

File No. 14077a

Committee Item No. 15

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date July 16, 2014

Board of Supervisors Meeting

Date _____

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- Youth Commission Report
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- MOU
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- Grant Budget
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- Award Letter
- Application
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OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date July 11, 2014
 Completed by: _____ Date _____

[Appropriation and De-Appropriation - Surplus Expenditures Supporting Increased Overtime Expenditures - FY2013-2014 - \$677,587]

Ordinance retroactively appropriating \$677,587 to overtime and de-appropriating \$677,587 in salaries in the Fire Department's Operating Budget in order to support the Department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

Note: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in *strikethrough italics Times New Roman font*.
Board amendment additions are in double underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (*)** indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The uses of funding outlined below are herein appropriated to reflect the projected uses of funding for FY2013-2014.

USES Appropriation

Fund	Index/Project Code	Subobject	Description	Amount
1G AGF AAA	315014	01102	SALARIES -	\$520,165
GF - NON PROJECT			OVERTIME - UNIFORM	
CONTROLLED				

1	5A AAA AAA	315017	01102	SALARIES -	\$157,422
2	SFIA - NON PROJECT			OVERTIME - UNIFORM	
3	CONTROLLED				
4					
5	Total USES Appropriation				<u><u>\$677,587</u></u>

7 Section 2. The uses of funding outlined below are herein de-appropriated to reflect the
8 projected funding available for FY2013-2014.


10 **Uses De-Appropriation**

11	Fund	Index/Project Code	Subobject	Description	Amount
12	1G AGF AAA	315014	00201	SALARIES -	(\$520,165)
13	GF - NON PROJECT			REGULAR - UNIFORM	
14	CONTROLLED				
15					
16	5A AAA AAA	315017	00201	SALARIES -	(\$157,422)
17	SFIA - NON PROJECT			REGULAR - UNIFORM	
18	CONTROLLED				
19					
20					
21	Total USES De-Appropriation				<u><u>(\$677,587)</u></u>

1 Section 3. The Controller is authorized to record transfers between funds and adjust
2 the accounting treatment of sources and uses appropriated in this Ordinance as necessary to
3 conform with Generally Accepted Accounting Principles.
4

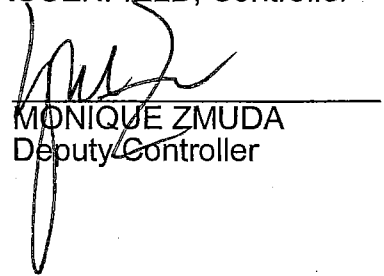
5
6 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

7
8 By:


THOMAS OWEN
Deputy City Attorney

FUNDS AVAILABLE:
BEN ROSENFELD, Controller

9
10 By:


MONIQUE ZMUDA
Deputy Controller

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.105 states that amendments to the Annual Appropriation Ordinance are subject to Board of Supervisors approval by ordinance after the Controller certifies the availability of funds.

City Administrative Code Section 3.17(a) states that the Annual Appropriation Ordinance must contain a separate appropriation for overtime within the operating budgets for the: Airport, Department of Emergency Management, Fire Department, Police Department, Department of Public Health, Public Utilities Commission, Department of Public Works, Recreation and Park, and the Sheriff's Department.

City Administrative Code Section 3.17(b) states that any supplemental appropriations to the overtime appropriation in the operating budgets of the departments listed in Section 3.17(a) shall be approved by the Board of Supervisors after the Controller certifies the availability of funds.

Background

In April 2014, the Board of Supervisors approved a supplemental appropriation (File 14-0377), re-allocating \$1,712,732 in the Fire Department's operating budget funded by the Airport Fund in order to pay for additional overtime needed for uniform staff at the Airport.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would amend the Annual Appropriation Ordinance for FY 2013-14 to re-appropriate \$677,587 in the Fire Department's operating budget to overtime, of which \$520,165 is General Fund and \$157,422 is Airport Fund.

General Fund Overtime

The Fire Department's FY 2013-14 budget assumed that 30 firefighters would be retiring in FY 2013-14 and that the Department would need to use some portion of overtime to backfill the vacancies and to meet mandatory staffing levels as these employees separated from the Department. The amount of overtime needed to meet the staffing levels would depend on the number of retirements and the number of recruits graduating from the fire academy.

