

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 Holzbaur

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

- MAYOR’S LETTER7**

- BUDGET SUMMARY TABLES9**

- DEPARTMENT BUDGETS13**
 - 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

- CAPITAL & IT PROJECTS75**
 - Capital Projects.....77
 - IT Projects81

- ADDITIONAL BUDGETARY RESOURCES83**
 - Additional Budgetary Resources.....85
 - Obtaining Budget Documents and Resources.....86

- COMMONLY USED TERMS87**

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

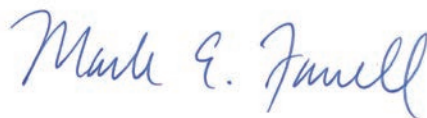
have access to free educational and recreational opportunities at our libraries by providing funding to increase programming and ensuring public access to technology and the internet.

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 Budget	2018-2019 Budget	Chg From 2017-2018	2019-2020 Budget	Chg From 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
Expenditure Subtotals	\$3,717,017,953	\$4,194,939,691	\$477,921,738	\$4,443,163,791	\$248,224,100
Less Interdepartmental Recoveries And Transfers	(\$188,928,779)	(\$199,203,588)	(\$10,274,809)	(\$210,630,196)	(\$11,426,608)
Net Uses	\$3,528,089,174	\$3,995,736,103	\$467,646,929	\$4,232,533,595	\$236,797,492

FUNDED POSITIONS BY SERVICE AREA AND DEPARTMENT

Service Area: B Public Works, Transportation & Commerce

	2017-2018 Original Budget	2018-2019 Proposed Budget	Change From 2017-2018	2019-2020 Proposed Budget	Change From 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
Service Area: B Total	8,935.42	9,146.50	211.08	9,280.17	133.67

Service Area: C Human Welfare & Neighborhood Development

	2017-2018 Original Budget	2018-2019 Proposed Budget	Change From 2017-2018	2019-2020 Proposed Budget	Change From 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)
Service Area: C Total	182.65	177.96	(4.69)	177.88	(0.08)

Service Area: E Culture & Recreation

	2017-2018 Original Budget	2018-2019 Proposed Budget	Change From 2017-2018	2019-2020 Proposed Budget	Change From 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)
Service Area: E Total	700.60	700.14	(0.46)	697.57	(2.57)

Service Area: F General Administration & Finance

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

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



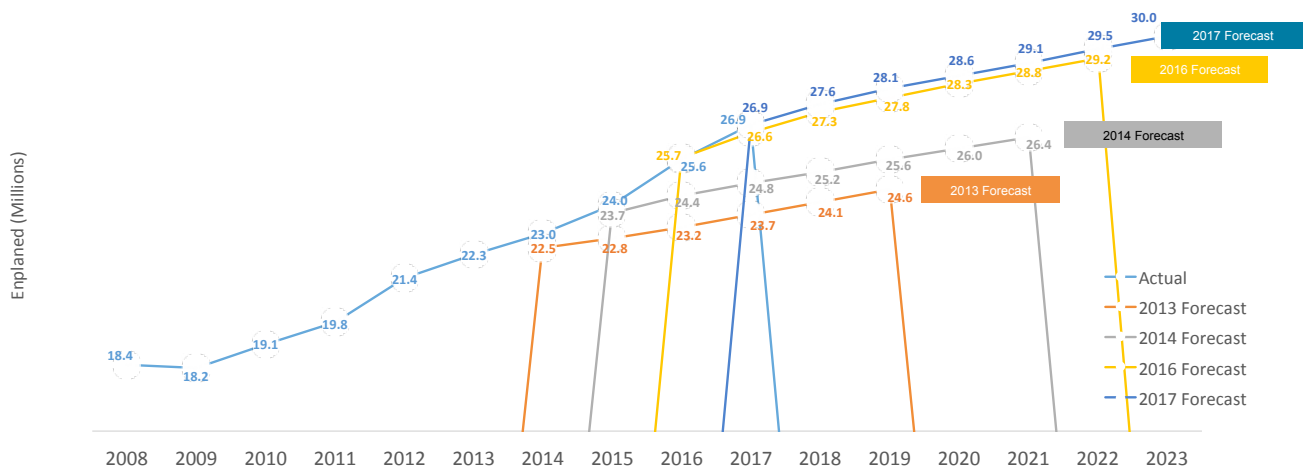
BUDGET ISSUES AND DETAILS

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.

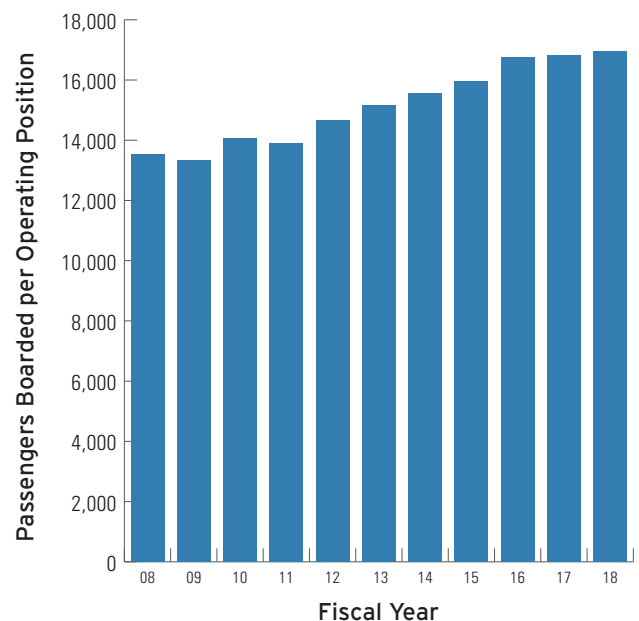
An enhanced guest experience benefits the traveling public and supports SFO concessionaires—nearly 70 percent of which are locally-owned. Continued investment in hospitality has resulted in SFO being one of the nation’s top performing airports for retail, food, and beverage concessions. This investment 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

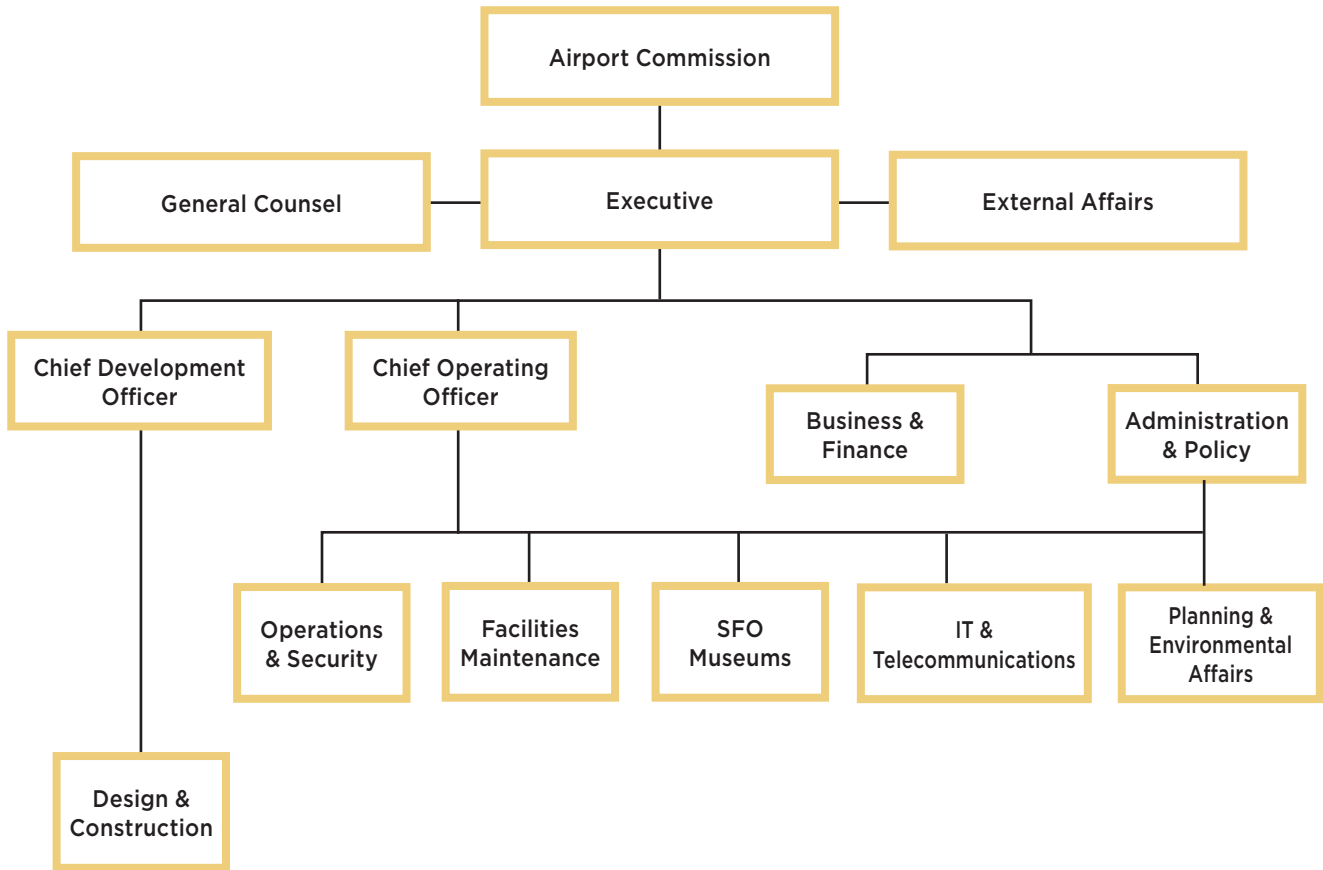
The Airport strives to be a leader in sustainability by developing guidelines and implementing initiatives to achieve long-term goals, including Airport-wide zero-waste generation, carbon-neutrality for Airport Commission-controlled operations, a 15 percent reduction in water usage per passenger, and 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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 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)
Net Operating Positions	1,585.95	1,598.70	12.75	1,598.56	(0.14)

