

File No. 240449

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Appropriations Committee Date May 15, 2024

Board of Supervisors Meeting Date _____

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

- MYR May Proposed Budget Book 5/1/2024
- _____
- _____
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- _____
- _____
- _____
- _____
- _____

Completed by: Brent Jalipa Date May 10, 2024

Completed by: Brent Jalipa Date _____

CITY & COUNTY OF SAN FRANCISCO, CALIFORNIA

LONDON N. BREED

MAY PROPOSED BUDGET

FISCAL YEARS 2024-2025 & 2025-2026



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MAYOR'S LETTER

May 1, 2024

Dear Residents of San Francisco,

I am honored to present you with my proposed May 1 Budget for the City and County of San Francisco, which is the first step toward creating a balanced budget for Fiscal Years (FY) 2024-25 and 2025-26. It will be followed by my full proposed budget on June 1.

The May 1 Budget supports the work of 12 City departments, including our four enterprise agencies—the San Francisco Municipal Transportation Agency, the Port of San Francisco, the Public Utilities Commission, and the San Francisco International Airport.

This budget also funds the operations of eight City departments —the Board of Appeals, Building Inspection, Child Support Services, Environment, Law Library, Public Library, Rent Arbitration Board, and Retirement System. These departments provide critical services to all San Francisco residents and neighborhoods.

The San Francisco Municipal Transportation Agency (SFMTA) continues to invest in programs to increase transit ridership across the City, with an emphasis on making Muni a more reliable, safe, and clean transportation experience. Investments include service enhancements, advanced camera technology, increased staff presence, additional cleaning services, investments in cleaning and upgrades to transit shelters.

At the San Francisco International Airport, passenger traffic levels continue to grow at a projected rate of over 14 percent during the next two fiscal years, revitalizing San Francisco's



tourism industry and strengthening our economic recovery. The Airport also continues to be a leader in sustainability, from achieving the highest certification level from Leadership in Energy and Environmental Design (LEED) to expanding its Zero Waste Concessions policy.

The Port of San Francisco manages our waterfront as a gateway to a world-class city, evidenced by tourism and cruise calls surpassing pre-pandemic levels, and achieving a record 110 cruise calls and 390,967 passengers in FY 2022-23. My May 1 Budget proposes the first steps to explore potential Port expansion for a second cruise terminal, by assessing the cost of expanding cruise call capacity with additional power access points. The budget also invests in additional security at the Port, enhancing safety and street conditions by adding new security.

The San Francisco Public Utilities Commission (SFPUC) will continue to responsibly manage the City's utility infrastructure through increased improvements in water and sewer main repair and replacement, cybersecurity, and laboratory

investments. One of the most visible and meaningful ways the SFPUC will contribute to the recovery of the economy will be through its large capital program, which will invest over \$3 billion in the next two years and \$11.8 billion over the next 10 years. These investments will create thousands of local jobs while improving the City's essential utility infrastructure and resilience to climate change.

My proposed May 1 Budget also supports the work of key services in City departments. As part of my Housing for All Executive Directive, permitting and application review at the Department of Building Inspection will be streamlined, with increased customer guidance and more predictable processes. At the Rent Arbitration Board, new investments will improve collaboration with the SF 311 Customer Service Center to better serve resident's needs, and expanding Housing Inventory outreach specifically

to Chinese, Spanish, and Filipino small property owners. In the Department of the Environment, we continue to invest in the City's Climate Action Plan team, which has already secured more than \$45.8 million in outside grants since 2023 to help the City achieve its ambitious climate goals.

We have faced incredible challenges in the past five years, and still face many uncertainties and risks to our City's long-term fiscal health. The investments included in the May 1 Budget position us to meet the economic challenges that lay ahead while laying out a clear vision of making investments in the core services that benefit our residents and visitors. I look forward to working with the Board of Supervisors, the community, and all stakeholders to meet these challenges and craft a balanced budget that reflects our shared priorities, values and vision for the City we call home.



London N. Breed

Mayor

BUDGET SUMMARY TABLES

USES BY DEPARTMENT

Departments	2023-2024 Budget	2024-2025 Proposed	Changes from 2023-2024	2025-2026 Proposed	Changes from 2024-2025
Airport Commission	1,305,429,570	2,063,494,559	758,064,989	1,797,913,884	(265,580,675)
Board Of Appeals	1,143,037	1,198,622	55,585	1,251,338	52,716
Building Inspection	86,103,574	87,748,543	1,644,969	91,637,424	3,888,881
Child Support Services	13,666,530	13,291,458	(375,072)	13,332,780	41,322
Environment	32,317,937	45,693,044	13,375,107	36,215,671	(9,477,373)
Law Library	1,794,860	1,286,868	(507,992)	1,345,421	58,553
Municipal Transportation Agency	1,472,760,301	1,531,847,695	59,087,394	1,576,342,037	44,494,342
Port	150,125,276	157,736,473	7,611,197	157,658,828	(77,645)
Public Library	200,254,962	187,956,930	(12,298,032)	189,457,189	1,500,259
Public Utilities Commission	1,788,497,463	2,025,431,529	236,934,066	2,160,700,615	135,269,086
Rent Arbitration Board	17,725,223	13,812,353	(3,912,870)	14,371,400	559,047
Retirement System	51,469,503	61,525,130	10,055,627	55,601,919	(5,923,211)
Expenditure Subtotals	5121288236	6,191,023,204	1,069,734,968	6,095,828,506	(95,194,698)
Less Interdepartmental Recoveries And Transfers	(256,045,651)	(289,508,078)	(33,462,427)	(319,935,530)	(30,427,452)
Net	4865242585	5,901,515,126	1,036,272,541	5,775,892,976	(125,622,150)

FUNDED POSITIONS BY SERVICE AREA AND DEPARTMENT

Department	2023-2024 Budget	2024-2025 Proposed	Changes from 2023-2024	2025-2026 Proposed	Changes from 2024-2025
Airport Commission	1,681.63	1,798.92	117.29	1,818.24	19.32
Board Of Appeals	4.25	3.94	(0.31)	3.94	0.00
Building Inspection	269.24	278.68	9.44	279.11	0.43
Municipal Transportation Agency	5,649.98	5,432.16	(217.82)	5,408.69	(23.47)
Port	258.97	254.03	(4.94)	255.85	1.82
Public Utilities Commission	1,723.51	1,769.83	46.32	1,795.84	26.01
Service Area: B Total	9,587.57	9,537.56	(50.01)	9,561.67	24.11

Service Area: C Human Welfare & Neighborhood Development

Department	2023-2024 Budget	2024-2025 Proposed	Changes from 2023-2024	2025-2026 Proposed	Changes from 2024-2025
Child Support Services	64.12	59.76	(4.36)	58.45	(1.31)
Environment	82.66	92.31	9.65	88.06	(4.25)
Rent Arbitration Board	49.88	49.94	0.06	49.94	0.00
Service Area: C Total	196.66	202.01	5.35	196.45	(5.56)

Service Area: E Culture & Recreation

Department	2023-2024 Budget	2024-2025 Proposed	Changes from 2023-2024	2025-2026 Proposed	Changes from 2024-2025
Law Library	2.38	2.41	0.03	2.41	0.00
Public Library	717.23	725.97	8.74	725.97	0.00
Service Area: E Total	719.61	728.38	8.77	728.38	0.00

Service Area: F General Administration & Finance

Department	2023-2024 Budget	2024-2025 Proposed	Changes from 2023-2024	2025-2026 Proposed	Changes from 2024-2025
Retirement System	151.85	157.43	5.58	159.74	2.31
Service Area: F Total	151.85	157.43	5.58	159.74	2.31

Report Grand Total	10,655.69	10,625.38	(30.31)	10,646.24	20.86
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DEPARTMENT BUDGETS

AIRPORT

MISSION

Delivering an airport experience where people and our planet come first. For more information about this department's services, please visit [flysfo.com](https://www.flysfo.com).

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$2.1 billion for the Airport is \$758 million, or 58.1 percent, higher than the FY 2023-24 budget. This is primarily due to an increase in capital spending and non-personnel costs. The FY 2025-26 proposed budget of \$1.8 billion is \$265 million, or 12.9 percent lower, than the FY 2024-25 proposed budget. This change is due to a decrease in capital spending from the prior year.

Passenger Growth

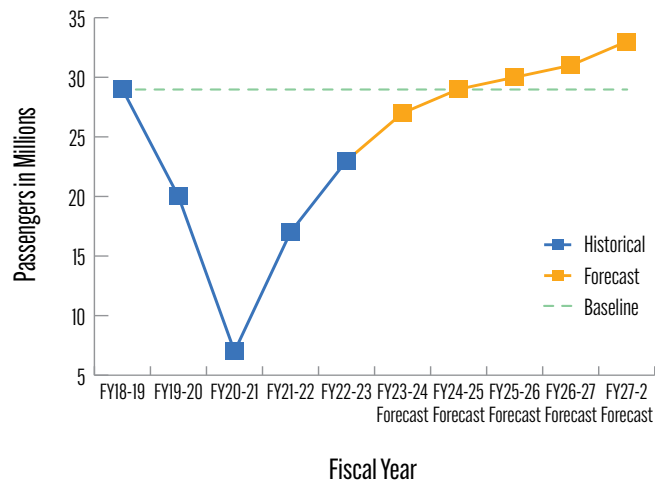
Passenger traffic is forecast to grow by 14.2 percent over the next two fiscal years. The Annual Service Payment (ASP) to the City is based upon non-aviation concession revenues and is highly dependent on passenger levels. With additional

passenger activity, the ASP is forecast to grow by 11 percent over the next two years.

Airport Integrated Operations Center (AIOC)

The AIOC is a new initiative that provides a cohesive operations team that ensures safety for passengers, employees, airlines, and tenants. The AIOC was an initiative studied pre-pandemic when the Airport was seeing peak passenger levels and flagging areas of risks and threats. It will provide operational visibility and coordinated communications across the Airport to ensure operational continuity. It is a single source of information for operational status that will allow proactive management of anticipated issues by leveraging predictive insights. To implement the AIOC, the budget includes over 40 new positions.

PASSENGER ENPLANEMENTS SCENARIO. *Enplanements are expected to fully recover to FY 2018-19 pre-pandemic levels in FY 2024-25 and to exceed FY 2018-19 pre-pandemic levels in FY 2025-26.*



Accelerating Sustainability

The Airport continues to be an industry and community leader in sustainability. Key milestones include achieving the highest certification level from the Leadership in Energy and Environmental Design (LEED v4) and a Fitwel certification; leading the industry in Sustainable Aviation Fuel pipeline deliveries; and expanding the Zero Waste Concessions Policy to prohibit the sale of all beverages in plastic bottles or aseptic paper packaging. Looking ahead, SFO will continue to deliver progress in its net zero initiatives.

Career Pathway Programs

The Airport has a longstanding commitment to programming that supports youth employment, allowing participants to build professional skills essential for the workforce through robust internship, apprenticeship, fellowship, and training programs. The Airport's budget reflects investments to support its outreach strategy for

Career Pathway Programs focused on building a talent pipeline to meet the Airport's operational needs. For example, SFO's Summer High School Internship program focuses on airport operations and career paths into City employment.

The Airport continues to partner with the Mayor's Opportunities for All (OFA) program, an initiative aimed at connecting young people of all backgrounds to paid employment, job training, and mentorship opportunities.

The Airport focuses on hiring local youth and students from diverse communities aligned with its Racial Equity Action Plan. To provide in-depth learning experiences, the Airport offers Career Advance Internships with job training workshops. The Airport's Career Pathway Programs also provides valuable work experience. Interns, trainees, fellows, and apprentices play a vital role in the operation of SFO.

ORGANIZATIONAL STRUCTURE: AIRPORT



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	1,934.74	2,057.87	123.13	2,078.24	20.37
Non-Operating Positions (CAP/Other)	(253.11)	(258.95)	(5.84)	(260.00)	(1.05)
Net Operating Positions	1,681.63	1,798.92	117.29	1,818.24	19.32

Sources

Intergovernmental: Federal	48,010,000	138,710,000	90,700,000	83,310,000	(55,400,000)
Intergovernmental: State	5,000		(5,000)		
Charges for Services	858,381,000	1,008,980,000	150,599,000	1,263,856,000	254,876,000
Fines, Forfeiture, & Penalties	1,664,000	1,924,000	260,000	1,950,000	26,000
Rents & Concessions	365,563,000	451,312,000	85,749,000	450,144,000	(1,168,000)
Other Revenues	59,748,000	74,893,000	15,145,000	77,762,000	2,869,000
Interest & Investment Income	22,522,000	34,756,291	12,234,291	43,298,918	8,542,627
Expenditure Recovery	88,000	38,994	(49,006)	39,644	650
IntraFund Transfers In	153,625,000	555,427,660	401,802,660	444,760,793	(110,666,867)
Other Financing Sources		3,000,000	3,000,000		(3,000,000)
Beg Fund Balance - Budget Only	64,080,682	476,989,381	412,908,699	12,428,810	(464,560,571)
Transfer Adjustment-Source	(268,257,112)	(682,536,767)	(414,279,655)	(579,636,281)	102,900,486
General Fund					
Sources Total	1,305,429,570	2,063,494,559	758,064,989	1,797,913,884	(265,580,675)

Uses - Operating Expenditures

Salaries	220,078,480	248,775,227	28,696,747	259,973,516	11,198,289
Mandatory Fringe Benefits	93,921,103	104,551,948	10,630,845	110,176,837	5,624,889
Non-Personnel Services	189,685,653	268,016,794	78,331,141	302,769,399	34,752,600
Capital Outlay	55,093,005	616,108,263	561,015,258	198,439,879	(417,668,384)
Debt Service	575,029,174	631,236,669	56,207,495	719,304,175	88,067,506
Facilities Maintenance	15,750,000	15,750,000		15,750,000	
Intrafund Transfers Out	153,625,000	555,427,660	401,802,660	444,760,793	(110,666,867)
Materials & Supplies	16,306,528	23,021,722	6,715,194	22,478,649	(543,073)
Overhead and Allocations	(6,306,170)	(6,504,246)	(198,076)	(6,563,851)	(59,605)
Services Of Other Depts	94,953,334	104,177,469	9,224,135	114,854,572	10,677,103
Transfers Out	50,918,463	58,360,713	7,442,250	60,730,713	2,370,000
Transfer Adjustment - Uses	(153,625,000)	(555,427,660)	(401,802,660)	(444,760,793)	110,666,867
Uses Total	1,305,429,570	2,063,494,559	758,064,989	1,797,913,884	(265,580,675)

Uses - By Division Description

AIR Airport Director	9,142,274	3,413,462	(5,728,812)	3,510,400	96,938
AIR Bureau Of Admin & Policy	29,570,940		(29,570,940)		
AIR Capital Projects	53,385,000	256,452,424	203,067,424	103,571,983	(152,880,441)
AIR Chief Development Office	13,305,526	82,612,263	69,306,737	93,371,774	10,759,511
AIR Chief Operating Office	18,390,578	434,849,430	416,458,852	455,640,103	20,790,673
AIR Commission Secretary		742,143	742,143	765,008	22,865
AIR External Affairs	10,231,954	12,329,396	2,097,442	12,773,204	443,808
AIR Facilities; Maintenance	15,750,000	15,750,000		15,750,000	
AIR Finance & Commercial		757,221,245	757,221,245	866,713,452	109,492,207
AIR General	207,043,463	61,001,848	(146,041,615)	63,371,848	2,370,000
AIR Information Tech & Telecom		56,331,384	56,331,384	58,908,099	2,576,715
AIR Office of General Counsel		5,654,601	5,654,601	5,661,931	7,330
AIR ORCIF		348,306,000	348,306,000	89,888,000	(258,418,000)
AIR Resilience & Sustainability		28,830,363	28,830,363	27,988,082	(842,281)
Uses by Division Total	356,819,735	2,063,494,559	1,706,674,824	1,797,913,884	(265,580,675)

BOARD OF APPEALS

MISSION

The Board of Appeals (BOA) provides the public with a final administrative review process for the issuance, denial, suspension, revocation, and modification of city permits as well as for certain decisions of the Zoning Administrator, Planning Commission, and Historic Preservation Commission. For more information about this department's services, please visit sf.gov/departments/board-appeals

BUDGET ISSUES & DETAILS

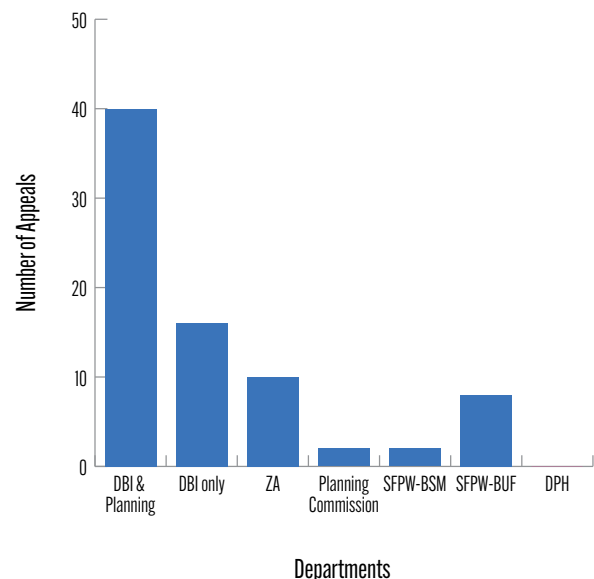
The proposed Fiscal Year (FY) 2024-25 budget of \$1.2 million for the Board of Appeals is \$0.1 million, or 4.9 percent, higher than FY 2023-24 budget. This is primarily due to an increase in interdepartmental spending and salary and benefit cost increases. The FY 2025-26 proposed budget of \$1.3 million is \$0.1 million, or 4.4 percent, higher than the FY 2024-25 proposed budget. This change is also due to salary and benefit cost increases.

Accountability and Equity in Services and Spending

The Mayor's proposed budget recognizes that revenue from filing fees has been consistently declining over the years. This reduction can be attributed, in part, to the waiver of these fees for individuals that qualify based on their economic circumstances. Consequently, the revenue budget that comes from surcharges has been increased to balance the budget and accommodate the shortfall in filing fees. Allowing fee waivers ensures access to Board services by members of the public with challenging economic circumstances. The Mayor's proposed budget also maintains training opportunities for Board of Appeals commissioners and staff that focus on racial equity and inclusion.

