



To: Angela Calvillo, Clerk of the Board of Supervisors
From: Anna Duning, Mayor's Budget Director
Date: May 1, 2024
Re: May 1 Department Interim Exceptions to the Annual Salary Ordinance and Annual Appropriations Ordinance

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BOARD OF SUPERVISORS
SAN FRANCISCO
2024 MAY -1 AM 11:05
BY [signature]

Dear Madam Clerk,

I herein present exceptions to the May 1 Departments' Annual Salary Ordinance (ASO) and Annual Appropriations Ordinance (AAO) for consideration by the Budget and Appropriations Committee of the Board of Supervisors. The City's standard practice is to budget new positions beginning in pay period 7, at 0.79 FTE, and to hold funding for new initiatives until the budget is signed on August 1. Where there is justification for expedited hiring and spending, however, the Board may authorize exceptions to the Interim ASO and AAO, which allow new positions to be filled and expenditures related to new initiatives to begin in the first quarter of the fiscal year, prior to final adoption of the budget.

Exceptions are being requested for the following positions and non-personnel expenditures:

Non-General Fund Positions (30.0 FTE)

- **San Francisco Municipal Transportation Agency (SFMTA)**
1241 Human Resources Analyst (4.0 FTE), 1244 Senior Human Resources Analyst (4.0 FTE), 1840 Junior Management Assistant (1.0 FTE). These 9 positions are part of the Equal Employment Opportunity (EEO) office at SFMTA, which ensures SFMTA's compliance with federal laws pertaining to non-discrimination in employment. Historically, the Department of Human Resources (DHR) has been responsible for investigating all EEO complaint cases on behalf of SFMTA and reporting findings back to the SFMTA EEO office. However, these 9 positions represent SFMTA taking over this work in house. The positions need to start July 1, as DHR has begun to vacate the positions dedicated to SFMTA EEO support and will discontinue EEO complaint case management at the start of the new fiscal year.
- **San Francisco Municipal Transportation Agency (SFMTA)**
9132 Transit Fare Inspector (20.0 FTE). To address the increase in fare evasion, the MTA budget will include 36 new Transit Fare Inspector (TFI) positions. The first batch of 20 TFIs will be hired by July 1. For calendar year 2023, it is believed that the fare evasion rate is upwards of 22%, leading to uncaptured revenue of approximately \$20 million annually. Immediate hiring would increase inspections and reduce uncaptured revenue between \$4.3 million and \$13.1 million. To realize recoveries in the second quarter, hiring would need to take place by July 1.
- **San Francisco Public Utilities Commission (SFPUC)**
0923 Manager II (1.0 FTE). During the current 2023-24 Fiscal Year, the Department of

Human Resources eliminated the underutilized 1843 Executive Director job classification citywide. The City's sole 1843 Executive Director classified employee is stationed in the SFPUC Wastewater Division. This job classification is not included in the May 1 AAO and ASO, and SFPUC has replaced the filled position with an 0923 Manager II. Since the position is currently filled, SFPUC has requested a full 1.0 FTE to continue this position in the interim budget period.

Please do not hesitate to contact me if you have any questions regarding the requested interim exceptions to the Annual Salary Ordinance and Annual Appropriations Ordinance.

Sincerely,



Anna Duning
Mayor's Budget Director

cc: Members of the Budget and Appropriations Committee
Budget & Legislative Analyst's Office
Controller