According to Mr. Mark Corso, Fire Department Chief Financial Officer, the Department estimated 30 employees would retire based on the age of the firefighters and the date of initial employment. However, the actual number of retirements in FY 2013-14 was 43, 13 more than had been estimated.

Additionally, the Fire Department anticipated that 84 recruits would graduate from the fire academy in FY 2013-14. These recruits would be able to offset a portion of the anticipated retirements and staffing needs in the Department as they graduated from the academy. The actual number of graduates in FY 2013-14 was 82, or 2 less than anticipated. As a result, there were not enough new and existing Department staff to meet service standards.

Airport Fund Overtime

At the time the Board of Supervisors approved the April 2014 supplemental appropriation request for overtime at the Airport, there were 81 Fire Department personnel assigned to the Airport. The majority (73) were assigned to 24-hour shifts to provide fire suppression and emergency medical services (EMS). The remaining (8) were assigned to non-suppression roles, which include a regular 40-hour work week.

After the Asiana Airlines crash at the Airport in July 2013, the Airport increased the mandatory minimum staffing requirements for fire suppression and EMS at the Airport from 23.00 full-time equivalent positions (FTEs) to 24.00 FTEs that must be filled 24 hours per day.

Since April 2014, the Fire Department has increased the number of FTEs for fire suppression and EMS but did not assign sufficient personnel to keep up with retirements and vacancies. Consequently, the Fire Department used overtime to meet service standards.

According to Mr. Corso, the pool of eligible Fire Department staff that can work at the Airport in FY 2014-15 will increase as staff undergo training to meet required certifications, which should allow the Fire Department to provide service at the Airport within its currently budgeted authority and which should prevent the Fire Department from having to submit another supplemental appropriation request for overtime at the Airport in FY 2014-15.

FISCAL IMPACT

The proposed ordinance would de-appropriate \$677,587 from permanent salaries and re-appropriate these funds to overtime. Based on its analysis of overtime incurred through June 24, 2014, the Budget and Legislative Analyst's Office recommends reducing the requested supplemental appropriation for the General Fund overtime and the Airport Fund overtime as shown in the Table below.

Table: Estimated Need and Sources of Funds for Supplemental Overtime Appropriation

	General Fund	Airport Fund	Total
Accrued Expenditures as of June 24, 2014	\$35,846,615	\$4,165,388	\$40,012,003
Estimated Overtime Expenditures for June 25-30, 2014	2,140,737	\$294,317	2,435,054
Total Estimated Overtime Expenditures for FY 2013-14	\$37,987,352	\$4,459,705	\$42,447,057
Previously Approved Budget for Overtime Expenditures in FY 2013-14	37,474,648	4,319,126	41,793,774
Additional Needed Amount as Recommended by the Budget and Legislative Analyst's Office	\$512,704	\$140,579	\$653,283

Therefore, the Budget and Legislative Analyst's Office recommends reducing the requested supplemental appropriation by \$24,304 from \$677,587 to \$653,283, as shown in the Table above, which includes a General Fund reduction of \$7,461 and an Airport Fund reduction of \$16,843.

RECOMMENDATIONS

1. Amend the proposed ordinance to reduce the requested supplemental appropriation by \$24,304 from \$677,587 to \$653,283, which includes a General Fund reduction of \$7,461 and an Airport Fund reduction of \$16,843.
2. Approve the proposed ordinance as amended.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *EL* Mayor Edwin M. Lee *EL*
RE: Appropriation and De-Appropriation - Surplus Expenditures of \$677,587
Supporting Increased Overtime Expenditures - FY2013-2014
DATE: July 8, 2014

Attached for introduction to the Board of Supervisors is the Ordinance appropriating \$677,587 to overtime and de-appropriating \$677,587 in salaries in the Fire Department's Operating Budget in order to support the Department's projected increases in overtime as required per Ordinance No. 194-11 in FY2013-2014.

I request that this item be calendared in ~~_____~~ on July 16th.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

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BOARD OF SUPERVISORS
SAN FRANCISCO
2014 JUL -8 PM 3:00