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					
Sources Total	987,785,877	1,112,872,807	125,086,930	1,223,801,702	110,928,895

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
Uses Total	987,785,877	1,112,872,807	125,086,930	1,223,801,702	110,928,895

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
Uses by Division Total	987,785,877	1,112,872,807	125,086,930	1,223,801,702	110,928,895

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

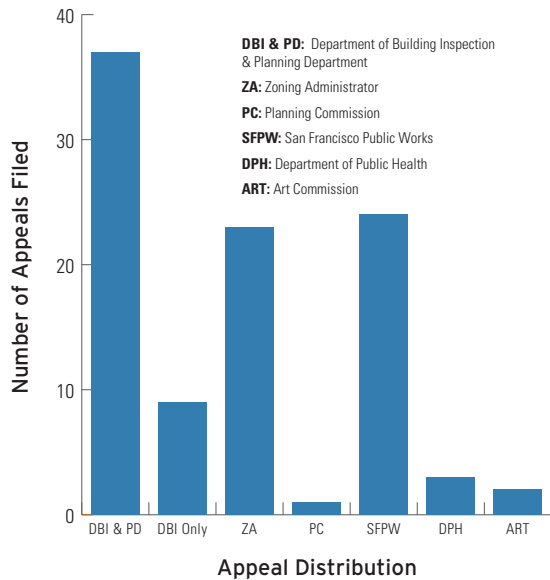
The Board of Appeals has a proposed budget of \$1.1 million in FY 2018-19 and \$1.1 million in FY 2019-20. This is roughly the same as the FY 2017-18 budget of \$1 million. The small increase in FY 2018-19 is driven by salary and benefit cost increases.

STRIVING FOR EXCELLENT AND ACCESSIBLE CITY SERVICES

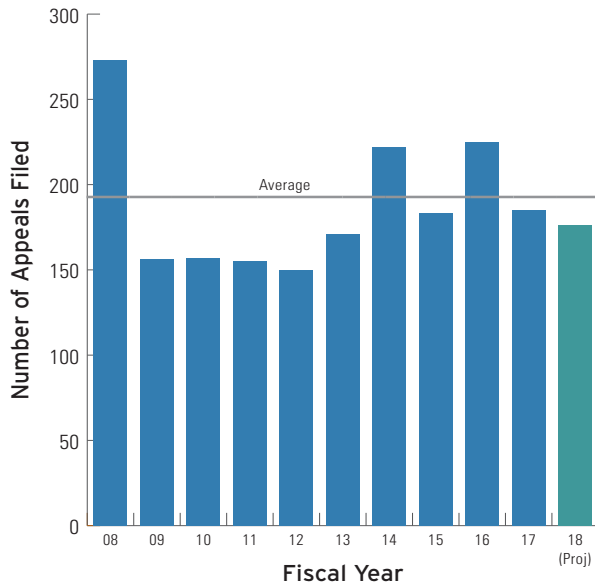
The BOA continues to improve the accessibility of the appeal process by developing new resource materials for the public and by providing written and telephonic information in different languages. In an effort to maximize public access to Board decisions, the Board posts all decisions dating

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.



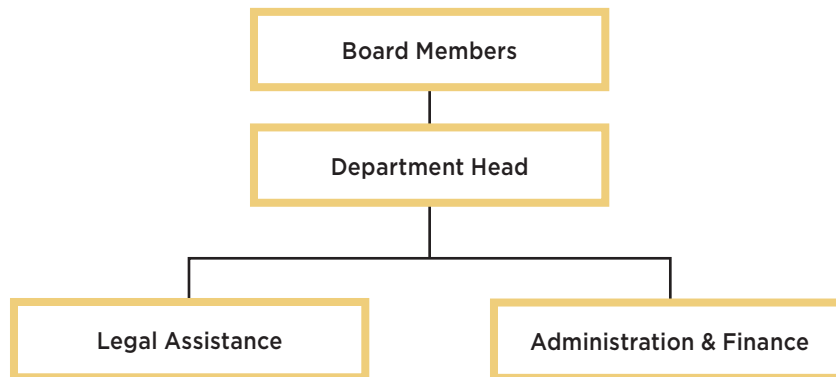
APPEAL DISTRIBUTION. The distribution of appeals filed based on the department issuing the determination being appealed.



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

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
Sources Total	1,038,570	1,071,849	33,279	1,102,681	30,832

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
Uses Total	1,038,570	1,071,849	33,279	1,102,681	30,832

Uses - Division Description

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

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.

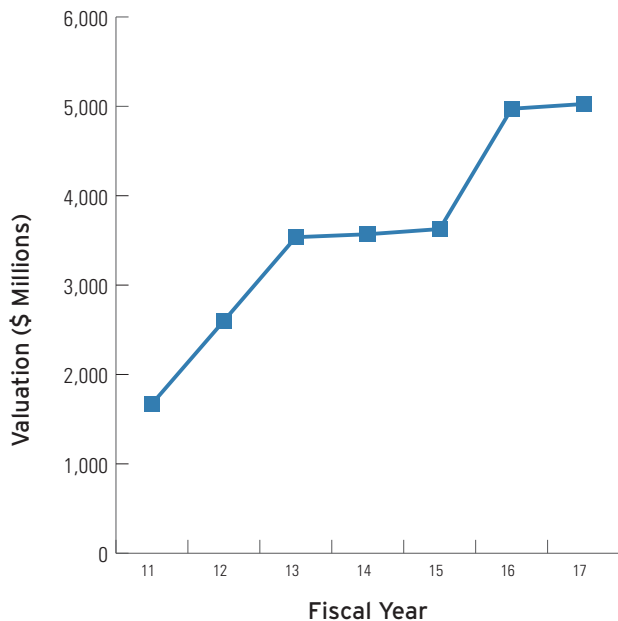
DELIVERING THE HIGHEST LEVEL OF CUSTOMER SERVICE

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).

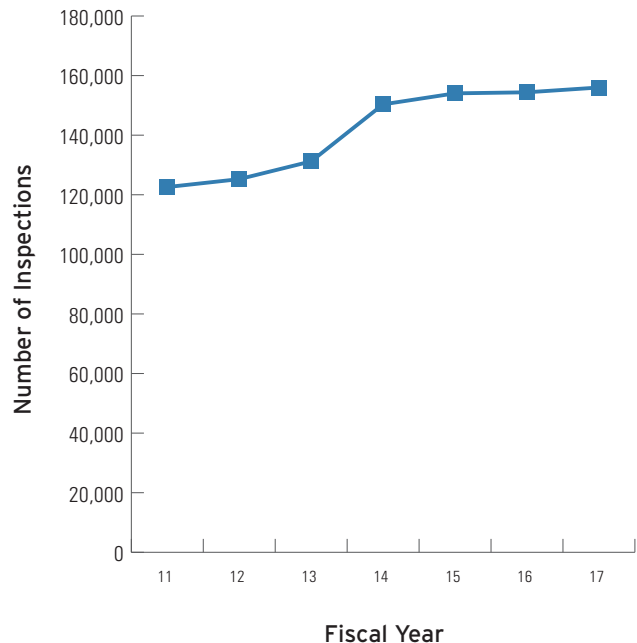
In addition to recruitment, the proposed budget provides funding for training to enhance DBI staff skills. Over the next two budget cycles, DBI staff will receive a variety of internal and external trainings related to disaster preparedness, software, technical inspections, and customer service.

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.

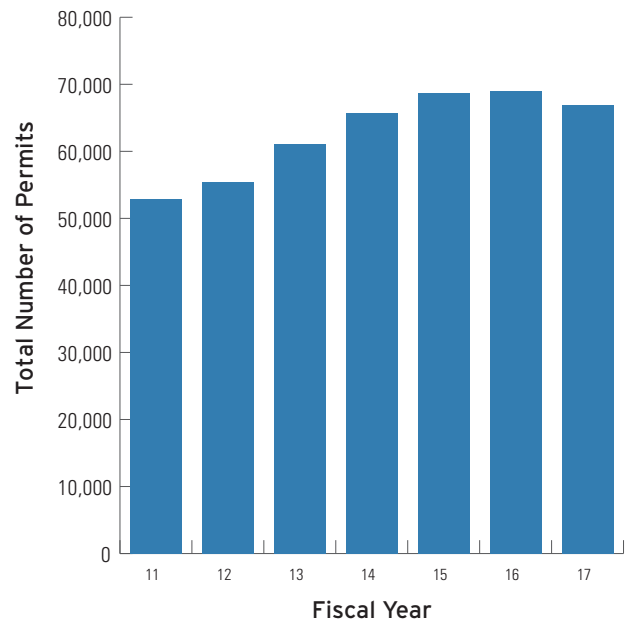


TOTAL INSPECTIONS PERFORMED.

