valid building permit. Other duties include scheduling inspections and updating and maintaining records of the Notices of Violations.

Intergovernmental MOUs: According to Ms. Levin, DBI has begun conducting plan review services for the Transbay Joint Powers Authority, PUC, and TIDA, but has not yet provided any DBI services for the Port because the Port is still in the planning stage of their projects. Ms. Levin advises that DBI has been able to absorb the requested DBI plan reviews with existing staff, however the Intergovernmental MOUs has exacerbated the impact of the staffing shortage that resulted from May 2009 layoffs. The amount of plan reviews and field inspection services associated with the Intergovernmental MOUs is expected to significantly increase in the Spring of 2010, requiring additional staff. Ms. Levin advises that DBI expects to receive at least \$875,000 in FY 2009-2010, including \$559,338 from the PUC and at least \$315,662 from the Transbay Joint Powers Authority, Port and TIDA. Ms. Levin advises that DBI will use \$560,883 (as shown in Table 2 below) for the requested new limited duration DBI positions, and use the remaining \$314,117 (\$875,000 less \$560,883) to fund the salaries and benefits of existing DBI staff working on the projects.

Workorder between DBI and City Attorney's Office: Ms. Levin advises that due to an unexpected increase in attorney time associated with the large number of code enforcement cases and the increasing complexity of the cases, the City Attorney's Office charged DBI \$544,006 for

work provided from July 1, 2009 through September 30, 2009. If the City Attorney's Office workload remains the same as incurred during this first quarter of FY 2009-2010, DBI estimates that the City Attorney workorder would cost \$2,176,024 in FY 2009-2010. As noted above, DBI budgeted a total of \$1,815,638 in FY 2009-2010 for City Attorney workorder costs, such that DBI projects a deficit of \$360,386 (\$2,176,024 less \$1,815,638) if the workload of code enforcement cases remains the same throughout FY 2009-2010.

DETAILS OF PROPOSED LEGISLATION

Description

File 09-1421: The proposed ordinance would appropriate a total of \$847,222, including \$560,883 of Intergovernmental Memorandum of Understanding (MOU) revenues, \$86,339 of Vacant and Abandoned Building Fee revenues and \$200,000 of building permit fee surplus revenues in FY 2009-2010 as shown in Table 2 below.

Table 2: Sources of DBI's Proposed Appropriation

Sources	Amount
<u>Intergovernmental MOUs</u>	
Plumbing Permit Services	\$144,505
Electrical Permit Services	69,064
Building Permit Services	138,131
Plan Reviewing Services	209,183
Subtotal	\$560,883
Vacant and Abandoned Building Fee Revenues	86,339
Building Permit Service Revenue Surplus	200,000
Total	\$847,222

Source: DBI

As summarized in Table 3 below, the above-noted \$847,222 in revenues would be used to fund (a) \$647,222 for 5.50 FTE new various limited duration positions, from January 1, 2010 through June 30, 2010, and (b) \$200,000 for an anticipated shortfall in a workorder between DBI and the City Attorney's Office.

Table 3: DBI's Salaries and Fringe Benefits for 5.50 FTE Limited-Term Positions and City Attorney's Office Workorder Shortfall

Class and Title	FTE	Amount
<u>Intergovernmental MOU Limited Term Positions</u>		
6331 Building Inspector	1.00	\$138,131
6242 Plumbing Inspector	0.50	69,043
6248 Electrical Inspector	0.50	69,064
6246 Senior Plumbing Inspector	0.50	75,462
1408 Principal Clerk	1.50	129,508
5241 Engineer	<u>0.50</u>	<u>79,675</u>
Subtotal	4.50	\$560,883
<u>Vacant Building Limited Term Positions</u>		
1408 Principal Clerk	1.00	\$86,339
Subtotal	1.00	\$86,339
POSITIONS TOTAL	5.50	\$647,222
<u>Workorder Funds</u>		
Proposed shortfall for City Attorney's Office workorder		\$200,000
OTHER TOTAL		\$200,000
Total	5.50	\$847,222

Source: DBI

As shown above in Table 3, of the 5.50 FTE limited duration positions requested (11.00 FTEs on an annualized basis), (a) 4.50 FTE positions (9.0 FTEs on an annualized basis) would conduct plan reviews and plumbing, electric and building inspection services for the Transbay Joint Powers Authority, the PUC, TIDA and the Port, and (b) 1.0 FTE position (2.0 FTEs on an annualized basis) would implement the Vacant and Abandoned Building Ordinance through registration, including creating and maintaining the databases, scheduling inspections and maintaining records of the Notices of Violations.

