

File No. 230656

Committee Item No. 23

Board Item No. 18

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Appropriations Committee Date June 14, 2023

Board of Supervisors Meeting Date July 11, 2023

Cmte Board

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- Introduction Form
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OTHER (Use back side if additional space is needed)

- MYR Budget Submission Letter 6/1/2023
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- _____
- _____
- _____
- _____

Completed by: Brent Jalipa Date June 7, 2023

Completed by: Brent Jalipa Date June 26, 2023

1 [Appropriation - Port Commission - \$501,908 - Public Utilities Commission - \$97,057,341 -
2 FY2023-2024]

3 **Ordinance Appropriating \$501,908 in the Port Commission and \$97,057,341 in the San**
4 **Francisco Public Utilities Commission in Fiscal Year (FY) 2023-2024.**

5
6 Note: Additions are single-underline italics Times New Roman;
7 deletions are ~~strikethrough italics Times New Roman~~.
8 Board amendment additions are double underlined.
9 Board amendment deletions are ~~strikethrough normal~~.

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

11 Section 1. The sources of funding outlined below are herein appropriated to reflect the
12 projected revenue available for FY2023-2024.

13 **Sources**

14 San Francisco Port Commission

16 Account Code	17 Description	2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
18 436760	Maritime Related	\$5,556,972	\$5,558,106	\$1,134
19 449997	City Depts Revenue From OCII	-	1,000,774	1,000,774
20 493001	OTI Fr 1G-General Fund	500,000	-	(500,000)
21 495028	ITI Fr 5P-Port of San Francisco	47,052,435	47,106,318	53,883
22	Transfer Adjustment - Sources	(47,052,435)	(47,106,318)	(53,883)
24	Total San Francisco Port Commission Sources Changes			<u>\$501,908</u>

25 San Francisco Public Utilities Commission

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3	Account Code	Description			
4	463102	Sewer Service Chrg-Comml-Resid	-	1,092,000	1,092,000
5	463104	Sewer Service Chrg-Spcl Dstrct	12,816,000	12,044,000	(772,000)
6	463106	Sewer Svcs – Municipal	1,681,913	2,148,000	466,087
7	463107	Sewer Svcs - Non Residential	111,198,000	102,492,091	(8,705,909)
8	463108	SewerSvcs-ResidentlSingleFamly	106,543,000	107,416,071	873,071
9	463109	SewerSvcs-ResidentlMultipleFam	172,179,000	179,556,929	7,377,929
10	463111	Sewer Svcs - Watershed	3,000	5,290	2,290
11	468111	Sale Of Water-SF Consumers	323,105,000	313,654,688	(9,450,312)
12	468121	Sale Of Water-Muni Paying	3,834,344	4,287,068	\$452,724
13	468131	Sale Of Water-Sub Non Resale	16,557,000	15,264,505	(1,292,495)
14	468181	Sale Of Water-Suburban Resale	295,059,000	318,162,829	23,103,829
15	468611	Sale Of Electricity-Municipal	24,974,563	12,662,231	(12,312,332)
16	468614	Sale Of Electricity-Retail	27,246,648	16,059,568	(11,187,080)
17	468615	Electricity Sale-CCA	279,636,972	367,357,488	87,720,516
18	468618	Electricity Sale-Wholesale	15,057,645	31,717,443	16,659,798
19	468619	Resale Of Capacity	-	1,581,686	1,581,686
20	477611	Sale Of Natural Gas	895,073	1,211,406	316,333
21	486010	Exp Rec Fr Asian Arts Musm AAO	717,672	819,061	101,389
22	486020	Exp Rec Fr Airport (AAO)	65,266,369	55,340,350	(9,926,019)
23	486030	Exp Rec Fr Admin Svcs (AAO)	12,846,828	11,807,578	(1,039,250)
24	486040	Exp Rec Fr Animal Cre&Ctrl AAO	146,947	-	(146,947)
25					

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3	Account Code	Description			
4	486050	Exp Rec Fr Adult Probation AAO	42,453	36,648	(5,805)
5	486060	Exp Rec Fr Art Commission AAO	-	2,827	2,827
6	486081	Exp Rec Fr Dept of SAS (AAO)	1,277,082	-	(\$1,277,082)
7	486170	Exp Rec Fr Chld Supprt SvcsAAO	72,883	66,020	(6,863)
8	486180	Exp Rec Fr ConvFaciltsMgmt AAO	10,018,975	7,531,998	(2,486,977)
9	486191	Exp Rec Fr Early Childhood	-	85,007	85,007
10	486195	Exp Rec Fr HomelessnessSvcsAAO	522,653	748,359	225,706
11	486250	Exp Rec Fr City Attorney (AAO)	39,240	37,889	(1,351)
12	486290	Exp Rec Fr Emergency Comm Dept	524,246	551,875	27,629
13	486330	Exp Rec Fr Fine Arts Musm AAO	2,442,436	2,671,626	229,190
14	486340	Exp Rec Fr Fire Dept (AAO)	2,034,818	1,982,354	(52,464)
15	486350	Exp Rec Fr Gen City Resp AAO	2,427,114	2,406,730	(20,384)
16	486370	Exp Rec Fr Comm Health Svc AAO	734,155	705,732	(28,423)
17	486380	Exp Rec Fr Sf Gen Hospital AAO	12,861,109	14,158,473	1,297,364
18	486390	Exp Rec Fr Laguna Honda AAO	4,447,512	4,802,702	355,190
19	486400	Exp Rec Fr CommMental Hlth AAO	562,117	561,714	(403)
20	486420	Exp Rec Fr Juvenile Court AAO	629,677	717,842	88,165
21	486430	Exp Rec Fr Public Library AAO	2,855,343	2,870,854	15,511
22	486450	Exp Rec From Mohcd	5,099	44,237	39,138
23	486500	Exp Rec Fr Police Comssn AAO	1,159,442	1,212,245	52,803
24	486510	Exp Rec Fr Public Defender AAO	2,329	2,479	150
25					

