

File No. 180444

Committee Item No. 1

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date May 17, 2018

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

#### OTHER (Use back side if additional space is needed)

- Mayor's May Proposed Budget 2018-2019 & 2019-2020
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Completed by: Linda Wong

Date May 11, 2018

Completed by: Linda Wong

Date \_\_\_\_\_

CITY & COUNTY OF SAN FRANCISCO, CALIFORNIA

MAYOR'S 2018-2019 & 2019-2020

# MAY PROPOSED BUDGET

MAYOR MARK E. FARRELL



MAYOR'S OFFICE OF PUBLIC POLICY AND FINANCE

Melissa Whitehouse, Director of Mayor's Office of  
Public Policy and Finance

Kelly Kirkpatrick, Acting Budget Director

Marisa Pereira Tully, Deputy Budget Director

Laura Busch, Senior Fiscal and Policy Analyst

Theodore Conrad, Senior Fiscal and Policy Analyst

Ashley Groffenberger, Senior Fiscal and Policy Analyst

Christopher Muyo, Fiscal and Policy Analyst

Jillian Johnson, Fiscal and Policy Analyst

Nereida Heller, Fiscal and Policy Analyst

Raven Anderson, Fiscal and Policy Analyst

Marie Valdez, Fiscal and Policy Assistant

Lani Kent, Strategy Analyst



# ACKNOWLEDGEMENTS

## **CONTROLLER'S OFFICE**

Ben Rosenfield, Controller

Todd Rydstrom, Deputy Controller

Michelle Allersma

Celeste Berg

Edward de Asis

Ted Egan

Luke Fuller

Prakash Ganapa

Maggie Han

Yuri Hardin

Jack Huang

Theresa Kao

Alice Kassinger

Asim Khan

Woody Kongsamut

Jay Liao

Carol Lu

Natasha Mihal

Michael Mitton

Howard Murayama

Donna Pinto

Jenessa Rozier

Risa Sandler

## **RESILIENCE AND CAPITAL PLANNING**

Brian Strong

Hemiar Alburati

Heather Green

Nishad Joshi

Josh Low

## **COMMITTEE ON INFORMATION TECHNOLOGY**

Matthias Jaime

Lily Liang

Jacalyn Mah

## **DESIGN AND PRODUCTION**

### **Tandem Creative, Inc.**

Gregg Holzbaaur

Yvo Riezebos

Belinda Fernandez

Jenny Williams

YinYin Bernal

Laura Stoll

Christy Molnar

## **PRINTING**

### **ReproMail**

Salla Vaerma-Jadlos

René Antonio Alvarado

Rubia Alvarez-Murillo

Ely Bulanadi

John Divina

Crystal Lu

## **OFFICE OF ECONOMIC & WORKFORCE DEVELOPMENT**

Todd Rufo

Gloria Chan

Joaquín Torres



# TABLE OF CONTENTS

|   |           |
|---|-----------|
| <b>MAYOR'S LETTER .....</b>                   | <b>7</b>  |
| <b>BUDGET SUMMARY TABLES .....</b>            | <b>9</b>  |
| <b>DEPARTMENT BUDGETS .....</b>               | <b>13</b> |
| Airport.....                                  | 15        |
| Board of Appeals.....                         | 21        |
| Building Inspection.....                      | 25        |
| Child Support Services.....                   | 29        |
| County Education.....                         | 33        |
| Environment.....                              | 35        |
| Law Library.....                              | 41        |
| Municipal Transportation Agency.....          | 45        |
| Port.....                                     | 53        |
| Public Library.....                           | 57        |
| Public Utilities Commission.....              | 63        |
| Rent Arbitration Board.....                   | 67        |
| Retirement System.....                        | 71        |
| <b>CAPITAL &amp; IT PROJECTS .....</b>        | <b>75</b> |
| Capital Projects.....                         | 77        |
| IT Projects.....                              | 81        |
| <b>ADDITIONAL BUDGETARY RESOURCES .....</b>   | <b>83</b> |
| Additional Budgetary Resources.....           | 85        |
| Obtaining Budget Documents and Resources..... | 86        |
| <b>COMMONLY USED TERMS .....</b>              | <b>87</b> |



# MAYOR'S LETTER

May 1st, 2018

Dear Residents of San Francisco,

I am proud to present you with my May 1 Budget, which is the first step toward creating a balanced budget for the next two years. It will be followed by my full budget on June 1.

The May 1 budget supports the work of 12 City departments, including our four enterprise agencies—the San Francisco Municipal Transportation Agency, the Port of San Francisco, the Public Utilities Commission, and the San Francisco International Airport—and includes \$8.2 billion of revenues and expenditures over the next two years.

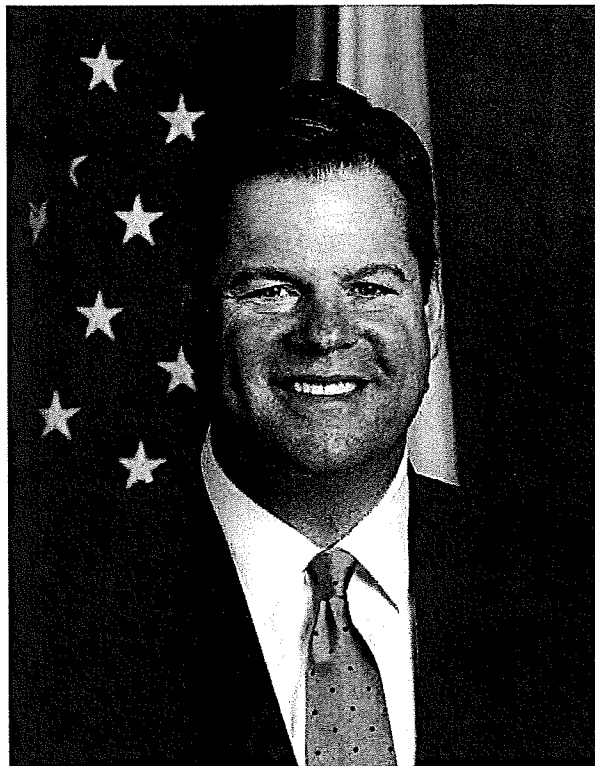
Additionally, this budget funds the operations of eight City departments—the Board of Appeals, Building Inspection, Child Support Services, Environment, Law Library, Public Library, Rent Arbitration Board, and Retirement System—and provides support to the San Francisco Unified School District. These departments provide critical services to all San Francisco residents and neighborhoods. This budget ensures that their baseline levels of service will be maintained.

## **CAPITAL PROJECTS**

My May 1 budget also includes \$3.2 billion in funding for capital projects to expand our transportation network, protect the Embarcadero Seawall, renovate and remodel neighborhood library branches and improve our local and regional water system. The capital budget will also expand and renovate terminals at San Francisco International Airport, create safer streets for pedestrians and cyclists, and achieve a state of good repair for our City's capital assets.

## **PORT INFRASTRUCTURE**

Working with the Port of San Francisco, the City has made plans to reinforce our waterfront infrastructure so that it can withstand the twin dangers of seismic instability and sea level rise. This budget includes \$5 million in funding to implement seismic improvements to the Embarcadero Seawall in advance of a planned \$425 million General



Obligation Bond measure that is slated to go before the voters in November 2018. The Embarcadero Seawall stretches more than three miles, from Fisherman's Wharf to Mission Creek, and protects critical utilities, transportation networks (including both the BART and Muni Metro underground network), emergency response infrastructure and buildings along the Embarcadero. The funding in this budget will ensure that our City is able quickly and cost effectively address the most critical safety improvements to the Seawall.

## **TRANSPORTATION PRIORITIES**

San Francisco is growing and the City needs its transportation network and infrastructure to grow with it. This budget will increase the level of transit service to meet increased demand from population and job growth. In the next two years, the San Francisco Municipal Transportation Agency will fund \$135 million in combined capital and operating dollars to expand its Muni Light Rail fleet by 40 new vehicles. The agency will also include more than \$95 million in capital funding to support the completion



of the Central Subway, and \$95 million in bicycle, pedestrian, and traffic calming measures along with other streets improvements, which will help the City achieve its Vision Zero goal of eliminating deaths from traffic accidents. The budget also includes \$11 million in funding, which will be matched by state, regional, and private sources, to deliver a new ferry landing in Mission Bay and provide regional transportation access to UCSF Mission Bay, the Golden State Warriors arena and the surrounding neighborhoods.

### **ENVIRONMENTAL LEADERSHIP**

San Francisco has long been a pioneer of innovative and responsible environmental policies and this budget enables the City to take bold steps towards its commitment to achieve net-zero greenhouse gas emissions by 2050. We are funding the citywide roll out of CleanPowerSF, which delivers cost-effective, cleaner energy alternatives for City homes and businesses. This will enable the Public Utilities Commission to achieve its adopted goal of completing the program by July 2019 and ensure high-quality service to an estimated 350,000 CleanPowerSF customers. This budget also funds a comprehensive outreach program to inform the public about impactful changes to the Citywide recycling program, enabling residents to recycle more materials, including paper cups, cartons and plastic bags. Funding for LED bulb installations, a zero emissions vehicles strategy, and making further progress towards our City's goal of zero waste has also been included.

### **LIBRARY INVESTMENTS**

This budget invests significantly in our City's libraries. It includes nearly \$20 million to fully fund the Mission branch library renovation, as well as nearly \$4 million to continue scoping and design for the Chinatown and Ocean View branch projects. Other investments will improve and maintain library facilities throughout the City. We are also continuing to make sure that all San Francisco residents

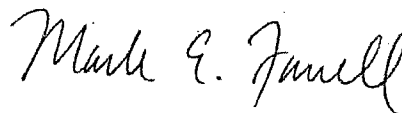
have access to free educational and recreational opportunities at our libraries by providing funding to increase programming and ensuring public access to technology and the internet.

### **CHALLENGES AND NEXT STEPS**

We are fortunate to have experienced good economic times in recent years. In spite of this, we still face short term deficits and long term structural challenges to our City's fiscal health. Growing personnel and healthcare costs, increases in pension obligations, the rising cost of voter-mandated baselines and set-asides, and a number of challenges from the federal government mean we are still facing a general fund shortfall of \$137 million over the next two years. My staff and I will work over the following weeks to close this deficit while creating smart, effective policies for addressing challenges around public safety, homelessness, housing and clean streets.

I served as the chair of the Board of Supervisors Budget and Finance Committee for four years, working with my predecessor, the late Mayor Edwin M. Lee, to craft and deliver strategic, balanced budgets. As budget chair, I shared Mayor Lee's vision of a safe and resilient City prepared for the future. As Mayor, I continue to work tirelessly to be a responsible steward of the City's finances while making strategic, long term investments to keep San Francisco a resilient, safe and livable city. I look forward to working with the Board of Supervisors, residents, businesses and all stakeholders to meet these challenges and craft a balanced budget by June 1.

Sincerely,



Mark E. Farrell, Mayor

# BUDGET SUMMARY TABLES



# USES BY DEPARTMENT

| Department   | 2017-2018<br>Budget    | 2018-2019<br>Budget    | Chg From<br>2017-2018 | 2019-2020<br>Budget    | Chg From<br>2018-2019 |
|--|------------------------|------------------------|-----------------------|------------------------|-----------------------|
| Airport Commission                                     | \$987,785,877          | \$1,112,872,807        | \$125,086,930         | \$1,223,801,702        | \$110,928,895         |
| Board Of Appeals - PAB                                 | \$1,038,570            | \$1,071,849            | \$33,279              | \$1,102,681            | \$30,832              |
| Building Inspection                                    | \$76,533,699           | \$77,782,063           | \$1,248,364           | \$76,547,087           | (\$1,234,976)         |
| Child Support Services                                 | \$13,662,238           | \$13,564,119           | (\$98,119)            | \$13,564,119           | \$0                   |
| Environment  | \$23,081,438           | \$21,965,767           | (\$1,115,671)         | \$22,045,518           | \$79,751              |
| Law Library  | \$1,855,758            | \$1,982,273            | \$126,515             | \$2,121,171            | \$138,898             |
| Municipal Transprtn Agency                             | \$1,183,468,406        | \$1,211,224,576        | \$27,756,170          | \$1,270,668,075        | \$59,443,499          |
| Port   | \$133,202,027          | \$174,354,417          | \$41,152,390          | \$147,698,264          | (\$26,656,153)        |
| Public Library   | \$137,850,825          | \$159,376,732          | \$21,525,907          | \$150,509,345          | (\$8,867,387)         |
| Public Utilities Commissn                              | \$1,052,841,388        | \$1,300,058,462        | \$247,217,074         | \$1,402,330,591        | \$102,272,129         |
| Rent Arbitration Board                                 | \$8,074,900            | \$8,545,317            | \$470,417             | \$8,608,765            | \$63,448              |
| Retirement System                                      | \$97,622,827           | \$112,141,309          | \$14,518,482          | \$124,166,473          | \$12,025,164          |
| <b>Expenditure Subtotals</b>                           | <b>\$3,717,017,953</b> | <b>\$4,194,939,691</b> | <b>\$477,921,738</b>  | <b>\$4,443,163,791</b> | <b>\$248,224,100</b>  |
| <b>Less Interdepartmental Recoveries And Transfers</b> | <b>(\$188,928,779)</b> | <b>(\$199,203,588)</b> | <b>(\$10,274,809)</b> | <b>(\$210,630,196)</b> | <b>(\$11,426,608)</b> |
| <b>Net Uses</b>  | <b>\$3,528,089,174</b> | <b>\$3,995,736,103</b> | <b>\$467,646,929</b>  | <b>\$4,232,533,595</b> | <b>\$236,797,492</b>  |

# FUNDED POSITIONS BY SERVICE AREA AND DEPARTMENT

## Service Area: B Public Works, Transportation & Commerce

|                              | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Change From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Change From<br>2018-2019 |
|------------------------------|---------------------------------|---------------------------------|--------------------------|---------------------------------|--------------------------|
| AIRPORT COMMISSION           | 1,585.95                        | 1,598.70                        | 12.75                    | 1,598.56                        | (0.14)                   |
| BOARD OF APPEALS             | 5.00                            | 5.00                            | 0.00                     | 5.00                            | 0.00                     |
| BUILDING INSPECTION          | 275.80                          | 273.48                          | (2.32)                   | 273.33                          | (0.15)                   |
| MUNICIPAL TRANSPRTN AGENCY   | 5,177.90                        | 5,338.42                        | 160.52                   | 5,468.62                        | 130.20                   |
| PORT                         | 242.64                          | 246.51                          | 3.87                     | 246.95                          | 0.44                     |
| PUBLIC UTILITIES COMMISSN    | 1,648.13                        | 1,684.39                        | 36.26                    | 1,687.71                        | 3.32                     |
| <b>Service Area: B Total</b> | <b>8,935.42</b>                 | <b>9,146.50</b>                 | <b>211.08</b>            | <b>9,280.17</b>                 | <b>133.67</b>            |

## Service Area: C Human Welfare & Neighborhood Development

|                              | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Change From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Change From<br>2018-2019 |
|------------------------------|---------------------------------|---------------------------------|--------------------------|---------------------------------|--------------------------|
| CHILD SUPPORT SERVICES       | 79.30                           | 75.25                           | (4.05)                   | 75.26                           | 0.01                     |
| ENVIRONMENT                  | 66.90                           | 66.04                           | (0.86)                   | 65.96                           | (0.08)                   |
| RENT ARBITRATION BOARD       | 36.45                           | 36.67                           | 0.22                     | 36.66                           | (0.01)                   |
| <b>Service Area: C Total</b> | <b>182.65</b>                   | <b>177.96</b>                   | <b>(4.69)</b>            | <b>177.88</b>                   | <b>(0.08)</b>            |

## Service Area: E Culture & Recreation

|                              | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Change From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Change From<br>2018-2019 |
|------------------------------|---------------------------------|---------------------------------|--------------------------|---------------------------------|--------------------------|
| LAW LIBRARY                  | 3.00                            | 3.00                            | 0.00                     | 3.00                            | 0.00                     |
| PUBLIC LIBRARY               | 697.60                          | 697.14                          | (0.46)                   | 694.57                          | (2.57)                   |
| <b>Service Area: E Total</b> | <b>700.60</b>                   | <b>700.14</b>                   | <b>(0.46)</b>            | <b>697.57</b>                   | <b>(2.57)</b>            |

## Service Area: F General Administration & Finance

|                              | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Change From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Change From<br>2018-2019 |
|------------------------------|---------------------------------|---------------------------------|--------------------------|---------------------------------|--------------------------|
| RETIREMENT SYSTEM            | 105.97                          | 107.96                          | 1.99                     | 108.18                          | 0.22                     |
| <b>Service Area: F Total</b> | <b>105.97</b>                   | <b>107.96</b>                   | <b>1.99</b>              | <b>108.18</b>                   | <b>0.22</b>              |
| <b>Report Grand Total:</b>   | <b>9,924.64</b>                 | <b>10,132.56</b>                | <b>207.92</b>            | <b>10,263.80</b>                | <b>131.24</b>            |



# DEPARTMENT BUDGETS





# AIRPORT

## MISSION

The San Francisco International Airport (SFO or “the Airport”) strives to be an exceptional airport in service to its communities.

SFO is the Bay Area’s largest airport, with 39 international and 13 domestic airline carriers offering non-stop links to 83 U.S. cities and more than 45 international destinations.

## SERVICES

The Airport provides services through the following divisions:

**ADMINISTRATION AND POLICY** creates and enhances partnerships within the City and with the Airport’s neighbors; recruits and maintains a competent workforce; oversees internship programs for workforce development; develops SFO’s federal and state policy agenda; develops environmental sustainability plans; and coordinates sustainability efforts throughout the Airport.

**BUSINESS AND FINANCE** ensures that airport property and facilities achieve cost-efficiency; provides the proper environment for existing and new businesses; develops and implements innovative fiscal policies and solutions; manages the Airport’s financial performance; and oversees medical services at the Airport.

**PLANNING, DESIGN, AND CONSTRUCTION** plans and implements capital improvement projects and programs. The Planning team prepares long-range facility development planning studies and analyzes projects to support the development of the Airport’s Capital Improvement Program (CIP). The Design and Construction teams oversee new construction projects, as well as improvements to buildings, utilities, and other airport systems.

**FACILITIES MAINTENANCE** keeps the airport facilities clean, safe, and running efficiently.

**INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS** is a telecom, network, internet, and hosting service provider to all entities operating at the Airport, including airlines, concession tenants, and government agencies. It is also a corporate technology provider to the Airport Commission.

**EXTERNAL AFFAIRS** provides timely and accurate information regarding the Airport to the public, media, airlines, and neighboring communities; markets opportunities for new or expanded airline services, on-site parking, and concessions to increase airport revenue; and oversees customer service programs.

**MUSEUMS** provide a broad range of attractions for the traveling public and display exhibitions that reflect the cultural diversity of San Francisco.

**OPERATIONS AND SECURITY** manages the airfield, public transportation, terminals, airport security program, and emergency procedures to provide the public with a safe, secure, efficient, and customer-friendly airport.

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 987,785,877     | 1,112,872,807   | 125,086,930         | 1,223,801,702   | 110,928,895         |
| Total FTE          | 1,586           | 1,599           | 13                  | 1,599           | 0                   |





# STRATEGY

- Revolutionize the Passenger Experience
- Achieve Net Zero Energy and Zero Waste by 2021
- Be the Industry Leader in Safety and Security
- Nurture a Highly Competitive and Robust Air Service Market
- Be a World Class Dream Team
- Deliver Exceptional Business Performance
- Care for and Protect Airport Communities



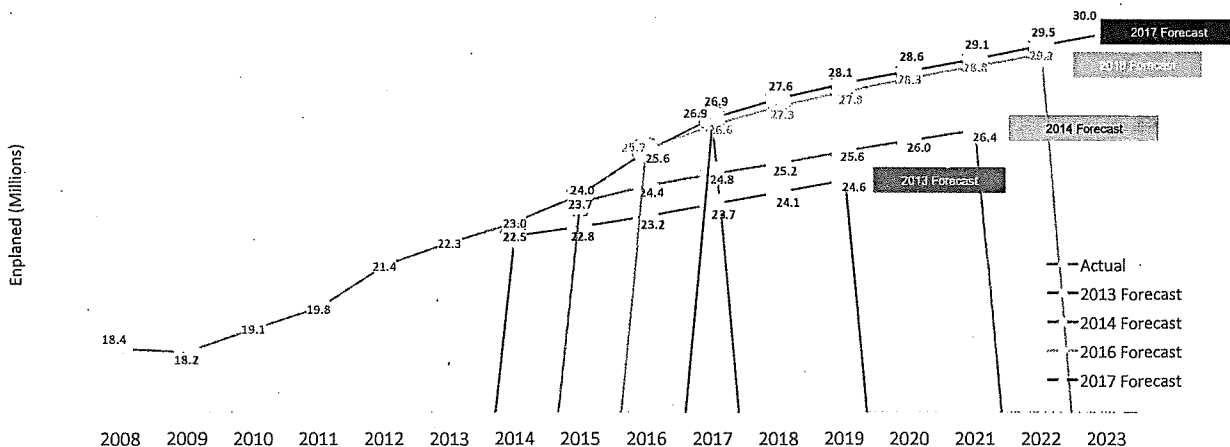
# BUDGET ISSUES AND DETAILS

The FY 2018-19 proposed budget of \$1.11 billion for the Airport is \$125 million, or 12.7 percent, higher than the FY 2017-18 approved budget of \$987 million. This increase is primarily due to increased operating expenses from the completion of several capital improvement projects including the first nine gates of Terminal 1 and the new airport hotel. There is also increased funding toward safety and security measures, including the addition of two Airport dedicated police academies. The budget includes a \$46.6 million annual service payment to the City's General Fund.

The FY 2019-20 proposed budget of \$1.22 billion is \$111 million, or 10 percent higher than the FY 2018-19 proposed budget. This increase is primarily due to rising debt service costs to support the Airport Capital Improvement Plan and the annualization of new positions added in the prior year. The budget includes a \$50.6 million annual service payment to the City's General Fund.

Airport priorities continue to be driven by record passenger growth – a trend that increases revenues, but also puts pressure on Airport safety, operations, and customer service. Over the past five years, SFO has been one of the fastest growing airports nationwide. In FY 2016-17, the Airport continued its long run of passenger growth, reaching a record 53.9 million passengers – a 58 percent increase since FY 2006-07. Growth is expected to continue over the next two years due to new and increased airline service. As such, the Airport will remain focused on ensuring new service can be accommodated and service levels keep pace with demand.

The Airport will remain focused on growth over the coming years, ensuring new service can be accommodated and service levels keep pace with demand. By attracting new and expanded airline service, the Airport supports tourism and international trade while promoting competition



**▲ AIR TRAFFIC FORECAST VS. HISTORICAL FORECAST.** Air traffic continues to grow at record levels, surpassing projections.

that benefits travelers. Increased service also bolsters local business activity, creates new jobs, and increases revenues. An overview of major budget priorities is below.

### ENHANCING SAFETY AND SECURITY

Passengers, employees, airlines, and tenants depend on airport systems and processes to provide a safe and secure travel environment. The Airport is committed to exceeding all aviation safety and security regulations. Through the use of advanced technology, implementation of best practices, and industry expert assessments, the Airport continues to advance its safety and security profile.

### REVOLUTIONIZING THE GUEST EXPERIENCE

The Airport strives to enhance its guest experience by offering services and amenities that provide a seamless “door-to-door” passenger journey. One of the Airport’s strategic goals is to earn the highest satisfaction ratings from guests among peer airports, as measured by the Airport Council International’s “Airport Service Quality” (ASQ) survey and benchmarking program. Satisfaction levels with essential services in Terminals 2 and 3E continue to be among the highest in North America. A major priority for the Airport is to ensure those levels of hospitality can be found throughout all terminals.

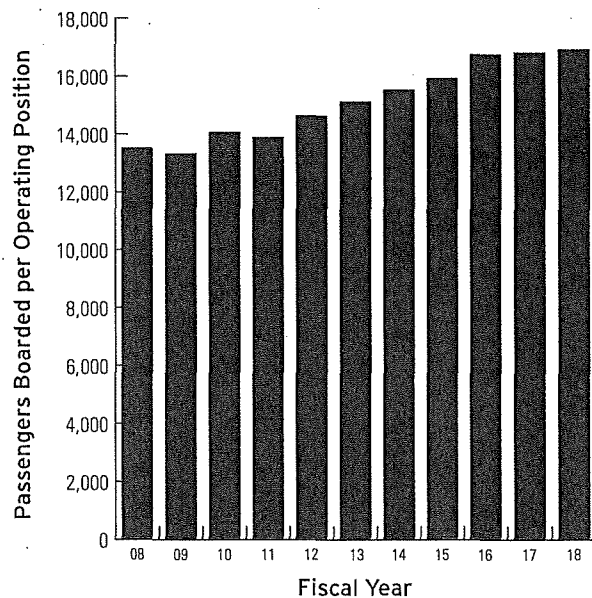
An enhanced guest experience benefits the traveling public and supports SFO concessionaires—nearly 70 percent of which are locally-owned. Continued investment in hospitality has resulted in SFO being one of the nation’s top performing airports for retail, food, and beverage concessions. This investment also provides valuable opportunities for local businesses. The Airport’s innovative pop-up retail program facilitates small local business participation by providing opportunities for short-term permits with minimal start-up costs and ready-to-move-in facilities.

### INVESTING IN CAPITAL

This year’s budget continues to support the implementation of the Airport’s Capital Improvement Program. The \$7.4 billion plan focuses on accommodating growth and nurturing a competitive and robust air service market. Highlights include terminal improvements, such as the renovations of Terminal 1 and the western portion of Terminal 3, a new in-airport hotel, a second long-term parking garage, an extension of the AirTrain System, airfield repairs, and seawall improvements.

### INCREASING SUSTAINABILITY

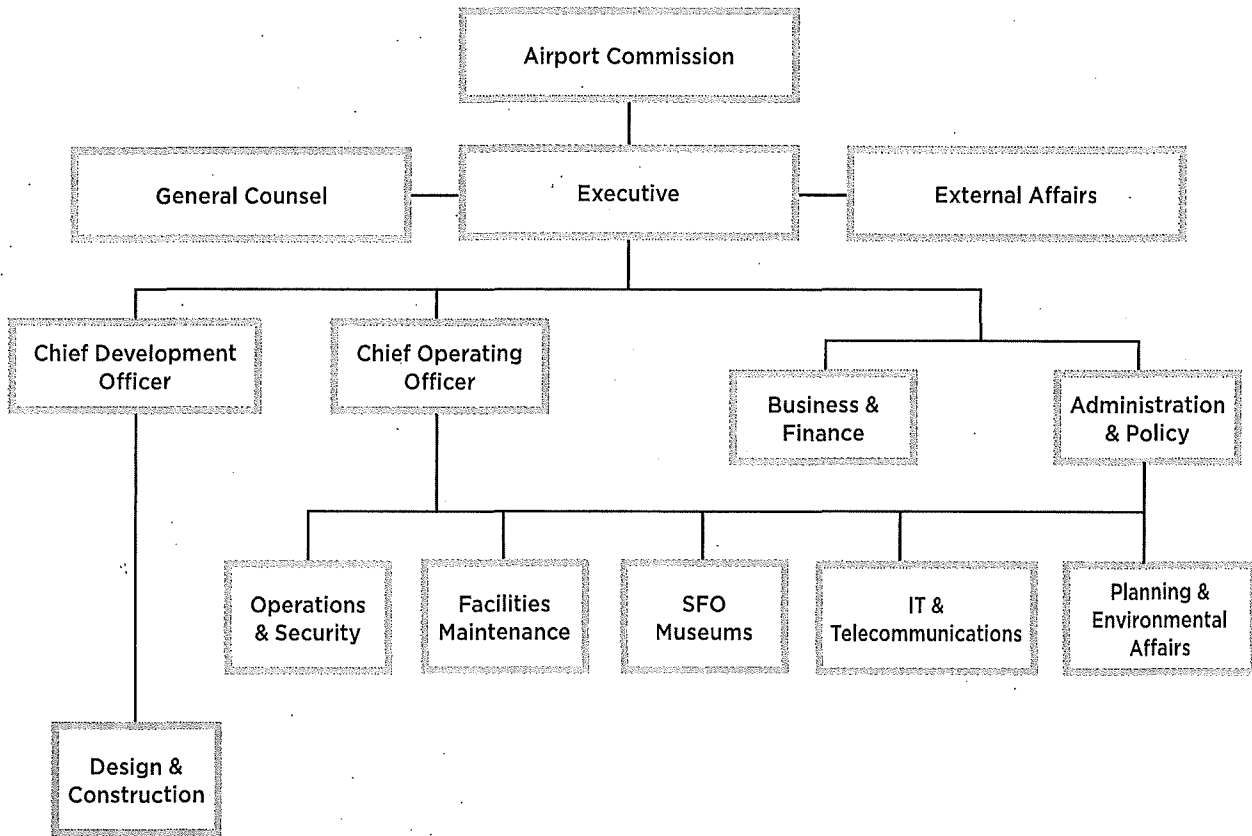
The Airport strives to be a leader in sustainability by developing guidelines and implementing initiatives to achieve long-term goals, including Airport-wide zero-waste generation, carbon-neutrality for Airport Commission-controlled operations, a 15 percent reduction in water usage per passenger, and net zero energy buildings, among others.



