

File No. 105557

Committee Item No. 8

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 1/27/10

Board of Supervisors Meeting

Date _____

Cmte Board

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- Introduction Form (for hearings)
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OTHER

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Completed by: Gail Johnson

Date 1/22/10

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Motion requesting the Budget and Legislative Analyst to conduct an audit of the City's
2 General Fund revenues]
3

4 **Motion requesting the Budget and Legislative Analyst to (a) conduct an audit of the**
5 **City and County of San Francisco's existing lease, fee, and other General Fund**
6 **revenues generated by City department activities and of the City' collection of General**
7 **Fund revenues; and (b) identify new General Fund revenues, enhancement of existing**
8 **General Fund revenues, and improved collection of General Fund revenues.**
9

10 WHEREAS, It is the policy of the Board of Supervisors that each program of the City
11 and County of San Francisco be the subject of a performance or management audit at least
12 once every eight years; and

13 WHEREAS, The function of regular audits is to ensure that City departments and
14 agencies make prudent and efficient use of city resources and also effectively perform the
15 functions assigned to them by the charter and applicable laws; and now be it

16 MOVED, That the Budget and Legislative Analyst is hereby requested to (a) survey the
17 City's existing General Fund fees, leases, licenses, permits, rates, and other General
18 revenues generated by City department activities; (b) evaluate sufficiency of existing City
19 department revenue sources for covering the costs of City department services; (c) evaluate
20 the City's revenue collection efforts; and (d) identify opportunities for increased revenues from
21 leases and rents, charges for City services, grants, and other General Fund revenue sources,
22 and from improved collection.
23
24
25

Items # 8
Files 10- 0057

Department(s):
Board of Supervisors

EXECUTIVE SUMMARY

Legislative Objectives

File 10-0057: Motion requesting the Budget and Legislative Analyst to: (1) conduct a performance audit of the City and County of San Francisco's existing lease, fee, and other General Fund revenues generated by City department activities and of the City's collection of General Fund revenues; and (2) identify potential new General Fund revenues, enhancement of existing General Fund revenues, and improved collection of General Fund revenues.

Fiscal Impact

The existing FY 2009-10 appropriation for Budget and Legislative Analyst services would cover the costs of the proposed performance audit. Therefore, there would be no additional costs to the City.

Key Points

To implement the proposed performance audit, the Budget and Legislative Analyst would:

- Identify major revenue sources for City General Fund departments, such as charges for services, fees, federal or State grants, and lease and concession revenues.
- Assess which revenue sources and revenue collection activities require a more detailed review.
- Identify (1) potential new grant, service charge, fee, lease or other revenues that impact the General Fund, (2) enhancement of existing General Fund revenues such as evaluating whether existing fees fully recover costs, and (3) improved collection of General Fund revenues.

The proposed performance audit would not evaluate revenues (1) generated by taxes, (2) generated by special funds or enterprise funds, such as the Airport, Port, and Public Utilities Commission, and (3) General Fund revenues restricted for special purposes by the Administrative Code or Charter, such as the Library Fund and the Municipal Transportation Agency.

The Budget Analyst estimates that the review of the City's General Fund revenues would require approximately 1,200 to 1,500 service hours. We would complete the proposed performance audit prior to June 1, 2010.

Recommendations

Approval of the proposed motion is a policy matter for the Board of Supervisors.

BACKGROUND

The Budget and Legislative Analyst provides performance audit services to the Board of Supervisors. The Agreement between the Budget and Legislative Analyst Joint Venture Partnership and the Board of Supervisors defines the Budget and Legislative Analyst scope of services and requires that the Budget and Legislative Analyst submit an annual work plan estimating the allocation of staff hours for each service category and major project for input, review and approval by the Board of Supervisors.

The Budget and Legislative Analyst has met with members of the Board of Supervisors for input into the annual work plan and will submit a proposed 2010 work plan to the Board of Supervisors for approval on January 25, 2010. Under the proposed 2010 work plan, the Budget and Legislative Analyst recommends allocating an estimated 4,450 service hours for performance audits and special projects.

DETAILS OF PROPOSED LEGISLATION

The proposed motion would direct the Budget and Legislative Analyst (1) conduct a performance audit of the City and County of San Francisco's existing lease, fee, and other General Fund revenues generated by City department activities and of the City's collection of General Fund revenues; and (2) identify potential new General Fund revenues, enhancement of existing General Fund revenues, and improved collection of General Fund revenues.

To implement the proposed performance audit, the Budget and Legislative Analyst would:

- Identify the City's General Fund departments' revenues. This includes a survey of permit, fee, and license revenues authorized by the Municipal Code; charges for services; lease and concession revenues; Federal and State grants and allocations; and other revenues that support the services of the City's General Fund departments. The proposed performance audit would not evaluate revenues (1) generated by taxes, (2) generated by special funds or enterprise funds, such as the Airport, Port, and that do not directly impact the General Fund, and (3) General Fund revenues restricted for special purposes by the Charter, such as the Library Fund and the Municipal Transportation Agency.
- Assess which revenue sources and revenue collection activities require a more detailed review.
- Identify (1) potential new grant, service charge, fee, lease or other revenues that impact the General Fund, (2) enhancement of existing General Fund revenues such as evaluating whether existing fees fully recover costs, and improved collection of General Fund revenues.

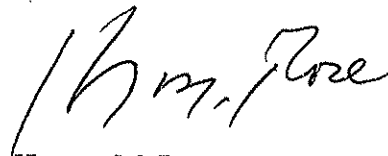
The Budget and Legislative Analyst estimates that the proposed performance audit of the City's General Fund revenues would require approximately 1,200 to 1,500 service hours. We would complete the proposed performance audit prior to June 1, 2010.

FISCAL IMPACTS

The existing FY 2009-10 appropriation for Budget and Legislative Analyst services would cover the costs of the proposed performance audit. Therefore, there would be no additional costs to the City.

RECOMMENDATION

Approval of the proposed motion is a policy matter for the Board of Supervisors.



Harvey M. Rose

- cc: Supervisor Avalos
- Supervisor Mirkarimi
- Supervisor Elsbernd
- President Chiu
- Supervisor Alioto-Pier
- Supervisor Campos
- Supervisor Chu
- Supervisor Daly
- Supervisor Dufty
- Supervisor Mar
- Supervisor Maxwell
- Clerk of the Board
- Cheryl Adams
- Controller
- Greg Wagner

