



To: Angela Calvillo, Clerk of the Board of Supervisors
From: Kate Howard, Mayor's Budget Director
Date: June 2, 2014
Re: Minimum Compensation Ordinance and the Mayor's FY 2014-15 and FY 2015-16
Proposed Budget

Madam Clerk,

As required under the San Francisco Administrative Code, SEC 12P.3 (ii), this letter provides notice to the Board of Supervisors that the Mayor's Proposed Budget for Fiscal Years (FY) 2014-15 and 2015-16 does not contain funding for consumer price index increases for nonprofit corporations and public entities in either FY 2014-15 or FY 2015-16, nor for prior years. The Mayor's Proposed Budget does include an ongoing 1.5 percent increase for nonprofit corporations in FY 2014-15 at a General Fund cost of \$6.8 million. As the City's Update to the 5 Year Financial Plan, issued on March 6, 2014, projects a \$66.7 million shortfall in FY 2014-15 and a \$134.4 million shortfall in FY 2015-16, it would not be feasible to provide consumer price index increases through other budgetary reductions without jeopardizing City operations.

If you have any questions, please contact my office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kate Howard".

Kate Howard
Mayor's Budget Director

cc: Members of the Board of Supervisors
Harvey Rose
Controller