**▲ ANNUAL PASSENGER BOARDINGS PER OPERATING POSITION BY FISCAL YEAR.** *Airport staffing needs are driven largely by passenger demand and safety & security needs.*



# AIRPORT ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 1,808.66                        | 1,838.78                        | 30.12                 | 1,842.56                        | 3.78                  |
| Non-Operating Positions (cap/other) | (222.71)                        | (240.08)                        | (17.37)               | (244.00)                        | (3.92)                |
| <b>Net Operating Positions</b>      | <b>1,585.95</b>                 | <b>1,598.70</b>                 | <b>12.75</b>          | <b>1,598.56</b>                 | <b>(0.14)</b>         |

## Sources

|                                |               |               |              |               |             |
|--------------------------------|---------------|---------------|--------------|---------------|-------------|
| Charges for Services           | 629,375,500   | 711,115,000   | 81,739,500   | 762,470,000   | 51,355,000  |
| Expenditure Recovery           | (66,812)      | 80,000        | 146,812      | 80,000        |             |
| Fines: Forfeitures/Penalties   | 1,207,000     | 799,000       | (408,000)    | 799,000       |             |
| InterGovernmental Rev - Federa | 21,510,000    | 24,510,000    | 3,000,000    | 23,010,000    | (1,500,000) |
| Interest & Investment Income   | 11,099,000    | 21,833,675    | 10,734,675   | 28,937,245    | 7,103,570   |
| Intergovernmental Rev-State    | 20,000        | 3,010,000     | 2,990,000    | 3,010,000     |             |
| Intergovernmental Revenue-Othe |               | 6,250,000     | 6,250,000    |               | (6,250,000) |
| IntraFund Transfers In         | 63,882,299    | 102,176,945   | 38,294,646   | 93,844,000    | (8,332,945) |
| Other Financing Sources        |               | 2,000,000     | 2,000,000    |               | (2,000,000) |
| Other Revenues                 | 46,464,000    | 51,091,000    | 4,627,000    | 52,694,000    | 1,603,000   |
| Rents & Concessions            | 327,152,000   | 334,705,000   | 7,553,000    | 366,126,000   | 31,421,000  |
| Transfer Adjustment-Source     | (148,063,558) | (191,577,765) | (43,514,207) | (198,201,514) | (6,623,749) |
| Unappropriated Fund Balance    | 35,206,448    | 46,879,952    | 11,673,504   | 91,032,971    | 44,153,019  |

General Fund Support

|                      |                    |                      |                    |                      |                    |
|----------------------|--------------------|----------------------|--------------------|----------------------|--------------------|
| <b>Sources Total</b> | <b>987,785,877</b> | <b>1,112,872,807</b> | <b>125,086,930</b> | <b>1,223,801,702</b> | <b>110,928,895</b> |
|----------------------|--------------------|----------------------|--------------------|----------------------|--------------------|

## Uses - Operating Expenditures

|                               |              |               |              |              |             |
|-------------------------------|--------------|---------------|--------------|--------------|-------------|
| Salaries                      | 160,304,645  | 164,957,801   | 4,653,156    | 168,980,215  | 4,022,414   |
| Mandatory Fringe Benefits     | 84,318,522   | 89,794,012    | 5,475,490    | 94,125,165   | 4,331,153   |
| Non-Personnel Services        | 133,084,124  | 153,500,102   | 20,415,978   | 158,358,973  | 4,858,871   |
| Capital Outlay                | 27,395,362   | 44,810,190    | 17,414,828   | 35,314,648   | (9,495,542) |
| Debt Service                  | 433,023,815  | 494,785,646   | 61,761,831   | 585,173,634  | 90,387,988  |
| Facilities Maintenance        | 15,000,000   | 15,000,000    |              | 15,500,000   | 500,000     |
| Intrafund Transfers Out       | 63,882,299   | 102,176,945   | 38,294,646   | 93,844,000   | (8,332,945) |
| Materials & Supplies          | 17,961,400   | 21,438,236    | 3,476,836    | 20,595,903   | (842,333)   |
| Operating Transfers Out       | 45,659,463   | 46,629,063    | 969,600      | 51,549,363   | 4,920,300   |
| Overhead and Allocations      | (5,642,098)  | (5,235,514)   | 406,584      | (6,407,223)  | (1,171,709) |
| Services Of Other Depts       | 76,680,644   | 87,193,271    | 10,512,627   | 90,111,024   | 2,917,753   |
| Unappropriated Rev-Designated |              |               |              | 10,500,000   | 10,500,000  |
| Transfer Adjustment - Uses    | (63,882,299) | (102,176,945) | (38,294,646) | (93,844,000) | 8,332,945   |

|                   |                    |                      |                    |                      |                    |
|-------------------|--------------------|----------------------|--------------------|----------------------|--------------------|
| <b>Uses Total</b> | <b>987,785,877</b> | <b>1,112,872,807</b> | <b>125,086,930</b> | <b>1,223,801,702</b> | <b>110,928,895</b> |
|-------------------|--------------------|----------------------|--------------------|----------------------|--------------------|

## Uses - Division Description

|                              |             |             |            |             |             |
|------------------------------|-------------|-------------|------------|-------------|-------------|
| AIR Airport Director         | 9,142,722   | 9,499,295   | 356,573    | 9,703,515   | 204,220     |
| AIR Bureau Of Admin & Policy | 33,448,422  | 35,200,837  | 1,752,415  | 35,958,193  | 757,356     |
| AIR Business & Finance       | 503,118,278 | 567,182,307 | 64,064,029 | 669,761,866 | 102,579,559 |
| AIR Capital Projects         | 26,230,799  | 42,555,945  | 16,325,146 | 33,110,000  | (9,445,945) |
| AIR Chief Operating Officer  | 36,245,112  | 43,585,802  | 7,340,690  | 43,647,615  | 61,813      |
| AIR Communications & Mrktng  | 19,761,808  | 20,696,363  | 934,555    | 20,879,208  | 182,845     |
| AIR Design & Construction    | 9,225,780   | 12,517,097  | 3,291,317  | 13,966,034  | 1,448,937   |
| AIR Facilities               | 191,209,247 | 198,408,230 | 7,198,983  | 202,624,318 | 4,216,088   |
| AIR Facilities; Maintenance  | 15,000,000  | 15,000,000  |            | 15,500,000  | 500,000     |
| AIR Fire Bureau              | 864,921     | 772,752     | (92,169)   | 714,185     | (58,567)    |
| AIR General                  | 53,159,463  | 56,129,063  | 2,969,600  | 61,049,363  | 4,920,300   |
| AIR Operations & Security    | 80,145,963  | 88,631,479  | 8,485,516  | 92,597,398  | 3,965,919   |
| AIR Planning Division        | 6,201,317   | 8,750,694   | 2,549,377  | 8,454,732   | (295,962)   |
| AIR Police Bureau            | 4,032,045   | 13,942,943  | 9,910,898  | 15,835,275  | 1,892,332   |

|                               |                    |                      |                    |                      |                    |
|-------------------------------|--------------------|----------------------|--------------------|----------------------|--------------------|
| <b>Uses by Division Total</b> | <b>987,785,877</b> | <b>1,112,872,807</b> | <b>125,086,930</b> | <b>1,223,801,702</b> | <b>110,928,895</b> |
|-------------------------------|--------------------|----------------------|--------------------|----------------------|--------------------|



# BOARD OF APPEALS

**MISSION** The Board of Appeals (BOA or PAB) provides the public with a final administrative review process for the issuance, denial, suspension, revocation, and modification of city permits as well as for certain decisions of the Zoning Administrator, Planning Commission, and Historic Preservation Commission.

## SERVICES

The Board of Appeals provides services through the following program areas:

**APPEAL PROCESSING** assists members of the public who want to learn about the appeal process, and those who want to file or respond to an appeal. BOA staff ensure that appeals are processed in conformance with the requirements of the City Charter and relevant codes, that appeals are decided at duly noticed public hearings, and that the BOA issues timely decisions to uphold, overrule, or modify departmental decisions.

**CUSTOMER SERVICE** provides notification of and information regarding public hearings on appeals, and strives to create a fair and impartial forum within which appeals may be considered and decided. Information about the appeal process is available through a variety of means, including the Department's website, its office, and meetings at City Hall. Written materials are available in English, Spanish, Chinese, and Tagalog, and staff members are available to assist limited English speaking clients in Spanish. The benchmarks used to assess the quality of customer service include clearly articulated timelines for assigning hearing dates, established briefing schedules, and hearing protocols that create a fair and accessible process, allowing all parties an equal opportunity to present their case. To ensure the appeals process is carried out in a timely manner, the BOA also benchmarks the timeliness of its determinations and issuance of written decisions.



## STRATEGY

- Support Residents to Engage in City Decisions
- Measure Service Quality & Performance
- Deliver Consistent, Convenient, and High-Quality Services

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 1,038,570       | 1,071,849       | 33,279              | 1,102,681       | 30,832              |
| Total FTE          | 5               | 5               | 0                   | 5               | 0                   |



# BUDGET ISSUES AND DETAILS

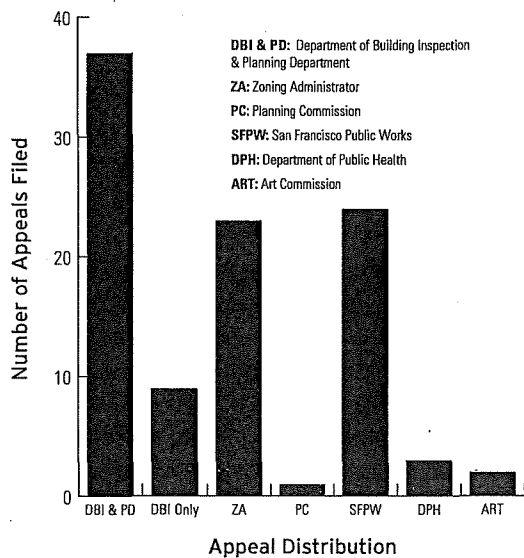
The Board of Appeals has a proposed budget of \$1.1 million in FY 2018-19 and \$1.1 million in FY 2019-20. This is roughly the same as the FY 2017-18 budget of \$1 million. The small increase in FY 2018-19 is driven by salary and benefit cost increases.

## STRIVING FOR EXCELLENT AND ACCESSIBLE CITY SERVICES

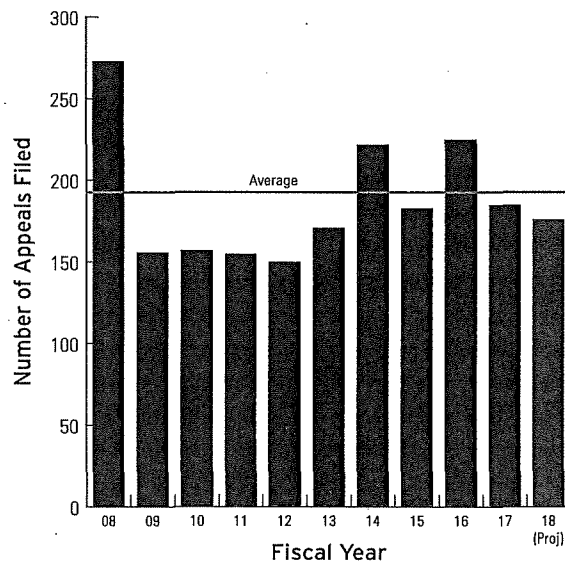
The BOA continues to improve the accessibility of the appeal process by developing new resource materials for the public and by providing written and telephonic information in different languages. In an effort to maximize public access to Board decisions, the Board posts all decisions dating

back to its inception in 1932 on its website. To encourage the public's participation in the matters heard by the Board, the briefs, exhibits, and written public comment submitted to the Board for each case scheduled for hearing are also posted on the Board's website.

The Board continues to cross-train its staff to ensure consistency and quality service provision at all times. The ongoing enhancement of the department's internal appeal management database continues to improve both the appeal filing experience and the Department's ability to report on appeal trends and outcomes.



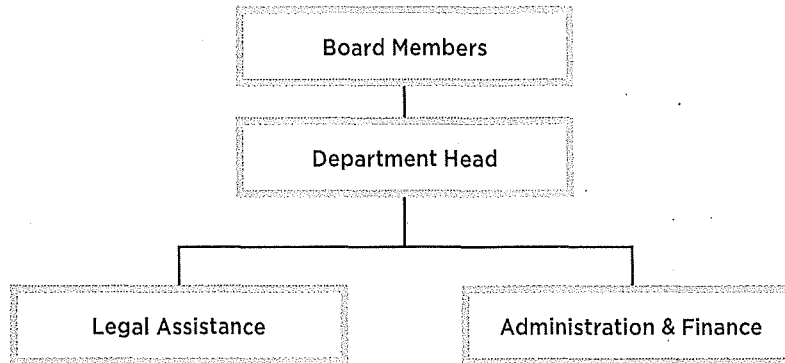
**▲ APPEAL DISTRIBUTION.** *The distribution of appeals filed based on the department issuing the determination being appealed.*



**▲ APPEAL VOLUME.** *The volume of appeals filed in each of the last ten fiscal years, the projected volume for FY 2017-18, and the ten-year average.*



# BOARD OF APPEALS ORGANIZATIONAL STRUCTURE



## TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 5.00                            | 5.00                            |                       | 5.00                            |                       |
| Non-Operating Positions (cap/other) |                                 |                                 |                       |                                 |                       |
| <b>Net Operating Positions</b>      | <b>5.00</b>                     | <b>5.00</b>                     | <b>0.00</b>           | <b>5.00</b>                     | <b>0.00</b>           |

### Sources

|                      |                  |                  |               |                  |               |
|----------------------|------------------|------------------|---------------|------------------|---------------|
| Charges for Services | 1,038,570        | 1,069,987        | 31,417        | 1,069,987        |               |
| General Fund Support |                  | 1,862            | 1,862         | 32,694           | 30,832        |
| <b>Sources Total</b> | <b>1,038,570</b> | <b>1,071,849</b> | <b>33,279</b> | <b>1,102,681</b> | <b>30,832</b> |

### Uses - Operating Expenditures

|                           |                  |                  |               |                  |               |
|---------------------------|------------------|------------------|---------------|------------------|---------------|
| Salaries                  | 466,961          | 480,251          | 13,290        | 483,756          | 3,505         |
| Mandatory Fringe Benefits | 249,337          | 259,129          | 9,792         | 271,191          | 12,062        |
| Non-Personnel Services    | 74,192           | 74,192           |               | 74,192           |               |
| Materials & Supplies      | 9,398            | 9,398            |               | 9,398            |               |
| Services Of Other Depts   | 238,682          | 248,879          | 10,197        | 264,144          | 15,265        |
| <b>Uses Total</b>         | <b>1,038,570</b> | <b>1,071,849</b> | <b>33,279</b> | <b>1,102,681</b> | <b>30,832</b> |

### Uses - Division Description

|                               |                  |                  |               |                  |               |
|-------------------------------|------------------|------------------|---------------|------------------|---------------|
| BOA Board Of Appeals - PAB    | 1,038,570        | 1,071,849        | 33,279        | 1,102,681        | 30,832        |
| <b>Uses by Division Total</b> | <b>1,038,570</b> | <b>1,071,849</b> | <b>33,279</b> | <b>1,102,681</b> | <b>30,832</b> |





# BUILDING INSPECTION

**MISSION** The Department of Building Inspection (DBI) ensures that life and property within the City and County of San Francisco are safeguarded and provides a public forum for community involvement in that process. DBI oversees the effective, efficient, fair, and safe enforcement of Building, Housing, Plumbing, Electrical, and Mechanical Codes, along with Disability Access Regulations.

## SERVICES

**PERMIT SERVICES** is responsible for all permit processes from permit application submittal to permit issuance. The functions include screening, routing permits and plans for review, coordinating of building permit review, approving and issuing of construction permits including electrical, plumbing, and street space permits for public and private buildings within the City and County of San Francisco. Permit Services also assesses and collects fees for all structures, building enlargements, and changes of use. Additionally, it provides technical support for the Department in the areas of code development and information.

**INSPECTION SERVICES** is responsible for inspecting buildings, structures, and sites within the City for compliance with applicable laws regulating construction, quality of materials, use of occupancy, location, and maintenance. Inspection Services also responds to complaints and is responsible for code enforcement. Inspection Services includes Building, Electrical, Plumbing, Housing, and Code Enforcement.

**ADMINISTRATIVE SERVICES** is responsible for fiscal management, purchasing, payroll and personnel, business analysis, records management, and information technology. Administrative services also includes the Development Impact Fee Collection Unit.



## STRATEGY

- Review Plans & Issue Building Permits
- Ensure Safety & Quality of Life
- Deliver the Highest Level of Customer Services
- Utilize Efficient & Effective Administrative Practices
- Educate the Public on Services, Functions & Programs

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 76,533,699      | 77,782,063      | 1,248,364           | 76,547,087      | (1,234,976)         |
| Total FTE          | 276             | 273             | (3)                 | 273             | 0                   |



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2018-19 proposed budget of \$77.8 million for DBI is \$1.2 million, or 1.6 percent, higher than the FY 2017-18 budget of \$76.5 million. This increase is driven by strong demand for plan review services.

The FY 2019-20 proposed budget decreases to \$76.5 million, a 1.6 percent reduction, as the department projects a slight decline in plan review revenues and expenditures.

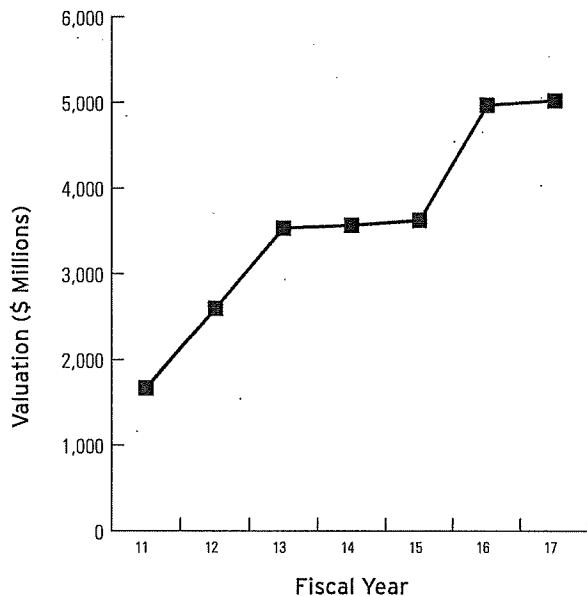
## DELIVERING THE HIGHEST LEVEL OF CUSTOMER SERVICE

Delivering the highest level of customer service is DBI's primary strategic plan goal. The Department's FY 2018-19 budget provides funds to continue to improve customer service in a number of ways. The Department has implemented an robust hiring plan to ensure adequate staff to meet customer demand. Continued strength in the construction industry requires a continued focus on recruitment. Over the next year, DBI will complete a succession plan to ensure adequate staff to meet customer demand. While

the proposed budget does not include net new positions, the Department will continue to quickly fill vacancies. DBI will conduct several recruitments with a focus on enhancing staff to meet the Mayor's Executive Housing Directive (17-02).

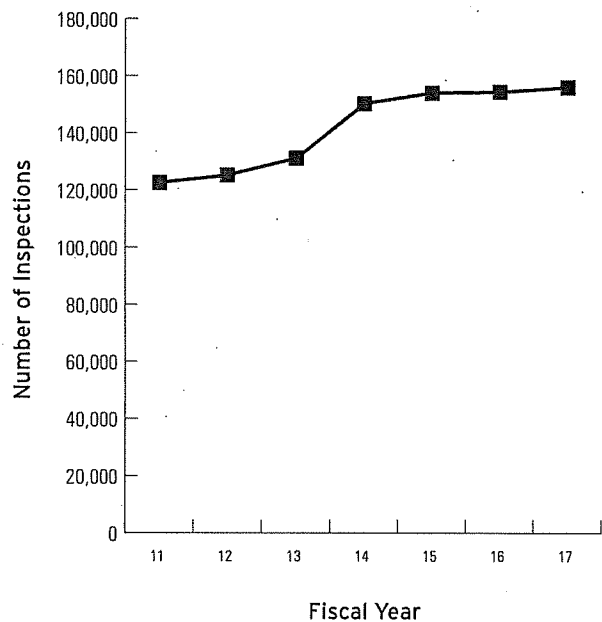
In addition to recruitment, the proposed budget provides funding for training to enhance DBI staff skills. Over the next two budget cycles, DBI staff will receive a variety of internal and external trainings related to disaster preparedness, software, technical inspections, and customer service.

The proposed budget also funds code enforcement and seismic safety education and outreach programs. These programs assist the Department in meeting its goal of providing equitable services throughout the City, with a focus on low income, non-English speaking, and other underserved communities. For code enforcement programs, the Department works in collaboration with community based organizations to address residential rental housing issues. For seismic safety programs, the Department works in collaboration with community based organizations to provide emergency preparedness training.



### ▲ TOTAL CONSTRUCTION VALUATIONS.

Construction valuation remains at an all-time high reflecting an increase in high value construction projects.

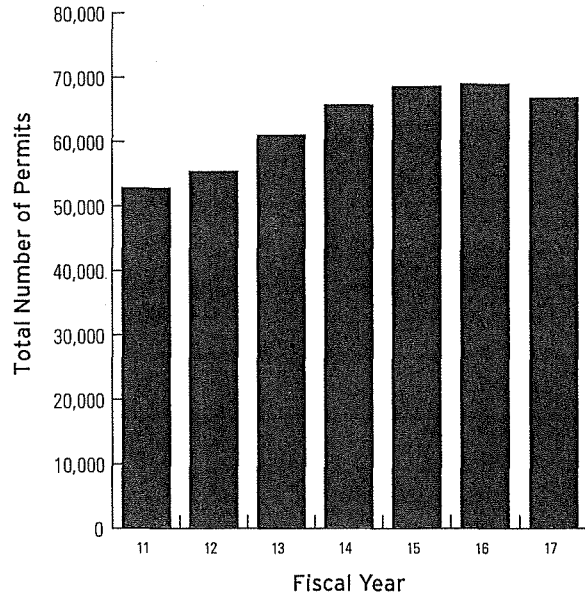


### ▲ TOTAL INSPECTIONS PERFORMED.

Total number of inspections remain high, reflecting continued high volumes of construction activity.

## IMPLEMENTING THE ACCESSIBLE BUSINESS ENTRANCE PROGRAM (ABE)

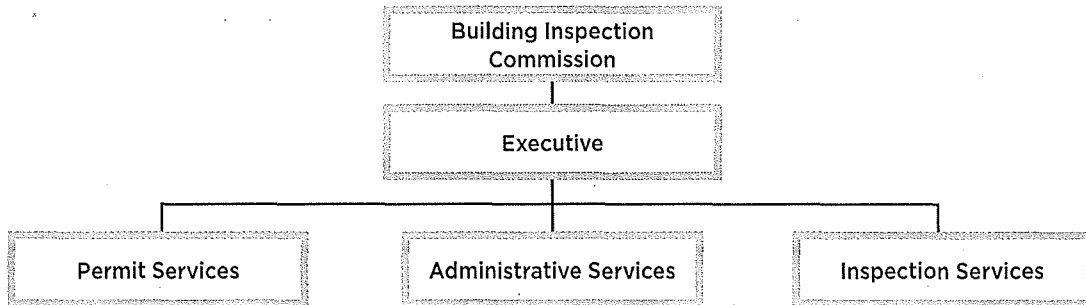
The Accessible Business Entrance Ordinance, passed by the Board of Supervisors in 2016, requires existing buildings with a place of "public accommodation" to have all primary entrances accessible to people with disabilities. The Department established a Disability Access Compliance Unit to implement the Ordinance. The Disability Access Compliance Unit works with the Department of Public Works, Planning Department, and Office of Small Business to assist property owners comply with the ABE. Approximately 27,000 properties may be impacted by the Ordinance. To date, ABE is the largest citywide program implemented by DBI. The large number of properties requires an extensive outreach program. The proposed budget includes increased funds to provide multi-lingual outreach throughout the City to educate property owners about program requirements and deadlines. The final deadline for permits is February 2021.



**▲ TOTAL NUMBER OF PERMITS ISSUED.** While showing a slight decrease from the prior year, the total number of permits issued remains quite high relative to historic levels.



## BUILDING INSPECTION COMMISSION ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 299.80                          | 297.48                          | (2.32)                | 297.33                          | (0.15)                |
| Non-Operating Positions (cap/other) | (24.00)                         | (24.00)                         |                       | (24.00)                         |                       |
| <b>Net Operating Positions</b>      | <b>275.80</b>                   | <b>273.48</b>                   | <b>(2.32)</b>         | <b>273.33</b>                   | <b>(0.15)</b>         |

## Sources

|                              |                   |                   |                  |                   |                    |
|------------------------------|-------------------|-------------------|------------------|-------------------|--------------------|
| Charges for Services         | 58,491,770        | 63,456,649        | 4,964,879        | 61,826,149        | (1,630,500)        |
| Expenditure Recovery         | 173,340           | 171,840           | (1,500)          | 171,840           |                    |
| Interest & Investment Income | 559,214           | 559,214           |                  | 559,214           |                    |
| IntraFund Transfers In       | 2,479,339         | 3,423,225         | 943,886          | 2,223,225         | (1,200,000)        |
| Licenses: Permits/Franchises | 6,696,009         | 6,696,009         |                  | 6,696,009         |                    |
| Transfer Adjustment-Source   | (2,479,339)       | (3,423,225)       | (943,886)        | (2,223,225)       | 1,200,000          |
| Unappropriated Fund Balance  | 10,613,366        | 6,898,351         | (3,715,015)      | 7,293,875         | 395,524            |
| General Fund Support         |                   |                   |                  |                   |                    |
| <b>Sources Total</b>         | <b>76,533,699</b> | <b>77,782,063</b> | <b>1,248,364</b> | <b>76,547,087</b> | <b>(1,234,976)</b> |

## Uses - Operating Expenditures

|                            |                   |                   |                  |                   |                    |
|----------------------------|-------------------|-------------------|------------------|-------------------|--------------------|
| Salaries                   | 31,195,933        | 32,048,673        | 852,740          | 32,283,470        | 234,797            |
| Mandatory Fringe Benefits  | 14,044,916        | 14,590,052        | 545,136          | 15,165,042        | 574,990            |
| Non-Personnel Services     | 6,856,086         | 5,549,966         | (1,306,120)      | 5,349,966         | (200,000)          |
| City Grant Program         | 4,991,314         | 5,230,314         | 239,000          | 5,230,314         |                    |
| Capital Outlay             | 1,130,000         | 780,000           | (350,000)        |                   | (780,000)          |
| Carry-Forward Budgets Only | (2,562,240)       |                   | 2,562,240        |                   |                    |
| Intrafund Transfers Out    | 2,479,339         | 3,423,225         | 943,886          | 2,223,225         | (1,200,000)        |
| Materials & Supplies       | 826,300           | 751,300           | (75,000)         | 676,300           | (75,000)           |
| Overhead and Allocations   | 742,252           | 989,644           | 247,392          | 989,644           |                    |
| Services Of Other Depts    | 19,309,138        | 17,842,114        | (1,467,024)      | 16,852,351        | (989,763)          |
| Transfer Adjustment - Uses | (2,479,339)       | (3,423,225)       | (943,886)        | (2,223,225)       | 1,200,000          |
| <b>Uses Total</b>          | <b>76,533,699</b> | <b>77,782,063</b> | <b>1,248,364</b> | <b>76,547,087</b> | <b>(1,234,976)</b> |

## Uses - Division Description

|                               |                   |                   |                  |                   |                    |
|-------------------------------|-------------------|-------------------|------------------|-------------------|--------------------|
| DBI Administration            | 18,574,055        | 19,822,979        | 1,248,924        | 19,429,409        | (393,570)          |
| DBI Inspection Services       | 42,044,690        | 41,095,784        | (948,906)        | 40,070,636        | (1,025,148)        |
| DBI Permit Services           | 15,914,954        | 16,863,300        | 948,346          | 17,047,042        | 183,742            |
| <b>Uses by Division Total</b> | <b>76,533,699</b> | <b>77,782,063</b> | <b>1,248,364</b> | <b>76,547,087</b> | <b>(1,234,976)</b> |

# CHILD SUPPORT SERVICES

**MISSION** The Department of Child Support Services (CSS) works to empower parents to provide economic support for their children, thereby contributing to the well-being of families and children.