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

IMPLEMENTING THE ACCESSIBLE BUSINESS ENTRANCE PROGRAM (ABE)

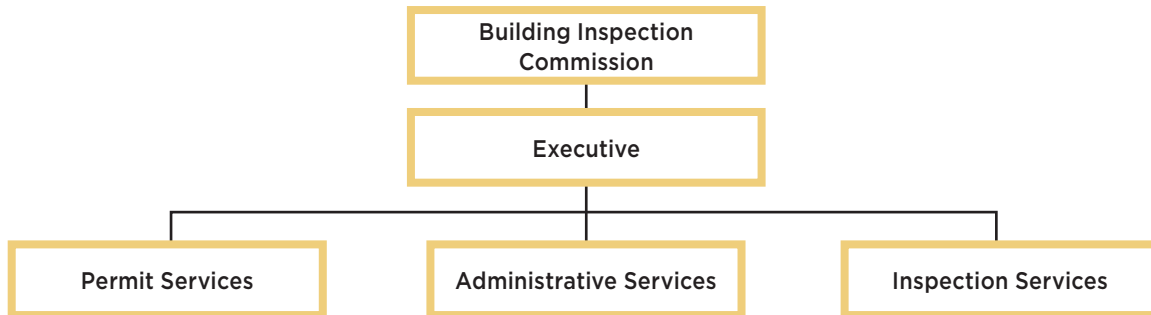
The Accessible Business Entrance Ordinance, passed by the Board of Supervisors in 2016, requires existing buildings with a place of “public accommodation” to have all primary entrances accessible to people with disabilities. The Department established a Disability Access Compliance Unit to implement 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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 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)	
Net Operating Positions	275.80	273.48	(2.32)	273.33	(0.15)

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					
Sources Total	76,533,699	77,782,063	1,248,364	76,547,087	(1,234,976)

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
Uses Total	76,533,699	77,782,063	1,248,364	76,547,087	(1,234,976)

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
Uses by Division Total	76,533,699	77,782,063	1,248,364	76,547,087	(1,234,976)

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

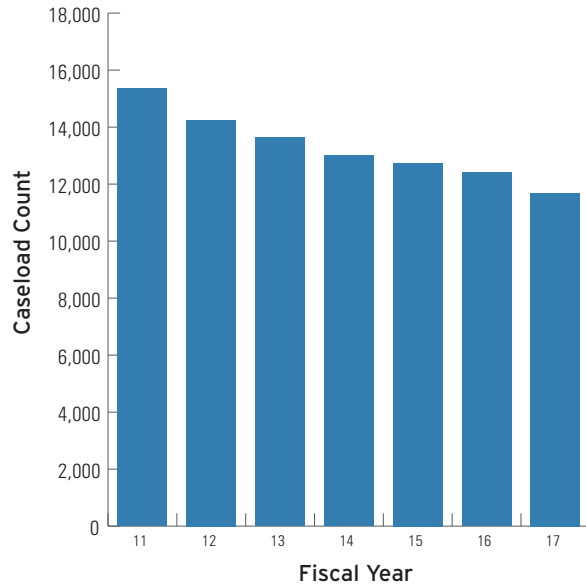
Although the Department's caseload has dropped by 18 percent over the last four years, collections have remained strong, only declining by two percent. Despite the decreasing caseload, the percentage of collections distributed to families has increased by five percent between 2012 and 2017. For FY 2016-17 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.

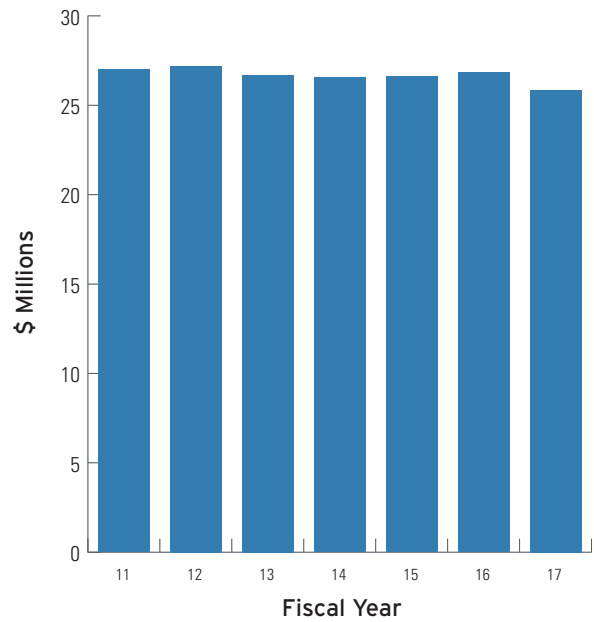
allow parents to reduce delinquent child support debt owed to the government, so that parents responsible for paying child support can focus their financial attention on their children. The pilot will test approaches that can relieve financial debt barriers that are inhibiting families' financial prospects 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.

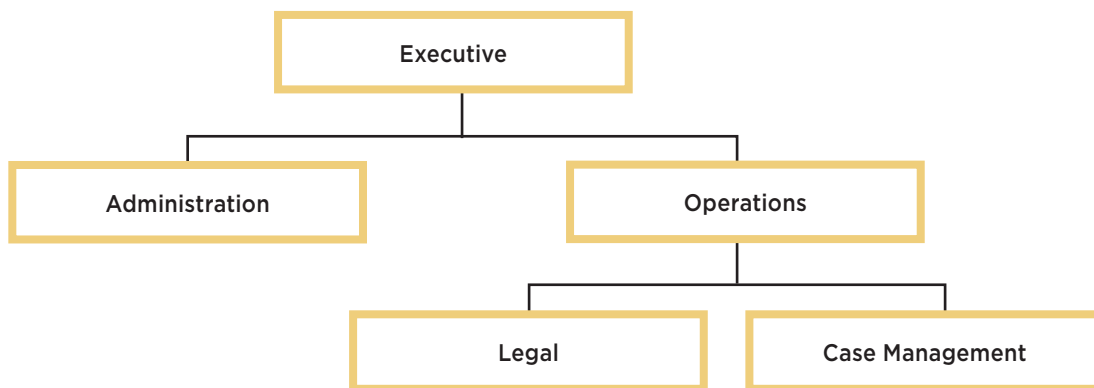
As of January 2018, CSS received nearly \$900,000 in child support collections via the payment kiosk. The CChildSup mobile application allows parents to make electronic payments, check their account, search the SF local agency, and research FAQs using their smartphone. Parents can download the CChildSup 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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 2018-2019
Total Authorized	79.30	75.25	(4.05)	75.26	0.01
Non-Operating Positions (cap/other)					
Net Operating Positions	79.30	75.25	(4.05)	75.26	0.01

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					
Sources Total	13,662,238	13,564,119	(98,119)	13,564,119	

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
Uses Total	13,662,238	13,564,119	(98,119)	13,564,119	0

Uses - Division Description

CSS Child Support Services	13,662,238	13,564,119	(98,119)	13,564,119	
Uses by Division Total	13,662,238	13,564,119	(98,119)	13,564,119	0

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

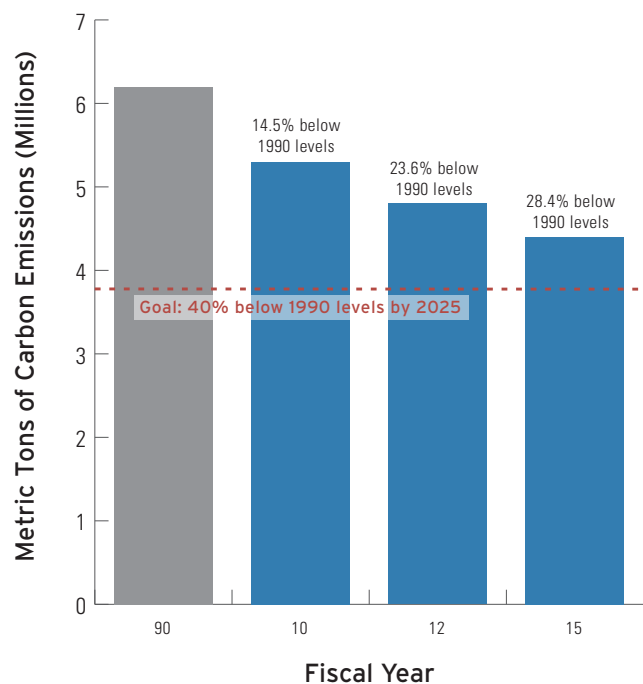
The Fiscal Year (FY) 2018-19 proposed budget of \$22 million for ENV is \$1.1 million, or 4.8 percent, lower than the FY 2017-18 budget of \$23.1 million. This is largely due to the expiration of grant funding.

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.