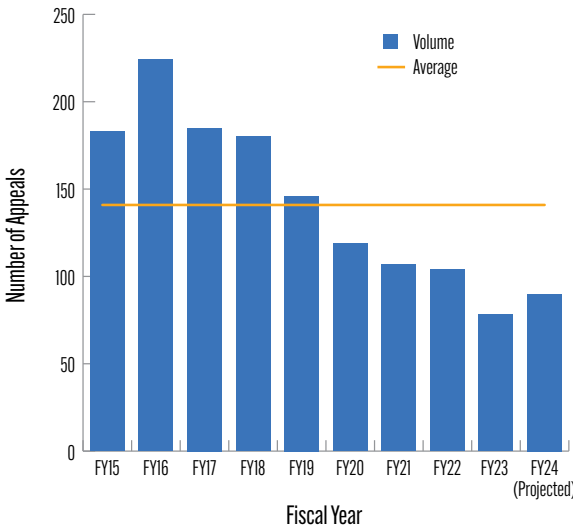
Citywide Economic Vitality

The Mayor's proposed budget maintains staffing levels to ensure that Board processes and decisions are consistent with the timelines outlined in the San Francisco Administrative Code. This enables approved projects to move forward in a timely manner, which contributes to the economic vitality of San Francisco.

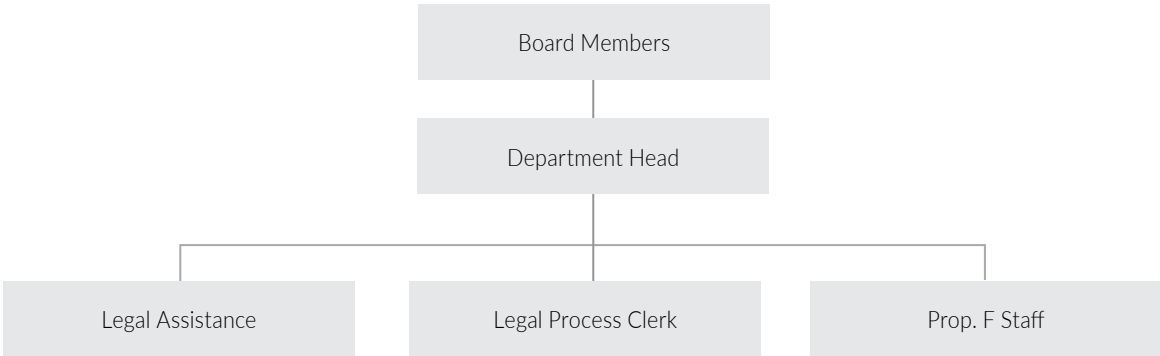


APPEAL DISTRIBUTION. This graph shows the distribution of appeals heard based on the department issuing the determination.

APPEAL VOLUME. This graph shows the volume of appeals filed in each of the last ten fiscal years, the projected volume for FY24, and the ten-year average.



ORGANIZATIONAL STRUCTURE: BOARD OF APPEALS



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	4.25	3.94	(0.31)	3.94	
Non-Operating Positions (CAP/Other)					
Net Operating Positions	4.25	3.94	(0.31)	3.94	0.00
Sources					
Charges for Services	1,132,059	1,198,622	66,563	1,251,338	52,716
General Fund	10,978		(10,978)		
Sources Total	1,143,037	1,198,622	55,585	1,251,338	52,716
Uses - Operating Expenditures					
Salaries	501,705	519,560	17,855	537,094	17,534
Mandatory Fringe Benefits	263,608	277,971	14,363	290,039	12,068
Non-Personnel Services	19,700	32,501	12,801	45,000	12,499
Materials & Supplies	3,398	9,558	6,160	9,558	
Services Of Other Depts	354,626	359,032	4,406	369,647	10,615
Uses Total	1,143,037	1,198,622	55,585	1,251,338	52,716
Uses - By Division Description					
BOA Board of Appeals	1,143,037	1,198,622	55,585	1,251,338	52,716
Uses by Division Total	1,143,037	1,198,622	55,585	1,251,338	52,716

BUILDING INSPECTION

MISSION

The Department of Building Inspection (DBI) protects our community by ensuring code-compliant construction, building safety, resilience, and habitability, and by supporting economic development in San Francisco. For more information about this department's services, please visit sf.gov/departments/departments-building-inspection

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$87.7 million for the Department of Building Inspection is \$1.6 million, or 1.9 percent, higher than FY 2023-24 budget. This is primarily due to salary and benefit cost increases. The FY 2025-26 proposed budget of \$91.6 million is \$3.9 million, or 4.4 percent, higher than the FY 2024-25 proposed budget. This change is also due to salary and benefit cost increases.

Rightsizing Fee Levels

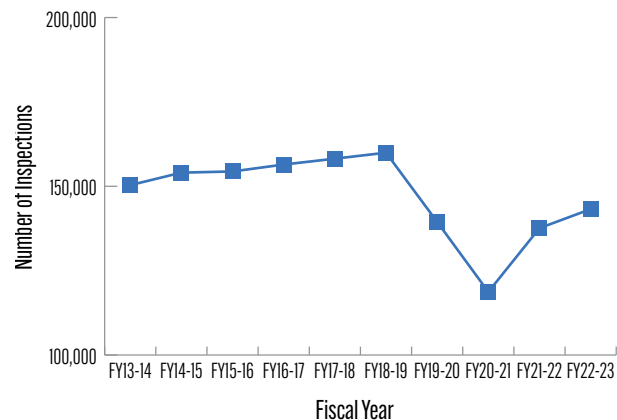
The pandemic, work-from-home, high interest rates, and other economic factors have led to slower construction activity over the past four years. Permitting activity remains below pre-pandemic levels, resulting in reduced revenues for DBI and

directly impacting the Department's ability to fund its own operations. Over this time, DBI reduced its expenditures and leveraged reserves to balance its budget. However, relying on reserves is not a sustainable option for the Department.

In 2023, DBI conducted a fee study, determining optimal fee levels to fully recover operating costs. The Department completed the fee study in January 2024. The Department plans to phase in proposed fee increases evenly over three years to prevent any sudden shock.

DBI's focus is providing core services while making operational improvements, alongside monitoring revenues and expenditures for savings opportunities.

TOTAL INSPECTIONS PERFORMED. *This graph shows inspections are beginning to return to pre-pandemic levels after a major decline.*

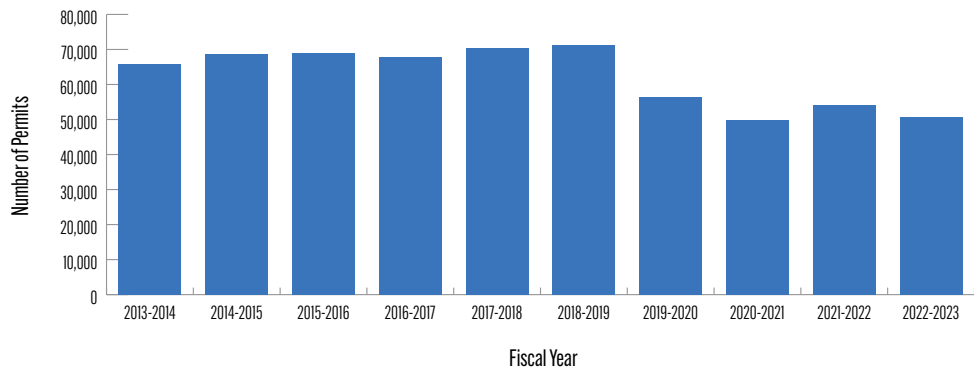


Streamlining Permitting and Application Review

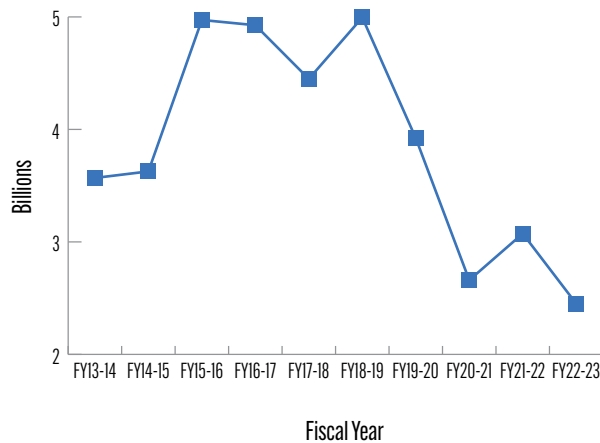
As part of the Mayor’s Housing for All Executive Directive, DBI is assessing permitting timelines, identifying opportunities to reduce review times and implementing process improvements to expedite housing delivery in San Francisco. Specifically, the Department is implementing changes in response to new state laws such as

Assembly Bill (AB) 1114. AB 1114 will provide more customer guidance, a predictable project review process and better coordination among the City’s permitting departments. In addition, the City recently implemented technology improvements, which DBI is leveraging to reduce processing times and enhance internal review coordination of permit applications.

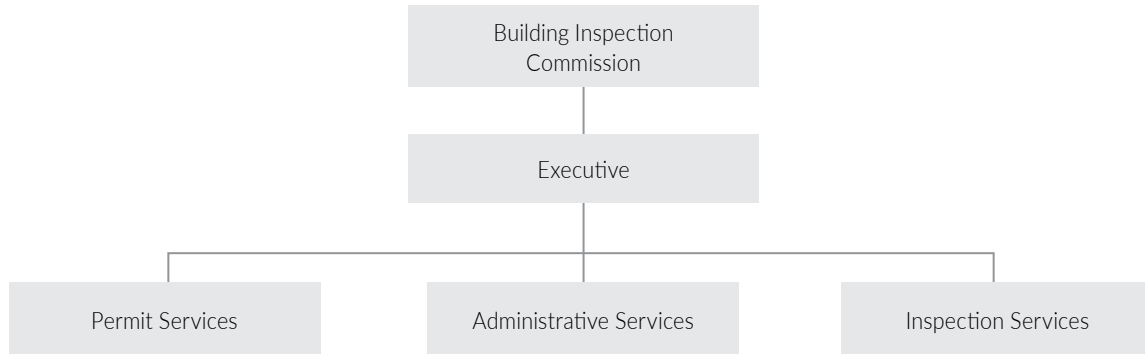
TOTAL NUMBER OF PERMITS ISSUED. *This graph shows that permit issuance remains below pre-pandemic levels.*



TOTAL CONSTRUCTION VALUATIONS. *This graph shows the decline in the total value of construction occurring in the City.*



ORGANIZATIONAL STRUCTURE: BUILDING INSPECTION



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	269.24	278.68	9.44	279.11	0.43
Non-Operating Positions (CAP/Other)					
Net Operating Positions	269.24	278.68	9.44	279.11	0.43

Sources

Charges for Services	47,057,008	48,877,361	1,820,353	61,875,316	12,997,955
Fines, Forfeiture, & Penalties		650,000	650,000	650,000	
Licenses, Permits, & Franchises	7,718,319	12,083,145	4,364,826	12,083,145	
Other Revenues	1,250,000	1,250,000		1,250,000	
Interest & Investment Income	1,922,127	1,820,035	(102,092)	1,813,246	(6,789)
Expenditure Recovery	204,053	162,329	(41,724)	162,329	
IntraFund Transfers In	22,852,067	19,235,673	(3,616,394)	10,133,388	(9,102,285)
Transfers In	5,100,000	4,320,000	(780,000)	4,320,000	
Beg Fund Balance - Budget Only	3,500,000	9,000,000	5,500,000		(9,000,000)
Prior Year Designated Reserve	19,352,067	9,585,673	(9,766,394)	9,483,388	(102,285)
Transfer Adjustment-Source	(22,852,067)	(19,235,673)	3,616,394	(10,133,388)	9,102,285
General Fund					
Sources Total	86,103,574	87,748,543	1,644,969	91,637,424	3,888,881

Uses - Operating Expenditures

Salaries	41,362,210	43,530,228	2,168,018	45,672,419	2,142,191
Mandatory Fringe Benefits	16,798,842	17,634,273	835,431	18,570,764	936,491
Non-Personnel Services	3,761,000	3,773,000	12,000	3,773,000	
City Grant Program	4,800,000	4,320,000	(480,000)	4,320,000	
Carry-Forward Budgets Only		(1,745,432)	(1,745,432)		1,745,432
Intrafund Transfers Out	22,852,067	19,235,673	(3,616,394)	10,133,388	(9,102,285)
Materials & Supplies	442,000	462,000	20,000	462,000	
Overhead and Allocations	1,352,456	457,525	(894,931)	457,525	
Programmatic Projects		1,795,432	1,795,432	50,000	(1,745,432)
Services Of Other Depts	17,587,066	17,521,517	(65,549)	18,331,716	810,199
Transfer Adjustment - Uses	(22,852,067)	(19,235,673)	3,616,394	(10,133,388)	9,102,285
Uses Total	86,103,574	87,748,543	1,644,969	91,637,424	3,888,881

Uses - By Division Description

DBI Administration	43,251,831	24,155,466	(19,096,365)	24,450,485	295,019
DBI Inspection Services	45,986,001	42,658,617	(3,327,384)	45,268,864	2,610,247
DBI Permit Services	19,717,809	20,934,460	1,216,651	21,918,075	983,615
Uses by Division Total	108,955,641	87,748,543	(21,207,098)	91,637,424	3,888,881

CHILD SUPPORT SERVICES

MISSION

The Department of Child Support Services (DCSS) works to empower parents to provide economic support for their children, thereby contributing to the well-being of families and children. For more information about this department's services, please visit sf.gov/departments/child-support-services

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$13.3 million for Child Support Services Department is \$0.4 million, or 2.7 percent, lower than FY 2023-24 budget. This is primarily due to a decrease in salary and benefit costs. The FY 2025-26 proposed budget of \$13.3 million is \$0.04 million, or 0.3 percent higher than the FY 2024-25 proposed budget, and mostly unchanged from the prior year.

Ongoing Initiatives

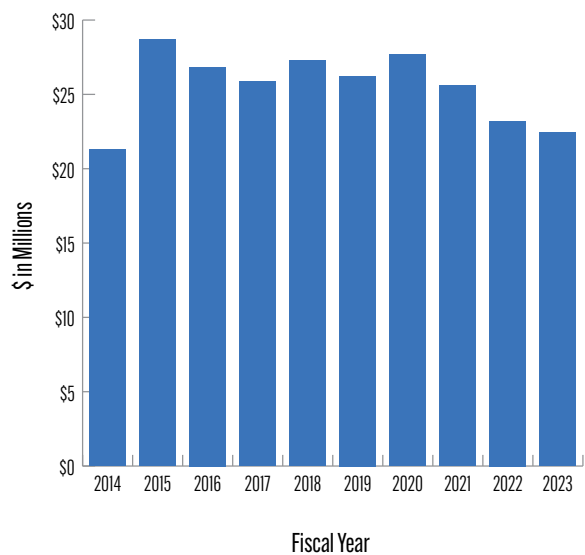
The Department will continue to focus its resources on the following key initiatives during FY 2024-25 and FY 2025-26:

Paternity Establishment DCSS will continue collaboration with San Francisco General and other San Francisco birthing centers, providing children with financial and emotional support from parents.

Serving Justice Involved Parents DCSS will expand its collaboration with the Sheriff's Department, providing virtual and in-person assistance to justice involved parents. This ensures parents have equitable access to programs, child support informational materials, and opportunities for debt relief.

Providing More Parents with Debt Reduction

The Debt Reduction Program is an expansion of the former Compromise of Arrears Program (COAP) that qualifies parents to settle government-owned debt. This promotes parent stability by getting more resources to their children, encouraging improved co-parenting, and healthier family relationships.



ANNUAL DISTRIBUTED COLLECTIONS. *The annual amount of support collections distributed to families on the CSS caseload over recent years.*

Succession Planning Through an Equitable Lens

DCSS prepares for the future by providing its employees with professional training and development, allowing staff to compete for leadership roles. To increase diversity and employment equity, DCSS works with the Department of Human Resources to create entry level child support positions that foster community representation.

Community Input through Advisory Committee

The Department's Advisory Committee works directly with parents and community based organizations on issues of concern to families, promoting equitable change and effectively guiding the department to better serve parents and children.

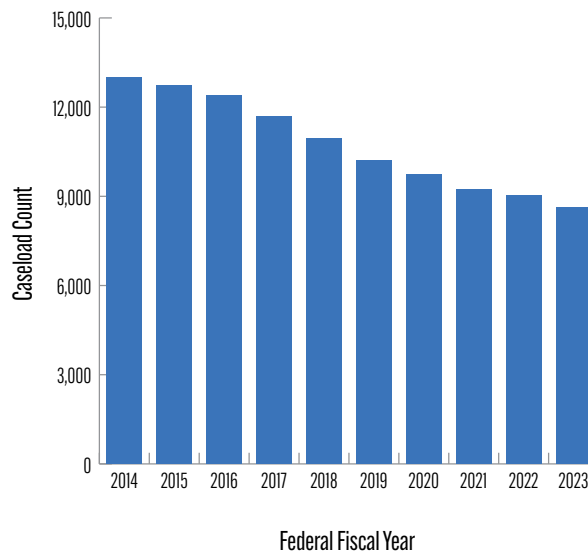
A New Approach to Child Support for San Francisco Families

DCSS partnered with the San Francisco Superior Court to create a non-cash payment alternative to a traditional child support order.

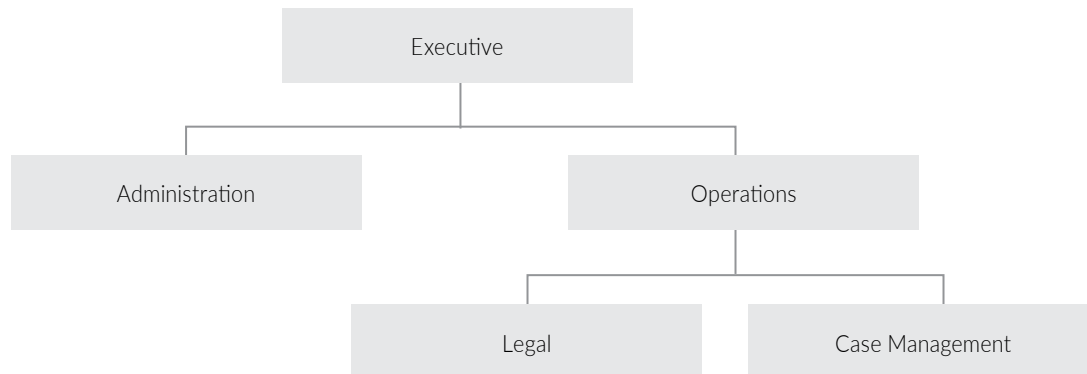
A non-cash payment alternative, also referred to as in-kind support, is an arrangement between parents to care for their children. The arrangement may involve the exchange of goods or services such as transportation, clothing, shoes, groceries, housing, rent, or other items. Working with the San Francisco Superior Court, the Department coordinated a pilot program to acknowledge the various ways that parents provide for their children and reflect those arrangements in their formal child support court order.

Recruitment of families into the voluntary program is currently underway. Enrolled parents will work with court mediators to draft their in-kind support agreements; the court will monitor the agreements for compliance and child support will enforce the monetary portion of the child support order.

AVERAGE CASELOAD. Cases managed by CSS has decreased over the last several years, averaging 8,626 in Federal FY 2022-23.



