

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

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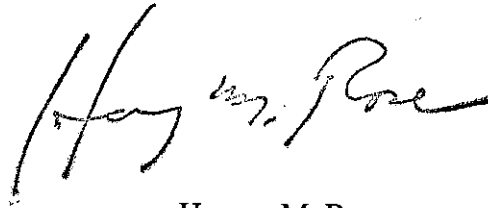
June 20, 2011

TO: Budget and Finance Committee
FROM: Budget and Legislative Analyst
SUBJECT: June 22, 2011 Budget and Finance Committee Meeting

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A handwritten signature in black ink, appearing to read "Harvey M. Rose". The signature is written in a cursive style with a large initial "H" and a long, sweeping underline.

Harvey M. Rose

cc: Supervisor Chu
Supervisor Mirkarimi
Supervisor Kim
Supervisor Wiener
President Chiu
Supervisor Avalos
Supervisor Campos
Supervisor Cohen
Supervisor Elsbernd
Supervisor Farrell
Supervisor Mar
Clerk of the Board
Cheryl Adams
Controller
Greg Wagner

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The Mayor’s proposed \$19,705,181 budget for FY 2011-12 is \$16,451 or 0.8 percent less than the original FY 2010-11 budget of \$19,721,632.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 99.02 FTEs, which is 1.32 FTE more than the 97.7 FTEs in the original FY 2010-11 budget. This represents a 1.4 percent increase in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$19,705,181 in FY 2011-12, are \$16,451 or 0.8 percent less than FY 2010-11 revenues of \$19,721,632. General Fund support of \$1,962 in FY 2011-12 is \$1,962 or 100 percent more than FY 2010-11 General Fund support of \$0.

RECOMMENDATIONS

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$577,862 in FY 2011-12. Of these recommended reductions, \$1,962 or .34 percent are General Fund reductions, and \$472,400 or 82 percent are ongoing reductions.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: RET-RETIREMENT SYSTEM

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed Budget	Change From 2010-2011	Pct Change
ADMINISTRATION	\$2,453,499	\$1,414,054	-\$1,039,445	-42.0%
EMPLOYEE DEFERRED COMP PLAN	580,311	780,054	199,743	34.0%
INVESTMENT	2,759,195	2,957,796	198,601	7.0%
RETIREMENT SERVICES	13,928,627	14,553,277	624,650	4.0%
Total Expenditures	\$19,721,632	\$19,705,181	-\$16,451	0.0%

The Department's proposed FY 2011-12 budget has decreased by \$16,451 largely due to:

- Decreases in indirect cost reimbursements and work order recoveries from other City departments and public agencies.
- Increases in required employer contributions to the San Francisco Employee Retirement System (SFERS) from 13.56 percent to 18.09 percent.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 99.02 FTEs, which is 1.32 FTE more than the 97.7 FTEs in the original FY 2010-11 budget. This represents a 1.4 percent increase in FTEs from the original FY 2010-11 budget.

- The Department's budget for FY 2011-12 includes three new positions including one Senior IS Engineer, resulting from a transfer of function from the Department of Technology, one Assistant Retirement Analyst resulting from a transfer of function from a previous work order with the City's Workers' Compensation Division, and one additional Security Analyst.

DEPARTMENT REVENUES:

The Department's revenues of \$19,705,181 in FY 2011-12, are \$16,451 or .08 percent less than FY 2010-11 revenues of \$19,721,632. General Fund support of \$1,962 in FY 2011-12 is \$1,962 or 100 percent more than FY 2010-11 General Fund support of \$0.

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$577,862 in FY 2011-12. Of these recommended reductions, \$1,962 or .34 percent are General Fund reductions, and \$472,400 or 82 percent are ongoing reductions.

RET - Retirement System

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
EDC - Employee Deferred Comp Plan (1G AGF ACP)													
Air Travel - Employees			\$2,500	\$500	\$2,000					\$2,500	\$500	\$2,000	
Non-Air Travel - Employees			\$5,500	\$4,000	\$1,500					\$5,500	\$4,000	\$1,500	
	<i>Total Savings \$3,500</i>							<i>Total Savings \$3,500</i>					
	Reduce to reflect actual expenditures in prior fiscal years.							Ongoing reduction					
PROFESSIONAL & SPECIALIZED SVCS-BUDGET			\$350,000	\$250,000	\$100,000		x						
	The Department proposes a \$200,000 one-time increase for anticipated additional legal services related to the development and implementation of the Target Date Funds and Roth 457 plan. However, the Department is currently underspending for Professional and Specialized Services.												
FDD -(7P RET ERT)													
4331-C Security Analyst	0.77	0.00	\$75,676	\$0	\$75,676			0.77	0.00	\$75,676	\$0	\$75,676	
Mandatory Fringe Benefits			\$29,470	\$0	\$29,470					\$29,470	\$0	\$29,470	
	<i>Total Savings \$105,146</i>							<i>Savings \$105,146</i>					
	Disapprove the addition of one new 4331 Security Analyst. Budget already includes 7 (FTE) Security Analyst positions, 5 of which are vacant. The Department has not sufficiently explained what additional responsibilities necessitate an additional Security Analyst position.							Ongoing reduction					
9993M Attrition Savings	-2.63	-5.26	(\$264,830)	(\$529,660)	\$264,830			-2.63	-5.26	(\$264,830)	(\$529,660)	\$264,830	

RET - Retirement System

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
Mandatory Fringe Benefits			(\$102,424)	(\$204,848)	\$102,424					(\$102,424)	(\$204,848)	\$102,424	
	<i>Total Savings</i>				<i>\$367,254</i>			<i>Savings</i>		<i>\$367,254</i>			
	Increase Attrition Savings by \$264,830 in FY 2011-12. The recommended increase in Attrition Savings reflects a projected salary savings (a year-end surplus of approximately \$1,300,000 as of 5/27/11) and should provide sufficient salary funds.							Ongoing reduction					

FY 2011-2012			
Total Recommended Reductions			
	One-Time	Ongoing	Total
General Fund Impact *	\$1,962	\$0	\$1,962
Non-General Fund Impact	\$100,000	\$472,400	\$575,900
Total	\$101,962	\$472,400	\$577,862

Estimated FY 2012-2013 Impact	
Total Recommended Reductions	
	Total
General Fund Impact	\$0
Non-General Fund Impact	\$475,900
Total	\$475,900

*The Department has included \$1,962 in General Fund Support in FY 2011-12 for the first time in order to balance FY 2011-12 revenues and expenditures.

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The proposed \$6,518,485 budget for FY 2011-12 is \$283,548 or 4.5 percent more than the original FY 2010-11 budget of \$6,234,937.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 34.82 FTEs, which is .17 FTEs less than the 34.99 FTEs in the original FY 2010-11 budget. This represents 0.5 percent decrease in FTEs from the original FY 2010-11 budget.

Revenue Changes

Department revenues, proposed to be \$6,518,485 in FY 2011-12, is an increase of \$283,548 or 4.5 percent more than the Department’s FY 2010-11 revenues of \$6,234,937. The Department receives no direct General Fund support, but receives a recovery from General City Responsibility to support the General Fund departments’ share of costs for Health Service Systems.

RECOMMENDATIONS

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$71,981 in FY 2011-12. Of these recommended reductions, 100 percent are General Fund reductions, and 100 percent are ongoing reductions. These reductions would still allow an increase of \$211,567 or 3.4.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: HSS – HEALTH SERVICE SYSTEM

SUMMARY OF PROGRAM EXPENDITURES:

	2010-2011	2011-2012	Change From	Pct
	Budget	Proposed	2010-2011	Change
HEALTH SERVICE SYSTEM	6,234,937	6,518,485	283,548	4.5%
HEALTH SERVICE SYSTEM	6,234,937	6,518,485	283,548	4.5%

The Department’s proposed FY 2011-12 budget has increased by \$283,548. This amount is largely due to increases in professional services of \$233,000 in order to complete the following projects:

- **Flexible Spending Contract** – Contract that was not previously reflected in the Administration Budget. Previously, the contract was paid with one-time funds.
- **HIPAA (Health Insurance Portability and Accountability Act) and other Regulatory Compliance** – Consulting services to maintain and assure compliance with revised statutory and regulatory laws. Health care and IRS code changes require updating and amending HSS Rules, Policies and Procedures.
- **City Plan Analysis** – Consulting services to assist HSS evaluate and address the issues with self-insured City Plan. The City Plan premiums continue to increase as the number of members in this plan decreases and the cost of health services increase. This will require planned changes during the next few years.
- **Healthcare Reform Impacts** – Consulting services to assist HSS with the proper implementation of federal Patient Protection and Affordable Care Act (PPACA) requirements.

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 34.82 FTEs, which is .17 FTEs less than the 34.99 FTEs in the original FY 2010-11 budget. This represents 0.5 percent decrease in FTEs from the original FY 2010-11 budget. The FY 2011-12 Budget does not include any new positions.

DEPARTMENT REVENUES:

Department revenues have increased by \$283,548 or 4.5 percent. The Department receives no direct General Fund support, but receives a recovery from General City Responsibility to support the General Fund departments’ share of costs for Health Service Systems.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: HSS – HEALTH SERVICE SYSTEM

Five-Year Plan

According to the Department, while HSS cannot anticipate all the ways in which health care and benefits administration will change, HSS knows it must do the following in the next five years:

Maintain and Assure Compliance with Current Statutory and Regulatory Laws

- Implement federal Patient Protection and Affordable Care Act (rolling provisions each plan year through 2018).
- Update federal Health Insurance Portability and Accountability Act (HIPAA) plan and procedures with eMerge implementation.
- Implement state and municipal legislation affecting public employee/retiree benefits.
- Coordinate with San Francisco Retiree Health Care Trust Fund.

Address the Rising Cost of Healthcare

- Implementation of Accountable Care Organizations (ACOs) beginning July 1, 2011 will require significant management involvement and oversight.
- Design, implement and monitor return on investment of data-driven employee and retiree wellness initiatives.
- Develop sophisticated informatics and data analysis, to improve forecasting and help identify potential target areas for cost savings and wellness programming.
- Strengthen healthcare vendor management policies and oversight of vendor performance guarantees, which include financial penalties.
- Coordinate with other City departments regarding Workers' Compensation and disability benefits administration, to achieve better care for employees and reduced costs for CCSF.

Implement Advances in Information Technology

- City-wide centralization of employee/retiree benefits data via eMerge will require significant planning, including retraining and re-organizing personnel to accommodate technological change and the development of new quality assurance practices.
- Establish and manage a digital records system, which requires planning, storage, staff training and transferring over 50 years of paper records.
- Employee/retiree services, communications and tech support will be needed to assist in the transition to online enrollment and the digital dissemination of complex benefits information and wellness engagement.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: HSS – HEALTH SERVICE SYSTEM

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$71,981 in FY 2011-12. Of these recommended reductions, 100 percent are General Fund reductions, and 100 percent are ongoing reductions. These reductions would still allow an increase of \$211,567 or 3.4 percent in the Department’s FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

HSS - Health Service System

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
HSS - Administration (1GAGFAAA)													
Step Adjustments, Miscellaneous			\$5,912	(\$20,000)	\$25,912	x				\$5,912	(\$20,000)	\$25,912	x
Mandatory Fringe Benefits			\$2,069	(\$7,000)	\$9,069	x				\$2,069	(\$7,000)	\$9,069	
	<i>Total Savings \$34,981</i>							<i>Total Savings \$34,981</i>					
	Reduce \$20,000 in step adjustments to reflect budgeting at the highest step. This reflects the turnover and/or downward substitution of three positions from the previous year							Ongoing reduction.					
Copy Machine			\$6,000	\$5,000	\$1,000	x				\$6,000	\$5,000	\$1,000	x
	Reduce to reflect department's lease cost.							Ongoing reduction.					
Training			\$10,000	\$7,000	\$3,000	x				\$10,000	\$7,000	\$3,000	x
	Reduce to reflect historical and projected spending. This would still allow an increase of \$3900 to prior year's total training budget							Ongoing reduction.					
Professional and Specialized Services			\$1,090,395	\$1,057,395	\$33,000	x				\$1,090,395	\$1,057,395	\$33,000	x
	Reduce to reflect historical and projected spending. This would still allow an increase of \$200,000 to prior year's total professional service budget.							Ongoing reduction.					

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$71,981	\$71,981
Non-General Fund Impact	\$0	\$0	\$0
Total	\$0	\$71,981	\$71,981

	Estimated FY 2012-2013 Impact Total Recommended Reductions
General Fund Impact	\$71,981
Non-General Fund Impact	\$0
Total	\$71,981

GF = General Fund
1T = One Time

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$73,131,526 budget for FY 2011-12 is \$1,449,572 or 2.0 percent more than the original FY 2010-11 budget of \$71,681,954.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 123.54 FTEs, which is 5.02 FTEs more than the 118.52 FTEs in the original FY 2010-11 budget. This represents a 4.2 percent change in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$63,424,926 in FY 2011-12, are \$830,671 or 1.3 percent more than FY 2010-11 revenues of \$62,594,255. General Fund support of \$9,706,600 in FY 2011-12 is \$618,901 or 6.8 percent more than FY 2010-11 General Fund support of \$9,087,699.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$91,500 in FY 2011-12. Of these recommended reductions, \$91,500 or 100 percent are General Fund reductions, and \$26,500 or 29.0 percent are ongoing reductions. These reductions would still allow an increase of \$1,358,072 or 1.9 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$270,208 to the General Fund.