## SERVICES

The Department of Child Support Services provides services through the following divisions:

**CASE MANAGEMENT** manages child support caseload and works with families to ensure that children are financially, medically, and emotionally supported. The Department delivers direct services to clients through the provision of a variety of programs focused on the economic security of the family and the safety of the child(ren).

**LEGAL SERVICES** provides initial and on-going support to parents in the areas of paternity establishment, locating parents, requests for child and medical support orders from the court, enforcement and modification of support orders, and the collection and distribution of child support.

**ADMINISTRATION** provides policy direction and acts as the conduit to all federal, state, and local government agencies. Administration ensures compliance with personnel management regulations and all related memoranda of understanding and labor contracts, and assures the fiscal integrity of the Department as it relates to reporting, record-keeping, and procurement.

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 13,662,238      | 13,564,119      | (98,119)            | 13,564,119      | 0                   |
| Total FTE          | 79              | 75              | (4)                 | 75              | 0                   |



## STRATEGY

- Increase Support for California Children
- Deliver Excellent and Consistent Customer Services
- Enhance Program Performance and Sustainability
- Develop and Strengthen Collaborative Partnerships
- Be Innovative in Meeting the Needs of Families



## BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2018-19 proposed budget of \$13.6 million for the Department of Child Support Services is \$0.1 million, or 0.7 percent, lower than the FY 2017-18 budget of \$13.7 million.

The FY 2019-20 proposed budget of \$13.6 million for the Department of Child Support Services is essentially unchanged from the FY 2018-19 budget.

### SUPPORT FOR FAMILIES

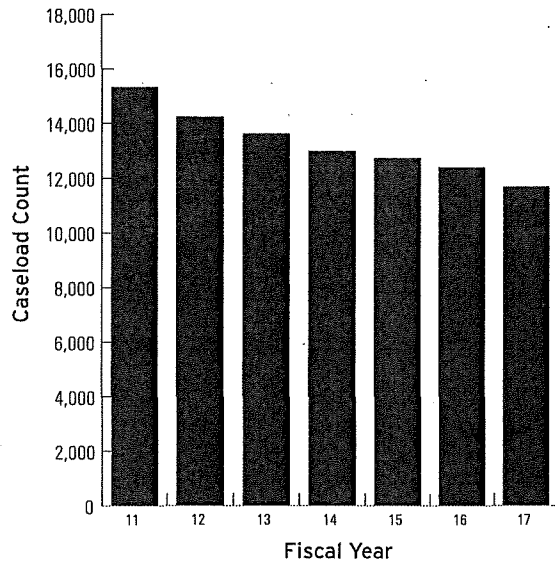
Although the Department's caseload has dropped by 18 percent over the last four years, collections have remained strong, only declining by two percent. Despite the decreasing caseload, the percentage of collections distributed to families has increased by five percent between 2012 and 2017. For FY 2016-17 the Department collected approximately \$26 million, \$24.7 million or 95 percent of which went directly to families.

### CHILD SUPPORT AND PARENTING TIME

CSS continues to expand its collaborative partnership with Project 500, an anti-poverty initiative introduced by Mayor Ed Lee and administered through Human Services Agency, to provide intensive wrap-around services and case management to San Francisco families. The Department, in collaboration with the Superior Court, has successfully established a pathway to broader parental involvement by offering family-centered child support services that include a single path to the Superior Court for parenting time orders and child support orders. The Department helps to empower and encourage stronger parental and family-structured relationships between parents and their children.

### CHILD SUPPORT DEBT RELIEF

CSS and the Treasurer Tax Collectors Financial Justice Project developed a pilot program to



**▲ CSS CASELOAD COUNT.** Cases managed by CSS have decreased over the last five years, totalling 11,689 in FY 2016-17.

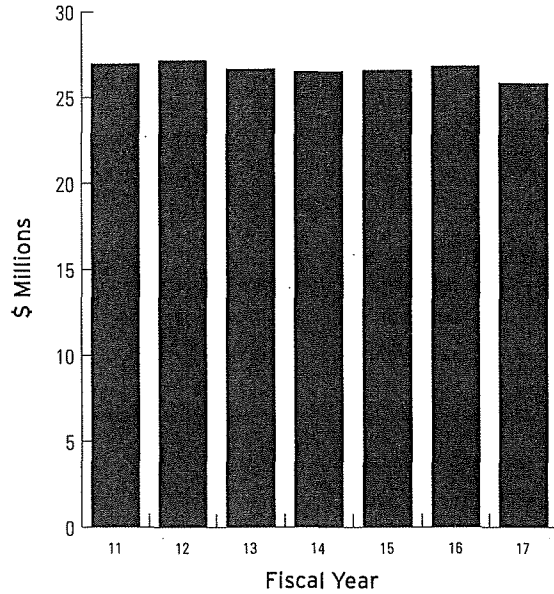
allow parents to reduce delinquent child support debt owed to the government, so that parents responsible for paying child support can focus their financial attention on their children. The pilot will test approaches that can relieve financial debt barriers that are inhibiting families' financial prospects and damaging family relationships. Lifting families affected by poverty requires a concerted effort that assists both parents. In San Francisco, 98 percent of non-custodial parents are fathers who are impoverished, lacking permanent housing, unemployed or underemployed, and face considerable barriers to gainful employment in the San Francisco economy.

This pilot program aims to help parents by building their financial capability and propelling key improvements to child support policy.

## CONVENIENT WAYS PARENTS CAN SUPPORT THEIR CHILDREN

Parents can make their child support payments using a self-service TouchPay kiosk installed in March 2017 within the CSS office. With easy to follow step-by-step instructions, payments can be made in minutes. The payment kiosk accepts cash, credit and debit card, and eCheck payments and provides customers with another convenient option for making their child support payments.

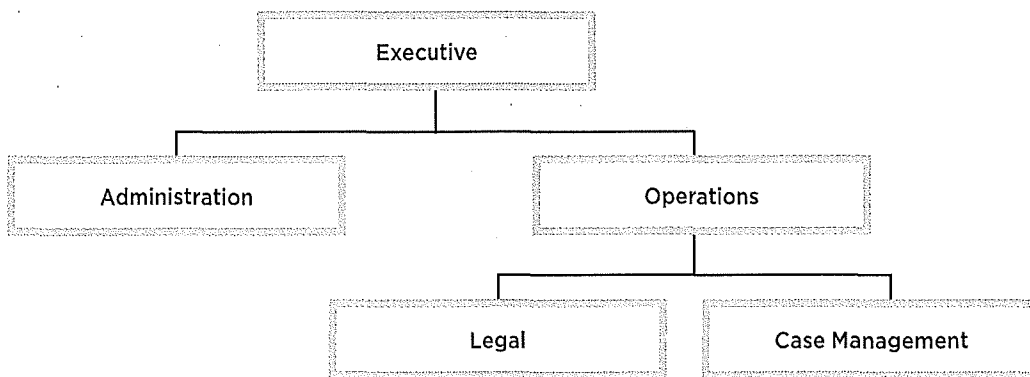
As of January 2018, CSS received nearly \$900,000 in child support collections via the payment kiosk. The CACHildSup mobile application allows parents to make electronic payments, check their account, search the SF local agency, and research FAQs using their smartphone. Parents can download the CACHildSup app free of cost.



**▲ CSS DISTRIBUTED COLLECTIONS.** *Despite fewer cases, CSS has distributed similar amounts of collections each of the last five years.*



## CHILD SUPPORT SERVICES ORGANIZATIONAL STRUCTURE





# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 79.30                           | 75.25                           | (4.05)                | 75.26                           | 0.01                  |
| Non-Operating Positions (cap/other) |                                 |                                 |                       |                                 |                       |
| <b>Net Operating Positions</b>      | <b>79.30</b>                    | <b>75.25</b>                    | <b>(4.05)</b>         | <b>75.26</b>                    | <b>0.01</b>           |

## Sources

|                               |                   |                   |                 |                   |  |
|-------------------------------|-------------------|-------------------|-----------------|-------------------|--|
| Expenditure Recovery          | 604,532           | 786,837           | 182,305         | 786,837           |  |
| InterGovernmental Rev-Federal | 8,713,430         | 8,433,006         | (280,424)       | 8,433,006         |  |
| Intergovernmental Rev-State   | 4,344,276         | 4,344,276         |                 | 4,344,276         |  |
| General Fund Support          |                   |                   |                 |                   |  |
| <b>Sources Total</b>          | <b>13,662,238</b> | <b>13,564,119</b> | <b>(98,119)</b> | <b>13,564,119</b> |  |

## Uses - Operating Expenditures

|                           |                   |                   |                 |                   |           |
|---------------------------|-------------------|-------------------|-----------------|-------------------|-----------|
| Salaries                  | 7,232,977         | 7,131,892         | (101,085)       | 7,019,345         | (112,547) |
| Mandatory Fringe Benefits | 3,852,112         | 3,454,233         | (397,879)       | 3,518,877         | 64,644    |
| Non-Personnel Services    | 1,724,630         | 2,160,887         | 436,257         | 2,188,199         | 27,312    |
| Materials & Supplies      | 49,322            | 89,459            | 40,137          | 100,363           | 10,904    |
| Services Of Other Depts   | 803,197           | 727,648           | (75,549)        | 737,335           | 9,687     |
| <b>Uses Total</b>         | <b>13,662,238</b> | <b>13,564,119</b> | <b>(98,119)</b> | <b>13,564,119</b> | <b>0</b>  |

## Uses - Division Description

|                               |                   |                   |                 |                   |          |
|-------------------------------|-------------------|-------------------|-----------------|-------------------|----------|
| CSS Child Support Services    | 13,662,238        | 13,564,119        | (98,119)        | 13,564,119        |          |
| <b>Uses by Division Total</b> | <b>13,662,238</b> | <b>13,564,119</b> | <b>(98,119)</b> | <b>13,564,119</b> | <b>0</b> |

# COUNTY EDUCATION

**MISSION** Funding for support staff at the San Francisco Unified School District's (SFUSD) County Education Office is legally required of San Francisco under the California Constitution.

## SUMMARY

In Fiscal Year (FY) 2002-03, funding for programs and services at the County Education Office was diverted to the Department of Children, Youth & Their Families (DCYF), which administers funds in conjunction with the San Francisco Unified School District (SFUSD).

In March 2004, voters approved Proposition H, creating the Public Education Enrichment Fund (PEEF) and requiring that the City allocate General Fund revenue each year to support the Preschool for All program and programs at SFUSD. More information about the Preschool for All program, formerly housed at the Children and Families Commission (First 5) and now fully transitioned to the Office of Early Care and Education in the Human Services Agency, can be found in those respective department sections within the forthcoming June 1 Budget Book.

In November 2014, with the passage of Proposition C (Prop C) voters reauthorized PEEF for another 26 years. The total provisional PEEF allocation to SFUSD in FY 2017-18 was \$79.4 million, a 7.5 percent increase from the FY 2016-17 contribution, and another \$81.4 million in FY 2018-19 projected at this time.

Notable changes to PEEF under Prop C include the removal of the emergency "trigger" option which allowed the City to defer a portion of the allocation during years of financial hardship, the ability to count in-kind services as a component of the allocation, and the restructuring of the reserve funds. Prop C revised the structure of the Rainy Day reserve, dissolving the single reserve structure and creating two new, separate reserves—a City Reserve and School Reserve. Withdrawal from the School Reserve is now allowed by a majority vote of the School Board. Through the new structure of the School Reserve there is an additional \$42.1 million available to SFUSD.



# ENVIRONMENT

**MISSION** The mission of the San Francisco Department of the Environment (ENV) is to provide solutions that advance climate protection and enhance the quality of life for all San Franciscans. ENV implements change-making environmental policies and delivers programs and services directly to residents and businesses that help promote zero waste, protect human health, improve energy efficiency, prevent pollution, enhance biodiversity, and reduce personal vehicle trips. ENV also works in partnership with city agencies and the public to implement San Francisco’s ambitious Climate Action Strategy (0-50-100-ROOTS) to reduce greenhouse gas emissions and strengthen community resilience.

## SERVICES

The Department of the Environment provides services through the following program areas:

**CLEAN TRANSPORTATION** promotes alternatives to driving for residents, businesses, and city employees; encourages clean fuel technology and adoption; and monitors the renewable fuel composition of the city fleet.

**CLIMATE** tracks greenhouse gas emissions of citywide and municipal operations, and designs and coordinates policies to reduce the City’s carbon footprint to align with San Francisco’s climate action goals.

**ENERGY** provides technical and policy support, including professional energy-efficiency auditing, upgrade services, and incentives, to the residential and commercial sectors. This also includes facilitation of rooftop solar installations throughout the City, creation of codes and standards that achieve zero-net carbon buildings, and strategic program development for energy storage and zero emission vehicles that results in market transformation.

**GREEN BUILDING** furthers resource conservation in the construction, demolition, and maintenance of municipal building projects, and enhances the environmental performance of residential and commercial buildings in San Francisco.

**GREEN BUSINESS** helps San Francisco businesses adopt environmental practices that are sustainable as well as profitable, and recognizes partners with sustainable business practices for their efforts with the San Francisco Green Business seal.

**ENVIRONMENTAL JUSTICE** addresses air quality, energy infrastructure, and health concerns in communities that bear a disproportionate environmental burden, and helps to build healthier, more sustainable neighborhoods.

*Services (continued on next page)*

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 23,081,438      | 21,965,767      | (1,115,671)         | 22,045,518      | 79,751              |
| Total FTE          | 67              | 66              | (1)                 | 66              | 0                   |

Services (continued)

**OUTREACH** educates the public, including residents, businesses, visitors, and schools, about the City's environmental programs and policies to inspire and promote sustainable behavior change across neighborhoods, communities, and languages.

**TOXICS REDUCTION** promotes proper use and disposal of toxic products, and educates municipal, commercial, and residential clients on safer alternatives.

**ZERO WASTE** promotes waste prevention, recycling, and composting in the municipal, commercial, and residential sectors to bring the City closer to its goal of zero waste.



## STRATEGY

- Promoting Healthy Communities and Ecosystems
- Leading on Climate Action
- Strengthening Community Resilience
- Eliminating Waste
- Amplify Community Action



## BUDGET ISSUES AND DETAILS

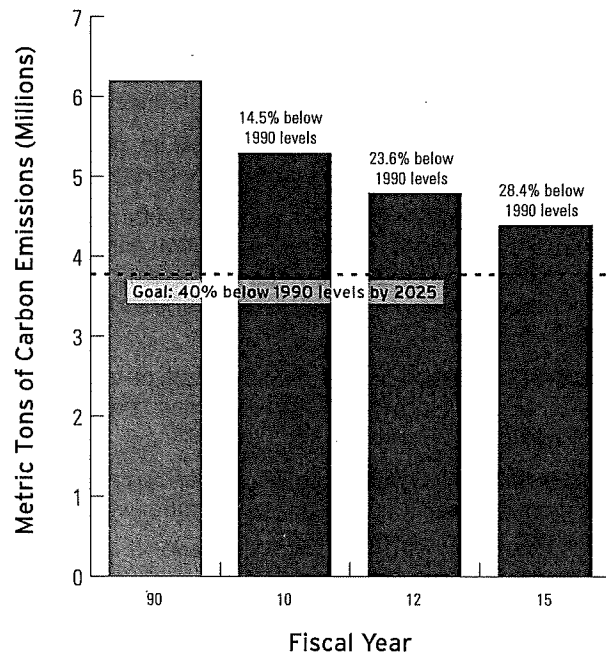
The Fiscal Year (FY) 2018-19 proposed budget of \$22 million for ENV is \$1.1 million, or 4.8 percent, lower than the FY 2017-18 budget of \$23.1 million. This is largely due to the expiration of grant funding.

The FY 2019-20 proposed budget of \$22 million is essentially unchanged from the FY 2018-19 proposed budget.

On an annual basis, the Department of Environment's budget fluctuates depending on the timing and size of external grants.

### CITYWIDE ROLL-OUT OF RECYCLING PROGRAM CHANGES

In October 2017, ENV and Recology announced the most impactful change to the City's recycling program in over 15 years, which will significantly reduce the amount of material sent to landfill. The City's "Fantastic Three" bin system for recyclables, compostables, and landfill-bound material has been updated to allow San Franciscans to recycle more materials, including paper cups, cartons, plastic bags, and wrap. In 2018, ENV will implement a comprehensive, multilingual neighborhood outreach program to directly educate businesses and residents about the changes. Carried out by ENV staff, the two-year outreach program includes in-person engagements such as door-to-door



**REDUCTION IN GREENHOUSE GAS EMISSIONS SINCE 1990.** San Francisco greenhouse gas emissions for energy, transportation, fuel, and waste dropped 28 percent below 1990 levels in 2015. That puts San Francisco two years ahead of its goal to reduce emissions by 25 percent by 2017 and on track to meet its 40 percent reduction goal by 2025. The 28 percent reduction is equivalent to taking 380,000 cars off the road.

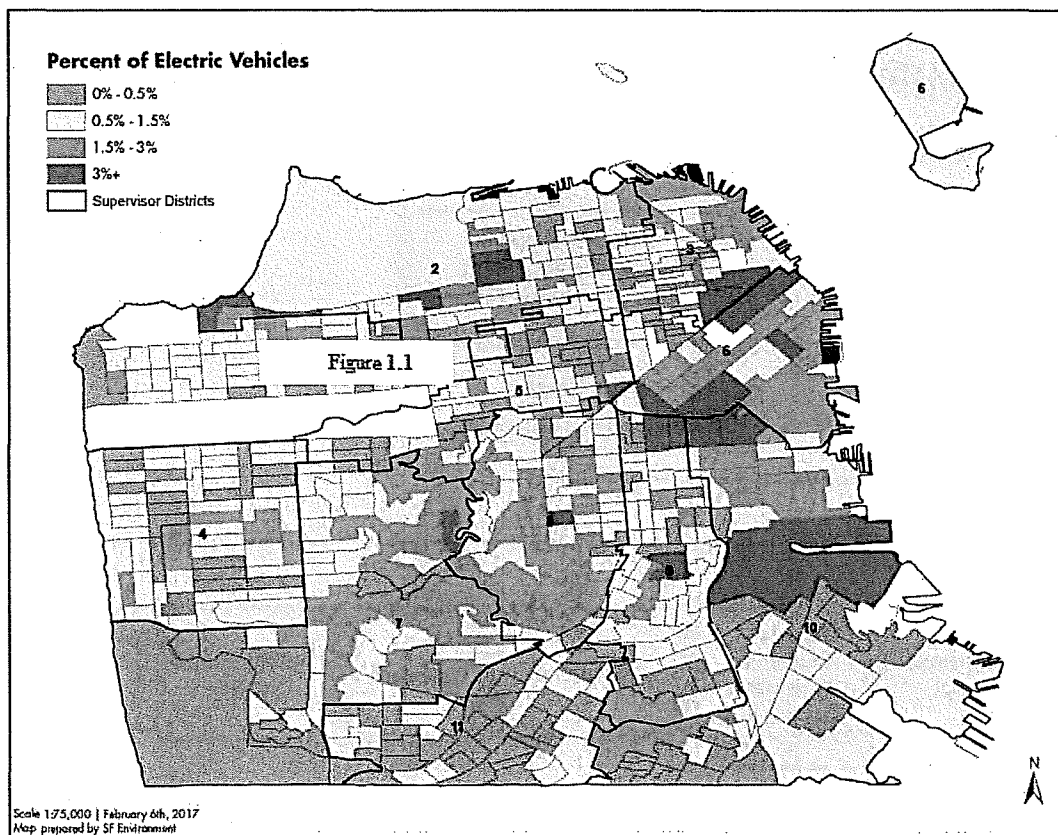
outreach, trainings, and tabling at community events. It will also feature targeted multilingual digital and print advertising (e.g. bus shelter ads).

### REDUCING DISPOSAL

Making further progress toward the City's goal of zero waste continues to be a priority for FY 2018-19. ENV works with Recology, Public Works, and Public Health to ensure residents and businesses have adequate refuse service, which reduces overflow, contamination, and landfilling. ENV staff provide ongoing technical assistance to large generators (commercial and multi-family properties) and continue addressing non-compliance through regulatory processes. ENV will also pursue policy and regulatory opportunities that address single-use disposable products, construction and demolition debris, source separation, and waste prevention.

### ZERO EMISSION VEHICLES (ZEV)

ENV is leading a subcommittee of the Mayor's Electric Vehicle (EV) Working Group that has been tasked with the development of a citywide Electric Mobility Strategy, or EV Blueprint, for private sector transportation for FY 2018-19 and beyond. The goal of the Blueprint is to help reduce air pollutants and improve human health, especially for residents disproportionately affected by fossil fuel emissions in the City. The Blueprint will focus on the following seven opportunity areas: 1) Charging and Fueling Infrastructure, 2) Electricity Supply and Grid Integration, 3) Affordability, 4) Awareness, 5) Emerging Mobility, 6) Medium and Heavy-Duty Vehicles, and 7) Fossil Fuel Free Streets. ENV continues to identify funding for this critical priority, which is key to fulfilling the City's Climate Action Strategy (0-50-100-ROOTS).



▲ PERCENT OF ELECTRIC VEHICLE (EV) REGISTRATIONS IN SAN FRANCISCO BY NEIGHBORHOOD. *Electric vehicle (EV) adoption is accelerating rapidly—in 2017, more than six percent of new cars sold in San Francisco were EVs. San Francisco is now recognized as one of 20 EV Capitals responsible for 40 percent of global EV stock.*

## HEALTHIER HOMES FOR LOW-INCOME RESIDENTS THROUGH INTEGRATED PEST MANAGEMENT

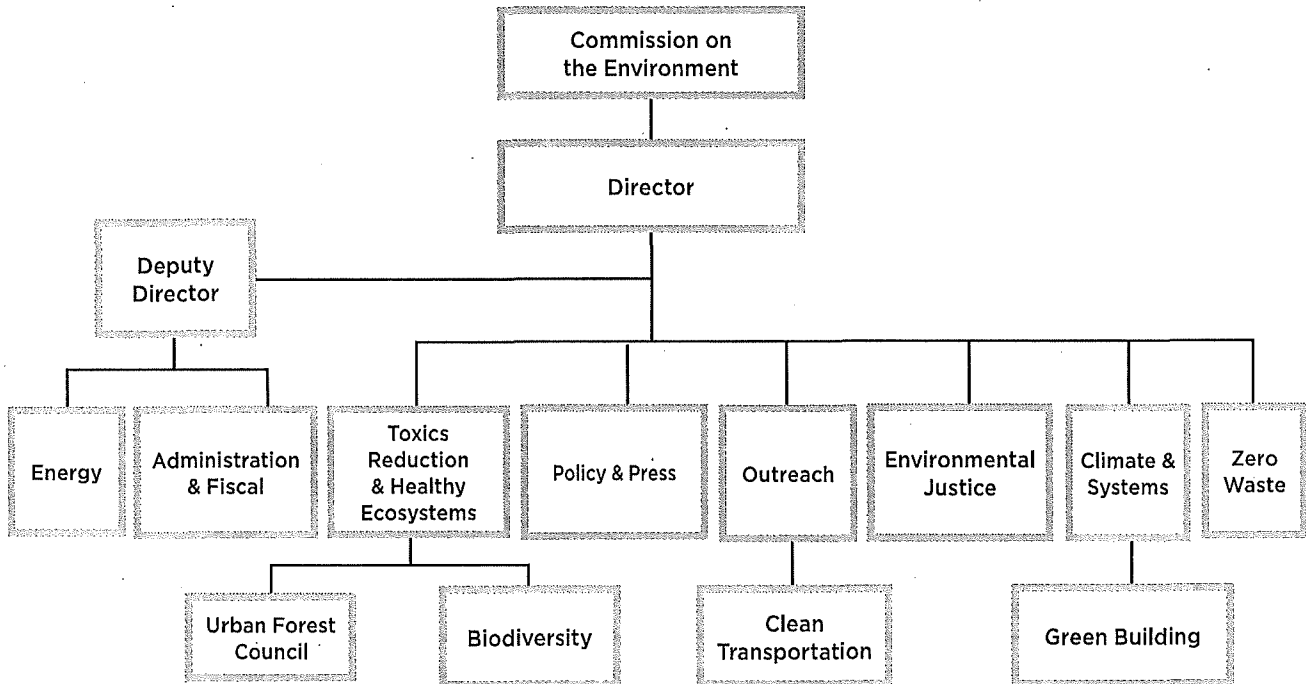
ENV's programs mitigate environmental burdens and improve the health and quality of life for residents facing the greatest disparities. As leaders of the Citywide Integrated Pest Management (IPM) Program, ENV staff deliver quality of life and sustainability improvements directly to low-income residents living in affordable and public housing. At rehabilitated SF Housing Authority properties, as well as at new HOPE SF housing sites, ENV works to reduce reliance on toxic chemicals while eradicating pest infestations through a combination of preventative design, one-on-one education, and technical assistance. To date, the program has treated 857 cockroach-infested units and 174 bedbug-infested units, completed pest inspections at 30 housing facilities, and incorporated pest preventative design elements in 3,450 units.

## LARGEST LED BULB GIVEAWAY IN HISTORY

ENV is committed to preparing San Francisco for the future while improving quality of life conditions today. ENV is currently partnering with over 40 San Francisco organizations to facilitate the installation of 100,000 LED bulbs in the homes of senior, low-income, and disabled San Franciscans. This is the single largest LED bulb giveaway in history and is funded entirely by a grant award from Pacific Gas & Electric (PG&E). LED's are longer lasting and reduce maintenance needs, which will help improve lighting and safety for residents who need it the most. Once fully installed, the new LEDs will reduce energy use and is projected to collectively save residents over \$1 million per year in electricity costs.