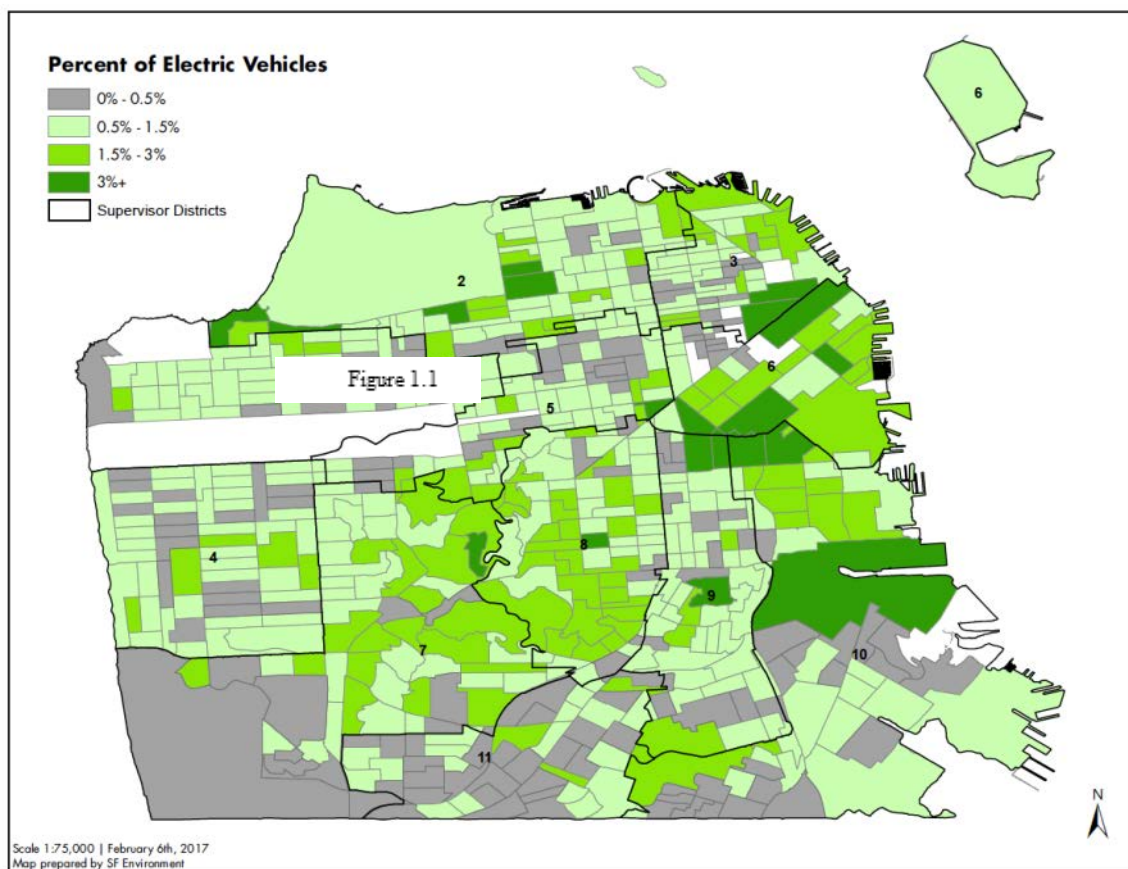
outreach, trainings, and tabling at community events. It will also feature targeted multilingual digital and print advertising (e.g. bus shelter ads).

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

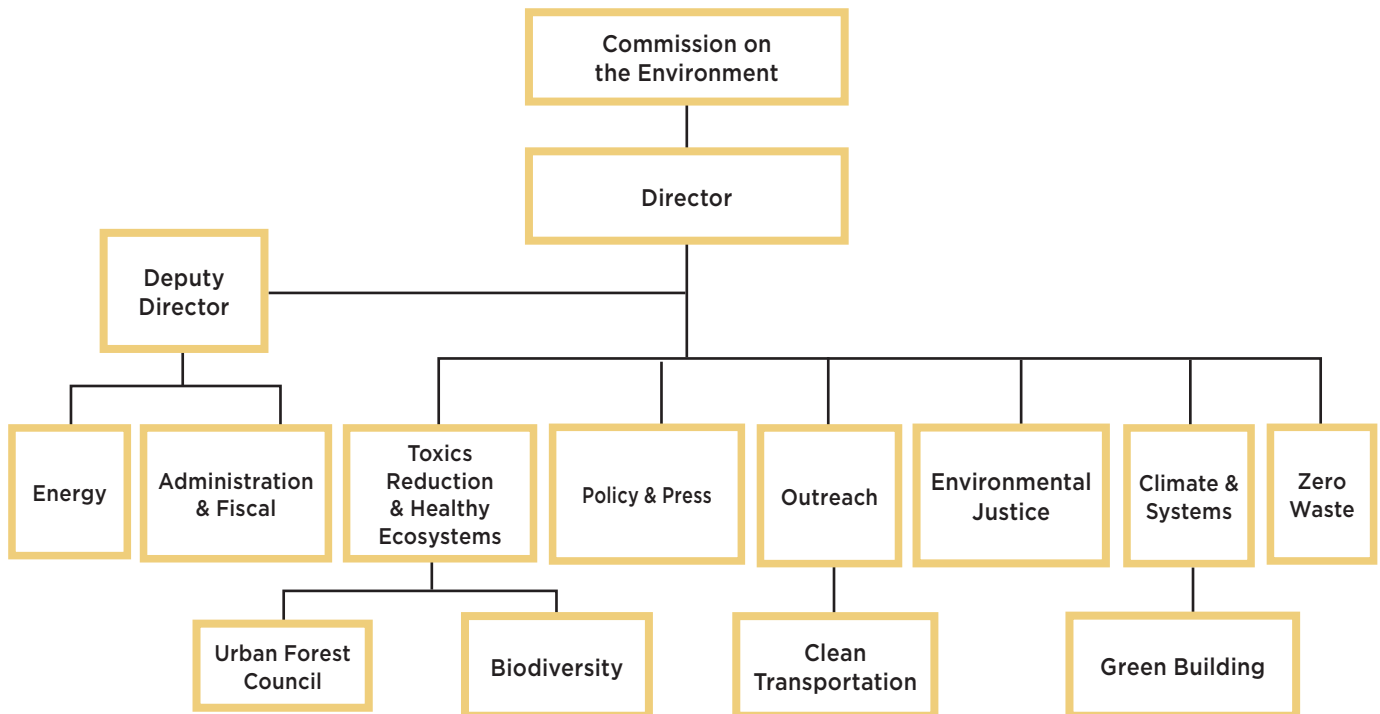
ENV's programs mitigate environmental burdens and improve the health and quality of life for residents facing the greatest disparities. As leaders of the Citywide Integrated Pest Management (IPM) Program, ENV staff deliver quality of life and sustainability improvements directly to low-income residents 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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 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)	
Net Operating Positions	66.90	66.04	(0.86)	65.96	(0.08)

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					
Sources Total	23,081,438	21,965,767	(1,115,671)	22,045,518	79,751

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)
Uses Total	23,081,438	21,965,767	(1,115,671)	22,045,518	79,751

Uses - Division Description

ENV Environment	23,081,438	21,965,767	(1,115,671)	22,045,518	79,751
Uses by Division Total	23,081,438	21,965,767	(1,115,671)	22,045,518	79,751

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.

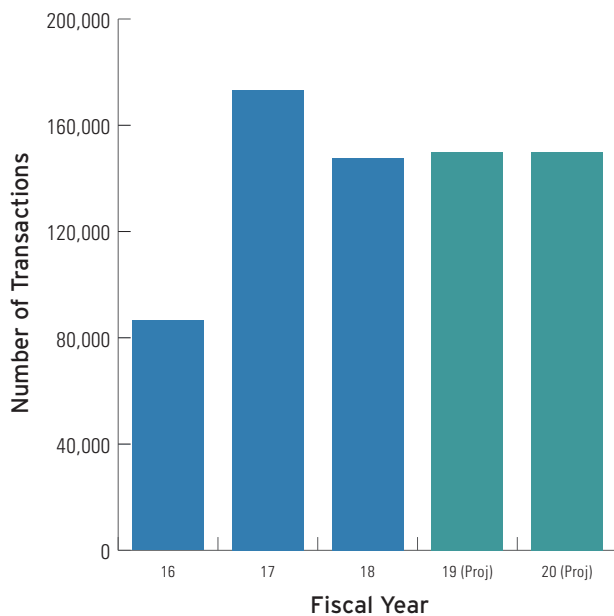
ELECTRONIC RESOURCES

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

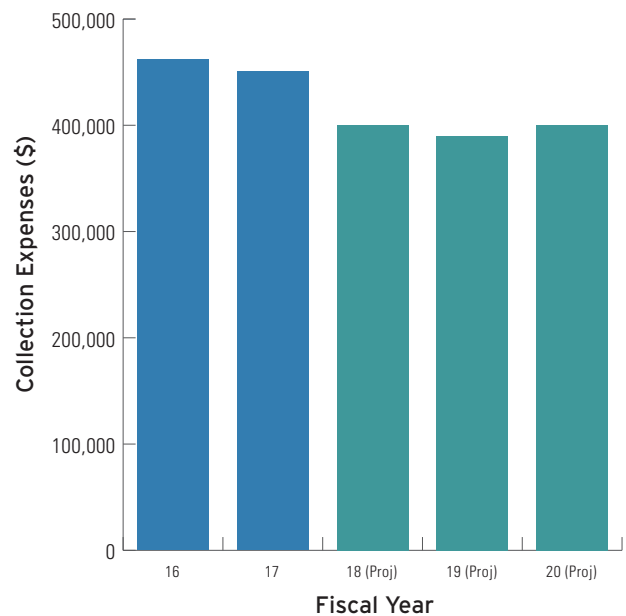
increase efficiency and provide better service to the community.

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.



