

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

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June 21, 2012

TO: Budget and Finance Committee

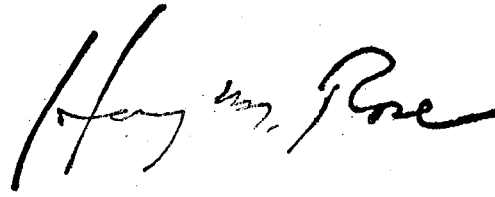
FROM: Budget and Legislative Analyst

SUBJECT: Recommendations of the Budget and Legislative Analyst for Amendment of the Mayor's Fiscal Year 2012-2013 to Fiscal Year 2013-2014 Budget.

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Harvey M. Rose

cc: Supervisor Chu
Supervisor Avalos
Supervisor Kim
Supervisor Cohen
Supervisor Wiener
President Chiu
Supervisor Campos
Supervisor Elsbernd
Supervisor Farrell
Supervisor Mar

Supervisor Olague
Clerk of the Board
Cheryl Adams
Mayor Lee
Controller
Kate Howard

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$30,660,752 budget for FY 2012-13 is \$6,056,353 or 24.6 % more than the original FY 2011-12 budget of \$24,604,399.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 152.54 FTEs, which are 1.71 FTEs more than the 150.83 FTEs in the original FY 2011-12 budget. This represents a 1.1% increase in FTEs from the original FY 2011-12 budget.

The Department has requested approval of 2 positions as interim exceptions to support planning efforts for the development of the proposed Warrior stadium on Piers 30-32. The Budget and Legislative Analyst recommends disapproval of both positions as interim exceptions.

Revenue Changes

The Department's revenues of \$25,654,071 in FY 2012-13, are \$2,954,982 or 13.0% more than FY 2011-12 revenues of \$22,699,089. General Fund support of \$5,006,681 in FY 2012-13 is \$3,101,371 or 162.8% more than FY 2010-11 General Fund support of \$1,905,310.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$28,224,069 budget for FY 2013-14 is \$2,436,683 or 7.9% less than the original FY 2012-13 budget of \$30,660,752.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 152.29 FTEs, which are .25 FTEs fewer than the 152.54 FTEs in the original FY 2012-13 budget. This represents 0.2% decrease in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$24,355,938 in FY 2013-14, are \$2,954,982 or 5.1% less than FY 2012-13 revenues of \$25,654,071. General Fund support of \$3,868,131 in FY 2012-13 is \$1,138,550 or 22.7% less than FY 2012-13 General Fund support of \$5,006,681.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CPC – CITY PLANNING DEPARTMENT

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$601,822 in FY 2012-13. Of the \$601,822 in recommended reductions, \$412,583 are ongoing savings and \$189,239 are one-time savings. Of the total \$601,822 recommended reductions, \$472,549 are General Fund savings. The overall reductions would still allow an increase of \$5,454,531 or 22.2% in the Department’s FY 2012-13 budget.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$516,069 in FY 2013-14. Of the \$516,069 in recommended reductions, \$371,021 are ongoing General Fund savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CPC – CITY PLANNING DEPARTMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011- 2012 Budget	FY 2012- 2013 Proposed	Increase/ Decrease from FY 2011- 2012	FY 2013- 2014 Proposed	Increase/ Decrease from FY 2012- 2013
CITY PLANNING					
ADMINISTRATION/PLANNING	7,643,600	9,928,716	2,285,116	9,727,478	(201,238)
CITYWIDE PLANNING	4,095,107	6,866,859	2,771,752	4,542,850	(2,324,009)
CURRENT PLANNING	7,361,946	7,159,972	(201,974)	7,885,871	725,899
ENVIRONMENTAL PLANNING	4,099,077	5,136,999	1,037,922	4,425,236	(711,763)
ZONING ADMINISTRATION AND COMPLIANCE	1,404,669	1,568,206	163,537	1,642,634	74,428
CITY PLANNING	24,604,399	30,660,752	6,056,353	28,224,069	(2,436,683)

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$6,056,353 largely due to:

- Planning requirements for the construction of the 17th and Folsom Park as part of the Eastern Neighborhoods Program, funded by the Eastern Neighborhoods impact fee;
- Completing the Environmental Impact Report (EIR) for the City’s Transit Effectiveness Project and development of environmental review procedures for the Transportation Sustainability Program, in coordination with the Municipal Transportation Agency, San Francisco County Transportation Authority, and Office of Economic and Workforce Development;
- Continued implementation of the integrated Permit & Project Tracking System (jointly with the Department of Building Inspection), which will standardize permit processing;
- Planning and environmental review for the new Warriors basketball team stadium to be located at Piers 30 & 32; and
- Increased work order costs from the City Attorney’s office due increased litigation related to Environmental Impact Reports (EIR) and other planning issues.

FY 2013-14

The Department’s proposed FY 2013-14 budget has decreased by \$2,436,683 largely due to:

- An anticipated reduction in capital project expenses following completion of the planning work for the 17th and Folsom Park in the Eastern Neighborhoods Program; and
- A reduction in contract expenses due to completion of the Transportation Sustainability Program EIR.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CPC – CITY PLANNING DEPARTMENT

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 152.54 FTEs, which are 1.71 FTEs more than the 150.83 FTEs in the original FY 2011-12 budget. This represents a 1.1% increase in FTEs from the original FY 2011-12 budget.

The Department is adding 10 new positions, offset by other adjustments, including:

- Two new planner positions for environmental reviews of public projects.
- Two new planners in administration: one for legislative affairs and one to act as support staff for the Planning and Historic Preservation Commissions.
- One new limited tenure environmental planner for the Central Corridor EIR.
- One new limited tenure planner position for the Strengthening Neighborhoods Program.
- One limited tenure planner position and one limited tenure environmental planner position related to the Warriors basketball team proposed stadium project for Piers 30 & 32.
- Two new administrative positions: one for website work related to community engagement and the Permit & Project Tracking System, and one to assist with personnel and payroll.

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 152.29 FTEs, which are 0.25 FTEs less than the 152.54 FTEs in the original FY 2012-13 budget. This represents a .16% decrease in FTEs from the original FY 2012-13 budget. In FY 2013-14, the Department is substituting one manager position in the Planning Commission staff and is annualizing new positions added in FY2012-13.

INTERIM EXCEPTIONS

The Department has requested approval of 2 positions as an interim exception. The Budget and Legislative Analyst recommends disapproval of these 2 positions as an interim exception. These positions are one limited tenure planner and one limited tenure environmental planner related to the Warriors basketball team proposed stadium project for Piers 30 & 32.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CPC – CITY PLANNING DEPARTMENT

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$25,654,071 in FY 2012-13, are \$2,954,982 or 13.0% more than FY 2011-12 revenues of \$22,699,089. General Fund support of \$5,006,681 in FY 2012-13 is \$3,101,371 or 162.8% more than FY 2011-12 General Fund support of \$1,905,310.

The Department projects increases in planning permit fee revenues in FY 2012-13 due to increases in construction activity and planned projects.

FY 2013-14

The Department's revenues of \$24,355,938 in FY 2013-14, are \$1,298,133 or 5.1% less than FY 2012-13 revenues of \$25,654,071. General Fund support of \$3,868,131 in FY 2013-14 is \$1,138,550 or 22.7% less than FY 2012-13 General Fund support of \$5,006,681.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$601,822 in FY 2012-13. Of the \$601,822 in recommended reductions, \$412,583 are ongoing savings and \$189,239 are one-time savings. These reductions would still allow an increase of \$5,454,531 or 22.2% in the Department's FY 2012-13 budget.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$516,069 in FY 2013-14. Of the \$516,069 in recommended reductions, \$371,021 are ongoing General Fund savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

CPC - City Planning

Object Title	FY 2012-13						FY 2013-14						
	FTE		Amount		Savings	GF	FTE		Amount		Savings	GF	IT
	From	To	From	To			From	To	From	To			
FAH - Citywide Planning													
Planner III	1.00	0.92	\$99,476	\$91,518	\$7,958		x						
Mandatory Fringe Benefits			\$39,528	\$36,367	\$3,161		x						
			<i>Total Savings</i>		\$11,119								
The Department proposes to create a limited term Planner III position at 1.0 FTE to work on the proposed Warriors basketball team stadium. The Department is also requesting interim exemption for this position in FY 2012-13. The Budget Analyst recommends disapproval of the interim exception and recommends a hire date of August 1, 2012 instead of July 1, 2012.													
FDP - Current Planning													
Temporary Salaries	2.53	1.92	\$208,100	\$158,100	\$50,000		x	2.53	1.62	\$208,100	\$133,100	\$75,000	x
Mandatory Fringe Benefits			\$16,439	\$12,489	\$3,950		x			\$16,439	\$10,514	\$5,925	x
			<i>Total Savings</i>		\$53,950					<i>Total Savings</i>		\$80,925	
The Department anticipates having reduced Temporary Salary needs in FY 2012-13 and FY 2013-14. Ongoing reduction.													
FEF - Administration/Planning													
Planner III	0.77	0.00	\$76,597	\$0	\$76,597		x	1.00	0.00	\$101,246	\$0	\$101,246	x
Mandatory Fringe Benefits			\$30,437	\$0	\$30,437		x			\$43,802	\$0	\$43,802	x
			<i>Total Savings</i>		\$107,034					<i>Total Savings</i>		\$145,048	
The Department requests a Planner III for Legislative Affairs. The Department had a Planner III in Legislative Affairs in FY 2011-12, and then reassigned the position to Current Planning. Therefore, the Budget and Legislative Analyst recommends denying this request for another new Planner III for Legislative Affairs in FY 2012-13. Ongoing reduction.													

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

CPC - City Planning

Object Title	FY 2012-13				FY 2013-14				
	FTE		Amount		FTE		Amount		
	From	To	From	To	From	To	From	To	
Planner III	0.77	0.00	\$76,597	\$0	1.00	0.00	\$101,246	\$0	
Mandatory Fringe Benefits			\$30,437	\$0			\$43,802	\$0	
			<i>Total Savings</i>	<i>\$107,034</i>			<i>Total Savings</i>	<i>\$145,048</i>	
Department currently has three staff assigned to the Planning Commission, one Manager IV, one Senior Clerk Typist, and one Executive Secretary. The Department is requesting a new Planner III due to anticipated staff reorganization. The Budget and Legislative Analyst recommends rejecting the addition of a new Planner III to what would effectively be an administrative support role for the Commission.									
Ongoing reduction.									
FFP - Environmental Planning									
Planner III - Env. Review	1.00	0.92	\$99,476	\$91,518			\$7,958		x
Mandatory Fringe Benefits			\$39,529	\$36,367			\$3,162		x
			<i>Total Savings</i>	<i>\$11,120</i>					
The Department proposes to create an Environmental Planner III position at 1.0 FTE to work on the proposed Warriors basketball team stadium. The Department is also requesting interim exemption for this position in FY 2012-13. The Budget Analyst recommends disapproval of the interim exception and recommends a hire date of August 1, 2012 instead of July 1, 2012.									

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

CPC - City Planning

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		GF	IT	FTE		Amount		GF	IT
	From	To	From	To			Savings	From	To	From		
Planner III - Env. Review	1.54	0.50	\$153,193	\$49,738	\$103,455	x	2.00	1.00	\$202,492	\$101,246		x
Mandatory Fringe Benefits			\$60,874	\$19,764.29	\$41,110	x			\$87,604	\$43,802		x
			<i>Total Savings</i>		\$144,565				<i>Total Savings</i>		\$145,048	
	<p>The Department has requested two new Planner III Environmental Review positions to process public projects, including Recreation and Park Department projects and the first phase of the Historic Preservation Element to the City's General Plan. The Department has not provided sufficient evidence that public or private project work load will increase sufficiently in FY 2012-13 to justify the requested two new Planner III Environmental Review positions. Case load data provided by the Department indicate that in FY2011-12, environmental project case load is approximately at its five-year average. At the same time, the Department currently has more positions (20.6 FTEs) for Planner III Environmental Review than any prior year of the past decade.</p> <p>Ongoing savings.</p> <p>The Department's FY 2012-13 budget also includes two new Planner III Environmental Review positions for the proposed Warriors' development on Piers 30-32 and the Central Corridor project, for which we are recommending approval.</p> <p>We recommend approval of one Planner III Environmental Review position to start in the third quarter of FY 2012-13.</p>											
Professional & Specialized Svcs.			\$334,000	\$167,000	\$167,000	x						
			<i>Total Savings</i>		\$167,000				<i>Total Savings</i>		\$167,000	
	Reduce due to available carryforwards.											

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$167,000	\$305,549	\$472,549
Non-General Fund	\$22,239	\$107,034	\$129,273
Total	\$189,239	\$412,583	\$601,822

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$371,021	\$371,021
Non-General Fund	\$0	\$145,048	\$145,048
Total	\$0	\$516,069	\$516,069

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$46,048,425 budget for FY 2012-13 is \$13,538,115 or 41.6% more than the original FY 2011-12 budget of \$32,510,310.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 76.48 FTEs, which are 11.62 FTEs more than the 64.86 FTEs in the original FY 2011-12 budget. This represents a 17.9% increase in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$27,291,836 in FY 2012-13, are \$2,196,988 or 8.8% more than FY 2011-12 revenues of \$25,094,848. General Fund support of \$18,756,589 in FY 2012-13 is \$11,341,127 or 152.9% more than FY 2011-12 General Fund support of \$7,415,462.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$38,167,350 budget for FY 2013-14 is \$7,881,075 or 17.1% less than the original FY 2012-13 budget of \$46,048,425.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 78.75 FTEs, which are 2.27 FTEs more than the 76.48 FTEs in the original FY 2012-13 budget. This represents a 3.0% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$23,571,616 in FY 2013-14, are \$3,720,220 or 13.6% less than FY 2012-13 revenues of \$27,291,836. General Fund support of \$14,595,734 in FY 2012-13 is \$4,160,855 or 22.2% less than FY 2011-12 General Fund support of \$18,756,589.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$201,461 in FY 2012-13. Of the \$201,461 in recommended reductions, \$99,461 are ongoing savings and \$102,000 are one-time savings. These reductions would still allow an increase of \$13,336,654 or 41.0% in the Department's FY 2012-13 budget.

The Budget and Legislative Analyst's policy recommendation totals \$1,000,000 in FY 2012-13. If the Board of Supervisors approves the policy recommendation, the recommended reductions to the proposed budget total \$1,201,461 in FY 2012-13. These reductions would still allow an increase of \$12,336,654 of 37.9% in the Departments FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$122 to the General Fund.

Together, these recommendations will result in \$1,194,652 savings to the City's General Fund in FY 2012-13.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$105,874 in FY 2013-14, all of which are ongoing savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011-2012 Budget	FY 2012-2013 Proposed	Increase/ Decrease from FY 2011-2012	FY 2013-2014 Proposed	Increase/ Decrease from FY 2012-2013
ECONOMIC AND WORKFORCE DEVELOPMENT					
CHILDREN'S BASELINE	314,065	314,065	0	314,065	0
ECONOMIC DEVELOPMENT	16,578,112	24,578,342	8,000,230	20,196,120	(4,382,222)
FILM SERVICES	1,207,171	1,291,625	84,454	1,300,000	8,375
OFFICE OF SMALL BUSINESS AFFAIRS	707,907	787,895	79,988	819,192	31,297
WORKFORCE TRAINING	13,703,055	19,076,498	5,373,443	15,537,973	(3,538,525)
ECONOMIC AND WORKFORCE DEVELOPMENT	32,510,310	46,048,425	13,538,115	38,167,350	(7,881,075)

FY 2012-13

The Department's proposed FY 2012-13 budget has increased by \$13,538,115 largely due to:

- Ongoing implementation of the Mayor's 17-Point Jobs Plan, which will include involving local nonprofits in providing technical skills training and job placement services to San Francisco residents.
- One-time funding for the City's Cruise Ship Terminal project, in preparation for the America's Cup. The Department's proposed FY 2012-13 budget also includes ongoing funding for positions and consultants related to planning for the 34th America's Cup.
- Annualization of the Mayor's small business loan program, which was created in FY 2011-12.
- Introduction of the Mayor's Improve Blighted Areas initiative, which will focus on Central Market and 6th Street areas.
- Increased funding for the City's Film Rebate Program, which provides rebates to companies producing feature films in San Francisco.
- New funding to absorb a job readiness initiative previously assigned to the San Francisco Redevelopment Authority.
- New efforts to bring the Golden State Warriors basketball team to San Francisco and additional coordination between the City and nightlife purveyors.

FY 2013-14

The Department's proposed FY 2013-14 budget has decreased by \$7,881,075 largely due to:

- A reduction in capital project funding, following the anticipated completion of Phase I of the Cruise Ship Terminal project, which will be utilized as part of the 34th America's Cup.
- A reduction in Workforce Development multi-year Federal Grant Funds.
- These reductions are offset, in part, by the annualization of new positions.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 76.48 FTEs, which are 11.62 FTEs more than the 64.86 FTEs in the original FY 2011-12 budget. This represents a 17.9% increase in FTEs from the original FY 2011-12 budget.

The proposed budget includes new positions working on economic development issues Citywide, as well as new positions that will focus on economic and workforce development issues for the City's Mid-Market district. The proposed budget's increase in FTEs also reflects the annualization of positions that were new in the department's FY 2011-12 budget.

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 78.75 FTEs, which are 2.27 FTEs more than the 76.48 FTEs in the original FY 2012-13 budget. This represents 3.0% increase in FTEs from the original FY 2012-13 budget, resulting primarily from the annualization of new positions in the Department's FY 2012-13 budget.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$27,291,836 in FY 2012-13, are \$2,196,988 or 8.8% more than FY 2011-12 revenues of \$25,094,848. General Fund support of \$18,756,589 in FY 2012-13 is \$11,341,127 or 152.9% more than FY 2011-12 General Fund support of \$7,415,462.

Specific changes in the Department's FY 2012-13 revenues include:

- New General Fund allocations to the components of the Mayor's 17-Point Jobs Plan.
- A one-time General Fund allocation for a portion of the cost of the Cruise Ship Terminal project. Additional funding for the project is budgeted separately and will come from the America's Cup Organizing Committee.
- Multi-year federal grant funds to technical skills training and job training initiatives.

FY 2013-14

The Department's revenues of \$23,571,616 in FY 2013-14, are \$3,720,220 or 13.6% less than FY 2012-13 revenues of \$27,291,836. General Fund support of \$14,595,734 in FY 2012-13 is \$4,160,855 or 22.2% less than FY 2011-12 General Fund support of \$18,756,589.

These changes reflect an anticipated reduction federal grant funds and a reduction in General Fund revenues for capital projects.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$201,461 in FY 2012-13. Of the \$201,461 in recommended reductions, \$99,461 are ongoing savings and \$102,000 are one-time savings. These reductions would still allow an increase of \$13,336,654 or 41.0% in the Department's FY 2012-13 budget.