ORGANIZATIONAL STRUCTURE: CHILD SUPPORT SERVICES



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	64.12	59.76	(4.36)	58.45	(1.31)
Non-Operating Positions (CAP/Other)					
Net Operating Positions	64.12	59.76	(4.36)	58.45	(1.31)
Sources					
Intergovernmental: Federal	8,359,395	8,359,395		8,359,395	
Intergovernmental: State	4,306,354	4,306,354		4,306,354	
Other Revenues	849,607	469,343	(380,264)	504,910	35,567
Expenditure Recovery	151,174	156,366	5,192	162,121	5,755
General Fund					
Sources Total	13,666,530	13,291,458	(375,072)	13,332,780	41,322
Uses - Operating Expenditures					
Salaries	7,712,971	7,648,616	(64,355)	7,807,274	158,658
Mandatory Fringe Benefits	3,751,258	3,728,131	(23,127)	3,812,878	84,747
Non-Personnel Services	358,079	591,190	233,111	853,537	262,347
Materials & Supplies	166,735	59,551	(107,184)	38,317	(21,234)
Services Of Other Depts	1,677,487	1,263,970	(413,517)	820,774	(443,196)
Uses Total	13,666,530	13,291,458	(375,072)	13,332,780	41,322
Uses - By Division Description					
CSS Child Support Services	13,666,530	13,291,458	(375,072)	13,332,780	41,322
Uses by Division Total	13,666,530	13,291,458	(375,072)	13,332,780	41,322

ENVIRONMENT

MISSION

The Department of Environment’s (ENV) mission is to advance climate protection and enhance the quality of life for all San Franciscans. ENV implements change-making environmental policies and delivers programs and services directly to residents and businesses that promote zero waste, protect human health, increase energy efficiency, prevent pollution, enhance biodiversity and reduce personal vehicle trips. ENV also works in partnership with city agencies and the public to implement San Francisco’s ambitious Climate Action Plan. For more information about this department’s services, please visit sfenvironment.org

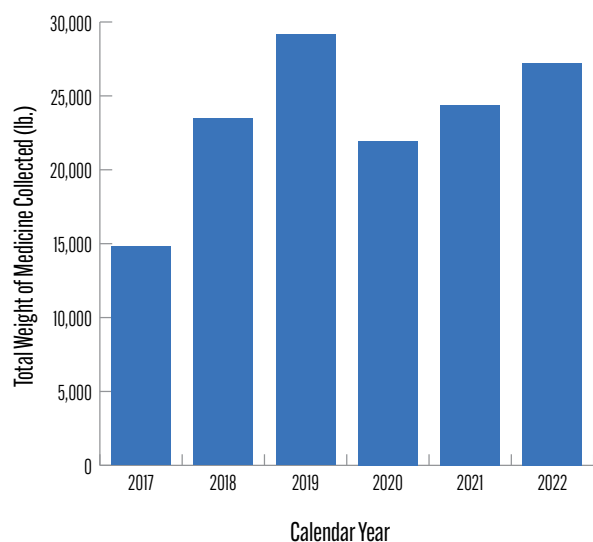
BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$46.3 million for the Environment Department is \$14 million, or 43.2 percent, higher than FY 2023-24 budget. This is primarily due to new state and federal grant revenues. The FY 2025-26 proposed budget of \$37.2 million is \$9 million, or 19.5 percent lower, than the FY 2024-25 proposed budget. This change is due to the loss of one-time grant revenues in the prior year.

Keeping Drugs Off Our Streets and Out of Waterways

The Department of Environment’s Safe Drug Disposal Stewardship Program, based on an ordinance championed by Mayor London N. Breed and enacted in 2015, has collected over 140,000 pounds of unwanted medications since 2017. The Safe Medicine Disposal program provides drop-off kiosks, mail-back envelopes, and collection events for residents to safely dispose of unused or expired medicine. These convenient options safeguard children, adults, pets, and wildlife from accidental ingestion or poisoning. The program uses

an Extended Producer Responsibility approach to protect public health and promote environmental sustainability by reducing pharmaceutical contamination in water bodies. This collaborative



SAFE MEDICINE DISPOSAL PROGRAM MEDICINE COLLECTION RESULTS. *The weight of unwanted medicine (in pounds) collected from 2017 to 2022.*

effort between residents, government, and industry keeps drugs off our streets and sets a precedent for positive effective public health interventions.

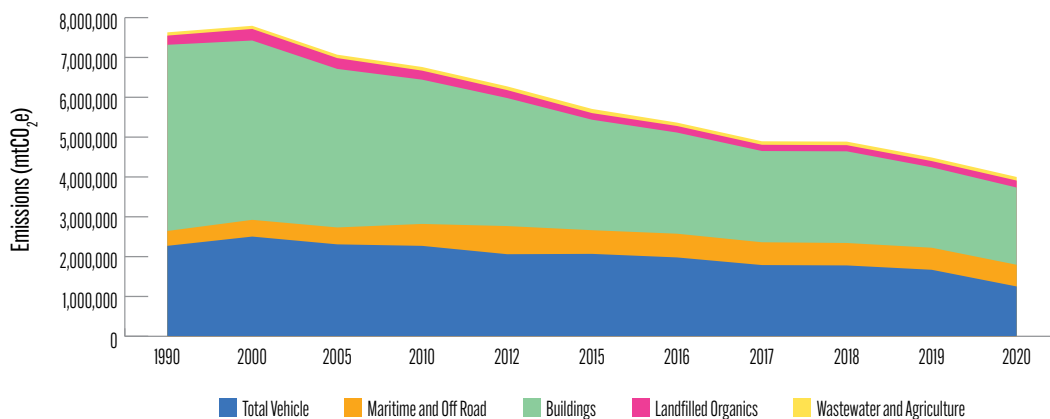
Funding our Future: Securing State and Federal Grants for Climate Projects

The federal government’s focus on building a greenhouse gas-free and climate just future through the release of billions in grant funding is an unprecedented opportunity to accelerate the implementation of San Francisco’s Climate Action Plan. The Department of Environment (ENV) is taking advantage of this funding opportunity by aggressively pursuing grants at the state and federal level to increase business, community, and residential participation in emission reduction and zero waste initiatives. These additional resources will promote a higher quality of life for San Franciscans by bolstering decarbonization programs that promote equity and affordability, strengthening the City’s food recovery ecosystem for vulnerable communities and supporting community-led climate justice efforts. Since 2023, ENV has secured

\$45.8 million in outside funding from 13 successful traditional grant applications.

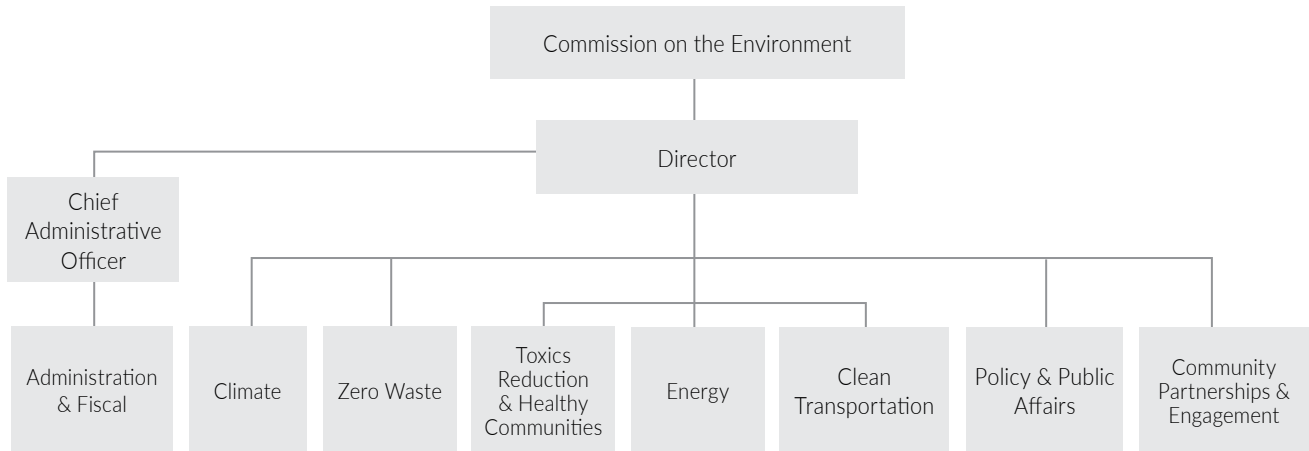
Energizing Lives and Saving Businesses Money

The BayREN Business program, spearheaded by the Department of Environment, is helping the City’s small businesses recover from the pandemic through money-saving sustainability measures. This publicly-funded program offers small businesses free energy efficiency assessments and financial incentives. Technical assistance is provided to support equipment upgrades, lowering maintenance costs. In 2023 alone, the program reached out to over 30 businesses, granting \$218,000 in rebates for lighting and refrigeration upgrades. These incentives enabled businesses to make energy-efficient changes at little to no cost – resulting in equipment upgrades and an immediate reduction in their energy bills. Moving into 2024, BayREN Business continues to serve as a catalyst for small business economic recovery and greenhouse gas emission reduction in San Francisco by recruiting new businesses to take advantage of the generous incentives.



GREENHOUSE GAS EMISSIONS. *This chart displays sector based greenhouse gas emissions for the City of San Francisco.*

ORGANIZATIONAL STRUCTURE: ENVIRONMENT



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	92.66	103.02	10.36	101.54	(1.48)
Non-Operating Positions (CAP/Other)	(10.00)	(10.71)	(0.71)	(13.48)	(2.77)
Net Operating Positions	82.66	92.31	9.65	88.06	(4.25)
Sources					
Intergovernmental: Federal	1,000,000	2,596,610	1,596,610	400,000	(2,196,610)
Intergovernmental: State	5,509,991	14,777,281	9,267,290	9,037,471	(5,739,810)
Charges for Services	19,094,727	16,938,810	(2,155,917)	16,940,857	2,047
Rents & Concessions		106,832	106,832	423,667	316,835
Other Revenues	2,022,509	2,995,651	973,142	2,970,408	(25,243)
Expenditure Recovery	2,857,778	5,310,126	2,452,348	5,338,837	28,711
IntraFund Transfers In	4,168,084	5,048,014	879,930	3,142,636	(1,905,378)
Transfers In	1,439,932		(1,439,932)		
Beg Fund Balance - Budget Only	393,000	1,458,932	1,065,932		(1,458,932)
Transfer Adjustment-Source	(4,168,084)	(5,048,014)	(879,930)	(3,142,636)	1,905,378
General Fund		1,508,802	1,508,802	1,104,431	(404,371)
Sources Total	32,317,937	45,693,044	13,375,107	36,215,671	(9,477,373)
Uses - Operating Expenditures					
Salaries	9,887,748	11,610,418	1,722,670	11,448,120	(162,298)
Mandatory Fringe Benefits	3,988,601	4,521,542	532,941	4,594,547	73,005
Non-Personnel Services	8,116,100	15,965,090	7,848,990	10,005,548	(5,959,542)
City Grant Program	683,142	2,182,843	1,499,701	830,790	(1,352,053)
Intrafund Transfers Out	4,168,084	5,048,014	879,930	3,142,636	(1,905,378)
Materials & Supplies	244,896	237,610	(7,286)	230,682	(6,928)
Overhead and Allocations	1,026,629	2,925,728	1,899,099	2,444,270	(481,458)
Programmatic Projects	859,935	3,012,261	2,152,326	581,231	(2,431,030)
Services Of Other Depts	7,510,886	5,237,552	(2,273,334)	6,080,483	842,931
Transfer Adjustment - Uses	(4,168,084)	(5,048,014)	(879,930)	(3,142,636)	1,905,378
Uses Total	32,317,937	45,693,044	13,375,107	36,215,671	(9,477,373)
Uses - By Division Description					
ENV Environment	36,486,021	45,693,044	9,207,023	36,215,671	(9,477,373)
Uses by Division Total	36,486,021	45,693,044	9,207,023	36,215,671	(9,477,373)

LAW LIBRARY

MISSION

The Law Library (LLB) provides the people of San Francisco free access to legal information and specialized reference assistance, so they may preserve and protect their legal rights and conduct their legal affairs. For more information about this department's services, please visit sf.gov/departments/san-francisco-law-library

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$1.3 million for the Law Library is \$0.5 million, or 28.3 percent, lower than FY 2023-24 budget. This is primarily due to a decrease in interdepartmental spending. The FY 2025-26 proposed budget of \$1.3 million is \$0.1 million, or 4.6 percent, higher than the FY 2024-25 proposed budget. This change is due to an increase in salary and benefit costs.

Legal Resources for San Franciscans

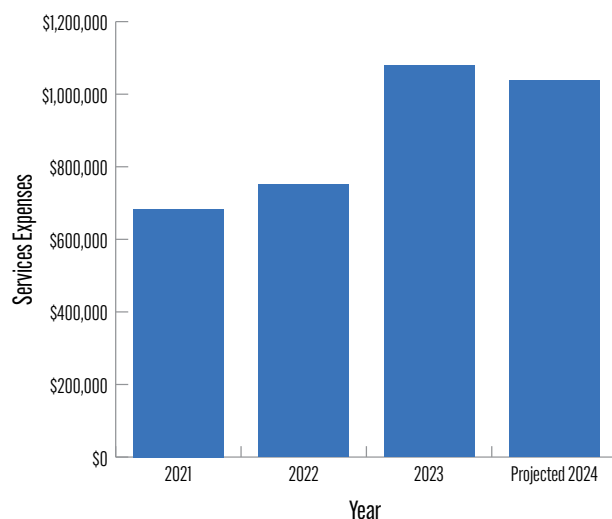
The Law Library's (LLB) priority is to promote access to justice by providing professional, legal reference assistance, and resources to San Francisco residents, City departments, and City

agencies. Additionally, the Law Library extends its support to local attorneys and law firms, students, legal services, paralegals and businesses.

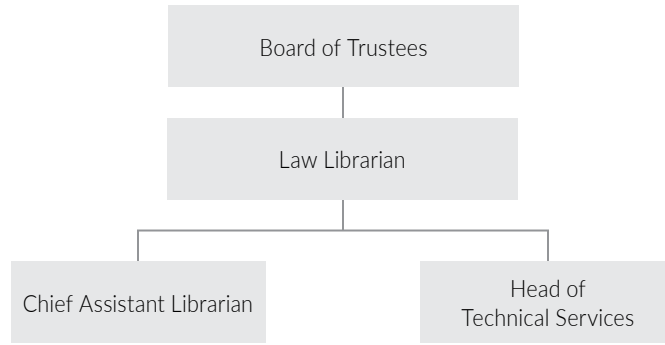
LLB has provided assistance and resources to its visitors in the following areas: housing, employment, discrimination, consumer debt, domestic violence, MUNI & building codes, health services, homelessness and small businesses.

LLB contributes to the recovery of the local economy by including all sectors of the community in its service delivery whether in person, online or by phone. Programs are continually developed to address customer legal information needs.

PROMOTING ACCESS TO JUSTICE.
Library Services Costs.



ORGANIZATIONAL STRUCTURE: LAW LIBRARY



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	2.38	2.41	0.03	2.41	
Non-Operating Positions (CAP/Other)					
Net Operating Positions	2.38	2.41	0.03	2.41	0.00
Sources					
General Fund	1,794,860	1,286,868	(507,992)	1,345,421	58,553
Sources Total	1,794,860	1,286,868	(507,992)	1,345,421	58,553
Uses - Operating Expenditures					
Salaries	428,446	419,212	(9,234)	436,488	17,276
Mandatory Fringe Benefits	178,772	180,408	1,636	187,506	7,098
Materials & Supplies	6,000	5,700	(300)	5,700	
Services Of Other Depts	1,181,642	681,548	(500,094)	715,727	34,179
Uses Total	1,794,860	1,286,868	(507,992)	1,345,421	58,553
Uses - By Division Description					
LLB Law Library	1,794,860	1,286,868	(507,992)	1,345,421	58,553
Uses by Division Total	1,794,860	1,286,868	(507,992)	1,345,421	58,553

MUNICIPAL TRANSPORTATION AGENCY

MISSION

The San Francisco Municipal Transportation Agency's (SFMTA) goals are to: create a safer transportation experience for everyone, make transit and other sustainable modes of transportation the most attractive and preferred means of travel, improve the quality of life and environment in San Francisco and the region, and create a workplace that delivers outstanding service. For more information about this department's services, please visit [sfmta.com](https://www.sfmta.com)

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$1.5 billion for the MTA is \$59.1 million, or 4 percent, higher than FY 2023-24 budget. This change is due to an increase in materials and supplies and services of other departments, offset by labor savings from prioritizing critical hires and holding other positions vacant. The FY 2025-26 proposed budget of \$1.6 billion is \$44.5 million, or 2.9 percent, higher than the FY 2024-25 proposed budget. This change is due to an increase in salary and benefit costs and interdepartmental spending, offset by decreases in other expenditures.

Customer Experience

The Mayor's proposed budget for San Francisco's recovery balances fiscal responsibility with continued emphasis on making Muni more reliable, safe, and clean. The largest investment is in maintaining current service levels and increasing fare compliance by adding 36 positions related to transit fare compliance. Other initiatives

include service enhancements, advanced camera technology, increased staff presence, and investments in cleaning and upgrading transit shelters. Integral to the city's revitalization is creating walkable neighborhoods, with bike lanes and safer streets. Additionally, the SFMTA continues to expand transit priority lanes to increase system speed and reliability. Since 2019, the SFMTA has nearly doubled red transit-only lanes from 11 miles to 20 miles, with an additional 11 miles of approved expansion. These initiatives are geared towards supporting both riders and operators as Muni's ridership continues to increase. Although ridership remains below pre-pandemic levels, customers are increasingly satisfied with the speed and reliability of Muni service. Results from the Rider Survey show that 66 percent of Muni riders rate services as good or excellent – a 9 percent increase from 2021. A broader Community Survey has 71 percent of Muni riders approving of the job the SFMTA is doing.

Pedestrian Safety & Vision Zero

The budget enhances street safety by creating a Safe System Team to coordinate and expedite safety projects for pedestrians and cyclists, and by funding speed enforcement cameras to reduce vehicle speeds through ticketing.