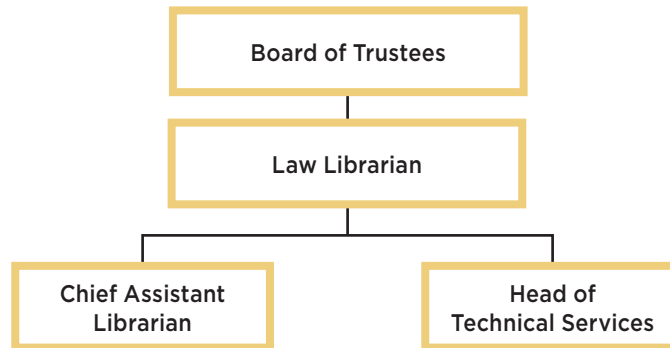
▲ USE OF MAJOR LEGAL DATABASES. *Legal database transactions are predicted to remain steady over the next two fiscal years.*



▲ 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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 2018-2019
Total Authorized	3.00	3.00		3.00	
Non-Operating Positions (cap/other)					
Net Operating Positions	3.00	3.00	0.00	3.00	0.00

General Fund Support	1,855,758	1,982,273	126,515	2,121,171	138,898
Sources Total	1,855,758	1,982,273	126,515	2,121,171	138,898

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
Uses Total	1,855,758	1,982,273	126,515	2,121,171	138,898

Uses - Division Description

LLB Law Library	1,855,758	1,982,273	126,515	2,121,171	138,898
Uses by Division Total	1,855,758	1,982,273	126,515	2,121,171	138,898

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

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



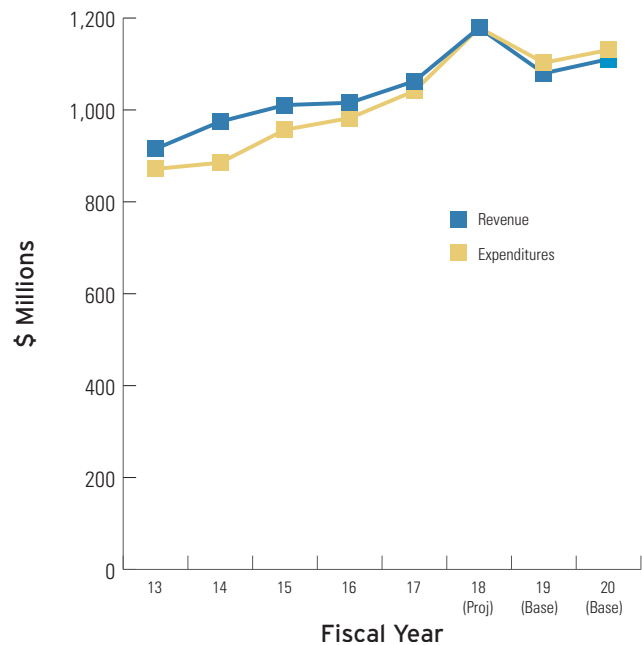
BUDGET ISSUES AND DETAILS

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



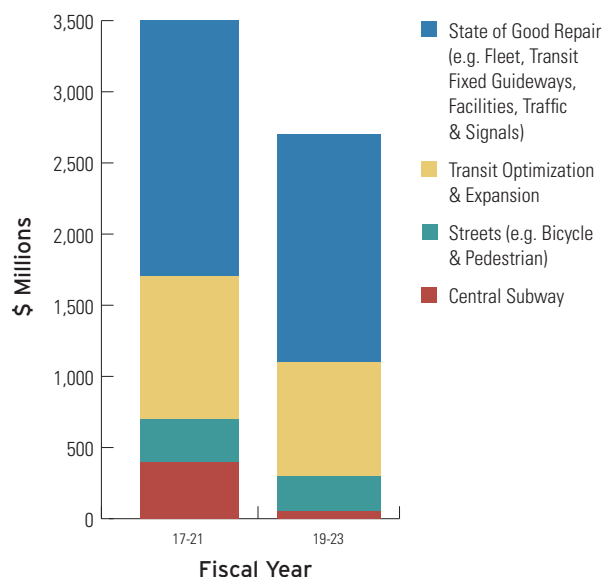
MTA REVENUES AND EXPENDITURES FY 2013-20. Expenditure growth has been outpacing revenues. This requires careful tradeoffs in order to balance the budget while providing increased services.

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.

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.

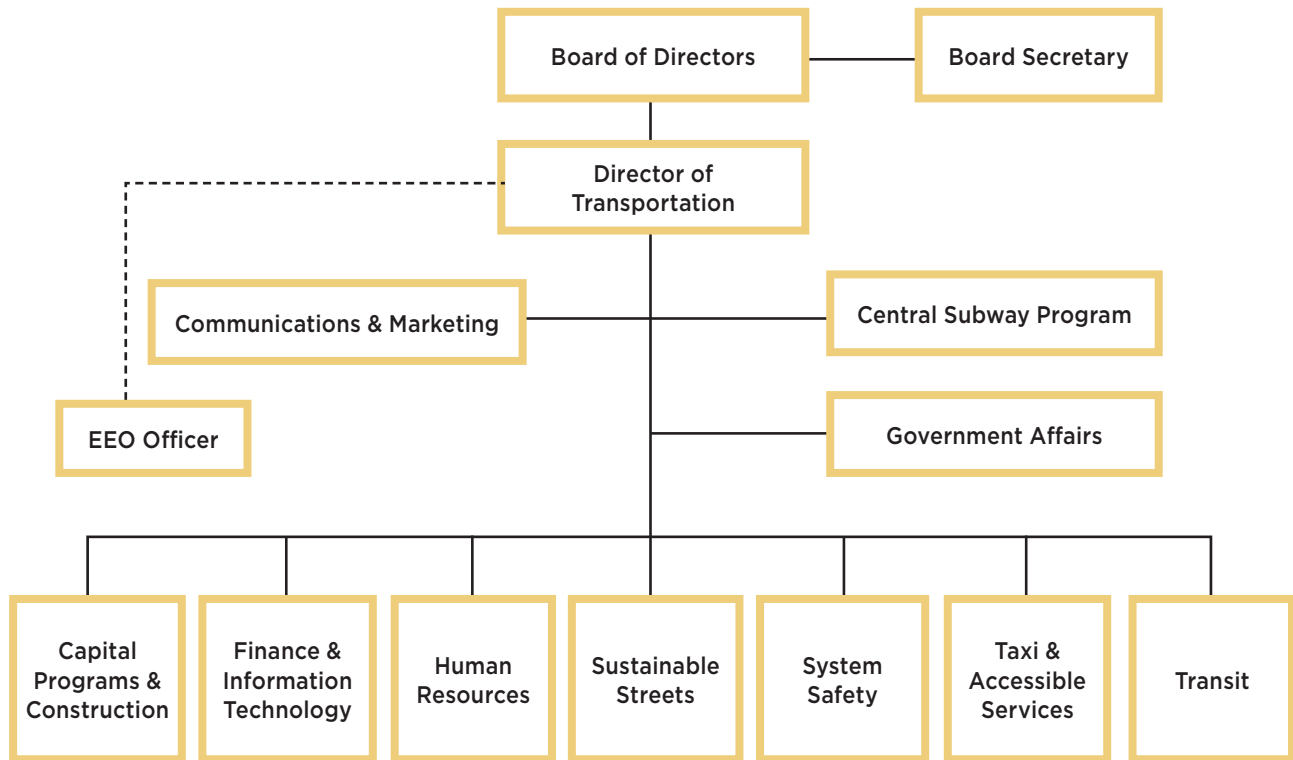
Van Ness Bus Rapid Transit

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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 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)	
Net Operating Positions	5,177.90	5,338.42	160.52	5,468.62	130.20

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
Sources Total	1,183,468,406	1,211,224,576	27,756,170	1,270,668,075	59,443,499

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)
Uses Total	1,183,468,406	1,211,224,576	27,756,170	1,270,668,075	59,443,499

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
Uses by Division Total	1,183,468,406	1,211,224,576	27,756,170	1,270,668,075	59,443,499

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

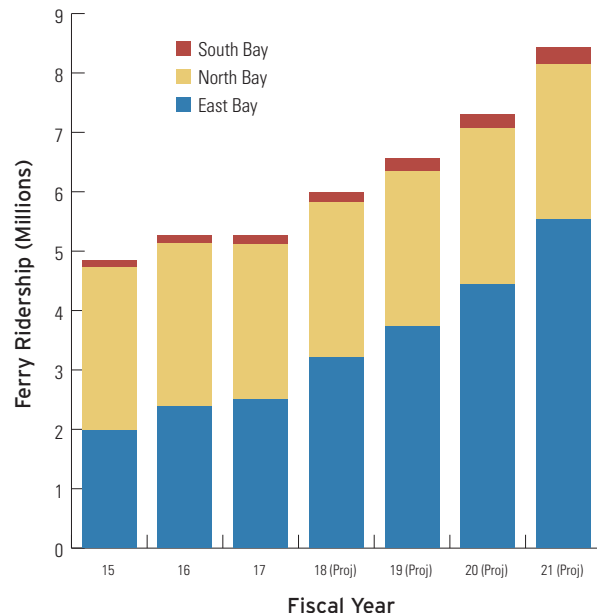
San Francisco's Embarcadero Seawall was constructed over a century ago and is the foundation of three miles of the City's northeastern waterfront, stretching from Fisherman's Wharf to Mission Creek. After significant research and analysis to understand the Seawall's vulnerability to both earthquakes 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

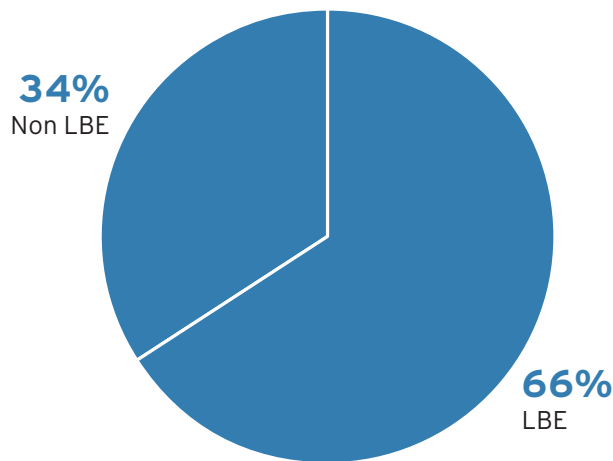


ANNUAL FERRY RIDERSHIP BY ORIGIN, ACTUALS AND PROJECTED. *The Port and its partners will accommodate a projected 74 percent increase in ferry ridership through the expansion of the Downtown Ferry Terminal and the new Mission Bay Ferry Landing.*

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.