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3	Account Code	Description			
4	486520	Exp Rec Fr Parking&Traffic AAO	13,361	16,975	3,614
5	486530	Exp Rec Fr Port Commission AAO	3,550,433	3,416,929	(133,504)
6	486540	Exp Rec Fr Purchaser (AAO)	371,344	323,989	(47,355)
7	486550	Exp Rec Fr Public TransprtnAAO	19,081,859	20,337,023	1,255,164
8	486560	Exp Rec Fr Public Works (AAO)	-	1,842,655	\$1,842,655
9	486600	Exp Rec Fr Real Estate (AAO)	-	851,058	851,058
10	486610	Exp Rec Fr Regstar Of Votr AAO	9,547	13,749	4,202
11	486630	Exp Rec Fr Rec & Park (AAO)	13,473,625	13,092,421	(381,204)
12	486650	Exp Rec Fr AcadmyOfScience AAO	2,726,235	2,801,006	74,771
13	486670	Exp Rec Fr Sheriff (AAO)	2,000,404	2,055,709	55,305
14	486690	Exp Rec Fr Human Services AAO	1,521,959	1,035,786	(486,173)
15	486710	Exp Rec From Isd (AAO)	307,138	350,975	43,837
16	486740	Exp Rec Fr PUC (AAO)	73,179	73,116	(63)
17	486750	Exp Rec Fr Hetch Hetchy (AAO)	148,288	159,870	11,582
18	486760	Exp Rec Fr Water Dept (AAO)	12,512,709	12,274,460	(238,249)
19	486780	Exp Rec Fr War Memorial (AAO)	1,938,958	2,406,732	467,774
20	486800	Exp Rec Fr Cleanwater (AAO)	19,544,459	17,130,715	(2,413,744)
21	493036	OTI Fr 5T-Hetch Hetchy W&P Fds	-	253,348	253,348
22	493037	OTI Fr 5W-Water Department Fd	49,242,000	46,266,000	(2,976,000)
23	495022	ITI Fr 5C-Cleanwater ProgramFd	99,294,551	87,584,667	(11,709,884)
24	495029	ITI Fr 5T-Hetch Hetchy W&P Fds	16,824,204	18,992,204	2,168,000
25	495030	ITI Fr 5W-Water Department Fd	78,224,844	76,047,844	(2,177,000)

Account Code	Description	2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
495045	ITI Fr 5Q-Cleanpowersf Funds	32,202,846	31,513,431	(689,415)
499998	Prior Year Designated Reserve	-	219,095	219,095
499999	Beg Fund Balance - Budget Only	22,964,187	35,438,527	12,474,340
	Transfer Adjustment - Sources	(275,788,445)	(260,657,494)	15,130,951
Total San Francisco Public Utilities Commission Sources Changes				\$97,057,341
Grand Total Sources Changes				\$97,559,249

USES

Section 2. The uses of funding outlined below are herein appropriated to reflect the projected funding available for FY2023-2024.

San Francisco Port Commission Uses

Fund Code and Title	Code/Title	2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
23680	PRT-OP Annual Account Ctrl			
	Intrafund Transfers Out	\$18,221,527	\$18,271,527	\$50,000
	Mandatory Fringe Benefits	14,061,881	14,771,182	709,301
	Materials & Supplies	1,234,805	1,333,905	99,100

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3					
4	Fund Code and Title	Code/Title			
5		Non-Personnel Services	15,179,183	15,248,943	69,760
6		Salaries	34,016,037	34,568,906	552,869
7		Services Of Other Depts	33,996,405	35,349,567	1,353,162
8		Transfer Adj - Uses	(18,221,527)	(18,271,527)	(50,000)
9		Unapprop. Rev-Desig.	7,905	2,270	(5,635)
10		Unapprop. Rev Retnd	2,995,197	1,167,414	(1,827,783)
11					
12	23680 Total Changes				<u>\$950,774</u>
13					
14	23690 PRT-OP Annual Authority Ctrl				
15	17726 GE Youth Emplmnt & Environm		365,000	415,000	<u>\$50,000</u>
16	23690 Total Changes				<u>\$50,000</u>
17					
18	24530 PRT-SBH Annual Authority Ctrl				
19	17321 South Beach Hrbr Proj.		4,005,064	4,002,315	<u>(\$2,749)</u>
20					
21	24530 Total Changes				<u>(2,749)</u>
22					
23	23700 PRT-OP Continuing Auth				
24	21272 PO Real Est & Devlpment		5,040,573	4,540,573	<u>(\$500,000)</u>
25	23700 Total Changes				<u>(\$500,000)</u>

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023- 24
1					
2					
3	Fund Code and Title	Code/Title			
4	24540	PRT-SBH Continuing Authority Ctrl			
5		12726 PO Sf Prt Marina Reprs & Up	1,551,908	1,555,791	\$3,883
6	24540 Total Changes				\$3,883
7	Total - Port Commission Uses Changes				\$501,908

San Francisco Public Utilities Commission Uses

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
11					
12	Fund Code and Title	Code/Title			
13	20160	WWE Op Annual Account Ctrl			
14		Debt Service	119,470,820	98,039,423	(21,431,397)
15		Intrafund Transfers Out	99,294,551	87,584,667	(11,709,884)
16		Mandatory Fringe Benefits	25,271,306	25,647,782	376,476
17		Materials & Supplies	13,214,682	13,204,682	(10,000)
18		Non-Personnel Services	27,295,904	27,695,904	400,000
19		Overhead and Allocations	38,145,082	39,042,421	897,339
20		Salaries	63,313,510	61,921,967	(1,391,543)
21		Services Of Other Depts	41,213,880	38,793,475	(2,420,405)
22		Transfer Adjustment - Uses	(99,294,551)	(87,584,667)	11,709,884
23		Unappropriated Rev-Desigd		27,805,077	27,805,077