Together, these recommendations will result in \$361,708 savings to the City's General Fund.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: HRD – HUMAN RESOURCES DEPARTMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
ADMINISTRATION	287,331	517,926	230,595	80.3%
CLASS AND COMPENSATION	543,479	682,682	139,203	25.6%
EMPLOYEE RELATIONS	3,639,518	4,540,952	901,434	24.8%
EQUAL EMPLOYMENT OPPORTUNITY	1,231,662	1,104,758	(126,904)	(10.3%)
RECRUIT/ ASSESS/ CLIENT SERVICES	7,609,764	7,099,389	(510,375)	(6.7%)
WORKERS COMPENSATION	57,433,463	58,330,773	897,310	1.6%
WORKFORCE DEVELOPMENT	936,737	855,046	(81,691)	(8.7%)
Total	71,681,954	73,131,526	1,449,572	2.0%

The Department’s proposed FY 2011-12 budget has increased by \$1,449,572 largely due to:

- Increased workers’ compensation costs, due to increased self-insured plan costs and medical costs. The budget includes one additional Worker’s Compensation Adjuster.
- Costs associated with the Labor Project, including three temporary Senior Employee Relations Representatives. In FY 2011-12, the City will have 27 Memoranda of Understanding (MOUs) with employee unions which will expire on June 30, 2012, requiring negotiation of successor MOUs.
- Increased recoveries due to an increase of four City Hall Fellow work orders, for a total of eleven work orders for the City Hall Fellow Program.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 123.54 FTEs, which is 5.02 FTEs more than the 118.52 FTEs in the original FY 2010-11 budget. This represents a 4.2 percent change in FTEs from the original FY 2010-11 budget,

In addition to the new positions discussed above, the Department is transferring one Manager III to the Department of Building Inspection and one Senior Personnel Analyst to the Assessor-Recorder’s Office due to a reduction in work orders.

DEPARTMENT REVENUES:

The Department’s revenues of \$63,424,926 in FY 2011-12, are \$830,671 or 1.3 percent more than FY 2010-11 revenues of \$62,594,255. General Fund support of \$9,706,600 in FY 2011-12 is \$618,901 or 6.8 percent more than FY 2010-11 General Fund support of \$9,087,699. Specific changes in the Department’s FY 2011-12 revenues include:

- Expenditure Recoveries have increased due to increased work orders for workers' compensation, including associated medical benefits, and Temporary Total Disability benefit costs

To balance revenues and expenditures over the next five years, the Department plans to continue to seek process efficiencies that maximize the use of technology and web-based solutions.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: **HRD – HUMAN RESOURCES DEPARTMENT**

Fee Legislation

There are no new or changed fees proposed for FY 2011-12.

FIVE YEAR FINANCIAL PLAN:

The Department anticipates 7.0 percent growth in its Non-General fund budget between FY 2011-12 and FY 2015-16.

Revenues

The Department is funded by recoveries for services provided to other City departments and General Fund support.

Expenditures

- The 7.0 percent growth in Non-General fund expenditures are due to expected increases in Statewide public self-insured workers' compensation costs, as well as increases in workers' compensation medical costs and Temporary Disability benefit costs.
- General Fund growth will be dependent on any Citywide salary and health benefit increases and on demands for staffing in order to provide required human resources services.
- Subsequent to FY 2011-12, expenditures for the Employee Relations Project are expected to decrease; however, the extent of the decrease is reliant on the remaining open or requests to reopen Memoranda of Understanding between the City and the employee unions.

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$91,500 in FY 2011-12. Of these recommended reductions, \$91,500 or 100 percent are General Fund reductions, and \$26,500 or 29.0 percent are ongoing reductions. These reductions would still allow an increase of \$1,358,072 or 1.9 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$270,208 to the General Fund.

Together, these recommendations will result in \$361,708 savings to the City's General Fund.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

HRD - Department of Human Resources

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
FCA - Employee Relations (1G AGF AAP)													
Temporary Salaries			\$370,529	\$335,529	\$35,000	x	x					\$0	x
	The Department has increased Temporary Salaries from \$55,058 in FY 2010-11 to \$370,529 in FY 2011-12 to pay for staff to support labor contract negotiations. In addition the Department is proposing three new limited tenure positions to support labor contract negotiations. The Budget and Legislative Analyst's recommended reduction is consistent with the Department's staffing plan and will provide sufficient resources for labor contract negotiations in FY 2011-12.												
FC5 - Recruitment/ Assessment/ Client Services (1G AGF AAA)													
Air Travel - Non-Employees			\$28,913	\$26,413	\$2,500	x				\$28,913	\$26,413	\$2,500	x
	Reduce to reflect actual expenditures in prior fiscal years.							Ongoing reduction					
Materials & Supplies - Budget			\$5,790	\$3,790	\$2,000	x				\$5,790	\$3,790	\$2,000	x
	Reduce to reflect actual expenditures in prior fiscal years.							Ongoing reduction					
Materials & Supplies - Budget			\$33,737	\$28,737	\$5,000	x				\$33,737	\$28,737	\$5,000	x
	Reduce to reflect actual expenditures in prior fiscal years.							Ongoing reduction					

GF = General Fund
1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

HRD - Department of Human Resources

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
FAR - Workforce Development (1G AGF AAA)													
Professional & Specialized Services - Budget			\$50,825	\$45,825	\$5,000	x				\$50,825	\$45,825	\$5,000	x
	The proposed reduction of \$5,000 reflects projected expenditures in FY 2011-12 and actual expenditures in prior fiscal years.							Ongoing reduction					
FCW - Administration (1G AGF AAA)													
Employee Recognition			\$6,500	\$1,500	\$5,000	x				\$6,500	\$1,500	\$5,000	x
	The proposed reduction of \$5,000 reflects projected expenditures in FY 2011-12 and actual expenditures in prior fiscal years.							Ongoing reduction					
Professional & Specialized Services - Budget			\$50,367	\$43,367	\$7,000	x				\$50,367	\$43,367	\$7,000	x
	Reduce to reflect actual expenditures in prior fiscal years.							Ongoing reduction					
EF-SF General Hospital - Others			\$86,132	\$66,132	\$20,000	x	x						
	Reduce funding due to \$20,000 of unexpended encumbered funds allocated in FY 2008-09.												
GF-Purchasing - Mail Services			\$20,956	\$10,956	\$10,000	x	x						
	Reduce funding due to \$10,388 0 of unexpended encumbered funds allocated in FY 2009-10.												

GF = General Fund
1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

HRD - Department of Human Resources

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		

FY 2011-2012 Total Recommended Reductions			
	One-Time	Ongoing	Total
General Fund Impact	\$65,000	\$26,500	\$91,500
Non-General Fund Impact			\$0
Total	\$65,000	\$26,500	\$91,500

Estimated FY 2012-2013 Impact Total Recommended Reductions	
General Fund Impact	\$26,500
Non-General Fund Impact	
Total	\$26,500

HRD - Human Resources

Vendor Name	Subject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance in Financial and Management Information System (FAMIS)
C P S HUMAN RESOURCE SERVICES	TRAINING COSTS PAID TO VENDORS	Yes	2008	9/15/2010	79,790.00	\$17,125
BUDGET SIGNS INC	PRINTING	Yes	2009	4/26/2011	1,981.31	\$378
BUDGET SIGNS INC	PRINTING	Yes	2009	4/26/2011	2,005.79	\$898
BUDGET SIGNS INC	OTHER MATERIALS & SUPPLIES	Yes	2009	5/14/2009	540.94	\$541
HEWLETT-PACKARD EXPRESS SUPPORT OPERATIO	DP/WP EQUIPMENT MAINT	Yes	2009	4/19/2010	10,458.19	\$35
	EF-SFGH-MEDICAL SERVICE	Yes	2010	8/31/2009	8,032.00	\$8,032
CITY COLLEGE OF SAN FRANCISCO	TRAINING COSTS PAID TO VENDORS	Yes	2010	12/22/2010	37,235.00	\$624
PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	TRAINING COSTS PAID TO VENDORS	Yes	2010	7/2/2010	2,241.99	\$2,242
KANTOLA PRODUCTIONS LLC	AUDIO/VISUAL EQUIPT & SUPPLIES(5K & LES	Yes	2010	7/2/2010	468.22	\$468
HOLIDAY INN GOLDEN GATEWAY	MISCELLANEOUS FACILITIES RENTAL	Yes	2010	9/13/2010	33,821.20	\$846
HOLIDAY INN GOLDEN GATEWAY	MISCELLANEOUS FACILITIES RENTAL	Yes	2010	12/3/2010	24,171.84	\$3,140
PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	TRAINING COSTS PAID TO VENDORS	Yes	2010	3/30/2010	1,873.51	\$1,874
BAUER'S LIMOUSINE SERVICE	VEHICLE RENTAL	Yes	2010	9/10/2010	4,740.00	\$1,302
PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	TRAINING COSTS PAID TO VENDORS	Yes	2010	3/10/2010	1,936.30	\$1,936
PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	TRAINING COSTS PAID TO VENDORS	Yes	2010	12/28/2009	977.22	\$977
STAPLES INC & SUBSIDIARIES	OTHER OFFICE SUPPLIES	Yes	2010	10/8/2010	4,000.00	\$900
PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	TRAINING COSTS PAID TO VENDORS	Yes	2010	1/21/2010	2,175.01	\$1,452
SHRED WORKS	OTHER CURRENT EXPENSES	Yes	2010	9/30/2010	4,000.00	\$2,621
GRM INFORMATION MANAGEMENT SERVICES	MISCELLANEOUS FACILITIES RENTAL	Yes	2010	7/2/2010	3,000.00	\$357
PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	TRAINING COSTS PAID TO VENDORS	Yes	2010	7/2/2009	1,563.66	\$1,564
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	2010	9/13/2010	30,500.00	\$473
	GF-HR-WORKERS' COMP CLAIMS	Yes	2010	8/25/2010	200,000.13	\$175,000
C K R INTERACTIVE	MISCELLANEOUS FACILITIES RENTAL	Yes	2010	7/26/2010	1,100.00	\$815
C K R INTERACTIVE	MISCELLANEOUS FACILITIES RENTAL	Yes	2010	10/8/2010	2,452.95	\$2,050
	EF-SFGH-OTHERS	Yes	2010	7/20/2010	86,132.00	\$10,145
SPECIALTY'S CAFE & BAKERY	FOOD	Yes	2010	8/9/2010	1,200.00	\$766
LEARNING COMMUNICATIONS LLC	AUDIO/VISUAL EQUIPT & SUPPLIES(5K & LES	Yes	2010	7/2/2010	882.02	\$882
ARGUELLO CATERING CO	FOOD	Yes	2010	11/17/2010	4,078.00	\$2,895
	IS-TIS-ISD SERVICES	Yes	2009	8/7/2009	140,000.00	\$26,998
	IS-PURCH-REPRODUCTION	Yes	2010	4/29/2010	4,589.00	\$2,872
Total Amount Return to Fund Balance						\$270,208
General Fund						\$270,208
Non-General Fund						\$0

Note: The above encumbrance balances are from budget years prior to FY 2010-11. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balance can be returned to the General Fund.

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$86,814,022 budget for FY 2011-12 is \$3,377,252 or 4.0 percent more than the original FY 2010-11 budget of \$83,436,770.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 630.24 FTEs, which is 15.13 FTEs less than the 645.37 FTEs in the original FY 2010-11 budget. This represents a 2.3 percent decrease in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$39,534,022 in FY 2011-12, are \$388,748 or 1.0 percent less than FY 2010-11 revenues of \$39,922,770. General Fund support of \$47,280,000 in FY 2011-12 is \$3,766,000 or 8.7 percent more than FY 2010-11 General Fund support of \$43,514,000.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$486,476 in FY 2011-12. These reductions would still allow an increase of \$2,890,776 or 3.5 percent in the Department's FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: LIB—PUBLIC LIBRARY

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
ADULT SERVICES	400,000	400,000	0	0.0%
BRANCH PROGRAM	18,188,607	17,976,366	(212,241)	(1.2%)
CHILDREN'S BASELINE	7,700,478	8,773,216	1,072,738	13.9%
CHILDREN'S SERVICES	1,003,119	1,009,677	6,558	0.7%
COMMUNICATIONS, COLLECTIONS & ADULT SERV	8,446,841	7,885,062	(561,779)	(6.7%)
FACILITES	11,004,162	11,822,106	817,944	7.4%
INFORMATION TECHNOLOGY	4,462,819	5,505,498	1,042,679	23.4%
LIBRARY ADMINISTRATION	10,433,442	11,602,317	1,168,875	11.2%
MAIN PROGRAM	15,988,416	16,326,590	338,174	2.1%
TECHNICAL SERVICES	5,808,886	5,513,190	(295,696)	(5.1%)
Total	83,436,770	86,814,022	3,377,252	4.0%

The Department's proposed FY 2011-12 budget has increased by \$3,377,252 largely due to:

- Equipment and other costs associated with three Branch Library openings scheduled to occur in FY 2011-12,
- Increases in technology costs, and
- Increases in salaries and mandatory fringe benefits.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 630.24 FTEs, which is 15.13 FTEs less than the 645.37 FTEs in the original FY 2010-11 budget. This represents a 2.3 percent decrease in FTEs from the original FY 2010-11 budget. However,

- As of May 12, 2011, the Department had 25 vacant positions, the longest of which have been vacant since June 1, 2000, and
- Based on the most recent data from the Controller's Office, the Department is projected to have a surplus of \$1,388,460 in salaries in FY 2010-11.

DEPARTMENT REVENUES:

The Department's revenues of \$39,534,022 in FY 2011-12, are \$388,748 or 1.0 percent less than FY 2010-11 revenues of \$39,922,770. General Fund support of \$47,280,000 in FY 2011-12 is \$3,766,000 or 8.7 percent more than FY 2010-11 General Fund support of \$43,514,000.