The Budget and Legislative Analyst's policy recommendation totals \$1,000,000 in FY 2012-13. If the Board of Supervisors approves the policy recommendation, the recommended reductions to the proposed budget total \$1,201,461 in FY 2012-13. These reductions would still allow an increase of \$12,336,654 of 37.9% in the Departments FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$122 to the General Fund.

Together, these recommendations will result in \$1,194,652 savings to the City's General Fund in FY 2012-13.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$105,874 in FY 2013-14, all of which are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget
ECN - Economic and Workforce Development**

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		Savings	GF	FTE		Amount		Savings	GF
	From	To	From	To			From	To	From	To		
BK5 - Economic Development												
Senior Community Development Specialist	2.31	1.54	\$207,388	\$138,259	\$69,129	x	3.00	2.00	\$272,818	\$181,879	\$90,939	x
Mandatory Fringe Benefits			\$84,370	\$56,247	\$28,123	x			\$121,520	\$81,013	\$40,507	x
Community Development Specialist	1.54	2.31	\$119,128	\$178,692	(\$59,564)	x	2.00	3.00	\$157,095	\$235,643	(\$78,548)	x
Mandatory Fringe Benefits			\$51,223	\$76,835	(\$25,612)	x			\$73,613	\$110,420	(\$36,807)	x
			<i>Total Savings</i>	<i>\$12,076</i>					<i>Total Savings</i>	<i>\$16,091</i>		
<p>The Department has requested six new Economic Development positions for the Mayor's new 17-Point Plan, including one new Manager III, three new Senior Community Development Specialists, and two Community Development Specialists. Downward substitute one Senior Community Development Specialist to a Community Development Specialist, which would still allow the Department to hire two new Senior Community Development Specialists and three new Community Development Specialists.</p>												
Attrition Savings	(0.62)	(1.00)	(\$72,827)	(\$117,827)	\$45,000	x	(0.62)	(1.00)	(\$74,057)	(\$119,057)	\$45,000	x
Mandatory Fringe Benefits			(\$28,123)	(\$45,500)	\$17,377	x			(\$31,077)	(\$49,961)	\$18,884	x
			<i>Total Savings</i>	<i>\$62,377</i>					<i>Total Savings</i>	<i>\$63,884</i>		
<p>Ongoing savings.</p>												
<p>The Department is projected to have \$158,842 in salary surplus in this fund in FY 2011-12, and is increasing Economic Development salaries by \$1,218,862 or 73.1% in FY 2012-13. An increase in Attrition Savings of \$100,000 will allow for sufficient funding for staffing in FY 2012-13.</p>												
BL1 - Workforce Training												
Manager IV	1.00	0.00	\$137,904	\$0	\$137,904	x	1.00	0.00	\$140,358	\$0	\$140,358	x
Mandatory Fringe Benefits			\$51,014	\$0	\$51,014	x			\$56,461	\$0	\$56,461	x
Manager III	0.00	1.00	\$0	\$128,568	(\$128,568)	x	0.00	1.00	\$0	\$130,856	(\$130,856)	x
Mandatory Fringe Benefits			\$0	\$49,204	(\$49,204)	x			\$0	\$54,314	(\$54,314)	x
Manager II	0.50	0.00	\$59,564	\$0	\$59,564	x	0.50	0.00	\$60,624	\$0	\$60,624	x
Mandatory Fringe Benefits			\$23,683	\$0	\$23,683	x			\$26,069	\$0	\$26,069	x
Principal Administrative Analyst	0.00	0.50	\$0	\$55,354	(\$55,354)	x	0.00	0.50	\$0	\$56,339	(\$56,339)	x
Mandatory Fringe Benefits			\$0	\$20,962	(\$20,962)	x			\$0	\$23,229	(\$23,229)	x
Manager II	1.50	1.00	\$178,692	\$119,128	\$59,564		1.50	1.00	\$181,872	\$121,248	\$60,624	
Mandatory Fringe Benefits			\$71,049	\$47,366	\$23,683				\$78,207	\$52,138	\$26,069	
Principal Administrative Analyst	0.00	0.50	\$0	\$55,354	(\$55,354)		0.00	0.50	\$0	\$56,339	(\$56,339)	
Mandatory Fringe Benefits			\$0	\$20,962	(\$20,962)				\$0	\$23,229	(\$23,229)	
			<i>Total Savings</i>	<i>\$11,146</i>					<i>Total Savings</i>	<i>\$11,649</i>		
<p>Downward substitutions for job levels actually being performed.</p>												
<p>Ongoing savings.</p>												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget**

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		Savings		FTE		Amount		Savings	
	From	To	From	To	From	To	From	To	From	To	From	To
Community Based Organization Services			\$5,257,582	\$5,155,582		\$102,000	x	x				

Department has historically underspent this budget line item, and the Mayor has proposed a \$1,179,187 increase in FY 2012-13. According to the Department, vacancies have contributed to the Department's inability to exhaust its Community Based Organization Services allocation. Acknowledging the Department's efforts to fill vacancies in the first quarter of FY 2012-13, a one-time reduction of \$102,000 would allow sufficient funding for its Community Based Organization Services work.

FY 2012-13

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$102,000	\$92,530
Non-General Fund	\$0	\$6,931
Total	\$102,000	\$99,461

FY 2013-14

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$98,749
Non-General Fund	\$0	\$7,125
Total	\$0	\$105,874

Policy Recommendations

BK5 - Economic Development	
Community Based Organization Services	

The Small Business Revolving Loan Fund received a \$1,000,000 supplemental appropriation, as approved by the Board of Supervisors on March 27, 2012 (File 12-0049). Of the \$1,000,000 supplemental appropriation, \$500,000 was placed on Budget and Finance Committee reserve, pending an update on the program. As of June 13, 2012, none of the \$1,000,000 supplemental appropriation had been expended. As a continuing project, these funds can be carried over into subsequent years. Because these funds have not been expended, the Department provided a budget that increases the program budget from \$2,000,000 per year to \$2,500,000 per year. A reduction of \$1,000,000 in the Department's FY 2012-13 budget would still allow \$2,000,000 of funding for the Small Business Revolving Loan Fund in FY 2012-13 (\$1,000,000 modified budget appropriation plus \$1,000,000 continuing funds). Furthermore, the Budget and Legislative Analyst recommends placing the FY 2012-13 and FY 2013-14 appropriations on Budget and Finance Committee reserve, pending the anticipated update on the program. Reducing the department's FY 2012-13 budget and placing the FY 2012-13 and 2013-14 funds on reserve are policy matters for the Board of Supervisors.

FY 2012-13

Total Policy Recommendations		
One-Time	Ongoing	Total
General Fund	\$1,000,000	\$0
Non-General Fund	\$0	\$0
Total	\$1,000,000	\$1,000,000

FY 2013-14

Total Policy Recommendations		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$0	\$0
Total	\$0	\$0

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget
ECN - Economic and Workforce Development**

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance
SAN FRANCISCO PARKS ALLIANCE	COMMUNITY BASED ORGANIZATION SERVICES	No	2010	6/8/2011	50,000.00	336.17
SF BAY AREA LABOR FOUNDATION	COMMUNITY BASED ORGANIZATION SERVICES	Yes	2011	6/22/2011	40,000.00	122.28
Total Amount Return to Fund Balance						458.45
General Fund						122.28
Non-General Fund						336.17

Note: The above encumbrance balances are from budget years prior to FY 2011-12. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$50,207,106 budget for FY 2012-13 is \$2,304,499 or 4.8 % more than the original FY 2011-12 budget of \$47,902,607.

Personnel Changes

The number of operating full-time equivalent positions (FTE) budgeted for FY 2012-13 are 264.09 FTEs, which are 21.33 FTEs more than the 242.76 FTEs in the original FY 2011-12 budget. This represents a 8.8% increase in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$50,207,106 in FY 2012-13, are \$2,304,499 or 4.8% more than FY 2011-12 revenues of \$47,902,607. There is no General Fund support for the department.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$52,190,006 budget for FY 2013-14 is \$1,982,900 or 3.9% more than the original FY 2012-13 budget of \$50,207,106.

Personnel Changes

The number of full-time equivalent operating positions (FTE) budgeted for FY 2013-14 are 271.67 FTEs, which are 7.58 FTEs more than the 264.09 FTEs in the original FY 2012-13 budget. This represents 2.9% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$52,190,006 in FY 2013-14, are \$1,982,900 or 3.9% more than FY 2012-13 revenues of \$50,207,106. There is no General Fund support for the department.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,130,126 in FY 2012-13. Of the \$1,130,126 in recommended reductions, \$851,316 are one-time savings and \$278,810 are ongoing savings. These reductions would still allow an increase of \$1,174,373 or 2.5% in the Department's FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended encumbrances, for an additional one-time savings of \$12,725.

Together, these recommendations will result in \$1,142,851 savings in FY 2012-13.

The recommended salary savings (from Attrition Savings and related Mandatory Fringe Benefits) total \$851,316 in FY 2012-13. None of these savings are in the City's General Fund. The Budget and Legislative Analyst recommends that the Board of Supervisors place these savings on Budget and Finance Committee reserve, to be released if the Department's actual staffing needs exceed projections.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$488,810 in FY 2013-14. All of the \$488,810 in recommended savings are ongoing. These reductions would still allow an increase of \$1,494,090 or 3.0% in the Department's FY 2013-14 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011- 2012 Budget	FY 2012- 2013 Proposed	Increase/ Decrease from FY 2011- 2012	FY 2013- 2014 Proposed	Increase/ Decrease from FY 2012- 2013
DEPARTMENT OF BUILDING INSPECTION					
ADMINISTRATION/SUPPORT SERVICES	14,998,293	12,805,193	(2,193,100)	12,574,589	(230,604)
HOUSING INSPECTION/CODE ENFORCEMENT SVCS	7,672,711	8,448,348	775,637	8,912,212	463,864
INSPECTION SERVICES	15,045,486	16,774,160	1,728,674	17,853,911	1,079,751
PLAN REVIEW SERVICES	10,186,117	12,179,405	1,993,288	12,849,294	669,889
DEPARTMENT OF BUILDING INSPECTION	47,902,607	50,207,106	2,304,499	52,190,006	1,982,900

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$2,304,499 largely due to:

- Continued recovery of construction activities following the unprecedented collapse in FY 2007-08, resulting in substantial new permit and plan checking requests. While the volume of permits has rebounded to a small extent, the number of large valuation issued permits (and more complex) projects has substantially increased. DBI is projecting growth in their permit workload of 5.0%.
- Personnel cost increases with the addition of 27 new operating and project-based positions. The Department’s budget for FY 2012-13 also increases temporary and overtime, especially for the Plan Review and Building Inspection divisions, to allow for adequate staffing as it works to fill vacancies in positions added in FY 2011-12.
- The Department continues major projects to update the integration of technology in work functions with the ongoing effort to scan and digitize historical building records and newly submitted plans.
- The Department is restarting its vehicle replacement program on a 10-year cycle.
- The Department faces increasing work order expenses in FY 2012-13 related to legal costs, fuel, and vehicle maintenance fees.
- In order to keep inspectors current on changing codes, the Department is budgeting for a more robust program of training and development.

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$1,982,900 largely due to the continued recovery in the building industry, which leads DBI to project continued growth in their permit workload of 4.0%. The increase in the FY 2013-14 budget is due to the annualization of FTEs that were added in FY 2012-13, increased benefit costs and salary increases for permanent employees per the negotiated agreements with the Unions. The Department also has decreased

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

temporary salaries from their FY 2012-13 levels, reflecting gradual resolution of the hiring backlog and filling of vacancies.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent operating positions (FTE) budgeted for FY 2012-13 are 264.09 FTEs, which are 21.33 FTEs more than the 242.76 FTEs in the original FY 2011-12 budget. This represents an 8.8% increase in FTEs from the original FY 2011-12 budget.

DBI will add 27 total positions (including project-based) in FY 2012-13 to accommodate the increase in workload from a construction industry that continues to recover, including:

- Four building inspectors, two plumbing inspectors and two electrical inspectors to alleviate field inspection workload from new projects and assist in code enforcement.
- Six clerks and one supervisor to continue records conversion and digitization which will result in less turnaround time for records requests.
- Six engineers and one clerk for plan review, and one engineer and one building inspector to assist with technical code related over-the-counter and phone inquires which allow customers to understand the requirements for permit approval
- One new personnel position to assist with hiring and two positions for technical information technology network management.

These positions amount to a net addition of 21.33 operating FTE after accounting for other adjustments for project-based positions. The Department is not deleting any positions in FY 2012-13.

DBI NEW POSITIONS (Change over prior year)	Δ FY12-13	Δ FY13-14
ADMINISTRATION/SUPPORT SERVICES		
1042 IS Engineer-Journey	1	-
1043 IS Engineer-Senior	1	-
1244 Senior Personnel Analyst	1	-
1408 Principal Clerk	6	-
1410 Chief Clerk	1	-
HOUSING INSPECTION/CODE ENFORCEMENT		
6331 Building Inspector	2	1
PLAN REVIEW SERVICES		
1410 Chief Clerk	1	-
5207 Associate Engineer	3	1
5241 Engineer	4	1
6331 Building Inspector	1	-
INSPECTION SERVICES		
6242 Plumbing Inspector	2	1
6248 Electrical Inspector	2	1
6331 Building Inspector	2	1
Grand Total	27	6

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

FY 2013-14

The number of full-time equivalent operating positions (FTE) budgeted for FY 2013-14 are 271.67 FTEs, which are 7.58 FTEs more than the 264.09 FTEs in the original FY 2012-13 budget. This represents a 2.87% increase in FTEs from the original FY 2012-13 budget.

DBI's budget for FY 2013-14 annualizes all 27 positions added in FY2012-13 and adds 6 new positions, including:

- One new building inspector, one new electrical inspector and one new plumbing inspector for field inspections, and one new inspector for building code enforcement.

Two new engineers for technical code related over-the-counter and phone inquiries which allow customers to understand the requirements for permit approval. These positions amount to a net addition of 7.58 FTE after accounting for other adjustments for project-based positions.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$50,207,106 in FY 2012-13 are \$2,304,499 or 4.8% more than FY 2011-12 revenues of \$47,902,607. The Department receives no general fund support.

Specific changes in the Department's FY 2012-13 revenues include:

- An increase in revenue from fees related to the recovery of construction activity in the city. In current FY 2011-12, revenue from Charges for Services is well-above budget; the Department forecasts an increase to the account that funds work in future years that was paid for in FY 2011-12 and an increase to fund balance; and
- Increases in revenue from apartment license fees, 1 and 2 family apartment rental unit fees hotel license fees and hotel conversion fees.

FY 2013-14

The Department's revenues of \$52,190,006 in FY 2013-14 are \$1,982,900 or 3.9% more than FY 2012-13 revenues of \$50,207,106. The Department receives no general fund support.

The Department's revenues for FY 2013-14 reflect the trends in FY2012-13. This includes strong increases in revenue from fees for plan checking, building permits, and plumbing permits. However, the Department notes that their revenue projection methodology takes a reasonable approach, including the current rapid increase in building activity but recognizing that some of these increases are part of a backlog built up during the recession.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,130,126 in FY 2012-13. Of the \$1,130,126 in recommended reductions, \$851,316 are one-time savings and \$278,810 are ongoing savings. These reductions would still allow an increase of \$1,174,373 or 2.5% in the Department's FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended encumbrances, for an additional one-time savings of \$12,725.

Together, these recommendations will result in \$1,142,851 savings in FY 2012-13.

The recommended salary savings (from Attrition Savings and related Mandatory Fringe Benefits) total \$851,316 in FY 2012-13. None of these savings are in the City's General Fund. The Budget and Legislative Analyst recommends that the Board of Supervisors place these savings on Budget and Finance Committee reserve, to be released if the Department's actual staffing needs exceed projections.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$488,810 in FY 2013-14. All of the \$488,810 in recommended savings are ongoing. These reductions would still allow an increase of \$1,494,090 or 3.0% in the Department's FY 2013-14 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

DBI - Building Inspection

Subobject	Object Title	FY 2012-13						FY 2013-14							
		FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF	IT
		From	To	From	To				From	To	From	To			
	BAN - Administration/Support Services														
9993M	Attrition Savings	(0.85)	(2.12)	(\$73,854)	(\$184,562)	\$110,708	x								
9993M	Mandatory Fringe Benefits			(\$30,422)	(\$72,346)	\$41,924	x								
	<i>Total Savings</i>				\$152,632										
	0931 Manager III has been vacant since 2009. It is currently being filled with an 1824 position. Budget analyst recommends increasing attrition by the amount of the 1824 position currently acting as Finance Services Manager.														
02200	Training			\$45,500	\$35,500	\$10,000						\$45,500	\$35,500	\$10,000	
	Reduce training based on historical expenditures. This reduction still leaves an increase over current use.														
03500	Other Current Expenses											\$510,000	\$300,000	\$210,000	
	Reduce other current expenses budget for IT based on historical expenditures.														
04000	Materials and Supplies			\$315,000	\$215,000	\$100,000						\$315,000	\$215,000	\$100,000	
	Reduce materials and supplies based on historical expenditures. This reduction still leaves an increase over current use.														
	BHS - Housing Inspection & Code Enforcement														
9993	Attrition Savings			(\$290,105)	(\$440,105)	\$150,000	x								
	Mandatory Fringe Benefits			(\$113,497)	(\$172,181)	\$58,684	x								
	<i>Total Savings</i>				\$208,684										
	The Department has a projected salary surplus of \$1.7 million in FY 2011-12. The Department has requested 2 new Inspector positions in Housing Inspection and Code Enforcement to address increased site inspection workload. The Department acknowledges delays in hiring due to delays in Citywide position testing. We recommend increasing attrition savings to account for the Department's FY 2011-12 salary surplus and the time it will take in FY 2012-13 to test, interview, and hire new Inspector positions.														