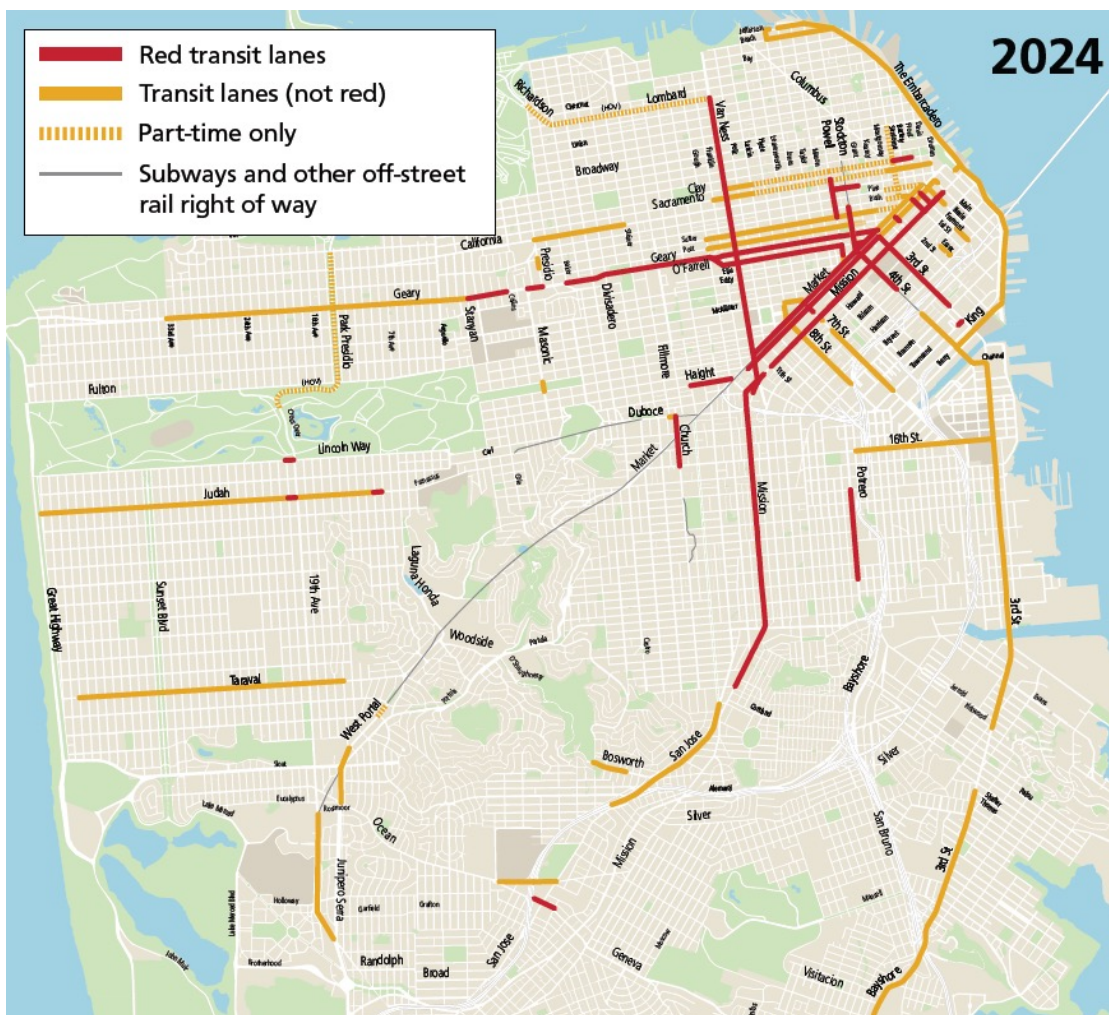
Capital Investment

The FY 2024-25 SFMTA capital budget is \$423.4 million. The largest component is \$209.4 million towards the transit fleet, which includes buses and Muni subway cars. The proposed capital budget also funds \$46.3 million for replacement of the Muni Metro Train Control System, \$28.1 million towards upgraded facilities for better maintenance, \$42.8 million for street safety improvements, and \$21.2M for Muni Forward projects. These investments will improve system reliability and

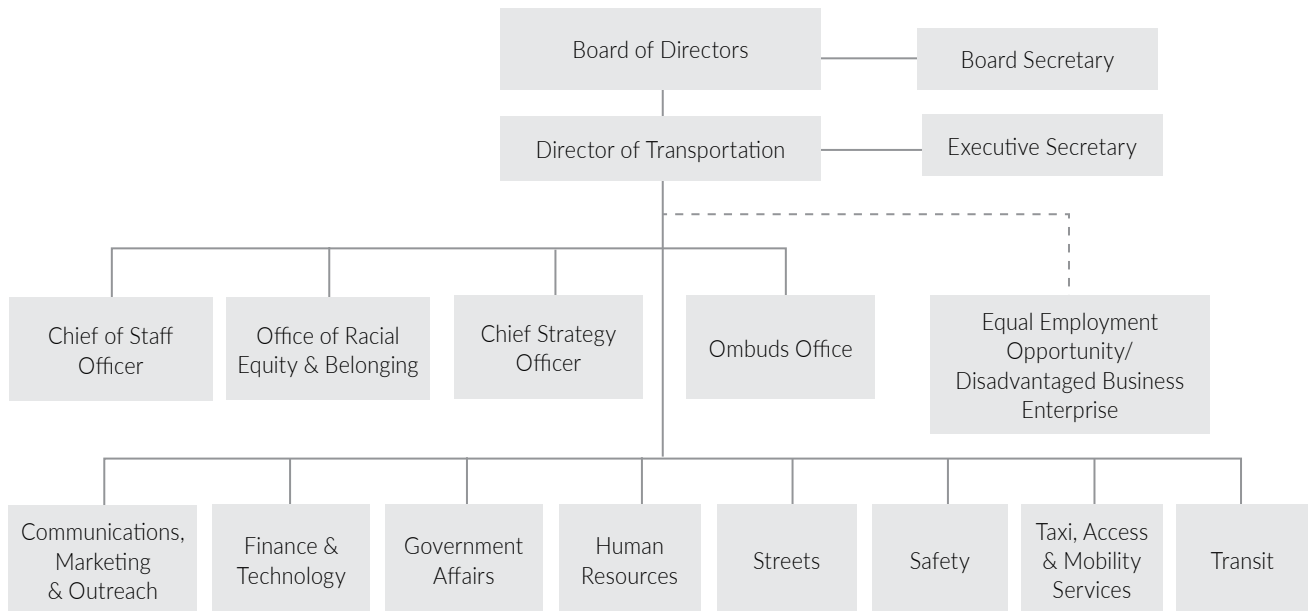
allow the SFMTA to support San Francisco's long-term economic recovery.

Fiscal Cliff and Continued Recovery

The SFMTA will be using federal and state relief funds through FY 2024-25 and FY 2025-26, with plans to exhaust these resources by the end of this time. To balance in FY 2025-26, the agency leveraged revenues available from July 1, 2024, alongside implementing only cost-neutral Muni service changes, and stretching one-time sources like federal, state, and regional transportation relief. In FY 2026-27 the SFMTA will face over \$227.5 million annual deficit due to transit fare revenue losses, which will necessitate the identification of new revenue sources and implementation of further expenditure controls to sustain service levels.



ORGANIZATIONAL STRUCTURE: MUNICIPAL TRANSPORTATION AGENCY



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	6,159.48	5,954.45	(205.03)	5,930.19	(24.26)
Non-Operating Positions (CAP/Other)	(509.50)	(522.29)	(12.79)	(521.50)	0.79
Net Operating Positions	5,649.98	5,432.16	(217.82)	5,408.69	(23.47)

Sources

Intergovernmental: Federal	206,084,347	137,378,445	(68,705,902)	53,121,610	(84,256,835)
Intergovernmental: Other	124,239,639	259,645,488	135,405,849	376,472,867	116,827,379
Intergovernmental: State	61,088,973	75,262,844	14,173,871	75,724,069	461,225
Charges for Services	182,800,965	150,805,038	(31,995,927)	159,791,713	8,986,675
Fines, Forfeiture, & Penalties	101,282,266	95,303,594	(5,978,672)	99,873,968	4,570,374
Licenses, Permits, & Franchises	19,921,167	27,763,853	7,842,686	30,493,617	2,729,764
Rents & Concessions	139,849,506	107,934,854	(31,914,652)	109,216,441	1,281,587
Other Revenues	22,509,428	17,354,344	(5,155,084)	16,720,016	(634,328)
Interest & Investment Income	12,390,731	11,815,975	(574,756)	12,177,991	362,016
Expenditure Recovery	4,384,254	4,219,348	(164,906)	3,719,988	(499,360)
IntraFund Transfers In	45,387,369	42,829,946	(2,557,423)	46,571,629	3,741,683
Transfers In	250,070,512	252,680,939	2,610,427	244,169,718	(8,511,221)
Beg Fund Balance - Budget Only		41,146,478	41,146,478	18,402,911	(22,743,567)
Transfer Adjustment-Source	(210,898,856)	(209,613,451)	1,285,405	(203,384,501)	6,228,950
General Fund	513,650,000	517,320,000	3,670,000	533,270,000	15,950,000
Sources Total	1,472,760,301	1,531,847,695	59,087,394	1,576,342,037	44,494,342

Uses - Operating Expenditures

Salaries	624,015,243	630,132,005	6,116,762	651,286,458	21,154,453
Mandatory Fringe Benefits	345,414,521	288,865,270	(56,549,251)	302,718,328	13,853,058
Non-Personnel Services	259,520,795	271,368,447	11,847,652	274,089,168	2,720,721
Capital Outlay	65,210,058	91,906,119	26,696,061	93,743,972	1,837,853
Debt Service	27,850,760	27,840,451	(10,309)	27,826,522	(13,929)
Intrafund Transfers Out	45,387,369	42,829,946	(2,557,423)	46,571,629	3,741,683
Materials & Supplies	74,590,552	99,537,314	24,946,762	105,475,709	5,938,395
Overhead and Allocations	(33,952,656)	(22,117,146)	11,835,510	(22,532,786)	(415,640)
Programmatic Projects		19,933,000	19,933,000	9,161,640	(10,771,360)
Services Of Other Depts	109,711,028	123,452,235	13,741,207	130,143,026	6,690,791
Transfers Out	165,511,487	166,783,505	1,272,018	156,812,872	(9,970,633)
Unappropriated Rev-Designated	400,000	(3,870,000)	(4,270,000)	4,430,000	8,300,000
Unappropriated Rev Retained		4,800,000	4,800,000		(4,800,000)
Transfer Adjustment - Uses	(210,898,856)	(209,613,451)	1,285,405	(203,384,501)	6,228,950
Uses Total	1,472,760,301	1,531,847,695	59,087,394	1,576,342,037	44,494,342

Uses - By Division Description

MTAAW Agency-wide	417,377,731	146,686,090	(270,691,641)	157,371,577	10,685,487
MTABD Board Of Directors	685,495	695,406	9,911	720,330	24,924
MTACC CV-Capitl Progr & Constr	68,379,051	88,085,176	19,706,125	92,082,698	3,997,522
MTACO Communications	8,313,399	6,915,499	(1,397,900)	7,212,130	296,631
MTAED Executive Director	8,909,648	6,986,194	(1,923,454)	6,945,979	(40,215)
MTAFA Fit Finance & Info Tech	95,567,302	105,069,196	9,501,894	104,189,374	(879,822)
MTAGA Government Affairs	2,282,841	2,079,353	(203,488)	2,166,003	86,650
MTAHR Human Resources	31,154,816	64,746,884	33,592,068	65,846,065	1,099,181
MTASA Safety	7,646,796	6,411,758	(1,235,038)	6,638,068	226,310
MTASS Sustainable Streets	223,487,303	235,695,717	12,208,414	227,459,998	(8,235,719)
MTAST Chief Strategy Office	26,036,469	52,934,645	26,898,176	55,660,101	2,725,456
MTATS Transit Svc Division	753,965,600	779,806,896	25,841,296	812,868,478	33,061,582
MTATZ Taxi & Accessible Svc	39,852,706	35,734,881	(4,117,825)	37,181,236	1,446,355
Uses by Division Total	1,683,659,157	1,531,847,695	(151,811,462)	1,576,342,037	44,494,342

PORT

MISSION

The Port of San Francisco (PRT) manages the waterfront as a gateway to a world-class city and advances environmentally and financially sustainable maritime, recreational, and economic opportunities to serve the City, Bay Area region, and California. For more information about this department's services, please visit sfport.com

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$157.7 million for the Port is \$7.6 million, or 5.1 percent, higher than FY 2023-24 budget. This is primarily due to an increase in interdepartmental spending and salary and benefit cost increases. The FY 2025-26 proposed budget of \$157.7 million is \$0.1 million, or 0.05 percent lower than the FY 2024-25 proposed budget. This change is due to a decrease in non-personnel services spending.

Improved Security

The Mayor's proposed budget would enhance safety for Port tenants and the public by adding four new security positions. These positions will enable the Port to improve create better street conditions and security, keeping the waterfront a world-class attraction.

Attracting Tourism

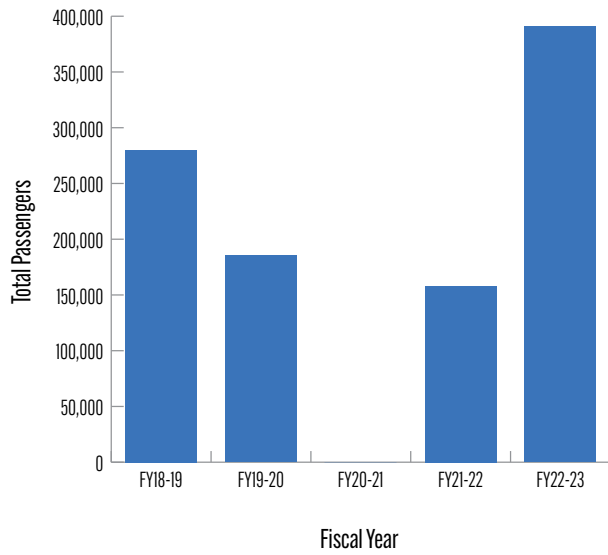
Port revenues have returned to pre-pandemic levels, led in large part by the return of leisure tourism. Cruise calls, in particular, have helped bolster the budget. In FY 2022-23, the Port

achieved a record 110 cruise calls with 390,967 passengers due to travel recovering faster than expected, larger ships, and the redeployment of vessels to the west coast while the Asian cruise market remained closed. The upcoming budget expects that cruise passenger volume will continue to improve from pandemic-era lows. The Mayor's proposed budget invests in ongoing cruise operations through dredging as well as assessing the costs of building a secondary cruise ship terminal through a feasibility study.

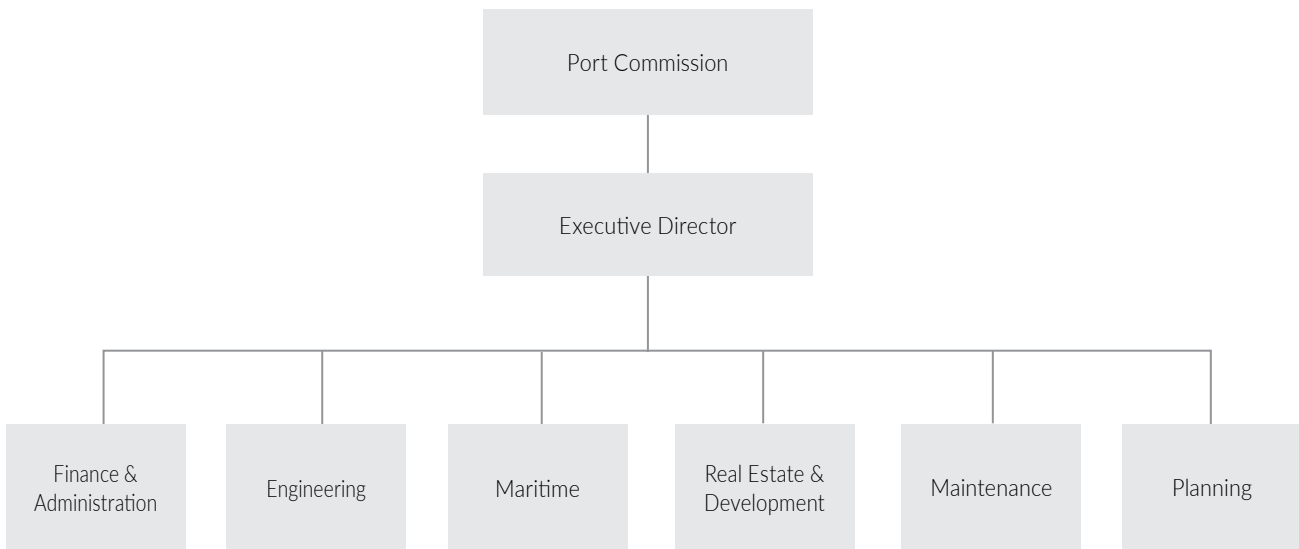
Seismic and Sea-Level Rise Resilience

In recognition of the need to address both seismic and flood risk, the Port has created the Waterfront Resilience Program (WRP) and is advancing assessments, policies, plans, and projects to reduce these risks as efficiently and effectively as possible. The Mayor's proposed budget supports ongoing work with the U.S. Army Corps of Engineers (USACE) on a detailed study of coastal flood risks and advancing a draft plan to address flood risk across the full seven-and-a-half miles of the Port's waterfront.