The Library receives significant revenues from the Library Preservation Fund, which was initiated in 1994 under Proposition E, renewed in 2007 under Proposition D, and codified in Charter Section 16.109. The Charter section requires the City to annually appropriate General Fund revenues to the Public Library equal to the percentage amount of General Fund revenues received by the Library in FY 2006-07. Therefore, as total General Fund revenues increase, the appropriation to the Library

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: LIB—PUBLIC LIBRARY

Preservation Fund increases. The Public Library's required Baseline share of General Fund support in FY 2011-12 is \$47,280,000 or an increase of \$3,766,000 or 8.7 percent from the original FY 2010-11 budget of \$43,514,000.

In addition, as codified in Charter Section 16.109, the Library Preservation Fund receives \$0.025 for every \$100 of assessed property value in the City. The proposed revenue for the Library Preservation Fund in FY 2011-12 is \$35,565,000, an increase of \$265,000 or 0.8 percent more than the \$35,300,000 received in FY 2010-11.

FIVE YEAR FINANCIAL PLAN:

The Department states that the Library's long-term budget situation is very much dependent on the strength of the economic recovery and the City's solution to the growing cost of pensions and health care. To help manage future costs, the Library will (1) invest in information technology to improve user experience and reduce ongoing costs; (2) effectively manage reserves in the Library Preservation Fund; and (3) under the worst case scenario, consider program and service reductions.

Revenues

The Public Library has a stable funding source as a result of the Library Preservation Fund, which is funded by an annual set-aside of Property Tax levies equivalent to \$0.025 for every \$100 of assessed valuation; and, a baseline allocation from the General Fund equivalent to the percentage of General Fund allocated to the Public Library in FY 2006-07. The amount of Property Tax and General Fund dollars transferred to the Library Preservation Fund are dependent on tax collections; and, tax collections are dependent on the state of the City's economy. Although the Joint Report of the Controller, the Mayor's Budget Director and the Budget and Legislative Analyst assumes that General Fund transfers to the Library Preservation Fund will annually increase through FY 2013-14, it remains to be seen whether this growth will keep pace with the expected growth in costs.

Expenditures

The Department states that effectively managing personnel costs over the next five years presents a significant challenge to Library Managers. In particular salary, retirement, and health and dental care will be major cost drivers for the foreseeable future. The Library anticipates that cost cutting or an increase in revenue may be needed to balance future budgets.

According to the Department, another area of concern is the completion of the Branch Library Improvement Program (BLIP). Funded through a combination of General Obligation Bonds, Lease Revenue Bonds, State Grants, gift funds, and Library Preservation Fund funds, the program is nearing completion. There are however, two branch libraries – Bayview and North Beach – in which final costs have not yet been determined and construction has not yet begun. To complete these projects, the two alternatives under consideration are the issuance of additional lease revenue bonds and the use of Library Preservation Fund reserves. Issuing more lease revenue bonds would result in additional long-term debt for the Library and this cost would have to be managed and balanced with other needs of the Library. The use of Library Preservation Fund reserves to complete the BLIP could potentially reduce fund balances that would otherwise be available to meet rising operating costs.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: LIB—PUBLIC LIBRARY

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$486,476 in FY 2011-12. Of these recommended reductions, none are General Fund reductions, and \$486,476 or 100 percent are ongoing reductions. These reductions would still allow an increase of \$2,890,776 or 3.5 percent in the Department's FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

LIB - Public Library

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
EEG - Branch Program (2SLIBNPR)													
3630 Librarian I	43.0	41.0	\$3,220,935	\$3,071,487	\$149,448			43.0	41.0	\$3,408,603	\$3,250,063	\$158,540	
Mandatory Fringe Benefits			\$1,378,392	\$1,314,281	\$64,111					\$1,559,839	\$1,487,288	\$72,551	
			<i>Total Savings</i>		\$213,559				<i>Total Savings</i>		\$231,090		
	Delete two positions that have been vacant since June 2000.												
EGH -Facilities (2SLIBNPR)													
Step Adjustments, Miscellaneous			\$103,414	\$0	\$103,414					\$104,391	\$0	\$104,391	
			<i>Total Savings</i>		\$103,414				<i>Total Savings</i>		\$104,391		
	Delete step adjustment that was established in a prior year but is not needed in FY 2011-12												
8207 Building and Grounds Patrol Officer	13.5	12.5	\$754,595	\$701,997	\$52,598			13.5	12.5	\$798,561	\$739,408	\$59,153	
Mandatory Fringe Benefits			\$364,487	\$337,488	\$26,999					\$409,628	\$379,285	\$30,343	
			<i>Total Savings</i>		\$79,597				<i>Total Savings</i>		\$89,495		
	Delete position that has been vacant since January 2008.												

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

LIB - Public Library

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
EGG - Information Technology (2SLIBNPR)													
3616 Library Technical Assistant I	6.50	5.50	\$418,819	\$358,187	\$60,632			6.5	5.5	\$443,221	\$375,033	\$68,188	
Mandatory Fring Benefits			\$190,257	\$160,987	\$29,270					\$214,549	\$181,541	\$33,008	
			<i>Total Savings</i>	\$89,902						<i>Total Savings</i>	\$101,195		
	Delete position that has been vacant since April 2009.												

FY 2011-2012 Total Recommended Reductions			
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$0	\$0
Non-General Fund Impact	\$0	\$486,473	\$486,473
Total	\$0	\$486,473	\$486,473

Estimated FY 2012-2013 Impact Total Recommended Reductions	
General Fund Impact	\$0
Non-General Fund Impact	\$526,172
Total	\$526,172

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$302,081,641 budget for FY 2011-12 is \$12,973,904 or 4.5 percent more than the original FY 2010-11 budget of \$289,107,737.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 1,494.51 FTEs, which is 17.59 FTEs, or 1.2 percent, less than the 1,512.10 FTEs in the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$96,410,119 in FY 2011-12, are \$1,053,966 or 1.1 percent more than FY 2010-11 revenues of \$95,356,153. General Fund support of \$205,671,522 in FY 2011-12 is \$11,919,938 or 6.2 percent more than FY 2010-11 General Fund support of \$193,751,584.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,078,012 in FY 2011-12, 100 percent of which are ongoing General Fund reductions. These reductions would still allow an increase of \$11,895,892 or 4.1 percent in the Department's FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: FIR – FIRE DEPARTMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
ADMINISTRATION & SUPPORT SERVICES	32,099,335	32,108,262	8,927	0.0%
CUSTODY	615,735	615,735	0	0.0%
FIRE GENERAL	308,250	325,000	16,750	5.4%
FIRE SUPPRESSION	241,211,585	254,225,117	13,013,532	5.4%
GRANT SERVICES	1,132,084	0	(1,132,084)	(100%)
PREVENTION & INVESTIGATION	9,660,997	10,746,618	1,085,621	11.2%
TRAINING	4,079,751	4,060,909	(18,842)	(0.5%)
TOTAL	289,107,737	302,081,641	12,973,904	4.5%

The Department’s proposed FY 2011-12 budget has increased by \$12,973,904 largely due to:

- Annualized salary increases that took place in December 2010, resulting in approximately \$2.2 million in new salary expenses.
- Increased salary expenditures totaling \$2.9 million (\$2.6 million General Fund). This total includes increased uniform overtime totaling \$3.2 million, offset by \$3.1 million in increased Attrition Savings.
- Increased mandatory fringe benefit expenditures totaling \$10.2 million, an increase of 21.3 percent over FY 2010-11, including increased uniform retirement contributions.

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 1,494.51 FTEs, which is 17.59 FTEs less than the 1,512.10 FTEs in the original FY 2010-11 budget. This represents 0.7 percent reduction in FTEs from the original FY 2010-11 budget. Major changes include:

- 36 existing firefighter vacancies are scheduled to be filled in August of 2011.
- The reduction of the equivalent of 21.2 FTE in increased Attrition Savings, for a total salary reduction of \$3,110,483.
- The addition of one FTE Fire Protection Engineer and the equivalent of 1.1 FTE in Temporary Salaries.

The Department has requested approval of one new 5215 Fire Protection Engineer in its Airport Fund as an interim exception. The Budget and Legislative Analyst recommends approval of the interim exception, as the position supports critical City functions at the San Francisco Airport.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: FIR – FIRE DEPARTMENT

DEPARTMENT REVENUES:

The Department's revenues of \$96,410,119 in FY 2011-12, are \$1,053,966 or 1.1 percent more than FY 2010-11 revenues of \$95,356,153. General Fund support of \$205,671,522 in FY 2011-12 is \$11,919,938 or 6.2 percent more than FY 2010-11 General Fund support of \$193,751,584. Specific changes in the Department's FY 2011-12 revenues include:

- The Fire Department receives a portion of City Sales Tax revenues allocated from the State for public safety purposes to support its operations. That portion is projected to increase by \$2.6 million in FY 2011-12, from \$31.9 million to \$34.5 million.
- Fire Department ambulance billings are projected to increase by \$9.3 million, which is projected to be offset by \$8.1 million in adjustments and allowances, for a net revenue increase of \$1.2 million.
- Increased transfers of \$0.8 million from cost recovery for the Department for providing fire suppression and emergency medical services.
- The Department is anticipating the receipt of \$300,000 in back rent in FY 2011-12 as part of a cell phone site agreement being administered by the City's Department of Real Estate. The one-time revenue does not fund a specific program or purpose, but rather makes up a small portion of the Department's total sources for its operating budget.

FIVE YEAR FINANCIAL PLAN:

The Department projects a 32.4 percent growth in its budget between FY 2011-12 and FY 2015-16.

Revenues

- Although the Department's budget is projected to increase 32.4 percent in five years, revenues are only projected to increase 3.2 percent. The projected shortfall for in FY 2015-16 is \$84.2 million.
- The main revenue pressure for the Department over the next five years stems from the unresolved issues surrounding the ambulance agreement in San Francisco. Prior to 2008, the Department was the primary provider of emergency 911 ambulance transports. In the spring of 2008, the State of California issued a directive to open the City's ambulance system to private providers, removing exclusive ambulance services from the Department. This has allowed private ambulance companies to take over a share of the 911 transports in the City, resulting in decreased ambulance transport revenue for the Fire Department. The Department is optimistic that it will be granted sole transport authority in FY 2011-12. However, until the issue is resolved, the Department will continue to have revenue issues for ambulance transports.

Expenditures

- The largest expenditure pressure facing the Department in the next five years is the cost of salary and benefits for members. The Department's budget is more than 92 percent salary and benefits for members. These personnel costs are tied to the Department's minimum staffing requirements. The Department does not have the ability to affect the rates and benefit costs, as they are established by memorandum of understanding (MOU) agreements and other negotiations.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: FIR – FIRE DEPARTMENT

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$1,078,012 in FY 2011-12, 100 percent of which are ongoing General Fund reductions. These reductions would still allow an increase of \$11,895,892 or 4.1 percent in the Department’s FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

FIR - Fire Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF*	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To				
AAD - Administration (1G AGF AAA)													
Taxes, Licenses, and Permits			\$152,875	\$117,180	\$35,695	x			\$152,875	\$91,725	\$61,150	x	
	As of June 17, 2011, the Administration program had expended or encumbered \$117,180. A reduction of \$35,695 will allow for sufficient Taxes, Licenses, and Permits funding in FY 2011-12.							Estimated ongoing savings.					
AEC - Fire Supression (1G AGF AAA)													
Overtime - Uniform			\$21,901,223	\$21,301,223	\$600,000	x			\$21,901,223	\$21,301,223	\$600,000	x	
Mandatory Fringe Benefits			\$383,271	\$372,771	\$10,500	x			\$383,271	\$372,771	\$10,500	x	
			<i>Total Savings</i>		<i>\$610,500</i>				<i>Total Savings</i>		<i>\$610,500</i>		
	Overtime has increased in FY 2011-12 by \$3.2 million, offset by increases in Attrition Savings of \$3.1 million. With the addition of 36 new firefighters, completing academy training in August 2011, the Fire Department should experience reduced overtime expenditures. This recommendation will still allow a budgeted increase of \$2.6 million in Overtime in FY 2011-12 over FY 2010-11.							Estimated ongoing savings.					
Premium Pay - Uniform			\$18,422,558	\$18,076,694	\$345,864	x			\$18,422,558	\$18,076,694	\$345,864	x	
Mandatory Fringe Benefits			\$322,394	\$316,341	\$6,053	x			\$322,394	\$316,341	\$6,053	x	
			<i>Total Savings</i>		<i>\$351,917</i>				<i>Total Savings</i>		<i>\$351,917</i>		
	The Controller's Office is projecting that the Department will have a Premium Pay surplus of between \$345,864 and \$457,820 in FY 2010-11. A reduction of \$351,917, including Mandatory Fringe Benefits, will allow sufficient funding for Premium Pay in FY 2011-12.							Estimated ongoing savings.					