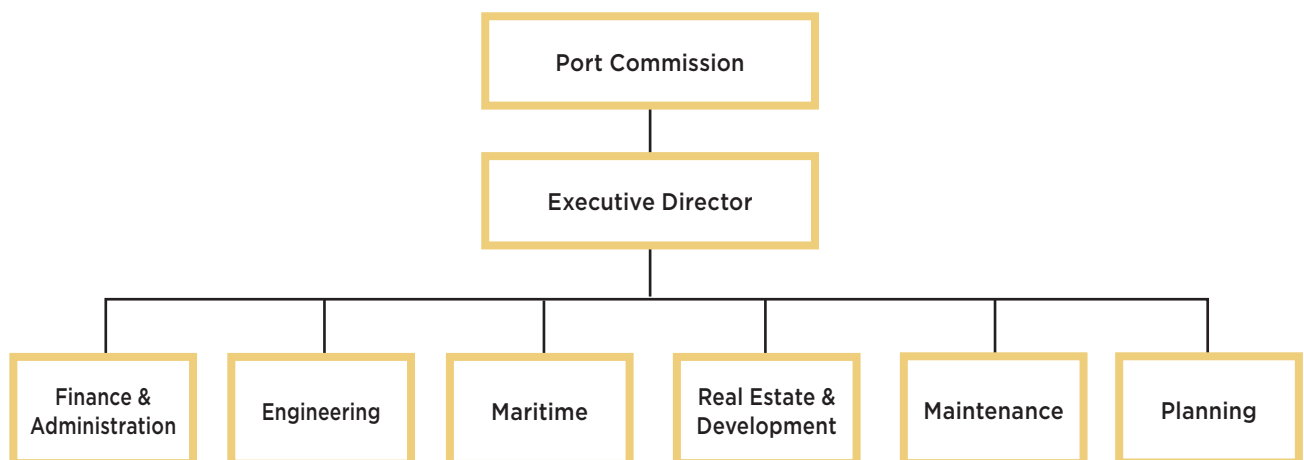
LOCAL BUSINESS ENTERPRISE (LBE) CONTRACT PAYMENTS. In FY 2016-17, the Port far exceeded the Mayor's citywide Local Business Enterprise participation goal of 40 percent.

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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 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)
Net Operating Positions	242.64	246.51	3.87	246.95	0.44

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		
Sources Total	133,202,027	174,354,417	41,152,390	147,698,264	(26,656,153)

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
Uses Total	133,202,027	174,354,417	41,152,390	147,698,264	(26,656,153)

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
Uses by Division Total	133,202,027	174,354,417	41,152,390	147,698,264	(26,656,153)

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 21st 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.

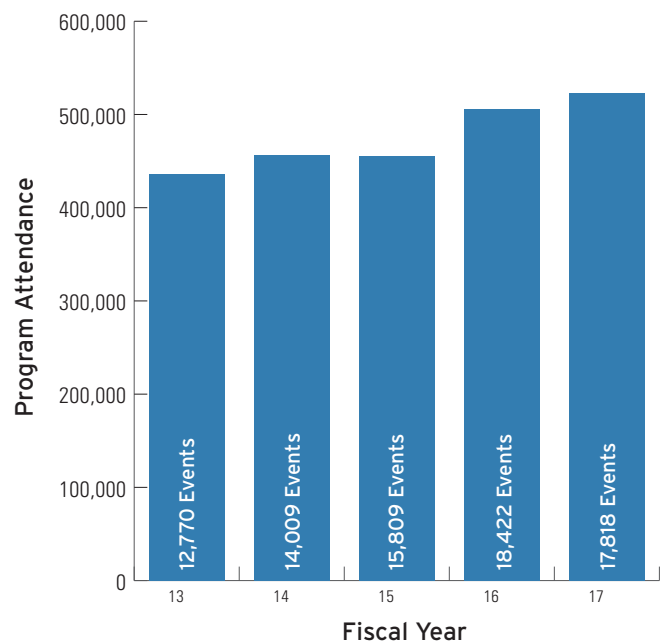
The FY 2019-20 proposed budget of \$150.5 million for the Library is \$8.9 million, or 5.6 percent lower than the proposed FY 2018-19 budget of \$159.4 million. The reduction is primarily due to fewer planned capital investments in FY 2019-20. However, the Library plans to continue making enhancements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

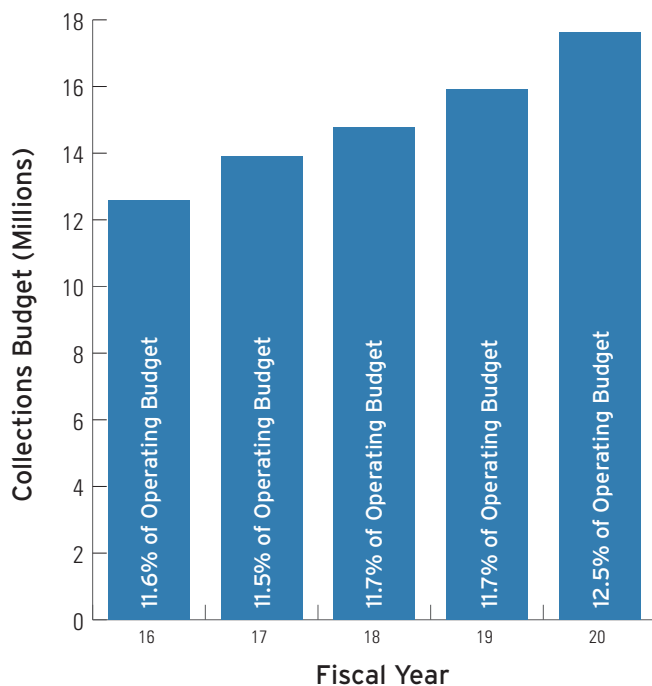
The Library’s proposed budget continues its commitment to providing welcoming facilities and meeting community service needs through staffing investments in library services, custodial services, security services, translation services, and administrative capacity for the Library’s 30-facility campus. 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.

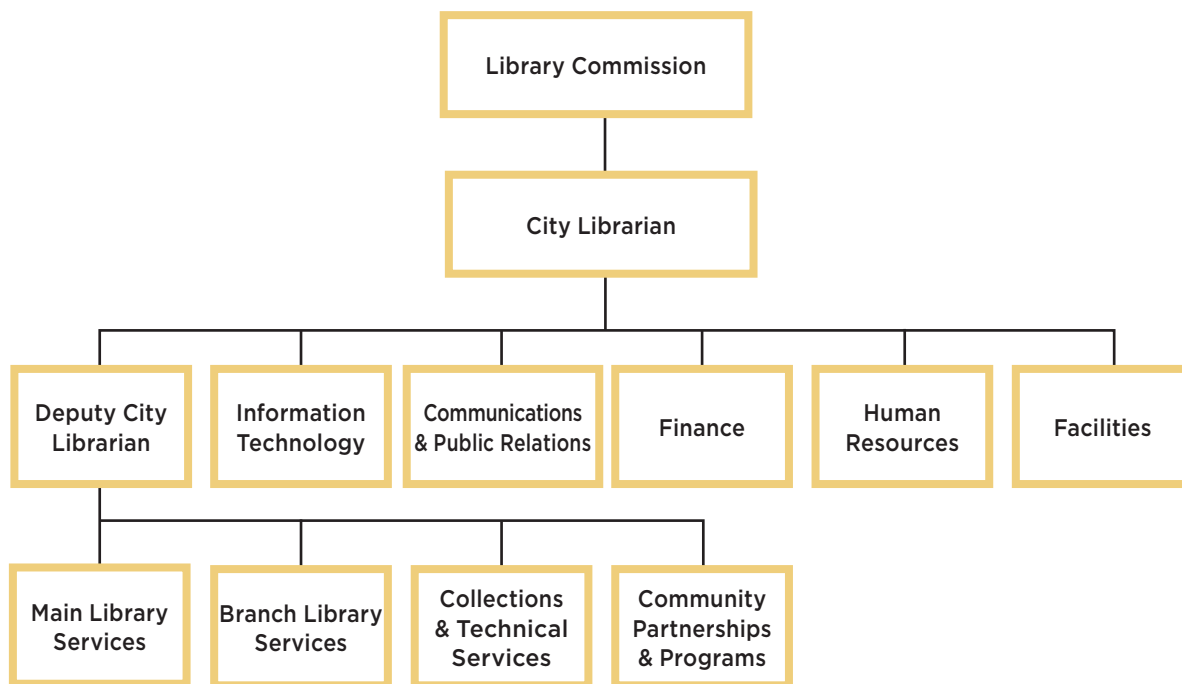
Additionally, the Library's digital strategy priority focuses on ensuring public access to technology

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

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
Sources Total	137,850,825	159,376,732	21,525,907	150,509,345	(8,867,387)

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
Uses Total	137,850,825	159,376,732	21,525,907	150,509,345	(8,867,387)