CRUISE PASSENGER VOLUME BY FISCAL YEAR. *Cruise passenger volume has rebounded and now exceeds pre-pandemic levels.*



ORGANIZATIONAL STRUCTURE: PORT



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	328.97	320.72	(8.25)	324.85	4.13
Non-Operating Positions (CAP/Other)	(70.00)	(66.69)	3.31	(69.00)	(2.31)
Net Operating Positions	258.97	254.03	(4.94)	255.85	1.82
Sources					
Intergovernmental: Federal	27,279,000	118,314	(27,160,686)		(118,314)
Intergovernmental: Other	1,000,774	1,005,933	5,159	1,416,713	410,780
Charges for Services	20,633,997	30,728,795	10,094,798	30,447,075	(281,720)
Fines, Forfeiture, & Penalties	2,819,552	8,614,839	5,795,287	9,644,874	1,030,035
Rents & Concessions	85,976,464	93,369,096	7,392,632	98,484,515	5,115,419
Other Revenues	11,415,489	8,256,087	(3,159,402)	13,520,093	5,264,006
Interest & Investment Income	1,000,000	1,908,935	908,935	1,903,735	(5,200)
Expenditure Recovery		20,000	20,000	20,000	
IntraFund Transfers In	47,106,318	29,526,277	(17,580,041)	20,411,834	(9,114,443)
Beg Fund Balance - Budget Only		13,714,474	13,714,474	2,221,823	(11,492,651)
Transfer Adjustment-Source	(47,106,318)	(29,526,277)	17,580,041	(20,411,834)	9,114,443
General Fund					
Sources Total	150,125,276	157,736,473	7,611,197	157,658,828	(77,645)
Uses - Operating Expenditures					
Salaries	35,827,687	37,974,403	2,146,716	39,618,759	1,644,356
Mandatory Fringe Benefits	15,307,798	16,117,494	809,696	16,904,040	786,546
Non-Personnel Services	15,248,943	16,081,866	832,923	15,355,104	(726,762)
Capital Outlay	33,740,034	31,581,250	(2,158,784)	27,613,144	(3,968,106)
Debt Service	6,135,955	6,445,497	309,542	6,483,792	38,295
Intrafund Transfers Out	47,106,318	29,526,277	(17,580,041)	20,411,834	(9,114,443)
Materials & Supplies	1,333,905	1,621,672	287,767	1,680,700	59,028
Overhead and Allocations		1,950,841	1,950,841	1,994,105	43,264
Programmatic Projects	4,551,589	5,026,589	475,000	4,865,589	(161,000)
Services Of Other Depts	36,777,968	40,905,148	4,127,180	43,111,882	2,206,734
Transfers Out	31,713	31,713		31,713	
Unappropriated Rev-Designated		2,270	(2,270)		
Unappropriated Rev Retained	1,167,414		(1,167,414)		
Transfer Adjustment - Uses	(47,106,318)	(29,526,277)	17,580,041	(20,411,834)	9,114,443
Uses Total	150,125,276	157,736,473	7,611,197	157,658,828	(77,645)
Uses - By Division Description					
PRT Engineering	7,298,224	8,299,054	1,000,830	8,568,979	269,925
PRT Executive	8,927,105	10,418,123	1,491,018	9,358,828	(1,059,295)
PRT Finance And Administration	35,149,829	40,314,182	5,164,353	43,020,217	2,706,035
PRT Maintenance	42,514,299	25,600,760	(16,913,539)	26,693,968	1,093,208
PRT Maritime	15,869,370	14,030,937	(1,838,433)	14,599,692	568,755
PRT Planning & Environment	3,161,954	4,038,502	876,548	4,141,111	102,609
PRT Port Commission (Portwide)	65,443,532	35,301,574	(30,141,958)	31,254,851	(4,046,723)
PRT Real Estate & Development	18,867,281	19,733,341	866,060	20,021,182	287,841
Uses by Division Total	197,231,594	157,736,473	(39,495,121)	157,658,828	(77,645)

PUBLIC LIBRARY

MISSION

The Public Library (Library) is dedicated to connecting our diverse communities to learning, opportunities, and each other. The Library consists of the Main Library at Civic Center, 27 branch libraries geographically distributed throughout San Francisco, four Bookmobiles that travel around the City, and a digital library collection via sfpl.org. In addition to the Library's collection of over 3.8 million items in various formats and more than 50 languages, the Library offers high-speed internet through free wireless and public access computers as well as educational, cultural, and literary programming. For more information about this department's services, please visit sfpl.org

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$188 million for the Library is \$12.3 million, or 6.1 percent, lower than FY 2023-24 budget. This is primarily due to a decrease in capital spending. The FY 2025-26 proposed budget of \$189.5 million is \$1.5 million, or 0.8 percent, higher than the FY 2024-25 proposed budget. This change is due to salary and benefit cost increases.

Equity and Recovery

The San Francisco Public Library (SFPL) strives to be a resource for the City's diverse communities, offering an equitable and safe space for people of all ages to gather, gain knowledge, and participate in shared experiences. SFPL is committed to advancing racial equity through its core services to the community. This budget proposes \$300k to extend eCollections resources to those incarcerated within our local jails. In FY24, SFPL's base collections budget included \$200k, which is continuing to be used to grow the collection in both languages other than English, as well English titles

that represent SFPL's diverse collection. Investments in SFPL include support for the Scholar@Home program, which targets low-income pre-k students in equity zones and the Everybody Reads program which leverages our partnership with Human Rights Commission (HRC) and Mo' Magic to provide titles for BIPOC communities. The Mayor's proposed budget continues to invest in its successful Work It and Tech Time services, as well as the Smart Money Coaching program through the Office of the Treasurer & Tax Collector.

Robust Collections

The Library continuously enhances its collections based on usage each cycle to better meet the needs of San Francisco's diverse communities in the future. SFPL purchases materials in various formats and multiple languages to support the City's diverse community. Print books remain the primary material format for patrons; however, e-Media circulation continues to grow. Library collections investments over these two fiscal years are more than 12

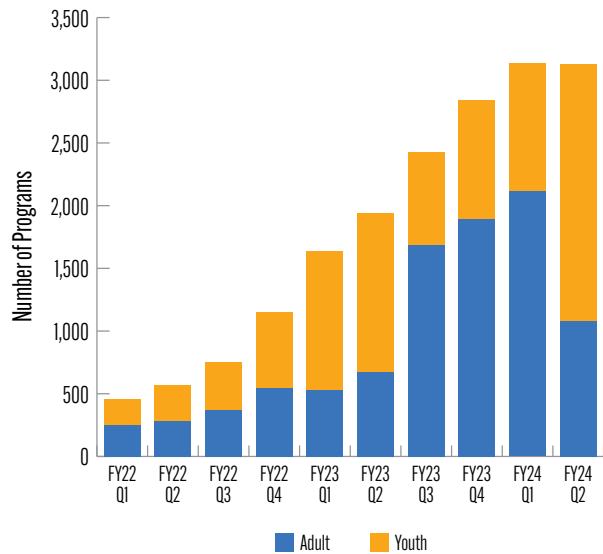
percent of the Library's operating budget, above the industry standard.

Community Input

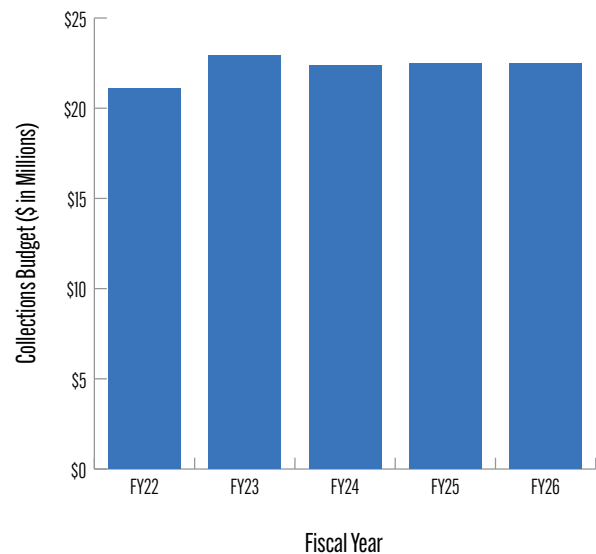
The Library's budget highlights needs gathered from community input. In response to this

input, the Library increased funding for Capital investments for multiple Library branches. The Library remains focused to take part on community partnerships and provide outreach in multiple languages through it's marketing and staff to serve San Francisco's diverse communities.

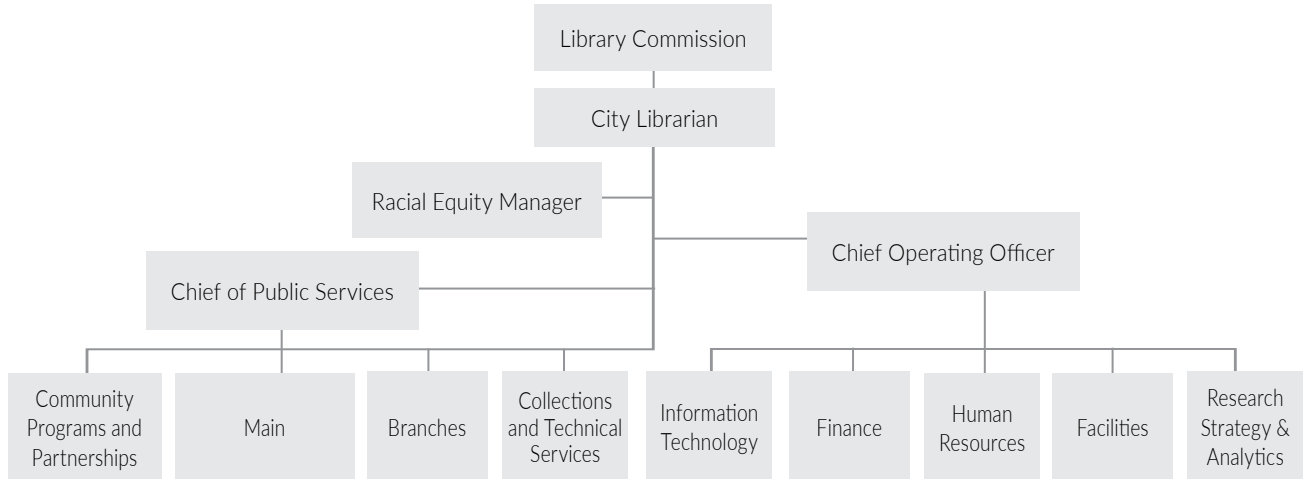
LIBRARY PROGRAMMING. *Library programming is showing a significant recovery due to seven day service and increase in staffing capacity.*



COLLECTIONS BUDGET - 5 YEAR TREND. *The Library is maintaining a stable collections budget to meet format demands.*



ORGANIZATIONAL STRUCTURE: PUBLIC LIBRARY



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	717.23	725.97	8.74	725.97	
Non-Operating Positions (CAP/Other)					
Net Operating Positions	717.23	725.97	8.74	725.97	0.00

Sources

Property Taxes	79,520,000	79,220,000	(300,000)	79,400,000	180,000
Intergovernmental: State	250,000	250,400	400	250,400	
Charges for Services	175,000	175,000		175,000	
Rents & Concessions	26,115	26,115		26,115	
Other Revenues	1,020,000	20,000	(1,000,000)	20,000	
Interest & Investment Income	237,400	42,430	(194,970)	32,201	(10,229)
Expenditure Recovery	87,636	90,584	2,948	93,903	3,319
IntraFund Transfers In	32,780,000	11,726,121	(21,053,879)	8,607,419	(3,118,702)
Transfers In	20,000		(20,000)		
Beg Fund Balance - Budget Only	16,128,811	2,402,401	(13,726,410)	139,570	(2,262,831)
Transfer Adjustment-Source	(32,780,000)	(11,726,121)	21,053,879	(8,607,419)	3,118,702
General Fund	102,790,000	105,730,000	2,940,000	109,320,000	3,590,000
Sources Total	200,254,962	187,956,930	(12,298,032)	189,457,189	1,500,259

Uses - Operating Expenditures

Salaries	74,929,839	80,020,592	5,090,753	82,969,085	2,948,493
Mandatory Fringe Benefits	38,573,292	41,955,806	3,382,514	43,858,686	1,902,880
Non-Personnel Services	10,614,533	11,502,010	887,477	10,594,589	(907,421)
City Grant Program	650,000	826,081	176,081	847,231	21,150
Capital Outlay	33,758,000	10,883,392	(22,874,608)	7,950,000	(2,933,392)
Intrafund Transfers Out	32,780,000	11,726,121	(21,053,879)	8,607,419	(3,118,702)
Materials & Supplies	26,119,071	26,359,318	240,247	26,359,318	
Overhead and Allocations	485	638	153	638	
Services Of Other Depts	14,784,501	16,409,093	1,624,592	16,877,642	468,549
Unappropriated Rev-Designated	825,241		(825,241)		
Transfer Adjustment - Uses	(32,780,000)	(11,726,121)	21,053,879	(8,607,419)	3,118,702
Uses Total	200,254,962	187,956,930	(12,298,032)	189,457,189	1,500,259

Uses - By Division Description

LIB Public Library	233,034,962	187,956,930	(45,078,032)	189,457,189	1,500,259
Uses by Division Total	233,034,962	187,956,930	(45,078,032)	189,457,189	1,500,259

PUBLIC UTILITIES COMMISSION

MISSION

The San Francisco Public Utilities Commission (SFPUC) provides customers with high quality, efficient, and reliable water, power, and wastewater services in a manner that values environmental and community interests and sustains the resources entrusted in their care. For more information about this department's services, please visit [sfpu.org](https://www.sfpuc.org)

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$2.0 billion for the SFPUC is \$237 million, or 13.2 percent, higher than FY 2023-24 budget. This is primarily due to an increase in power purchasing, power delivery costs, and capital spending. The FY 2025-26 proposed budget of \$2.2 billion is \$135.3 million, or 6.7 percent, higher than the FY 2024-25 proposed budget. This change is due to increasing power and capital spending.

The SFPUC has a fixed 2-year (biennial) operating budget for FY 2024-25 and FY 2025-26.

Commitment to Affordability

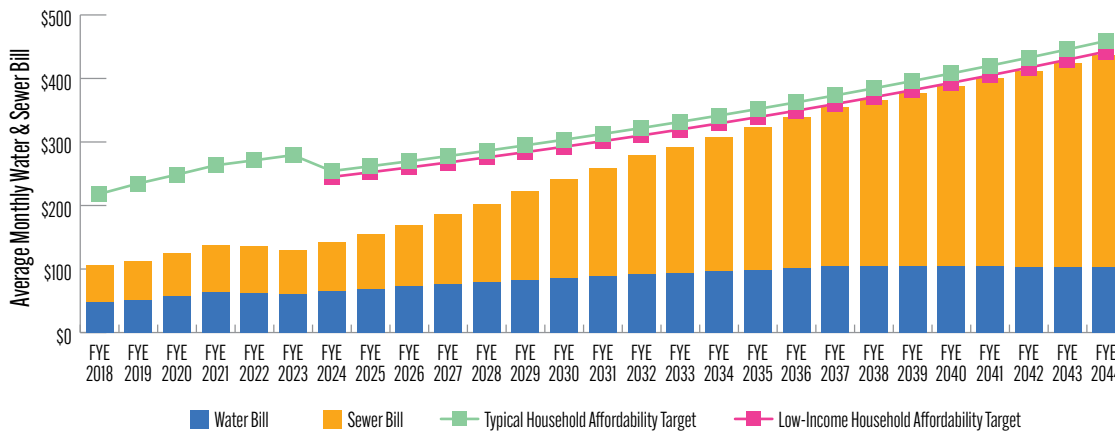
The SFPUC is committed to ensuring rate fairness and affordability for its customers, and this has been a core focus in developing the biennial budget and 10-Year Capital Plan. The agency adopted a new, equity-focused Affordability Policy in November 2023, which keeps rates as low as possible while maintaining necessary investments.

In the new policy, the typical household is defined as the 40th percentile median household income, rather than the 50th percentile. A low-income household is defined by the 20th percentile median household income, in line

with affordability standards currently used by the Environmental Protection Agency. The additional low-income customer affordability metric aims to center customers who are most heavily burdened by San Francisco's high cost of living.

For low-income households, bills are calculated at both retail rates and after accounting for applicable discount or assistance programs. Water and sewer bills will target less than 3 percent of a typical customer's income, less than 7 percent of a low-income customer's income using standard rates, and less than 5 percent of a low-income customer's income after accounting for enrollment in applicable bill discount programs. The budget and capital plans proposed follow the SFPUC's affordability policy, as shown in the chart.

To meet the Affordability Policy, the department undertook a significant effort to constrain the budget, including its 10-Year Capital Plan. This was done as part of a major initiative within the agency to improve the capital planning process, leading to more efficient budgeting that aligns with the department's capital delivery capacity. The department will continue seeking out ways to reduce capital investments costs, by applying for low-cost loans and grants.



USES BY ENTERPRISE. This chart displays affordability targets for SFPUC customers and breaks down uses of funds by SFPUC enterprises.

SFPUC power rates remain well below the alternative provider, PG&E. As shown in the chart on the following page, public power represents great value. Even with Hetchy Power rates increasing over the next two years, they are still expected to be 30 percent cheaper than PG&E. By using Hetchy Power for municipal buildings, the City saves \$50 million annually vs. PG&E. CleanPowerSF rates are also projected to be at or below PG&E rates for residential customers.

Responsible Management

The SFPUC’s budget is grounded in responsibility and transparency, with a focus on core service delivery. The agency is prioritizing financial sustainability, regulatory requirements, service reliability, environmental stewardship and critical infrastructure maintenance. The SFPUC is addressing regulatory requirements by transparently planning for projects such as nutrient reduction in the San Francisco Bay. This \$1.5 billion project is included in the Capital Plan for the first time and is a driver of cost increases. The agency will continue to responsibly manage the city’s utility infrastructure through increased investments in water and sewer main repair and replacement, cybersecurity, and laboratory investments. Investing in the workforce is also a key part of responsible management, and this budget converts 87 temporary staff to permanent

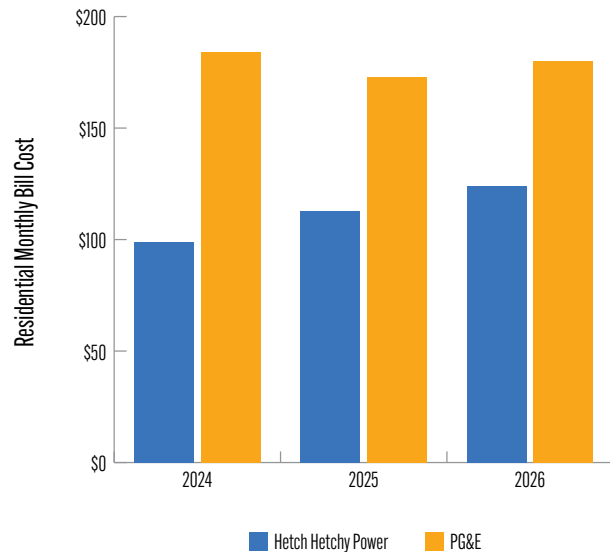
positions to encourage retention of employees performing core operating functions. The agency is also bolstering its Racial Equity and Audit teams to ensure a continued focus on equity, accountability, and transparency.

Investing Where it Matters

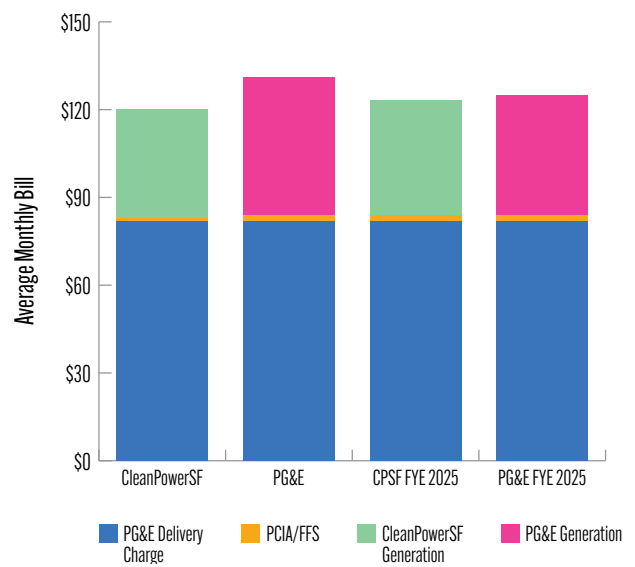
One of the most visible and meaningful ways the SFPUC will contribute to the recovery of the economy and restoring the vibrancy of San Francisco will be through its large capital program, which will invest over \$3 billion in the next two years and \$11.8 billion over the next 10 years. These investments will create thousands of local jobs while improving the City’s essential utility infrastructure and resilience to climate change. The SFPUC’s largest investment in the 10-year plan is in nutrient removal from the Southeast Treatment Plant outflow. The goal of the project is to reduce the amount of nitrogen discharged into San Francisco Bay. Nitrogen discharges are a regional issue, and were a contributing factor to algae blooms in 2022 and 2023. This project is necessary to comply with future nitrogen-related regulations. Other investments include the replacement of aging infrastructure such as the 100-year-old Moccasin Penstock. This carries water down the mountains from Hetch Hetchy Reservoir, generating clean hydroelectric power.