# ENVIRONMENT ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 87.38                           | 87.24                           | (0.14)                | 87.16                           | (0.08)                |
| Non-Operating Positions (cap/other) | (20.48)                         | (21.20)                         | (0.72)                | (21.20)                         |                       |
| <b>Net Operating Positions</b>      | <b>66.90</b>                    | <b>66.04</b>                    | <b>(0.86)</b>         | <b>65.96</b>                    | <b>(0.08)</b>         |

## Sources

|                                |             |             |             |             |          |
|--------------------------------|-------------|-------------|-------------|-------------|----------|
| Charges for Services           | 15,985,880  | 16,825,839  | 839,959     | 16,848,883  | 23,044   |
| Expenditure Recovery           | 2,126,466   | 2,419,463   | 292,997     | 2,413,206   | (6,257)  |
| Intergovernmental Rev-State    | 828,940     | 986,000     | 157,060     | 986,000     |          |
| Intergovernmental Revenue-Othe | 93,258      |             | (93,258)    |             |          |
| IntraFund Transfers In         | 4,156,634   | 3,894,840   | (261,794)   | 3,967,895   | 73,055   |
| Operating Transfers In         | 33,975      |             | (33,975)    |             |          |
| Other Revenues                 | 3,662,919   | 1,734,465   | (1,928,454) | 1,797,429   | 62,964   |
| Transfer Adjustment-Source     | (4,156,634) | (3,894,840) | 261,794     | (3,967,895) | (73,055) |
| Unappropriated Fund Balance    | 350,000     |             | (350,000)   |             |          |

General Fund Support

|                      |                   |                   |                    |                   |               |
|----------------------|-------------------|-------------------|--------------------|-------------------|---------------|
| <b>Sources Total</b> | <b>23,081,438</b> | <b>21,965,767</b> | <b>(1,115,671)</b> | <b>22,045,518</b> | <b>79,751</b> |
|----------------------|-------------------|-------------------|--------------------|-------------------|---------------|

## Uses - Operating Expenditures

|                               |                   |                   |                    |                   |               |
|-------------------------------|-------------------|-------------------|--------------------|-------------------|---------------|
| Salaries                      | 6,355,679         | 6,438,647         | 82,968             | 6,486,480         | 47,833        |
| Mandatory Fringe Benefits     | 3,125,529         | 3,328,088         | 202,559            | 3,516,153         | 188,065       |
| Non-Personnel Services        | 5,190,412         | 3,996,633         | (1,193,779)        | 4,137,414         | 140,781       |
| City Grant Program            | 360,000           | 360,000           |                    | 360,000           |               |
| Intrafund Transfers Out       | 4,156,634         | 3,894,840         | (261,794)          | 3,967,895         | 73,055        |
| Materials & Supplies          | 447,440           | 425,091           | (22,349)           | 425,091           |               |
| Overhead and Allocations      | 346,458           | 236,551           | (109,907)          | 240,751           | 4,200         |
| Programmatic Projects         | 1,005,381         | 825,528           | (179,853)          | 825,528           |               |
| Services Of Other Depts       | 6,189,438         | 6,344,909         | 155,471            | 6,054,101         | (290,808)     |
| Unappropriated Rev-Designated | 61,101            | 10,320            | (50,781)           |                   | (10,320)      |
| Transfer Adjustment - Uses    | (4,156,634)       | (3,894,840)       | 261,794            | (3,967,895)       | (73,055)      |
| <b>Uses Total</b>             | <b>23,081,438</b> | <b>21,965,767</b> | <b>(1,115,671)</b> | <b>22,045,518</b> | <b>79,751</b> |

## Uses - Division Description

|                               |                   |                   |                    |                   |               |
|-------------------------------|-------------------|-------------------|--------------------|-------------------|---------------|
| ENV Environment               | 23,081,438        | 21,965,767        | (1,115,671)        | 22,045,518        | 79,751        |
| <b>Uses by Division Total</b> | <b>23,081,438</b> | <b>21,965,767</b> | <b>(1,115,671)</b> | <b>22,045,518</b> | <b>79,751</b> |





# LAW LIBRARY

**MISSION** The Law Library (LLB) provides the people of San Francisco free access to legal information and specialized reference assistance in the use of those materials so they may preserve their rights and conduct their legal affairs.

## SERVICES

The Law Library provides services through the following program areas:

**MAINTAINS A COMPREHENSIVE LEGAL COLLECTION** in electronic and print formats, including federal, state, and local laws, ordinances, regulations, and cases; court and legal forms; legal treatises, periodicals, texts, and encyclopedias; practice manuals, legal finding aids, and reference tools; legal materials and guides to meet the needs of both the public and legal professionals; legal resources and databases; and comprehensive archives of precedential cases, laws, regulations, and other essential materials.

**ASSISTS PROFESSIONALS AND THE PUBLIC** in navigating the law and finding the information they need by providing legal research assistance; instruction on the use of complex legal databases; orientation in how to find and use legal resources; library-created reference guides; seminars and legal educational programs; one-on-one legal information services; and by continuously refining, enhancing, and developing new services to meet emerging technologies.

**ENSURES THE CURRENCY AND ACCURACY OF THE LEGAL COLLECTION** by continuing to update codes and regulations, new case law reports, and current practice materials in print and electronic formats; processing, cataloging, and updating incoming materials daily to ensure their availability in the LLB's database system; deleting outdated materials; adding, maintaining, and regularly updating modules to the specialized library software systems; enhancing and adding databases as essential new legal products are developed; monitoring the range of legal information materials, both in print and in electronic formats, to determine what will best serve Law Library patrons; and periodically replacing public computers and legal reference software.



## STRATEGY

- Ensure Public has Access to Current Legal Information
- Provide Comprehensive and Readily Accessible Legal Information Resources and Services

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 1,855,758       | 1,982,273       | 126,515             | 2,121,171       | 138,898             |
| Total FTE          | 3               | 3               | 0                   | 3               | 0                   |



# BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2018-19 proposed budget of \$2 million for the Law Library is \$0.1 million, or 6.8 percent, higher than the FY 2017-18 budget of \$1.9 million. The FY 2018-19 proposed budget of \$2.1 million is \$0.1 million, or 7 percent, higher than the FY 2017-18 budget of \$2 million. Increases in both years are largely driven by real estate lease costs.

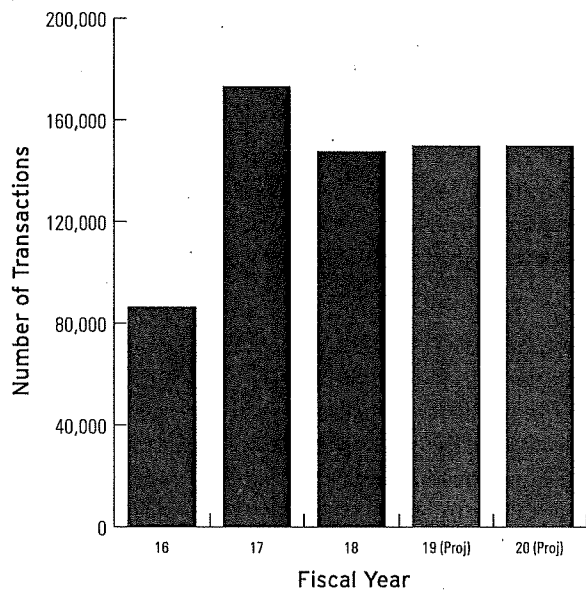
## ELECTRONIC RESOURCES

The Law Library continues to provide comprehensive services, including free legal database subscriptions, to the community. The Law Library is working with the Department of Technology to improve and align technology systems to city standards and practices, which will

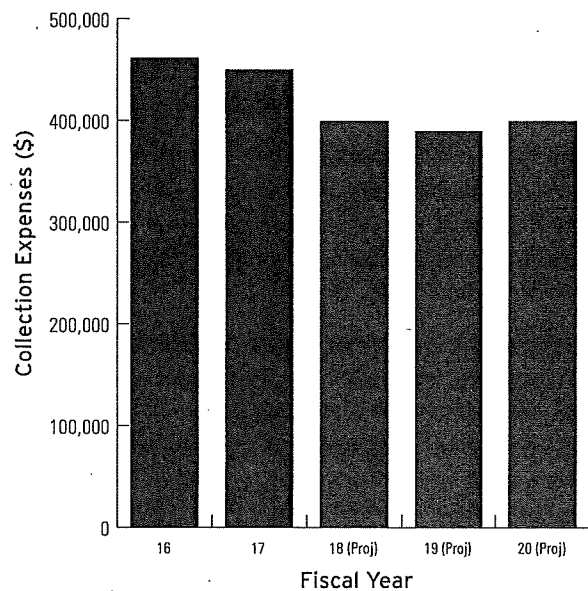
increase efficiency and provide better service to the community.

## PROFESSIONAL SERVICES

The Law Library provides free, equal, authoritative, and professional legal information resources and services to the diverse citizens and legal community of San Francisco. In addition to print and electronic resources and a professional team of law librarians, the Law Library collaborates with other city departments and agencies, such as the Office of Civic Engagement and Immigrant Affairs and the SF Public Library, to help citizens navigate important life issues including immigration, family law, employment, evictions and landlord-tenant disputes, elder law, and small business processes.



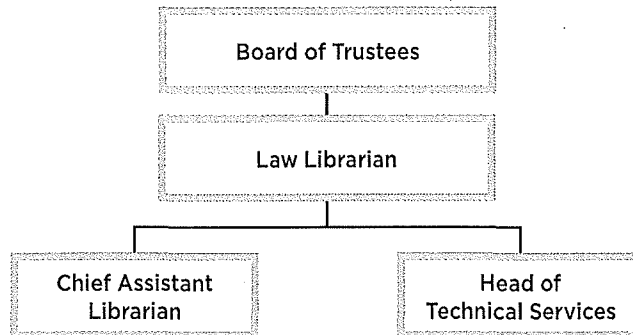
**▲ USE OF MAJOR LEGAL DATABASES.** *Legal database transactions are predicted to remain steady over the next two fiscal years.*



**▲ COLLECTION EXPENSES (DATABASES AND PRINT).** *Collection expenses are expected to decrease slightly in the near future.*



# LAW LIBRARY ORGANIZATIONAL STRUCTURE



## TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 3.00                            | 3.00                            |                       | 3.00                            |                       |
| Non-Operating Positions (cap/other) |                                 |                                 |                       |                                 |                       |
| <b>Net Operating Positions</b>      | <b>3.00</b>                     | <b>3.00</b>                     | <b>0.00</b>           | <b>3.00</b>                     | <b>0.00</b>           |

|                      |                  |                  |                |                  |                |
|----------------------|------------------|------------------|----------------|------------------|----------------|
| General Fund Support | 1,855,758        | 1,982,273        | 126,515        | 2,121,171        | 138,898        |
| <b>Sources Total</b> | <b>1,855,758</b> | <b>1,982,273</b> | <b>126,515</b> | <b>2,121,171</b> | <b>138,898</b> |

### Uses - Operating Expenditures

|                           |                  |                  |                |                  |                |
|---------------------------|------------------|------------------|----------------|------------------|----------------|
| Salaries                  | 434,244          | 435,139          | 895            | 438,485          | 3,346          |
| Mandatory Fringe Benefits | 193,861          | 197,112          | 3,251          | 202,424          | 5,312          |
| Non-Personnel Services    | 17,275           |                  | (17,275)       |                  |                |
| Materials & Supplies      | 443              | 10,000           | 9,557          | 6,000            | (4,000)        |
| Services Of Other Depts   | 1,209,935        | 1,340,022        | 130,087        | 1,474,262        | 134,240        |
| <b>Uses Total</b>         | <b>1,855,758</b> | <b>1,982,273</b> | <b>126,515</b> | <b>2,121,171</b> | <b>138,898</b> |

### Uses - Division Description

|                               |                  |                  |                |                  |                |
|-------------------------------|------------------|------------------|----------------|------------------|----------------|
| LLB Law Library               | 1,855,758        | 1,982,273        | 126,515        | 2,121,171        | 138,898        |
| <b>Uses by Division Total</b> | <b>1,855,758</b> | <b>1,982,273</b> | <b>126,515</b> | <b>2,121,171</b> | <b>138,898</b> |



# MUNICIPAL TRANSPORTATION AGENCY

## MISSION

The San Francisco Municipal Transportation Agency (SFMTA) plans, designs, builds, operates, regulates, and maintains one of the most diverse transportation networks in the world.

The SFMTA operates five modes of public transit, including bus, trolleybus, light rail trains, historic streetcars and the city's iconic cable cars, and provides infrastructure for safe walking, bicycling, and driving. In addition, the SFMTA manages traffic engineering and enforcement, on-and off-street public parking, paratransit services and permitting, and regulates private transit vehicles, including taxis.

## SERVICES

The SFMTA provides services through various divisions:

**MUNI** provides over three million hours of service each year and operates 24 hours a day. The nation's eighth largest public transit system covers 80 different routes and delivers 720,000 average daily trips to 3,551 stops across the City. This level of services means there is a Muni stop within a quarter mile of every residence in San Francisco. San Francisco operates one of the greenest fleets in the nation, providing more than 26 percent of the daily trips in the City while generating less than two percent of the transportation sector's greenhouse gas emissions.

**PARKING** manages 441,950 publicly available parking spaces, 19 parking garages, 19 metered lots, and 28,000 on-street meters.

**TRANSPORTATION ENGINEERING** oversees traffic control devices such as signs, signals, and striping to improve the safety and operation of city streets for all modes of transportation. Transportation Engineering also provides traffic routing support for public and private construction projects.

*Services (continued on next page)*

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 1,183,468,406   | 1,211,224,576   | 27,756,170          | 1,270,668,075   | 59,443,499          |
| Total FTE          | 5,178           | 5,338           | 161                 | 5,469           | 130                 |

Services (continued)

**PLANNING** plans and designs capital and infrastructure improvement projects, including: transit vehicles, fleet, facilities, and transportation related right-of-way infrastructure in the City.

**SECURITY AND ENFORCEMENT** enhances safety and security of Muni, enforces parking regulations, and manages traffic flow on city streets.

**BICYCLING AND WALKING** facilitates access for bicyclists and pedestrians through safe, citywide infrastructure and conducts public education and community-based projects and programs. The network includes 447 miles of bikeways, more than 4,717 sidewalk bicycle racks, 195 school crossing guards, 960 pedestrian countdown signals, 1,212 signalized intersections, and 200,000 traffic and parking signs.

**ACCESSIBLE SERVICES** manages contracted paratransit services and 148 paratransit vehicles to serve customers with disabilities who cannot independently use regular Muni service. This division also ensures that Muni services and other SFMTA services and programs are accessible to seniors and people with disabilities.

**TAXI SERVICES** regulates over 8,000 licensed taxi drivers in the City and works with drivers, taxi companies, and medallion holders to improve services for residents and visitors to San Francisco. San Francisco has one of the greenest taxi fleets in the United States.



## STRATEGY

- Create a Safer Transportation Experience for Everyone
- Make Transit and Other Sustainable Modes of Transportation the Most Attractive and Preferred Means of Travel
- Improve the Quality of Life and Environment in San Francisco and the Region
- Create a Workplace that Delivers Outstanding Services



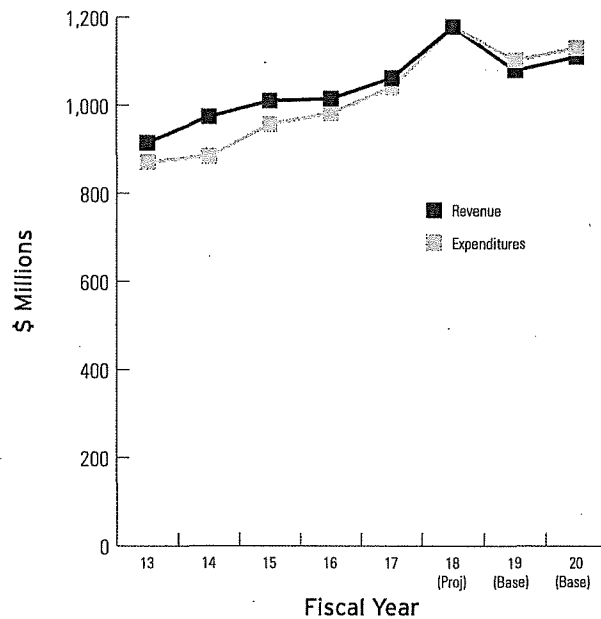
## BUDGET ISSUES AND DETAILS

The MTA has two-year fixed operating and capital budgets. The proposed Operating Budget for Fiscal Year (FY) 2018-19 is \$1,211.2 million, a \$27.7 million, or 2.3 percent, increase from the FY 2017-18 amended budget. The proposed operating budget for FY 2019-20 is \$1,270.7 million, a \$59.4 million, or 4.9 percent, increase from FY 2018-19. These increases are driven by service expansions, staffing growth, and increasing personnel costs.

The proposed SFMTA FY 2018-19 and FY 2019-20 Capital Budget includes expenditure authority of \$514 million in FY 2018-19 and \$631 million in FY 2019-20. The two-year Capital Budget funds a variety of capital projects addressing infrastructure needs related to transit reliability, street safety, state of good repair, facilities, taxi, system safety, and accessibility.

### BALANCING REVENUES AND EXPENDITURES

The SFMTA continues to see a trend of expenses outpacing revenues. Revenues are essentially flat



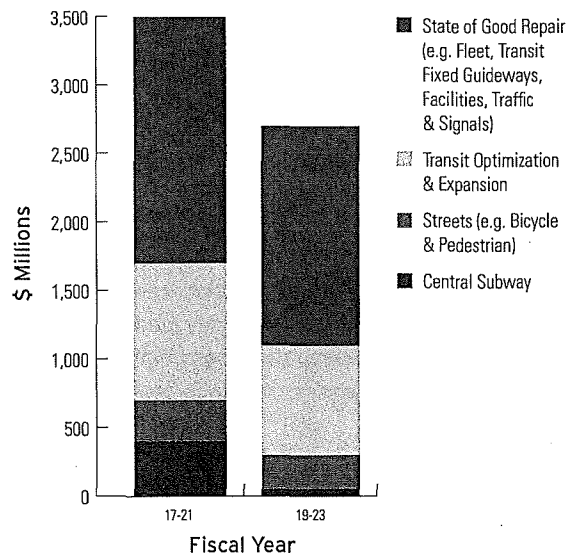
**MTA REVENUES AND EXPENDITURES FY 2013-20.** Expenditure growth has been outpacing revenues. This requires careful tradeoffs in order to balance the budget while providing increased services.

in spite of increasing baseline contributions from the City's General Fund. The shortfall is the result of declining SFMTA fare and fee revenues, as well as rising expenditures stemming from service increases and the increasing cost of employee health and pension benefits.

The FY 2018-19 and FY 2019-20 fixed two year budget therefore required tradeoffs in order to close the revenue/expenditure shortfall while continuing existing service levels and strategically expanding services for the City's growing population. Steps taken include non-service impacting expenditure reductions of 2.5 percent across the SFMTA's divisions and drawing down funding reserves to pay for one-time operating expenses.

### EQUITY AND INCLUSION

The FY 2018-19 and FY 2019-20 budget continues to fund key programs to meet the needs of historically disadvantaged neighborhoods and populations. These programs include the Free Muni Program for low and moderate income youth aged 5-18, seniors, and people with disabilities as well as the adult Lifeline Program. The Muni Equity Strategy funds operating and capital improvement projects to ensure that Muni service levels for



**▲ CURRENT AND PROPOSED 5-YEAR CAPITAL IMPROVEMENT PROGRAMS (CIP).** *The FY 2019-23 CIP includes \$2.8 billion in total investment, as compared to \$3.4 billion from FY 2017-21. The reduction is primarily due to the completion of the Central Subway.*

eight historically disenfranchised neighborhoods are equal to or exceed those in other areas of the City. Based on a strategy developed by housing and transportation equity advocates, it uses a neighborhood-based approach to improve transit routes deemed most critical to households with low incomes, people of color, seniors, and people with disabilities. These neighborhoods include: Chinatown, Western Addition, Tenderloin/ SOMA, Mission, Bayview, Visitacion Valley, Outer Mission/ Excelsior, and Oceanview Ingleside.

### OPERATIONAL SUSTAINABILITY AND RELIABILITY

This two-year fixed budget will also see the completion of a number of projects that will substantially improve operations and reliability across the City. These include bringing online 68 new light rail trains, which will expand rail service by 45 percent, opening the Islais Creek bus maintenance facility, and perhaps most notably, opening the Central Subway. As these Muni-focused initiatives become operational, other efficiencies, including service realignments, will help offset the increased costs to the transit system.

### CAPITAL INVESTMENTS

In addition to its Operating Budget, the SFMTA submits a fixed two-year Capital Budget. On August 15, 2017, the SFMTA Board of Directors approved the 20-Year Capital Plan for FY 2016-17 through FY 2035-36. The Capital Plan represents the SFMTA's fiscally unconstrained capital needs for the next 20 years. The 20-Year Capital Plan serves as the basis for developing the fiscally constrained five-year Capital Improvement Program (CIP), the first two years of which comprise the two-year Capital Budget presented here.

The proposed SFMTA FY 2018-19 and FY 2019-20 Capital Budget includes expenditure authority of \$513.5 million in FY 2018-19 and \$630.8 million in FY 2019-20. The two-year Capital Budget funds a variety of capital projects addressing infrastructure needs related to transit reliability, street safety, state of good repair, facilities, taxi, system safety, and accessibility. These projects continue to reflect the SFMTA Board of Directors' adopted policies and plans, including Vision Zero, Transit First, the San Francisco Pedestrian Strategy, the SFMTA Bicycle Strategy, the City and County of San Francisco Adopted Area Plans,



the SFMTA Strategic Plan, and the San Francisco County Transportation Plan.

## **POTENTIAL RISKS**

There are inherent risks in the operating and capital budgets, including uncertainty related to a possible repeal of the landmark 2017 SB1 transportation funding package, the most significant state commitment to public transit in more than 40 years. SFMTA is slated to receive \$37 million per year in new revenue to support operations and capital projects from SB1. A proposed statewide ballot measure in November 2018 would repeal this voter-approved funding source.

## **VISION AREAS**

### **Vision Zero: Making the City Safe and Livable by Eliminating Traffic Fatalities**

Every year, hundreds of people are seriously injured or killed in traffic collisions in San Francisco. In Calendar Year (CY) 2014, the City adopted the Vision Zero policy with the goal of eliminating all traffic fatalities on San Francisco streets.

As part of Vision Zero, the SFMTA, in collaboration with the Department of Public Health and San Francisco Police Department, developed the High Injury Network, which applies a data-driven process to prioritize upgrades on the City's most dangerous streets. The SFMTA is committed to achieving more than 13 miles of safety improvements each year.

The SFMTA's work to achieve Vision Zero also includes traffic enforcement and education. In CY 2017, the SFMTA made significant progress toward Vision Zero, achieving the lowest number of traffic fatalities (20) since the City began keeping records in 1915. Learn more at [visionzerosf.org](http://visionzerosf.org).

### **Fostering a Diverse and Equitable City by Keeping Muni Affordable and Accessible**

An affordable Muni is essential to the mobility and economic vitality of the City, especially for the 53 percent of Muni customers who live in households earning less than \$50,000 per year.

The SFMTA's Free Muni Program for low and moderate income youth aged 5-18, seniors, and people with disabilities, coupled with 50 percent discounted fares through the Lifeline Program for low income adults, helps to ensure diversity and

equity by keeping Muni service affordable and accessible for all.

In addition, the SFMTA is recommending changes to its fare structure to incentivize transit use, encourage prepayment of fares, and make Muni more affordable for regular users and visitors. These fare changes include: an expansion of the institutional pass program, a new bulk sales discount for multiple fare purchases, adding a single-ride low income fare, implementing a new one-day pass (without cable car fares), and reducing the visitor passport fare. Fare prices will continue to discount electronic payments by Clipper or Muni Mobile and increase the cost for rides paid by cash.

### **Making Muni More Reliable with a Modernized Fleet of the Future**

Reliability and frequency are of primary importance to Muni riders. In 2017, for the second year in a row, 70 percent of Muni riders rated the service as good or excellent. Because operating a modern fleet helps Muni ensure reliability, Muni has been undergoing a systematic replacement of the entire transit fleet. Over the past two years, Muni has gone from operating the oldest fleet in the nation to one of the newest by committing to replace vehicles and expand capacity.

In 2017, 138 new hybrid diesel buses were accepted. In the coming two years, the trolleybus fleet will be replaced, along with 68 new light rail trains that are slated to go into service, expanding the rail fleet by 45 percent.

### **Making Public Parking Easier to Find with Less Circling**

An estimated one third of congestion can be attributed to cars circling looking for parking. The SFMTA implements several parking programs to make it easier to park and to manage the demand for limited curb space.

San Francisco's innovative demand-responsive pricing program is being expanded to parking meters citywide. Based on the SFpark pilot, demand-responsive pricing helps achieve the appropriate level of parking availability by periodically adjusting meter and garage prices to match demand. This encourages people to park in underutilized blocks and garages and opens up spaces in busy areas and at busy times, ensuring

that metered parking spots turn over more frequently.

**Low Income Fee Reduction Programs Make it Easier for Residents and Families to Thrive**

The SFMTA has a number of programs designed to minimize the fee burden on low income families and individuals. This includes reductions to the towing administrative fee for low income families or individuals who participate in eligible programs. Participants may also receive up to a three-day storage fee waiver.

The SFMTA also provides options for eligible customers to perform community service in lieu of payment for various parking and transit violations (up to \$1,000).

**Central Subway: Connecting People. Connecting Communities.**

The Central Subway is the largest single investment in San Francisco's transportation system in generations.

Phase One of the 6.8-mile Muni Metro line began revenue service along the Third Street corridor in

April 2007. The Central Subway (Phase Two) is an extension of this important connection that will extend the T Third by 1.7 miles, making it San Francisco's first north-south subway service to SoMa, downtown, Union Square, and Chinatown. The project features three new subway stations and one new surface station that will improve access to Visitacion Valley, the Bayview, the Dogpatch, and other communities in the eastern part of the City. Learn more at **centralsubwaysf.com**.

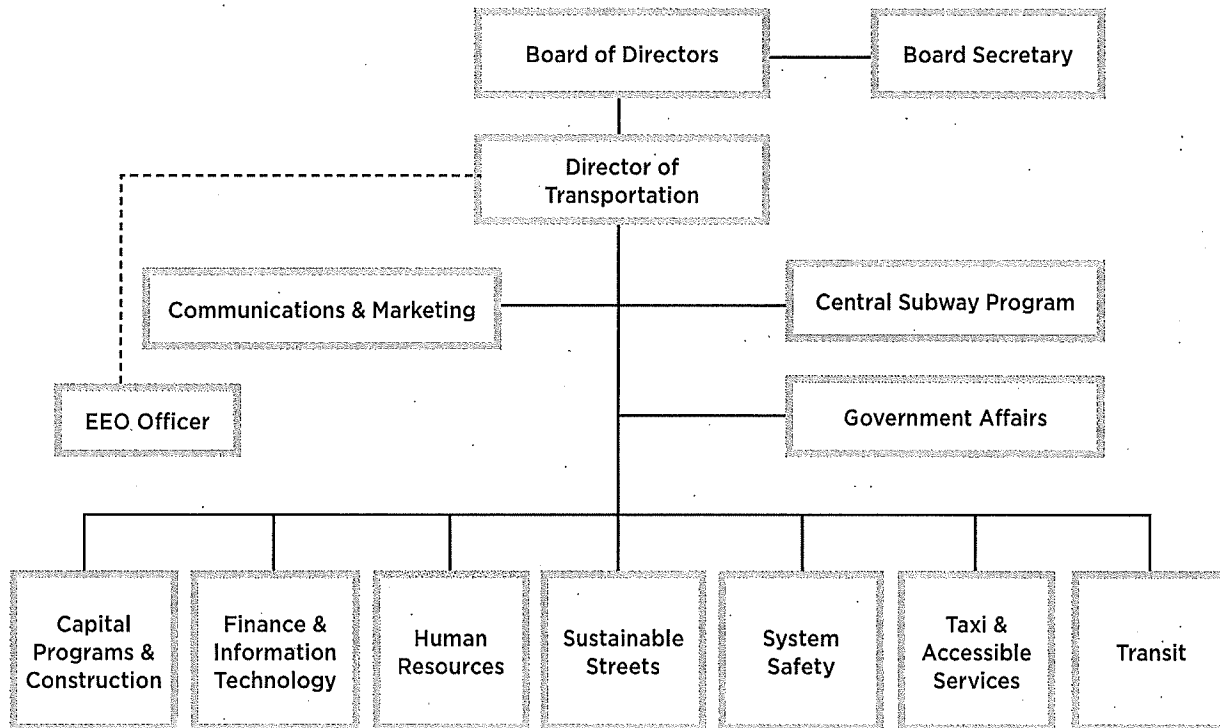
**Van Ness Bus Rapid Transit**

The Van Ness Bus Rapid Transit (BRT) project will create rail-like bus service along the Van Ness Avenue corridor between Mission and Lombard streets. Van Ness Avenue will be the City's first bus rapid transit route, serving customers on Muni's 47 Van Ness and 49 Van Ness-Mission lines as well as serving nine Golden Gate Transit routes.

Transit travel times are expected to decrease by more than 30 percent, improving Muni service for 60,000 projected customers daily. Construction is expected to be completed in 2019.