Uses - Division Description

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

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

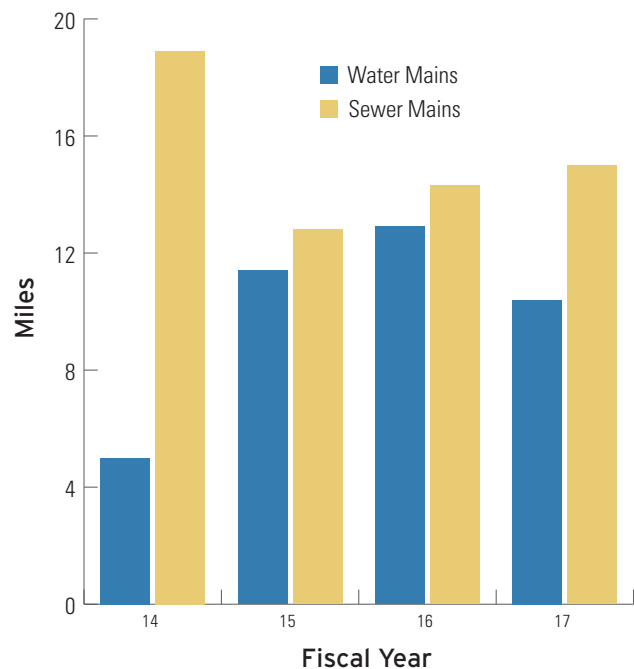
The Fiscal Year (FY) 2018-19 proposed budget of \$1,300.1 million for the Public Utilities Commission (PUC) is \$247.2 million, or 23.5 percent, higher than the FY 2017-18 budget of \$1,052.8 million. The change is mostly due to the expansion of the CleanPowerSF program, and the purchasing and selling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

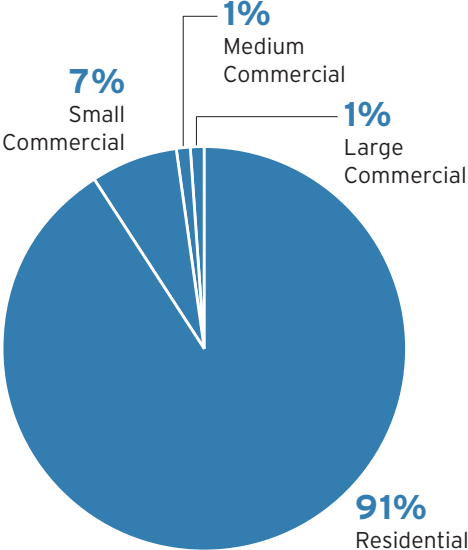
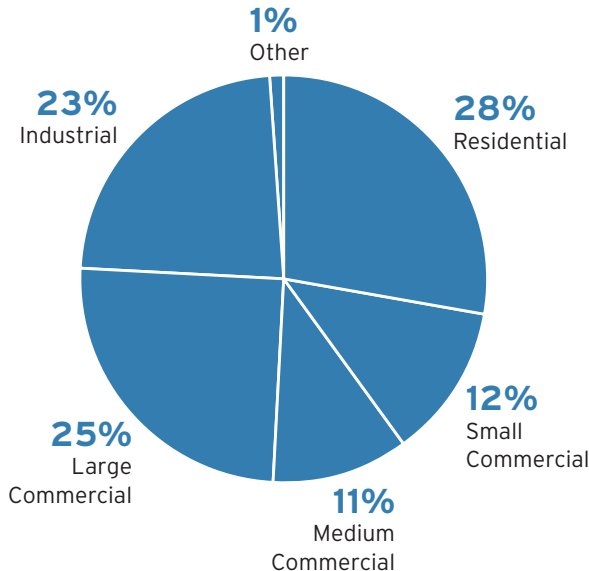
one of the Commission’s highest priorities. The citywide roll out CleanPowerSF, which will meet the Commission’s adopted goal of completion by July 2019 and ensure high quality service to an estimated 350,000 CleanPowerSF customers, accounts for 50 percent of the Department’s overall budget increase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

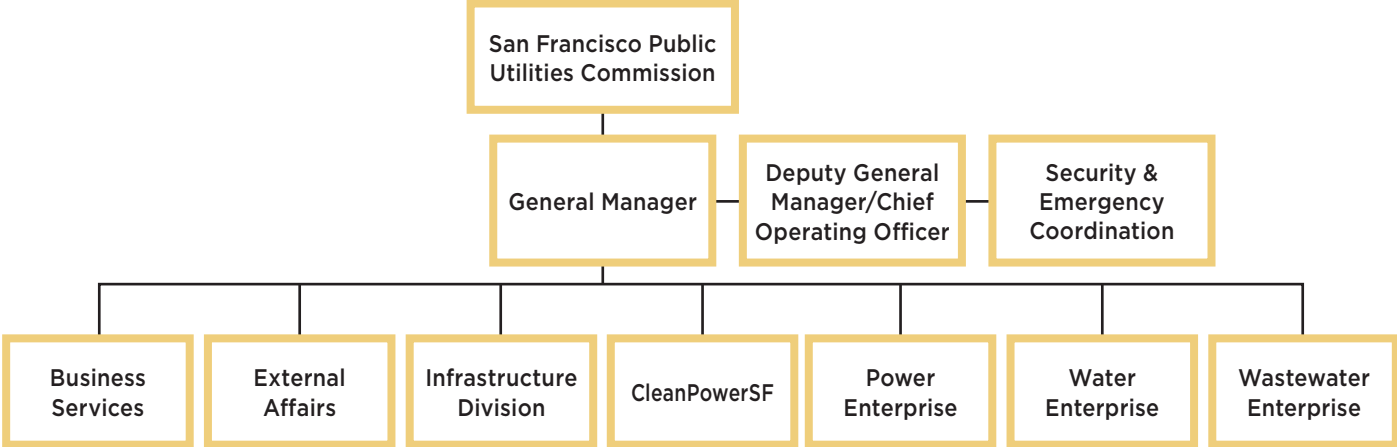
These significant capital investments are funded by increases to revenue and the issuance of revenue bonds. As a consequence, a major portion of the overall budget increase is to pay the debt service costs associated with bonds.



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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 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)
Net Operating Positions	1,648.13	1,684.39	36.26	1,687.71	3.32

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					
Sources Total	1,052,841,388	1,300,058,462	247,217,074	1,402,330,591	102,272,129

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)
Uses Total	1,052,841,388	1,300,058,462	247,217,074	1,402,330,591	102,272,129

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
Uses by Division Total	1,052,841,388	1,300,058,462	247,217,074	1,402,330,591	102,272,129

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
Total Expenditures	8,074,900	8,545,317	470,417	8,608,765	63,448
Total FTE	37	37	0	37	0



BUDGET ISSUES AND DETAILS

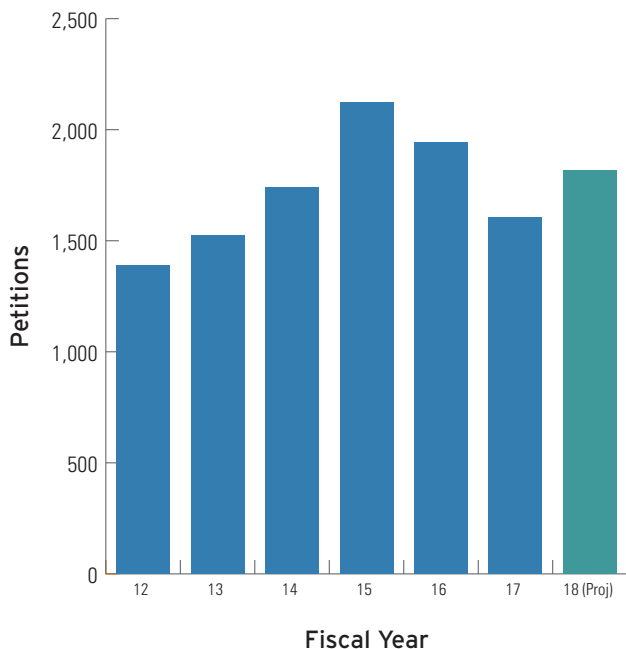
The Fiscal Year (FY) 2018-19 proposed budget of \$8.5 million for RNT is \$0.4 million, or 5.8 percent, higher than the FY 2017-18 budget of \$8.1 million. This increase is primarily due the filling of vacant positions. The FY 2019-20 proposed budget of \$8.6 million is \$0.1 million, or 0.7 percent,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

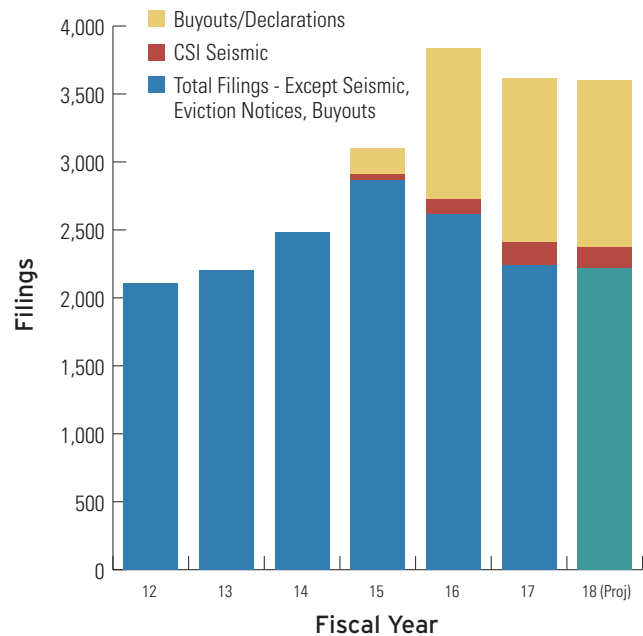
The Rent Board is continuing to participate in cross-departmental collaboration by pursuing a strategy of sharing data in more streamlined and standardized ways. By working with other city departments to increase data sharing when work presents mutual data dependencies, the Department is aiming to increase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

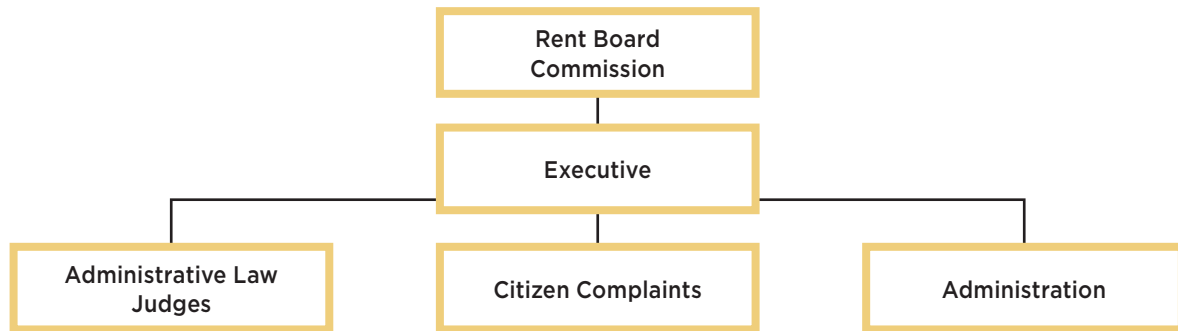
the Department translates its materials and provides interpreters for many of the hearings it conducts. In order to continue these efforts, the Department is increasing its budget for interpreters this year.