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

FIR - Fire Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF*	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To				
Utilities			\$36,000	\$20,000	\$16,000	x			\$36,000	\$20,000	\$16,000	x	
	As of June 19, 2011, the Department had only expended 48 percent of its Utilities budget. Historically, the Department has not expended more than \$19,000 on Utilities for Fire Suppression. A reduction of \$16,000 will allow for sufficient funding for Utilities.							Estimated ongoing savings.					
ATR - Training (1G AGF AAA)													
Materials and Supplies			\$36,796	\$24,543	\$12,253	x			\$36,796	\$24,543	\$12,253	x	
Materials and Supplies			\$95,037	\$63,390	\$31,647	x			\$95,037	\$63,390	\$31,647	x	
			<i>Total Savings</i>	<i>\$43,900</i>						<i>Total Savings</i>	<i>\$43,900</i>		
	In FY 2009-10 and FY 2010-11, the Training program only expended half its Materials and Supplies appropriation. As of May 31, the Training program had expended 61% of its Materials and Supplies appropriation. A reduction of \$43,900 or 33.3% will allow for sufficient Materials and Supplies funding in FY 2011-12.							Estimated ongoing savings.					
Taxes, Licenses, and Permits			\$40,000	\$20,000	\$20,000	x			\$40,000	\$20,000	\$20,000	x	
	In FY 2009-10 and FY 2010-11, the Training program only expended approximately half of its Taxes, Licenses, and Permits appropriation. As of May 31, 2011, the Training program had only expended \$10,966 of its \$40,000 appropriation. A total reduction of \$20,000 will allow for sufficient Taxes, Licenses, and Permits funding in FY 2011-12.							Estimated ongoing savings.					

GF = General Fund
1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

FIR - Fire Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF*	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		

FY 2011-2012 Total Recommended Reductions			
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$1,078,012	\$1,078,012
Non-General Fund Impact	\$0	\$0	\$0
Total	\$0	\$1,078,012	\$1,078,012

Estimated FY 2012-2013 Impact Total Recommended Reductions	
General Fund Impact	\$1,103,467
Non-General Fund Impact	\$0
Total	\$1,103,467

GF = General Fund
1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

FIR - Fire Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF*	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		

Policy Recommendations

ATR - Training (1G AGF AAA)													
Overtime-Misc			\$255,056	\$0	\$255,056	x			\$255,056	\$0	\$255,056	x	
Mandatory Fringe Benefits			\$4,463	0	\$4,463	x			\$4,463	0	\$4,463	x	
			<i>Total Savings</i>		\$259,519				<i>Total Savings</i>		\$259,519		
	<p>The Neighborhood Emergency Response Team (NERT) is a program that provides emergency preparedness training to City residents. The program is staffed primarily through the use of overtime. The Department has the option of assigning suppression staff during their regularly scheduled hours to provide the NERT services. It is the opinion of the Budget and Legislative Analyst that the staffing of NERT primarily through the use of Department overtime, instead of staffing using available resources during normal work hours, is a policy matter for the Board of Supervisors.</p>							Estimated ongoing reduction.					

	FY 2011-2012		
	Total Policy Recommendations		
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$259,519	\$259,519
Non-General Fund Impact	\$0	\$0	\$0
Total	\$0	\$259,519	\$259,519

	Estimated FY 2012-2013 Impact
	Total Policy Recommendations
General Fund Impact	\$259,519
Non-General Fund Impact	\$0
Total	\$259,519

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$43,733,849 budget for FY 2011-12 is \$2,465,491 or 6.0 percent more than the original FY 2010-11 budget of \$41,268,358.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 219.13 FTEs, which is 9.16 FTEs, or 4.0 percent, less than the 228.29 FTEs in the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$2,293,793 in FY 2011-12, are \$373,279 or 19.4 percent more than FY 2010-11 revenues of \$1,920,514. General Fund support of \$41,440,057 in FY 2011-12 is \$2,092,213 or 5.3 percent more than FY 2010-11 General Fund support of \$39,347,844.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$275,540 in FY 2011-12, 100 percent of which are ongoing General Fund reductions. These reductions would still allow an increase of \$2,189,951 or 5.0 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$29,587 to the General Fund.

Together, these recommendations will result in \$305,127 in General Fund savings to the City.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: ECD – EMERGENCY MANAGEMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
911 PROJECT	0	0	0	N/A
EMERGENCY COMMUNICATIONS	37,673,845	39,947,159	2,273,314	6.0%
EMERGENCY MANAGEMENT - EMSA	613,296	0	(613,296)	(100%)
EMERGENCY SERVICES	2,162,179	2,910,172	747,993	35%
FALSE ALARM PREVENTION	720,046	771,073	51,027	7.1%
OTHER PROGRAMS	0	0	0	N/A
OUTDOOR PUBLIC WARNING SYSTEM	98,992	105,445	6,453	6.5%
TOTAL	41,268,358	43,733,849	2,465,491	6.0%

The Department’s proposed FY 2011-12 budget has increased by \$2,465,491 largely due to:

- Funding for the first year of a two-year project to upgrade the City’s outdated Computer Aided Dispatch (CAD) system. The CAD system provides the call processing function for the City’s 911 system and the project would migrate the outdated system to the latest version of CAD technology, extending the system’s useful life by 10-15 years. The CAD system upgrade would address the system backup problem that the Department experienced in April 2011. This project has been approved by the City’s Committee on Information Technology (COIT) in the FY 2011-12 Information, Communications and Technology Plan.
- The reduction in Emergency Management Services Authority.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 219.13 FTEs, which is 9.16 FTEs less than the 228.29 FTEs in the original FY 2010-11 budget. This represents a 4.0 percent decrease in FTEs from the original FY 2010-11 budget.

- The proposed budget includes increased attrition savings that equates to a reduction in 10.2 FTEs.
- The department is adding one 0.5 FTE 1042 IS Engineer-Journey and 0.75 FTE 5293 Planner IV to assist with the CAD upgrade project.

DEPARTMENT REVENUES:

The Department's revenues of \$2,293,793 in FY 2011-12, are \$373,279 or 19.4 percent more than FY 2010-11 revenues of \$1,920,514. General Fund support of \$41,440,057 in FY 2011-12 is \$2,092,213 or 5.3 percent more than FY 2010-11 General Fund support of \$39,347,844.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: ECD – EMERGENCY MANAGEMENT

FIVE YEAR FINANCIAL PLAN:

Revenues

- The Department's balanced budget relies approximately 95 percent on General Fund support. For DEM's FY 2011-12 budget request of \$43.7 million, fulfilling the Department's core mission is directly tied to available resources and the lack of a dedicated funding source for 911 Operations, which was significantly impacted by the passage of Proposition O in November 2008. Proposition O resulted in the implementation of the Access Line Tax (ALT) on April 1, 2009, which replaced the Emergency Response Fee (ERF or "911 Fee"). The new ALT was established with the same rates and exemptions, but in contrast to the ERF, the ALT provides budgetary flexibility since the tax revenues can be applied to essential City services including police, fire, and emergency services as opposed to the ERF which could only be applied to eligible 911 related expenses. The transition from the ERF to the ALT has resulted in the Department's operating budget relying largely on General Fund support. When the Department had access to the ERF, only a 15 percent General Fund subsidy was required to balance the Department's operating costs.

Expenditures

- The Department's salaries and mandatory fringe benefits accounts for 67 percent of the Department's overall budget. The primary salary obligation involves staffing the City's 911 Center with Public Safety Dispatchers. As such, maintaining necessary dispatcher levels to meet the department's minimum staffing requirement continues to be the number one priority for Department's Division of Emergency Communications. Given the increasing demand of emergency communication services to the Police, Fire, and Sheriff's Departments, the Department expects salary and mandatory fringe costs to be the key budget expenditure over the next five years.
- The Department is working to maintain appropriate technology for public safety related systems and applications. The City's existing 911 systems, implemented in November 2000 are approaching the end of their useful life cycles. The Department's FY 2011-12 budget takes a step toward refreshing outdated technology with \$1.2 million to upgrade the City's CAD system. This two-year project will cost the City approximately \$3.4 million, and provide approximately 10 to 15 years of useful life and reliability.
- Absent of a dedicated revenue stream, the Department can only balance expenses through the layoff of dispatch personnel. While that strategy would reduce the Department's salary obligation, ultimately, there would be an impact to answer call times as well as delays in dispatching first responders – all of which could result in increased liability to the City.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: ECD – EMERGENCY MANAGEMENT

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$275,540 in FY 2011-12, 100 percent of which are ongoing General Fund reductions. These reductions would still allow an increase of \$2,189,951 or 5.0 percent in the Department’s FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$29,587 to the General Fund.

Together, these recommendations will result in \$305,127 in General Fund savings to the City.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

ECD - Department of Emergency Management

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
BIR - Emergency Communications (IG AGF AAA)													
Public Safety Communications Dispatcher - 8238	182.0	173.0	\$14,849,740	\$14,115,412	\$734,328	x		182.0	173.0	\$15,714,960	\$14,937,847	\$777,113	x
Mandatory Fringe Benefits			\$6,157,831	\$5,853,323	\$304,508	x				\$6,981,897	\$6,636,639	\$345,258	x
Attrition Savings	(47.57)	(40.15)	(\$3,763,878)	(\$3,176,416)	(\$587,462)	x		(44.89)	(39.05)	(\$3,760,853)	(\$3,271,301)	(\$489,552)	x
Mandatory Fringe Benefits			(\$1,579,454)	(\$1,332,935)	(\$246,519)	x				(\$1,689,168)	(\$1,469,288)	(\$219,880)	x
			<i>Total Savings</i>		\$204,855					<i>Total Savings</i>		\$412,939	
	<p>The Department has 27 vacancies at the 8238 Public Safety Communications Dispatcher level, including 9 positions that have been vacant since 2008 or earlier. According to the Department, these positions are not being held open to achieve the Department's attrition savings target. Furthermore, the Department's hiring plan only accommodates 10 recruits per year, meaning that at least 17 of these vacant positions will not be filled in FY 2011-12. Eliminating the nine positions that have been vacant since 2008 or earlier will still allow the Department to recruit a full Academy class in FY 2011-12 and will therefore not have a programmatic impact. Furthermore, the resulting salary reduction of \$734,328 is less than the Department's total salary surplus for FY 2010-11, which is projected by the Controller's Office to be between \$736,524 and \$756,154.</p> <p>Because these 8238 Public Safety Communications Dispatchers were factored into the Department's Attrition Savings calculation, offset Attrition by 80% of the salary reduction, for a net reduction of \$204,855, including fringe benefits.</p>							Estimated ongoing savings.					
Professional and Specialized Services			\$769,113	\$752,013	\$17,100	x				\$769,113	\$752,013	\$17,100	x
	<p>The Department's estimated costs for this item in FY 2011-12 totaled \$752,013. Therefore, a reduction of \$17,100 will allow for sufficient funding for Professional and Specialized Services in FY 2011-12.</p>							Estimated ongoing savings.					

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

ECD - Department of Emergency Management

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
Other Office Supplies			\$59,982	\$44,982	\$15,000	x			\$59,982	\$44,982	\$15,000	x	
	The Department is projected to have at least an \$18,000 surplus in this budget item in FY 2010-11. A reduction of \$15,000 will allow sufficient funding for Other Office Supplies in FY 2011-12.							Estimated ongoing savings.					
Central Shops (workorder)			\$5,587	\$4,889	\$698	x			\$5,587	\$4,889	\$698	x	
Vehicle Leasing (workorder)			\$9,908	\$8,670	\$1,238	x			\$9,908	\$8,670	\$1,238	x	
Fuel Stock (workorder)			\$7,587	\$6,639	\$948	x			\$7,587	\$6,639	\$948	x	
			<i>Total Savings</i>	\$2,884						<i>Total Savings</i>	\$2,884		
	Department's budget includes three workorders for the leasing, maintenance, and fueling of its 8 vehicles. The Department has indicated it does not need vehicle #133-004, a 2000 Ford Contour, which has incurred expensive repairs and does not meet staff needs. Eliminating one of the department's 8 existing vehicles would save \$2,884 annually in repair and maintenance costs.							Estimated ongoing savings.					
GF-Sheriff (workorder)			\$1,688,952	\$1,653,251	\$35,701	x			\$1,688,952	\$1,653,251	\$35,701	x	
	Salary and fringe projection for workorder overbudgeted for salary and fringe amounts for six 8304 positions and one 8306, 8308, and 8310, for a total combined overbudgeted amount of \$151,605.							Estimated ongoing savings.					

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$275,540	\$275,540
Non-General Fund Impact	\$0	\$0	\$0
Total	\$0	\$275,540	\$275,540

	Estimated FY 2012-2013 Impact Total Recommended Reductions
	General Fund Impact
Non-General Fund Impact	\$0
Total	\$483,624

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

ECD - Department of Emergency Management

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance in Financial and Management Information System (FAMIS)
Department of Information Technology	IS Purchase-Reproductions	Yes	2010	6/28/2010	\$31,267	\$28,209
BPS REPROGRAPHIC SERVICES	Printing	Yes	2010	11/5/2010	\$1,612	1,378
Total amount to be returned to the General Fund						\$29,587

The above encumbrance balances are from budget years prior to FY 2010-11.

The Department has indicated that the balances of these encumbrances are no longer needed. Therefore the balance can be returned to the General Fund.

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$460,348,234 budget for FY 2011-12 is \$14,868,111 or 3.3 percent more than the original FY 2010-11 budget of \$445,480,123.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 2,654.53 FTEs, which is 26.29 FTEs less than the 2,680.82 FTEs in the original FY 2010-11 budget. This represents a 0.9 percent decrease in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$107,849,746 in FY 2011-12, are \$ 8,833,639 or 8.9 percent more than FY 2010-11 revenues of \$99,016,107. General Fund support of \$352,498,488 in FY 2011-12 is \$6,034,472 or 1.7 percent more than FY 2010-11 General Fund support of \$346,464,016.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,507,557 in FY 2011-12. Of these recommended reductions, \$1,507,557 or 100 percent are General Fund reductions, and \$1,480,902 or 98.2 percent are ongoing reductions. These reductions would still allow an increase of \$13,360,554 or 3.0 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$6,779 to the General Fund.