		2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24	
1					
2	Fund Code and Title	Code/Title			
3	20160 Total Changes			<u>\$4,225,547</u>	
4					
5	24750 HH CleanPowerSF Op Annual Account Ctrl				
6		Mandatory Fringe Benefits	1,792,763	1,871,848	79,085
7		Overhead & Allocations	5,468,773	6,141,614	672,841
8		Salaries	6,227,523	6,227,753	230
9		Services of Other Depts	4,182,401	4,169,830	<u>(12,571)</u>
10	24750 Total Changes			<u>\$739,585</u>	
11	24970 HHWP Op Annual Account Ctrl				
12		Intrafund Transfers Out	16,824,204	18,992,204	2,168,000
13		Mandatory Fringe Benefits	15,949,279	15,865,583	(83,696)
14		Materials & Supplies	3,551,842	3,451,842	(100,000)
15		Non-Personnel Service	139,556,043	195,221,441	55,665,398
16		Overhead and Allocations	24,360,342	24,963,753	603,411
17		Salaries	40,720,388	38,606,583	(2,113,805)
18		Services Of Other Depts	9,779,527	8,557,873	(1,221,654)
19		Transfer Adjustment - Uses	(16,824,204)	(19,245,552)	(2,421,348)
20		Transfers Out	31,712	285,060	253,348
21		Unappropriated Rev-Desig.	46,388,642	-	(46,388,642)
22	24970 Total Changes			<u>\$6,361,012</u>	
23	25940 WTR Op Annual Account Ctrl				
24		Debt Service	339,924,129	333,692,104	(6,232,025)
25					

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3	<u>Fund Code and Title</u>	<u>Code/Title</u>			
4		Intrafund Transfers Out	78,224,844	76,047,844	(2,177,000)
5		Mandatory Fringe Benefits	33,888,754	34,085,157	196,403
6		Materials & Supplies	17,768,676	19,074,652	1,305,976
7		Non-Personnel Services	21,465,634	18,629,838	(2,835,796)
8		Overhead and Allocations	64,047,698	66,107,444	2,059,746
9		Salaries	83,052,058	80,858,297	(2,193,761)
10		Services Of Other Depts	27,599,020	27,589,640	(9,380)
11		Transfer Adjustment - Uses	(127,466,844)	(122,313,844)	5,153,000
12		Transfers Out	49,273,712	46,297,712	(2,976,000)
13		Unappropriated Rev-Dsigntd	-	5,918,777	5,918,777
14					
15		25940 Total Changes			<u>(\$1,790,060)</u>
16	27180	PUC Operating Fund			
17		Mandatory Fringe Benefits	26,469,148	27,206,929	737,781
18		Non-Personnel Services	24,225,996	23,832,996	(393,000)
19		Overhead and Allocations	(144,867,090)	(146,877,567)	(2,010,477)
20		Salaries	62,030,872	62,034,300	3,428
21		Services Of Other Depts	28,951,312	30,360,075	1,408,763
22					
23		27180 Total Changes			<u>(\$253,505)</u>
24	20210	WWE Work Order			
25		10002 Interdepartmental-Overhead	-	4,130,998	4,130,998
26					
27		20210 Total Changes			<u>\$4,130,998</u>
28	25030	HHWP Work Order Fund			
29		10002 Interdepartmental-Overhead	-	2,727,646	2,727,646
30					
31		25030 Total Changes			<u>\$2,727,646</u>

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3	Fund Code and Title	Code/Title			
4	25950 WTR Annual Authority Ctrl				
5	15830 UW Water Enterprise-watershed		5,486,000	6,586,000	1,100,000
6	25950 Total Changes				\$1,100,000
7	26000 WTR Work Order				
8	10002 Interdepartmental-Overhead		-	4,072,385	4,072,385
9	26000 Total Changes				\$4,072,385
10					
11	Continuing Projects - Authority Control		-		
12	20550 WWE CPF Repair & Replace				
13	15708 WW Cwp_revenue Transfer-sub Fund		93,048,000	81,338,116	(11,709,884)
14	20550 Total				(\$11,709,884)
15	24761 CleanPowerSF Cap Revenue Fund				
16	21297 Capital Program CleanPowerSF		2,188,000	759,000	(1,429,000)
17	24761 Total				(1,429,000)
18	24870 HH CleanPowerSF Cust Trust Fd				
19	20543 CleanPowerSF Customer Trst Fnd		248,049,126	338,040,743	89,991,617
20	24870 Total				\$89,991,617
21	24990 HHWP ContinuingAuthorityCtrl				
22	15405 UH Hhp_revnu Trnsfr-sub Fund		2,847,000	5,015,000	2,168,000
23	24990 Total				\$2,168,000
24	25960 WTR ContinuingAuthorityCtrl				
25	15680 UW Wtr_revnu Transfer-sub Fund		23,856,658	20,579,658	(3,277,000)

			2023-24 Original Budget	2023-2024 Mayor Proposed	Change from Original Approved FY 2023-24
1					
2					
3	Fund Code and Title	Code/Title			
4	25960 Total Changes				<u>(\$3,277,000)</u>
5	26570 WTR CPF Other Fund				
6	15680 UW Wtr_revnu Transfer-sub Fund		8,750,000	-	(8,750,000)
7	26570 Total Changes				<u>(\$8,750,000)</u>
8	26600 WTR CPF Wholesale Customer				
9	15680 UW Wtr_revnu Transfer-sub Fund		16,250,000	-	(16,250,000)
10	26600 Total Changes				<u>(\$16,250,000)</u>
11	26603 Water Regional Revenue Fund			-	25,000,000
12	15680 UW Wtr_revnu Transfer-sub Fund				25,000,000
13	26603 Total				<u>\$25,000,000</u>
14	27190 PUC Personnel Fund				
15	232176 Interdepartmental-Ovrhd		83,755,443	84,260,437	504,994
16	Transfer Adjustment - Uses		(83,755,443)	(84,260,437)	(504,994)
17	27190 Total				<u>\$ 0</u>
18					
19	Total – San Francisco Public Utilities Commission Uses Changes				<u>\$97,057,341</u>
20					
21	Grand Total Uses				<u>\$97,559,249</u>