The capital plan will also support the City in fighting climate change. For example, the capital plan includes projects to mitigate erosion at Ocean Beach, and expand the Hetch Hetchy Power system, providing clean electric vehicle and ferry charging at the Port of San Francisco and San

Francisco International Airport. Through the Mayor's proposed budget, the department is also continuing the acquisition of PG&E's San Francisco electricity distribution network, enabling the SFPUC to directly provide reliable, cost effective, and clean electricity to all San Francisco residents.

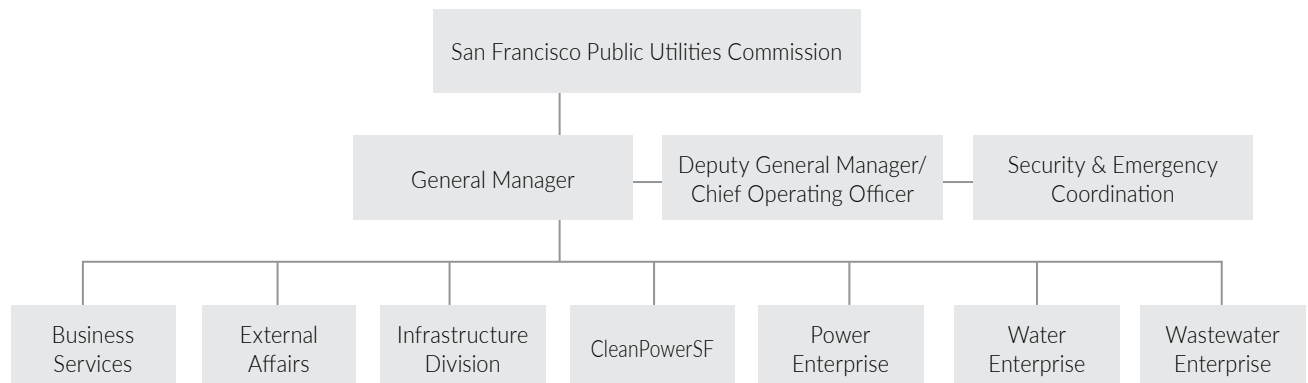


HETCHY POWER. This chart compares average monthly residential power bills for Hetch Hetchy Power and PG&E.



CLEANPOWERSF. This chart compares average monthly residential power bills for CleanPowerSF and PG&E.

ORGANIZATIONAL STRUCTURE: PUBLIC UTILITIES COMMISSION



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	2,129.75	2,192.82	63.07	2,227.74	34.92
Non-Operating Positions (CAP/Other)	(406.24)	(422.99)	(16.75)	(431.90)	(8.91)
Net Operating Positions	1,723.51	1,769.83	46.32	1,795.84	26.01

Sources

Charges for Services	1,496,497,235	1,656,143,599	159,646,364	1,748,281,503	92,137,904
Rents & Concessions	14,640,400	13,382,096	(1,258,304)	13,849,077	466,981
Other Revenues	40,292,320	44,991,814	4,699,494	46,246,347	1,254,533
Interest & Investment Income	4,507,000	14,645,157	10,138,157	10,659,609	(3,985,548)
Expenditure Recovery	197,117,443	217,412,768	20,295,325	249,431,145	32,018,377
IntraFund Transfers In	214,138,146	321,769,955	107,631,809	365,665,057	43,895,102
Transfers In	46,523,886	49,861,150	3,337,264	52,908,683	3,047,533
Beg Fund Balance - Budget Only	35,438,527	78,851,557	43,413,030	92,228,396	13,376,839
Transfer Adjustment-Source	(260,657,494)	(371,626,567)	(110,969,073)	(418,569,202)	(46,942,635)

General Fund

Sources Total	1,788,497,463	2,025,431,529	236,934,066	2,160,700,615	135,269,086
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Uses - Operating Expenditures

Salaries	316,251,021	337,729,491	21,478,470	354,132,833	16,403,342
Mandatory Fringe Benefits	126,852,172	135,194,277	8,342,105	142,731,096	7,536,819
Non-Personnel Services	583,597,873	653,357,857	69,759,984	667,418,080	14,060,223
City Grant Program	2,831,524	3,181,524	350,000	3,178,837	(2,687)
Capital Outlay	15,581,607	17,156,147	1,574,540	17,586,577	430,430
Debt Service	435,545,028	466,743,203	31,198,175	524,540,803	57,797,600
Facilities Maintenance	46,886,510	61,731,170	14,844,660	62,676,503	945,333
Intrafund Transfers Out	214,138,146	321,769,955	107,631,809	365,665,057	43,895,102
Materials & Supplies	39,875,564	44,364,049	4,488,485	44,742,650	378,601
Overhead and Allocations	(92,597,355)	(100,936,129)	(8,338,774)	(104,385,380)	(3,449,251)
Programmatic Projects	2,851,014	2,747,446	(103,568)	2,512,115	(235,331)
Services Of Other Depts	111,600,913	120,828,205	9,227,292	127,327,819	6,499,614
Transfers Out	46,614,485	53,451,749	6,837,264	52,999,282	(452,467)
Unappropriated Rev-Designated	66,434,681	42,958,219	(23,476,462)	38,467,572	(4,490,647)
Unappropriated Rev Retained	132,691,774	236,780,933	104,089,159	279,675,973	42,895,040
Transfer Adjustment - Uses	(260,657,494)	(371,626,567)	(110,969,073)	(418,569,202)	(46,942,635)
Uses Total	1,788,497,463	2,025,431,529	236,934,066	2,160,700,615	135,269,086

Uses - By Division Description

HHP CleanPowerSF	401,067,605	464,121,833	63,054,228	463,274,699	(847,134)
HHP Hetch Hetchy Water & Power	334,404,337	346,190,334	11,785,997	382,504,840	36,314,506
PUB Public Utilities Bureaus	974,788	978,043	3,255	1,000,480	22,437
WTR Water Enterprise	796,797,276	739,009,778	(57,787,498)	785,498,335	46,488,557
WWE Wastewater Enterprise	515,910,951	475,131,541	(40,779,410)	528,422,261	53,290,720
Uses by Division Total	2,049,154,957	2,025,431,529	(23,723,428)	2,160,700,615	135,269,086

RENT ARBITRATION BOARD

MISSION

The Rent Arbitration Board's (RNT) mission is to protect tenants from excessive rent increases and unjust evictions, while assuring landlords fair and adequate rents. The Board also strives to provide fair and even-handed treatment for both tenants and landlords through efficient and consistent administration of the rent law. For more information about this department's services, please visit sf.gov/rent-board

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$13.8 million for the Rent Board is \$3.9 million, or 22.1 percent, lower than FY 2023-24 budget. This is primarily due to a decrease in interdepartmental spending. The FY 2025-26 proposed budget of \$14.4 million is \$0.6 million, or 4 percent higher than the FY 2024-25 proposed budget. This change is due to salary and benefit cost increases.

The Rent Board Housing Inventory

Recent legislation requires owners of approximately 250,000 residential housing units to report to the Rent Arbitration Board certain information regarding each unit's occupancies and vacancies. The Inventory's information can be found online and property owners can report for free. Property owners who have tenants receive a rent increase license upon their submission. RNT has established a Inventory and Fee Unit to manage the new change in collaboration with the SF311 Customer Service Center to serve residents' needs more quickly. RNT aims to engage in increased sharing around the Housing Inventory data.

Foundations of Equity in Services and Programming

RNT continues to focus an equity lens on Housing Inventory implementation to collect concrete data to better inform the local housing landscape and to provide targeted inventory and fee-related outreach to small property owners in Chinese, Spanish, and Filipino. RNT has expanded its Public Information Unit and is reevaluating its core service priorities, grounding racial equity, and shifting from its traditional model of services to landlords or tenants in the aggregate, which can hide problems and trends in vulnerable populations.

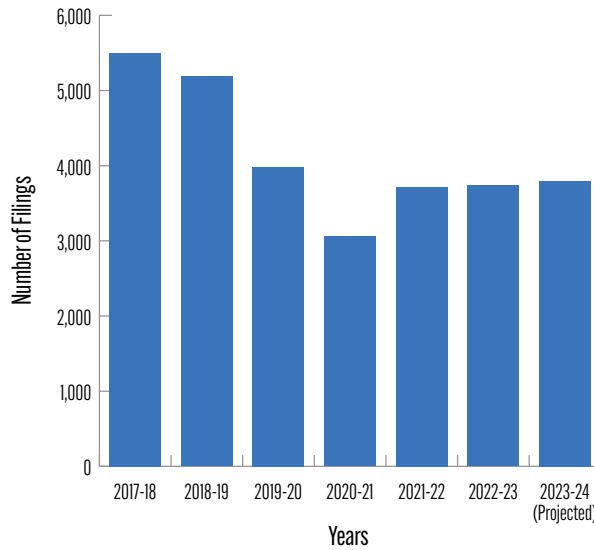
Investing in Modernization and Data Sharing

RNT is undertaking a business process workflow modernization project to provide more efficient services to the public. Investing in the future, RNT now uses a modern call center, accepts filings by email, conducts both remote and in-person hearings, and hosts an online Housing Inventory portal and a contactless online platform for the public to make fee payments

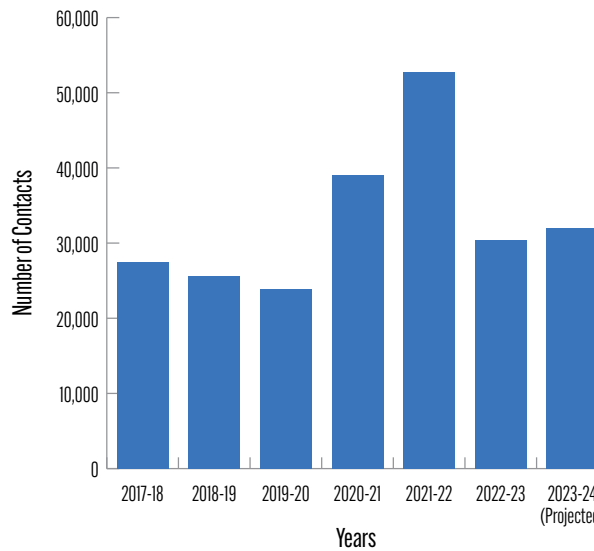
and request fee exemptions. Additionally, RNT seeks to implement a new primary database that will accept online filings and streamline workflow processes. RNT now shares multiple types of data on DataSF, including Housing Inventory data. RNT

continues to streamline and standardize its data-sharing practices with other City departments and increase its effectiveness by providing timely data and documents, which helps expedite permitting and decision-making processes.

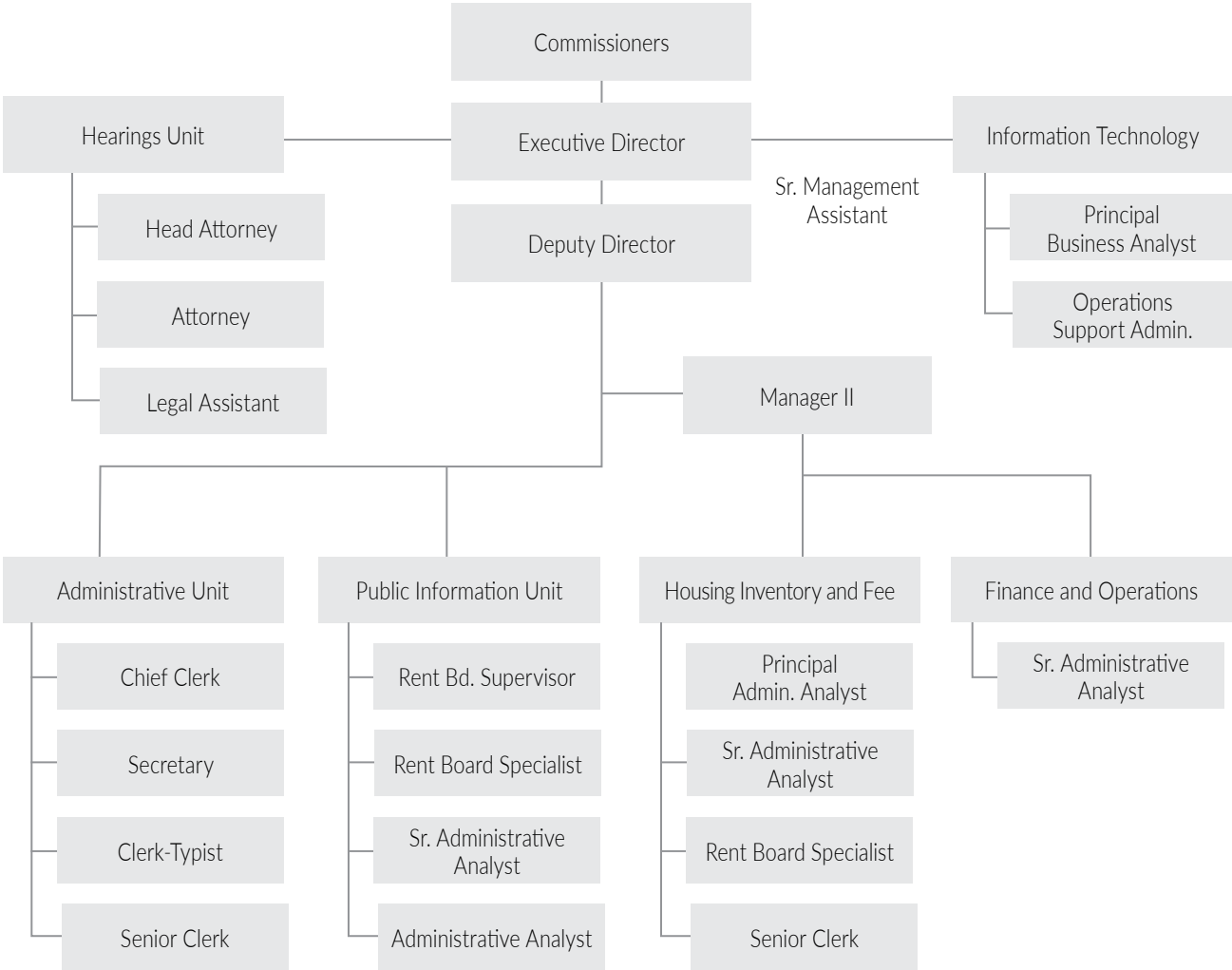
TOTAL FILINGS. *The Rent Board accepts petitions from renters and landlords seeking arbitration of disputes, reporting issues with housing conditions, or otherwise seeking assistance with conflicts relating to the Rent Ordinance, as well as being the site of Ellis, owner move-in, and other eviction notice filings, and buyout filings.*



PHONE COUNSELING CONTACTS. *Phone counseling interactions on all matters, including petition filing, evictions, fee, and housing inventory.*



ORGANIZATIONAL STRUCTURE: RENT ARBITRATION BOARD



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	49.88	49.94	0.06	49.94	
Non-Operating Positions (CAP/Other)					
Net Operating Positions	49.88	49.94	0.06	49.94	0.00
Sources					
Charges for Services	12,950,258	12,769,423	(180,835)	13,624,148	854,725
Beg Fund Balance - Budget Only	4,774,965	1,042,930	(3,732,035)	747,252	(295,678)
General Fund					
Sources Total	17,725,223	13,812,353	(3,912,870)	14,371,400	559,047
Uses - Operating Expenditures					
Salaries	7,747,722	8,049,197	301,475	8,341,977	292,780
Mandatory Fringe Benefits	2,965,934	3,134,040	168,106	3,269,999	135,959
Non-Personnel Services	4,087,558	334,739	(3,752,819)	371,791	37,052
Materials & Supplies	40,250	44,550	4,300	40,250	(4,300)
Overhead and Allocations	334,171	263,871	(70,300)	263,871	
Services Of Other Depts	2,549,588	1,985,956	(563,632)	2,083,512	97,556
Uses Total	17,725,223	13,812,353	(3,912,870)	14,371,400	559,047
Uses - By Division Description					
RNT Rent Arbitration Board	17,725,223	13,812,353	(3,912,870)	14,371,400	559,047
Uses by Division Total	17,725,223	13,812,353	(3,912,870)	14,371,400	559,047

RETIREMENT SYSTEM

MISSION

The Retirement System (RET) works to secure, protect, and prudently invest the City’s pension trust accounts, administer mandated benefit programs, and provide promised benefits. For more information about this department’s services, please visit mysfers.org

BUDGET ISSUES & DETAILS

The proposed Fiscal Year (FY) 2024-25 budget of \$61.5 million for the Retirement Department is \$10.1 million, or 19.5 percent, higher than FY 2023-24 budget. This is primarily due to one-time move costs and the cost of new positions. The FY 2025-26 proposed budget of \$55.6 million is \$5.9 million, or 9.6 percent, lower than the FY 2024-25 proposed budget. This change is due to expiration of one-time costs.

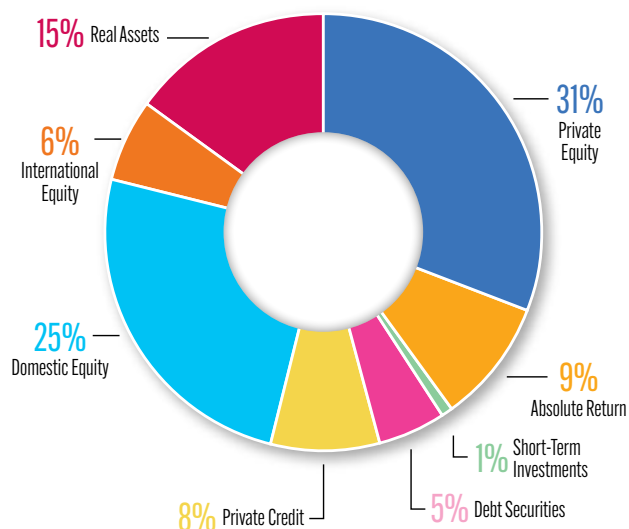
The entirety of the Department’s budget is funded from the San Francisco Employee’s Retirement System (SFERS) Trust, the Retiree Health Care Trust

(RHCTF), or through reimbursements from the San Francisco Deferred Compensation Plan (SFDCP) recordkeeper.

Prudently Investing the SFERS Trust

In its most recent February 2024 Actuarial Valuation Report, SFERS is 95 percent funded based on the market value of the assets as of July 1, 2023. As one of its key ongoing strategic initiatives, SFERS will continue to prudently invest the SFERS Trust assets to maintain full funding of the City’s pension liabilities.