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

DBI - Building Inspection

Subobject	Object Title	FY 2012-13						FY 2013-14							
		FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF	IT
		From	To	From	To				From	To	From	To			
	BIS - Inspection Services														
9993	Attrition Savings		(\$390,796)	(\$565,796)	\$175,000	x									
9993	Attrition Savings		(\$224,109)	(\$399,109)	\$175,000	x									
	Mandatory Fringe Benefits		(\$245,962)	(\$385,962)	\$140,000	x									
	<i>Total Savings</i>			<i>\$490,000</i>											
	The Department has a projected salary surplus of \$1.7 million in FY 2011-12. The Department has requested 6 new Inspector positions in Inspection Services to address increased site inspection workload. The Department acknowledges delays in hiring due to delays in Citywide position testing. We recommend increasing attrition savings to account for the Department's FY 2011-12 salary surplus and the time it will take in FY 2012-13 to test, interview, and hire new Inspector positions.														
01101	Overtime		\$120,626	\$70,626	\$50,000						\$120,626	\$70,626	\$50,000		
	Reduce overtime based on historical expenditures. Department is requesting \$100,000 increase relative to FY 2011-12, but projections indicate spending is on budget.														
01101	Overtime		\$200,000	\$175,000	\$25,000						\$200,000	\$175,000	\$25,000		
	Reduce overtime based on historical expenditures. Department is requesting \$57,747 increase relative to FY 2011-12, but projections indicate spending is only over budget by \$5,000.														
02200	Training		\$73,607	\$53,607	\$20,000						\$73,607	\$53,607	\$20,000		
	Reduce training based on historical expenditures. This reduction still leaves an increase over current use in order to meet new state requirement.														
02200	Training		\$37,720	\$22,720	\$15,000						\$37,720	\$22,720	\$15,000		
	Reduce training based on historical expenditures. This reduction still leaves an increase over current use.														
02200	Training		\$22,887	\$12,887	\$10,000						\$22,887	\$12,887	\$10,000		
	Reduce training based on historical expenditures. This reduction still leaves an increase over current use.														
02200	Training		\$30,000	\$1,190	\$28,810						\$30,000	\$1,190	\$28,810		
	Reduce training based on historical expenditures and quote provided by Department.														

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

DBI - Building Inspection

Subobject	Object Title	FY 2012-13						FY 2013-14							
		FTE		Amount		Savings		FTE		Amount		Savings			
		From	To	From	To	From	To	From	To	From	To	From	To		
02200	Training			\$77,361	\$57,361	\$20,000				\$77,361	\$57,361	\$20,000			
BPS - Plan Review Services		Reduce training based on historical expenditures. This reduction still leaves an ongoing reduction.													
		increase over current use in order to meet new state requirement.													

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund*	\$851,316	\$278,810	\$1,130,126
Total	\$851,316	\$278,810	\$1,130,126

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund*	\$0	\$488,810	\$488,810
Total	\$0	\$488,810	\$488,810

*The recommended salary savings (from Attrition Savings and related Mandatory Fringe Benefits) total \$851,316 in FY 2012-13. None of these savings are in the City's General Fund. The Budget and Legislative Analyst recommends that the Board of Supervisors place these savings on Budget and Finance Committee reserve, to be released if the Department's actual staffing needs exceed projections.

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

DBI - Building Inspection

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance
[DPW]	SR-DPW-ENGINEERING	No	FY 2008-09	10/16/2008	10,000.00	10,000.00
B M I IMAGING SYSTEMS	OTHER PROFESSIONAL SE	No	FY 2009-10	12/15/2009	300,000.00	2,637.44
STAPLES INC & SUBSIDIARIES	OFFICE SUPPLIES-CITYWII	No	FY 2010-11	1/21/2011	500.00	86.16
CITY STAMP & SIGN COMPANY	OTHER OFFICE SUPPLIES	No	FY 2011-12	2/8/2011	150.00	1.00
CITY STAMP & SIGN COMPANY	OTHER OFFICE SUPPLIES	No	FY 2011-12	3/10/2011	200.00	0.14
					-	-
					-	-
					-	-

Total Amount Return to Fund Balance 12,724.74
General Fund -
Non-General Fund 12,724.74

Note: The above encumbrance balances are from budget years prior to FY 2011-12. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$21,886,424 budget for FY 2012-13 is \$1,180,117 or 5.7 % more than the original FY 2011-12 budget of \$20,706,307.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 147.83 FTEs, which are 1.16 FTEs more than the 146.67 FTEs in the original FY 2011-12 budget. This represents a 0.8% increase in FTEs from the original FY 2011-12 budget.

The Department has requested approval of 5 positions as an interim exception, four of which are filled limited term positions. The Budget and Legislative Analyst recommends approval of 4 positions as an interim exception and disapproval of 1 position.

Revenue Changes

The Department's revenues of \$5,484,611 in FY 2012-13, are \$2,414,611 or 78.7% more than FY 2011-12 revenues of \$3,070,000. General Fund support of \$16,401,813 in FY 2012-13 is \$1,234,494 or 7.0% less than FY 2011-12 General Fund support of \$17,636,307.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$21,049,081 budget for FY 2013-14 is \$837,343 or 3.8% less than the original FY 2012-13 budget of \$21,886,424.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 147.83 FTEs, which is the same as the 147.83 FTEs in the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$3,929,000 in FY 2013-14, are \$1,555,611 or 28.4% less than FY 2012-13 revenues of \$5,484,611. General Fund support of \$17,120,081 in FY 2013-14 is \$718,268 or 4.4% more than FY 2012-13 General Fund support of \$16,401,813.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ASR – ASSESSOR-RECORDER

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$698,220 in FY 2012-13. Of the \$698,220 in recommended reductions, \$108,865 are ongoing savings and \$589,355 are one-time savings. These reductions would still allow an increase of \$481,897 or 2.3% in the Department's FY 2012-13 budget.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$108,865 in FY 2013-14. Of the \$108,865 in recommended reductions, \$108,865 are ongoing savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ASR – ASSESSOR-RECORDER

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011-2012 Budget	FY 2012-2013 Proposed	Increase/ Decrease from FY 2011-2012	FY 2013-2014 Proposed	Increase/ Decrease from FY 2012-2013
ASSESSOR / RECORDER					
PERSONAL PROPERTY	2,867,656	3,053,631	185,975	3,185,942	132,311
REAL PROPERTY	7,324,618	7,876,476	551,858	8,228,412	351,936
RECORDER	1,565,000	3,389,611	1,824,611	1,834,000	(1,555,611)
TECHNICAL SERVICES	7,009,303	6,515,062	(494,241)	6,706,937	191,875
TRANSFER TAX	1,939,730	1,051,644	(888,086)	1,093,790	42,146
ASSESSOR / RECORDER	20,706,307	21,886,424	1,180,117	21,049,081	(837,343)

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$1,180,117 largely due to:

- The Department’s investment in COIT-approved technology projects which will be funded from County Record Modernization special fund balances accumulated from prior years. These projects include (a) the development of a paperless process for bulk recording and all recorded documents at the Department window, (b) implementation of new imaging technology and redaction of Social Security numbers on historical documents, and (c) the development of an upgraded system software and hardware for the Clerk-Recorder Imaging Information System with a bridge to the Department reporting system currently in place.

FY 2013-14

The Department’s proposed FY 2013-14 budget has decreased by \$837,343 largely due to:

- The completion of the Department’s one-year investment in technology projects described above.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 147.83 FTEs, which are 1.16 FTEs more than the 146.67 FTEs in the original FY 2011-12 budget. This represents a 0.8% increase in FTEs from the original FY 2011-12 budget.

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 147.83 FTEs, which are the same FTEs as the 147.83 FTEs in the original FY 2012-13 budget. This represents a 0% change in FTEs from the original FY 2012-13 budget.

There are no proposed changes to the Department’s positions and therefore there is no change in the FTE count in FY 2013-14 from FY 2012-13.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ASR – ASSESSOR-RECORDER

INTERIM EXCEPTIONS

The Department has requested approval of 5 positions as interim exceptions. The Budget and Legislative Analyst recommends approval of 4 positions as interim exceptions and disapproval of 1 position.

- 4 positions are existing limited-tenure positions within the Department which were set to expire in FY 2012-13. The Department has proposed these 4 existing positions, which are currently filled, as new permanent positions in FY 2012-13. Therefore, the interim requests for these 4 positions should be approved.
- One position is also a currently existing limited-tenure position within the Department which was set to expire in FY 2012-13. However, due to the fact that the position is currently vacant and no potential candidate has been interviewed or selected to date, the interim exception request for this position should not be allowed and the FTE for the vacant position should be reduced to allow for an August 1, 2012 hiring date instead of a July 1, 2012 hiring date.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$5,484,611 in FY 2012-13, are \$2,414,611 or 78.7% more than FY 2011-12 revenues of \$3,070,000. General Fund support of \$16,401,813 in FY 2012-13 is \$1,234,494 or 7.0% less than FY 2011-12 General Fund support of \$17,636,307.

Specific changes in the Department's FY 2012-13 revenues include:

- County Record Modernization special fund balances accumulated from prior years are included in the FY 2012-13 budget to fund the Department's one-year investment in COIT-approved technology projects described above.

FY 2013-14

The Department's revenues of \$3,929,000 in FY 2013-14, are \$1,555,611 or 28.4% less than FY 2012-13 revenues of \$5,484,611. General Fund support of \$17,120,081 in FY 2013-14 is \$718,268 or 4.4% more than FY 2012-13 General Fund support of \$16,401,813.

Specific changes in the Department's FY 2013-14 revenues include:

- The County Record Modernization special fund balances accumulated from prior years, which are reflected in the FY 2012-13 budget, will have been expended by FY 2013-14 and are partially made up by General Fund monies in FY 2013-14.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$698,220 in FY 2012-13. Of the \$698,220 in recommended reductions, \$108,865 are ongoing savings and \$589,355 are one-time savings. These reductions would still allow an increase of \$481,897 or 2.3% in the Department's FY 2012-13 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ASR – ASSESSOR-RECORDER

FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$108,865 in FY 2013-14. Of the \$108,865 in recommended reductions, \$108,865 are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

ASR - Assessor Recorder	FY 2012-13						FY 2013-14					
	FTE		Amount		GF 1T		FTE		Amount		GF 1T	
	From	To	From	To	Savings		From	To	From	To	Savings	
FCG - Recorder												
Other Current Expenses			\$30,000	\$10,000	\$20,000				\$30,000	\$10,000	\$20,000	
Reduction based on historical expenditures from FY 2009-10 through FY 2011-12.												
FDJ - Real Property												
Temporary Salaries	3.65	2.66	\$300,000	\$218,568	\$81,432	x	3.65	2.66	\$300,000	\$218,568	\$81,432	x
Mandatory Fringe Benefits			\$23,700	\$17,267	\$6,433	x			\$23,700	\$17,266.87	\$6,433	x
			<i>Total Savings</i>		\$87,865				<i>Total Savings</i>		\$87,865	
Reduce Temporary Salaries, which is offset by the hiring of permanent positions in FY 2012-13.												
Principal Real Property Appraiser	1.00	0.92	\$109,122	\$100,029	\$9,094	x						
Mandatory Fringe Benefits			\$41,549	\$38,086.58	\$3,462	x						
			<i>Total Savings</i>		\$12,556				<i>Total Savings</i>		\$12,556	
Reduce new Limited Tenure position for hiring start date based on the Budget and Legislative Analyst's recommended disapproval of the Department's Interim Exception request. Position is currently vacant and no candidate has been interviewed or selected to date. Reduction in FTE will allow for August 1, 2012 hire date instead of July 1, 2012 hire date.												
Attrition Savings	(0.81)	(1.74)	(\$319,704)	(\$686,314)	\$366,610	x						
Mandatory Fringe Benefits			(\$133,259)	(\$286,069)	\$152,810	x						
			<i>Total Savings</i>		\$519,420				<i>Total Savings</i>		\$519,420	
Real Property has 7 FTE vacancies it plans to fill in FY 2012-13. A one-time increase in attrition savings will still allow for full-staffing of the unit as scheduled.												
FDK - Personal Property												
Attrition Savings	(1.32)	(1.60)	(\$193,240)	(\$233,653)	\$40,413	x						
Mandatory Fringe Benefits			(\$81,123)	(\$98,089)	\$16,966	x						
			<i>Total Savings</i>		\$57,379				<i>Total Savings</i>		\$57,379	
Increase attrition savings to adjust for the Senior Personal Property Auditor												
FDL - Technical Services												
Training Costs Paid to Employees			\$2,000	\$1,500	\$500	x			\$2,000	\$1,500	\$500	x
Reduction based on historical expenditures from FY 2009-10 through FY 2011-12.												
Training Costs Paid to Vendors			\$2,000	\$1,500	\$500	x			\$2,000	\$1,500	\$500	x
Reduction based on historical expenditures from FY 2009-10 through FY 2011-12.												
Ongoing savings												
Ongoing savings												

FY 2012-13			FY 2013-14		
General Fund	Non-General Fund	Total	General Fund	Non-General Fund	Total
\$589,355	\$0	\$589,355	\$0	\$0	\$0
\$88,865	\$20,000	\$108,865	\$88,865	\$20,000	\$108,865
\$589,355	\$20,000	\$609,355	\$88,865	\$20,000	\$108,865

FY 2012-13			FY 2013-14		
General Fund	Non-General Fund	Total	General Fund	Non-General Fund	Total
\$678,220	\$20,000	\$698,220	\$88,865	\$20,000	\$108,865
\$589,355	\$0	\$589,355	\$0	\$0	\$0
\$678,220	\$20,000	\$698,220	\$88,865	\$20,000	\$108,865

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The Department's proposed \$29,681,678 budget for FY 2012-13 is \$1,135,254 or 4.0% more than the original FY 2011-12 budget of \$28,546,424.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 203.82 FTEs, which are 4.22 FTEs less than the 208.04 FTEs in the original FY 2011-12 budget. This represents a 2.0% decrease in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$15,215,791 in FY 2012-13, are \$437,674 or 3.0% more than FY 2011-12 revenues of \$14,778,117. General Fund support of \$14,465,887 in FY 2012-13 is \$697,580 or 5.1% more than FY 2011-12 General Fund support of \$13,768,307.

YEAR TWO: FY 2013-14

Budget Changes

The Department's proposed \$27,022,277 budget for FY 2013-14 is \$2,659,401 or 9% less than the original FY 2012-13 budget of \$29,681,678.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 182.31 FTEs, which are 21.51 FTEs less than the 203.82 FTEs in the original FY 2012-13 budget. This represents a 10.6% decrease in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$14,104,646 in FY 2013-14, are \$1,111,145 or 7.3% less than FY 2012-13 revenues of \$15,215,791. General Fund support of \$12,917,631 in FY 2013-14 is \$1,548,256 or 10.7% less than FY 2012-13 General Fund support of \$14,465,887.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$238,637 in FY 2012-13, which are one-time savings. These reductions would still allow an increase of \$896,617 or 3.1% in the Department's FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$25,124 to the General Fund.

Together, these recommendations will result in \$263,762 savings to the City's General Fund in FY 2012-13.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst does not have recommended reductions to the FY 2013-14 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

SUMMARY OF PROGRAM EXPENDITURES:

<u>Program</u>	<u>FY 2011- 2012 Budget</u>	<u>FY 2012- 2013 Proposed</u>	<u>Increase/ Decrease from FY 2011- 2012</u>	<u>FY 2013- 2014 Proposed</u>	<u>Increase/ Decrease from FY 2012- 2013</u>
TREASURER/TAX COLLECTOR					
BUSINESS TAX	6,502,366	6,262,027	(240,339)	5,151,035	(1,110,992)
DELINQUENT REVENUE	8,736,301	9,004,848	268,547	7,553,165	(1,451,683)
INVESTMENT	1,981,380	2,338,400	357,020	2,452,538	114,138
LEGAL SERVICE	209,583	441,801	232,218	460,059	18,258
MANAGEMENT	4,959,869	5,352,917	393,048	5,413,989	61,072
PROPERTY TAX/LICENSING	2,280,186	2,181,600	(98,586)	1,946,662	(234,938)
TAXPAYER ASSISTANCE	1,167,976	1,409,882	241,906	1,472,145	62,263
TRANSFER TAX	0	0	0	0	0
TREASURY	2,708,763	2,690,203	(18,560)	2,572,984	(117,219)
TREASURER/TAX COLLECTOR	28,546,424	29,681,678	1,135,254	27,022,577	(2,659,101)

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$1.1 million, largely due to increases in salary and fringe benefit costs.

FY 2013-14

The Department’s proposed FY 2013-14 budget has decreased by \$2.7 million largely due to the reduction of \$1.45 million in the work order between the Treasurer/Tax Collector’s Office and the Superior Court. Under the work order reduction, the Superior Court will no longer pay the Treasurer/Tax Collector’s Office a commission for delinquent traffic fine revenues collected by the Treasurer/Tax Collector’s Office for the Superior Court, but rather, the Superior Court will reimburse the Treasurer/Tax Collector for actual collection costs, resulting in a reduction in reimbursements. Also, the Superior Court has reduced the number of delinquent traffic fines referred to the Treasurer/Tax Collector’s Office for collection.

The proposed FY 2013-14 budget also reduces General Fund support by \$1.55 million. Overall, the Treasurer/Tax Collector’s Office has reduced staff through position deletions and increases in attrition savings as new technology is implemented and routine processes are streamlined.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 203.82 FTEs, which are 4.22 FTEs less than the 208.04 FTEs in the original FY 2011-12 budget. This represents a 2.0% decrease in FTEs from the original FY 2011-12 budget.

The Treasurer/Tax Collector’s Office is proposing (1) one new Junior Management Assistant Position, funded jointly by grant funds and work order recoveries, and (2) one new Accountant III and one new Principal Administrative Analyst in the Investment division. The Treasurer/Tax Collector’s Office is also deleting one position in the Legal Assistance division and three positions in the Business Tax division in FY 2012-13, offset by other adjustments.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 182.31 FTEs, which are 21.51 FTEs less than the 203.82 FTEs in the original FY 2012-13 budget. This represents a 10.6% decrease in FTEs from the original FY 2012-13 budget.

The Treasurer/Tax Collector's Office is deleting positions in the Delinquent Revenue division, largely due to reductions in the work order between the Treasurer/Tax Collector's Office and the Superior Court, and increasing attrition savings, offset by other adjustments.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$15,215,791 in FY 2012-13, are \$437,674 or 3.0% more than FY 2011-12 revenues of \$14,778,117. General Fund support of \$14,465,887 in FY 2012-13 is \$697,580 or 5.1% more than FY 2011-12 General Fund support of \$13,768,307.

Changes in the Department's FY 2012-13 revenues include increased reimbursements from City departments and other agencies for handling, depositing, and investing funds for the City; and increases in revenues as a result of the Treasurer/Tax Collector's Office efforts to enforce payment of Business Tax and Unsecure Personal Property Tax accounts; offset by the reduction in the work order with the Superior Court.

FY 2013-14

The Department's revenues of \$14,104,646 in FY 2013-14, are \$1,111,145 or 7.3% less than FY 2012-13 revenues of \$15,215,791. General Fund support of \$12,917,631 in FY 2013-14 is \$1,548,256 or 10.7% less than FY 2012-13 General Fund support of \$14,465,887.

The Treasurer/Tax Collector's Office FY 2013-14 revenue reductions are due to the ongoing reduction in the Treasurer/Tax Collector's Office work order with the Superior Court.