# MUNICIPAL TRANSPORTATION AGENCY ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 5,691.90                        | 5,842.42                        | 150.52                | 5,972.62                        | 130.20                |
| Non-Operating Positions (cap/other) | (514.00)                        | (504.00)                        | 10.00                 | (504.00)                        |                       |
| <b>Net Operating Positions</b>      | <b>5,177.90</b>                 | <b>5,338.42</b>                 | <b>160.52</b>         | <b>5,468.62</b>                 | <b>130.20</b>         |

## Sources

|                                |                      |                      |                   |                      |                   |
|--------------------------------|----------------------|----------------------|-------------------|----------------------|-------------------|
| Charges for Services           | 262,375,508          | 255,416,129          | (6,959,379)       | 263,619,581          | 8,203,452         |
| Expenditure Recovery           | 2,618,600            | 3,001,200            | 382,600           | 3,056,933            | 55,733            |
| Fines: Forfeitures/Penalties   | 91,338,770           | 103,465,933          | 12,127,163        | 106,565,468          | 3,099,535         |
| InterGovernmental Rev-Federal  | 3,800,000            | 4,062,514            | 262,514           | 4,062,514            |                   |
| Interest & Investment Income   | 1,984,200            | 8,935,750            | 6,951,550         | 4,568,823            | (4,366,927)       |
| Intergovernmental Rev-State    | 48,740,000           | 52,068,400           | 3,328,400         | 53,366,452           | 1,298,052         |
| Intergovernmental Revenue-Othe | 92,717,051           | 110,810,149          | 18,093,098        | 113,844,353          | 3,034,204         |
| IntraFund Transfers In         | 61,130,429           | 29,870,616           | (31,259,813)      | 38,081,073           | 8,210,457         |
| Licenses: Permits/Franchises   | 21,670,889           | 19,224,248           | (2,446,641)       | 19,797,319           | 573,071           |
| Operating Transfers In         | 300,259,699          | 311,271,716          | 11,012,017        | 332,210,723          | 20,939,007        |
| Other Revenues                 | 17,349,952           | 11,509,463           | (5,840,489)       | 15,837,483           | 4,328,020         |
| Rents & Concessions            | 137,245,228          | 144,059,649          | 6,814,421         | 148,326,441          | 4,266,792         |
| Transfer Adjustment-Source     | (288,155,603)        | (267,623,807)        | 20,531,796        | (295,270,161)        | (27,646,354)      |
| Unappropriated Fund Balance    | 77,713,683           | 42,382,616           | (35,331,067)      | 63,081,073           | 20,698,457        |
| General Fund Support           | 352,680,000          | 382,770,000          | 30,090,000        | 399,520,000          | 16,750,000        |
| <b>Sources Total</b>           | <b>1,183,468,406</b> | <b>1,211,224,576</b> | <b>27,756,170</b> | <b>1,270,668,075</b> | <b>59,443,499</b> |

## Uses - Operating Expenditures

|                               |                      |                      |                   |                      |                   |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|-------------------|
| Salaries                      | 473,350,748          | 501,039,073          | 27,688,325        | 512,667,018          | 11,627,945        |
| Mandatory Fringe Benefits     | 239,411,284          | 248,103,397          | 8,692,113         | 290,468,212          | 42,364,815        |
| Non-Personnel Services        | 218,887,472          | 227,940,107          | 9,052,635         | 234,669,701          | 6,729,594         |
| Capital Outlay                | 112,875,675          | 92,349,463           | (20,526,212)      | 85,617,483           | (6,731,980)       |
| Debt Service                  | 24,784,287           | 25,913,315           | 1,129,028         | 25,915,831           | 2,516             |
| Intrafund Transfers Out       | 61,130,429           | 29,870,616           | (31,259,813)      | 38,081,073           | 8,210,457         |
| Materials & Supplies          | 80,163,356           | 72,535,798           | (7,627,558)       | 78,393,941           | 5,858,143         |
| Operating Transfers Out       | 227,025,174          | 237,753,191          | 10,728,017        | 257,189,088          | 19,435,897        |
| Overhead and Allocations      | (36,563,771)         | (35,656,670)         | 907,101           | (35,729,204)         | (72,534)          |
| Services Of Other Depts       | 70,213,892           | 76,630,093           | 6,416,201         | 78,665,093           | 2,035,000         |
| Unappropriated Rev-Designated | 345,463              | 2,370,000            | 2,024,537         |                      | (2,370,000)       |
| Transfer Adjustment - Uses    | (288,155,603)        | (267,623,807)        | 20,531,796        | (295,270,161)        | (27,646,354)      |
| <b>Uses Total</b>             | <b>1,183,468,406</b> | <b>1,211,224,576</b> | <b>27,756,170</b> | <b>1,270,668,075</b> | <b>59,443,499</b> |

## Uses - Division Description

|                               |                      |                      |                   |                      |                   |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|-------------------|
| MTAAW Agency-wide             | 172,368,761          | 136,995,566          | (35,373,195)      | 169,301,567          | 32,306,001        |
| MTABD Board Of Directors      | 656,021              | 729,654              | 73,633            | 739,601              | 9,947             |
| MTACC CV-Captl Progr & Constr | 56,533,984           | 77,161,948           | 20,627,964        | 66,878,030           | (10,283,918)      |
| MTACO Communications          | 7,328,616            | 6,982,959            | (345,657)         | 7,072,317            | 89,358            |
| MTAED Executive Director      | 1,753,760            | 837,254              | (916,506)         | 842,913              | 5,659             |
| MTAFA Fit Finance & Info Tech | 110,614,956          | 105,616,870          | (4,998,086)       | 106,553,005          | 936,135           |
| MTAGA Government Affairs      | 1,428,288            | 1,319,137            | (109,151)         | 1,334,304            | 15,167            |
| MTAHR Human Resources         | 24,574,054           | 36,451,857           | 11,877,803        | 36,797,755           | 345,898           |
| MTASA Safety                  | 4,350,775            | 4,273,013            | (77,762)          | 4,314,256            | 41,243            |
| MTASM Street Management       | 155,975,749          | 162,301,388          | 6,325,639         | 166,921,285          | 4,619,897         |
| MTATS Transit Svc Division    | 615,090,042          | 646,361,513          | 31,271,471        | 676,190,550          | 29,829,037        |
| MTATZ Taxi & Accessible Svc   | 32,793,400           | 32,193,417           | (599,983)         | 33,722,492           | 1,529,075         |
| <b>Uses by Division Total</b> | <b>1,183,468,406</b> | <b>1,211,224,576</b> | <b>27,756,170</b> | <b>1,270,668,075</b> | <b>59,443,499</b> |



# PORT

**MISSION** The Port of San Francisco (PRT) manages the waterfront as a gateway to a world-class city and advances environmentally and financially sustainable maritime, recreational, and economic opportunities to serve the City, Bay Area region, and California.

## SERVICES

The Port provides services through the following divisions:

**ENGINEERING** provides project and construction management, engineering design, facility inspection, contracting, code compliance review, and permit services for all port facilities.

**MARITIME** manages and markets cruise and cargo shipping, ship repair, commercial and sport fishing, ferry and excursion operations, visiting military and ceremonial vessels, and other harbor services.

**MAINTENANCE** repairs piles, piers, roofs, plumbing and electrical systems, and street cleaning along the Port's 7½ miles of waterfront property.

**PLANNING** shepherds the use of port lands consistent with the goals and policies of the Waterfront Land Use Plan, maintains and amends Plan policies, leads community planning projects for specified waterfront areas, provides environmental review and stewardship, plans for sea level rise, and administers land use regulatory review of projects on port property.

**REAL ESTATE** oversees all property and lease development and management for the Port's commercial and industrial property.

**ADMINISTRATION** directs port resources to meet strategic goals, guides capital planning, and manages the Port's support services including human resources, accounting, finance and procurement, business services, and information systems.

**EXECUTIVE** leads the implementation of the Port's strategic goals and objectives, develops policy with the Port Commission, and provides for cross divisional collaboration and communication.

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 133,202,027     | 174,354,417     | 41,152,390          | 147,698,264     | (26,656,153)        |
| Total FTE          | 243             | 247             | 4                   | 247             | 0                   |



## STRATEGY

- Ensure the Waterfront is a Treasured Destination
- Promote Education & Strong Relationships
- Advance Environmental & Social Equity
- Limit the Impacts of Climate Change & Address Threats
- Ensure the Long-Term Viability of the Port and the City



## BUDGET ISSUES AND DETAILS

The Port's proposed Fiscal Year (FY) 2018-19 budget is \$174.3 million, a \$41.1 million (30.9 percent) increase from FY 2017-18. The increase from prior year is largely driven by one-time sources to fund the capital budget, including over \$16 million to implement the San Francisco Seawall Program and Mission Bay Ferry Landing projects.

The proposed FY 2019-20 budget is \$161.3 million, a \$31.3 million (-16.2 percent) decrease from the proposed FY 2018-19 budget. This decrease is largely the result of a decline in one-time capital investments from the prior year.

### SEAWALL EARTHQUAKE SAFETY PROGRAM

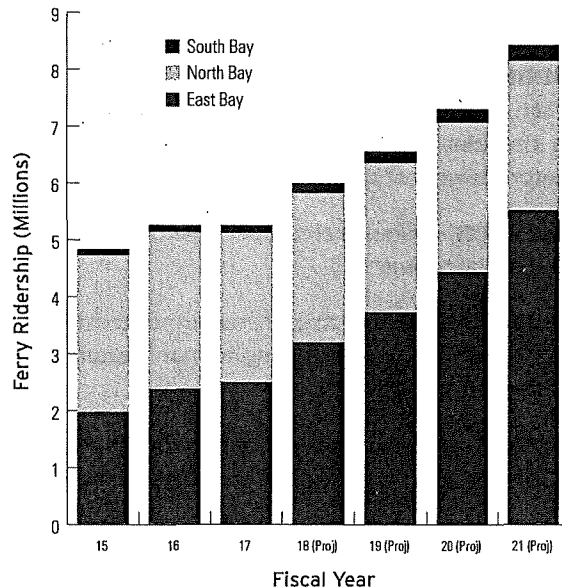
San Francisco's Embarcadero Seawall was constructed over a century ago and is the foundation of three miles of the City's northeastern waterfront, stretching from Fisherman's Wharf to Mission Creek. After significant research and analysis to understand the Seawall's vulnerability to both earthquakes and sea level rise, the Port has initiated the Seawall Earthquake Safety Program to create a more sustainable and resilient waterfront. The Port estimates that completing immediate life safety upgrades to the Seawall will cost \$500 million over ten years, while full infrastructure improvements are estimated to cost up to \$5 billion and take 30 years to implement.

To support the first phase of the Seawall Program, the City has proposed to place a \$425 million General Obligation bond on the November 2018 ballot. The bond measure would require two-thirds voter approval and would not raise tax rates. Additionally, the Port is seeking federal funds through the Army Corps of Engineers and

is working with state legislators to identify state funding sources, including the State's general fund, a general obligation bond, or by amending state law to allow the Port to collect growth in state taxes from properties along the waterfront.

### MISSION BAY FERRY LANDING

The Port is working to build a new ferry landing in Mission Bay. The facility will berth two ferry boats simultaneously and provide regional access for UCSF Mission Bay, the Golden State Warriors arena, and the surrounding neighborhoods

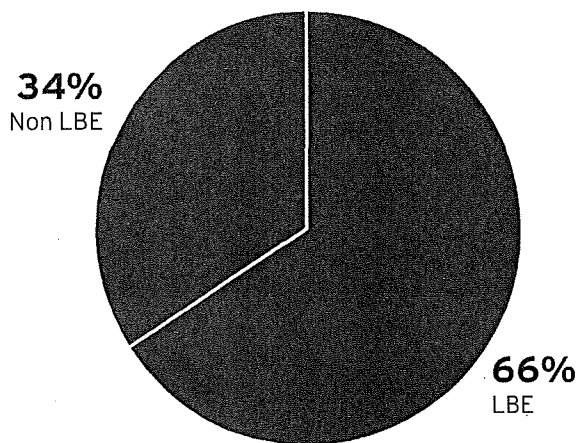


**ANNUAL FERRY RIDERSHIP BY ORIGIN, ACTUALS AND PROJECTED.** *The Port and its partners will accommodate a projected 74 percent increase in ferry ridership through the expansion of the Downtown Ferry Terminal and the new Mission Bay Ferry Landing.*

to and from the East and North bays. With significant growth in the Southern Bayfront, including from port development projects, this essential transportation infrastructure will alleviate transportation overcrowding and provide transportation resiliency in the event of an earthquake, BART, or Bay Bridge related failure.

With \$7 million in funding committed to-date, the Port requires an additional \$35.7 million to complete project construction. A proposed \$11 million capital contribution in this budget provides

a one-for-one match to a pending grant request to the State of California's Local Partnership Program. Other potential sources of project funds include private contributions, Developer Impact Fees, and the proposed Regional Measure 3 bridge toll increase, which is set to go before voters in June 2018. The Port is actively partnering with the Office of Economic and Workforce Development and the Water Emergency Transportation Authority (WETA) to secure these additional funding sources and aims to complete the project by 2021.



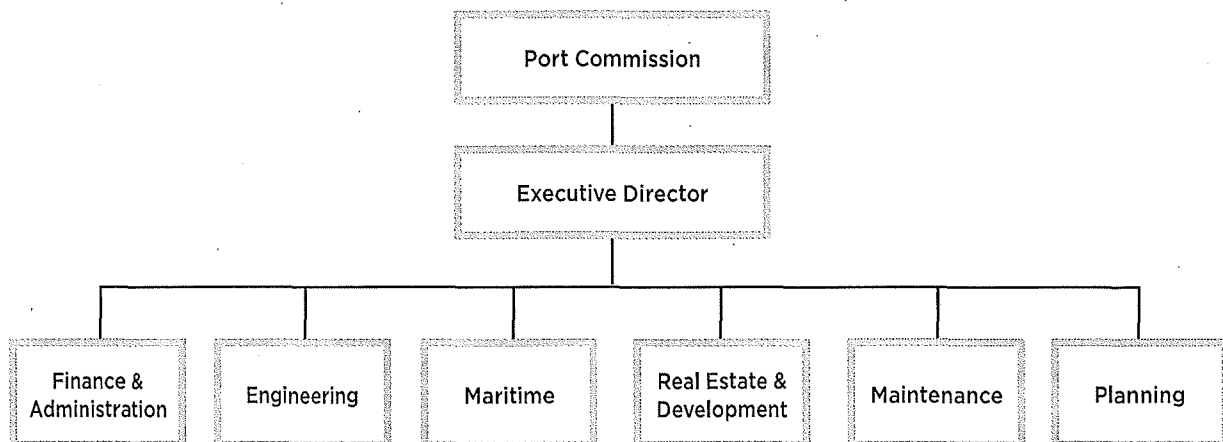
**LOCAL BUSINESS ENTERPRISE (LBE) CONTRACT PAYMENTS.** *In FY 2016-17, the Port far exceeded the Mayor's citywide Local Business Enterprise participation goal of 40 percent.*

### DEVELOPMENT PROJECTS

The Port is finalizing Development and Disposition Agreements with Forest City and the San Francisco Giants for projects to create new neighborhoods at Pier 70 and Seawall Lot 337. As development begins, the Port must provide support and oversight to the financing and construction of these projects. The proposed budget includes funding for staff, professional services, and work orders to oversee project implementation. These expenses are eligible for reimbursement by the developers, keeping the impact on the Port's operating budget neutral. The waterfront development projects will contribute up to 4,000 new housing units, including units affordable to low- and middle-income households, enhance the City's open space and recreational opportunities, and create space for businesses and cultural establishments, including an artist community currently located on Pier 70.



## PORT ORGANIZATIONAL STRUCTURE





# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 298.14                          | 299.83                          | 1.69                  | 302.95                          | 3.12                  |
| Non-Operating Positions (cap/other) | (55.50)                         | (53.32)                         | 2.18                  | (56.00)                         | (2.68)                |
| <b>Net Operating Positions</b>      | <b>242.64</b>                   | <b>246.51</b>                   | <b>3.87</b>           | <b>246.95</b>                   | <b>0.44</b>           |

## Sources

|                                |                    |                    |                   |                    |                     |
|--------------------------------|--------------------|--------------------|-------------------|--------------------|---------------------|
| Charges for Services           | 22,341,000         | 18,404,800         | (3,936,200)       | 18,927,300         | 522,500             |
| Expenditure Recovery           | 4,400,000          | 670,100            | (3,729,900)       | 170,100            | (500,000)           |
| Fines: Forfeitures/Penalties   | 3,797,000          | 3,275,000          | (522,000)         | 3,341,000          | 66,000              |
| Interest & Investment Income   | 600,000            | 600,000            |                   | 600,000            |                     |
| Intergovernmental Rev-State    |                    | 650,000            | 650,000           |                    | (650,000)           |
| Intergovernmental Revenue-Othe |                    | 9,760,000          | 9,760,000         |                    | (9,760,000)         |
| IntraFund Transfers In         | 25,415,572         | 38,638,200         | 13,222,628        | 25,162,694         | (13,475,506)        |
| Other Financing Sources        |                    | 1                  | 1                 |                    | (1)                 |
| Other Revenues                 | 3,457,000          | 8,957,000          | 5,500,000         | 11,057,000         | 2,100,000           |
| Rents & Concessions            | 81,297,525         | 98,417,971         | 17,120,446        | 102,182,168        | 3,764,197           |
| Transfer Adjustment-Source     | (25,415,572)       | (38,638,200)       | (13,222,628)      | (25,162,694)       | 13,475,506          |
| Unappropriated Fund Balance    | 20,960,494         | 33,619,545         | 12,659,051        | 11,420,696         | (22,198,849)        |
| General Fund Support           | (3,650,992)        |                    | 3,650,992         |                    |                     |
| <b>Sources Total</b>           | <b>133,202,027</b> | <b>174,354,417</b> | <b>41,152,390</b> | <b>147,698,264</b> | <b>(26,656,153)</b> |

## Uses - Operating Expenditures

|                               |                    |                    |                   |                    |                     |
|-------------------------------|--------------------|--------------------|-------------------|--------------------|---------------------|
| Salaries                      | 27,565,637         | 28,811,920         | 1,246,283         | 29,082,999         | 271,079             |
| Mandatory Fringe Benefits     | 13,054,257         | 13,720,243         | 665,986           | 14,264,405         | 544,162             |
| Non-Personnel Services        | 13,073,671         | 13,444,460         | 370,789           | 12,214,810         | (1,229,650)         |
| Capital Outlay                | 35,229,172         | 50,245,850         | 15,016,678        | 19,872,645         | (30,373,205)        |
| Debt Service                  | 7,718,362          | 7,720,811          | 2,449             | 7,714,231          | (6,580)             |
| Intrafund Transfers Out       | 25,415,572         | 38,638,200         | 13,222,628        | 25,162,694         | (13,475,506)        |
| Materials & Supplies          | 1,581,784          | 1,633,150          | 51,366            | 1,648,255          | 15,105              |
| Operating Transfers Out       | 1,081,713          | 1,081,713          |                   | 1,081,713          |                     |
| Overhead and Allocations      | 209,476            |                    | (209,476)         |                    |                     |
| Programmatic Projects         | 1,777,064          | 15,465,512         | 13,688,448        | 15,979,706         | 514,194             |
| Services Of Other Depts       | 15,701,710         | 20,958,557         | 5,256,847         | 21,108,478         | 149,921             |
| Unappropriated Rev-Designated | 16,209,181         | 21,272,201         | 5,063,020         | 24,731,022         | 3,458,821           |
| Transfer Adjustment - Uses    | (25,415,572)       | (38,638,200)       | (13,222,628)      | (25,162,694)       | 13,475,506          |
| <b>Uses Total</b>             | <b>133,202,027</b> | <b>174,354,417</b> | <b>41,152,390</b> | <b>147,698,264</b> | <b>(26,656,153)</b> |

## Uses - Division Description

|                                |                    |                    |                   |                    |                     |
|--------------------------------|--------------------|--------------------|-------------------|--------------------|---------------------|
| PRT Engineering                | 5,639,683          | 6,265,262          | 625,579           | 6,326,244          | 60,982              |
| PRT Executive                  | 5,645,064          | 6,514,306          | 869,242           | 6,541,973          | 27,667              |
| PRT Finance And Administration | 58,444,068         | 22,477,354         | (35,966,714)      | 26,363,499         | 3,886,145           |
| PRT Maintenance                | 34,197,080         | 40,116,034         | 5,918,954         | 42,891,967         | 2,775,933           |
| PRT Maritime                   | 10,037,197         | 13,769,016         | 3,731,819         | 14,026,978         | 257,962             |
| PRT Operations                 | 9,451,083          |                    | (9,451,083)       |                    |                     |
| PRT Planning & Development     | 3,651,018          | 4,355,634          | 704,616           | 3,307,715          | (1,047,919)         |
| PRT Port Commission (Portwide) | 1,050,000          | 68,563,024         | 67,513,024        | 35,782,694         | (32,780,330)        |
| PRT Real Estate                | 5,086,834          | 2                  | (5,086,832)       | 1                  | (1)                 |
| PRT Real Estate & Development  |                    | 12,293,785         | 12,293,785        | 12,457,193         | 163,408             |
| <b>Uses by Division Total</b>  | <b>133,202,027</b> | <b>174,354,417</b> | <b>41,152,390</b> | <b>147,698,264</b> | <b>(26,656,153)</b> |

# PUBLIC LIBRARY

**MISSION** The Public Library (LIB or “the Library”) is dedicated to providing free and equal access to information, knowledge, independent learning, and reading for the community. The Library consists of the Main Library at Civic Center, 27 branch libraries geographically distributed throughout San Francisco, four Bookmobiles that travel around the City, and the digital library presence via sfpl.org. In addition to the Library’s collection of over 3.78 million items in various formats and more than 50 languages, the Library offers high speed internet through free wireless and public access computers as well as educational, cultural, and literary programming.

## SERVICES

The Public Library provides services through the following strategic areas:

**LITERACY AND LEARNING** initiatives provide robust collections, resources, services, and programs that support reading and address the changing literacy and learning needs of the 21st century.

**DIGITAL STRATEGIES** ensure equitable access to public technology and resources.

**PARTNERSHIPS FOR EXCELLENCE** with city agencies and community-based organizations leverage the Library’s resources, strengthen the services and programs offered, and help reach a larger audience.

**YOUTH ENGAGEMENT** enriches the City’s youth with early literacy programs, summer learning activities, homework help, outreach to schools, and expanded teen services with emphasis on technology access and media literacy.

**PREMIER URBAN LIBRARY** fosters a connected community through shared experiences, equitable access to quality resources, an inclusive environment.

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 137,850,825     | 159,376,732     | 21,525,907          | 150,509,345     | (8,867,387)         |
| Total FTE          | 698             | 697             | (1)                 | 694             | (3)                 |



## STRATEGY

- Be the Premier Public Library in the Nation
- Provide Facilities to Meet 21<sup>st</sup> Century Needs
- Support & Celebrate Reading and Learning
- Engage Youth in Learning, Workforce, and Personal Growth
- Provide Access to Innovative Information Services
- Develop Strong Community Partnerships
- Excel in Operational and Fiscal Management and Professional Development



## BUDGET ISSUES AND DETAILS

The proposed Fiscal Year (FY) 2018-19 budget of \$159.4 million for the Library is \$21.5 million, or 15.6 percent higher than the FY 2018-2019 budget of \$137.9 million. These increases are primarily due to investments in capital, library collections, information technology (IT), equipment, and partnerships with other city agencies.

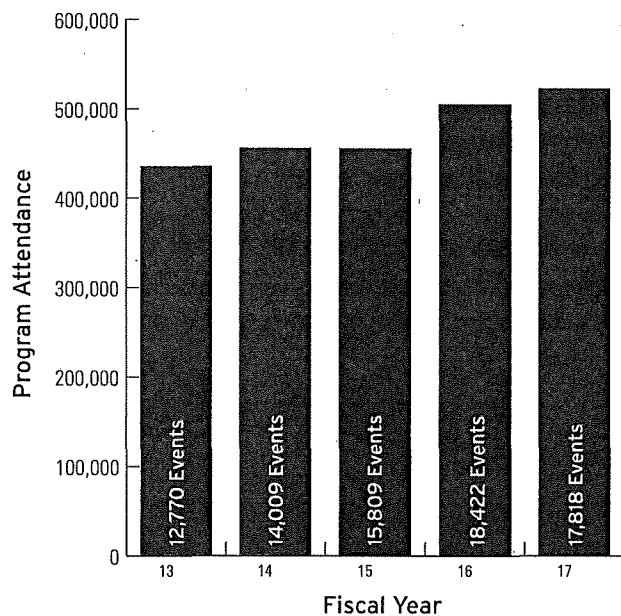
The FY 2019-20 proposed budget of \$150.5 million for the Library is \$8.9 million, or 5.6 percent lower than the proposed FY 2018-19 budget of \$159.4 million. The reduction is primarily due to fewer planned capital investments in FY 2019-20. However, the Library plans to continue making enhancements to its collections, technology, and building infrastructure in both fiscal years.

### INVESTING IN THE FUTURE

In FY 2016-17, the Library began its planning process to renovate the Chinatown, Mission, and Ocean View branch libraries with a feasibility study to provide an initial needs assessment. The completed feasibility study recommended a phased renovation program beginning with the Mission branch library, given the building's systems are at the end of their service life. The study also recommended additional exploration of project scope for Chinatown and Ocean View branch libraries through community meetings. As such, the Library's FY 2018-19 budget includes monies to fully fund the Mission branch library renovation at an estimated \$19.8 million. The next step in the Mission renovation will be to engage the community in a service needs assessment and design development, incorporating user-experience analysis into the project. The FY 2019-20 budget allocates \$3.8 million to continue

scoping and design efforts to further develop the budgets for the Chinatown and Ocean View branch library projects. Other capital investments refresh and maintain library facilities system wide.

Another key investment is the modernization of the Library's collection management system to radio frequency identification technology (RFID). RFID will enhance patron experience by improving how library materials move throughout the system so that collections will be shelved faster and holds will arrive at patrons' branches sooner. Patrons



**▲ LIBRARY EVENT ATTENDANCE, FIVE-YEAR TREND.** *Library programming is responsive to growing demand.*

will also enjoy a quicker checkout process as they will be able to scan multiple items simultaneously. In addition, with RFID the Library will capture operational efficiencies, freeing up staffing capacity for more direct public service. With the full implementation of RFID by 2020 the Library will join 75 percent of Bay Area libraries that use RFID technology.

### SERVICE EXCELLENCE AND PARTNERSHIP INVESTMENTS

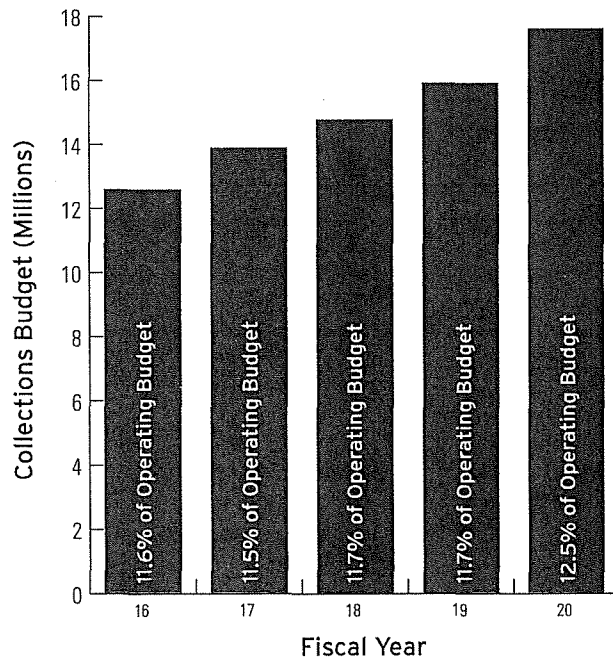
The Library's proposed budget continues its commitment to providing welcoming facilities and meeting community service needs through staffing investments in library services, custodial services, security services, translation services, and administrative capacity for the Library's 30-facility campus. The proposed budget also maintains the Library's commitment to the Civic Center Commons, a multi-agency effort to improve the public space linking Market Street to City Hall. It also includes a new investment in safety, partnering with the Sheriff's Department to provide additional security services at the Main

Library, and reallocating library security staff system wide.

The Library's partnership with the Department of Homelessness and Supportive Housing supports a patron-focused social services team that consists of one social worker and seven health and safety associates (HASA). This team also partners with Lava Mae to provide access to mobile showers and Pop-Up Care Villages outside the Main Library, a gathering place for citizens to get free medical care, haircuts, clothing, food, and more.