INVESTMENT ALLOCATION AS OF JUNE 30, 2023 - FAIR VALUE.
SFERS has diverse investment allocations to secure and protect Trust assets and deliver promised benefits.



Educate Employees about Retirement Planning

SFERS has a long-standing goal to provide City employees with the tools and resources needed to ensure financial wellness and retirement readiness at the end of their City employment. The Retirement System has partnered with the City's Deferred Compensation Plan to provide a more coordinated approach to employee outreach on the importance of taking advantage of retirement and savings programs offered by the City.

Enhance Member Experience

SFERS will add 7 new positions funded by the SFERS Trust this fiscal year as the second of a two-year staffing phase-in to provide quality benefits administration services and deliver benefits on time and accurately. In addition, SFERS continues to upgrade its member services platforms to enhance the member experience and offer 24/7 self-service. As part of this initiative, the Department is updating its website and adding online educational videos.

Leverage Technology and Enhance Resilience

The Department is embarking on a multi-year program to evolve technology, mitigate current risks

and establish a technological foundation for future modernization. The plan focuses on enhancing resilience, upgrading critical software, documenting data processes and broadening web capabilities. Key initiatives include strengthening cybersecurity, shifting Retirement Services systems to the cloud, and initiating a multi-year plan for system modernization.

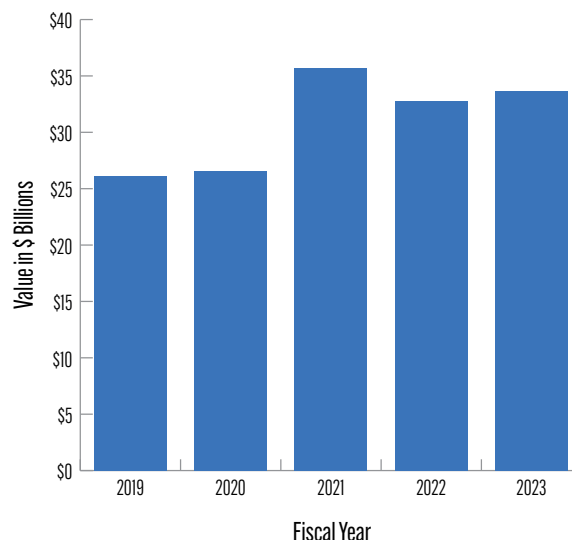
Support a Qualified and Diverse Workforce

SFERS' Racial Equity Plan involves removing barriers to successful recruitment and retention of qualified department staff with diverse educational and life experience throughout the department. To develop and support a qualified and diverse workforce, SFERS is building out an internship program in both the Retirement Services Division and the Investment Division.

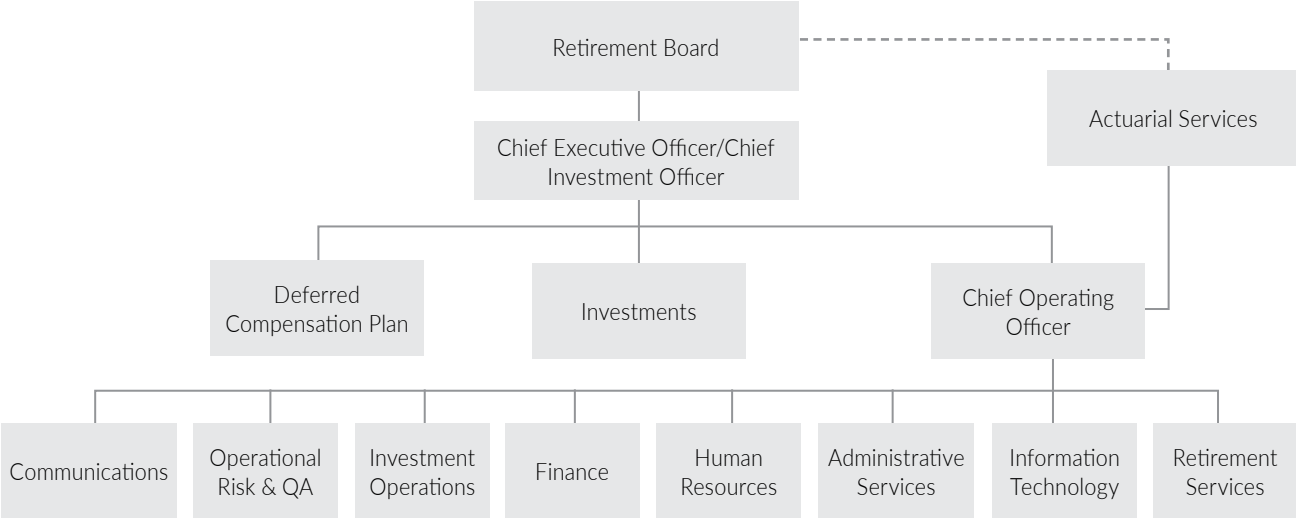
Build Career Pathways

The Department has had a long-standing challenge of recruiting and retaining staff, particularly in its retirement services division. The Department is restructuring certain retirement operations and business services positions to remove recruitment and retention barriers and more closely align the required skills and experience for these positions to the long-term needs of the Department.

PLAN NET POSITION AS OF JUNE 30, 2023 (\$ BILLIONS).
SFERS is 95 percent funded based on the market value of the assets.



ORGANIZATIONAL STRUCTURE: RETIREMENT SYSTEM



TOTAL BUDGET – HISTORICAL COMPARISON

FUNDED POSITIONS	2023-2024 ORIGINAL BUDGET	2024-2025 PROPOSED BUDGET	CHANGE FROM 2023-2024	2025-2026 PROPOSED BUDGET	CHANGE FROM 2024-2025
Total Funded	151.85	157.43	5.58	159.74	2.31
Non-Operating Positions (CAP/Other)					
Net Operating Positions	151.85	157.43	5.58	159.74	2.31
Sources					
Charges for Services	1,921,150	1,864,508	(56,642)	1,942,293	77,785
Contributions Ret/HSS/HlthCare	49,037,353	59,266,496	10,229,143	53,269,198	(5,997,298)
Interest & Investment Income	401,000	284,126	(116,874)	280,428	(3,698)
Expenditure Recovery	110,000	110,000		110,000	
General Fund					
Sources Total	51,469,503	61,525,130	10,055,627	55,601,919	(5,923,211)
Uses - Operating Expenditures					
Salaries	27,792,434	29,617,340	1,824,906	31,006,764	1,389,424
Mandatory Fringe Benefits	9,382,028	10,080,175	698,147	10,611,763	531,588
Non-Personnel Services	5,329,173	14,394,235	9,065,062	6,609,235	(7,785,000)
Capital Outlay	37,049	20,000	(17,049)		(20,000)
Materials & Supplies	215,000	215,000		215,000	
Overhead and Allocations	547,081	1,401,092	854,011	1,401,092	
Programmatic Projects	50,000		(50,000)		
Services Of Other Depts	7,627,628	5,797,288	(1,830,340)	5,758,065	(39,223)
Unappropriated Rev-Designated	489,110		(489,110)		
Uses Total	51,469,503	61,525,130	10,055,627	55,601,919	(5,923,211)
Uses - By Division Description					
RET Administration	15,007,789	25,036,167	10,028,378	17,878,739	(7,157,428)
RET Health Care Trust	1,688,430	1,688,565	135	1,618,565	(70,000)
RET Investment	13,233,004	13,339,145	106,141	13,881,649	542,504
RET Retirement Services	19,618,130	19,596,745	(21,385)	20,280,673	683,928
RET SF Deferred Comp Program	1,922,150	1,864,508	(57,642)	1,942,293	77,785
Uses by Division Total	51,469,503	61,525,130	10,055,627	55,601,919	(5,923,211)

CAPITAL & IT PROJECTS

CAPITAL PROJECTS

THE CAPITAL PLANNING PROCESS > onesanfrancisco.org

An essential part of the City's budget is the Capital Budget, the funds allocated to construct, restore, and improve the facilities and infrastructure upon which city operations depend. These include the City's fire stations, hospitals, libraries, parks, police stations, roads, and public transit systems—the physical assets that shape urban life. Every other year, the Office of Resilience and Capital Planning, under the direction of the City Administrator, updates the City's Ten-Year Capital Plan, which outlines a long-term strategy for investment in these assets. The Capital Plan for Fiscal Years (FY) 2023-24 and 2032-33 was adopted by the Board of Supervisors in May 2023 and provides information to help guide the Mayor's budget submission. The next Capital Plan, for FY 2025-26 through 2034-35, will be adopted in Spring 2025.

The Mayor's May 1 Proposed Budget includes \$1.5 billion in capital projects for FY 2024-25 and \$1.4 billion for FY 2025-26. Additionally, there are projects over the next two years that are funded outside of the budget process, through supplemental appropriations and the Municipal Transportation Agency's (MTA) capital budget. The MTA's capital budget goes through a separate process and is approved by the San Francisco MTA's Board of Directors.

The capital projects included in the Mayor's May 1 Proposed Budget, the MTA capital budget, and supplemental appropriations for the Public Utilities Commission (PUC) are funded by various revenue sources, including fee and concession revenue, bond proceeds, and state and federal grants.

Major projects in this submission include: continued planning to strengthen the Port's Embarcadero Seawall; Pier 70 shipyard improvements; library branch remodels; local and regional water system improvements; continued expansion and renovation of terminals at the San Francisco International Airport; transit fleet renewal; pedestrian and bicycle improvements across the City; and state of good repair renewal programs across departments. A list of proposed projects is presented on the following pages, and a complete capital project submission covering all city departments will be included in the full Mayor's Proposed Budget in June.

Additional details on the MTA capital budget, the Airport capital budget, and the PUC supplemental appropriations are included below:

The MTA plans to invest \$992.3 million over the next two fiscal years in its capital program. This funding will support projects that address infrastructure needs in 10 capital areas: transit optimization, transit fixed guideway, streets, facility, signals, communications and IT, parking, security, and taxis. These projects reflect the FY 2025-2029 Capital Improvement Plan that was approved by the SFMTA Board of Directors in November 3. Capital projects reflect the SFMTA Board of Directors' adopted policies and plans including Transit First, Vision Zero, the Transportation Sustainability Plan, the SFMTA Strategic Plan adopted April 2018, the Muni Service Equity Policy adopted in May 2014, and the San Francisco County Transportation Plan. The largest component of the MTA's capital budget is \$477.2 million of improvements to their transit fleet, which includes buses and Muni subway cars.

This budget continues to support the implementation of the Airport's Capital Improvement Plan (CIP). The FY 2024-2034 CIP includes over \$11 billion in project investments to meet the demands of increasing annual passenger levels, increase resilience by renewing utility infrastructure, and advance sustainability initiatives. Approximately 25 percent of CIP projects have been completed to date, such as the AirTrain Extension to the long-term parking garages, the Harvey Milk Terminal (HMT) Boarding Area B, the SFO Grand Hyatt Hotel, the Second Long-Term Parking Garage, Boarding Area A Gate Enhancements, and the Industrial Wastewater Treatment Plant. Many additional major projects are near completion including Harvey Milk Terminal 1 Renovation, International Terminal Building (ITB) Phase 2, and the Courtyard 3 Connector.

The PUC capital budget across FY24 and FY25 totals \$2.9 billion: \$1.716 billion in funding for Water projects, \$933 million for Wastewater projects, \$472 million for Hetch Hetchy Water and Power projects, and \$5.7 million for CleanPowerSF projects. These appropriations are complemented by associated revenue bond financing

authorizations totaling \$3.4 billion across the PUC's enterprises: \$1.035 billion for Water, \$1.716 billion for Wastewater, and \$293 million for Hetch Hetchy Water and Power. Planned water projects include pipeline replacement and repairs, structural and seismic upgrades, facility improvements at the Millbrae Yard Campus, and replacing the Moccasin Penstocks. Wastewater projects include major investments at the Southeast Treatment Plant including the new Biosolids Digester Project, repair and replacement of sewers, collection system improvements, as well as flood control projects and Citywide green infrastructure implementation. Hetch Hetchy Water and Power projects include streetlight improvements, Treasure Island and Yerba Buena Island substation enhancements, and power reliability and replacement projects. CleanPowerSF's projects include funding for the Local Renewable Energy and Energy Efficiency projects that support local clean energy and related job opportunities, and meeting City climate goals.

For more information on the City's Office of Resilience and Capital Planning, please visit www.onesanfrancisco.org.

CAPITAL PROJECTS

Department: Airport Commission

Project	Project Title	Activity Title	Fund Title	2024-2025 Budget	2025-2026 Budget
10003760	AC Airfield Unallocated-Ordina	Airfield Improvements-Unalloc	SFIA-Capital Projects Fund	8,500,000	11,000,000
10004055	AC Air Support Unallocated-Ord	Airport Support-Unalloc	SFIA-Capital Projects Fund	(36,636,524)	9,700,000
10004134	AC Groundside Unallocated-Ordi	Roadway Improvements-Unalloc	SFIA-Capital Projects Fund	44,871,910	19,200,000
10004334	AC Terminals Unallocated-Ordin	Terminal Renovations-Unalloc	SFIA-Capital Projects Fund	202,457,038	13,911,983
10004436	AC Utilities Unallocated-Ordin	Utility Improvements-Unalloc	SFIA-Capital Projects Fund	86,000,000	48,500,000
		Utility Improvements-Unalloc	SFIA-Special Revenue Fund	250,000	250,000
10016644	Facility Maintenance	Facility Maintenance	SFIA-Operating Fund	15,750,000	15,750,000
10030890	AC Terminal 1 Unallocated-Ordi	Terminal 1 Program-unallocated	SFIA-Capital Projects Fund	(50,000,000)	0
10041139	AC ORCIF Project	AC ORCIF Project	SFIA-Special Revenue Fund	348,306,000	89,888,000
Airport Commission Total				619,498,424	208,199,983

Department: Municipal Transportation Agency

Project	Project Title	Activity Title	Fund Title	2024-2025 Budget	2025-2026 Budget
10010140	MS TSF-COMplete ST (BIKE&PED)	Tsf-Complete Streets (Bike& Pe	Sustainable Streets	442,797	68,562
10011999	Tsf-Transit Cap Maint & Progra	Tsf-Transit Capital Maint(Repl	Transit	831,600	1,439,802
10012000	MT Tsf-Transit Svc&Reliability	MT Tsf-Svc&Reliability FY20-21	Transit	26,400	45,708
10012001	MT Tsf-Transit Svc Exp&Realib	MT Tsf-Svc Exp&Realibi FY20-21	Transit	691,196	731,328
10032485	MS WalkFirst Quick & Effective	SSD Engineering & Planning	Sustainable Streets	550,000	550,000
10034129	MT SFMTA Pop Growth Alloc	FY22 Prop B Alloc For Transit	Transit	38,742,500	41,102,500
10034131	MS SFMTA POP GROWTH ALLOC SSD	FY22 Prop B Alloc for SSD	Sustainable Streets	22,910,000	24,300,000
10036279	MT Prop D TCM Tax	Prop D TCM Tax	Transit	2,488,063	0
10040546	TSF Developer Agr Holding Acct	MS Developer Streets	Sustainable Streets	4,632,364	4,632,364
		MT Developer Transit	Transit	8,819,996	8,819,996
10041384	MTC State of Good Repair	FY24-25	Transit	11,771,203	0
		FY25-26	Transit	0	12,053,712
Municipal Transportation Agency Total				91,906,119	93,743,972

Department: Port

Project	Project Title	Activity Title	Fund Title	2024-2025 Budget	2025-2026 Budget
10011393	PO Beltline Building Tenant Sp	Beltline Bldg Proj-Port staff	Port Operating	2,603,000	0
10011395	PO SF Port Marina Repairs & Up	Marina Repairs & Upgrades	Port-South Beach Harbor	1,887,512	1,942,489
10011407	PO Waterfront Development Proj	Waterfront Development Proj	Port Operating	4,681,983	9,868,017
10032237	PO Seawall Resiliency Project	General Planning Activities	Port Operating	1,607,614	2,555,136
10032988	PO Capital Proj Implement Team	Capital Proj Implement Team	Port Operating	533,000	559,000
10032990	PO Cap Proj Contingency Fund	Project Overages	Port Operating	848,099	3,203,182
10035116	PO Facility Condition Assessm.	Facility Condition Assessment	Port Operating	1,060,000	652,000
10036012	PO Southern Waterfront Beautif	Southern Waterfront Beautifica	Port Operating	2,200,000	1,471,000
10036014	PO P70 Upland Soil Cap	P70 Upland Soil Cap	Port Operating	1,000,000	0
10036015	PO P70 Sediment Cap	P70 Sediment Cap	Port Operating	500,000	0
10037605	PO Hyde Street Harbor Cleanup	PO Hyde Street Harbor Cleanup	Port Operating	13,000	250,000
10038689	PO 2022 1295 P29.5 Office Reha	2022 1295 P29.5 Office Reha	Port Operating	500,000	0

CAPITAL PROJECTS, *CONTINUED*

10038690	PO 1090 2022 Roof & Roof Deck	2022 1090 P9 Tier 1 FIRPA	Port Operating	3,144,427	0
10038692	PO 2022 1450 P45 Shed B/D Repr	2022 1450 P45 Shed B/D Repr	Port Operating	4,769,000	0
10038694	PO Stormwater Trash Capture	Stormwater Trash Capture	Port Operating	493,000	708,000
10039981	PO 3030 2022 J11 Settlement	3030 2022 J11 Settlement	Port Operating	0	800,000
10040237	PO PRTW 2021 Port Ownership	PRTW 2021 Port Ownership	Port Operating	1,050,000	692,000
10040238	PO Low Carbon Fuel Standard	Low Carbon Fuel StandardCredit	Port Operating	210,160	0
10041047	PO MULT 2024 FW Drain & Sewer	MULT 2024 FW Drain & Sewe	Port Operating	700,000	0
10041048	PO 1800 2024 Electrification	2024 Electrification	Port Operating	809,000	0
10041049	PO 1330 2024 Bulkhead Roof Rep	2024 Bulkhead Roof Rep	Port Operating	900,000	1,269,000
10041050	PO 1470 2024 Substructure Rep	2024 Substructure Rep	Port Operating	850,000	0
10041086	PO FY2021 Port Security Grant	PSGP 2021-CCTV Refresh	Port-Capital	48,632	0
		PSGP 2021-CCTV Refresh	Port Operating	16,211	0
		PSGP 2021-Remote CCTV Access	Port-Capital	24,902	0
		PSGP 2021-Remote CCTV Access	Port Operating	8,301	0
		PSGP 2021 -Training	Port-Capital	44,780	0
		PSGP 2021 -Training	Port Operating	14,926	0
10041090	PO 1090 2025 Repair & EQ Study	2025 Repair & EQ Study	Port Operating	0	2,662,000
Port Total				30,517,547	26,631,824