OTHER ISSUES

The Treasurer/Tax Collector's Office has implemented new technology to streamline tax filing and collection and other procedures. This new technology includes:

1. The Treasury Workstation to manage approximately 400 bank accounts and automate bank account management;
2. Online tax statements and payments for hotel, payroll and business registration taxes;
3. The new cash management system, allowing automated posting of payment receipts to the City's general ledger system (FAMIS) and more accurate reporting of payment receipts; and
4. Standardized Citywide permit renewal invoices that consolidates Fire, Police, Entertainment, and Health permit renewals into one invoice, which was implemented in February 2012.

Budget Savings Incentive Reserve

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

The Mayor has allocated \$1,000,000 in Budget Savings Incentive Reserve funds in FY 2012-13 to pay for the Business Tax System Replacement Project. This project will implement a new off-the-shelf system to facilitate taxpayers use of the Business Tax System and improve collection of delinquent Business Tax accounts. Phase one of the Business Tax System Replacement Project has a budget of \$2,400,000, with expected implementation in FY 2011-12 through FY 2013-14. The Treasurer-Tax Collector's Office has encumbered \$1,400,000 in FY 2011-12 for a contract with XTECH for system consulting and software licenses for the Business Tax System. The additional \$1,000,000 in Budget Savings Incentive Reserve funds will complete funding for phase one of the Business Tax System Replacement Project.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$238,637 in FY 2012-13, which are one-time savings. These reductions would still allow an increase of \$896,617 or 3.1% in the Department's FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$25,124 to the General Fund.

Together, these recommendations will result in \$263,762 savings to the City's General Fund in FY 2012-13.

FY 2013-14

The Budget and Legislative Analyst does not have recommended reductions to the FY 2013-14 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget
TTX - Treasurer/Tax Collector's Office**

Object Title	FY 2012-13						FY 2013-14							
	FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF	IT
	From	To	From	To				From	To	From	To			
FCS - Delinquent Revenue														
Investigator	2.00	0.00	\$168,530	\$0	\$168,530	x	x							
Fringe Benefits			\$70,107	\$0	\$70,107	x	x							
					\$238,637									
The Department has 11 Investigator positions, of which 2 have been vacant since July 2010. The Department will continue to have 9 Investigator positions in the Delinquent Revenue Division.														
FCM - Investment														
Accountant III	1.00	0.92	\$91,962	\$84,605	\$7,357	x	x							
Fringe Benefits			\$37,530	\$34,528	\$3,002	x	x							
Revenue Reduction					(\$10,359)	x	x							
					\$0									
The Department has requested one new Accountant III position in the Investment Division, which the Department has budgeted as 1.0 FTE with a hire date of July 1, 2012. This recommendation would reduce the position to 0.92 FTE with a hire date of August 1, 2012. This position is reimbursed by Pooled Interest; therefore, the reduction in salaries and fringe benefit cost is offset by reduced reimbursements.														

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$238,637	\$0	\$238,637
Non-General Fund	\$0	\$0	\$0
Total	\$238,637	\$0	\$238,637

FY 2013-14

Total Recommended Reductions

	General Fund	Non-General Fund	Total
One-Time	\$0	\$0	\$0
Ongoing	\$0	\$0	\$0
Total	\$0	\$0	\$0

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

TTX - Treasurer Tax Collector

Vendor Name	Subobject Title	General		Date of Last Recorded Transaction	Original Amount	Unexpended Balance
		Fund Savings	Year of Appropriation			
STAPLES INC & SUBSIDIARIES	OFFICE SUPPLIES-CITYWIDE CONTRAC	yes	12/9/2009	9/29/2010	1,000	268
STAPLES INC & SUBSIDIARIES	OFFICE SUPPLIES-CITYWIDE CONTRAC	yes	12/9/2009	9/29/2010	2,200	37
TQS SYSTEMS INC	OFFICE EQUIP MAINT	yes	7/12/2010	11/23/2010	500	290
CENVEO	PRINTING	yes	11/15/2010	1/19/2011	1,888	533
TQS SYSTEMS INC	OFFICE EQUIP MAINT	yes	7/12/2010	2/18/2011	200	67
TQS SYSTEMS INC	OFFICE EQUIP MAINT	yes	7/12/2010	3/21/2011	500	128
GIVE SOMETHING BACK LLC	OTHER OFFICE SUPPLIES	yes	7/1/2010	5/19/2011	2,000	164
GIVE SOMETHING BACK LLC	OTHER OFFICE SUPPLIES	yes	7/1/2010	5/19/2011	1,000	529
GIVE SOMETHING BACK LLC	OTHER OFFICE SUPPLIES	yes	7/1/2010	6/1/2011	3,500	62
TQS SYSTEMS INC	OFFICE EQUIP MAINT	yes	7/12/2010	6/3/2011	400	277
STAPLES INC & SUBSIDIARIES	OFFICE SUPPLIES-CITYWIDE CONTRAC	yes	7/11/2011	7/11/2011	1,000	1,000
STAPLES INC & SUBSIDIARIES	OFFICE SUPPLIES-CITYWIDE CONTRAC	yes	7/11/2011	7/11/2011	1,500	1,500
STAPLES INC & SUBSIDIARIES	OFFICE SUPPLIES-CITYWIDE CONTRAC	yes	7/11/2011	7/11/2011	1,000	1,000
DPPHP PUBLIC HEALTH	GF-CHS-TOXICS WASTE & HAZARD MAT SVC	yes	8/12/2011	8/12/2011	4,000	4,000
TIS TELECOMMUNICATION & INFORMATION S	IS-TIS-ISD SERVICES	yes	8/26/2010	5/26/2011	19,183	4,769
DPW DEPARTMENT OF PUBLIC WORKS	SR-DPW-BUILDING REPAIR	yes	8/26/2010	8/26/2010	10,500	10,500
					50,371	25,124

Total Amount Return to Fund Balance 25,124
General Fund 25,124
Non-General Fund -

Note: The above encumbrance balances are from budget years prior to FY 2011-12. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$38,854,732 budget for FY 2012-13 is \$729,106 or 1.9% more than the original FY 2011-12 budget of \$38,125,626.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 198.61 FTEs, which are 2.07 FTEs less than the 200.68 FTEs in the original FY 2011-12 budget. This represents 1.0% decrease in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$27,556,879 in FY 2012-13, are \$259,710 or .9% less than FY 2011-12 revenues of \$27,816,589. General Fund support of \$11,297,853 in FY 2012-13 is \$988,816 or 9.6% more than FY 2011-12 General Fund support of \$10,309,037.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$40,079,630 budget for FY 2013-14 is \$1,224,898 or 3.2% more than the original FY 2012-13 budget of \$38,854,732.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 197.61 FTEs, which is 1.00 FTE less than the 198.61 FTEs in the original FY 2012-13 budget. This represents .5% decrease in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$28,612,509 in FY 2013-14, are \$1,055,630 or 3.8% more than FY 2012-13 revenues of \$27,556,879. General Fund support of \$11,467,121 in FY 2013-14 is \$169,268 or 1.5% more than FY 2012-13 General Fund support of \$11,297,853.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CON – CONTROLLER

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$178,926 in FY 2012-13. Of the \$178,926 in recommended reductions, \$9,878 are ongoing savings and \$169,048 are one-time savings. These reductions would still allow an increase of \$550,180 or 1.4% in the Department's FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$87,931 to the General Fund.

Together, these recommendations will result in \$266,857 savings to the City's General Fund in FY 2012-13.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$9,878 in FY 2013-14. Of the \$9,878 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$1,215,020 or 3.1% in the Department's FY 2013-14 budget.

These recommendations will result in \$9,878 savings to the City's General Fund in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CON – CONTROLLER

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011- 2012 Budget	FY 2012- 2013 Proposed	Increase/ Decrease from FY 2011- 2012	FY 2013- 2014 Proposed	Increase/ Decrease from FY 2012- 2013
CONTROLLER					
ACCOUNTING OPERATIONS AND SYSTEMS	7,121,553	7,471,238	349,685	7,764,072	292,834
CITY SERVICES AUDITOR	12,144,435	12,363,860	219,425	13,205,825	841,965
ECONOMIC ANALYSIS	418,467	442,997	24,530	458,733	15,736
MANAGEMENT, BUDGET AND ANALYSIS	4,216,269	5,058,625	842,356	4,738,963	(319,662)
PAYROLL AND PERSONNEL SERVICES	13,704,221	12,962,964	-741,257	13,334,215	371,251
PUBLIC FINANCE	520,681	555,048	34,367	577,822	22,774
CONTROLLER	38,125,626	38,854,732	729,106	40,079,630	1,224,898

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$729,106 largely due to salary and fringe benefit increases, and the Department’s new Disaster Recovery project.

- The Department’s new Disaster Recovery initiative will establish an offsite location to maintain and protect the City’s core financial systems in order to ensure continuity of operations in the event of an emergency. This project is being developed in collaboration with the Department of Technology. COIT has approved \$500,000 for this project.
- The Department will continue to support the implementation of the eMerge initiative, which transitioned from the Department of Human Resources in December 2009. Project eMerge will integrate recruitment, position management, benefits administration and payroll functions citywide.

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$1,224,898 largely due to salary and fringe benefit costs.

- Funding for the Accounting Operations and Systems division will increase to support a project to replace the City’s financial accounting system (FAMIS).
- Payroll and Personnel Services funding will increase, primarily due to increased salary and fringe benefit costs related to ongoing implementation needs of the eMerge initiative.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CON – CONTROLLER

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 198.61 FTEs, which are 2.07 FTEs less than the 200.68 FTEs in the original FY 2011-12 budget. This represents 1.0% decrease in FTEs from the original FY 2011-12 budget.

While the FTEs will decrease in FY 2012-13, the Department has requested 5 new positions (4.08 FTEs), offset by other reductions, including one filled position temporarily exchanged from a vacant position.

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 197.61 FTEs, which is 1.00 FTE less than the 198.61 FTEs in the original FY 2012-13 budget. This represents .5% decrease in FTEs from the original FY 2012-13 budget.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$27,556,879 in FY 2012-13, are \$259,710 or .9% less than FY 2011-12 revenues of \$27,816,589. General Fund support of \$11,297,853 in FY 2012-13 is \$988,816 or 9.6% more than FY 2011-12 General Fund support of \$10,309,037.

Specific changes in the Department's FY 2012-13 revenues include

- Increases in revenue recovery from City, offset by
- Decreases in fund balance, due the use of attrition savings by the City Services Auditor Division as a result of an increased number of vacancies and slower than expected hiring.

FY 2013-14

The Department's revenues of \$28,612,509 in FY 2013-14, are \$1,055,630 or 3.8% more than FY 2012-13 revenues of \$27,556,879. General Fund support of \$11,467,121 in FY 2013-14 is \$169,268 or 1.5% more than FY 2012-13 General Fund support of \$11,297,853.

Specific changes in the Department's FY 2012-13 revenues include:

- Increases in revenue recovery from City, and
- Increases in fund balance.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CON – CONTROLLER

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$178,926 in FY 2012-13. Of the \$178,926 in recommended reductions, \$9,878 are ongoing savings and \$169,048 are one-time savings. These reductions would still allow an increase of \$550,180 or 1.4% in the Department's FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$87,931 to the General Fund.

Together, these recommendations will result in \$266,857 savings to the City's General Fund in FY 2012-13.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$9,878 in FY 2013-14. Of the \$9,878 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$1,215,020 or 3.1% in the Department's FY 2013-14 budget.

These recommendations will result in \$9,878 savings to the City's General Fund in FY 2013-14.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

CON - Controller's Office

Object Title	FY 2012-13						FY 2013-14						
	FTE		Amount		Savings	GF	FTE		Amount		Savings	GF	IT
	From	To	From	To			From	To	From	To			
FDC - Payroll and Personnel													
Equipment			\$126,565	\$124,597	\$1,968	x	x						
Equipment			\$100,000	\$92,534	\$7,466	x	x						
			<i>Total Savings</i>		\$9,434								
Reduce to reflect actual quotes from vendors.													
FEB - Management													
Attrition Savings	(2.26)	(2.49)	(\$242,917)	(\$267,639)	\$24,722	x	x						
Mandatory Fringe Benefits			(\$93,334)	(\$102,833)	\$9,499	x	x						
			<i>Total Savings</i>		\$34,220								
Increase attrition savings to reflect actual hire date of one 1649 Accountant. This position has been vacant since August 2011.													
FDG - Accounting Operations and Systems													
Attrition Savings	(4.79)	(5.27)	(\$467,046)	(\$513,848)	\$46,802	x	x						
Mandatory Fringe Benefits			(\$185,525)	(\$204,116)	\$18,591	x	x						
			<i>Total Savings</i>		\$65,393								
Increase attrition savings to reflect actual hire date of three vacant positions 1652 Accountant II positions: two vacant since March 2012 and one vacant since November 2011.													
Systems Consulting Services			\$85,000	\$25,000	\$60,000	x	x						
			<i>Total Savings</i>		\$60,000								
Reduce to reflect historical expenditures and actual programmatic needs. The Department will not require funding for these services, which will support the disaster recovery project, until FY 2013-14.													
FFG - Public Finance													
Other Professional Services			\$29,878	\$20,000	\$9,878	x	x			\$29,878	\$20,000	\$9,878	x
			<i>Total Savings</i>		\$9,878					<i>Total Savings</i>		\$9,878	
Reduce to reflect historical expenditures.													

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$169,048	\$9,878	\$178,926
Non-General Fund	\$0	\$0	\$0
Total	\$169,048	\$9,878	\$178,926

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$9,878	\$9,878
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$9,878	\$9,878

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

CON - Controller

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance
MACIAS GINI & O'CONNELL LLP	AUDITING & ACCOUNTING	Yes		12/13/2010	75,000.00	50,000.00
	IS-TIS-ISD SERVICES	Yes		8/3/2010	101,887.00	37,931.76
					-	-
					-	-
					-	-
					-	-
					-	-
					-	-

Total Amount Return to Fund Balance 87,931.76
General Fund 87,931.76
Non-General Fund -

Note: The above encumbrance balances are from budget years prior to FY 2011-12. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The Department's proposed \$615,176,026 budget for FY 2012-13 is \$40,022,627 or 7.0% more than the original FY 2011-12 budget of \$575,153,399.

Revenue Changes

The Department's revenues of \$196,285,280 in FY 2012-13, are \$21,453,639 or 9.9% less than FY 2011-12 revenues of \$217,738,919. General Fund support of \$418,890,746 in FY 2012-13 is \$61,476,266 or 17.2% more than FY 2011-12 General Fund support of \$357,414,480.

YEAR TWO: FY 2013-14

Budget Changes

The Department's proposed \$579,731,396 budget for FY 2013-14 is \$35,444,630 or 5.8% less than the original FY 2012-13 budget of \$615,176,026.

Revenue Changes

The Department's revenues of \$192,183,046 in FY 2013-14, are \$4,102,234 or 2.1% less than FY 2012-13 revenues of \$196,285,280. General Fund support of \$387,548,350 in FY 2013-14 is \$31,342,396 or 7.5% less than FY 2012-13 General Fund support of \$418,890,746.

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$106,153 in FY 2012-13, which are ongoing savings. These reductions would still allow an increase of \$39,916,414 or 6.9% in the Department's FY 2012-13 budget.

These recommendations will result in \$106,153 savings to the City's General Fund in FY 2012-13.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$106,153 in FY 2013-14, which are ongoing savings.

These recommendations will result in \$106,153 savings to the City's General Fund in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011-2012	FY 2012-2013	Increase/ Decrease from	FY 2013-2014	Increase/ Decrease from
	Budget	Proposed	FY 2011-2012	Proposed	FY 2012-2013
GENERAL CITY RESPONSIBILITY					
GENERAL CITY RESPONSIBILITIES	568,358,399	601,078,626	32,720,227	565,362,596	(35,716,030)
GENERAL FUND UNALLOCATED	0	0	0	0	0
INDIGENT DEFENSE/GRAND JURY	250,000	750,000	500,000	750,000	0
NON PROGRAM	0	3,177,400	3,177,400	3,088,800	(88,600)
RETIREE HEALTH CARE - PROP B	6,545,000	10,170,000	3,625,000	10,530,000	360,000
GENERAL CITY RESPONSIBILITY	575,153,399	615,176,026	40,022,627	579,731,396	(35,444,630)

The General City Responsibility budget is comprised of general expenditures and revenue transfers that are not the responsibility of other City departments, including General Fund supported debt service, reserves, and General Fund contributions to subsidized enterprise funds, such as San Francisco General Hospital and Laguna Honda Hospital.

FY 2012-13

Major changes to the General City Responsibility budget in FY 2012-13 include:

- \$17,800,000 to the Budget Stabilization Reserve, which equals 75% of estimated Real Property Transfer Tax revenues in FY 2012-13 exceeding the 5-year average, as required by the Administrative Code. FY 2012-13 is the first year that funds have been allocated to the Budget Stabilization Reserve.
- \$9,894,000 to the General Reserve, which will equal \$32,200,000 in FY 2012-13, including the carry forward of unexpended FY 2011-12 General Reserve funds of approximately \$22,306,000. The total General Reserve will equal 1% of General Fund revenues of \$3,212,775,000 in FY 2012-13.
- \$4,496,200 to pay for a 1% cost of living adjustment (COLA) for community based organizations.

The FY 2012-13 budget also includes (a) \$700,000 for the Film Rebate Program, and (b) \$3,000,000 for HOPE SF.

FY 2013-14

Major changes to the General City Responsibility budget in FY 2013-14 include:

- \$7,280,000 to the Budget Stabilization Reserve, which equals 75% of estimated Real Property Transfer Tax revenues in FY 2013-14 exceeding the 5-year average, as required by the Administrative Code.
- \$9,300,000 to the General Reserve to increase the General Reserve amount from \$32,200,000 in FY 2012-13 to \$41,500,000, which will equal 1.25% of estimated FY 2013-14 General Fund revenues of \$3,325,500,000 in FY 2013-14.
- \$4,496,200 to pay for a 1% cost of living adjustment (COLA) for community based organizations.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

The FY 2013-14 budget also includes (a) \$700,000 for the Film Rebate Program for total Film Rebate Program funding over two years of \$1,400,000; and (b) \$3,000,000 for HOPE SF.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$196,285,280 in FY 2012-13, are \$21,453,639 or 9.9% less than FY 2011-12 revenues of \$217,738,919. General Fund support of \$418,890,746 in FY 2012-13 is \$61,476,266 or 17.2% more than FY 2011-12 General Fund support of \$357,414,480.

FY 2013-14

The Department's revenues of \$192,183,046 in FY 2013-14, are \$4,102,234 or 2.1% less than FY 2012-13 revenues of \$196,285,280. General Fund support of \$387,548,350 in FY 2013-14 is \$31,342,396 or 7.5% less than FY 2012-13 General Fund support of \$418,890,746.