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

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APPROVED AS TO FORM:
David Chiu, City Attorney

FUNDS AVAILABLE:
BEN ROSENFELD, Controller

By: /s/
JONATHAN GIVNER
Deputy City Attorney

By: /s/
BEN ROSENFELD
Controller

<p>Items 23 & 24 Files 23-0656 & 23-0669</p>	<p>Department: Port Commission (Port) San Francisco Public Utilities Commission (PUC) Airport Commission (Airport)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p>	
<p>File 23-0656: is a supplemental appropriation ordinance that would appropriate \$501,908 in the Port Commission and \$97,057,341 in the San Francisco Public Utilities Commission in FY 2023-24.</p>	
<p>File 23-0669: is an ordinance that would amend the Annual Salary Ordinance for FY 2022-23 and FY 2023-24 to add four positions (3.16 FTEs) at the Port Commission and add 128 positions (101.12 FTEs) and substitute 31 positions (31.0 FTEs) at the Airport Commission in FY 2023-24.</p>	
<p style="text-align: center;">Key Points</p>	
<ul style="list-style-type: none"> • File 21-1267 approved fixed two-year budgets for the Airport, Port, and Public Utilities Commission for FY 2022-23 and FY 2023-24 and defined “significant” budget changes, which require Board approval. 	
<p style="text-align: center;">Fiscal Impact</p>	
<ul style="list-style-type: none"> • SFPUC’s expenditures are increasing by \$95.1 million, or 5.7 percent, primarily due to increases in power purchase costs. • The Port’s \$500,000 General Fund budget in FY 2023-24 is being deleted by the Mayor’s proposed supplemental appropriation. The funding was an add-back to support black-owned businesses. The Port’s operating budget is also changing to reflect new park maintenance responsibilities. • The Airport is substituting 46 existing position classifications at a cost of \$1.7 million in FY 2023-24 and proposing to add 128 new positions in FY 2023-24 at a cost of \$17 million. However, the Airport’s total FY 2023-24 budget is decreasing by \$8.8 million, which is driven by a \$30.3 million decrease in debt service from bond refunding and an \$11 million decrease in the cost of services performed by other City Departments. 	
<p style="text-align: center;">Policy Consideration</p>	
<ul style="list-style-type: none"> • The Airport is proposing to add 128 new positions on top of 302 vacancies and projecting a salary surplus of \$40 million in FY 2022-23. If approved, the Airport’s total staffing would be 11 percent higher than 2019 levels even though enplanements have not recovered. • The Board could consider deleting 33.97 FTE of the Airport’s requested 101.12 FTEs, based on our review of existing vacancies. The Airport agrees that 7.11 FTE new positions could be deleted and added in subsequent fiscal years. 	
<p style="text-align: center;">Recommendations</p>	
<ul style="list-style-type: none"> • Amend File 23-0669 to delete 33.97 FTE new Airport positions noted in Exhibit 8 within this report and approve File 23-0669, as amended. • Approve the PUC’s and Port’s proposed non-General Fund budget changes in File 23-0656. Approval of the Port’s General Fund reduction is a policy matter for the Board of Supervisors since it deletes a Board add-back appropriation. 	

MANDATE STATEMENT

Administrative Code Section 2.1-1 states that the Board of Supervisors shall determine the maximum number of each class of employment in each department.

City Charter Section 9.101 provides for two-year budgets and authorizes the Board of Supervisors to determine by resolution which budgets are on a two-year fixed budget. Section 9.101(g) provides for the Mayor to submit an ordinance to the Board of Supervisors, amending the second-year budgets of City departments with fixed two-year budgets, if the Controller projects that the City will experience significant increases or decreases in revenues or expenditures during the second year of such budgetary cycle.

File 21-1267 approved fixed two-year budgets for the Airport, Port, and Public Utilities Commission for FY 2022-23 and FY 2023-24 and defined “significant” budget changes as a five percent or more change in revenues or expenditures in non-General Fund funds and 2.5 percent change in General Fund funds.

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

BACKGROUND

Changes to the PUC’s FY 2023-24 Budget

According to the Mayor’s Proposed Budget for Fiscal Years 2023-24 and 2024-25, the San Francisco Public Utilities Commission’s (PUC’s) budget is increasing in FY 2023-24 due to increased power purchasing and power delivery costs. Wholesale energy market prices have increased faster than expected due to supply chain delays, Russia’s invasion of Ukraine, hot weather, and drought conditions impacting hydroelectric energy outputs (see File 23-0091). As a result, revenues for CleanPowerSF have also increased due to rate increases to offset higher power purchase costs.

SFPUC’s expenditures are increasing by \$95.1 million, or 5.7 percent. Because SFPUC’s expenditures are increasing by more than five percent, the changes to SFPUC’s budget in FY 2023-24 require Board of Supervisors’ approval.

Changes to the Port’s FY 2023-24 Budget

According to the Mayor’s Proposed Budget, the Port Commission’s (Port’s) proposed FY 2023-24 budget includes new funding to provide for ongoing operations of some of the Mission Bay Parks, including Bayfront Park, that are currently operated by Office of Community Investment and

Infrastructure (OCII) contractors using Community Facilities District (CFD) funds.¹ California Redevelopment Dissolution Law requires OCII to dispose of the former Redevelopment Agency's real property interests, including the parks, but allows OCII to continue administration of CFD maintenance funds.

The Port's expenditures are increasing by \$0.5 million, which is less than one percent. However, the Port's General Fund funds are decreasing by 100 percent (\$0.5 million). Because General Fund funds are changing by more than 2.5 percent, the changes to the Port's budget in FY 2023-24 require Board of Supervisors' approval.

Airport

The Board of Supervisors approved a fixed two-year budget for Airport for FY 2022-23 and FY 2023-24 (File 22-0669). Exhibit 1 below shows the change in the Airport's FY 2023-24 budget from what was approved by the Board of Supervisors in July 2022.