As explained in the Background Section, due to an increase in City Attorney time associated with a large number of code enforcement cases and the complexity of code enforcement cases, the City Attorney's Office is projected to exceed the existing FY 2009-2010 workorder budget of \$1,815,638 by approximately \$360,386. As of the writing of this report, DBI is requesting an additional \$200,000 appropriation for City Attorney workorders in FY 2009-2010, and Ms. Levin advises that the remaining projected \$160,386 will be absorbed within the existing DBI budget.

File 09-1422: The proposed ordinance would amend the FY 2009-2010 Annual Salary Ordinance (ASO) to add 5.50 FTE limited duration positions effective January 1, 2010 (11.00 FTEs on an annualized basis), as shown in Table 3 above.

Strategic Plan Goals and Objective Statement

The proposed ordinances would allow DBI to (a) conduct plan reviews and field inspection services for the Transbay Joint Powers Authority, the PUC, TIDA, and the Port, as provided in recently approved MOUs, (b) implement the Board of Supervisor's recently approved Vacant and Abandoned Building ordinance, and (c) partially fund a projected shortfall in the FY 2009-2010 workorder between DBI and the City Attorney's Office.

FISCAL ANALYSIS

According to Ms. Levin, DBI anticipates funding the requested 11.00 FTE limited duration positions with Intergovernmental MOU revenues and Vacant and Abandoned Building Fee revenues for approximately three years (until February 2013). Based on existing construction schedules over the next fiscal year, Ms. Levin estimates that DBI will be paid approximately \$1,750,000 from the Transbay Joint Powers Authority (an estimated \$7,000,000 over four years), approximately \$300,000 from the PUC, and approximately \$745,000 from the Port, or a total of approximately \$2,795,000. According to Ms. Levin, since the plan reviews and field inspection services conducted for TIDA would be on an as-needed basis, DBI cannot currently estimate such revenues. Ms. Levin advises that the Vacant and Abandoned Building Fee ordinance is estimated to generate approximately \$191,250 in revenues annually.

Ms. Levin advises that the Transbay Joint Powers Authority, PUC, TIDA, and the Port require at least three years of DBI's plan review and field inspection services, and DBI would provide such services beyond three years if funding was available and the 9.00 FTE limited duration positions assigned to these tasks were continued, subject to approval by the Board of Supervisors.

According to Ms. Levin, as required by the recently approved ordinance, registration and inspections of vacant and abandoned buildings will be an ongoing DBI effort. However, DBI is requesting 2.0 FTE limited duration positions at this time, because DBI plans to evaluate their ongoing workload within three years. If the workload requires 2.00 FTE ongoing positions, then DBI would request that such positions continue to be funded on a permanent basis, rather than as limited duration positions, beginning in DBI's FY 2012-2013 Operating Budget, subject to approval by the Board of Supervisors.

As shown in Table 4 below, fully annualized, the Budget Analyst estimates that the requested 11.00 FTE positions (5.50 FTEs from January 1, 2010 through June 30, 2010) would cost a total of \$1,294,445 (\$965,337 in salaries and \$329,108 in fringe benefits) in FY 2010-2011. Ms. Levin advises that DBI will request that these 11.00 FTE positions continue to be funded in DBI's FY 2010-2011 Operating Budget, subject to approval by the Board of Supervisors.

Table 4: Cost of the Annualized Positions in FY 2010-2011

Class and Title	FTE	Salary	Mandatory Fringe Benefits	Total Amount
<u>Intergovernmental MOU Limited Term Positions</u>				
6331 Building Inspector	2.00	\$212,298	\$63,964	\$276,262
6242 Plumbing Inspector	1.00	106,149	31,937	138,086
6248 Electrical Inspector	1.00	106,149	31,979	138,128
6246 Senior Plumbing Inspector	1.00	117,032	33,892	150,924
1408 Principal Clerk	3.00	179,073	79,944	259,017
5241 Engineer	1.00	125,254	34,096	159,350
Subtotal	9.00	\$845,955	\$275,812	\$1,121,767
<u>Vacant Building Limited Term Positions</u>				
1408 Principal Clerk	2.00	\$119,382	\$53,296	\$172,678
Subtotal	2.00	\$119,382	\$53,296	\$172,678
Total	11.00	\$965,337	\$329,108	\$1,294,445

Source: Analysis conducted by the Budget Analyst

DBI would be unable to hire requested positions until the beginning of February 2010