FILE 11-0274 ACCESS LINE TAX

The San Francisco voters approved Proposition O in November 2008, establishing the Access Line Tax for telephone communication services. Currently, the monthly tax rate is set at \$2.86 per access line, \$21.48 per trunk line, and \$386.63 per high capacity line. Business and Tax Code Section 782 allows the Controller to adjust the rate annually by the Consumer Price Index (CPI), which according to the Controller is 2.93% as of December 31, 2011. Based on the CPI adjustment, the Controller recommends increasing the FY 2012-13 Access Line Tax to \$2.94 per access line, \$22.11 per trunk line, and \$397.96 per high capacity line.

As shown in the table below, the Controller estimates that the proposed increase in the Access Line Tax will result in increased revenues to the City of \$1,300,000 in FY 2012-13 and FY 2013-14.

		FY 2011-12	FY 2012-13		FY 2013-14	
File No.	Fee Description	Projected Revenue	Projected Revenue	Change from PY	Projected Revenue	Change from PY
11-0274	Access Line Tax	\$41,700,000	\$43,000,000	\$1,300,000	\$44,300,000	\$1,300,000
Totals		\$41,700,000	\$43,000,000	\$1,300,000	\$44,300,000	\$1,300,000

Recommendation: Approval of the proposed tax resolution is a policy matter for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the proposed General City Responsibility budget is balanced based on the assumption that the tax legislation shown above will be approved.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$106,153 in FY 2012-13, which are ongoing savings. These reductions would still allow an increase of \$39,916,414 or 6.9% in the Department's FY 2012-13 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

These recommendations will result in \$106,153 savings to the City's General Fund in FY 2012-13.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$106,153 in FY 2013-14, which are ongoing savings.

These recommendations will result in \$106,153 savings to the City's General Fund in FY 2013-14.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget**

GEN - General City Responsibility

FCO - Business Tax		From	To	From	To	Savings	GF	IT
Object Title	From	To	From	To	From	To	GF	IT
Other Current Expenses			\$5,606,153	\$5,500,000		\$106,153	x	
FCO - Business Tax			\$5,606,153	\$5,500,000		\$106,153	x	
<p>The Audit Reserve is intended to pay claims from prior years' audits. However, this Reserve is also used to meet shortfalls in internal service funds, work order recoveries and other uses. Audit Reserve Fund expenditures in FY 2011-12 are \$4.9 million. Reducing the Audit Reserve to \$5,500,000 would retain sufficient funds to meet expected claims in FY 2012-13 and FY 2013-14.</p>				<p>Ongoing Reductions</p>		\$106,153	x	

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$106,153	\$106,153
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$106,153	\$106,153

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$106,153	\$106,153
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$106,153	\$106,153

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The Department’s proposed \$67,842,320 budget for FY 2012-13 is \$2,852,454 or 4.4% more than the original FY 2011-12 budget of \$ 64,989,866.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 304.16 FTEs, which are 4.87 FTEs more than the 299.29 FTEs in the original FY 2011-12 budget. This represents a 1.6% change in FTEs from the original FY 2011-12 budget.

The Department has requested approval of 5 positions as interim exceptions. The Budget and Legislative Analyst recommends approval of 3 Redevelopment Agency positions and disapproval of 2 positions as interim exceptions.

Revenue Changes

The Department's revenues of \$61,305,736 in FY 2012-13, are \$1,545,047 or 2.6% more than FY 2011-12 revenues of \$59,760,689. General Fund support of \$6,536,584 in FY 2012-13 is \$1,307,407 or 25% more than FY 2011-12 General Fund support of \$5,229,177.

YEAR TWO: FY 2013-14

Budget Changes

The Department’s proposed \$70,926,609 budget for FY 2013-14 is \$3,084,289 or 4.6% more than the original FY 2012-13 budget of \$ 67,842,320.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 304.16 FTEs, which is the same number of FTEs in the proposed FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$61,083,153 in FY 2013-14, are \$222,583 or 0.4% less than FY 2012-13 revenues of \$61,305,736. General Fund support of \$9,843,456 in FY 2013-14 is \$3,306,872 or 51% more than the FY 2012-13 General Fund support of \$6,536,584.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CAT – CITY ATTORNEY

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$185,213 in FY 2012-13. Of the \$185,213 in recommended reductions \$107,800 are ongoing reductions and \$77,413 are one time savings. These reductions would still allow an increase of \$2,667,241 or 4.1% in the Department's FY 2012-13 budget.

The Budget and Legislative Analyst also recommends additional one-time General Fund revenues of \$35,523 that are anticipated to be received by the City Attorney's Office and can be credited to the City's General Fund.

Together, these recommendations would result in a total savings of \$220,736.

The Budget and Legislative Analyst also includes a Policy Recommendation that would result in a total savings of \$269,873.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$107,800 in FY 2013-14. All of the \$107,800 are ongoing savings. These reductions would still allow an increase of \$2,976,489 or 4.4% in the Department's FY 2013-14 budget.

The Budget and Legislative Analyst also includes a Policy Recommendation totaling a savings of \$351,065.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CAT – CITY ATTORNEY

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011- 2012 Budget	FY 2012- 2013 Proposed	Increase/ Decrease from FY 2011- 2012	FY 2013- 2014 Proposed	Increase/ Decrease from FY 2012- 2013
CITY ATTORNEY					
CLAIMS	\$5,796,693	\$6,060,764	\$264,071	\$6,342,941	\$282,177
LEGAL SERVICES	56,458,173	59,046,556	2,588,383	61,848,668	2,802,112
AFFIRMATIVE LITIGATION	2,735,000	2,735,000	0	2,735,000	0
CITY ATTORNEY	64,989,866	67,842,320	2,852,454	70,926,609	3,084,289

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$2,852,454 largely due to:

- Increases of \$2,588,383 in Legal Services resulting from increases in mandated salaries, related fringe benefit costs, and services of other departments, as well as the addition of 5 new positions, including 3 from the Redevelopment Agency, and 2 for a new dedicated Consumer Protection Unit at a cost \$902,712.
- Increases of \$264,071 in Claims primarily resulting from increases in mandated salaries and related fringe benefit costs.

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$3,084,289 largely due to:

- Increases in salaries and mandatory fringe benefits.
- The ongoing cost for the addition in FY 2012-13 of 5 new positions, including 3 from the Redevelopment Agency, and 2 for a new dedicated Consumer Protection Unit.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 304.16 FTEs, which are 4.87 FTEs more than the 299.29 FTEs in the original FY 2011-12 budget. This represents a 1.6% increase in FTEs from the original FY 2011-12 budget.

- The increase is associated with 5 new positions totaling \$902,712, of which \$666,900 is salaries and \$235,812 is associated with fringe benefit costs. The 5 new positions include two new 8177 Attorneys and one 8169 Legislative Assistant (Paralegal) to address increased case and development project workload from the Redevelopment Agency. Additionally, the City Attorney is requesting one new 8177 Attorney and one new 8169 Legislative Assistant (Paralegal) in Legal Services for a new dedicated Consumer Protection Unit.
- The Department has requested approval of these 5 new positions as interim exceptions. The Budget and Legislative Analyst recommends approval of the 3 Redevelopment Agency transferred positions as interim exceptions.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CAT – CITY ATTORNEY

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 304.16 FTEs, which is the same as the 304.16 FTEs in the proposed FY 2012-13 budget.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$61,305,736 in FY 2012-13, are \$1,545,047 or 2.6% more than FY 2011-12 revenues of \$59,760,689. General Fund support of \$6,536,584 in FY 2012-13 is \$1,307,407 or 25% more than FY 2011-12 General Fund support of \$5,229,177.

Specific changes in the Department's FY 2012-13 revenues include:

- Recoveries from City departments that are provided City Attorney services are the largest source of funds for the City Attorney, which are expected to increase \$2,308,469, or 4.0% from the original FY 2011-2012 budget of \$57,160,689 to the proposed budget of \$59,469,158.
- The largest increases in expected recoveries are from (a) Administrative Service, for \$984,145 to account for non-housing responsibilities transferred from the Redevelopment Agency, (b) Mayor's Office for \$400,000 for affordable housing responsibilities transferred from the Redevelopment Agency and (c) Recreation and Park Department for \$400,000 for ongoing litigation matters. Also due to a large increase in the number of lawsuits which the Department of City Planning is facing, and expects in the near term, the City Attorney has increased its expected recoveries from the Department of City Planning by \$500,000.
- A decrease of \$1,025,000 in settlement revenue and \$1,575,000 in consumer protection fines is anticipated for FY 2012-2013, which is proposed to be offset by \$1,836,578 of new consumer protection fines, or a net decrease of \$763,422 in revenues.
- General Fund support is proposed to increase by \$1,307,407 or 25% in FY 2012-13 due to above noted decrease of \$1,025,000 settlement revenue, which was previously used in lieu of General Fund support in FY 2011-12.

FY 2013-14

The Department's revenues of \$61,083,153 in FY 2013-14, are \$222,583 or 0.4% less than FY 2012-13 revenues of \$61,305,736. General Fund support of \$9,843,456 in FY 2013-14 is \$3,306,872 or 51% more than FY 2012-13 General Fund support of \$6,536,584.

Specific changes in the Department's FY 2013-14 revenues include:

- Revenues from recoveries are expected to decrease by \$222,583 or 0.4%, from FY 2012-2013 budget of \$59,469,158 to the proposed FY 2013-2014 budget of \$59,246,575.
- General Fund support is proposed to increase by \$3,306,872 or 51% more than FY 2012-13 General Fund support of \$6,536,584 because the City Attorney's Office is projecting that General Fund departments such as Police, Fire, Public Works, the Mayor's Office

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: CAT – CITY ATTORNEY

and the Board of Supervisors require significantly more City Attorney services in FY 2013-14.

OTHER ISSUES

- The existing FY 2011-12 Affirmative Litigation Program provides 12 FTE staff and \$2,735,000 for the City Attorney to investigate and file public interest cases. Recent Affirmative Litigation cases include unfair business practices against Tower Car Wash, National Arbitration Forum and Money Mart.
- The City Attorney's Office is proposing to pilot a new dedicated Consumer Protection Unit, which would work closely with the existing Affirmative Litigation Program and collaborate with various City departments, including but not limited to the Office of Labor Standards Enforcement (OLSE), Department of Public Health (DPH) and the Police Department, to investigate and enforce consumer protection laws such as unfair business practices. The proposed FY 2012-13 budget includes the addition of 1 new Attorney and 1 new Legislative Assistant (Paralegal) for this new Program. The Program will be funded from penalties received from prior cases that pursuant to State law are restricted to use by the City Attorney to enforce Consumer Protection Laws. As a result of the City Attorney's growing dependence on General Fund support, the creation of this new Program within the City Attorney's Office requiring additional staff and funding is a policy consideration for the Board of Supervisors.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$185,213 in FY 2012-13. Of the \$185,213 in recommended reductions \$107,800 are ongoing reductions and \$77,413 are one time savings. These reductions would still allow an increase of \$2,667,241 or 4.1% in the Department's FY 2012-13 budget.

The Budget and Legislative Analyst also recommends additional one-time General Fund revenues of \$35,523 that are anticipated to be received by the City Attorney's Office and can be credited to the City's General Fund.

Together, these recommendations would result in a total savings of \$220,736.

The Budget and Legislative Analyst also includes a Policy Recommendation that would result in a total savings of \$269,873.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$107,800 in FY 2013-14. All of the \$107,800 are ongoing savings. These reductions would still allow an increase of \$2,976,489 or 4.4% in the Department's FY 2013-14 budget.

The Budget and Legislative Analyst also includes a Policy Recommendation totaling a savings of \$351,065

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget**

CAT-City Attorney

Object Title	FY 2012-13						FY 2013-14							
	FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF	IT
	From	To	From	To				From	To	From	To			
FC2-Legal Services														
Attorney (Civil/Criminal)	3.00	2.77	\$517,764	\$478,069	\$39,695	x	x							
Mandatory Fringe Benefits			\$170,906	\$157,803	\$13,103	x	x							
			<i>Total Savings</i>	\$52,798										
Legislative Assistant	2.00	1.77	\$149,136	\$131,985	\$17,151	x	x							
Mandatory Fringe Benefits			\$64,906	\$57,442	\$7,464	x	x							
			<i>Total Savings</i>	\$24,615										
<p>One of the proposed new 8177 Attorney positions should not be filled as an interim exception as the position is to staff a new Consumer Protection Unit to investigate and enforce public nuisance and misconduct violations and would add to the City Attorney's existing Affirmative Litigation Program. This position was not included in the Department's request to the Mayor's Office. The other two of the requested three new Attorney positions are due to the increased workload associated with the transition of the former Redevelopment Agency to the City Attorney's Office and are being requested as interim exceptions, to be filled as of July 1, 2012, which the Budget and Legislative Analyst is recommending.</p> <p>One of the proposed new 8169 Legislative Assistant (Paralegal) positions should not be filled as an interim exception as this position is to staff a new Consumer Protection Unit to investigate and enforce public nuisance and misconduct violations, which would add to the City Attorney's existing Affirmative Litigation Program. This position was not included in the Department's request to the Mayor's Office. The other requested new 8169 Legislative Assistant (Paralegal) positions is due to the increased workload associated with the transition of the former Redevelopment Agency to the City Attorney's Office and is being requested as an interim exception, to be filled as of July 1, 2012, which the Budget and Legislative Analyst is recommending.</p>														

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget**

CAT-City Attorney

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		GF	IT	FTE		Amount		GF	IT
	From	To	From	To			From	To	From	To		
Materials and Supplies Budget Only		\$132,441	\$124,641	\$7,800	x			\$132,441	\$124,641	\$7,800	x	
	<i>Total Savings</i>		\$7,800			<i>Total Savings</i>		\$7,800				
	The department has historically expended less than budgeted on materials and supplies.											
Professional & Specialized Services		\$220,568	\$195,568	\$25,000	x			\$220,568	\$195,568	\$25,000	x	
	The department has historically expended less than budgeted for Professional & Specialized Services.											
Litigation Expenses		\$5,567,623	\$5,492,623	\$75,000	x			\$5,567,623	\$5,492,623	\$75,000	x	
	The department has historically expended less than budgeted for Professional & Specialized Services.											
Expend Recovery for SVCS to AAO Funds.		(\$1,568,818)	(\$1,525,000)	(\$43,818)	x			(\$1,568,818)	(\$1,525,000)	(\$43,818)	x	
	<i>Total Savings</i>		(\$43,818)			<i>Total Savings</i>		(\$43,818)				
	To reflect a corresponding decrease in the Retirement System's work order budget with the City Attorney because these funds have historically never been expended.											
Attrition Savings (Salaries)	(18.37)	(18.60)	(\$2,633,262)	(\$2,665,823)	\$32,561	x	(18.37)	(18.59)	(\$2,678,175)	(\$2,709,941)	\$31,766	x
Attrition Savings (Benefits)			(\$910,392)	(\$921,649)	\$11,257	x			(\$1,016,048)	(\$1,028,100)	\$12,052	x
	<i>Total Savings</i>		\$43,818			<i>Total Savings</i>		\$43,818				
	To adjust for the decrease in Retirement System's work order with the City Attorney.											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget**

CAT-City Attorney

Object Title	FY 2012-13				FY 2013-14														
	FTE		Amount		FTE		Amount												
	From	To	From	To	From	To	From	To											
Consumer Protection Fines (Lead Paint Settlement)			\$1,836,578	\$1,872,101															\$0
			<i>Total Savings</i>				<i>Total Savings</i>												\$0
<p>The proposed FY 2012-13 budget includes anticipated revenues from consumer protection fines. Based on ongoing negotiations and more current estimates, the City Attorney's Office anticipates recovering \$35,523 more than is currently included in the FY 2012-13 budget. The Department anticipates receipt of these funds in the first quarter of FY 2012-13. The proposed recommendation would therefore offset an additional \$35,523 of General Fund revenues currently budgeted in the City Attorney's budget.</p>																			

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$112,936	\$107,800	\$220,736
Non-General Fund	\$0	\$0	\$0
Total	\$112,936	\$107,800	\$220,736

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$107,800	\$107,800
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$107,800	\$107,800

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget**

CAT-City Attorney

Object Title	FY 2012-13				FY 2013-14			
	FTE		Amount		FTE		Amount	
	From	To	From	To	From	To	From	To

Policy Recommendations

Object Title	FTE	From	To	Savings	GF	1T	FTE		Amount		Savings	GF	1T
							From	To	From	To			
FC2-Legal Services													
Attorney (Civil/Criminal)	2.77	2.00	\$478,069	\$345,176	\$132,893	x	3.00	2.00	\$526,977	\$351,318	\$175,659	x	
Mandatory Fringe Benefits			\$157,803	\$113,937	\$43,866	x			\$191,112	\$127,408	\$63,704	x	
			<i>Total Savings</i>	<i>\$176,759</i>					<i>Total Savings</i>	<i>\$239,363</i>			

Legislative Assistant	1.77	1.00	\$149,136	\$84,257.63	\$64,878	x	2.00	1.00	\$151,790	\$75,895	\$75,895	x	
Mandatory Fringe Benefits			\$64,906	\$36,670.06	\$28,236	x			\$71,613	\$35,807	\$35,807	x	
			<i>Total Savings</i>	<i>\$93,114</i>					<i>Total Savings</i>	<i>\$111,702</i>			

<p>One new 8177 Attorney position, reduced above to 0.77 FTEs, is a policy decision for the Board of Supervisors because this position is being requested to initiate a new dedicated Consumer Protection Unit to investigate and enforce public nuisance and misconduct violations and would add to the City Attorney's existing Affirmative Litigation Program. This position was not included in the Department's request to the Mayor's Office. The General Fund budget for the City Attorney's Office is increasing by \$1,307,407 in FY 2012-13 and is increasing by an additional \$3,306,872 in FY 2013-14. Given the Department's growing dependence on the City's General Fund, the decision to create new programs and add new positions to the Department's budget is a policy consideration for the Board of Supervisors.</p>													
<p>Ongoing savings</p>													
<p>One new 8169 Legislative Assistant (Paralegal) position, reduced above to 0.77 FTE, is a policy decision for the Board of Supervisors because this position is being requested to initiate a new dedicated Consumer Protection Unit to investigate and enforce public nuisance and misconduct violations and would add to the City Attorney's existing Affirmative Litigation Program. This position was not included in the Department's request to the Mayor's Office. The General Fund budget for the City Attorney's Office is increasing by \$1,307,407 in FY 2012-13 and is increasing by an additional \$3,306,872 in FY 2013-14. Given the Department's growing dependence on the City's General Fund, the decision to create new programs and add new positions to the Department's budget is a policy consideration for the Board of Supervisors.</p>													
<p>Ongoing savings</p>													

FY 2012-13

Total Policy Recommendations

One-Time	Ongoing	Total
General Fund	\$0	\$269,873
Non-General Fund	\$0	\$0
Total	\$0	\$269,873

FY 2013-14

Total Policy Recommendations

One-Time	Ongoing	Total
General Fund	\$0	\$351,065
Non-General Fund	\$0	\$0
Total	\$0	\$351,065

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department’s proposed \$409,004,927 budget for FY 2012-13 is \$157,505,709 or 62.6% more than the original FY 2011-12 budget of \$251,499,218.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 722.60 FTEs, which are 85.13 FTEs more than the 637.47 FTEs in the original FY 2011-12 budget. This represents a 13.4% increase in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$365,324,234 in FY 2012-13 are \$160,379,637 or 78.3% more than FY 2011-12 revenues of \$204,944,597. General Fund support of \$43,680,693 in FY 2012-13 is \$2,873,928 or 6.2% less than FY 2011-12 General Fund support of \$46,554,621.