### STRONG LIBRARY COLLECTIONS

The Library commits approximately 12 percent of its operating budget each fiscal year to collections in various formats and multiple languages to support our diverse community. Enhancements are responsive to usage data and community requests. In fact, FY 2017-18 witnessed the reintroduction of a vinyl records collection, aptly called the Vinyl Destination at the Main Library. Patrons can have the albums delivered to their local branches or check out the vinyl collections at the Marina, Eureka Valley, and Park branches. Since September 2017, patrons have checked out or renewed the 1,751 albums over 6,100 times. Print books remain the primary material format for patrons; however, the Library has experienced more than 20 percent growth in its eCollection circulation. In response, the Library's budget includes a 25 percent increase in eCollections budget for FY 2019-20. This is in addition to a 15 percent increase built into the FY 2018-19 budget last year. The Library also continues to invest in youth collections, growing that budget by five percent in FY 2018-19 and another four percent in FY 2019-10.



**COLLECTIONS TOTAL BUDGET AND PERCENTAGE OF OPERATING BUDGET, FISCAL YEARS 2016-20.** A strong collections budget meets format demands and inflation.

### EQUITY, INCLUSION, AND SHARED PROSPERITY

Starting in mid-June 2017 the Library added 85 weekly hours to the system, allowing all public libraries to be open seven days per week, improving access for citizens. With all the extra hours, there is increased opportunity to meet community demands for programming. Programming is the lifeblood of the Library, offering author talks, story times, craft workshops, computer classes, financial and other literacy services, workshops on immigrant services, heritage celebrations, and more. In response to

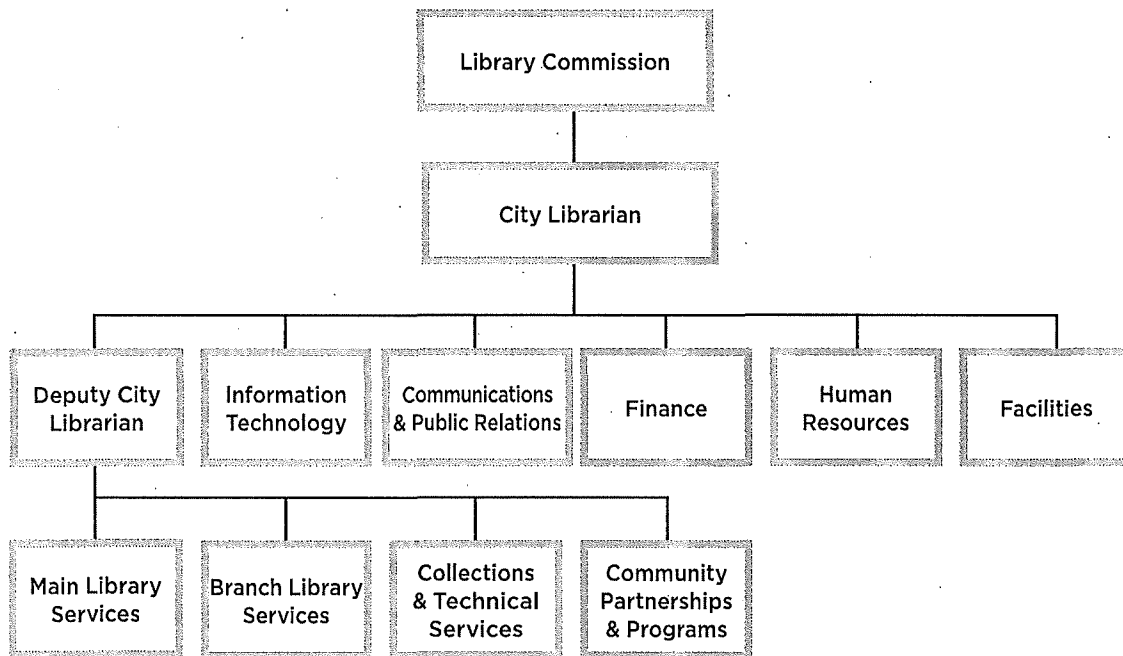
growing demand, the Library built another \$75,000 into its budget for system-wide programming and \$100,000 to create learning and work experience pathways for youth via expanded STEM programming, the Scholar Card program to connect SFUSD students to the Library, and the Library's award-winning Summer Stride learning program. The proposed budget continues funding the upgrade to the Library's audio-visual (AV) equipment to address the growing demand for AV services in public programming, expanding access to members of the public who cannot attend programming in person.

Additionally, the Library's digital strategy priority focuses on ensuring public access to technology

and the Internet. In FY 2017-18 the Library introduced the Tech'd Out program that allows patrons to check out a laptop and mobile hotspot (MiFi device) for three weeks. The proposed budget expands on the Tech'd Out program by funding an additional 170 MiFi devices and Internet services for the public, helping address access and bridge the digital divide.

The City's continued investment in a strong library system ensures that San Franciscans not only have equal access to information, but also have free educational and recreational opportunities that make San Francisco a more affordable place to live.

## PUBLIC LIBRARY ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 697.60                          | 697.14                          | (0.46)                | 694.57                          | (2.57)                |
| Non-Operating Positions (cap/other) |                                 |                                 |                       |                                 |                       |
| <b>Net Operating Positions</b>      | <b>697.60</b>                   | <b>697.14</b>                   | <b>(0.46)</b>         | <b>694.57</b>                   | <b>(2.57)</b>         |

## Sources

|                              |                    |                    |                   |                    |                    |
|------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| Charges for Services         | 590,800            | 690,800            | 100,000           | 690,800            |                    |
| Expenditure Recovery         | 66,169             | 68,520             | 2,351             | 71,603             | 3,083              |
| Interest & Investment Income | 237,400            | 237,400            |                   | 237,400            |                    |
| Intergovernmental Rev-State  | 220,000            | 220,000            |                   | 220,000            |                    |
| IntraFund Transfers In       | 11,452,249         | 27,042,095         | 15,589,846        | 15,341,342         | (11,700,753)       |
| Operating Transfers In       | 120,000            | 170,000            | 50,000            | 170,000            |                    |
| Other Revenues               | 20,000             | 20,000             |                   | 20,000             |                    |
| Property Taxes               | 57,581,000         | 61,896,000         | 4,315,000         | 63,329,000         | 1,433,000          |
| Rents & Concessions          | 126,115            | 26,115             | (100,000)         | 26,115             |                    |
| Transfer Adjustment-Source   | (11,452,249)       | (27,042,095)       | (15,589,846)      | (15,341,342)       | 11,700,753         |
| Unappropriated Fund Balance  | 909,341            | 12,677,897         | 11,768,556        | 74,427             | (12,603,470)       |
| General Fund Support         | 77,980,000         | 83,370,000         | 5,390,000         | 85,670,000         | 2,300,000          |
| <b>Sources Total</b>         | <b>137,850,825</b> | <b>159,376,732</b> | <b>21,525,907</b> | <b>150,509,345</b> | <b>(8,867,387)</b> |

## Uses - Operating Expenditures

|                            |                    |                    |                   |                    |                    |
|----------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| Salaries                   | 56,942,834         | 58,559,649         | 1,616,815         | 58,805,541         | 245,892            |
| Mandatory Fringe Benefits  | 30,495,837         | 31,979,051         | 1,483,214         | 33,284,848         | 1,305,797          |
| Non-Personnel Services     | 8,324,690          | 8,745,939          | 421,249           | 8,826,105          | 80,166             |
| Capital Outlay             | 12,960,459         | 28,560,495         | 15,600,036        | 16,322,242         | (12,238,253)       |
| Intrafund Transfers Out    | 11,452,249         | 27,042,095         | 15,589,846        | 15,341,342         | (11,700,753)       |
| Materials & Supplies       | 18,038,923         | 19,567,394         | 1,528,471         | 21,095,975         | 1,528,581          |
| Overhead and Allocations   | 465                | 1,022              | 557               | 1,022              |                    |
| Services Of Other Depts    | 11,087,617         | 11,963,182         | 875,565           | 12,173,612         | 210,430            |
| Transfer Adjustment - Uses | (11,452,249)       | (27,042,095)       | (15,589,846)      | (15,341,342)       | 11,700,753         |
| <b>Uses Total</b>          | <b>137,850,825</b> | <b>159,376,732</b> | <b>21,525,907</b> | <b>150,509,345</b> | <b>(8,867,387)</b> |

## Uses - Division Description

|                               |                    |                    |                   |                    |                    |
|-------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| LIB Public Library            | 137,850,825        | 159,376,732        | 21,525,907        | 150,509,345        | (8,867,387)        |
| <b>Uses by Division Total</b> | <b>137,850,825</b> | <b>159,376,732</b> | <b>21,525,907</b> | <b>150,509,345</b> | <b>(8,867,387)</b> |



# PUBLIC UTILITIES COMMISSION

**MISSION** The Public Utilities Commission (PUC) provides customers with high quality, efficient, and reliable water, power, and wastewater services in a manner that values environmental and community interests and sustains the resources entrusted in their care.

## SERVICES

The San Francisco Public Utilities Commission provides services through the following enterprises and bureaus:

**WATER ENTERPRISE** is responsible for collecting, treating, and distributing 197 million gallons of water per day to 2.6 million people in the Bay Area. Two unique features of the system stand out: the drinking water provided is among the purest in the world and the system for delivering that water is almost entirely gravity-fed, requiring little to no fossil fuel consumption. Since 2010, the enterprise has also managed the City's Auxiliary Water Supply System for firefighting and disaster response.

**WASTEWATER ENTERPRISE** collects, transmits, treats, and discharges sanitary and stormwater flows generated within the City for the protection of public health and environmental safety. San Francisco is one of only two cities in California with a combined sewer system. The system offers significant environmental benefits because it captures and treats both stormwater and urban street runoff, in addition to sewage from homes and businesses. This protects public health, the San Francisco Bay, and the Pacific Ocean.

**HETCH HETCHY WATER AND POWER** is comprised of the Power Enterprise and the upcountry operations of the Water Enterprise. This includes the collection and conveyance of approximately 85 percent of the City's water supply and the generation and transmission of electricity from that source.

*Services (continued on next page)*

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 1,052,841,388   | 1,300,058,462   | 247,217,074         | 1,402,330,591   | 102,272,129         |
| Total FTE          | 1,648           | 1,684           | 36                  | 1,687           | 3                   |



Services (continued)

The Hetch Hetchy Power System is the clean energy backbone for the City and County of San Francisco, powering municipal facilities and the City's retail electricity customers. The City's diverse energy portfolio of hydroelectric, solar, and biogas generation has a zero greenhouse gas-emission (GHG) profile.

**CLEANPOWERSF** is San Francisco's Community Choice Aggregation (CCA) program, launched in May 2016 with a mission of providing a cleaner electricity alternative at affordable rates. CleanPowerSF offers two products: the "Green" product comprised of 40 percent renewable energy and priced competitively with PG&E's default electricity service, and the "SuperGreen" product comprised of 100 percent renewable energy, priced at a small premium over the CleanPowerSF "Green" product rate. CleanPowerSF now serves approximately 75,000 customers, or about 20 percent of the total eligible customers in San Francisco.

**PUC BUREAUS** provide infrastructure planning as well as managerial and administrative support to the PUC.



## STRATEGY

- Provide Reliable Service and Well-Managed Assets
- Achieve Organizational Excellence
- Build an Effective Workforce Reflecting the Communities We Serve
- Maintain Financial Sustainability
- Foster Trust and Engagement with Stakeholders
- Lead as Environmental Stewards



## BUDGET ISSUES AND DETAILS

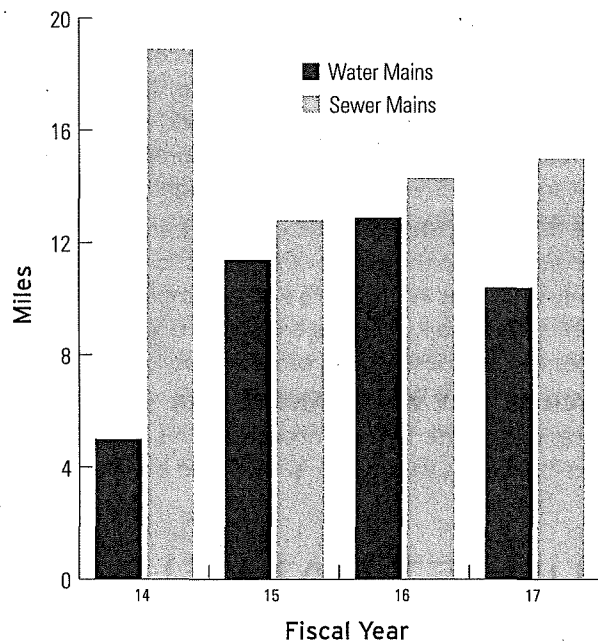
The Fiscal Year (FY) 2018-19 proposed budget of \$1,300.1 million for the Public Utilities Commission (PUC) is \$247.2 million, or 23.5 percent, higher than the FY 2017-18 budget of \$1,052.8 million. The change is mostly due to the expansion of the CleanPowerSF program, and the purchasing and selling of power for customers.

The FY 2019-20 proposed budget for the PUC of \$1,402.3 million is \$102.3 million, or 7.9 percent, higher than the proposed FY 2018-19 budget. This increase is largely due to continued expansion of CleanPowerSF, as well as the use of operating funds to support high-priority capital projects.

PUC's FY 2018-19 and FY 2019-20 budget continues to address the demands for redevelopment utility service connections and the citywide expansion of CleanPowerSF. The budget supports new commercial needs and the expansion of the retail power distribution network to serve new electric retail customers.

### CLEANPOWERSF

Expansion of CleanPowerSF, which provides San Franciscans with clean energy alternatives, is



**▲ MILES OF SEWER AND WATER MAINS REPLACED.** On average, the PUC has replaced approximately 10 miles of sewer mains and 15 miles of water mains in each of the last four years.

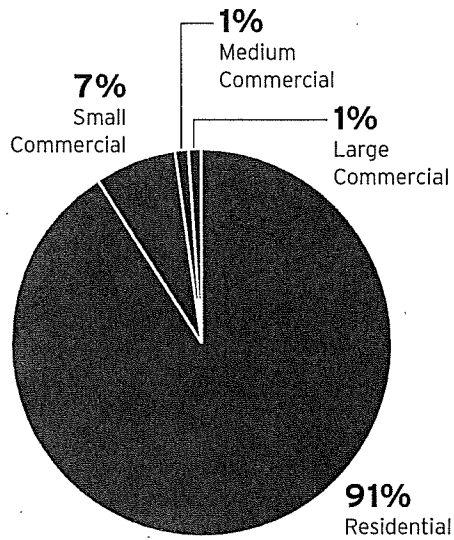
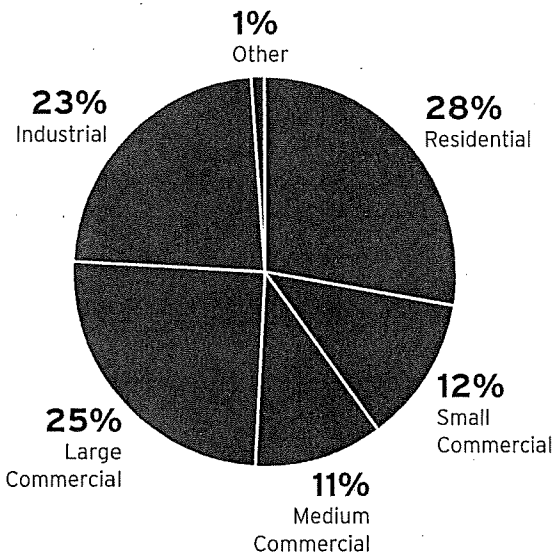
one of the Commission's highest priorities. The citywide roll out CleanPowerSF, which will meet the Commission's adopted goal of completion by July 2019 and ensure high quality service to an estimated 350,000 CleanPowerSF customers, accounts for 50 percent of the Department's overall budget increase over the two years.

**CAPITAL INVESTMENTS**

PUC's largest capital investments are the Water Systems Improvement Project (WSIP), which is over 95 percent completed, and Wastewater's Sewer System Improvement Program (SSIP), which includes 70 projects with 19 percent completed.

The current development boom and growing population has increased the demand for new service installations and the replacement of water and sewer mains. PUC continues to invest in the diversification of water resources, including completing the San Francisco groundwater supply project and advancing the regional groundwater storage and recovery project.

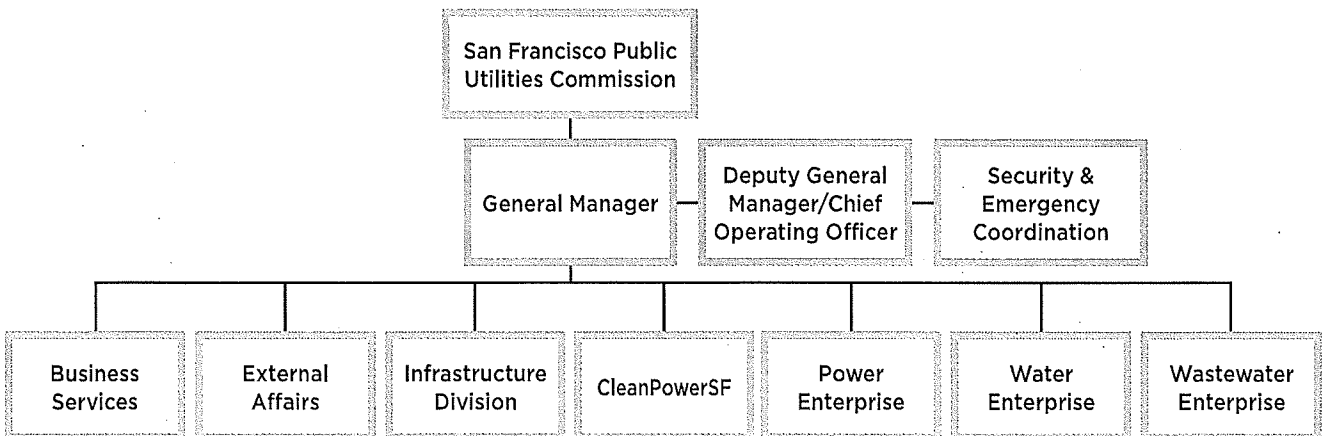
These significant capital investments are funded by increases to revenue and the issuance of revenue bonds. As a consequence, a major portion of the overall budget increase is to pay the debt service costs associated with bonds.



**DEMAND FOR ELECTRICITY.** 91 percent of all electricity accounts in San Francisco are residential, but these customers only make up 28 percent of the demand for electricity.



**PUBLIC UTILITIES COMMISSION ORGANIZATIONAL STRUCTURE**



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 2,309.18                        | 2,366.83                        | 57.65                 | 2,379.06                        | 12.23                 |
| Non-Operating Positions (cap/other) | (661.05)                        | (682.44)                        | (21.39)               | (691.35)                        | (8.91)                |
| <b>Net Operating Positions</b>      | <b>1,648.13</b>                 | <b>1,684.39</b>                 | <b>36.26</b>          | <b>1,687.71</b>                 | <b>3.32</b>           |

## Sources

|                              |               |               |               |               |              |
|------------------------------|---------------|---------------|---------------|---------------|--------------|
| Charges for Services         | 853,331,265   | 1,067,784,894 | 214,453,629   | 1,171,039,957 | 103,255,063  |
| Expenditure Recovery         | 132,120,171   | 144,039,715   | 11,919,544    | 150,993,464   | 6,953,749    |
| Interest & Investment Income | 4,612,474     | 5,154,535     | 542,061       | 5,671,759     | 517,224      |
| IntraFund Transfers In       | 153,860,616   | 262,121,096   | 108,260,480   | 271,880,680   | 9,759,584    |
| Operating Transfers In       | 32,700,000    | 34,778,000    | 2,078,000     | 35,785,000    | 1,007,000    |
| Other Revenues               | 41,616,086    | 40,704,615    | (911,471)     | 40,834,809    | 130,194      |
| Rents & Concessions          | 14,368,072    | 13,605,858    | (762,214)     | 13,940,064    | 334,206      |
| Transfer Adjustment-Source   | (186,766,716) | (295,699,096) | (108,932,380) | (306,465,680) | (10,766,584) |
| Unappropriated Fund Balance  | 6,999,420     | 27,568,845    | 20,569,425    | 18,650,538    | (8,918,307)  |

General Fund Support

|                      |                      |                      |                    |                      |                    |
|----------------------|----------------------|----------------------|--------------------|----------------------|--------------------|
| <b>Sources Total</b> | <b>1,052,841,388</b> | <b>1,300,058,462</b> | <b>247,217,074</b> | <b>1,402,330,591</b> | <b>102,272,129</b> |
|----------------------|----------------------|----------------------|--------------------|----------------------|--------------------|

## Uses - Operating Expenditures

|                               |                      |                      |                    |                      |                    |
|-------------------------------|----------------------|----------------------|--------------------|----------------------|--------------------|
| Salaries                      | 234,909,063          | 249,489,854          | 14,580,791         | 253,236,921          | 3,747,067          |
| Mandatory Fringe Benefits     | 99,102,068           | 103,972,199          | 4,870,131          | 108,322,969          | 4,350,770          |
| Non-Personnel Services        | 154,512,972          | 271,379,285          | 116,866,313        | 322,722,588          | 51,343,303         |
| City Grant Program            | 2,606,694            | 2,855,121            | 248,427            | 3,006,480            | 151,359            |
| Capital Outlay                | 13,029,934           | 20,780,384           | 7,750,450          | 24,283,448           | 3,503,064          |
| Debt Service                  | 350,301,648          | 364,429,747          | 14,128,099         | 394,503,882          | 30,074,135         |
| Facilities Maintenance        | 36,531,000           | 38,873,200           | 2,342,200          | 37,374,480           | (1,498,720)        |
| Intrafund Transfers Out       | 153,860,616          | 262,121,096          | 108,260,480        | 271,880,680          | 9,759,584          |
| Materials & Supplies          | 28,883,782           | 30,279,048           | 1,395,266          | 31,980,281           | 1,701,233          |
| Operating Transfers Out       | 32,695,137           | 33,673,137           | 978,000            | 34,680,137           | 1,007,000          |
| Overhead and Allocations      | (92,747,778)         | (94,465,405)         | (1,717,627)        | (94,928,139)         | (462,734)          |
| Programmatic Projects         | 3,050,000            |                      | (3,050,000)        |                      |                    |
| Services Of Other Depts       | 91,088,924           | 94,263,923           | 3,174,999          | 95,915,015           | 1,651,092          |
| Unappropriated Rev Retained   | 105,830,000          | 201,037,752          | 95,207,752         | 203,304,397          | 2,266,645          |
| Unappropriated Rev-Designated | 25,954,044           | 17,068,217           | (8,885,827)        | 22,513,132           | 5,444,915          |
| Transfer Adjustment - Uses    | (186,766,716)        | (295,699,096)        | (108,932,380)      | (306,465,680)        | (10,766,584)       |
| <b>Uses Total</b>             | <b>1,052,841,388</b> | <b>1,300,058,462</b> | <b>247,217,074</b> | <b>1,402,330,591</b> | <b>102,272,129</b> |

## Uses - Division Description

|                                |                      |                      |                    |                      |                    |
|--------------------------------|----------------------|----------------------|--------------------|----------------------|--------------------|
| HHP CleanPowerSF               | 40,257,512           | 157,032,754          | 116,775,242        | 212,909,309          | 55,876,555         |
| HHP Hetch Hetchy Water & Power | 203,621,881          | 228,769,554          | 25,147,673         | 229,565,912          | 796,358            |
| PUB Public Utilities Bureaus   |                      | 259,600              | 259,600            | 259,600              |                    |
| WTR Water Enterprise           | 501,665,106          | 570,616,001          | 68,950,895         | 599,664,036          | 29,048,035         |
| WWE Wastewater Enterprise      | 307,296,889          | 343,380,553          | 36,083,664         | 359,931,734          | 16,551,181         |
| <b>Uses by Division Total</b>  | <b>1,052,841,388</b> | <b>1,300,058,462</b> | <b>247,217,074</b> | <b>1,402,330,591</b> | <b>102,272,129</b> |

# RENT ARBITRATION BOARD

**MISSION** The Residential Rent Stabilization and Arbitration Board's (RNT) mission is to protect tenants from excessive rent increases and unjust evictions while assuring landlords fair and adequate rents; to provide fair and even-handed treatment for both tenants and landlords through efficient and consistent administration of the rent law; to promote the preservation of sound, affordable housing; and to maintain the ethnic and cultural diversity that is unique to San Francisco.

## SERVICES

The Rent Arbitration Board provides services through the following program areas:

**PUBLIC INFORMATION AND COUNSELING** provides information to the public regarding the Rent Ordinance and rules and regulations, as well as other municipal, state, and federal ordinances in the area of landlord/tenant law.

**HEARINGS AND APPEALS** consist of Administrative Law Judges (ALJs) who are supervised by two Senior Administrative Law Judges. The ALJs conduct arbitrations and mediations to resolve disputes between landlords and tenants, and issue decisions in accordance with applicable laws.



## STRATEGY

- Process Tenant and Landlord Petitions Efficiently
- Provide Effective Information to Tenants and Landlords
- Support Limited English Proficient Communities
- Increase Collaboration with other City Agencies

## BUDGET DATA SUMMARY

|                           | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|---------------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                           | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| <b>Total Expenditures</b> | 8,074,900       | 8,545,317       | 470,417             | 8,608,765       | 63,448              |
| <b>Total FTE</b>          | 37              | 37              | 0                   | 37              | 0                   |



# BUDGET ISSUES AND DETAILS

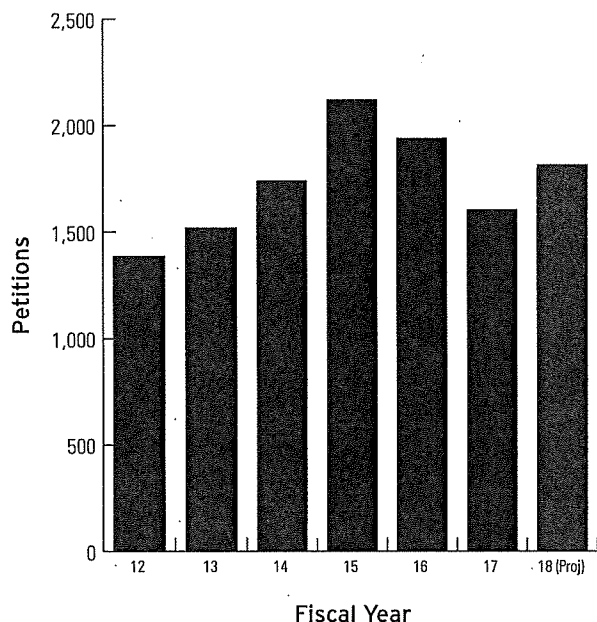
The Fiscal Year (FY) 2018-19 proposed budget of \$8.5 million for RNT is \$0.4 million, or 5.8 percent, higher than the FY 2017-18 budget of \$8.1 million. This increase is primarily due the filling of vacant positions. The FY 2019-20 proposed budget of \$8.6 million is \$0.1 million, or 0.7 percent, higher than the FY 2018-19 proposed budget. This increase is primarily due to salary and benefit cost increases.

## INCREASED COLLABORATION WITH OTHER CITY DEPARTMENTS

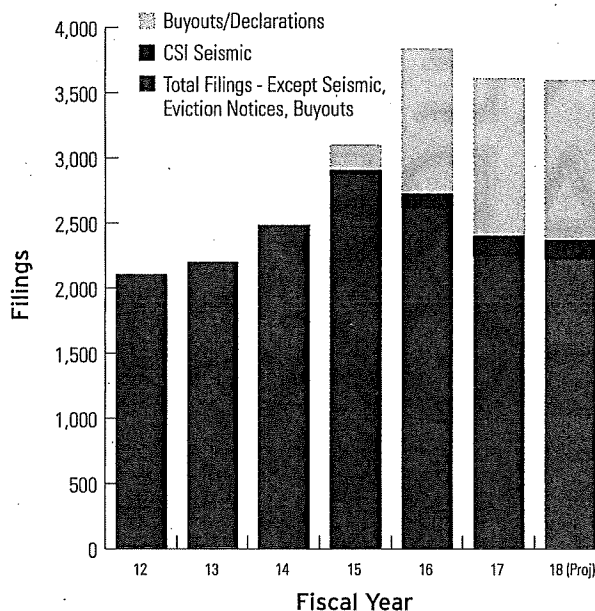
The Rent Board is continuing to participate in cross-departmental collaboration by pursuing a strategy of sharing data in more streamlined and standardized ways. By working with other city departments to increase data sharing when work presents mutual data dependencies, the Department is aiming to increase its effectiveness.