Exhibit 1: Change in Airport Budget

Expenditure	FY 2023-24	FY 2023-24	Change
	Base	Proposed	
Salaries	\$210,030,280	\$220,078,480	\$10,048,200
Fringe Benefits	90,985,011	93,921,103	2,936,092
Overhead	(6,256,272)	(6,306,170)	(49,898)
Professional Services	177,548,241	189,685,653	12,137,412
Materials & Supplies	14,825,265	16,306,528	1,481,263
Capital Projects	55,093,005	55,093,005	0
Facilities Maintenance	15,000,000	15,750,000	750,000
Debt Service	605,293,867	575,029,174	(30,264,693)
Services of Other Depts.	105,932,933	94,953,334	(10,979,599)
General Fund Transfer	45,805,713	50,918,463	5,112,750
Total	\$1,314,258,043	\$1,305,429,570	(\$8,828,473)

Source: Financial System

As shown above, the Airport's overall expenditure budget is decreasing by \$8.8 million, or less than one percent. The change is driven by a \$30.3 million decrease in debt service from bond refunding and an \$11 million decrease in the cost of services performed by other City Departments.

Because the overall change in appropriations is less than five percent, the Board of Supervisors does not need to approve the changes to the Airport budget in FY 2023-24. However, the Airport

¹ The parks were constructed on City and Port lands under the former Redevelopment Agency, and the parks were built by the Mission Bay Development Group using Tax Increment and Community Facilities District funds. The parks on non-Port lands are under the jurisdiction of the City's Real Estate Division.

is proposing position changes that require the Board to modify the previously approved Annual Salary Ordinance for FY 2023-24 (File 162-22).

DETAILS OF PROPOSED LEGISLATION

File 23-0656: is an ordinance that would appropriate \$501,908 in the Port Commission and \$97,057,341 in the San Francisco Public Utilities Commission in FY 2023-24.

File 23-0669: is an ordinance that would amend the Annual Salary Ordinance for FY 2022-23 and FY 2023-24 to add four positions (3.16 FTEs) at the Port Commission and add 128 positions (101.12 FTEs) and substitute 31 positions (31.0 FTEs) at the Airport Commission in FY 2023-24.

Summary of Proposed Port and PUC Appropriation

Proposed increases and decreases in funding sources in the FY 2023-24 budgets for the Port and SFPUC are shown in Exhibit 2 below. The SFPUC's proposed budget increase is primarily funded by charges for services for power (\$95.6 million). The proposed FY 2023-24 budget for the Port includes \$1.0 million in CFD funds from OCII to maintain Mission Bay parks and eliminates a \$500,000 transfer from the General Fund.

Exhibit 2: Sources of Funds FY 2023-24 SFPUC and Port Supplemental Appropriation

Sources	SFPUC	Port
Prior Year Fund Balance	\$12,474,340	
Prior Year Reserves	219,095	
Charges for Services	95,609,802	
Intergovernmental: Revenue from OCII		1,000,774
Other Revenues	316,333	
Rents & Concessions		1,134
Recoveries	(11,562,229)	
Transfers In from the General Fund		(500,000)
Revenue Transfers In	(15,130,951)	53,883
Transfer Adjustment-Source	15,130,951	(53,883)
Total Sources	\$97,057,341	\$501,908

Source: Proposed Ordinance

Airport: Position Substitutions

File 23-0669 approves 31 position substitutions. Although the Airport is substituting 46 positions, only 31 position changes require Board of Supervisors approval. Attachment 2 details the 46 position substitutions, the cost of which is \$1.7 million in FY 2023-24.

FISCAL IMPACT

SFPUC Appropriation (\$97,057,341)

The proposed \$97.1 million increase in the SFPUC’s FY 2023-24 budget compared to the original FY 2023-24 budget previously approved by the Board of Supervisors is driven by an \$89.3 million increase in CleanPowerSF and a \$14.5 million increase in Hetch Hetchy Water & Power largely due to increases in power purchase costs, partially offset by reductions in the Water and Wastewater Enterprises driven by debt service savings. The \$497,745 increase in the Public Utilities Bureaus is due to increases in mandatory fringe benefits from increases in employee benefit costs in health and retirement and increases in services of other departments. Proposed changes in expenditures by enterprise are shown in Exhibit 3 below.

Exhibit 3: SFPUC Proposed Expenditure Changes by Enterprise

Enterprise	FY 2023-24 Original	FY 2023-24 Proposed	Change	Percent Change
CleanPowerSF	\$280,251,972	\$369,554,174	\$89,302,202	31.9%
Hetch Hetchy Water & Power	254,660,127	269,146,133	14,486,006	5.7%
Public Utilities Bureaus	696,138	1,193,883	497,745	71.5%
Water Enterprise	724,371,357	720,496,084	-3,875,273	-0.5%
Wastewater Enterprise	431,679,623	428,326,284	-3,353,339	-0.8%
Total	\$1,691,659,217	\$1,788,716,558	\$97,057,341	5.7%

Source: Proposed Ordinance

The \$97.1 million increase in SFPUC’s budget is shown by expenditure type in Exhibit 4 below. The increases in power purchase costs for CleanPowerSF and Hetch Hetchy Power are reflected in the \$121.3 million (26.2 percent) increase in non-personnel services. Other increases include increases in mandatory fringe benefits due to rising employee benefit costs, increases in materials and supplies in the Water and Wastewater Enterprises, and increases in overhead and allocation costs. These increases are partially offset by \$27.6 million in debt service savings, as well as reductions in salaries due to increased attrition savings and reductions in workorder costs.