Interim Exceptions

The Department has requested approval of 10 positions as an interim exception. The Budget and Legislative Analyst recommends approval of 10 positions as interim exceptions, which includes (a) 8 custodian positions for the opening of the new PUC building at 550 Golden Gate Avenue in July 2012; and (b) 2 new positions, one of which transferred from the former Redevelopment Agency and one of which the Department filled on a temporary requisition in FY 2011-12.

YEAR TWO: FY 2013-14

Budget Changes

The department’s proposed \$399,858,875 budget for FY 2013-14 is \$9,146,052 or 2.2 % less than the original FY 2012-13 budget of \$409,004,927.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 725.67 FTEs, which are 3.07 FTEs more than the 722.60 FTEs in the original FY 2012-13 budget. This represents 0.4% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$355,313,395 in FY 2013-14, are \$10,010,839 or 2.7% less than FY 2012-13 revenues of \$365,324,234. General Fund support of \$44,545,480 in FY 2013-14 is \$864,787 or 2.0% more than FY 2012-13 General Fund support of \$43,680,693.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$409,080 in FY 2012-13, of which \$209,923 are one-time and \$199,157 are ongoing. These reductions would still allow an increase of \$157,096,629 or 62.5% in the Department’s FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$31,138 to the General Fund.

Together, these recommendations result in \$440,218 savings to the General Fund.

The Budget and Legislative Analyst includes a Policy Recommendation that would result in a total savings of \$85,321.

The Budget and Legislative Analyst also includes a Reserve Recommendation of \$251,082.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$323,286 in FY 2012-13, which are ongoing savings.

These recommendations result in \$323,286 savings to the General Fund.

The Budget and Legislative Analyst includes a Policy Recommendation that would result in a total savings of \$115,354.

The Budget and Legislative Analyst also includes a Reserve Recommendation of \$393,181.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

NOTE: The Community Redevelopment Program in the City Administrator’s Office, which consists of programs previously provided by the former San Francisco Redevelopment Agency, will be presented separately, as will a review of the Treasure Island Development Agency projects.

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011-2012 Budget	FY 2012-2013 Proposed	Increase/ Decrease from FY 2011-2012	FY 2013-2014 Proposed	Increase/ Decrease from FY 2012-2013
GENERAL SERVICES AGENCY - CITY ADMIN					
311 CALL CENTER	10,443,003	10,879,996	436,993	11,260,369	380,373
ANIMAL WELFARE	4,087,673	5,330,922	1,243,249	5,031,345	(299,577)
CAPITAL ASSET PLANNING	750,000	750,000	0	750,000	0
CITY ADMINISTRATOR - ADMINISTRATION	8,452,889	9,490,766	1,037,877	9,933,648	442,882
COMMUNITY AMBASSADOR PROGRAM	0	496,385	496,385	712,040	215,655
COMMUNITY REDEVELOPMENT	0	141,180,844	141,180,844	128,415,792	(12,765,052)
CONTRACT MONITORING	0	4,476,177	4,476,177	4,662,030	185,853
COUNTY CLERK SERVICES	1,892,621	1,894,985	2,364	1,951,157	56,172
DISABILITY ACCESS	9,017,747	8,424,249	(593,498)	5,894,609	(2,529,640)
EARTHQUAKE SAFETY PROGRAM	0	440,000	440,000	590,000	150,000
ENTERTAINMENT COMMISSION	761,882	765,464	3,582	789,347	23,883
FACILITIES MGMT & OPERATIONS	40,033,686	40,499,230	465,544	42,648,710	2,149,480
FLEET MANAGEMENT	1,007,507	991,055	(16,452)	991,325	270
GRANTS FOR THE ARTS	11,855,054	11,888,347	33,293	11,919,728	31,381
IMMIGRANT AND LANGUAGE SERVICES	1,071,324	1,458,581	387,257	1,522,514	63,933
JUSTIS PROJECT - CITY ADM OFFICE	3,143,302	3,481,495	338,193	3,404,956	(76,539)
LIVING WAGE / LIVING HEALTH (MCO/HCAO)	2,964,561	3,187,163	222,602	3,307,843	120,680
MEDICAL EXAMINER	12,493,163	6,191,525	(6,301,638)	6,408,216	216,691
MOSCONE EXPANSION PROJECT	0	1,700,000	1,700,000	0	(1,700,000)
NEIGHBORHOOD BEAUTIFICATION	835,000	1,865,000	1,030,000	1,865,000	0
PROCUREMENT SERVICES	4,698,228	5,106,654	408,426	5,264,107	157,453
REAL ESTATE SERVICES	23,312,151	26,874,789	3,562,638	27,666,662	791,873
REPRODUCTION SERVICES	5,470,996	6,025,989	554,993	6,081,205	55,216
RISK MANAGEMENT / GENERAL	12,518,041	14,325,471	1,807,430	14,361,932	36,461
TOURISM EVENTS	70,820,558	73,465,907	2,645,349	76,386,075	2,920,168
TREASURE ISLAND	1,579,439	1,758,079	178,640	1,871,150	113,071
VEHICLE & EQUIPMENT MAIN & FUELING	24,290,393	26,055,854	1,765,461	26,169,115	113,261
GENERAL SERVICES AGENCY - CITY ADMIN	251,499,218	409,004,927	157,505,709	399,858,875	(9,146,052)

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by \$157,505,709 largely due to:

- Fleet Management is focusing on minimizing the costs and environmental impacts of operating City vehicles by continuing to reduce the City’s fleet size based on right-sizing analyses.
- The Earthquake Safety Implementation Program (ESIP), a 30-year program which resulted from the Community Action Plan for Seismic Safety (CAPSS), began in FY 2011-12 to implement CAPSS recommendations to minimize the impacts of earthquakes through information and education, and through voluntary and mandatory strengthening of San

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

Francisco's most vulnerable building stock. The Department is proposing one new manager position for this program in FY 2012-13 and three additional positions in FY 2013-14 for this program.

- The Treasure Island Development Authority (TIDA) will be executing the Economic Development Conveyance Memorandum of Understanding with the U.S. Navy for the initial transfer of properties from the Navy to TIDA as well as completing the expansion of the Treasure Island Marina and work on the Treasure Island/Yerba Buena Island Development Project.
- As a part of the City’s consolidation and streamlining of contract monitoring across City departments, the Equal Benefits, Surety Bonds, and Local Business Enterprise Divisions of the Human Rights Commission (HRC) will transition to the City Administration Office, increasing the administrative staff and demands of the Administrator’s Office.
- The Community Ambassadors Program, which began as a pilot program in Districts 6 and 10, provides ambassadors to the selected communities, and those ambassadors serve as community liaisons and are a public safety presence in crime trouble spots to ameliorate community tensions. This program will transition to a permanent program within City Administration in FY 2012-13.

FY 2013-14

The Department’s proposed FY 2013-14 budget has decreased by \$9,146,052 largely due to reductions in the Community Redevelopment Program.

The Department proposes to update the City fleet will be updated in FY 2013-14, replacing 117 older vehicles to comply with the Healthy Air and Clean Transportation Ordinance (HACTO).

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 722.60 FTEs, which are 85.13 FTEs more than the 637.47 FTEs in the original FY 2011-12 budget. This represents 13.4% increase in FTEs from the original FY 2011-12 budget. The FY 2012-13 budget includes 35 positions transferred from the former San Francisco Redevelopment Agency to the Community Development Program; 30 positions transferred from the Human Rights Commission to the new Contract Monitoring unit; increases in temporary salaries; reductions in attrition savings to allow for the hire of vacant positions; and 20 new positions, as follows:

- Seven new positions in the City Administrator’s Office, including (a) one new Manager III, who had previously worked for the San Francisco Redevelopment Agency to assist with Human Resources ; (b) one new Manager I to support the City Administrator in implementing various new initiatives; (c) one new Community Development Specialist to aid in initiatives formerly covered by the state’s redevelopment agencies; and (d) four new Public Service Aides and 26 new temporary positions in the Community Ambassadors Program;
- One new purchased dedicated to the Human Services Agency (HSA) to meet the high volume of purchasing requests generated by HSA;

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

- One Senior IS Business Analyst to serve as the technical lead on the City’s Capital Planning Program (CPP), a \$24.7 billion city-wide ten-year capital plan;
- Two new Principal Administrative Analyst positions in the Office of Civic Engagement and Immigrant Affairs, to work with the Community Ambassadors Program, and (a) one of which would provide analysis and program support for programs engaging the Asian American, Native Hawaiian and Pacific Islander communities; and (b) one of which would focus on programs for low-income, vulnerable, and at-risk communities;
- Eight new Custodians to provide custodial services at the new Public Utilities Commission building at 550 Golden Gate Avenue;
- One Senior Administrative Analyst to provide analysis and support for the initial transfer of Treasure Island from the Navy to the City;

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 725.67 FTEs, which are 3.07 FTEs more than the 722.60 FTEs in the original FY 2012-13 budget. This represents 0.42% increase in FTEs from the original FY 2012-13 budget. Position increases in FY 2013-14 are due to annualization of new positions in FY 2012-13 and other adjustments.

INTERIM EXCEPTIONS

The Department has requested approval of 10 positions as an interim exception. The Budget and Legislative Analyst recommends approval of 10 positions as an interim exception.

- 8 custodian positions for the opening of the new PUC building at 550 Golden Gate Avenue in July 2012.
- 2 new positions, one of which transferred from the former Redevelopment Agency and one of which the Department filled on a temporary requisition in FY 2011-12.

FEE LEGISLATION

The proposed ordinance would revise increase fees charged to City administered or City funded construction projects from fixed fees based on the valuation of the project to fixed fees plus hourly rates for plan review and site inspection for the Office on Disability for compliance with Federal disability access laws. Current revenues only generate approximately 50% of the actual costs. Projected revenues for FY 2012-13 are based on the proposed fee ordinance as follows:

File No.	Fee Description	FY 2011-12 Original Revenue	Change in FY 2012-13	Annualized Revenue Thereafter	% Cost Recovery
12-0606	Compliance with Disability Access Laws	\$113,000	\$230,000	\$230,000	100%

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: **ADM – CITY ADMINISTRATOR’S OFFICE**

Recommendation: Approval of the proposed fee increases is a policy matter for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the proposed Administrative Services budget is balanced based on

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$365,324,234 in FY 2012-13 are \$160,379,637 or 73.8% more than FY 2011-12 revenues of \$204,944,597. General Fund support of \$43,680,693 in FY 2012-13 is \$2,873,928 or 6.2% less than FY 2011-12 General Fund support of \$46,554,621.

As a result of the transfer of the former Redevelopment Agency to the City as the successor agency, tax increment revenues that would have accrued to the Redevelopment Agency to support existing obligations of the Redevelopment Agency prior to its dissolution are now included in the City Administrator’s budget.

Other major changes to the Department’s FY 2012-13 revenues include:

- Expected increases in revenues from the Moscone Convention Center upon completion of improvements in June 2012; and
- Transfer of fund balances from the Convention Facilities Fund, Real Estate Special Revenue Fund, and Neighborhood Beautification Fund to fund Moscone Convention Center, Earthquake Safety Implementation Program, and other projects.

FY 2013-14

The Department's revenues of \$355,313,395 in FY 2013-14, are \$10,010,839 or 2.7% less than FY 2012-13 revenues of \$365,324,234. General Fund support of \$44,545,480 in FY 2013-14 is \$864,787 or 2.0% more than FY 2012-13 General Fund support of \$43,680,693.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$409,080 in FY 2012-13, of which \$209,923 are one-time and \$199,157 are ongoing. These reductions would still allow an increase of \$157,096,629 or 62.5% in the Department’s FY 2012-13 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$31,138 to the General Fund.

Together, these recommendations result in \$440,218 savings to the General Fund.

The Budget and Legislative Analyst includes a Policy Recommendation that would result in a total savings of \$85,321.

The Budget and Legislative Analyst also includes a Reserve Recommendation of \$251,082.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$323,286 in FY 2012-13, which are ongoing savings.

These recommendations result in \$323,286 savings to the General Fund.

The Budget and Legislative Analyst includes a Policy Recommendation that would result in a total savings of \$115,354.

The Budget and Legislative Analyst also includes a Reserve Recommendation of \$393,181.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

ADM - City Administrator's Office

Object Title	FY 2012-13				FY 2013-14					
	FTE	Amount		GF	IT	FTE	Amount		GF	IT
	From	To	From	To	Savings	From	To	From	To	Savings
ACA - Community Ambassadors Program										
Principal Administrative Analyst	0.77	0.00	\$85,245	\$0	\$85,245	x		1.00	0.00	\$0
Mandatory Fringe Benefits			\$41,924	\$0	\$41,924	x				\$46,458
			<i>Total Savings</i>		\$127,169			<i>Total Savings</i>		\$159,136
<p>The Department is requesting two new Principal Administrative Analyst positions in the Office of Civic Engagement and Immigrant Affairs, one of which the Department hired in FY 2011-12 on a temporary requisition and for which we recommend approval, and one of which would support the new Community Ambassadors Program. The Department's proposed organization chart for the Community Ambassador Program in FY 2012-13 shows an existing 1823 Senior Administrative Analyst position as the program manager. Therefore, we recommend deletion of the proposed new 1824 Principal Administrative Analyst position, which would duplicate the role of the 1823 Senior Administrative Analyst.</p>										
Temporary - Miscellaneous										\$119,497
Mandatory Fringe Benefits										\$9,440
			<i>Total Savings</i>					<i>Total Savings</i>		\$128,937
<p>Based on the organizational chart and work plan for the Community Ambassadors Program provided by the Department of Administrative Services, temporary salaries of \$308,937 should be sufficient to pay for temporary staff and interns to provide community outreach in FY 2013-14.</p>										
FAC - City Administrator - Administration										
Attrition Savings			(\$130,369)	(\$196,068)	\$65,699	x	x			
Mandatory Fringe Benefits			(\$51,174)	(\$76,963)	\$25,789	x	x			
			<i>Total Savings</i>		\$91,488					
<p>The Department hired four positions in FY 2011-12 on temporary requisitions before the Board of Supervisors approved the new positions in the FY 2012-13 budget. The Department's General Fund budget for salaries has increased in FY 2012-13 by \$2.5 million, or 9.4%.</p>										
<p>The Department has budgeted \$1.7 million in salaries in this program in FY 2012-13, which is an increase of \$300,000 or 19.7% more than FY 2011-12 salaries of \$1.4 million. The recommended reduction in attrition savings adjusts for the increased salary budget due to new positions hired in the prior fiscal year on temporary requisitions.</p>										
Manager III	1.00	0.00	\$128,569	\$0	\$128,569	x		1.00	0.00	\$130,857
Mandatory Fringe Benefits			\$49,201	\$0	\$49,201	x				\$54,315
Manager II	0.00	0.77	\$0	\$119,128	(\$119,128)	x		0.00	1.00	\$0
Mandatory Fringe Benefits			\$0	\$47,369	(\$47,369)	x				\$52,141
			<i>Total Savings</i>		\$11,273			<i>Total Savings</i>		\$11,783
<p>The Department is proposing the transfer of a Manager III position from the Redevelopment Agency to assist with personnel and human resource functions in the Department. We recommend approval of the position but as a downward substitution to a Manager II position to aid the existing human resource staff.</p>										
<p>Ongoing savings.</p>										

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

ADM - City Administrator's Office

Object Title	FY 2012-13						FY 2013-14							
	FTE		Amount		GF IT		FTE		Amount		GF IT			
	From	To	From	To	Savings	GF	IT	From	To	From	To	Savings	GF	IT
Attrition Savings	0.00	1.29	(\$143,641)	(\$228,641)	\$85,000	x	x							
Mandatory Fringe Benefits			(\$56,502)	(\$89,937)	\$33,435	x	x							
			<i>Total Savings</i> \$118,435											
<p>The Department hired four positions in FY 2011-12 on temporary requisitions before the Board of Supervisors approved the new positions in the FY 2012-13 budget. The Department's General Fund budget for salaries has increased in FY 2012-13 by \$2.5 million, or 9.4%.</p> <p>The Department has budgeted \$5.3 million in salaries in this program in FY 2012-13, which is an increase of \$400,000 or 8.7% more than FY 2011-12 salaries of \$4.9 million. The recommended reduction in attrition savings adjusts for the increased salary budget due to new positions hired in the prior fiscal year on temporary requisitions.</p>														
Programmatic Budget	1.00	0.77	\$440,000	\$379,285	\$60,715	x	x	1.00	1.00	\$590,000	\$566,570	\$23,430	x	x
<p>BA8 - Earthquake Safety Program</p> <p>The Department has proposed a new Manager IV position for the Earthquake Safety Program, which is a new General Fund project. The Department does not have a detailed plan or budget for this new program in FY 2012-13. We recommend a Manager II position instead of a Manager IV position, with a hire date of October 1, 2012, which is the appropriate level for the program manager based on the Department's preliminary description of the program scope.</p> <p>Funding for the proposed new Manager II salary and fringe benefits in FY 2012-13 is \$128,203. As noted below, we recommend that the Budget and Finance Committee reserve the balance of \$251,082, pending submission of a program plan and budget detail.</p>														
Senior Administrative Analyst	0.77A	0.77L	\$73,654	\$73,654	\$0									
			<i>Total Savings</i> \$0											
<p>The Department is requesting a new position to support the transition of TIDA from the Navy to the City. We recommend this as a limited-tenure position to be terminated when the transition is completed.</p>														

FY 2012-13			FY 2013-14		
Total Recommended Reductions		Total	Total Recommended Reductions		Total
One-Time	Ongoing		One-Time	Ongoing	
General Fund	\$209,923	\$409,080	General Fund	\$0	\$323,286
Non-General Fund	\$0	\$0	Non-General Fund	\$0	\$0
Total	\$209,923	\$409,080	Total	\$0	\$323,286

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

ADM - City Administrator's Office

Object Title	FY 2012-13					FY 2013-14					
	FTE		Amount			FTE		Amount			
	From	To	From	To	Savings	GF	IT	From	To	Savings	GF

Policy Recommendations

FAC - City Administrator - Administration

Community Development Specialist	0.77	0.00	\$59,710	x	\$59,710	x	\$0	1.00	0.00	\$78,548	\$0	\$78,548	x
Mandatory Fringe Benefits			\$25,611	x	\$25,611	x	\$0			\$36,806	\$0	\$36,806	x
			<i>Total Savings</i>				\$85,321			<i>Total Savings</i>		\$115,354	

The Department is requesting one new Community Development Specialist position to support the Mid-Market and 3rd Street projects previously funded by the San Francisco Redevelopment Agency. The Department has not sufficiently defined the role of this position or how the potential responsibilities of the position cannot be undertaken by existing staff. Furthermore this role is duplicated by a new position proposed in the Office of Economic and Workforce Development budget. We consider approval of the proposed position to be a policy matter.