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

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					
Sources Total	8,074,900	8,545,317	470,417	8,608,765	63,448

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
Uses Total	8,074,900	8,545,317	470,417	8,608,765	63,448

Uses - Division Description

RNT Rent Arbitration Board	8,074,900	8,545,317	470,417	8,608,765	63,448
Uses by Division Total	8,074,900	8,545,317	470,417	8,608,765	63,448

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

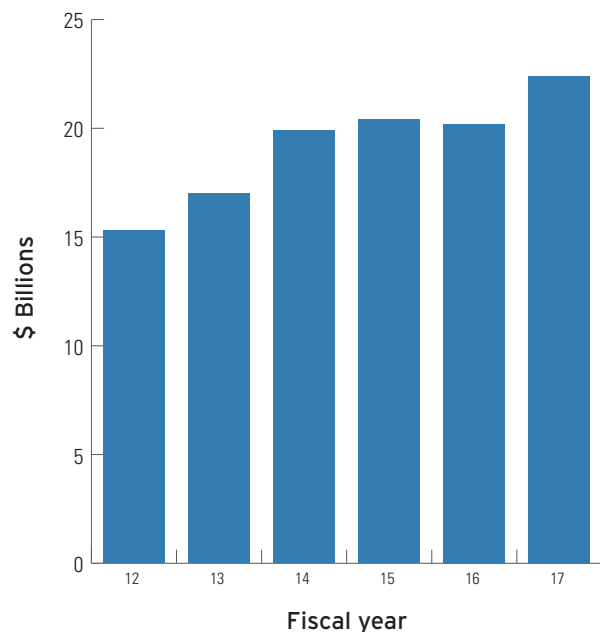
First, the Department is enhancing its ability to support the integration of ESG (Environmental, Social, and Governance) considerations, including engagement activities, in its investment decisions. The Department will bring on a new team in charge of socially responsible investments to achieve these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

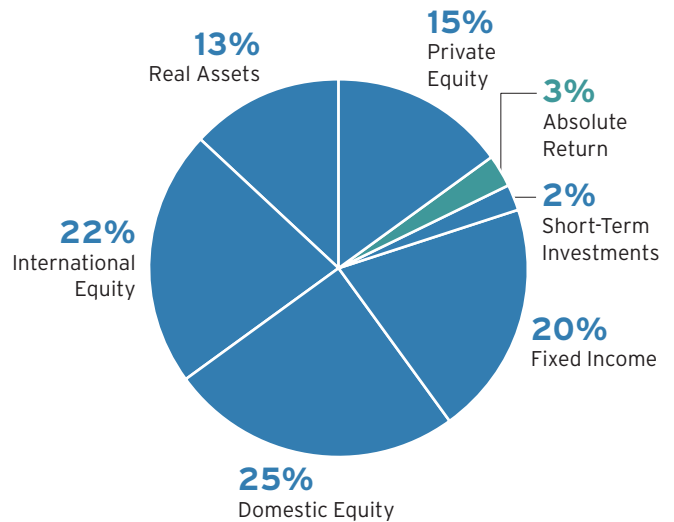
The largest piece of the Retirement System's budget is the Retiree Healthcare Trust Fund. In FY 2016-17, this was managed by the Controller's Office. On May 8, 2017, the Retiree Health Care Trust Fund Board terminated the appointment



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.

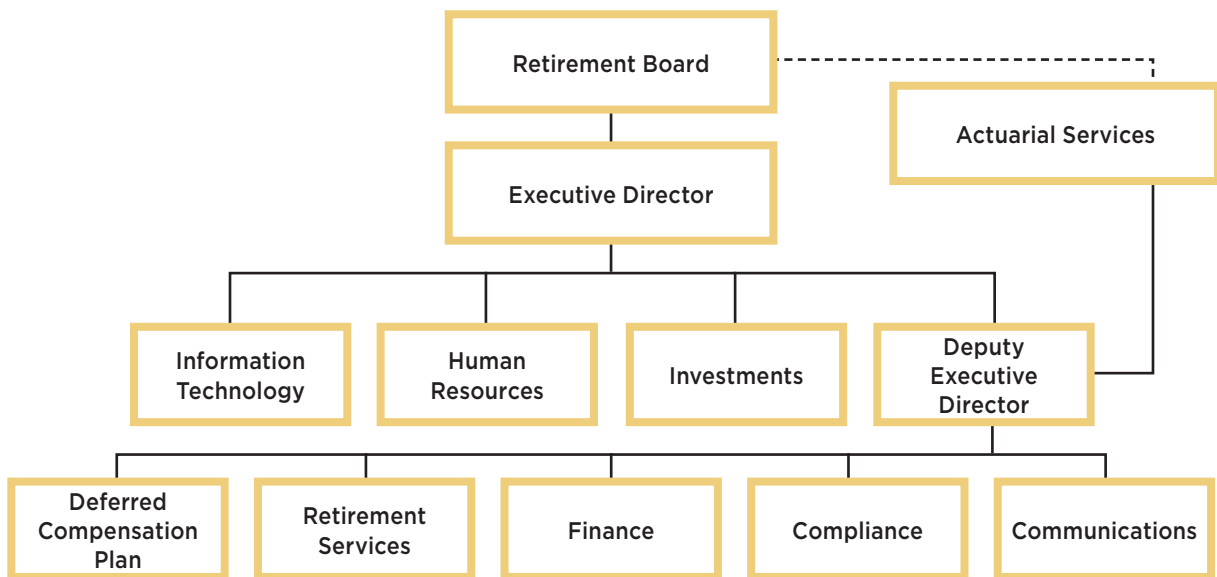
Therefore, the Retirement System budget now reflects the incorporation of the Retiree Health Care Trust Fund. Increases in the Fund are largely driven by increasing employee contributions for those hired before January 9 2009, whose contributions are increasing by a quarter of a percentage point (0.25 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 Original Budget	2018-2019 Proposed Budget	Chg From 2017-2018	2019-2020 Proposed Budget	Chg From 2018-2019
Total Authorized	105.97	107.96	1.99	108.18	0.22
Non-Operating Positions (cap/other)					
Net Operating Positions	105.97	107.96	1.99	108.18	0.22

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					
Sources Total	97,622,827	112,141,309	14,518,482	124,166,473	12,025,164

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
Uses Total	97,622,827	112,141,309	14,518,482	124,166,473	12,025,164

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)
Uses by Division Total	97,622,827	112,141,309	14,518,482	124,166,473	12,025,164

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.

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
Airport Commission Total					\$56,545,945	\$47,600,000
Municipal Transprtn 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	\$671,879	\$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
	Municipal Transprtn Agency Total					\$92,349,463
Port	10010769	PO Quint Street Lead Proj - Po	Quint St. Proj - Port Capital	Port Operating	(\$439,073)	\$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	\$1,350,000	\$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 Prjt Ph	Pier Structure Rpr Prjt Ph li	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 Waterfnt 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 Beltline Building Tenant Sp	Beltline 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 Imprv-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 - Kmd	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 modificat'n	P 26 Deluge System modificat'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-routng to Street	P7 5 Sewer Re-routng 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	\$330,000	\$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	
Port Total					\$49,623,278	\$19,318,094
Public Library	10009363	LB Capital Improvement Project	LB Capital Improvement Project	SR Library Fund - Continuing	\$250,000	\$0
			Main Elevator Repair/Replacemt	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	\$600,000	\$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&Ventilatr 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 Replacemt Proj	SFPL Roofing Replacemt - 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 Replacemt	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
	Public Library Total					\$27,192,095
Public Utilities Commissn	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	\$2,541,000	\$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	\$1,196,000	\$1,196,000
	10025172	Weccc/Nerc Compliance	Weccc/Nerc Compliance	Hetchy Operating Fund	\$3,700,000	\$3,700,000
	10025175	Weccc/Nerc Transmission Line Cl	Weccc/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	CWP-Operating Fund	\$1,273,000	\$1,311,000
	10025208	525 Golden Gate - O & M	525 Golden Gate - O & M	CWP-Operating Fund	\$1,634,000	\$1,251,760
				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	
10025762	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	
Public Utilities Commissn Total					\$50,388,200	\$52,908,480
Capital Projects Total					\$276,098,981	\$220,935,399

*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

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) 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

CONTROLLER'S OFFICE

1 Dr. Carlton B. Goodlett Place, Room 316

Phone: (415) 554-7500

sfcontroller.org

CLERK OF THE BOARD OF SUPERVISORS

1 Dr. Carlton B. Goodlett Place, Room 244

Phone: (415) 554-5184

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

SF OPEN BOOK

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

openbook.sfgov.org

SF OPEN DATA

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

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.