Together, these recommendations will result in \$1,514,333 savings to the City's General Fund.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: POL – POLICE DEPARTMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
AIRPORT POLICE	40,902,708	45,719,435	4,816,727	11.78%
INVESTIGATIONS	78,790,471	76,302,287	(2,488,184)	-3.16%
OFFICE OF CITIZEN COMPLAINTS	4,124,097	4,325,302	201,205	4.88%
OPERATIONS AND ADMINISTRATION	59,598,551	63,972,907	4,374,356	7.34%
OTHER PROGRAMS	0	0	0	N/A
PATROL	247,956,656	256,524,677	8,568,021	3.46%
WORK ORDER SERVICES	14,107,640	13,503,626	(604,014)	-4.28%
Total	445,480,123	460,348,234	14,868,111	3.34%

The Department’s proposed FY 2011-12 budget has increased by \$14,868,111 largely due to:

- An increase for the Airport Police due largely to salary and fringe benefit cost increases, which are recovered from the Airport. Part of the increase in salaries is attributed to annualizing of salaries for new positions in FY 2010-11 due to increased staffing for the new Terminal 2.
- An increase for Operations and Administration due to an increase in fringe benefits, information technology expenditures as part of the Committee on Information Technology (COIT) information technology (IT) plan, additional capital planning projects, and the purchase and leasing of vehicles.
- An increase for Patrol due primarily to increases in salaries and fringe benefit costs.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 2,654.53 FTEs, which is 26.29 FTEs less than the 2,680.82 FTEs in the original FY 2010-11 budget. This represents a 0.9 percent decrease in FTEs from the original FY 2010-11 budget.

In FY 2011-12, the Department deleted 232 vacant positions. This reduction was offset by a reduction in attrition savings in order to align budgeted and actual staffing.

DEPARTMENT REVENUES:

The Department's revenues of \$107,849,746 in FY 2011-12, are \$ 8,833,639 or 8.9 percent more than FY 2010-11 revenues of \$99,016,107. General Fund support of \$352,498,488 in FY 2011-12 is \$6,034,472 or 1.7 percent more than FY 2010-11 General Fund support of \$346,464,016. Specific changes in the Department’s FY 2011-12 revenues include:

- An increase in State and federal sources, largely from an increase in the Public Safety Sales Tax allocation.
- An increase from Transfer Adjustments-Sources (from the Airport)

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: POL – POLICE DEPARTMENT

FIVE YEAR FINANCIAL PLAN:

The Department did not provide a projection for budget growth between FY 2011-12 and FY 2015-16. According to the Department:

Revenues

- Revenues will remain relatively unchanged unless new State or federal funds are allocated to the Department.

Expenditures

- Salaries and benefits will continue to be a large part of expenditures. While fewer positions may alleviate some of the pressure, the overtime needed to cover the fewer positions could put additional stress on resources.
- Over the next five years, the America’s Cup and developments near Mission Bay, Bayview/Hunter’s Point, and on Treasure Island will be additional stressors on the department both in patrol resources and in security for projects.
- Retirements will also put a stress on both the city’s retirement system as well as the department’s ability to fulfill its mandated number of uniformed positions.

IT/IS STAFFING PLAN

In FY 2011-12, the San Francisco Police Department is updating their Incident Reporting System as part of the Committee on Information Technology (COIT) plan. Also, as part of the Citywide Data Center Consolidation Project, the Department has transferred one position to the Department of Technology. The Department’s IT plan from FY 2011-12 through FY 2014-15 includes numerous projects to update and upgrade the Department’s information technology infrastructure that necessitates an increase in staffing. The Mayor’s budget includes the addition of five IT positions, substituted from uniformed positions.

POLICE DEPARTMENT COMMAND STAFF

The Police Department has reconciled its command staff positions to more closely match the 2008 Police Department Organizational Assessment, as shown in the table below.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: POL – POLICE DEPARTMENT

		FY 2010-11 Budget	Police Department Organizational Assessment	FY 2011-12 Budget	FY 2011-12 Budget Compared to FY 2010-11 Budget	FY 2011-12 Budget Compared to Police Department Organizational Assessment
0390	Police Chief	1.00	1.00	1.00	0.00	0.00
0395	Assistant Chief	3.00	1.00	0.00	-3.00	-1.00
0402	Deputy Chief	2.00	3.00	3.00	1.00	0.00
0490	Commander	5.34	4.00	5.00	-.34	+1.00
	Total	11.34	9.00	9.00	-2.34	0.00

The above positions do not include additional command staff at the Airport.

UNIFORM POSITIONS

Under the Charter, the Police Department must maintain minimum staffing levels of 1,971 full duty uniform positions, not including positions assigned to the Airport. While the FY 2011-12 budget contains sufficient funding to meet this staffing requirement, the Police Department’s actual number of uniform positions fluctuates due to numerous factors including leave, retirement and reassignment.

As of June 2011, the Department had 2,219 uniform positions with 161 assigned to the Airport. Of the remaining 2,058, 1,804 were currently on full duty, which is 167 fewer uniform staff on full duty than the 1,971 required by the Charter. The Department hired eight experienced police officers from other jurisdictions (“laterals”) on May 31, 2011, who will not be available for full duty until October 2011.

While the Charter minimum staffing is 1,971 uniform staff assigned to full duty, the Mayor’s FY 2011-12 budget includes 2,169 uniform positions (not including the Airport). Compared to other California cities, San Francisco has a larger percentage of uniform staff who are not on full duty due to paid or unpaid leave, modified work assignments, and other reasons.

City	Number of Total Filled Uniform Positions as of June 2011	Number of Less-Than-Full- Duty Uniform Positions as of June 2011	Percentage of Less-than-Full- Duty Uniform Positions to Total Filled Uniform Positions
San Diego	1,829	70	3.8
San Francisco	2,058	254	12.3
Fresno	744	45	6.0

This comparatively high percentage of uniform staff not available for full duty results in the Department not meeting the Charter’s minimum staffing level.

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$1,507,554 in FY 2011-12. Of these recommended reductions, \$1,507,554 or 100 percent are General Fund reductions, and \$1,480,902 or 98.2 percent are ongoing reductions. These reductions would still allow an increase of \$13,360,557 or 3.0 percent in the Department’s FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: POL – POLICE DEPARTMENT

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$6,779 to the General Fund.

Together, these recommendations will result in \$1,514,333 savings to the City's General Fund.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

POL - Police Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
ACX - Patrol (1G AGF AAA)													
8274_C Police Cadet	14.0	0.0	\$504,417	\$0	\$504,417	x		14.0	0.0	\$504,417	\$0	\$504,417	x
Mandatory Fringe Benefits			\$232,032	\$0	\$232,032	x			\$232,032	\$0	\$232,032	x	
			<i>Total Savings</i>		\$736,449					<i>Total Savings</i>		\$736,449	
	Delete fourteen vacant 8274 Police Cadet positions, which are not essential to the Department's functions.							Estimated ongoing reduction.					
1054C IS Business Analyst-Principal	1.0	0.0	\$115,768	\$0	\$115,768	x		1.0	0.0	\$115,768	\$0	\$115,768	x
Mandatory Fringe Benefits			\$42,585	\$0	\$42,585	x			\$42,585	\$0	\$42,585	x	
			<i>Total Savings</i>		\$158,353					<i>Total Savings</i>		\$158,353	
	Delete one vacant 1054C IS Business Analyst-Principal. In FY 2011-12 the Department substituted uniform positions for civilian IT positions. The Department has created five new civilian IT positions in FY 2011-12 through substitution of uniform positions, but has not yet completed the IT organization plan that identifies the use of these positions.							Estimated ongoing reduction.					
9993M Attrition Savings	-76.72	-78.51	(\$8,553,303)	(\$8,753,303)	\$200,000	x		-76.72	-78.51	(\$8,553,303)	(\$8,753,303)	\$200,000	x
Mandatory Fringe Benefits			(\$2,737,057)	(\$2,801,057)	\$64,000	x			(\$2,737,057)	(\$2,801,057)	\$64,000	x	
			<i>Total Savings</i>		\$264,000					<i>Total Savings</i>		\$264,000	
	The Police Department has decreased General Fund Attrition Savings by \$23,968,775 from -\$37,516,923 in FY 2010-11 to -\$13,548,148 in FY 2011-12. This was partially offset by salary reductions of \$22,936,361 due to the deletion of Police Officer and Inspector positions. An increase in Attrition Savings of \$200,000 will allow the Department to meet its minimum staffing requirements in FY 2011-12.							Estimated Ongoing reduction					
ACM - Operations and Administration (1G AGF AAA)													

GF = General Fund
IT = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

POL - Police Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)						
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	
	From	To	From	To				From	To	From	To			
Substance			\$100,000	\$0	\$100,000	x					\$100,000	\$0	\$100,000	x
	Based on historical spending, this category is outdated with no expenditures in FY 2010-11. SFPD had no need for those specific funds and thus they should be reduced to zero.							Estimated Ongoing reduction						
Professional Services			\$1,185,795	\$1,159,140	\$26,655	x	x					\$0	\$0	x
	Reduce to reflect unexpended prior years' encumbrances for the two following contracts with new appropriations in FY 2011-12: 1. Level II - FY 2009-10 unexpended balance of \$24,525 2. Ray Sagaria Horshoeing - FY 2009-10 unexpended balance of \$2,130.													
Other Materials and Supplies			\$1,886,424	\$1,786,424	\$100,000	x					\$1,886,424	\$1,786,424	\$100,000	x
	Reduce to reflect historical expenditures.							Estimated Ongoing reduction						
AAP - Patrol (1G AGF AAP)														
Overtime (Project)	0.0	0.0	\$189,501	\$69,501	\$120,000	x		0.0	0.0	\$189,501	\$69,501	\$120,000	x	
Mandatory Fringe Benefits			\$3,317	\$1,217	\$2,100	x				\$3,317	\$1,217	\$2,100	x	
	<i>Total Savings</i>				<i>\$122,100</i>			<i>Total Savings</i>				<i>\$122,100</i>		
	Reduce to reflect historical expenditures.							Estimated ongoing reduction.						

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$26,655	\$1,480,902	\$1,507,557
Non-General Fund Impact			\$0
Total	\$26,655	\$1,480,902	\$1,507,557

	Estimated FY 2012-2013 Impact Total Recommended Reductions
General Fund Impact	\$1,480,902
Non-General Fund Impact	\$0
Total	\$1,480,902

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

POL - Police Department

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance in Financial and Management Information System (FAMIS)
TECAN US	OFFICE EQUIP MAINT	1,778.78	2009	8/5/2009	12,277	1,779
FOSTER-MILLER INC	OTHER SAFETY EXPENSES	5,000.00	2010	8/5/2009	5,000	5,000
Total Amount Return to Fund Balance						6,779

Note: The above encumbrance balances are from budget years prior to FY 2010-11. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balance ca be returned to the General Fund.

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$26,105,548 budget for FY 2011-12 is \$797,679 or 3.2 percent more than the original FY 2010-11 budget of \$25,307,869.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 160.96 FTEs, which is 4.49 FTEs more than the 156.47 FTEs in the original FY 2010-11 budget. This represents 2.9 percent more FTEs than the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$212,258 in FY 2011-12, are \$17,371 or 7.6 percent less than FY 2010-11 revenues of \$229,629. General Fund support of \$25,893,290 in FY 2011-12 is \$815,550 or 3.3 percent more than FY 2010-11 General Fund support of \$25,077,740.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$155,307 in FY 2011-12. These reductions would still allow an increase of \$642,372 or 2.5 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances totaling \$142,478, which would allow the return of \$142,478 to the General Fund.

Together, these recommendations will result in total savings to the General Fund of \$297,785.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: PDR—PUBLIC DEFENDER

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011	2011-2012	Change From	Pct
	Budget	Proposed	2010-2011	Change
CRIMINAL AND SPECIAL DEFENSE	25,077,740	25,893,290	815,550	3.3%
GRANT SERVICES	207,498	212,258	4,760	2.3%
VIOLENCE PREVENTION	22,631	0	(22,631)	(100.0%)
TOTAL	25,307,869	26,105,548	797,679	3.2%

The Department’s proposed FY 2011-12 budget has increased by \$797,679 largely due to:

- Increased temporary salaries to hire temporary staff to handle a large number of alleged police misconduct cases,
- The addition of a permanent position to staff the Reentry Council, and
- Increased fringe benefit costs.

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 160.96 FTEs, which is 4.49 FTEs more than the 156.47FTEs in the original FY 2010-11 budget. This represents 2.9 percent more FTEs than the original FY 2010-11 budget.

The new positions include:

- Three new temporary positions to handle a large number of alleged police misconduct cases, as follows:
 - One 8177 Attorney, Step 16, \$172,588
 - One 8142 Investigator, Step 1, \$64,116
 - One 8173 Legal Assistant Class 8173, \$61,490

These positions, according to the Department, would be filled by individuals already identified by the Public Defender and will be ready to start work on the first day of the fiscal year. The Department estimates that it will take twelve to 18 months to complete the work associated with the alleged police misconduct cases. These positions are paid with Temporary Salaries.

- One new 8173 Legal Assistant

This position would staff the Reentry Council of the City and County of San Francisco, which coordinates services for adults returning from federal and state prisons and county jails and is currently staffed by a Policy Director and a temporary grant-funded Associate. The grant funding for the Associate position will expire in August 2011. The proposed position would permanently

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: PDR—PUBLIC DEFENDER

replace the temporary grant-funded Associate. Including fringe benefits, the total cost of the position would be \$106,803 per year.