Department: Public Library

Project	Project Title	Activity Title	Fund Title	2024-2025 Budget	2025-2026 Budget
10009363	LB Capital Improvement Project	LB Capital Improvement Project	SR Library Fund - Continuing	2,720,463	1,800,000
10032980	LB-SFPL Roofing Replacemt Proj	SFPL Roofing Replacemt - Main	SR Library Fund - Continuing	1,500,000	0
10032983	LB-Branch Building Envelope Pr	Branch Building Envelope Proj	SR Library Fund - Continuing	500,000	500,000
10034331	LB-SFPL Oceanview Capital Prj	SFPL Oceanview Branch Capital	SR Library Fund - Continuing	4,800,000	4,800,000
10038443	LB Bldg System Assess&Upgrades	LB Bldg System Assess&Upgrades	SR Library Fund - Continuing	200,000	0
10040883	LIB EVC Install Project	LIB EVC Install-750 Brannan St	SR Library Fund - Continuing	150,000	0
Public Library Total				9,870,463	7,100,000

Department: Public Utilities Commission

Project	Project Title	Activity Title	Fund Title	2024-2025 Budget	2025-2026 Budget
10014230	Retail Customer Programs	Retail Customer Programs	Hetchy Operating Fund	3,565,000	3,573,000
10014854	Natural Resources Planning	Natural Resources Planning	SFWD-Operating Fund	1,500,000	1,500,000
10015046	Long Term Monitoring & Permit	Long Term Monitoring & Permit	SFWD-Operating Fund	5,500,000	5,500,000
10016972	Awss Maintenance - Cdd	Awss Maintenance - Cdd	SFWD-Operating Fund	2,500,000	2,500,000
10016976	Watershed Structure Projection	Watershed Structure Projection	SFWD-Operating Fund	7,000,000	7,000,000
10025172	Wecc/Nerc Compliance	Wecc/Nerc Compliance	Hetchy Operating Fund	5,500,000	5,500,000
10025175	Wecc/Nerc Transmission Line Cl	Wecc/Nerc Transmission Line Cl	Hetchy Operating Fund	215,000	223,000
10025206	Water Resources Planning And D	Water Resources Planning/Budge	SFWD-Operating Fund	500,000	500,000
10025207	Treasure Island - Maintenance	Treasure Island - Maintenance	Hetchy Operating Fund	5,200,000	5,400,000
		Treasure Island - Maintenance	SFWD-Operating Fund	500,000	500,000
		Treasure Island - Wastewater	CWP-Operating Fund	2,600,000	2,600,000

CAPITAL PROJECTS, *CONTINUED*

10025208	525 Golden Gate - O & M	525 Golden Gate - O & M	CWP-Operating Fund	2,634,881	2,634,881
		525 Golden Gate - O & M	Hetchy Operating Fund	2,098,749	2,098,749
		525 Golden Gate - O & M	SFWD-Operating Fund	1,865,404	1,865,404
10025209	525 Golden Gate - Lease Paymen	525 Golden Gate - Lease Paymen	CWP-Operating Fund	2,395,859	2,375,184
		525 Golden Gate - Lease Paymen	Hetchy Operating Fund	1,233,548	1,222,903
		525 Golden Gate - Lease Paymen	SFWD-Operating Fund	9,060,928	8,982,736
10025762	Low Impact Development	FY22 Low Impact Development	CWP-Operating Fund	681,000	681,000
10025785	Youth Employment & Environment	Youth Employment & Environ Bud	CWP-Operating Fund	697,000	697,000
		Youth Employment & Environ Bud	Hetchy Operating Fund	150,000	150,000
		Youth Employment & Environ Bud	SFWD-Operating Fund	1,290,000	1,290,000
10036107	CleanPowerSF Customer Program	CleanPowerSF Customer Program	CleanPowerSF Operating Fund	4,000,000	4,931,609
10037757	PDP Program	Operations	CleanPowerSF Operating Fund	111,609	180,000
10037758	Low Income Inverters Program	Operations	CleanPowerSF Operating Fund	91,250	91,250
10038863	DAC Solar Program	DAC Solar Program	CleanPowerSF Special Revenue F	802,956	827,045
10038941	DAC Community Solar Program	DAC Community Solar Program	CleanPowerSF Special Revenue F	245,656	260,413
10039051	EV Charge SF	EV Charge SF	CleanPowerSF Operating Fund	1,500,000	1,500,000
10039564	E-Mobility	Operations	CleanPowerSF Operating Fund	580,000	580,000
10041032	ITS Programmatic Project	ITS Programmatic Project	CleanPowerSF Operating Fund	30,643	25,057
		ITS Programmatic Project	CWP-Operating Fund	337,303	275,809
		ITS Programmatic Project	Hetchy Operating Fund	234,089	191,412
		ITS Programmatic Project	SFWD-Operating Fund	495,007	404,763
10041105	Heat Pump Water Heater Rebates	Heat Pump Water Heater Rebates	CleanPowerSF Operating Fund	115,288	115,288
10041401	Hetchy Water - Facilities Main	Facilities Maintenance	Hetchy Operating Fund	3,500,000	3,500,000
Public Utilities Commission Total				68,731,170	69,676,503
Capital Projects Total				820523723	405352282

* The table above reflects preliminary Fiscal Year 2025-26 appropriations for the Airport Commission, Municipal Transportation Agency, Port Commission, and Public Utilities Commission

IT PROJECTS

INFORMATION & COMMUNICATION TECHNOLOGY PROJECTS

SF.GOV/COIT

THE COMMITTEE ON INFORMATION TECHNOLOGY (COIT)

Investment in information and communications technology (IT or ICT) enables the City to enhance services, facilitate resident and visitor engagement, and utilize data to better inform leaders and policymakers.

The City plans, funds, and coordinates IT projects through the Committee on Information Technology (COIT). COIT is responsible for advising the Mayor and Board of Supervisors (Board) on technology matters and setting overall technology direction for the City.

Every other year, COIT publishes the City's Information and Communication Technology Plan (ICT Plan) to proactively plan, fund, and implement the City's technology efforts to align with the Mayor's goals on equity and government accountability. The ICT Plan for Fiscal Year (FY) 2023-24 through FY 2027-28 was proposed by COIT in the spring of 2023, and the full plan can be found on the COIT website at sf.gov/coit.

INFORMATION AND COMMUNICATION TECHNOLOGY PLAN (ICT PLAN)

The proposed Five-Year ICT Plan presents a vision of government services that are regularly available and remain accessible in times of crisis.

This vision reflects the increased importance of ensuring the accessibility and reliability of City services that are essential to our economic recovery. The Plan outlines a path to coordinate technology investments, improve city services, and improve the resilience of our most critical systems.

The ICT plan identifies three strategic IT goals:

- Online and Accessible City Services Residents Can Use
- Integrated City Operations that are Efficient and Cost-Effective
- IT Infrastructure You Can Trust

ADDITIONAL BUDGETARY RESOURCES

ADDITIONAL BUDGETARY RESOURCES

The Mayor's proposed Fiscal Years (FY) 2024-25 and 2025-26 budget for the City and County of San Francisco (the City), published on June 1, is one of several financial documents that can be a resource to the public. Other sources of financial information include:

Consolidated Budget and Appropriation Ordinance, FY 2024-25 and 2025-26

The Consolidated Budget and Appropriation Ordinance (BAO) contains the City's sources of funds and their uses, detailed by department. This document provides the legal authority for the City to spend funds during each fiscal year. The BAO is released annually with the Board's passage and the Mayor's signing of the final budgets. An interim BAO is passed by a continuing resolution of the Board and provides the City's interim operating budget between the end of the fiscal year on June 30 and when the final budget is passed.

Annual Salary Ordinance, 2024-25 and FY 2025-26

The Annual Salary Ordinance (ASO) is the legal document that authorizes the number of positions and job classifications in departments for the budgeted fiscal years. The ASO is passed at the same time as the BAO.

Annual Comprehensive Financial Report

The City's Annual Comprehensive Financial Report (ACFR) summarizes the performance of all revenue sources and accounts for total expenditures in any given fiscal year. The ACFR for the fiscal year ending June 30, 2023 is currently available. The FY 2024-25 ACFR will be made available by the Controller after the fiscal year has closed and the City's financial reports have been reviewed and certified.

Five-Year Financial Plan and Joint Report

The City's Five-Year Financial Plan forecasts expenditures and revenues during the five-year period, proposes actions to balance revenues and expenditures during each year of the plan, and discusses strategic goals and corresponding resources for city departments. The Plan is published each odd calendar year by the Controller's Office, the Mayor's Office of Public Policy and Finance, and the Board of Supervisors' Budget and Legislative Analyst. In even calendar years, the Five-Year Financial Plan Update, commonly known as the Joint Report, is issued and is currently available for FY 2024-25 through FY 2027-28.

OBTAINING BUDGET DOCUMENTS AND RESOURCES

Copies of these documents are distributed to the SFPL Main Library. They may also be viewed online at the City's web site (sf.gov) and at the following City Hall locations:

Mayor's Office of Public Policy and Finance

1 Dr. Carlton B. Goodlett Place, Room 288

Phone: (415) 554-6114

<https://sf.gov/topics/budget>

Controller's Office

1 Dr. Carlton B. Goodlett Place, Room 316

Phone: (415) 554-7500

<https://sf.gov/departments/controllers-office>

Clerk of The Board of Supervisors

1 Dr. Carlton B. Goodlett Place, Room 244

Phone: (415) 554-5184

sfbos.org

For more information regarding San Francisco's budget, finance, and performance measurements, please visit the web sites below.

SF Performance Scorecards

Regularly-updated information on the efficiency and effectiveness of San Francisco government in eight highlighted service areas, including livability, public health, safety net, public safety, transportation, environment, economy, and finance.

sfgov.org/scorecards

SF Open Book

A clear look at San Francisco's fiscal and economic health.

openbook.sfgov.org

SF Open Data

The central clearinghouse for data published by the City and County of San Francisco.

datasf.org

COMMONLY USED TERMS

ACCRUAL BASIS ACCOUNTING – An accounting methodology that recognizes revenues or expenditures when services are provided.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) – The City’s Annual Financial Report, which summarizes the performance of all revenue sources and accounts for total expenditures in the prior fiscal year.

ANNUALIZATION – Adjusting a partial year revenue or expense to reflect a full year’s worth of income or spending.

APPROPRIATION – Legislative designation of money to a department, program, or project for a particular use, including operations, personnel, or equipment.

ATTRITION SAVINGS – Salary savings that result when positions at a department are vacant.

BALANCED BUDGET – A budget in which revenues equal expenditures, with no deficit.

BALANCING – Process of making revenues match expenditures within each departmental budget and within the City budget as a whole.

BASE BUDGET – The budget predicated on maintaining the existing level of services and operations. The City and County of San Francisco require two-year budgeting annually, and the second year of the budget becomes the base budget for the following budget cycle.

BASELINE – (1) The annualized budget for the current fiscal year, which serves as the starting point for preparing the next fiscal year’s budget. (2) A required minimum of spending for a specific purpose.

BOND – A debt investment in which an investor loans money to an entity that borrows the funds for a defined period of time at a fixed interest rate. Bonds are used by companies and governments to finance a variety of projects and activities.

BUDGET AND APPROPRIATION ORDINANCE (BAO) – The legislation that enacts the annual two-year budget. Formerly the Annual Appropriation Ordinance (AAO).

BUDGET CYCLE – The period of time in which the City’s financial plan for the upcoming fiscal year is developed; submitted to, reviewed, and enacted by the Board of Supervisors and signed by the Mayor; and implemented by city departments.

CAPITAL BUDGET – Funds to acquire land, plan and construct new buildings, expand or modify existing buildings, and/or purchase equipment related to such construction.

CAPITAL EXPENDITURE – Expenditures creating future benefits, used to acquire or upgrade physical assets such as equipment or property.

CARRYFORWARD – Funds remaining unspent at year-end that a department requests permission to spend during the following fiscal year. Some funds carry forward automatically at year-end.

CASH BASIS ACCOUNTING – An accounting methodology that recognizes revenues and expenditures when payments are actually made.

COST-OF-LIVING ADJUSTMENT (COLA) – A regularly scheduled adjustment to salaries, aid payments, or other types of expenditures to reflect the cost of inflation.

COUNTY-WIDE COST ALLOCATION PLAN (COWCAP) – The County-Wide Cost Allocation Plan is developed annually by the Controller’s Office and calculates the overhead rate charged to each department for its share of citywide overhead costs, such as payroll, accounting, and operations.

DEFICIT – An excess of expenditures over revenues.

ENTERPRISE DEPARTMENT – A department that does not require a General Fund subsidy because it generates its own revenues by charging fees for services.

FIDUCIARY FUND – Used to account for assets held in trust by the government for the benefit of individuals or other entities. Government employee pension funds are an example of a fiduciary fund. Fiduciary funds are one of the three broad types of government funds, the other two being governmental and proprietary funds.

FISCAL YEAR – The twelve-month budget cycle. San Francisco’s fiscal year runs from July to June 30.

FRINGE – The dollar value of employee benefits such as health and dental, which varies from position to position.

FULL-TIME EQUIVALENT (FTE) – One or more employees who cumulatively work 40 hours/week.

FUND – Government budgets are made up of funds that organize and account for specific resources. Each fund is considered a separate accounting entity.

FUND BALANCE – The amount of funding that remains in a given fund at the end of the fiscal year.

GENERAL FUND – The largest of the City’s funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services, and public works. Primary revenue sources include local taxes such as property, sales, business, and other taxes.

GENERAL FUND DEPARTMENT – A department that receives an annual appropriation from the City’s General Fund.

GOVERNMENTAL FUND – The City’s basic operating fund, includes the General Fund and Capital projects. One of the three broad types of government funds, the other two being the fiduciary fund and the proprietary fund.

INTERIM BUDGET – The citywide budget that is in effect for the first two months of the fiscal year, during the lag period between July 1—the date on which the Board of Supervisors must technically submit its budget—until mid-August when the new budget is signed into effect by the Mayor. The Mayor’s proposed budget serves as the interim budget.

MAJOR AND PROPRIETARY FUND – Used to account for a government’s on-going activities and operations, the proprietary fund includes enterprise funds (which account for activities in which a fee is charged to external user) and internal service funds (used for services provided to other funds or departments). One of the three broad types of government funds, the other two being the fiduciary fund and the governmental fund.

MAYOR’S PROPOSED BUDGET – The citywide budget submitted to the Board of Supervisors by the Mayor’s Office, by May 1 for selected Enterprise and other departments and June 1 for all remaining departments, that makes recommendations and estimates for the City’s financial operations for the ensuing fiscal year.

MEMORANDUM OF UNDERSTANDING (MOU) – A binding agreement between two parties.

ORDINANCE – A proposed or enacted law. Typically prepared by the City Attorney.

RAINY DAY CITY AND SCHOOL RESERVES – Funds that are legally set-aside by the City Charter, Section 9.113.5, with the intent of protecting the City from being negatively impacted by the economy’s boom-bust cycle. Generally, the Rainy Day Reserve requires that money be saved when revenue growth exceeds a certain level (in good economic times) in order to create a cushion during economic downturns. Pursuant to Proposition C, approved by San Francisco voters in November of 2014, the original Rainy Day Reserve was split into two separate reserves—the City Reserve for use by the City and the School Reserve for use by the San Francisco Unified School District.

RESOLUTION – A type of legislation. Typically prepared by the sponsoring department or a member of the Board of Supervisors and generally directed internally.

REVISED BUDGET – The department's budget at the end of the fiscal year. Over the course of the fiscal year, the department's original budget may be amended to reflect supplemental appropriations, and receipt of unbudgeted grants.

SALARY ORDINANCE – The legislation that grants departments the authority to fill a specified number of positions during the fiscal year. Note that this is not the same as having the funding to fill that number of positions. Formerly the Annual Salary Ordinance (ASO). This legislation is passed at the

same time as the Budget and Appropriation Ordinance.

SPECIAL FUND – Any fund other than the General Fund. Revenues in special funds are non-discretionary.

SURPLUS – An excess of revenue over expenditures.

TECHNICAL ADJUSTMENT – Changes made by the Mayor's Office to the Mayor's proposed budget after it has been submitted to the Board of Supervisors.

TWO-YEAR BUDGETING – The citywide process (beginning Fiscal Year 2012-13) of budgeting each year for the next two fiscal years.



To: Angela Calvillo, Clerk of the Board of Supervisors
From: Anna Duning, Mayor's Budget Director
Date: May 1, 2024
Re: Mayor's May 1 FY 2024-25 and FY 2025-26 Budget Submission

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2024 MAY -1 AM 11:00
BY [signature]

Madam Clerk,

In accordance with City and County of San Francisco Administrative Code, Section 3.3, the Mayor's Office hereby submits the Mayor's proposed May 1 budget, corresponding legislation, and related materials for Fiscal Year (FY) 2024-25 and FY 2025-26.

In addition to the Mayor's Proposed FY 2024-25 and FY 2025-26 May 1 Budget Book, the following items are included in the Mayor's submission:

- The May 1 Proposed Annual Appropriation Ordinance (AAO) and Proposed Annual Salary Ordinance (ASO) for Selected Departments
- The Municipal Transportation Agency (MTA) Budget Memo
- The Public Utilities Commission (PUC) Capital Budgets and Borrowing Ordinances
- 8 separate pieces of trailing legislation (see list attached)
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- An Interim Exception letter
- Memo to the Board President requesting for 30-day rule waivers on ordinances

Please note the following:

- Technical adjustments to the budget are being prepared, but are not submitted with this set of materials.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anna Duning".

Anna Duning
Mayor's Budget Director

cc: Members of the Board of Supervisors
Budget & Legislative Analyst's Office
Controller

DEPT	Item	Description	Type of Legislation	File #
AIR	Continuing Prop J	General aviation security services, information booth and guest assistance, employee and public parking operations, and shuttle bus service	Ordinance	240460
BOA	Fee Change	Adjust BOA surcharges on fees imposed under the San Francisco Planning Code and Building Code	Ordinance	240456
DBI	Fee Change	Adjusts the fees for permits and services provided by the Department of Building Inspection pursuant to the 2023 Fee Study	Ordinance	240457
LIB	Recurring A&E	The Friends and Foundation of the San Francisco Public Library – Annual Grant Award	Resolution	240458
MTA	Continuing Prop J	Citations, paratransit, parking meter collections, security, towing, and transit shelter cleaning services	Ordinance	240460
PRT	Continuing Prop J	Security services at Port facilities	Ordinance	240460
PRT	Recurring Grants	Department of Homeland Security Port Security Grant Program (PSGP)	Resolution	240459
PUC	Continuing Prop J	Security services at PUC Wastewater Enterprise facilities	Ordinance	240460

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 BOARD OF SUPERVISORS
 SAN FRANCISCO
 2024 MAY -1 AM 11:00
 BY dw