Exhibit 4: SFPUC Proposed Expenditure Changes by Type, FY 2023-24

	Proposed Change	Percent Change	Notes
Salaries	(\$2,291,656)	-0.7%	Reduced salary budget due to increased attrition savings
Mandatory Fringe Benefits	2,923,805	2.4%	Citywide increases in employee benefit costs in health and retirement
Non-Personnel Services	121,327,802	26.2%	Increased power purchase costs in CleanPowerSF and Hetchy Power
Debt Service	(27,663,422)	-6.0%	Savings from: (a) use of lower cost debt for Biosolids and Headworks in Wastewater, (b) 2022 refunding transaction in Wastewater, and (c) revised project schedules, delaying debt repayment, in Wastewater and Water.
Facilities Maintenance	953,531	2.1%	Cost neutral change moving expenditures from the operating fund to consolidate the maintenance budget for the Alameda Watershed Center.
Materials & Supplies	2,232,583	5.9%	Increases due to: (a) cost neutral change moving expenditures on water treatment chemicals from non-personnel services to materials and supplies, and (b) new operating costs related to the Recycled Water Plant, which is transferring from the capital budget to an operational asset in Wastewater.
Overhead and Allocations	4,222,378	-4.4%	Increases due to: (a) \$2.4 million increase in Countywide Cost Allocation Plan overhead, and (b) increases in department overhead due to COLA increases to fringe benefits and increases in certain work orders (e.g., workers comp).
Programmatic Projects	1,311,014	85.1%	Cost neutral change moving expenditures from the operating fund into programmatic projects to correctly account for interdepartmental overhead related to work order activities.
Services of Other Departments	(1,470,189)	-1.3%	Reduction in workorder costs due reduction in Hetchy Power work order for utilities to reflect anticipated FY 23-24 usage, partially offset by increases in work orders to make a DPW work order on-going that was mistakenly entered as one-time and a new work order related to operating the Westside Recycled Water Plant.
Reserves	(4,488,505)	-2.2%	Reduction in reserve for capital improvements due to additional funds available from unspent capacity fees, partially offset by increases in general reserve contributions in Wastewater, Water, and CleanPowerSF to balance sources and uses in those enterprises
Transfers Out (including Intrafund)	(15,130,951)	-5.5%	Changes to transfers reflect balancing entries related to updates described above.
Transfer Adjustment-Uses	15,130,951	-5.5%	
Total	\$97,057,341	5.7%	

Sources: Proposed Ordinance, SFPUC

Port Appropriation \$501,908

The Port's budget would increase by \$501,908 in FY 2023-24 compared to the original FY 2023-24 budget previously approved by the Board of Supervisors. The increase is driven by \$1.3 million in new costs in the Maintenance Division associated with maintaining Mission Bay Parks and increases in work order costs in Finance and Administration. These increases are partially offset by reductions in the Port Commission Division, including a \$1.8 million reduction in the Port's General Reserve to balance other changes in sources and uses and a \$496,117 reduction in capital outlay, which was a Board add-back appropriation to support black-owned businesses that is deleted in the proposed supplemental appropriation. Proposed changes in expenditures by division and by expenditure type are shown in Exhibits 5 and 6 below.

Exhibit 5: Port Proposed Expenditure Changes by Division, FY 2023-24

Division	FY 2023-24 Original	FY 2023-24 Proposed	Change	Percent Change
Engineering	\$7,109,406	\$7,298,224	\$188,818	2.7%
Executive	8,879,163	8,927,105	47,942	0.5%
Finance And Administration	33,941,345	35,149,829	1,208,484	3.6%
Maintenance	41,340,384	42,514,299	1,173,915	2.8%
Maritime	14,042,402	14,313,579	271,177	1.9%
Planning & Environment	3,138,317	3,161,954	23,637	0.8%
Port Commission (Portwide)	22,216,905	19,893,005	(2,323,900)	-10.5%
Real Estate & Development	18,955,446	18,867,281	(88,165)	-0.5%
Total	\$149,623,368	\$150,125,276	\$501,908	0.3%

Source: Proposed Ordinance

Exhibit 6: Port Proposed Expenditure Changes by Type, FY 2023-24

	Proposed Change	Percent Change	Notes
Salaries	\$552,923	1.6%	Increase in salaries due to: (a) addition of 4.0 new FTEs to maintain Mission Bay Parks, and (b) reduction in attrition savings to reflect the cost of existing positions to maintain the parks to be reimbursed by OCII CFD revenue.
Mandatory Fringe Benefits	721,756	4.9%	Increase in mandatory fringe benefits due to: (a) associated benefits of 4.0 new FTEs, (b) reduction in attrition savings, and (c) citywide increases in employee benefit costs in health and retirement.
Non-Personnel Services	69,760	0.5%	Security, pest control, and utilities associated with maintaining Mission Bay Parks
Capital Outlay	(496,117)	-1.4%	The FY 2022-23 – FY 2023-24 budget included a \$500,000 General Fund add-back appropriation in each year to support black-owned businesses. FY 2022-23 funding has not been spent. The Mayor’s proposed supplemental appropriation for the Port deletes the funding in FY 2023-24.
Materials & Supplies	99,100	8.0%	Materials and supplies associated with maintaining Mission Bay Parks
Programmatic Projects	50,000	1.1%	Increase for youth employment for Mission Bay Parks
Services of Other Departments	1,337,904	3.8%	Increase in workorder costs due to increases in risk management work order, fire department work order for permit review, and HR fellows work order.
Reserves	(1,833,418)	-61.1%	Reduction in General Reserve to balance sources and uses.
Intrafund Transfers Out	53,883	0.1%	
Transfer Adjustment-Uses	(53,883)	0.1%	
Total	\$501,908	0.3%	

Source: Proposed Ordinance, Port

Proposed Position Changes

The Port is proposing four new positions, including two gardeners and two general laborers, in FY 2023-24 to maintain some of the Mission Bay Parks currently maintained by OCII contractors. Port proposed new positions are shown in Exhibit 7 below.

Exhibit 7: Port Proposed New Positions

Job Classification	FY 2023-24		FY 2024-25	
	FTE	Salary & Benefits	FTE	Salary & Benefits
3417 Gardener	1.58	204,606	2.00	266,866
7514 General Laborer	1.58	198,496	2.00	258,972
Total	3.16	403,102	4.00	525,838

Source: Proposed Ordinance

POLICY CONSIDERATION**Airport: New Positions**

Attachment 1 to this report shows the entire set of the 128 new positions that the Airport is proposing to add. On top of these new hires, the Airport has 302 vacant positions, resulting in a projected salary surplus of \$40 million in FY 2022-23.² The Airport reports that it hired approximately 300 permanent staff in FY 2022-23.