DEPARTMENT REVENUES:

The Department's revenues of \$212,258 in FY 2011-12, are \$17,371 or 7.6 percent less than FY 2010-11 revenues of \$229,629. General Fund support of \$25,893,290 in FY 2011-12 is \$815,550 or 3.3 percent more than FY 2010-11 General Fund support of \$25,077,740. Specific changes in the Department's FY 2011-12 revenues include the end of federal American Recovery and Reinvestment Act (ARRA) funding.

FIVE YEAR FINANCIAL PLAN:

According to the Public Defender, the department is almost completely supported by the General Fund, with minimal department-generated grant revenues, and therefore, expenditure pressures are determined by the level of General Fund support. The Public Defender states that the department's services are constitutionally mandated, requiring the Public Defender to provide effective and competent representation to indigent persons accused of a crime.

OTHER ISSUES

- Contract with Law Office of Mark Goldrosen

The proposed budget includes \$25,000 for a contract with the Law Office of Mark Goldrosen, a private attorney who represented the defendant in the case *People v. Bottom*. However, the case settled in May 2010 and the Department has not incurred any cost related to Mr. Goldrosen's contract in FY 2010-11.

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$155,307 in FY 2011-12. These reductions would still allow an increase of \$642,372 or 2.5 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances totaling \$142,478, which would allow the return of \$142,478 to the General Fund.

Together, these recommendations will result in total savings to the General Fund of \$297,785.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

PDR - Public Defender

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
AIB - Criminal and Special Defense (1GAGFAAA)													
8173 Legal Assistant	1.0	0.0	\$74,567	\$0	\$74,567	x		1.0	0.0	\$78,245	\$0	\$78,245	x
Mandatory Fringe Benefits			\$32,236	\$0	\$32,236	x				\$36,262	\$0	\$36,262	x
	<i>Total Savings \$106,803</i>							<i>Total Savings \$114,507</i>					
	Disapprove the addition of a new Legal Assistant to support the Policy Director of the Reentry Council. Position is currently funded by a grant that will expire in August 2011.							Estimated ongoing reduction.					
Temporary -Miscellaneous			\$426,291	\$402,787	\$23,504	x				\$426,291	\$402,787	\$23,504	
	Reduce Step Level from 16 to 12 for the temporary Attorney that will be hired to handle a large number of alleged police misconduct cases.												
Professional & Specialized Services			\$25,000	\$0	\$25,000	x				\$25,000	\$0	\$25,000	x
	End contract with Mr. Goldrosen because the <i>People v. Bottom</i> case settled in May 2010.							Estimated ongoing reduction.					

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$155,307	\$155,307
Non-General Fund Impact	\$0	\$0	\$0
Total	\$0	\$155,307	\$155,307

	Estimated FY 2012-2013 Impact Total Recommended Reductions
General Fund Impact	\$163,011
Non-General Fund Impact	\$0
Total	\$163,011

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

PDR - Public Defender

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance in Financial and Management Information System (FAMIS)
LAW OFFICE OF MARK GOLDROSEN	OTHER PROFESSIONAL SERVICES	Yes	2010	2/19/2010	150,000	142,478
Total Amount Return to Fund Balance						\$142,478
General Fund						\$142,478
Non-General Fund						\$0

Note: The above encumbrance balances are from budget years prior to FY 2010-11. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balance can be returned to the General Fund.

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department’s proposed \$40,970,944 budget for FY 2011-12 is \$1,529,450 or 3.9 percent more than the original FY 2010-11 budget of \$39,441,494.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 246.31 FTEs, which is 3.16 FTEs less than the 249.47 FTEs in the original FY 2010-11 budget. This represents a 1.3 percent decrease in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$6,883,002 in FY 2011-12, are \$561,648 or 7.5 percent less than FY 2010-11 revenues of \$7,444,650. General Fund support of \$34,087,943 in FY 2011-12 is \$2,091,099 or 6.5 percent more than FY 2010-11 General Fund support of \$31,996,844.

RECOMMENDATIONS

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$590,023 in FY 2011-12. Of these recommended reductions, \$590,023 or 100 percent are General Fund reductions, and \$490,000 or 83.1 percent are ongoing reductions. These reductions would still allow an increase of \$939,428 or 2.4 percent in the Department’s FY 2011-12 budget.

The Budget and Legislative Analyst also recommends additional one-time General Fund revenues of \$1,025,000 that are anticipated to be received by the District Attorney’s Office and can be credited to the City’s General Fund.

Together, these recommendations would result in \$1,615,023 savings to the General Fund.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: DAT—DISTRICT ATTORNEY

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
ADMINISTRATION - CRIMINAL & CIVIL	1,230,726	1,823,694	592,968	48.2%
CAREER CRIMINAL PROSECUTION	826,606	963,665	137,059	16.6%
CHILD ABDUCTION	1,010,750	980,112	(30,638)	-3.0%
FAMILY VIOLENCE PROGRAM	857,337	868,342	11,005	1.3%
FELONY PROSECUTION	22,437,454	23,150,139	712,685	3.2%
MISDEMEANOR PROSECUTION	2,153,564	1,834,611	(318,953)	-14.8%
SUPPORT SERVICES	4,674,366	5,868,360	1,193,994	25.5%
WORK ORDERS & GRANTS	6,250,691	5,482,021	(768,670)	-12.3%
TOTAL	39,441,494	40,970,944	1,529,450	3.9%

The Department’s proposed FY 2011-12 budget has increased by \$1,529,450 largely due to:

- Increases in fringe benefits,
- Five new permanent positions and two new limited term positions, and
- New funding for the expansion of the Neighborhood Court program.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 246.31 FTEs, which is 3.16 FTEs less than the 249.47 FTEs in the original FY 2010-11 budget. This represents a 1.3 percent change in FTEs from the original FY 2010-11 budget.

However, salaries and fringe benefits are budgeted to increase by \$1,592,688, or 4.4 percent, for FY 2011-12. The District Attorney unveiled a reorganization of the management of the Department in March of 2011, which resulted in various position substitutions. Additionally, the following seven new positions are proposed:

- Five new permanent positions to handle alleged police misconduct cases

Three new permanent 8177 Attorneys and two new permanent 8132 Investigative Assistants are proposed to handle the retroactive review of cases involving police officers accused of misconduct. These positions would be part of the Trial Integrity/Brady Compliance Unit. This unit was established in FY 2010-11 to ensure that the Department complies with *Brady* requirements, which refers to a constitutional discovery requirement in criminal cases, mandating that the prosecution provide exculpatory information to the defendant. The District Attorney’s Office reduced attrition savings to staff this Unit was with three new attorneys and two new investigative assistants in FY 2010-11. The Unit staff completed evaluation of a large number of retroactive cases, and are now handling “day-to-day, routine Brady compliance.” The Department states that five more new positions are now needed to handle the retroactive review of the alleged police misconduct cases because existing staff are engaged in the current ongoing compliance for other cases.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: DAT—DISTRICT ATTORNEY

The Budget and Legislative Analyst believes that five new permanent positions are not justified to handle the temporary work related to the alleged police misconduct cases, especially given the five positions added in FY 2010-11 for the Trial Integrity/Brady Compliance Unit, resulting in the reduction of the backlog. Instead, to handle this temporary work to retroactively review the alleged police misconduct cases, the Budget Analyst recommends two limited tenure 8177 Attorneys and one limited tenure 8132 Investigative Assistant.

- One new limited tenure 8177 Attorney to expand the Neighborhood Court program

The Neighborhood (or Community) Courts program has set up community courts in 10 police districts to hear adult misdemeanor cases, with the requirement that adult offenders pay restitution to victims or otherwise offset the impact of the misdemeanor on the neighborhood. The District Attorney’s Collaborative Courts Division, which includes the Neighborhood Courts program, currently has one Head Attorney, four Attorneys, and five Assistant Chief Victim/Witness or Victim/Witness Investigators, totaling ten staff. The District Attorney’s Office proposes one new limited tenure 8177 to support the expansion of the Neighborhood Courts program. While the Department asserts that the Neighborhood Court program aims to provide “significant opportunity to reduce the volume of cases entering the traditional criminal justice system thereby reducing the overall cost to the system,” it is unclear how the additional staff will achieve cost savings. The Budget and Legislative Analyst does not consider that the addition of this new position to support the expansion of the Neighborhood Courts program to be justified.

- One new limited tenure 8177 Attorney to address the backlog of homicide cases

The Department states that the addition of this limited term attorney will enable the Homicide Unit to reduce the oldest cases pending (two to three years old) by 20 to 25 percent, which would reduce per attorney caseload to seven or eight. Current Homicide Unit caseloads are above 10 per attorney. The Budget and Legislative Analyst recommends approval of this new limited tenure position.

DEPARTMENT REVENUES:

The Department's revenues of \$6,883,002 in FY 2011-12, are \$561,648 or 7.5 percent less than FY 2010-11 revenues of \$7,444,650. General Fund support of \$34,087,943 in FY 2011-12 is \$2,091,099 or 6.5 percent more than FY 2010-11 General Fund support of \$31,996,844.

Specific changes in the Department’s FY 2011-12 revenues include the end of one-time federal American Recovery and Reinvestment Act (ARRA) funding and the reduction of State grants for auto, workers compensation and health care fraud cases.

FIVE YEAR FINANCIAL PLAN:

The Department states that since it is primarily funded by the City's General Fund, it will operate within the constraints of the local economy and what the General Fund will be able to provide over the next few years. The Department also notes that as State funding continues to be a challenge, the Department will progressively see more costs that were previously either financed through grants from the State or funded by the Superior Court. Due to State budget pressures, the Department reports experiencing stricter implementation of guidelines which render previous eligible costs ineligible; grant levels cut or

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: DAT—DISTRICT ATTORNEY

held stagnant; and year to year uncertainties as a result of some State reimbursement programs being suspended or going unfunded.

Additionally, the Department notes that a larger issue pending is the specter of State proposals for the realignment of how local jurisdictions deal with defendants sentenced to State prison. With the passage of Assembly Bill 109, the Department reports, the State has shifted the burden of adjudicating parole violations to local jurisdictions. The Department notes that while the cost implications are uncertain, the costs could be significant for all partners in the criminal justice system.

The Department states that while it is fundamentally reliant on the General Fund for support, it will seek strategies to minimize the ongoing increasing cost of its work force, including (1) hiring younger attorneys at lower costs than older, more experienced “lateral” hires; (2) conducting a department-wide efficiency assessment to identify ways to make its work more efficient; and (3) providing significant opportunity to reduce the volume of cases entering the traditional criminal justice system thereby reducing the overall cost to the system through its new initiative to create a Neighborhood Prosecutor Program and expand Neighborhood Courts throughout the City.

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$590,023 in FY 2011-12. Of these recommended reductions, \$590,023 or 100 percent are General Fund reductions, and \$490,000 or 83.1 percent are ongoing reductions. These reductions would still allow an increase of \$939,428 or 2.4 percent in the Department’s FY 2011-12 budget.

The Budget and Legislative Analyst also recommends additional one-time General Fund revenues of \$1,025,000 that are anticipated to be received by the District Attorney’s Office and can be credited to the City’s General Fund.

Together, these recommendations would result in \$1,615,023 savings to the General Fund.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DAT- District Attorney

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				m	To	From	To		
AIA - Felony Prosecution (1GAGFAAA)													
8177 Attorney (Civil/Criminal)	0.77	0.0	\$126,783	\$0	\$126,783	x		1.0	0.0	\$172,588	\$0	\$172,588	x
Mandatory Fringe Benefits			\$42,389	\$0	\$42,389	x				\$62,629	\$0	\$62,629	x
	<i>Total Savings \$169,172</i>							<i>Total Savings \$235,217</i>					
	Disapprove one new limited tenure 8177 Attorney for the Neighborhood Courts program. The District Attorney's Office proposes one new limited tenure 8177 to support the expansion of the Neighborhood Courts program. While the Department asserts that the Neighborhood Court program aims to provide "significant opportunity to reduce the volume of cases entering the traditional criminal justice system thereby reducing the overall cost to the system, it is unclear how the additional staff will achieve cost savings. The Budget and Legislative Analyst does not consider that the addition of this new position to support the expansion of the Neighborhood Courts program to be justified.							Estimated ongoing reduction.					
8177 Attorney (Civil/Criminal)	2.31	1.54	\$380,348	\$253,565	\$126,783	x		3.0	2.0	\$517,764	\$345,176	\$172,588	x
8132 Investigative Assistant	1.54	0.77	\$106,043	\$53,022	\$53,022	x		2.0	1.0	\$144,512	\$72,256	\$72,256	x
Mandatory Fringe Benefits			\$174,485	\$108,438	\$66,047	x				\$256,884	\$159,756	\$97,128	x
	<i>Total Savings \$245,851</i>							<i>Total Savings \$341,972</i>					
	The Department has requested five new permanent positions to handle the temporary work related to the alleged police misconduct cases. These five new positions are in addition to five new positions added in FY 2010-11 for the Trial Integrity/Brady Compliance Unit. According to the Department, the backlog in these cases has been reduced, allowing existing staff to process current cases. To handle this temporary work to retroactively review the alleged police misconduct cases, the Budget Analyst recommends approval of two limited tenure 8177 Attorneys and one limited tenure 8132 Investigative Assistant.							Estimated ongoing reduction.					

