

Presentation to Budget & Appropriations Committee

General Fund Budget Compared to Actuals & Sources for
BOS Budget Amendments

May 4, 2022

San Francisco Board of Supervisors
Budget & Legislative Analyst's Office



Primary Questions & Focus

1. How has the City's General Fund budget compared to actual revenues and expenditures in recent years?
2. How has the City's General Fund balance changed in recent years?
3. What were the sources of funds for Board of Supervisors' budget amendments in recent years?
4. How did budgeted salaries compare to actual spending for large departments in recent years? And how many vacancies did they have in June 2021?



General Fund Revenues & Expenditures

- The City's General Fund is the main funding source for government operations, consisting of property, sales, hotel, and other tax revenues; charges for services; rents, concessions, permits, and licenses; various intergovernmental revenues; and other sources.
- General Fund actual revenues in FY 2020-21 were \$5.7 billion, a three percent decrease from General Fund actual revenues in FY 2018-19.
- General Fund actual expenditures in FY 2020-21 were \$5.0 billion, a 19 percent increase from General Fund actual expenditures in FY 2018-19.



General Fund Revenues

- Actual General Fund revenues were:
 - \$374.1 million (7%) above budget in FY 2018-19
 - \$260.1 million (-4%) below budget in FY 2019-20
 - \$108.5 million (2%) above budget in FY 2020-21

General Fund Expenditures

General Fund Expenditure Variance, Budgetary Basis (\$1,000)

Expenditures Variance (Above)/Below Budget	FY 2018-19		FY 2019-20		FY 2020-21	
	Variance	%	Variance	%	Variance	%
Public Protection	8,095	1%	14,269	1%	7,072	0%
Public Works, Transportation and Commerce	11,940	6%	13,474	6%	13,328	6%
Human Welfare and Neighborhood Development	49,584	4%	16,979	1%	43,158	3%
Public Health	8,456	1%	0	0%	43,112	4%
Culture and Recreation	1,702	1%	6,005	4%	1,823	1%
General Administration and Finance	21,674	7%	27,552	8%	19,380	6%
General City Responsibilities	28,107	16%	7,896	6%	13,007	10%
Other Uses	44	94%	34,776	100%	44,716	99%
Total Expenditures	129,602	3%	120,951	3%	185,596	4%

Source: Annual Comprehensive Financial Reports

General Fund Balance

- The General Fund balance declined from \$2.82 billion to \$2.80 billion (0.5 %) between June 30, 2019 and June 30, 2021.

- Projected remaining balances at the end of FY 2022-23 in:
 - The Federal and State Emergency Grant Disallowance Reserve (\$81.3 million remaining by the end of FY 2022-23)
 - The Fiscal Cliff Reserve (\$229.8 million remaining by the end of FY 2022-23)

BOS Budget Amendment Sources

- Sources for budget amendments totaled:
 - \$100.1 million in FY 2019-21 Budget
 - \$135.1 million in FY 2020-22 Budget
 - \$132.7 million in FY 2021-23 Budget
- More than 75% of all sources for budget amendments over the last three years were from:
 - allocations from the City's reserves (43 percent) and
 - department budget reductions identified by the Budget and Legislative Analyst (35 percent)
- Other sources included revenue updates, other program/department adjustments, and closeouts and current year savings

General Fund Vacancies of Large Departments

General Fund Positions and Vacancies, June 2021

Department	General Fund Funded FTE FY 2020-21	Budgeted Attrition FY 2020-21	General Fund Vacancies June 2021*
Public Health	6,800	(707)	1,008
Public Works	653	(46)	128
Fire – Operations Division Only	1,352	(235)	268**
Homelessness	128	(7)	12
Human Svcs	2,120	(271)	210
Police	2,589	(296)	429**
Sheriff – Sworn Staff Only	797	(138)	119

Source: Vacancy and staffing information provided to the BLA by departments in June 2021

*Includes positions held vacant for attrition savings and excludes off-budget positions

**Estimated based on headcount



Policy Options

The Board of Supervisors could:

1. Request the Controller to report annually on year-end General Fund actual revenues and expenditures compared to budget after publication of the Annual Comprehensive Financial Report.
2. Request further information of the Mayor and Controller on the use of the Federal and State Emergency Grant Disallowance Reserve and the Fiscal Cliff Reserve funds.
3. Request City departments to report on projected FY 2021-22 salary savings, current vacancy levels, and reasons for vacancies during June budget hearings.

Questions?

