

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

June 26, 2019

RECEIVED
4/26/2019 @ 11:27pm
AS

Supervisor Sandra Lee Fewer
Chair, Budget and Finance Committee
Board of Supervisors, City and County of San Francisco

Re: Technical Adjustments Round 2 to the Mayor's Proposed Budget

Dear Chair Fewer,

Per Charter Section 9.101, I am submitting the round two adjustments to the Mayor's Proposed Budget for FY 2019-20 and FY 2020-21, which include an increase to the City's budget. Over the next two years, there is an additional \$17,151,166 in General Fund for the Board of Supervisors to appropriate over the FY 2019-20 and FY 2020-21 budget.

Technical adjustments include:

- Balancing self-supporting revenues and expenditures across funds types in the Airport.
- Consolidating revenue entries and eliminating a duplicative debt service payment in General City Responsibility.

Expenditure adjustments, in concert with the Chair of the Budget and Finance Committee, include:

- Adjusting one-time equipment expenditures in the Academy of Sciences.
- Increasing General Fund revenue support to the Fine Arts Museum to implement recent labor agreements.
- Amending expenditure authority to increase programmatic costs for legal representation in the Mayor's Office of Housing and Community Development.
- Aligning education-related expenditures to available funding.
- Adding position and expenditure authority to respond to the voter-approved Privacy First Policy charter amendment.
- Reducing the unspent balance of the technical adjustment reserve.

These adjustments result in General Fund savings of \$4,600,022 in FY 2019-20 and \$5,653,184 in FY 2020-21, a total savings of \$10,253,206.

Additional funds, which increase the size of the budget, are generated by:

- FY 2018-19 year-end savings identified by the Budget and Legislative Analyst totaling \$3,770,239.
- Surplus revenue from the FY 2018-19 cigarette litter abatement fee and reimbursement for administrative costs in the City's deferred compensation program totaling \$2,600,000.
- Current year project closeouts totaling \$527,721.

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Additionally, to enable the final excess ERAF expenditure plan, the Mayor is increasing the budget by making \$52,000,000 available to the Board from the Special Educator Reserve Fund.

Please contact me at 554-6125 with any questions or concerns.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kelly Kirkpatrick".

Kelly Kirkpatrick
Budget Director

cc: Members of the Budget and Finance Committee
Harvey Rose, Budget and Legislative Analyst
Ben Rosenfield, Controller