GF = General Fund
1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DAT- District Attorney

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)						
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	
	From	To	From	To				m	To	From	To			
AII - Support Services (1GAGFAAA)														
City Grant Programs			\$247,992	\$172,992	\$75,000	x			\$247,992	\$172,992	\$75,000	x		
	Disapprove increased funding to expand Neighborhood Court Program because, while the Departments asserts that the Program aims to provide "significant opportunity to reduce the volume of cases entering the traditional criminal justice system thereby reducing the overall cost to the system," it is unclear how additional resources will achieve cost savings.							Estimated ongoing reduction.						
AIJ - Family Violence Program (1GAGFACP)														
			\$863,342	\$763,342	\$100,000	x	x							
	The Department anticipates carry forward funding in the amount of approximately \$300,000 in its Family Violence project. This project funds reimbursement costs for victims and witnesses not handled by the State funded victim reimbursement funds or the State funded Witness Relocation Program. Although the Department anticipates an increase in local claims being paid out due to the State becoming stricter in applying its guidelines, the Budget and Legislative Analyst's recommendation for a one-time reduction of \$100,000 would still allow the Department sufficient funds.													

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DAT- District Attorney

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				m	To	From	To		
Land America Judgement			\$0	\$1,025,000	\$1,025,000	x	x					\$0	
	<p>The State Attorney General, City Attorney and San Francisco District Attorney have been litigating for several years with Land America Title Company, arising out of outlawful business practices. Based on recent renegotiation of a prior judgement in this case, Land America will be required to pay a total of \$4,100,000, to be split 50% or \$2,050,000 to the State Attorney General, 25% or \$1,025,000 to the City Attorney and 25% or \$1,025,000 to the District Attorney. According to the City Attorney's Office, this judgement is anticipated to be received within the next month. These revenues of \$1,025,000 were not included in the Mayor's recommended FY 2011-12 budget. Therefore, the proposed recommendation reflects recovering \$1,025,000 of additional revenues in the FY 2011-12 City Attorney's budget, which can be credited to the City's General Fund.</p>												

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$1,125,000	\$490,023	\$1,615,023
Non-General Fund Impact	\$0	\$0	\$0
Total	\$1,125,000	\$490,023	\$1,615,023

	Estimated FY 2012-2013 Impact Total Recommended Reductions
General Fund Impact	\$652,189
Non-General Fund Impact	\$0
Total	\$652,189

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$37,815,780 budget for FY 2011-12 is \$511,958 or 1.4 percent more than the original FY 2010-11 budget of \$37,303,822.

Revenue Changes

The Department's revenues of \$4,868,749 in FY 2011-12, are \$3,800 or 0.1 percent more than FY 2010-11 revenues of \$4,864,949. General Fund support of \$32,947,031 in FY 2011-12 is \$508,158 or 1.6 percent more than FY 2010-11 General Fund support of \$32,438,873.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$100,000 in FY 2011-12. Of these recommended reductions, \$100,000 or 100 percent are General Fund reductions, and \$100,000 or 100 percent are ongoing reductions. These reductions would still allow an increase of \$411,958 or 1.1 percent in the Department's FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: CRT—SUPERIOR COURT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011	2011-2012	Change	Pct
	Budget	Proposed	From 2010-2011	Change
COURT HOUSE CONSTRUCTION	4,571,774	4,575,574	3,800	0.1%
DISPUTE RESOLUTION PROGRAM	293,175	293,175	0	0.0%
INDIGENT DEFENSE/GRAND JURY	9,590,212	9,973,370	383,158	4.0%
TRIAL COURT SERVICES	22,848,661	22,973,661	125,000	0.5%
Total	37,303,822	37,815,780	511,958	1.4%

The Department’s proposed FY 2011-12 budget has increased by \$511,958 largely due to:

- Increase in the cost of health benefits for Superior Court Judges,
- The Superior Court’s shifting of costs for administering the City-responsible functions of criminal fines and fees collections and administering the Civil Grand Jury, and
- An increase in the contract with the Bar Association of San Francisco for health benefit increases.

DEPARTMENT REVENUES:

The Department's revenues of \$4,868,749 in FY 2011-12, are \$3,800 or 0.1 percent more than FY 2010-11 revenues of \$4,864,949. General Fund support of \$32,947,031 in FY 2011-12 is \$508,158 or 1.6 percent more than FY 2010-11 General Fund support of \$32,438,873.

OTHER ISSUES:

Only the Board of Supervisors, not the Mayor, has the authority to reduce the budget of the Superior Court. Under State law, the Board of Supervisors has authority only over programs funded by the City’s General Fund or the Special Revenue Fund, designated for courthouse debt service costs. The remainder of the Superior Court’s budget is funded by State Trial Court funds.

The Board of Supervisors has authority over (1) annual “Maintenance of Effort” payments, which are determined by State statute and must be paid by the Court, (2) the Dispute Resolution Program, which is a fee-based program, (3) courthouse debt service payments, and (4) Indigent Defense and Civil Grand Jury programs.

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$100,000 in FY 2011-12. Of these recommended reductions, \$100,000 or 100 percent are General Fund reductions, and \$100,000 or 100 percent are ongoing reductions. These reductions would still allow an increase of \$411,958 or 1.1 percent in the Department’s FY 2011-12 budget.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

CRT - Superior Court

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
Indigent Defense/ Grand Jury (1G AGF AAA)													
Court Fees			\$8,758,072	\$8,658,072	\$100,000	x			\$8,758,072	\$8,658,072	\$100,000	x	
	<p>The Indigent Defense Program's FY 2011-12 budget of \$8,758,072 is unchanged from the FY 2010-11 budget. Projected expenditures in FY 2010-11 are expected to be approximately \$8.2 million, based on actual bills paid through June 17, 2011 plus expected increases in year-end billings. The Budget and Legislative Analyst's recommended reduction would still provide over \$8.6 million. Also, due to increased staffing in the Public Defender's Office in FY 2010-11, Indigent Defense program referrals in FY 2010-11 have decreased, with an expected corresponding decrease in billings in FY 2011-12 as these referred cases are closed.</p> <p>In addition to Indigent Defense Program funding in the Superior Court's budget, the General City Responsibility budget contains funding for appeals of indigent criminal cases, which had an unexpended balance of \$1.2 million as of June 2011.</p>							Ongoing reduction.					

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$0	\$100,000	\$100,000
Non-General Fund Impact	\$0	\$0	\$0
Total	\$0	\$100,000	\$100,000

	Estimated FY 2012-2013 Impact Total Recommended Reductions
General Fund Impact	\$100,000
Non-General Fund Impact	\$0
Total	\$100,000

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department’s proposed \$171,479,131 budget for FY 2011-12 is \$16,028,983 or 10.3 percent more than the original FY 2010-11 budget of \$155,450,148.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 998.84 FTEs, which is 46.13 FTEs more than the 952.71 FTEs in the original FY 2010-11 budget. This represents a 4.8 percent change in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$23,419,605 in FY 2011-12, are \$416,937 or 1.8 percent more than FY 2010-11 revenues of \$23,002,668. General Fund support of \$148,059,526 in FY 2011-12 is \$15,612,046 or 11.8 percent more than FY 2010-11 General Fund support of \$132,447,480.

RECOMMENDATIONS

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$804,218 in FY 2011-12. Of these recommended reductions, \$804,218 or 100 percent are General Fund reductions, and \$804,218 or 100 percent are ongoing reductions. These reductions would still allow an increase of \$15,224,765 or 9.8 percent in the Department’s FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$202,229 to the General Fund.

Together, these recommendations will result in \$1,006,447 savings to the City’s General Fund.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: SHF – SHERIFF’S DEPARTMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
COURT SECURITY AND PROCESS	13,108,110	13,847,527	739,417	5.6%
CUSTODY	82,852,621	97,294,090	14,441,469	17.4%
FACILITIES & EQUIPMENT	16,033,191	15,343,540	(689,651)	(4.3%)
OTHER PROGRAMS	0	0	0	N/A
SECURITY SERVICES	10,202,739	10,825,230	622,491	6.1%
SHERIFF ADMINISTRATION	8,047,221	8,262,717	215,496	2.7%
SHERIFF FIELD SERVICES	8,259,802	8,192,873	(66,929)	(0.8%)
SHERIFF PROGRAMS	13,723,302	14,251,373	528,071	3.8%
SHERIFF RECRUITMENT & TRAINING	3,223,162	3,461,781	238,619	7.4%
Total	155,450,148	171,479,131	16,028,983	10.3%

The Department’s proposed FY 2011-12 budget has increased by \$16,028,983 largely due to:

- An 18 percent increase in employee benefits costs.
- Loss of a one-time savings of \$3,800,000 from refinancing of debt in FY 2010-11.
- Increased funding for electronic monitoring.
- Reduced attrition savings, as noted below.

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 998.84 FTEs, which is 46.13 FTEs more than the 952.71 FTEs in the original FY 2010-11 budget. This represents a 4.8 percent change in FTEs from the original FY 2010-11 budget.

In FY 2010-11, the Department received a supplemental appropriation to pay for a projected salary deficit. Due to a significant increase in budgeted attrition savings in FY 2010-11, the Department had insufficient funds for salaries to meet minimum staffing levels in the jails. The FY 2011-12 budget reflects a reduction in attrition savings, equivalent to approximately 46.13 FTEs, to continue to fund existing salaries. In addition, the Department expects increased average daily jail population in FY 2011-12 due to the transfer of prisoners currently in State prisons to the counties under Assembly Bill (AB) 109.

DEPARTMENT REVENUES:

The Department's revenues of \$23,419,605 in FY 2011-12, are \$416,937 or 1.8 percent more than FY 2010-11 revenues of \$23,002,668. General Fund support of \$148,059,526 in FY 2011-12 is \$15,612,046 or 11.8 percent more than FY 2010-11 General Fund support of \$132,447,480.

Increase of expenditure recoveries from Superior Court and Department of Elections due to the increased number of elections in FY 2010-11. These increases are partially offset by reductions in State and other local revenues for boarding of prisoners.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: SHF– SHERIFF’S DEPARTMENT

Fee Legislation

There are no new or changed fees proposed for FY 2011-12.

FIVE YEAR FINANCIAL PLAN:

The Department anticipates 21.0 percent growth in its budget between FY 2011-12 and FY 2015-16.

Revenues

- Anticipated potential loss of state grants for training of \$100,000 and for overtime and backfill \$450,000.
- Federal and State grants such as Community Oriented Policing Services (COPS) and other alternative programs of \$200,000 may be reduced or eliminated.

Expenditures

- Expected need to reopen County Jail 6 in San Bruno due to significant growth of the jail population as a result of the State public safety realignment (Assembly Bill 109).
- Increase funding for electronic monitoring and other community alternatives to incarceration.

The Department will continue to seek grant funding; however, the Department expects to need increased General Fund support in the future to provide services for the additional population expected from State public safety realignment.

Other Issues

State Public Safety Realignment Plan

Assembly Bill 109 (AB109) codified the State’s public safety realignment plan to reduce the State’s prison population by 30,000 within two years. The realignment plan will shift offenders convicted on non-serious, non-violent, and non-sexual offenses to serve sentences in the county jail for sixteen months to three years. Additionally, changes in State parole will also impact jail capacity. Persons serving parole who get parole revoked for more than 30 days of incarceration will serve time in county jail, up to 12 months. As a result, convicted felons sentenced to three years or less and parole violators would serve their time in county jails rather than State prisons.

The State estimates that the Department will receive between 165-491 additional inmates by the end of FY 2012-13. The additional population will require additional housing units including County Jail 6 to be opened. The Department expects significant increases in expenditures for supervision, food, medical care as the full impact of the State population and realignment is realized. The timing and impact is still uncertain at this time.

State funding for realignment is uncertain at this time; however, Governor Brown pledged AB 109 would not take effect until State officials secure funding.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: SHF – SHERIFF’S DEPARTMENT

Proposed Proposition J Contract for Security Services for the Department of Public Health

The Department of Public Health is proposing a new Proposition J contract for security services at the San Francisco General Hospital (SFGH) and Laguna Honda Hospital (Board of Supervisors File 11-0378). Currently, the Sheriff’s Department provides these services as well as security services at the Department’s health clinics through a work order agreement. If approved, the Department of Public Health would contract with an outside security company for services at the two hospitals commencing in mid December 2011.

COMMENTS:

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$804,218 in FY 2011-12. Of these recommended reductions, \$804,218 or 100 percent are General Fund reductions, and \$804,218 or 100 percent are ongoing reductions. These reductions would still allow an increase of \$15,224,765 or 9.8 percent in the Department’s FY 2011-12 budget

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$\$202,229 to the General Fund.