## ENSURING SAN FRANCISCO'S DIVERSE COMMUNITY CAN ACCESS THE DEPARTMENT'S SERVICES

The Department is continuing to improve its service delivery to San Francisco's diverse community. To ensure everyone can access the services it provides,



**▲ TOTAL PETITIONS.** Total petitions filed in the last six fiscal years and projected filings for the current fiscal year.



**▲ VARIOUS FILINGS PLUS SEISMIC AND BUYOUTS.** Various filings plus capital improvement soft story seismic retrofit and buyout filings in the last six fiscal years and projected filings for the current fiscal year.

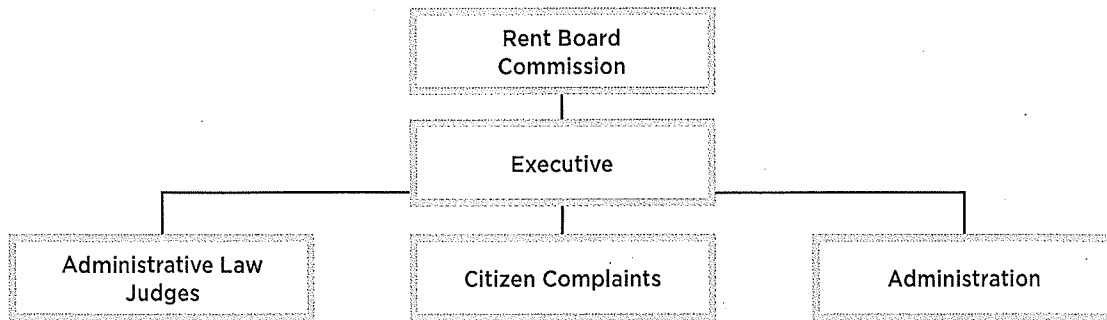
the Department translates its materials and provides interpreters for many of the hearings it conducts. In order to continue these efforts, the Department is increasing its budget for interpreters this year.

## LEGISLATIVE CHANGES

A significant number of changes to the law the Department regulates and other related laws will result in structural increases to the Department's workload over the coming years. These changes include mandatory seismic upgrades to over 5,000 buildings with approximately 50,000 units, for which a portion of the cost can be passed through to tenants by filing a petition with the Department, as well as increases in related hardship applications filed by tenants who can't afford the capital improvement passthroughs. New requirements for filing buyout agreements with the Department have also resulted in workload increases. The soft-story seismic retrofit capital improvement petitions and the related hardship applications will result in projected increases of about 300 petitions per year by FY 2018-19, and currently account for an increase of almost 200 petitions per year.



# RENT ARBITRATION BOARD ORGANIZATIONAL STRUCTURE



## TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 36.45                           | 36.67                           | 0.22                  | 36.66                           | (0.01)                |
| Non-Operating Positions (cap/other) |                                 |                                 |                       |                                 |                       |
| <b>Net Operating Positions</b>      | <b>36.45</b>                    | <b>36.67</b>                    | <b>0.22</b>           | <b>36.66</b>                    | <b>(0.01)</b>         |

### Sources

|                             |                  |                  |                |                  |               |
|-----------------------------|------------------|------------------|----------------|------------------|---------------|
| Charges for Services        | 8,074,900        | 7,795,317        | (279,583)      | 8,608,765        | 813,448       |
| Unappropriated Fund Balance |                  | 750,000          | 750,000        |                  | (750,000)     |
| General Fund Support        |                  |                  |                |                  |               |
| <b>Sources Total</b>        | <b>8,074,900</b> | <b>8,545,317</b> | <b>470,417</b> | <b>8,608,765</b> | <b>63,448</b> |

### Uses - Operating Expenditures

|                           |                  |                  |                |                  |               |
|---------------------------|------------------|------------------|----------------|------------------|---------------|
| Salaries                  | 4,831,825        | 5,042,980        | 211,155        | 5,086,237        | 43,257        |
| Mandatory Fringe Benefits | 2,016,563        | 2,113,580        | 97,017         | 2,193,367        | 79,787        |
| Non-Personnel Services    | 189,558          | 301,558          | 112,000        | 249,558          | (52,000)      |
| City Grant Program        | 120,000          | 120,000          |                | 120,000          |               |
| Materials & Supplies      | 37,749           | 57,749           | 20,000         | 37,749           | (20,000)      |
| Services Of Other Depts   | 879,205          | 909,450          | 30,245         | 921,854          | 12,404        |
| <b>Uses Total</b>         | <b>8,074,900</b> | <b>8,545,317</b> | <b>470,417</b> | <b>8,608,765</b> | <b>63,448</b> |

### Uses - Division Description

|                               |                  |                  |                |                  |               |
|-------------------------------|------------------|------------------|----------------|------------------|---------------|
| RNT Rent Arbitration Board    | 8,074,900        | 8,545,317        | 470,417        | 8,608,765        | 63,448        |
| <b>Uses by Division Total</b> | <b>8,074,900</b> | <b>8,545,317</b> | <b>470,417</b> | <b>8,608,765</b> | <b>63,448</b> |



# RETIREMENT SYSTEM

**MISSION** The Retirement System (RET) works to secure, protect, and prudently invest the City’s pension trust accounts, administer mandated benefit programs, and provide promised benefits.

## SERVICES

The Retirement System provides services through the following divisions:

**ADMINISTRATION** directs the overall administration of the Retirement System, including implementation of Retirement Board policies and directives; implementation of legislative changes to the Retirement System; legal and procedural compliance of all activities of the Retirement System; administration of member retirement counseling and pension payment processing; administration of the disability application and hearing officer process; and management of the Retirement System’s information technology, budget, and financial systems.

**RETIREMENT SERVICES** provides retirement counseling for more than 41,000 active and inactive members and more than 29,000 retired members; maintains historical employment data and retirement accounts for both active and retired members; calculates and processes all benefits payable as a result of a member’s retirement, death, or termination of employment; disburses monthly retirement allowances to retirees and beneficiaries; and maintains Retirement System financial records and reporting in compliance with all applicable legal and regulatory requirements.

**INVESTMENT** manages and invests the San Francisco Employee Retirement System (SFERS) Trust in accordance with the investment policy of the Retirement Board; monitors the performance of external investment managers; and maintains information and analysis of capital markets and institutional investment opportunities.

*Services (continued on next page)*

## BUDGET DATA SUMMARY

|                    | 2017-18         | 2018-19         |                     | 2019-20         |                     |
|--------------------|-----------------|-----------------|---------------------|-----------------|---------------------|
|                    | Original Budget | Proposed Budget | Change from 2017-18 | Proposed Budget | Change from 2018-19 |
| Total Expenditures | 97,622,827      | 112,141,309     | 14,518,482          | 124,166,473     | 12,025,164          |
| Total FTE          | 106             | 108             | 2                   | 108             | 0                   |



Services (continued)

**DEFERRED COMPENSATION** oversees and administers the City's \$3 billion Deferred Compensation Plan (SFDCP). The City's Deferred Compensation Plan and Trust are established separately from, and are independent of, the Retirement System's Defined Benefit Plan.



## STRATEGY

- Educate City Employees about Retirement Planning & Options
- Enhance Member Experience Through a Self-Service Website
- Enhance Service Quality & Responsiveness
- Support a Qualified & Sustainable Workforce



## BUDGET ISSUES AND DETAILS

The Fiscal Year (FY) 2018-19 proposed budget of \$112.1 million for the Retirement System is \$14.5 million or 14.9 percent higher than the FY 2017-18 budget of \$97.6 million. The FY 2019-20 proposed budget of \$124.2 million is \$12 million, or 10.7 percent, higher than the FY 2018-19 proposed budget of \$112.1 million.

These budget increases are largely driven by increases in the Retiree Health Care Trust Fund, and the costs related to the management of this fund. In addition, the budget includes increases in salary and benefit costs, including the cost of two new positions for Socially Responsible Investment.

### SOCIALLY RESPONSIBLE INVESTING

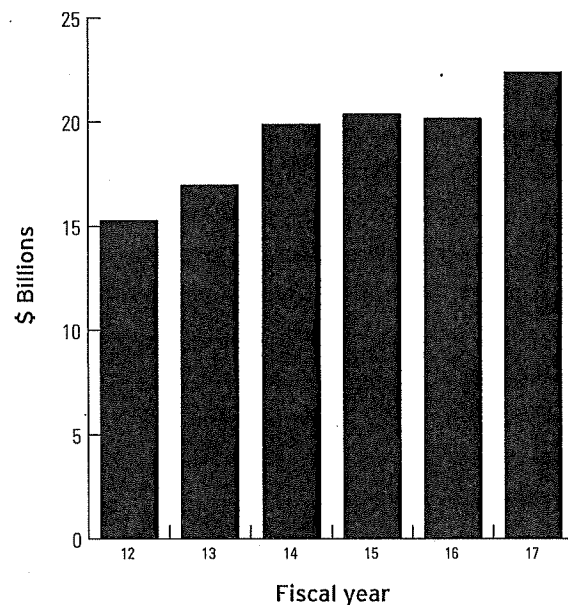
First, the Department is enhancing its ability to support the integration of ESG (Environmental, Social, and Governance) considerations, including engagement activities, in its investment decisions. The Department will bring on a new team in charge of socially responsible investments to achieve these goals.

### CONTINUING TO ENHANCE MEMBER SERVICES

Second, the Department is continuing its efforts to enhance member services. This budget reflects a structural change to create a new Member Services Division that can accommodate the new initiative focusing on retirement readiness, in addition to its retirement counseling activities.

### RETIREE HEALTHCARE TRUST FUND

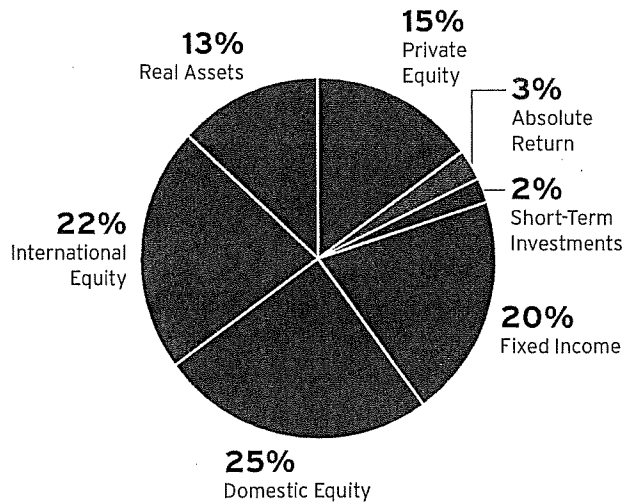
The largest piece of the Retirement System's budget is the Retiree Healthcare Trust Fund. In FY 2016-17, this was managed by the Controller's Office. On May 8, 2017, the Retiree Health Care Trust Fund Board terminated the appointment



**▲ PLAN NET POSITION AS OF JUNE 30 (\$ BILLIONS).** *The City's retirement fund has grown steadily since 2012.*

of the City Controller as the Trust Administrator and appointed the SFERS Executive Director as Trust Administrator effective as of July 1, 2017. This change was driven by the Trust's need for staff with investment expertise to manage an increasingly complex investment strategy. The change also brings the administrative structure of the Trust into alignment with that of other retiree health trusts in California.

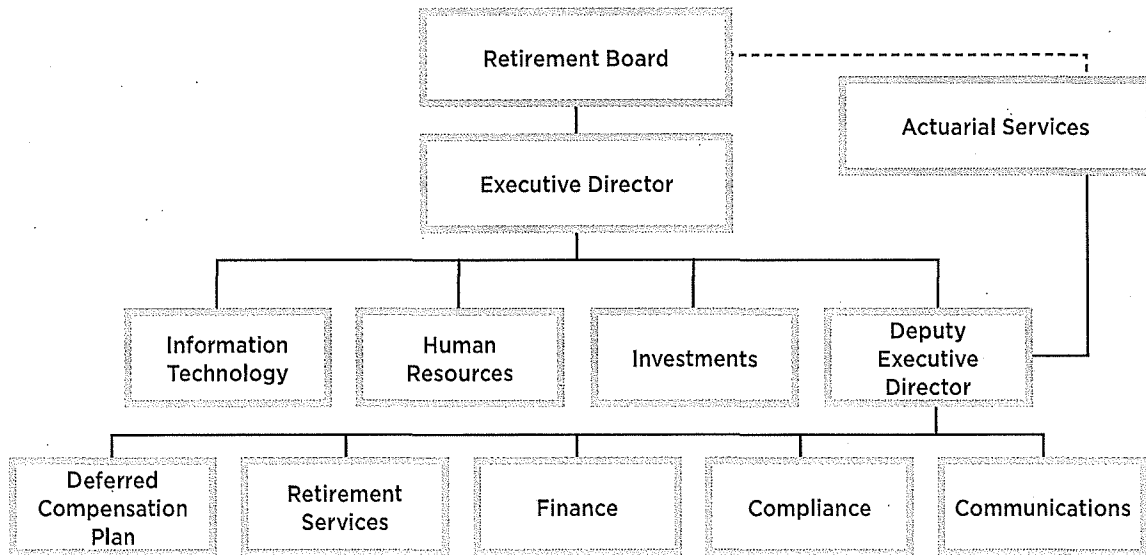
Therefore, the Retirement System budget now reflects the incorporation of the Retiree Health Care Trust Fund. Increases in the Fund are largely driven by increasing employee contributions for those hired before January 9 2009, whose contributions are increasing by a quarter of a percentage point (0.25 percent). The remainder is driven by base wage increases.



▲ ASSET ALLOCATION AS OF JUNE 30, 2017 - FAIR VALUE. The City's retirement fund is diversified, with the biggest share invested in domestic equity.



## RETIREMENT SYSTEM ORGANIZATIONAL STRUCTURE



# TOTAL BUDGET - HISTORICAL COMPARISON

| Authorized Positions                | 2017-2018<br>Original<br>Budget | 2018-2019<br>Proposed<br>Budget | Chg From<br>2017-2018 | 2019-2020<br>Proposed<br>Budget | Chg From<br>2018-2019 |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Total Authorized                    | 105.97                          | 107.96                          | 1.99                  | 108.18                          | 0.22                  |
| Non-Operating Positions (cap/other) |                                 |                                 |                       |                                 |                       |
| <b>Net Operating Positions</b>      | <b>105.97</b>                   | <b>107.96</b>                   | <b>1.99</b>           | <b>108.18</b>                   | <b>0.22</b>           |

## Sources

|                                |                   |                    |                   |                    |                   |
|--------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| Charges for Services           | 1,214,277         | 1,630,638          | 416,361           | 1,264,497          | (366,141)         |
| Contributions Ret/HSS/HlthCare | 96,071,550        | 110,054,671        | 13,983,121        | 122,445,976        | 12,391,305        |
| Expenditure Recovery           | 50,000            | 160,000            | 110,000           | 160,000            |                   |
| Interest & Investment Income   | 287,000           | 296,000            | 9,000             | 296,000            |                   |
| General Fund Support           |                   |                    |                   |                    |                   |
| <b>Sources Total</b>           | <b>97,622,827</b> | <b>112,141,309</b> | <b>14,518,482</b> | <b>124,166,473</b> | <b>12,025,164</b> |

## Uses - Operating Expenditures

|                               |                   |                    |                   |                    |                   |
|-------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| Salaries                      | 14,714,668        | 15,467,909         | 753,241           | 15,708,070         | 240,161           |
| Mandatory Fringe Benefits     | 5,592,038         | 6,011,545          | 419,507           | 6,185,310          | 173,765           |
| Non-Personnel Services        | 4,274,563         | 4,639,455          | 364,892           | 4,597,370          | (42,085)          |
| Capital Outlay                | 76,202            | 90,491             | 14,289            | 74,686             | (15,805)          |
| Materials & Supplies          | 255,000           | 255,000            |                   | 255,000            |                   |
| Overhead and Allocations      | 38,137            | 368,619            | 330,482           | 368,619            |                   |
| Services Of Other Depts       | 5,971,661         | 5,775,652          | (196,009)         | 5,618,532          | (157,120)         |
| Unappropriated Rev-Designated | 66,700,558        | 79,532,638         | 12,832,080        | 91,358,886         | 11,826,248        |
| <b>Uses Total</b>             | <b>97,622,827</b> | <b>112,141,309</b> | <b>14,518,482</b> | <b>124,166,473</b> | <b>12,025,164</b> |

## Uses - Division Description

|                               |                   |                    |                   |                    |                   |
|-------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| RET Administration            | 69,819,856        | 7,676,756          | (62,143,100)      | 7,674,731          | (2,025)           |
| RET Health Care Trust         |                   | 80,865,138         | 80,865,138        | 92,653,886         | 11,788,748        |
| RET Investment                | 7,623,696         | 8,087,017          | 463,321           | 8,339,376          | 252,359           |
| RET Retirement Services       | 18,963,998        | 13,880,760         | (5,083,238)       | 14,232,983         | 352,223           |
| RET SF Deferred Comp Program  | 1,215,277         | 1,631,638          | 416,361           | 1,265,497          | (366,141)         |
| <b>Uses by Division Total</b> | <b>97,622,827</b> | <b>112,141,309</b> | <b>14,518,482</b> | <b>124,166,473</b> | <b>12,025,164</b> |

# CAPITAL & IT PROJECTS





# CAPITAL PROJECTS

An essential part of the City's budget is the Capital Budget, the funds allocated to construct, restore, and improve the facilities and infrastructure upon which city operations depend. These include the City's fire stations, hospitals, libraries, parks, police stations, roads, and public transit systems—the physical assets that shape urban life. Every other year, the Office of Resilience and Capital Planning, under the direction of the City Administrator, updates the City's Ten-Year Capital Plan, which outlines a long-term strategy for investment in these assets. The Capital Plan for Fiscal Years (FY) 2017-18 through 2026-27 was adopted by the Board of Supervisors in April 2017 and provides information to help guide the Mayor's budget submission. The next Capital Plan, for FY 2019-20 through 2028-29, will be adopted in spring 2019.

The Mayor's May 1 Proposed Budget includes \$1,716.7 million in capital projects for FY 2018-19 and \$1,526.2 million for FY 2019-20 across five departments. Incorporated in the May 1 Proposed Budget are many projects over the next two years that are funded outside of the budget process, through supplemental appropriations and the Municipal Transportation Agency's (MTA) capital budget. The MTA's capital budget goes through a separate process and is approved by the San Francisco MTA's Board of Directors.

The capital projects included in the Mayor's May 1 Proposed Budget, the MTA capital budget, and supplemental appropriations for the Airport and the Public Utilities Commission (PUC) will help the City realize the goals set forth in the City's Ten-Year Capital Plan. These projects are funded by various revenue sources, including fee and concession revenue, bond proceeds, and state and federal grants:

Major projects in this submission include: continued planning to strengthen the Port's Embarcadero Seawall; Pier 70 shipyard improvements; library branch remodels; local and regional water system improvements; continued expansion and renovation of terminals at the San Francisco International Airport; completion of the Central Subway; pedestrian and bicycle improvements across the City; and state of good repair renewal programs across departments. A list of proposed projects is presented on the following pages, and a complete capital project submission covering all city departments will be included in the Mayor's proposed June budget.

Additional details on the MTA capital budget and the Airport and PUC supplemental appropriations are included below:

The Municipal Transportation Agency (MTA) plans to invest \$1.2 billion over the next two fiscal years on its capital program. This funding will support projects within 12 capital programs that address infrastructure needs related to transit reliability, street safety, state of good repair, facilities, communications and information technology, taxi regulation, system safety, and accessibility. Capital projects reflect the SFMTA Board of Directors' adopted policies and plans including Transit First, Vision Zero, the Transportation Sustainability Plan, the SFMTA Strategic Plan adopted April 2018, the Muni Service Equity Policy adopted in May 2014, and the San Francisco County Transportation Plan.

Of the Airport's supplemental appropriation for the next two fiscal years, \$97.9 million will be applied to capital projects, \$50.3 million in FY 2018-19 and \$47.6 million in FY 2019-20. These appropriations

contribute to the Airport's \$2.8 billion capital investment planned for the next two fiscal years as it continues to implement its ten-year, \$7.3 billion Ascent program. The Ascent program includes goals to design and construct new facilities to meet anticipated passenger demand, renovate existing facilities, improve aging and seismically vulnerable buildings and infrastructure, augment safety and security, develop systems functionality, preserve assets, and perform needed maintenance. Major projects include the Terminal 1 Redevelopment Program, Terminal 3 West and Boarding Area F improvements, a new on-airport hotel, a second long-term parking garage, extension of the AirTrain, the Airport Security Infrastructure Program, and a consolidated administration campus.

The PUC supplemental appropriations for the next two fiscal years total \$2.1 billion: \$499.1 million in funding for water projects, \$1.2 billion for wastewater projects, and \$340.1 million for power system improvements. These appropriations

are complemented by proposed revenue bond financing totaling \$1.6 billion across the PUC's enterprises: \$478.4 million for water, \$987.4 million for wastewater, and \$154.9 million for power. Planned water projects include pipeline replacement and repairs, structural and seismic upgrades including continued prioritization of the Auxiliary Water Supply System, and facility improvements at the Sunol Valley Water Treatment Plant and the Alameda Creek Watershed Center. Wastewater projects include treatment facilities, sewers, and collection system improvements, as well as flood control projects and the development of the new Southeast Community Center. Power system projects include streetlight improvements, the CleanPowerSF program, the Mountain Tunnel project, and power reliability and replacement projects.

For more information on the City's Office of Resilience and Capital Planning, please visit [www.onesanfrancisco.org](http://www.onesanfrancisco.org).

# CAPITAL PROJECTS

| Department                             | Project Code                    | Project Title                   | Activity Title                 | Fund Title                   | 2018-2019 Budget    | 2019-2020 Budget    |
|--|---------------------------------|---------------------------------|--------------------------------|------------------------------|---------------------|---------------------|
| Airport Commission                     | 10003760                        | AC Airfield Unallocated-Ordina  | Airfield Improvements-Unalloc  | SFIA-Capital Projects Fund   | \$78,860,000        | \$17,000,000        |
|  | 10004055                        | AC Air Support Unallocated-Ord  | Airport Support-Unalloc        | SFIA-Capital Projects Fund   | (\$73,000,000)      | \$6,100,000         |
|  | 10004134                        | AC Groundside Unallocated-Ord   | Roadway Improvements-Unalloc   | SFIA-Capital Projects Fund   | (\$11,663,408)      | \$3,000,000         |
|  | 10004334                        | AC Terminals Unallocated-Ordin  | Terminal Renovations-Unalloc   | SFIA-Capital Projects Fund   | \$26,000,000        | \$3,000,000         |
|  | 10004436                        | AC Utilities Unallocated-Ordin  | Utility Improvements-Unalloc   | SFIA-Capital Projects Fund   | \$84,795,945        | \$3,000,000         |
|  | 10016644                        | Facility Maintenance            | Facility Maintenance           | SFIA-Operating Fund          | \$15,000,000        | \$15,500,000        |
|  | 10030871                        | AC 11302 Plot 40/41 400hz & Pc  | 61 - Contract 1 Construction   | SFIA-Capital Projects Fund   | \$6,250,000         | \$0                 |
|  | 10030890                        | AC Terminal 1 Program           | Terminal 1 Program-unallocated | SFIA-Capital Projects Fund   | (\$9,696,592)       | \$0                 |
|  | 10030891                        | AC Terminal 3 Program           | Terminal 3 Program-unallocated | SFIA-Capital Projects Fund   | (\$60,000,000)      | \$0                 |
|  | <b>Airport Commission Total</b> |                                 |                                |                              |                     | <b>\$56,545,945</b> |
| Municipal Transprt Agency              | 10002815                        | MX Waterproofing & Ventilation  | CPX002PX12IN - Interest S2012B | Sustainable Streets          | \$3,615             | \$0                 |
|  | 10009624                        | MTA Rev Bond S2014 - SSD        | Interest - S2014 Bond SSD      | Sustainable Streets          | \$871,879           | \$0                 |
|  | 10009627                        | MTA 2013 Rev Bond S2013 - SSD   | Interest - S2013 Bond SSD      | Sustainable Streets          | \$387,317           | \$0                 |
|  | 10009630                        | MTA Rev Bond S2012B - Parking   | Interest - S2012B Parking      | Sustainable Streets          | \$138,913           | \$0                 |
|  | 10010137                        | MS IPIC-Market Octavia          | Ipic-Market Octavia            | Sustainable Streets          | \$580,000           | \$2,150,000         |
|  | 10010139                        | Ipic-Visitacion Valley          | Ipic-Visitacion Valley         | Sustainable Streets          | \$0                 | \$219,000           |
|  | 10010140                        | MS TSF-COMLETE ST (BIKE&PED)    | Tsf-Complete Streets (Bike& Pe | Sustainable Streets          | \$563,956           | \$871,093           |
|  | 10011820                        | Mta-Wide Facilities Maint Proj  | Mta-Wide Facilities Maint Proj | Transit                      | \$18,000,000        | \$18,000,000        |
|  | 10011845                        | MT SFMTA UCSF Plfrm Mod-CPT735  | UCSF Platform Ext Funding      | Transit                      | \$10,600,000        | \$0                 |
|  | 10011920                        | MTA Rev Bond S2017 - Transit    | Interest - S2017 Bond Transit  | Transit                      | \$221,790           | \$0                 |
|  | 10011921                        | MTA Rev Bond S2014 - Transit    | Interest - S2014 Bond Transit  | Transit                      | \$548,874           | \$0                 |
|  | 10011923                        | MTA Rev Bond S2013 - Transit    | Interest - S2013 Bond Transit  | Transit                      | \$1,519,335         | \$0                 |
|  | 10011928                        | MTA Rev Bond S2012B - Transit   | Interest - S2012B Transit      | Transit                      | \$366,427           | \$0                 |
|  | 10012000                        | Tsf-Transit Svc & Reliability-  | Tsf-Transit Svc & Reliability- | Transit                      | \$375,971           | \$580,729           |
|  | 10012001                        | Tsf-Transit Svc Exp & Realibi   | Tsf-Transit Svc Exp & Realibi  | Transit                      | \$6,015,536         | \$9,291,661         |
|  | 10012872                        | MTA Rev Bond S2013 - Parking    | Interest - S2013 Bond Parking  | Sustainable Streets          | \$23,211            | \$0                 |
|  | 10012883                        | MTA Rev Bond S2014 - Garage     | Interest - S2014 Bond Garage   | Sustainable Streets          | \$618,639           | \$0                 |
|  | 10030976                        | MS Pop Growth Gf Alloc 5n Mast  | Pop Growth Gf Alloc 5n Master  | Sustainable Streets          | \$11,870,000        | \$12,880,000        |
|  | 10031004                        | MT Pop Growth Gf Alloc 5M       | Pop Growth Gf Alloc 5m Master  | Transit                      | \$35,620,000        | \$38,650,000        |
|  | 10031008                        | MT Ipic-eastern Neighborhood    | Ipic-eastern Neighborhood      | Transit                      | \$2,224,000         | \$2,575,000         |
| 10031009                               | MT Ipic-market Octavia          | Ipic-market Octavia Transit-(m  | Transit                        | \$1,750,000                  | \$150,000           |                     |
| 10031082                               | MS Lombard Tolling Study & Pla  | Lombard Tolling Study & Planni  | Sustainable Streets            | \$250,000                    | \$250,000           |                     |
| <b>Municipal Transprt Agency Total</b> |                                 |                                 |                                |                              | <b>\$92,349,463</b> | <b>\$85,617,483</b> |
| Port                                   | 10010769                        | PO Quint Street Lead Proj - Po  | Quint St. Proj - Port Capital  | Port Operating               | (\$499,073)         | \$0                 |
|  | 10010831                        | PO Cargo Maint Dredging         | Cargo Maint Dredging           | Port Operating               | \$2,480,000         | \$8,180,400         |
|  | 10010904                        | PO Pre-Development Studies      | Pre-Development Studies        | Port Operating               | (\$593,038)         | \$0                 |
|  | 10011004                        | PO Pier 26 Water Main Replacem  | Pier 26 Water Main Replacement | Port Operating               | (\$203,941)         | \$0                 |
|  | 10011025                        | PO Quint Street Lead Improv     | Quint St Lead Improvement Proj | Port Operating               | (\$235,927)         | \$0                 |
|  | 10011124                        | PO Seawall & Marginal Wharf Re  | Seawall&Marginal Wharf Rep Prj | Port Operating               | \$1,235,000         | \$0                 |
|  | 10011194                        | PO Pier 33 Fire Standpipe Syst  | Pier 33 Fire Standpipe System  | Port Operating               | (\$4,454)           | \$0                 |
|  | 10011231                        | PO Pier 27 CT Rev Bond 2013A    | Cruise Termnl -Rev Bond 2013A  | Port-Capital                 | (\$1,095,000)       | \$0                 |
|  | 10011255                        | PO Pier Structure Rpr PrjI Ph   | Pier Structure Rpr PrjI Ph II  | Port Operating               | \$2,852,174         | \$0                 |
|  | 10011287                        | PO Pier 19 North Apron Repair   | Pier 19 North Apron Repair     | Port Operating               | \$2,000,000         | \$0                 |
|  | 10011290                        | PO Pier 9 South Apron Repair    | Pier 9 South Apron Repair      | Port Operating               | (\$244,799)         | \$0                 |
|  | 10011293                        | PO Piledriver No. 1 Drydock &   | Piledriver No. 1 Drydock&Rep   | Port Operating               | \$3,700,000         | \$0                 |
|  | 10011317                        | PO Crane Painting & Upgrade Pr  | Crane Painting & Upgrade Proj  | Port Operating               | (\$838,072)         | \$0                 |
|  | 10011326                        | PO So Waterfrint Open Space Enh | SW Open Space Enhncmnts/Altern | Port Operating               | (\$2,024,055)       | \$0                 |
|  | 10011328                        | PO Crane Cove Park              | Crane Cove Park - Mtc Grant    | Port Operating               | \$550,000           | \$550,000           |
|  | 10011378                        | PO AC34 Improvements            | Ac34 Improvements              | Port Operating               | (\$190,442)         | \$0                 |
|  | 10011393                        | PO Bellline Building Tenant Sp  | Bellline Bldg Tenant Space     | Port Operating               | \$680,000           | \$0                 |
|  | 10011404                        | PO Public Access & Singage Imp  | Public Access&Singage Improvnt | Port Operating               | (\$600,000)         | \$0                 |
|  | 10011406                        | PO Facility Imprv-Crowd Contrl  | Facility Improv-Crowd Control  | Port Operating               | (\$120,000)         | \$0                 |
|  | 10013242                        | PW PIER 43 BAY LINK TRAIL       | Pier 43 Bay Trail Link Park G. | Port-Capital                 | (\$476,924)         | \$0                 |
|  | 10013248                        | Wp Ceqa Review & Permitting     | Wp Ceqa Review & Permitting    | Port-Capital                 | (\$133,460)         | \$0                 |
|  | 10013251                        | Wp Blue-Greenway (Signage; Fur  | Wp Blue-Greenway (Signage; Fur | Port-Capital                 | (\$70,567)          | \$0                 |
|  | 10013252                        | Wp Tulare Park                  | Wp Tulare Park                 | Port-Capital                 | (\$67,278)          | \$0                 |
|  | 10013451                        | Islais Creek Improvements       | Islais Creek Improvements      | Port-Capital                 | (\$350,000)         | \$0                 |
|  | 10013452                        | Northeast Wharf Plaza & Pier 2  | Design - Krm                   | Port-Capital                 | (\$330,000)         | \$0                 |
|  | 10027478                        | PO Wharf J9 SWL & Deck Repa     | Wharf J9 Swl & Deck Repair Pro | Port Operating               | \$2,200,000         | \$0                 |
|  | 10027483                        | Mission Bay Ferry Terminal      | Mission Bay Ferry Terminal     | CP SF Capital Planning       | \$1,240,000         | \$0                 |
|  |                                 |                                 |                                | GF Continuing Authority Ctrl | \$9,760,000         | \$0                 |
|  | 10029238                        | PW Crane Cove Park Proj         | Appropriation                  | Port-Capital                 | \$3,228,307         | \$0                 |
|  | 10030093                        | PO Fire Protection Engineer.    | Fire Protection Engineer       | Port Operating               | \$232,992           | \$242,311           |
|  | 10030637                        | PO Dry Docking Of China Basin   | Dry Docking Of China Basin Flo | Port Operating               | \$203,000           | \$0                 |
|  | 10030991                        | PO Ferry Building Plaza Improv  | Ferry Building Plaza Improve   | Port Operating               | (\$1,150,000)       | \$0                 |
|  | 10032237                        | Seawall Resiliency Project      | Seawall Resiliency Proj        | CP SF Capital Planning       | \$5,000,000         | \$0                 |
|  | 10032260                        | PO SF Shipyard Repair Project   | Shipyard Operations            | Port Operating               | \$1,769,000         | \$1,000,000         |
|  | 10032470                        | Hyde St. Harbor Repairs         | Planning                       | Port Operating               | \$1,335,000         | \$0                 |
|  | 10032987                        | Amador St. Improvement project  | Amador St                      | Port Operating               | \$3,800,000         | \$0                 |
|  | 10032988                        | Capital Proj Implement Team     | Capital Proj Implement Team    | Port Operating               | \$1,206,290         | \$1,254,542         |
|  | 10032989                        | P90 Grain Silo demolition proj  | P90 Grain Silo demolition proj | Port Operating               | \$100,000           | \$1,050,000         |
|  | 10032990                        | Capital proj contingency fund   | Capital proj contingency fund  | Port Operating               | \$2,078,881         | \$0                 |
|  | 10033000                        | Pier 19&23 Leasing Improvement  | Pier 19&23 Leasing Improvement | Port Operating               | \$2,650,000         | \$0                 |