Exhibit 8 below shows a subset of the Airport's positions, including total proposed within each classification, vacancies as of June 2023, and our recommended deletions. Our recommendations would provide approximately \$6.2 million in savings in FY 2023-24. All positions are funded by Airport funds.

The Airport reviewed our recommendations and agreed that a portion of the new positions could be deleted and added in subsequent fiscal years, including 7 Custodians (5.53 FTE), one Manager I (0.79 FTE), and one Manger IV (0.79 FTE).

² In FY 2021-22, the Airport's operating fund had \$35.5 million in salary savings.

Exhibit 8: Select Airport Positions and Recommended Deletions

Job Code	Job Title	Total FTE	Vacancies	New FTE	Recommended Deletion	Savings
	Airport Economic					
9255_C	Planner	15.00	2.00	1.58	1.58	\$363,198
0922_C	Manager I	12.00	2.00	1.58	1.58	\$353,098
0923_C	Manager II	35.00	5.00	1.58	1.58	\$376,368
0932_C	Manager IV	17.00	6.00	1.58	1.58	\$214,935
0933_C	Manager V	12.00	2.00	1.58	1.58	\$460,354
0941_C	Manager VI	17.00	4.00	0.79	0.79	\$244,988
0943_C	Manager VIII	2.00	0.00	0.79	0.79	\$290,825
1041_C	IS Engineer-Assistant	8.00	2.00	0.79	0.79	\$159,099
1042_C	IS Engineer-Journey	15.00	5.00	1.58	1.58	\$349,538
1043_C	IS Engineer-Senior	17.00	1.00	2.37	0.79	\$192,237
1044_C	IS Engineer-Principal	18.00	3.00	2.37	2.37	\$691,698
	IS Business Analyst-					
1053_C	Senior	6.00	0.00	2.37	0.79	\$164,153
	IS Business Analyst-					
1054_C	Principal	14.00	5.00	3.16	3.16	\$843,380
1070_C	IS Project Director	13.00	1.00	3.95	0.79	\$174,241
7345_C	Electrician	25.00	11.00	0.79	0.79	\$152,849
7347_C	Plumber	24.00	2.00	1.58	1.58	\$154,096
2708_C	Custodian	427.00	15.00	25.28	11.85	\$1,057,932
Totals		677.00	66.00	53.72	33.97	\$6,242,989

Source: Financial System, Airport, BLA

As shown above, the Airport has 66 vacancies across management, technical, and trade classifications, but is proposing to add 53.72 FTE to the FY 2023-24 budget. We recommend deleting 33.97 FTE to account for existing vacancies.³

Across the Manager series, the average time a position has been vacant is 2.23 years. Across the IS-series, the average vacant time is 2.76 years. For Electricians, 3.03 years. Existing Plumber and Custodian positions have been vacant for less than a year on average.

Growth in Airport Staffing

The Airport's proposed positions in FY 2023-24 total 2,028.32 FTE, or 11.0 percent more than the 1,827.12 FTE in its FY 2018-19 budget, which includes previously approved positions. According to the Controller's Office May 2023 report on the San Francisco economy, through March 2023

³ The Airport does not have any Manager VIII vacancies but does have three Deputy Director V (0955) vacancies, one which has a conditional offer letter and expected to be filled in July 2023.

domestic air travel remains at 82 percent of 2019 levels and international travel remains at 90 percent of 2019 levels.

Comparison to Airport Capital Plan

Rather than issuing less debt to fund its capital improvement plan, the Airport is reallocating \$30 million in debt service savings to add 128 new positions and increase contract spending. The annualized cost of the proposed new positions is approximately \$22.1 million. According to the FY 2023-32 Capital Plan, the Airport's FY 2023-24 capital budget, including facility maintenance, is \$167.8 million, the FY 2024-25 capital budget including facility maintenance is \$75.2 million, and the capital budget including facility maintenance for FY 2025-26 and FY 2026-27 is approximately \$17 million. The Airport is in the process of developing its next Capital Plan.

RECOMMENDATIONS

1. Amend File 23-0669 to delete 33.97 FTE new positions noted in Exhibit 8 within this report, and approve File 23-0669, as amended.
2. Approve the PUC's and Port's proposed non-General Fund budget changes in File 23-0656. Approval of the Port's General Fund reduction is a policy matter for the Board of Supervisors since it deletes a Board add-back appropriation.