The proposed two ordinances request (a) appropriation of \$647,222 (\$560,883 plus \$86,339) for 5.50 FTE positions, from January 1, 2010 through June 30, 2010, and (b) an amendment of the FY 2009-2010 ASO to add these 5.50 FTE new positions, effective January 1, 2010. However, the earliest possible date that the proposed ordinances could be approved by the Board of Supervisors is January 26, 2010. According to Ms. Levin, if the proposed ordinances are approved by the Board of Supervisors on January 26, 2010, DBI anticipates rehiring specialized DBI staff that were laid off in FY 2008-2009 and FY 2009-2010, within one to two weeks from the date that the proposed ordinances are approved. Ms. Levin advises that hiring the proposed 11 positions (5.50 FTEs in FY 2009-2010) would take less time than the normal hiring procedures since DBI would hire staff from the holdover roster². The Budget Analyst therefore recommends changing the effective date from January 1, 2009 to February 1, 2009 by (a) amending File 09-1422 to reduce the requested 5.50 FTEs in various positions by 0.91 FTEs to 4.59 FTEs (see Table 5 below), (b) amending File 09-1421 to reduce the requested appropriation of \$847,222 by \$107,867 to \$739,355 (see Table 5 below), and (c) returning the remaining \$107,867 to their specified revenue subobjects³ in DBI Operating Non-Project Fund to cover existing staff working on the projects.

² Permanent or probationary employees who are laid off or placed on an involuntary leave of absence are ranked by seniority and permanency status in a holdover roster for their existing and prior classifications. City departments can hire from the holdover list when a position is open.

³ The revenue subobjects in DBI Operating Non-Project Fund are (a) subobject 61130 plumbing permit, (b) subobject 61140 electrical permit, (c) subobject 61115 building permits, (d) subobject 61101 plan checking, and (e) subobject 61186 vacant/abandoned building fee,

Table 5: Cost of the New Various Positions with a Start Date of February 1, 2010

Class and Title	FTE	Salary	Mandatory Fringe Benefits	Total Amount
<u>Intergovernmental MOU Limited Term Positions</u>				
6331 Building Inspector	0.83	\$88,458	\$26,652	\$115,110
6242 Plumbing Inspector	0.42	44,229	13,307	57,536
6248 Electrical Inspector	0.42	44,229	13,325	57,554
6246 Senior Plumbing Inspector	0.42	48,763	14,122	62,885
1408 Principal Clerk	1.25	52,189	14,207	66,396
5241 Engineer	0.42	74,614	33,310	107,924
Subtotal	3.76	\$352,482	\$114,923	\$467,405
<u>Vacant Building Limited Term Positions</u>				
1408 Principal Clerk	0.83	\$49,743	\$22,207	\$71,950
Subtotal	0.83	\$49,743	\$22,207	\$71,950
POSITIONS TOTAL	4.59	\$402,225	\$137,130	\$539,355
<u>Workorders</u>				
Proposed shortfall for City Attorney's Office workorder				\$200,000
OTHER TOTAL				\$200,000
Total	4.59			\$739,355

Source: Analysis conducted by the Budget Analyst

Positions do not have "L" designation for Limited Duration Status

Ms. Levin advises that the intent of the DBI under the proposed ordinance (File 09-1422), is to hire the proposed 5.5 FTE new positions (11 FTE positions annually) on a limited duration basis. However, the requested positions do not have a specific "L" – limited duration designation. The Budget Analyst therefore recommends amending File 09-1422 to include the "L" designation to each of the proposed new positions.

OTHER ISSUES

City Attorney has not submitted current billings to DBI

As discussed above, the City Attorney's Office charged DBI \$544,006 for work provided from July 1, 2009 through September 30, 2009, such that, if the City Attorney's workload remains the same throughout FY 2009-2010, DBI's City Attorney workorder costs are projected to be \$2,176,024. DBI budgeted \$1,815,638 in FY 2009-2010 for City Attorney workorder costs, such that DBI currently projects a deficit of approximately \$360,386 (\$2,176,024 less \$1,815,638). The subject supplemental request includes \$200,000 to cover additional City Attorney workorder expenses.

Given that it is already the end of December 2009, the Budget Analyst inquired whether DBI could more accurately project City Attorney workorder expenses based on approximately six months of billings, rather than just the first three months. As of the writing of this report, DBI had not received City Attorney billings for the second quarter of the fiscal year, such that DBI could not more accurately estimate City Attorney expenses for FY 2009-2010. The Budget Analyst notes that this is an issue of concern for DBI to accurately project budgetary expenses.

RECOMMENDATIONS

1. As discussed above and detailed in Table 5, amend (a) File 09-1422 to reduce the requested 5.50 FTEs in various positions by 0.91 FTEs to 4.59 FTEs to reflect a start date of February 1, 2009 rather than January 1, 2009, (b) amend File 09-1421 to reduce the requested appropriation of \$847,222 by \$107,867 to \$739,355 to coincide with the later hiring date, and (c) return the remaining \$107,867 to the revenue subobjects in DBI Operating Non-Project Fund to cover existing staff working on the projects.
2. Amend the proposed Salary Ordinance (File 09-1422) to add the "L" limited duration designation for each of the proposed eleven positions.
3. Approve Files 09-1421 and 09-1422, as amended.