Together, these recommendations will result in \$1,006,447 savings to the City’s General Fund.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

SHF - Sheriff Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
AFP - Sheriff's Programs (1G AGF AAA)													
Professional & Specialized Services - BUDGET			\$1,529,187	\$1,429,187	\$100,000	x			\$1,529,187	\$1,429,187	\$100,000	x	
	Reduce to reflect actual expenditures in prior fiscal years.							Ongoing reduction					
AFC - Custody (1G AGF AAA)													
9993M Attrition Savings	-5.24	-9.63	(\$656,132)	(\$1,206,132)	\$550,000	x		-5.24	-9.23	(\$656,132)	(\$1,156,132)	\$500,000	x
Mandatory Fringe Benefits			(\$183,977)	(\$338,195)	\$154,218	x				(\$183,977)	(\$324,175)	\$140,198	x
			<i>Total Savings</i>		\$704,218				<i>Total Savings</i>		\$640,198		
	Increase attrition savings based on historical population analysis that will provide sufficient staff levels at jails and accommodate expected increases due to the State Realignment plan.							Ongoing reduction					

GF = General Fund

1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

SHF - Sheriff Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)						
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	
	From	To	From	To				From	To	From	To			
AFT - Security Services (1G AGF WOF)														
Overtime - Uniform			\$422,604	\$342,596	\$80,008	x	x							
Social Security - Medicare (HI ONLY)			\$6,128	\$4,968	\$1,160	x	x							
Unemployment Insurance			\$1,267	\$1,027	\$240	x	x							
Materials & Supplies - Budget			\$4,000	\$3,243	\$757	x	x							
Expected Recoveries From Registrar of Voters (AAO)			(\$434,000)	(\$351,834)	(\$82,166)	x	x							
	<i>Total Savings (\$0)</i>													
	The Elections Department budgeted \$180,418 for the Sheriff to provide security services for one election in FY 2010-11. The Budget and Legislative Analyst recommended reduction will enable the Sheriff's Department to expend \$351,834 for security services for two elections. However, in FY 2011-12, one of the elections will have the same number of polling locations as in FY 2010-11 and one election will have 28 fewer polling locations, which will provide salary savings for the Sheriff and the Department of Elections.							Only one Consolidated General election anticipated in FY 2012-13 on November 6, 2012, such that there are anticipated to be reduced overall costs for the Department of Elections in FY 2012-13 resulting in decreased Sheriff expenses.						
Salaries			\$13,053,739	\$13,013,973	\$39,766	x	x							
Fringe Benefits			\$4,468,505	\$4,454,905	\$13,600									
Expenditure Recovery from SF General Hospital			(\$3,536,408)	(\$3,522,806)	(\$13,602)	x	x							
Expenditure Recovery from Laguna Honda Hospital			(\$1,160,078)	(\$1,156,015)	(\$4,063)	x	x							
Expenditure Recovery from Emergency Management			(\$1,688,952)	(\$1,653,251)	(\$35,701)	x	x							
	<i>Total Savings \$0</i>													
	The actual work order amounts between the Sheriff's Department and the Departments of Public Health and Emergency Management are less than the budgeted amount. This reduction maintains the same level of work order services but reduces the budget to correspond to the actual work order amount.													

GF = General Fund

1T = One Time

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

SHF - Sheriff Department

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		

FY 2011-2012 Total Recommended Reductions			
	One-Time	Ongoing	Total
General Fund Impact		\$804,218	\$804,218
Non-General Fund Impact			\$0
Total	\$0	\$804,218	\$804,218

Estimated FY 2012-2013 Impact Total Recommended Reductions	
General Fund Impact	\$740,198
Non-General Fund Impact	\$0
Total	\$740,198

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

SHF - Sheriff Department

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance in Financial and Management Information System (FAMIS)
CENTER POINT INC	COMMUNITY BASED ORGANIZATION S	Yes	2010	7/27/2010	\$117,374	\$35,907
POSITIVE DIRECTIONS EQUALS CHANGE INC	COMMUNITY BASED ORGANIZATION S	Yes	2010	7/15/2010	\$45,000	\$8,533
CENTER POINT INC	COMMUNITY BASED ORGANIZATION S	Yes	2010	8/2/2010	\$50,000	\$11,704
CENTER POINT INC	COMMUNITY BASED ORGANIZATION S	Yes	2010	7/27/2010	\$260,000	\$20,052
SAN FRANCISCO PRETRIAL DIVERSION PROJECT	COMMUNITY BASED ORGANIZATION S	Yes	2010	7/22/2010	\$454,286	\$62,609
COMPUTERLAND SILICON VALLEY	MINOR DATA PROCESSING EQUIPMENT	Yes	2010	4/22/2010	\$152	\$152
COMPUTERLAND SILICON VALLEY	MINOR DATA PROCESSING EQUIPMENT	Yes	2010	4/22/2010	\$152	\$152
SCHNEIDER ELECTRIC BUILDINGS AMERICAS	OTHER EQUIPMENT MAINT SUPPLIES	Yes	2010	6/24/2010	\$5,384	\$5,384
CLEAN SOURCE	CLEANING SUPPLIES	Yes	2010	8/9/2010	\$2,420	\$3
WESTERN STATE DESIGN	OTHER EQUIPMENT MAINT SUPPLIES	Yes	2010	7/16/2010	\$1,095	\$316
GALLS - AN ARAMARK CO LLC	UNIFORMS	Yes	2010	8/25/2010	\$4,292	\$1,621
WESTERN STATES OIL	FUELS & LUBRICANTS	Yes	2010	7/22/2010	\$28,000	\$1,526
LASERLINK INTERNATIONAL INC	OTHER OFFICE SUPPLIES	Yes	2010	2/3/2011	\$10,000	\$3,073
GIVE SOMETHING BACK LLC	OTHER OFFICE SUPPLIES	Yes	2010	8/12/2010	\$50,000	\$6,097
	EF-PUC-WATER	Yes	2008	5/8/2009	\$182,000	\$29,345
	SR-DPW-BUILDING REPAIR	Yes	2008	6/29/2009	\$19,513	\$6,937
	SR-DPW-CONSTRUCTION MGMT	Yes	2010	12/6/2010	\$4,000	\$920
	IS-TIS-ISD SERVICES	Yes	2010	11/29/2010	\$46,434	\$1,318
	IS-TIS-ISD SERVICES	Yes	2010	2/25/2011	\$12,000	\$6,580
				Total Amount Return to Fund Balance		\$202,229
				General Fund		\$202,229
				Non-General Fund		\$0

Note: The above encumbrance balances are from budget years prior to FY 2010-11. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balance can be returned to the General Fund.

BUDGET REVIEW EXECUTIVE SUMMARY

Budget Changes

The department's proposed \$14,643,141 budget for FY 2011-12 is \$2,253,227 or 18.2 percent more than the original FY 2010-11 budget of \$12,389,914.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2011-12 is 107.29 FTEs, which is 4.34 FTEs more than the 102.95 FTEs in the original FY 2010-11 budget. This represents a 4.2 percent change in FTEs from the original FY 2010-11 budget.

Revenue Changes

The Department's revenues of \$1,613,823 in FY 2011-12, are \$4,740 or 0.3 percent more than FY 2010-11 revenues of \$1,609,083. General Fund support of \$13,029,319 in FY 2011-12 is \$2,248,488 or 20.9 percent more than FY 2010-11 General Fund support of \$10,780,831.

RECOMMENDATIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$247,867 in FY 2011-12. These reductions would still allow an increase of \$2,005,360 or 16.2 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$1,208 to the General Fund.

Together, these recommendations will result in \$249,075 savings to the City's General Fund.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: ADP – ADULT PROBATION

SUMMARY OF PROGRAM EXPENDITURES:

Program	2010-2011 Budget	2011-2012 Proposed	Change From 2010-2011	Pct Change
ADMINISTRATION - ADULT PROBATION	1,702,670	2,886,253	1,183,583	69.5%
COMMUNITY SERVICES	7,588,278	8,336,819	748,541	9.9%
PRE - SENTENCING INVESTIGATION	2,862,700	2,888,813	26,113	0.9%
WORK ORDERS & GRANTS	236,266	531,256	294,990	NA
Total	12,389,914	14,643,141	2,253,227	18.2%

The Department’s proposed FY 2011-12 budget has increased by \$2,253,227 largely due to:

- Implementation of the Case Management and Risk and Needs Assessment System, allowing for the full implementation of evidenced-based probation supervision practices and compliance with State data requirements as mandated by Senate Bill (SB) 678 to improve probation outcomes.
- Establishing a community based Adult Probation office in Bayview.
- Enhancing the Adult Probation Department Domestic Violence Program through grant funding from the Department of Justice Violence Against Women Act.
- Increases in work orders for workers’ compensation claims.
- Preparation for State public safety realignment, which transfers probation responsibility from the State to the counties, due to the recent passage of Assembly Bill (AB) 109.

DEPARTMENT PERSONNEL SUMMARY:

The number of Net Operating full-time equivalent positions (FTE) budgeted for FY 2011-12 is 107.29 FTEs, which is 4.34 FTEs more than the 102.95 FTEs in the original FY 2010-11 budget. This represents a 4.2 percent change in FTEs from the original FY 2010-11 budget. No FTEs are proposed for deletion in FY 2011-12.

DEPARTMENT REVENUES:

The Department's revenues of \$1,613,823 in FY 2011-12, are \$4,740 or 0.3 percent more than FY 2010-11 revenues of \$1,609,083. General Fund support of \$13,029,319 in FY 2011-12 is \$2,248,488 or 20.9 percent more than FY 2010-11 General Fund support of \$10,780,831.

The Department’s revenues are dependent on State and Federal Grants and Probation Fees and Fines. In FY 2011-12, Federal grants are increasing by \$59,632, partially offset by reductions in expenditure recoveries.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: ADP – ADULT PROBATION

Fee Legislation

There are no new or changed fees proposed for FY 2011-12.

FIVE YEAR FINANCIAL PLAN:

The Department anticipates 30 percent growth in its budget between FY 2011-12 and FY 2015-16.

Revenues

- Federal and State grant funds may be decreased or eliminated due to the economic condition of the State.
- City and County General Fund contributions are also dependent on the economy of the City and County and subject to reduction.
- Fee revenues are subject to successful collection of fees from probationers.

Expenditures

- Increased growth in probation population will result from the transfer of probation responsibilities from the State to the County as a result of the State Realignment Plan as passed in Assembly Bill 109 (2011).
- Ongoing implementation of evidenced-based supervision practices as mandated by SB 678 (2010) will require additional resources and funding to provide additional staffing for effective supervision; and service dollars for treatment programs, technology infrastructure and safety equipment.
- Expected salary increases are due to salary step increases because 30 percent of current staff are not at the top step of their salary range and will continue to receive annual salary step increases

The Department will continue to seek federal and State grant funding to support probation programs. State funding related to the State Realignment (AB 109) is expected to provide for probation supervision. The Department anticipates that the implementation of evidenced-based supervision practices will result in reduced recidivism recognized by SB678 Community Corrections Incentive Fund to be reinvested in probation programs. In addition, the Department will continue to monitor expenditures and reduce cost through operational efficiencies, practices and policy.

Other Issues

Assembly Bill 109 (AB109) codified the State's public safety realignment plan to reduce the State's prison population by 30,000 within two years. The realignment plan will shift offenders convicted on non-serious, non-violent offenses to the local level. As a result, the Adult Probation Department expects probation population increases, which will result in additional probation caseloads; however, Governor Brown pledged AB 109 would not take effect until state officials secure funding.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

DEPARTMENT: ADP – ADULT PROBATION

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$247,867 in FY 2011-12. Of these recommended reductions, \$247,867 or 100 percent are General Fund reductions, and \$98,867 or 39.9 percent are ongoing reductions. These reductions would still allow an increase of \$2,005,360 or 16.2 percent in the Department's FY 2011-12 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$1,208 to the General Fund.

Together, these recommendations will result in \$249,075 savings to the City's General Fund.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

ADP - Adult Probation

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
ASH -Administration - Adult Probation (1G AGF AAA)													
0923_C Manager II	0.77	0.77	\$86,674	\$83,844	\$2,830	x		1.0	1.0	\$112,564	\$108,888	\$3,676	x
Mandatory Fringe Benefits			\$35,043	\$33,899	\$1,144	x				\$49,472	\$47,856	\$1,616	x
			<i>Total Savings</i>		\$3,974					<i>Total Savings</i>		\$5,292	
	Disapprove of the hiring of a 0923 Manager II, but allow for the hiring of a 0922 Manager I to over see the Reentry One Stop Program. The Department has proposed the establishment of a Reentry Division, but this is not yet approved.							Estimated ongoing reduction.					
Management Consulting Services			\$125,000	\$0	\$125,000	x	x						
	ADP is requesting funding for Policy Writing to update its departmental policy for the implementation of Evidence Based Supervision. Disapprove funding due to unexpended encumbered funds.												
Building Repair			\$25,000	\$15,000	\$10,000	x	x						
	Reduce funding due to \$10,900 of unexpended encumbered funds appropriated in FY 2009-10.												

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEAR 2011-12**

ADP - Adult Probation

Object Title	FY 2011-2012							FY 2012-2013 (for estimate purposes only)					
	FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF
	From	To	From	To				From	To	From	To		
AKB - Community Services (1G AGF AAA)													
8444_C Deputy Probation Officer	0.77	0.00	\$63,110	\$0	\$63,110	x			\$81,962	\$0	\$81,962	x	
Mandatory Fringe Benefits			\$31,783	\$0	\$31,783	x			\$44,439	\$0	\$44,439	x	
			<i>Total Savings</i>		\$94,893				<i>Total Savings</i>		\$126,401		
	Disapprove of the hiring of a new Deputy Probation Officer as the Department has decreased attrition savings by \$178,835 to allow for the hiring of vacant positions. The Department currently has 5 vacant Deputy Probation Officers, 4 pending new Eligible List and one on temporary leave.							Estimated ongoing reduction.					
IS-TIS-ISD SERVICES			\$69,062	\$55,062	\$14,000	x	x						
	Reduce funding due to \$14,085 of unexpended funds appropriated in FY 2009-10.												

	FY 2011-2012 Total Recommended Reductions		
	One-Time	Ongoing	Total
General Fund Impact	\$149,000	\$98,867	\$247,867
Non-General Fund Impact	\$0	\$0	\$0
Total	\$149,000	\$98,867	\$247,867

	Estimated FY 2012-2013 Impact Total Recommended Reductions
General Fund Impact	\$131,693
Non-General Fund Impact	\$0
Total	\$131,693

ADP - Adult Probation

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance in Financial and Management Information System (FAMIS)
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	2010	4/27/2011	2500 \$	114
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	2010	7/29/2010	2500 \$	397
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	2010	4/27/2011	2500 \$	26
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	2010	3/23/2011	2700 \$	373
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	2010	8/23/2010	6500 \$	298
Total Amount Return to General Fund Balance						\$ 1,208

Note: The above encumbrance balances are from budget years prior to FY 2010-11. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balance can be returned to the General Fund.