# CAPITAL PROJECTS

| Department                               | Project Code                   | Project Title                   | Activity Title                  | Fund Title                   | 2018-2019 Budget     | 2019-2020 Budget    |
|--|--------------------------------|---------------------------------|---------------------------------|------------------------------|----------------------|---------------------|
| Port                                     | 10033001                       | P 26 Deluge System modifcat'n   | P 26 Deluge System modifcat'n   | Port Operating               | \$952,116            | \$0                 |
|  | 10033002                       | P 29.5 Pump Station&Force Main  | Pier 29                         | Port Operating               | \$800,000            | \$0                 |
|  | 10033003                       | Pier 31 New Fire Standpipe Sys  | Pier 31 New Fire Standpipe Sys  | Port Operating               | \$0                  | \$676,522           |
|  | 10033004                       | Pier 40 North Guest Dock Kayak  | Pier 40 North Guest Dock Kayak  | Port-South Beach Harbor      | \$0                  | \$310,000           |
|  | 10033005                       | P 40 North Guest Dock Replace   | Pier 40 North Guest Dock Repla  | Port-South Beach Harbor      | \$1,082,000          | \$0                 |
|  | 10033006                       | P50 Shed B Apron Part1 Repair   | Pier 50 Shed B Apron Partial R  | Port Operating               | \$0                  | \$341,250           |
|  | 10033007                       | P7.5 Sewer Re-routing to Street | P7 5 Sewer Re-routing to Street | Port Operating               | \$0                  | \$262,500           |
|  | 10033008                       | Concrete Pile Repair Crew       | Concrete Pile Repair Crew       | Port Operating               | \$2,206,563          | \$2,294,825         |
|  | 10033009                       | Wood Pile Repair Crew           | Wood Pile Repair Crew           | Port Operating               | \$1,418,985          | \$1,475,744         |
|  | 10033010                       | Port wide Electr Safety Upgrd   | Port wide Electr Safety Upgrd   | Port Operating               | \$0                  | \$1,155,000         |
|  | 10033012                       | Roundhouse Enhancement Proj     | Roundhouse Enhancement Proj     | Port Operating               | \$467,000            | \$525,000           |
|  | 10033013                       | Pier 19.5 Roofing Project       | Pier 19                         | Port Operating               | \$668,000            | \$0                 |
|  | 10033014                       | Pier 70 Investment              | Pier 70 Investment              | Port Operating               | \$1,200,000          | \$0                 |
|  | 10033015                       | Pier 80 Repair Project          | Pier 80 Repair Project          | Port Operating               | \$650,000            | \$0                 |
|  | 10033059                       | Pier 27 Public Art              | Pier 27 Public Art              | Port-Capital                 | \$390,000            | \$0                 |
|  | 10033078                       | Heron's Head Park Improvements  | Heron's Head Park Improvements  | Port-Capital                 | \$350,000            | \$0                 |
| 10033239                                 | Resiliency Planning & Improvem | Resiliency Planning & Improvem  | Port Operating                  | \$250,000                    | \$0                  |                     |
| <b>Port Total</b>                        |                                |                                 |                                 |                              | <b>\$49,623,278</b>  | <b>\$19,318,094</b> |
| Public Library                           | 10009363                       | LB Capital Improvement Project  | LB Capital Improvement Project  | SR Library Fund - Continuing | \$250,000            | \$0                 |
|  |                                |                                 | Main Elevator Repair/Replacem   | SR Library Fund - Continuing | \$2,500,000          | \$0                 |
|  |                                |                                 | Non-BLIP Branch Remodel         | SR Library Fund - Continuing | \$14,599,323         | \$9,006,358         |
|  | 10029842                       | PW 750 Brannan St Office Const  | 750 Brannan Leasehold Budget    | SR Library Fund - Continuing | \$800,000            | \$1,800,000         |
|  | 10032878                       | LB-SFPL RFID PROJECT            | SFPL RFID Project               | SR Library Fund - Continuing | \$2,992,772          | \$384,984           |
|  | 10032976                       | LB-SFPL Cooling Tower Replace   | Main Cooling Tower Replacement  | SR Library Fund - Continuing | \$0                  | \$250,000           |
|  | 10032977                       | LB-SFPL Exterior Lighting Proj  | SFPL Main Exterior Lighting Pr  | SR Library Fund - Continuing | \$0                  | \$2,000,000         |
|  | 10032978                       | LB-SFPL Heat&Ventilatin Control | SFPL Main Heating&Ventilation   | SR Library Fund - Continuing | \$250,000            | \$250,000           |
|  | 10032979                       | LB-Civ Ctr Campus Master Plan   | Main&Support FAC Master Plan    | SR Library Fund - Continuing | \$0                  | \$1,000,000         |
|  | 10032980                       | LB-SFPL Roofing Replacemnt Proj | SFPL Roofing Replacemnt - Main  | SR Library Fund - Continuing | \$1,500,000          | \$0                 |
|  | 10032982                       | LB-SFPL Branch Master Plan Prj  | Branch Facilities Master Plan   | SR Library Fund - Continuing | \$250,000            | \$0                 |
|  | 10032983                       | LB-SFPL Water Leak Repair Proj  | Branch Water Leak Repair        | SR Library Fund - Continuing | \$500,000            | \$800,000           |
|  | 10032984                       | LB-SFPL Air Handling Replacemnt | Air Handling System Replace     | SR Library Fund - Continuing | \$250,000            | \$0                 |
|  |                                |                                 | Main Heat Exchangers Replace    | SR Library Fund - Continuing | \$500,000            | \$0                 |
| 10032985                                 | LB-SFPL Automated Mat Handling | LB Automated Mat Handling Proj  | SR Library Fund - Continuing    | \$3,000,000                  | \$0                  |                     |
| <b>Public Library Total</b>              |                                |                                 |                                 | <b>\$27,192,095</b>          | <b>\$15,491,342</b>  |                     |
| Public Utilities Commission              | 10014244                       | Sf Electrical Reliability/Tran  | Sf Electrical Reliability/Tran  | Hetchy Capital Projects Fund | \$2,000,000          | \$2,000,000         |
|  | 10014854                       | Watershed Protection            | Watershed Protection            | SFWD-Operating Fund          | \$600,000            | \$500,000           |
|  | 10015023                       | Landscape Conservation Program  | Landscape Conservation Program  | SFWD-Operating Fund          | \$2,000,000          | \$2,000,000         |
|  | 10015046                       | Long Term Monitoring & Permit   | Long Term Monitoring & Permit   | SFWD-Operating Fund          | \$6,585,000          | \$11,201,000        |
|  | 10016956                       | Hetchy Water - Facilities Main  | Hetchy Water - Facilities Main  | Hetchy Operating Fund        | \$2,614,000          | \$2,617,000         |
|  | 10016972                       | Awss Maintenance - Cdd          | Awss Maintenance - Cdd          | SFWD-Operating Fund          | \$500,000            | \$500,000           |
|  | 10016976                       | Water Enterprise-Watershed Pro  | Water Enterprise-Watershed Pro  | SFWD-Operating Fund          | \$1,198,000          | \$1,198,000         |
|  | 10025172                       | Wecco/Nerc Compliance           | Wecco/Nerc Compliance           | Hetchy Operating Fund        | \$3,700,000          | \$3,700,000         |
|  | 10025175                       | Wecco/Nerc Transmission Line Cl | Wecco/Nerc Transmission Line Cl | Hetchy Operating Fund        | \$200,000            | \$200,000           |
|  | 10025206                       | Water Resources Planning And D  | Water Resources Planning/Budge  | SFWD-Operating Fund          | \$300,000            | \$300,000           |
|  | 10025207                       | Treasure Island - Maintenance   | Treasure Island - Maintenance   | Hetchy Operating Fund        | \$3,469,000          | \$3,643,000         |
|  |                                |                                 | Treasure Island - Wastewater    | SFWD-Operating Fund          | \$1,273,000          | \$1,311,000         |
|  | 10025208                       | 525 Golden Gate - O & M         | 525 Golden Gate - O & M         | CWP-Operating Fund           | \$1,350,000          | \$1,390,000         |
|  |                                |                                 |                                 | CWP-Operating Fund           | \$1,634,000          | \$1,251,780         |
|  |                                |                                 |                                 | Hetchy Operating Fund        | \$971,200            | \$752,720           |
|  |                                |                                 |                                 | SFWD-Operating Fund          | \$5,277,000          | \$4,050,000         |
|  | 10025209                       | 525 Golden Gate - Lease Paymen  | 525 Golden Gate - Lease Paymen  | CWP-Operating Fund           | \$2,424,000          | \$2,424,000         |
|  |                                |                                 | Hetchy Operating Fund           | \$1,248,000                  | \$1,248,000          |                     |
|  |                                |                                 | SFWD-Operating Fund             | \$9,168,000                  | \$9,169,000          |                     |
| 10025211                                 | Retrofit Grant Program         | Retrofit Grant Program          | SFWD-Operating Fund             | \$1,134,000                  | \$637,000            |                     |
| 10025782                                 | Low Impact Development         | Low Impact Development          | CWP-Operating Fund              | \$681,000                    | \$681,000            |                     |
| 10025785                                 | Youth Employment & Environment | Youth Employment & Environ Bud  | CWP-Operating Fund              | \$697,000                    | \$697,000            |                     |
|  |                                |                                 | Hetchy Operating Fund           | \$150,000                    | \$150,000            |                     |
|  |                                |                                 | SFWD-Operating Fund             | \$1,290,000                  | \$1,290,000          |                     |
| <b>Public Utilities Commission Total</b> |                                |                                 |                                 | <b>\$50,388,200</b>          | <b>\$52,908,480</b>  |                     |
| <b>Capital Projects Total</b>            |                                |                                 |                                 | <b>\$276,098,981</b>         | <b>\$220,935,999</b> |                     |

\*The projects listed here, if approved by the Board of Supervisors, will be included in the Annual Appropriation Ordinance. This list does not include funding appropriated outside of the budget process, such as through supplemental capital appropriations.

# INFORMATION & COMMUNICATIONS TECHNOLOGY PROJECTS

Investment in information and communications technology (IT or ICT) enables the City and County to enhance city services, facilitate resident and visitor engagement with city agencies, and utilize data to better inform leaders and policymakers. The City plans, funds, and coordinates IT projects through the Committee on Information Technology (COIT). Every other year, COIT updates the Five-Year Information & Communications Technology (ICT) plan, which identifies the City's goals and priorities and outlines potential financial strategies. The ICT Plan for Fiscal Years (FY) 2017-18 through FY 2021-22 was proposed by the Mayor and adopted by the Board in spring 2017. The next five-year ICT plan will be proposed in spring 2019.

The Mayor's May 1 Proposed Budget includes \$17.3 million in FY 2018-19 and \$10.8 million in FY 2019-20 for IT projects at the Airport, Port, and Public Utilities Commission. The Mayor's May 1 Proposed Budget includes a variety of large, multi-year IT projects that focus on investments in information technology infrastructure and cybersecurity. These projects include improvements to network infrastructure at the Airport, a billing system replacement for the SF Public Utilities Commission, and a maintenance management system for the Port.

A more detailed IT project submission covering all city departments will be included in the *Mayor's Proposed June Budget*. For more information on the Committee on Information Technology visit [www.sfcoit.org](http://www.sfcoit.org)



# ADDITIONAL BUDGETARY RESOURCES





# ADDITIONAL BUDGETARY RESOURCES

The Mayor's Proposed Fiscal Years (FY) 2018-19 and FY 2019-20 Budget for the City and County of San Francisco (the City), published for Enterprise and selected other departments on May 1, and for all other departments on June 1, is one of several financial documents that can be a resource to the public. Other sources of financial information include:

## **CONSOLIDATED BUDGET AND APPROPRIATION ORDINANCE, FY 2018-19 AND FY 2019-20**

The Consolidated Budget and Appropriation Ordinance (BAO) contains the City's sources of funds and their uses, detailed by department. This document provides the legal authority for the City to spend funds during the fiscal year. The BAO is released annually with the Board's passage and the Mayor's signing of the final budget, usually in mid-August. An interim BAO is passed by a continuing resolution of the Board and provides the City's interim operating budget between the end of the fiscal year on June 30 and when the final budget is passed.

## **ANNUAL SALARY ORDINANCE, FY 2018-19 AND FY 2019-20**

The Annual Salary Ordinance (ASO) is the legal document that authorizes the number of positions and job classifications in departments for the budgeted fiscal years. The ASO is passed at the same time as the BAO.

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The City's Comprehensive Annual Financial Report (CAFR) summarizes the performance of all revenue sources and accounts for total expenditures in any given fiscal year. The CAFR for the fiscal year ending June 30, 2017 is currently available. The FY 2017-18 CAFR will be made available by the Controller after the fiscal year has closed and the City's financial reports have been reviewed and certified.

## **FIVE YEAR FINANCIAL PLAN AND JOINT REPORT**

The City's Five Year Financial Plan forecasts expenditures and revenues during the five-year period, proposes actions to balance revenues and expenditures during each year of the plan, and discusses strategic goals and corresponding resources for city departments. The Plan is published each odd calendar year by the Controller's Office, the Mayor's Office of Public Policy and Finance, and the Board of Supervisors' Budget and Legislative Analyst. In even calendar years, the Five Year Financial Plan Update, commonly known as the Joint Report, is issued.

# OBTAINING BUDGET DOCUMENTS AND RESOURCES

Copies of these documents are distributed to the SFPL Main Library. They may also be viewed online at the City's web site ([www.sfgov.org](http://www.sfgov.org)) and at the following City Hall locations:

## **MAYOR'S OFFICE OF PUBLIC POLICY & FINANCE**

1 Dr. Carlton B. Goodlett Place, Room 288

Phone: (415) 554-6114

[sfmayor.org/budget](http://sfmayor.org/budget)

## **CONTROLLER'S OFFICE**

1 Dr. Carlton B. Goodlett Place, Room 316

Phone: (415) 554-7500

[sfcontroller.org](http://sfcontroller.org)

## **CLERK OF THE BOARD OF SUPERVISORS**

1 Dr. Carlton B. Goodlett Place, Room 244

Phone: (415) 554-5184

[sfbos.org](http://sfbos.org)

For more information regarding San Francisco's budget, finance, and performance measurements, please visit the web sites below.

## **SF PERFORMANCE SCORECARDS**

Regularly-updated information on the efficiency and effectiveness of San Francisco government in eight highlighted service areas, including livability, public health, safety net, public safety, transportation, environment, economy, and finance.

[sfgov.org/scorecards](http://sfgov.org/scorecards)

## **SF OPEN BOOK**

A clear look at San Francisco's fiscal and economic health.

[openbook.sfgov.org](http://openbook.sfgov.org)

## **SF OPEN DATA**

The central clearinghouse for data published by the City and County of San Francisco.

[data.sfgov.org](http://data.sfgov.org)

# COMMONLY USED TERMS

**ACCRUAL BASIS ACCOUNTING** – An accounting methodology that recognizes revenues or expenditures when services are provided.

**ANNUALIZATION** – Adjusting a partial year revenue or expense to reflect a full year's worth of income or spending.

**APPROPRIATION** – Legislative designation of money to a department, program, or project for a particular use, including operations, personnel, or equipment.

**ATTRITION SAVINGS** – Salary savings that result when positions at a department are vacant.

**BALANCED BUDGET** – A budget in which revenues equal expenditures, with no deficit.

**BALANCING** – Process of making revenues match expenditures within each departmental budget and within the city budget as a whole.

**BASELINE** – (1) The annualized budget for the current fiscal year, which serves as the starting point for preparing the next fiscal year's budget. (2) A required minimum of spending for a specific purpose.

**BOND** – A debt investment in which an investor loans money to an entity that borrows the funds for a defined period of time at a fixed interest rate. Bonds are used by companies and governments to finance a variety of projects and activities.

**BUDGET AND APPROPRIATION ORDINANCE (BAO)** – The legislation that enacts the annual two-year budget. Formerly the Annual Appropriation Ordinance (AAO).

**BUDGET CYCLE** – The period of time in which the City's financial plan for the upcoming fiscal year is developed; submitted to, reviewed, and enacted by the Board of Supervisors and signed by the Mayor; and implemented by city departments.

**CAPITAL BUDGET** – Funds to acquire land, plan and construct new buildings, expand or modify existing buildings, and/or purchase equipment related to such construction.

**CAPITAL EXPENDITURE** – Expenditures creating future benefits, used to acquire or upgrade physical assets such as equipment or property.

**CARRYFORWARD** – Funds remaining unspent at year-end that a department requests permission to spend during the following fiscal year. Some funds carry forward automatically at year-end.

**CASH BASIS ACCOUNTING** – An accounting methodology that recognizes revenues and expenditures when payments are actually made.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)** – The City's Annual Financial Report, which summarizes the performance of all revenue sources and accounts for total expenditures in the prior fiscal year.

**COST-OF-LIVING ADJUSTMENT (COLA)** – A regularly scheduled adjustment to salaries, aid payments, or other types of expenditures to reflect the cost of inflation.

**COUNTY-WIDE COST ALLOCATION PLAN (COWCAP)** – The County-Wide Cost Allocation Plan is developed annually by the Controller's Office and calculates the overhead rate charged to each department for its share of citywide overhead costs, such as payroll, accounting, and operations.

**DEFICIT** – An excess of expenditures over revenues.

**ENTERPRISE DEPARTMENT** – A department that does not require a General Fund subsidy because it generates its own revenues by charging fees for services.

**FIDUCIARY FUND** – Used to account for assets held in trust by the government for the benefit of individuals or other entities. Government employee pension funds are an example of a fiduciary fund. Fiduciary funds are one of the three broad types of government funds, the other two being governmental and proprietary funds.

**FISCAL YEAR** – The twelve-month budget cycle. San Francisco's fiscal year runs from July 1st to June 30th.



**FRINGE** – The dollar value of employee benefits such as health and dental, which varies from position to position.

**FULL-TIME EQUIVALENT (FTE)** – One or more employees who cumulatively work 40 hours/week.

**FUND** – Government budgets are made up of funds that organize and account for specific resources. Each fund is considered a separate accounting entity.

**FUND BALANCE** – The amount of funding that remains in a given fund at the end of the fiscal year.

**GENERAL FUND** – The largest of the City's funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services, and public works. Primary revenue sources include local taxes such as property, sales, payroll, and other taxes.

**GENERAL FUND DEPARTMENT** – A department that receives an annual appropriation from the City's General Fund.

**GOVERNMENTAL FUND** – The City's basic operating fund, includes the General Fund and Capital projects. One of the three broad types of government funds, the other two being the fiduciary fund and the proprietary fund.

**INTERIM BUDGET** – The citywide budget that is in effect for the first two months of the fiscal year, during the lag period between July 1—the date on which the Board of Supervisors must technically submit its budget—until mid-August when the new budget is signed into effect by the Mayor. The Mayor's proposed budget serves as the interim budget.

**MAJOR & PROPRIETARY FUND** – Used to account for a government's ongoing activities and operations, the proprietary fund includes enterprise funds (which account for activities in which a fee is charged to external user) and internal service funds (used for services provided to other funds or departments). One of the three broad types of government funds, the other two being the fiduciary fund and the governmental fund.

**MAYOR'S PROPOSED BUDGET** – The citywide budget submitted to the Board of Supervisors by the Mayor's Office, on May 1 for selected Enterprise and other departments and June 1 for all remaining departments, that makes recommendations and estimates for the City's financial operations for the ensuing fiscal year.

## **MEMORANDUM OF UNDERSTANDING (MOU)**

– A binding agreement between two parties.

**ORDINANCE** – A proposed or enacted law. Typically prepared by the City Attorney.

## **RAINY DAY CITY AND SCHOOL RESERVES**

– Funds that are legally set-aside by the City Charter, Section 9.113.5, with the intent of protecting the City from being negatively impacted by the economy's boom-bust cycle. Generally, the Rainy Day Reserve requires that money be saved when revenue growth exceeds a certain level (in good economic times) in order to create a cushion during economic downturns. Pursuant to Proposition C, approved by San Francisco voters in November of 2014, the original Rainy Day Reserve was split into two separate reserves- the City Reserve for use by the City and the School Reserve for use by the San Francisco Unified School District.

**RESOLUTION** – A type of legislation. Typically prepared by the sponsoring department or a member of the Board of Supervisors and generally directed internally.

**REVISED BUDGET** – The department's budget at the end of the fiscal year. Over the course of the fiscal year, the department's original budget may be amended to reflect supplemental appropriations, and receipt of unbudgeted grants.

**SALARY ORDINANCE** – The legislation that grants departments the authority to fill a specified number of positions during the fiscal year. Note that this is not the same as having the funding to fill that number of positions. Formerly the Annual Salary Ordinance (ASO). This legislation is passed at the same time as the Budget and Appropriation Ordinance.

**SPECIAL FUND** – Any fund other than the General Fund. Revenues in special funds are non-discretionary.

**SURPLUS** – An excess of revenue over expenditures.

**TECHNICAL ADJUSTMENT** – Changes made by the Mayor's Office to the Mayor's proposed budget after it has been submitted to the Board of Supervisors.

**TWO-YEAR BUDGETING** – The citywide process (beginning Fiscal Year 2012-13) of budgeting each year for the next two fiscal years.

OFFICE OF THE MAYOR  
SAN FRANCISCO



MARK E. FARRELL  
MAYOR

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2018 MAY - 1 PM 12:05  
BY [Signature]

May 1, 2018

Angela Calvillo, Clerk of the Board of Supervisors  
City Hall, 1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Dear Ms. Calvillo:

Attached is the Mayor's proposed May 1 Budget comprised of the following 13 departments: Airport Commission, Board of Appeals, Child Support Services, Environment, Law Library, the Public Library, Municipal Transportation Agency, Port, Public Utilities Commission, Rent Board, Retirement System, and Office of County Education. Also attached are an Interim Exception letter, a budget memo for the Municipal Transportation Agency (MTA) from the Controller, and the following ten pieces of legislation:

- Three supplemental appropriation ordinances for the Two-Year Capital Budgets of each of the Public Utilities Commission (PUC) Enterprises – Water, Wastewater, and Hetch Hetchy
- Three resolutions approving the issuance and sale of Power, Water, and Wastewater revenue bonds by the PUC
- One Accept and Expend Grant from the Friends of San Francisco Public Library (LIB)
- One Resolution transferring unclaimed, overpaid parking tickets to the General Fund (MTA)
- One Resolution authorizing the MTA to issue Commercial Paper Notes with the concurrence of the Board of Supervisors (MTA)
- One Proposition J Contract/Certification resolution of Specified Contracted-Out Services Previously Approved for Enterprise Departments (MTA, PUC, Airport, and Port)

If you have any questions please feel free to contact me at 554-6125.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelly Kirkpatrick".

Kelly Kirkpatrick  
Acting Mayor's Budget Director

cc: Members of the Board of Supervisors  
Harvey Rose  
Controller