Ongoing reduction.

FY 2012-13

Total Policy Recommendations

	One-Time	Ongoing	Total
General Fund	\$0	\$85,321	\$85,321
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$85,321	\$85,321

FY 2013-14

Total Policy Recommendations

	One-Time	Ongoing	Total
General Fund	\$0	\$115,354	\$115,354
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$115,354	\$115,354

Reserve Recommendation

BA8 - Earthquake Safety Program

Programmatic Budget	\$379,285	\$379,285*	\$566,570	\$566,570*
<p>The Department does not have a detailed plan or budget for the Earthquake Safety program in FY 2012-13. As noted above, funding for the proposed new Manager II salary and fringe benefits in FY 2012-13 is \$128,203. As noted below, we recommend that the Budget and Finance Committee reserve the balance of \$251,082, pending submission of a program plan and budget detail.</p> <p>As noted above, funding for the Manager II salary and fringe benefit in FY 2013-14 is \$173,389. We recommend that the Budget and Finance Committee reserve the balance of \$393,181, pending submission of a program plan and budget detail.</p>				

FY 2012-13

Total Reserve Recommendation

	One-Time	Ongoing	Total
General Fund	\$0	\$251,082	\$251,082
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$251,082	\$251,082

FY 2013-14

Total Reserve Recommendation

	One-Time	Ongoing	Total
General Fund	\$0	\$393,181	\$393,181
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$393,181	\$393,181

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

ADM - Administrative Services

Vendor Name	Subobject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance
XTECH	MANAGEMENT CONSULTING SERVICES	Yes	1/18/2008	12/4/2008	89,625.00	29,885.00
RICOH-REPRODUCTION STORE	REPRODUCTION COPIER STORE PROGRAM	Yes	10/14/2009	12/23/2010	3,500.00	1,253.00
					-	-
					-	-
					-	-
					-	-
					-	-

Total Amount Return to Fund Balance 31,138.00
General Fund 31,138.00
Non-General Fund -

Note: The above encumbrance balances are from budget years prior to FY 2011-12. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$75,914,891 budget for FY 2012-13 is \$1,731,443 or 2.3% more than the original FY 2011-12 budget of \$74,183,448.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 199.42 FTEs, which are 3.19 FTEs more than the 196.23 FTEs in the original FY 2011-12 budget. This represents a 1.6% increase in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$74,307,300 in FY 2012-13, are \$1,562,978 or 2.1% more than FY 2011-12 revenues of \$74,307,300. General Fund support of \$1,607,591 in FY 2012-13 is \$168,465 or 11.7% more than FY 2011-12 General Fund support of \$1,439,126.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$73,070,818 budget for FY 2013-14 is \$2,844,073 or 3.7% less than the original FY 2012-13 budget of \$75,914,891.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 206.33 FTEs, which are 6.91 FTEs more than the 199.42 FTEs in the original FY 2012-13 budget. This represents 3.5% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$71,422,863 in FY 2013-14, are \$2,884,437 or 3.9% less than FY 2012-13 revenues of \$74,307,300. General Fund support of \$1,647,955 in FY 2012-13 is \$40,364 or 2.5% more than FY 2012-13 General Fund support of \$1,607,591.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$280,021 in FY 2012-13. Of the \$280,021 in recommended reductions, \$260,790 are ongoing savings and \$19,231 are one-time savings. The General Fund savings from these recommendations is \$204,799.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$579,812 to the General Fund.

These recommendations will result in \$784,611 savings to the City's General Fund in FY 2012-13.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$961,330 in FY 2013-14. Of the \$961,330 in recommended reductions, \$953,029 are ongoing savings and \$8,301 are one-time savings. The General Fund savings from these recommendations is \$708,047.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011-2012	FY 2012-2013	Increase/ Decrease from	FY 2013-2014	Increase/ Decrease from
	Budget	Proposed	FY 2011-2012	Proposed	FY 2012-2013
GENERAL SERVICES AGENCY - TECHNOLOGY					
ADMINISTRATION	25,574,713	23,541,789	-2,032,924	23,873,975	332,186
GOVERNANCE AND OUTREACH	7,547,473	9,117,365	1,569,892	8,580,582	(536,783)
OPERATIONS	30,611,314	31,583,200	971,886	28,808,128	(2,775,072)
REPRODUCTION SERVICES	0	0	0	0	0
TECHNOLOGY	1,806,574	2,601,035	794,461	2,664,080	63,045
TECHNOLOGY SERVICES:PUBLIC SAFETY	8,643,374	9,071,502	428,128	9,144,053	72,551
GENERAL SERVICES AGENCY - TECHNOLOGY	74,183,448	75,914,891	1,731,443	73,070,818	(2,844,073)

FY 2012-13

The Department’s proposed FY 2012-13 budget has increased by is \$1,731,443 largely due to:

- Increased salary and mandatory fringe benefit expenditures, including new positions in FY 2012-13, annualization of positions that were new in FY 2011-12, and mandatory salary increases.
- A one-time increase in Committee on Information Technology (COIT) projects, including data center consolidation and ongoing work converting City workers’ email system from Lotus Notes to Microsoft Outlook.
- Enhancements to the City’s Disaster Recovery and Mobile Services projects and equipment upgrades for SFGovTV and other TIS efforts.
- These increases are partially offset by reductions in telephone costs due to reduced usage.

FY 2013-14

The Department’s proposed FY 2013-14 budget has decreased by \$2,844,073 largely due to:

- Reduced funding for data center consolidation and email conversion.
- These reductions are offset, somewhat, by increased salary expenditures for the annualization of positions that were new in FY 2012-13, and increases in salaries and mandatory fringe benefits.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 199.42 FTEs, which are 3.19 FTEs more than the 196.23 FTEs in the original FY 2011-12 budget. This represents a 1.6% increase in FTEs from the original FY 2011-12 budget.

The proposed budget includes new positions working on the Disaster Recovery Project and SFGovTV, adjusting select positions from part-time to full-time, and positions reassigned from the Controller’s Office.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 206.33 FTEs, which are 6.91 FTEs more than the 199.42 FTEs in the original FY 2012-13 budget. This represents 3.5% increase in FTEs from the original FY 2012-13 budget.

This increase reflects the annualization of positions that were new in FY 2012-13, and the reassignment of positions from an off-budget position in FY 2012-13 to on-budget in FY 2013-14.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$74,307,300 in FY 2012-13, are \$1,562,978 or 2.1% more than FY 2011-12 revenues of \$74,307,300. General Fund support of \$1,607,591 in FY 2012-13 is \$168,465 or 11.7% more than FY 2011-12 General Fund support of \$1,439,126.

Specific changes in the Department's FY 2012-13 revenues include:

- Increases in expenditure recovery from other City departments.
- Reduced use of fund balance.
- Increased revenue from licenses and fines.

FY 2013-14

The Department's revenues of \$71,422,863 in FY 2013-14, are \$2,884,437 or 3.9% less than FY 2012-13 revenues of \$74,307,300. General Fund support of \$1,647,955 in FY 2012-13 is \$40,364 or 2.5% more than FY 2012-13 General Fund support of \$1,607,591.

These changes reflect continued reductions in the Department's use of fund balance, as well as a reduction in anticipated expenditure recoveries from other City departments. .

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$280,021 in FY 2012-13. Of the \$280,021 in recommended reductions, \$260,790 are ongoing savings and \$19,231 are one-time savings. The General Fund savings from these recommendations is \$204,799.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$579,812 to the General Fund.

These recommendations will result in \$784,611 savings to the City's General Fund in FY 2012-13.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$961,330 in FY 2013-14. Of the \$961,330 in recommended reductions, \$953,029 are ongoing savings and \$8,301 are one-time savings. The General Fund savings from these recommendations is \$708,047.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

Object Title	FY 2012-13						FY 2013-14							
	FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF	IT
	From	To	From	To				From	To	From	To			
BAK - Operations														
Communications Line Worker Supervisor II								0.00	(0.50)	\$0	(\$55,651)			x
Mandatory Fringe Benefits										\$0	(\$24,036)			x
Electrical Line Worker								0.00	(2.00)	\$0	(\$179,734)			x
Mandatory Fringe Benefits										\$0	(\$84,448)			x
Electrician								0.00	(0.30)	\$0	(\$27,889)			x
Mandatory Fringe Benefits										\$0	(\$12,944)			x
Communications Systems Technician								0.00	(0.50)	\$0	(\$53,402)			x
Mandatory Fringe Benefits										\$0	(\$22,355)			x
Electrical Line Helper								0.00	(2.00)	\$0	(\$152,954)			x
Mandatory Fringe Benefits										\$0	(\$76,452)			x
One Day Adjustment										\$0	(\$1,829)			x
Mandatory Fringe Benefits										\$0	(\$545)			x
<i>Total Savings</i>											<i>\$692,239</i>			
<p>The Department's FY 2013-14 budget includes several limited term positions (5.3 FTE) that were to end prior to the start of the fiscal year. These limited term positions and the related salary and fringe costs are proposed to be deleted for FY2013-14 as originally planned.</p>														
Other Current Expenses			\$500,000	\$250,000	\$250,000	x				\$500,000	\$250,000	\$250,000		x
Reduce based on historic spending														
<i>Ongoing savings</i>														
BK4 - Governance and Outreach														
Media Production Technician	1.00	0.90	\$60,164	\$54,148	\$6,016	x								
Mandatory Fringe Benefits			\$29,936	\$26,943	\$2,993	x								
<i>Total Savings</i>											<i>\$9,009</i>			
<p>Department has requested 1.0 FTE new Media Production Technician, which would allow the Department to increase two existing Media Production Technicians from 0.5 FTE each to 1.0 FTE each. The Department has not requested an interim exception. A one-time reduction of 0.10 FTE will allow the Department to increase the hours for these two existing positions from full-time to part-time on or after August 1, 2012.</p>														

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		GF	IT	FTE		Amount		GF	IT
	From	To	From	To			From	To	From	To		
Temporary - Miscellaneous	2.06	1.94	\$169,710	\$159,710	\$10,000	x	2.06	1.94	\$169,710	\$159,710	\$10,000	x
Mandatory Fringe Benefits			\$13,407	\$12,617	\$790	x			\$13,407	\$12,617	\$790	x
			<i>Total Savings</i>		<i>\$10,790</i>				<i>Total Savings</i>		<i>\$10,790</i>	
Equipment Purchase			\$1,119,308	\$1,109,086	\$10,222	x			\$1,157,940	\$1,149,639	\$8,301	x
	<p>As of June 13, 2012, the Department was projected to close the year with a significant General Fund Temporary Salaries appropriation. A reduction of \$10,000, plus mandatory fringe benefits, will allow sufficient funding for Temporary Salaries.</p> <p>Ongoing savings.</p> <p>Department overestimated sales tax in calculating its Equipment Purchase budget. Reduce by \$8,301 to reflect 8.5% sales tax</p>											

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$9,009	\$195,790	\$204,799
Non-General Fund	\$10,222	\$65,000	\$75,222
Total	\$19,231	\$260,790	\$280,021

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$708,047	\$708,047
Non-General Fund	\$8,301	\$244,982	\$253,283
Total	\$8,301	\$953,029	\$961,330

NOTE: The 6f TIF-AAP fund is an interdepartmental recovery fund, consisting of approximately 74% General Fund and 26% non-General Fund

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

TIS - Department of Technology

Vendor Name	Subsubject Title	General Fund Savings	Year of Appropriation	Date of Last Recorded Transaction	Original Amount	Unexpended Balance
XTECH	DATA PROCESSING EQUIPMENT	No	\$2,008	2/26/2009	35,297.63	19,570.54
XTECH	SYSTEMS CONSULTING SERVICES	Yes	\$2,009	4/2/2009	11,520.00	6,600.00
SYMPHONY SERVICES CORP	SYSTEMS CONSULTING SERVICES	Yes	\$2,009	9/15/2009	8,000.00	8,000.00
EN POINTE TECHNOLOGIES SALES INC	SYSTEMS CONSULTING SERVICES	Yes	\$2,009	11/6/2009	32,855.00	32,855.00
XTECH	SYSTEMS CONSULTING SERVICES	Yes	\$2,010	4/26/2010	40,000.00	8,000.00
XTECH	DP/WP EQUIPMENT MAINT	Yes	\$2,010	4/30/2010	3,893.25	3,893.25
MALTBY ELECTRIC SUPPLY CO INC	COMMUNICATION SUPPLIES	Yes	\$2,010	7/19/2010	1,000.00	726.25
MALTBY ELECTRIC SUPPLY CO INC	COMMUNICATION SUPPLIES	Yes	\$2,010	12/20/2010	1,910.00	1,564.92
REAL ESTATE	GF-RENT PAID TO REAL ESTATE	Yes	\$2,010	1/28/2011	859,878.00	15,006.00
REMOTE SATELLITE SYSTEMS INTL	COMMUNICATION TRAINING COSTS PAID TO	Yes	\$2,011	3/1/2011	65.70	65.70
CA INC	VENDORS	Yes	\$2,011	3/1/2011	2,900.00	2,900.00
Total Amount Return to Fund Balance					99,181.66	
					General Fund	58,912.23
					Non-General Fund	40,269.43

Note: The above encumbrance balances are from budget years prior to FY 2011-12. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed \$146,545,862 budget for FY 2012-13 is \$17,578,114 or 13.6% more than the original FY 2011-12 budget of \$128,967,748.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 804.13 FTEs, which are 20.89 FTEs more than the 783.24 FTEs in the original FY 2011-12 budget. This represents a 2.7% change in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$118,143,921 in FY 2012-13, are \$12,909,899 or 12.3% more than FY 2011-12 revenues of \$105,234,022. General Fund support of \$28,401,941 in FY 2012-13 is \$4,668,215 or 19.7% more than FY 2012-13 General Fund support of \$23,733,726.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed \$141,080,690 budget for FY 2013-14 is \$5,465,172 or 3.7% less than the proposed FY 2012-13 budget of \$146,545,862.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 804.58 FTEs, which are .45 FTEs more than the 804.13 FTEs in the proposed FY 2012-13 budget. This represents .06% change in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$122,888,500 in FY 2013-14, are \$4,744,579 or 4.0% more than FY 2012-13 revenues of \$118,143,921. General Fund support of \$18,192,190 in FY 2012-13 is \$10,209,751 or 35.9% less than FY 2012-13 General Fund support of \$28,401,941.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DPW – DEPARTMENT OF PUBLIC WORKS

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$222,413 in FY 2012-13. All of the \$222,413 in recommended reductions are ongoing savings. These reductions would still allow an increase of \$17,355,701 or 13.5% in the Department's FY 2012-13 budget.

These recommendations will result in a slightly larger General Fund savings of \$254,783 in FY 2012-13.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$248,034 in FY 2013-14. All the recommended reductions are ongoing savings.

These recommendations will result in a slightly larger General Fund savings of \$281,997 in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DPW – DEPARTMENT OF PUBLIC WORKS

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2011- 2012 Budget	FY 2012- 2013 Proposed	Increase/ Decrease from FY 2011- 2012	FY 2013- 2014 Proposed	Increase/ Decrease from FY 2012- 2013
GENERAL SERVICES AGENCY - PUBLIC WORKS					
ARCHITECTURE	471,617	414,630	(56,987)	415,741	1,111
BUILDING REPAIR AND MAINTENANCE	17,960,448	18,120,423	159,975	18,824,370	703,947
CITY CAPITAL PROJECTS	26,289,510	37,454,377	11,164,867	29,735,698	(7,718,679)
CONSTRUCTION MANAGEMENT SERVICES	278,274	217,264	(61,010)	217,926	662
ENGINEERING	712,475	883,494	171,019	881,068	(2,426)
GENERAL ADMINISTRATION	0	0	0	0	0
STREET AND SEWER REPAIR	14,588,464	16,794,524	2,206,060	17,187,400	392,876
STREET ENVIRONMENTAL SERVICES	38,216,141	39,873,881	1,657,740	40,032,524	158,643
STREET USE MANAGEMENT	14,149,931	16,154,611	2,004,680	16,600,241	445,630
URBAN FORESTRY	16,300,888	16,632,658	331,770	17,185,722	553,064
GENERAL SERVICES AGENCY - PUBLIC WORKS	128,967,748	146,545,862	17,578,114	141,080,690	(5,465,172)

FY 2012-13

The Department's proposed FY 2012-13 budget has increased by \$17,578,114 largely due to:

- Capital projects, including bond-funded improvements to fire stations and systems, streetscape improvements, street resurfacing, and curb ramps. The passage of the street resurfacing bond in November 2011 will allow DPW to increase street repairs for 3 years while the City pursues a permanent source of funding for street repairs.
- Rising personnel costs, including increased salary costs in administration and temporary and overtime pay for workers in the Bureau of Street and Sewer Repair.
- Investment in workforce programs for street cleaning and urban forestry, including the Jobs Now and Community Corridors Apprenticeship programs, which partner with local agencies to provide employment for low-income San Francisco residents.

FY 2013-14

The Department's proposed FY 2013-14 budget has decreased by \$5,465,172 largely due to:

- Decreased spending on major capital projects. This decrease in funding for new projects is accompanied by increased spending on debt service costs associated with recent capital projects.
- Decreased funding for the Community Corridors Apprenticeship program.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DPW – DEPARTMENT OF PUBLIC WORKS

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 804.13 FTEs, which are 20.89 FTEs more than the 783.24 FTEs in the original FY 2011-12 budget. This represents a 2.7% increase in FTEs from the original FY 2011-12 budget.

The FY 2012-13 budget includes 45 new non-operating (off-budget) positions, principally within the bureaus of Infrastructure Design and Construction (formerly Engineering) and the Bureau of Building Design and Construction (formerly Architecture), for capital projects.

The FY 2012-13 budget also includes 20.89 new FTEs, including (a) two new street inspector positions, (b) one manager and one supervisor for street repair, (c) one administrative analyst, (d) adjustments to attrition savings to allow hiring of vacant positions, and (e) increases in temporary salaries to allow for hiring of project-based positions that are not permanent. The new positions in the FY 2012-13 budget are offset by position deletions and other adjustments.

The Department is also realigning functions in several bureaus, notably centralizing information technology functions and transferring positions from the Bureau of Project Controls Services (formerly the Bureau of Construction Management Services) into the Bureaus of Building Design and Construction and Infrastructure Design and Construction.

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 804.58 FTEs, which are 0.45 FTEs more than the 804.13 FTEs in the original FY 2012-13 budget. This represents a .06% increase in FTEs from the original FY 2012-13 budget.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$118,143,921 in FY 2012-13, are \$12,909,899 or 12.3% more (less) than FY 2011-12 revenues of \$105,234,022. General Fund support of \$28,401,941 in FY 2012-13 is 4,668,215 or 19.7% more than FY 2011-12 General Fund support of \$23,733,726.

Specific changes in the Department's FY 2012-13 revenues include:

- A large increase in funding for capital projects from voter-approved bonds, including the new Proposition B street repair initiative.
- Increase in the city's share of state gas tax revenues.
- An increase in General Fund support.
- Fee revenues are projected to increase in FY 2012-13 by \$469,524, due in part to increased right-of-way assessments and other construction activities.

FY 2013-14

The Department's revenues of \$122,888,500 in FY 2013-14, are \$4,744,579 or 4.0% more than FY 2012-13 revenues of \$118,143,921. General Fund support of \$18,192,190 in FY 2013-14 is \$10,209,751 or 35.9% less than FY 2012-13 General Fund support of \$28,401,941.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: DPW – DEPARTMENT OF PUBLIC WORKS

Specific changes in the Department's FY 2013-14 revenues include:

- Continued funding for capital projects from voter-approved bonds, including the new Proposition B street repair initiative, and anticipated reimbursement related to the 4th Street bridge retrofit, totaling \$10,000,000, as part of a legal settlement.
- Increased recoveries for work performed for other city departments.
- A modest increase in the city's share of state gas tax revenues.
- Modest increases in fee revenues from construction activities such as right-of-way assessments.

COMMENTS:

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$222,413 in FY 2012-13. All of the \$222,413 in recommended reductions are ongoing savings. These reductions would still allow an increase of \$17,355,701 or 13.5% in the Department's FY 2012-13 budget.

These recommendations will result in a slightly larger General Fund savings of \$254,783 in FY 2012-13.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$248,034 in FY 2013-14. All the recommended reductions are ongoing savings.

These recommendations will result in a slightly larger General Fund savings of \$281,997 in FY 2013-14.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget
DPW - General Services Agency - Department of Public Works**

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		Savings	GF	FTE		Amount		Savings	GF
	From	To	From	To			From	To	From	To		
BA1 - Urban Forestry												
Other Current Expenses			\$10,880	\$5,880	\$5,000	x			\$10,880	\$5,880	\$5,000	x
	Based on projected need.											
SFGH Medical Service			\$24,400	\$19,400	\$5,000	x			\$24,400	\$19,400	\$5,000	x
	Department is projecting significantly lower levels of Workers' Compensation than were budgeted.											
Workers' Compensation			\$792,413	\$700,000	\$92,413	x			\$818,034	\$700,000	\$118,034	x
	Department is projecting significantly lower levels of Workers' Compensation than were budgeted.											
BA2 - Street and Sewer Repair												
Asphalt Finisher	3.00	2.65	\$189,623	\$167,632	\$21,991	x			\$192,997	\$170,481	\$22,516	x
Mandatory Fringe Benefits			\$89,501	\$79,122	\$10,379	x			\$98,118	\$86,671	\$11,447	x
			<i>Total Savings</i>	<i>\$32,370</i>					<i>Total Savings</i>	<i>\$33,963</i>		
	Based on projected need.											
Temporary Salaries			\$1,154,346	\$1,124,346	(\$30,000)				\$1,154,346	\$1,185,346	(\$31,000)	
Mandatory Fringe Benefits			\$91,193	\$88,823	(\$2,370)				\$91,193	\$94,156	(\$2,963)	
			<i>Total Savings</i>	<i>(\$32,370)</i>					<i>Total Savings</i>	<i>(\$33,963)</i>		
	Based on projected need.											
BAR - Building Repair and Maintenance												
Stationary Engineer	5.00	4.00	\$376,090	\$300,872	\$75,218	x			\$382,782	\$306,226	\$76,556	x
Mandatory Fringe Benefits			\$168,958	\$135,166	\$33,792	x			\$185,894	\$148,715	\$37,179	x
			<i>Total Savings</i>	<i>\$109,010</i>					<i>Total Savings</i>	<i>\$113,735</i>		
	Position has been vacant since 6/12/2010.											
Attrition Savings			(\$212,484)	(\$136,715)	(\$75,769)	x			(\$216,197)	(\$139,103)	(\$77,094)	x
Mandatory Fringe Benefits			(\$93,221)	(\$59,980)	(\$33,241)	x			(\$102,752)	(\$66,111)	(\$36,641)	x
			<i>Total Savings</i>	<i>(\$109,010)</i>					<i>Total Savings</i>	<i>(\$113,735)</i>		
	Reduce attrition to partially offset elimination of vacant position.											
	Ongoing reduction in attrition.											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget
DPW - General Services Agency - Department of Public Works**

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
BAZ - Street Environmental Services												
General Laborer	125.50	120.50	\$7,517,332	\$7,217,837			125.50	120.50	\$7,651,099	\$7,346,274		
Mandatory Fringe Benefits			\$3,633,362	\$3,488,607	x	x			\$3,978,494	\$3,819,988	x	x
			<i>Total Savings</i>	<i>\$444,250</i>					<i>Total Savings</i>	<i>\$463,331</i>		
The Department has 22.0 FTE vacant General Labor positions, of which 6.0 FTEs have been vacant since 2007. A reduction of 5.0 FTEs General Laborers will still allow the Department to increase its General Laborer staffing in FY 2012-13.												
Attrition Savings			\$797,975	\$1,098,667					\$618,687	\$924,564		x
Mandatory Fringe Benefits			\$380,975	\$524,533					\$318,477	\$475,931		x
			<i>Total Savings</i>	<i>(\$444,250)</i>					<i>Total Savings</i>	<i>(\$463,331)</i>		
Reduce attrition to partially offset elimination of vacant position.												
Professional & Specialized Svcs.			\$380,510	\$305,510					\$380,510	\$305,510		x
Based on historical spending and on information provided by department on current spending for these contracts.												
Parking and Traffic			\$50,000	\$5,000					\$50,000	\$5,000		x
Reduce workorder with MTA Parking and Traffic based on projected need.												
BAW - City Capital Projects												
Bids, Structures & Improvements									\$1,000,000	\$1,000,000		x
Place \$1,000,000 of General Fund one-time capital funding for the Law Library on Budget and Finance Committee Reserve pending the provision of details regarding where and how these funds would be specifically expended. The Law Library is currently located in the War Memorial building. Due to the closure of the War Memorial for seismic renovations, the Law Library will need to relocate by FY 2013-14. Any new lease for the Law Library would be subject to approval by the Board of Supervisors. Based on information provided by the Real Estate Division, the proposed \$1,000,000 included in DPW's FY 2013-14 capital budget is intended to fund relocation and renovation costs for the Law Library in FY 2013-14. Given that the specific location and amount of space required for the Law Library has not yet been determined, the amount that would be required for relocation and renovation costs cannot be specified at this time.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget
DPW - General Services Agency - Department of Public Works**

Object Title	FY 2012-13						FY 2013-14					
	FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
	From	To	From	To			From	To	From	To		
BK.J - General Administration												
Accountant II	5.00	4.00	\$380,380	\$304,304	\$76,076		5.00	4.00	\$387,149	\$309,719	\$77,430	
Mandatory Fringe Benefits			\$166,528	\$133,222	\$33,306				\$183,544	\$146,835	\$36,709	
			<i>Total Savings</i>	<i>\$109,382</i>					<i>Total Savings</i>	<i>\$114,139</i>		
Department currently has 3.0 FTE Accountant II vacancies. Eliminate 1.0 FTE Ongoing reduction.												
Communications Dispatcher	1.00	0.00	\$55,902	\$0	\$55,902		1.00	0.00	\$56,625	\$0	\$56,625	
Mandatory Fringe Benefits			\$27,490	\$0	\$27,490				\$30,260	\$0	\$30,260	
			<i>Total Savings</i>	<i>\$83,392</i>					<i>Total Savings</i>	<i>\$86,885</i>		
Eliminate position that has been vacant since April 2007. Ongoing reduction.												
Attrition Savings			(\$260,604)	(\$121,690)	(\$138,914)				(\$243,771)	(\$102,489)	(\$141,282)	
Mandatory Fringe Benefits			(\$101,042)	(\$47,182)	(\$53,860)				(\$103,080)	(\$43,338)	(\$59,742)	
			<i>Total Savings</i>	<i>(\$192,774)</i>					<i>Total Savings</i>	<i>(\$201,024)</i>		
Reduce attrition to partially offset elimination of vacant position. Ongoing reduction in attrition.												

FY 2012-13

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$254,783	\$254,783
Non-General Fund*	\$0	(\$32,370)	(\$32,370)
Total	\$0	\$222,413	\$222,413

FY 2013-14

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$281,997	\$281,997
Non-General Fund*	\$0	(\$33,963)	(\$33,963)
Total	\$0	\$248,034	\$248,034

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The Department’s proposed \$4,196,629 budget for FY 2012-13 is \$4,152,715 or 49.7% less than the original FY 2011-12 budget of \$8,349,344.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 is 17.20 FTEs, which is 0.12 FTEs less than the 17.32 FTEs in the original FY 2011-12 budget. This represents a 0.7% decrease in FTEs from the original FY 2011-12 budget.

Revenue Changes

The Department's revenues of \$4,100,000 in FY 2012-13, are \$4,000,000 or 4,000% more than the FY 2011-12 revenues of \$100,000. General Fund support of \$96,629 in FY 2012-13 is \$8,152,715 or 98.8% less than the FY 2011-12 General Fund support of \$8,249,344.

YEAR TWO: FY 2013-14

Budget Changes

The Department’s proposed \$4,307,186 budget for FY 2013-14 is \$110,557 or 2.6% more than the proposed FY 2012-13 budget of \$4,196,629.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 is 17.20 FTEs, which is the same number of FTEs in the proposed FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$100,000 in FY 2013-14, are \$4,000,000 or 97.6% less than FY 2012-13 revenues of \$4,100,000. General Fund support of \$4,207,186 in FY 2013-14 is \$4,110,557 or 4,254% more than the FY 2012-13 General Fund support of \$96,629.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: **ETH – ETHICS COMMISSION**

RECOMMENDATIONS

YEAR ONE: FY 2012-13

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$41,142 in FY 2012-13. All of the \$41,142 recommended reductions are ongoing savings.

YEAR TWO: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$45,454 in FY 2013-14. All of the \$45,454 recommended reductions are ongoing savings. These reductions would still allow an increase of \$65,103 or 1.6% in the Department’s FY 2013-14 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ETH – ETHICS COMMISSION

SUMMARY OF PROGRAM EXPENDITURES:

<u>Program</u>	<u>FY 2011- 2012 Budget</u>	<u>FY 2012- 2013 Proposed</u>	<u>Increase/ Decrease from FY 2011- 2012</u>	<u>FY 2013- 2014 Proposed</u>	<u>Increase/ Decrease from FY 2012- 2013</u>
ETHICS COMMISSION					
ELECTION CAMPAIGN FUND	\$6,091,332	\$1,899,308	(\$4,192,024)	\$1,908,804	\$9,496
ETHICS COMMISSION	2,258,012	2,297,321	39,309	2,398,382	101,061
ETHICS COMMISSION	\$8,349,344	\$4,196,629	(\$4,152,715)	\$4,307,186	\$110,557

FY 2012-13

The Department’s proposed FY 2012-13 budget has decreased by \$4,152,715 largely due to:

- Provision of additional public financing disbursements for Mayoral candidates in the November, 2011 election totaling approximately \$2,420,000 in FY 2011-12. Reduction of \$4,192,024 because in FY 2011-12 the Election Campaign Fund received \$6,091,332 from (a) required one-time repayment of \$4,209,095 from the General Fund due to prior year underfunding of the Election Campaign Fund, in addition to (b) \$1,882,237 annual FY 2011-12 deposit based on \$2.75 contribution per San Francisco resident.
- In FY 2012-13, the Elections Campaign Fund is projected to receive \$1,899,308 based on \$2.75 contribution per San Francisco resident. In FY 2012-13, the Election Campaign Fund is estimated to provide disbursements of approximately \$1,343,380 for qualified candidates for the Board of Supervisors in the November, 2012 election.
- Increases for mandated salary and benefit increases and to televise Ethics Commission meetings, through workorder with SFGTV.

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$110,557 largely due to:

- Mandated increases for salaries and related fringe benefits.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2012-13

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 are 17.20 FTEs, which are 0.12 FTEs less than the 17.32 FTEs in the original FY 2011-12 budget. This represents a 0.7% decrease in FTEs from the original FY 2011-12 budget.

- In FY 2012-13, three 1654 Accountant III positions (\$91,962 annual salary) and one 1823 Senior Administrative Analyst position (\$95,654 annual salary) will be Txed down to four 1822 Administrative Analyst positions (\$81,824 annual salary), for an annual savings of approximately \$59,000 in salary and fringe benefit costs in FY 2012-13.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ETH – ETHICS COMMISSION

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 17.20 FTEs, which is the same number of FTEs in the proposed FY 2012-13 budget.

DEPARTMENT REVENUES:

FY 2012-13

The Department's revenues of \$4,100,000 in FY 2012-13, are \$4,000,000 or 4,000% more than the FY 2011-12 revenues of \$100,000. General Fund support of \$96,629 in FY 2012-13 is \$8,152,715 or 98.8% less than the FY 2011-12 General Fund support of \$8,249,344.

- In accordance with City Election Campaign and Governmental Conduct Code Section 1.138(b), the City must appropriate \$2.75 per resident each fiscal year for the City's Election Campaign Fund, with these funds dedicated 85% for public financing of Mayoral and Board of Supervisors candidates and 15% for the Ethics Commission to administer this program. The FY 2012-13 appropriation of revenues is calculated based on an updated 2010 Census population of 812,538 x \$2.75 x 85% = \$1,899,308
- As noted above, in FY 2011-12, in addition to the \$1,882,237 deposit based on \$2.75 contribution per San Francisco resident, a one-time \$4,209,095 was repaid by the General Fund to the Election Campaign Fund, for a total of \$6,091,332. The Election Campaign Fund is projected to have a remaining balance of approximately \$7,290,000 at the end of FY 2011-12.
- In FY 2012-13, \$4,000,000 of this Election Campaign Fund balance is proposed to be transferred to the City's General Fund, which is shown as a funding source for the Ethics Commission, such that a projected total of approximately \$4,240,000 would remain in the Election Campaign Fund in FY 2012-13.
- All other Ethics Commission revenues, including Lobbyist and Campaign Consultant Registration Fees, Campaign Disclosure and Other Fines are projected to stay at the same level for FY 2011-12 through FY 2013-14.

FY 2013-14

The Department's revenues of \$100,000 in FY 2013-14, are \$4,000,000 or 97.6% less than FY 2012-13 revenues of \$4,100,000. General Fund support of \$4,207,186 in FY 2013-14 is \$4,110,557 or 4,254% more than the FY 2012-13 General Fund support of \$96,629.

Specific changes in the Department's FY 2013-14 revenues include:

- The transfer of \$4,000,000 from the Election Campaign Fund to the General Fund that is proposed in FY 2012-13 as a funding source for the Ethics Commission would not occur in FY 2013-14, such that the Ethics Commission will return to its former General Fund support.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2012-13 AND FY 2013-14**

DEPARTMENT: ETH – ETHICS COMMISSION

OTHER ISSUES

- In May, 2012, the Board of Supervisors approved various amendments to the Campaign Finance Reform Ordinance, including (a) increasing the number and amount of contributions to qualify for matching City funding, (b) changing filing deadlines and timing for distribution of funds to candidates, (c) increasing the total amount that candidates may receive, and (d) reducing the total Election Campaign Fund limit from \$13.5 million to \$7.0 million.
- On June 19, 2012, the Ethics Commission will begin evidentiary hearings on the City's official misconduct charges pending against Sheriff Ross Mirkarimi. The FY 2012-13 budget does not include any additional funding to support these hearings, although the FY 2011-12 budget will have approximately \$19,000 of surplus non personnel funds. As of the writing of this report, the Ethics Commission staff cannot estimate when the Ethics Commission will conclude these hearings and make a recommendation to the Board of Supervisors.
- In addition, the Department plans to propose legislation to the Board of Supervisors within the next two fiscal years to require electronic campaign finance and consultant filings in order to eliminate the current inefficient paper filings, and the staff's time to scan these paper filings onto the Ethics Commission's website.

COMMENTS

FY 2012-13

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$41,142 in FY 2012-13. All of the \$41,142 recommended reductions are ongoing savings.

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$45,454 in FY 2013-14. All of the \$45,454 recommended reductions are ongoing savings. These reductions would still allow an increase of \$65,103 or 1.6% in the Department's FY 2013-14 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Two-Year Budget**

ETH- Ethics Commission

Object Title	FY 2012-13						FY 2013-14							
	FTE		Amount		Savings	GF	IT	FTE		Amount		Savings	GF	IT
	From	To	From	To				From	To	From	To			
FET - Ethics Commission														
Temporary Salaries	1.22		\$100,000	\$75,000	\$25,000	x		1.22		\$100,000	\$75,000	\$25,000	x	
Mandatory Fringe Benefits			\$7,900	\$5,925	\$1,975	x				\$7,900	\$1,975	\$5,925	x	
			<i>Total Savings</i>		\$26,975					<i>Total Savings</i>		\$30,925		
Reduce Temporary Salaries based on actual historical use, adjusted to provide for additional Temporary Salary funds, due to expected higher usage.														
Attrition Savings	(2.02)	(2.13)	(\$176,086)	(\$186,086)	\$10,000	x		(2.02)	(2.13)	(\$179,014)	(\$189,014)	\$10,000	x	
Mandatory Fringe Benefits			(\$73,380)	(\$77,547)	\$4,167	x				(\$81,082)	(\$85,611)	\$4,529	x	
			<i>Total Savings</i>		\$14,167					<i>Total Savings</i>		\$14,529		
Increase Attrition Savings slightly based on actual historical use.														

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$41,142	\$41,142
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$41,142	\$41,142

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$45,454	\$45,454
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$45,454	\$45,454