Attachment 1: New Airport Positions

Job Class	Job Class Title	Proposed FY 2023-24 FTE	Proposed FY 2023-24 Cost	Head count
0922_C	Manager I	1.58	353,098	2
0923_C	Manager II	1.58	376,368	2
0932_C	Manager IV	1.58	214,935	2
0933_C	Manager V	1.58	460,354	2
0941_C	Manager VI	0.79	244,988	1
0943_C	Manager VIII	0.79	290,825	1
1041_C	IS Engineer-Assistant	0.79	159,099	1
1042_C	IS Engineer-Journey	1.58	349,538	2
1043_C	IS Engineer-Senior	2.37	576,711	3
1044_C	IS Engineer-Principal	2.37	691,698	3
1053_C	IS Business Analyst-Senior	2.37	492,459	3
1054_C	IS Business Analyst-Principal	3.16	843,380	4
1070_C	IS Project Director	3.95	1,102,790	5
1093_C	IT Operations Support Administrator III	0.79	134,023	1
1203_C	Personnel Technician	1.58	222,352	2
1204_C	Senior Personnel Clerk	0.79	107,057	1
1241_C	Human Resources Analyst	1.58	286,388	2
1244_C	Senior Human Resources Analyst	3.16	657,364	4
1246_C	Principal Human Resources Analyst	0.79	197,111	1
1406_C	Senior Clerk	0.79	104,797	1
1446_C	Secretary II	2.37	314,391	3
1452_C	Executive Secretary II	0.79	122,523	1
1632_C	Senior Account Clerk	3.16	414,616	4
1634_C	Principal Account Clerk	0.79	115,426	1
1654_C	Accountant III	4.74	902,358	6
1657_C	Accountant IV	0.79	183,824	1
1670_C	Financial Systems Supervisor	0.79	211,807	1
1760_C	Offset Machine Operator	0.79	97,489	1
1820_C	Junior Administrative Analyst	0.79	-	1
1822_C	Administrative Analyst	3.95	262,046	5
1823_C	Senior Administrative Analyst	4.74	751,950	6
1825_C	Principal Administrative Analyst II	0.79	200,468	1
2486_C	Chemist	0.79	145,767	1
2708_C	Custodian	25.28	2,856,864	32
3424_C	Integrated Pest Management Specialist	0.79	121,462	1
4308_C	Senior Collections Officer	0.79	114,176	1
7308_C	Cable Splicer	1.58	313,374	2
7329_C	Electronic Maintenance Technician Asst Supervisor	0.79	172,594	1
7334_C	Stationary Engineer	0.79	-	1
7345_C	Electrician	0.79	152,849	1
7347_C	Plumber	1.58	154,096	2
7348_C	Steamfitter	1.58	308,192	2
7376_C	Sheet Metal Worker	0.79	151,715	1

Job Class	Job Class Title	Proposed FY 2023-24 FTE	Proposed FY 2023-24 Cost	Head count
7514_C	General Laborer	0.79	99,248	1
9220_C	Aviation Security Operations Supervisor	2.37	306,022	3
9240_C	Airport Electrician	0.79	162,855	1
9255_C	Airport Economic Planner	1.58	363,198	2
9922_C	Public Service Aides	1.58	139,416	2
Grand Total		101.12	17,004,061	128.00

Attachment 2: Airport Position Substitutions

Current			Proposed			Change
Job Class	Job Class Title	Cost	Job Class	Job Class Title	Cost	Cost
1630_C	Account Clerk	115,008	1632_C	Senior Account Clerk	131,365	16,357
1842_C	Management Assistant	153,125	1450_C	Executive Secretary I	143,126	(9,999)
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1686_C	Auditor III	228,198	9255_C	Airport Economic Planner	229,717	1,519
9204_C	Airport Communications Supervisor	185,106	0923_C	Manager II	237,991	52,885
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1042_C	IS Engineer-Journey	219,842	1043_C	IS Engineer-Senior	242,502	22,660
1634_C	Principal Account Clerk	145,308	1654_C	Accountant III	190,482	45,174
0922_C	Manager I	222,352	0923_C	Manager II	237,991	15,639
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1823_C	Senior Administrative Analyst	189,205	1824_C	Principal Administrative Analyst	217,793	28,588
0932_C	Manager IV	268,539	0933_C	Manager V	288,734	20,195
1093_C	IT Operations Support Administrator III	168,638	1054_C	IS Business Analyst-Principal	264,859	96,221
1042_C	IS Engineer-Journey	219,842	1043_C	IS Engineer-Senior	242,502	22,660
0923_C	Manager II	236,597	0931_C	Manager III	253,999	17,402
1632_C	Senior Account Clerk	130,509	1654_C	Accountant III	190,482	59,973
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
5207_C	Associate Engineer	228,009	5241_C	Engineer	257,034	29,025
1823_C	Senior Administrative Analyst	189,205	1824_C	Principal Administrative Analyst	217,793	28,588
1634_C	Principal Account Clerk	145,308	1654_C	Accountant III	190,482	45,174

Current			Proposed			Change
Job Class	Job Class Title	Cost	Job Class	Job Class Title	Cost	Cost
1823_C	Senior Administrative Analyst	189,205	1824_C	Principal Administrative Analyst	217,793	28,588
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
1822_C	Administrative Analyst	164,917	1823_C	Senior Administrative Analyst	190,477	25,560
1043_C	IS Engineer-Senior	240,899	1044_C	IS Engineer-Principal	289,127	48,228
1052_C	IS Business Analyst	181,328	1043_C	IS Engineer-Senior	242,502	61,174
1446_C	Secretary II	131,946	1450_C	Executive Secretary I	143,126	11,180
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
1822_C	Administrative Analyst	164,917	1823_C	Senior Administrative Analyst	190,477	25,560
1822_C	Administrative Analyst	164,917	1823_C	Senior Administrative Analyst	190,477	25,560
1094_C	IT Operations Support Administrator IV	200,549	1042_C	IS Engineer-Journey	221,308	20,759
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
1041_C	IS Engineer-Assistant	200,150	1043_C	IS Engineer-Senior	242,502	42,352
1043_C	IS Engineer-Senior	240,899	1044_C	IS Engineer-Principal	289,127	48,228
1042_C	IS Engineer-Journey	219,842	1043_C	IS Engineer-Senior	242,502	22,660
1042_C	IS Engineer-Journey	219,842	1043_C	IS Engineer-Senior	242,502	22,660
1052_C	IS Business Analyst	181,328	1093_C	IT Operations Support Administrator III	169,778	(11,550)
1041_C	IS Engineer-Assistant	200,150	1042_C	IS Engineer-Journey	221,308	21,158
1041_C	IS Engineer-Assistant	200,150	1042_C	IS Engineer-Journey	221,308	21,158
1053_C	IS Business Analyst-Senior	206,502	1054_C	IS Business Analyst-Principal	264,859	58,357

Current			Proposed			Change
Job Class	Job Class Title	Cost	Job Class	Job Class Title	Cost	Cost
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
1654_C	Accountant III	189,209	1657_C	Accountant IV	232,393	43,184
Total		8,449,058			10,118,061	1,669,003

Port of San Francisco FY 2023-24 Midcycle Budget Changes

June 14, 2023





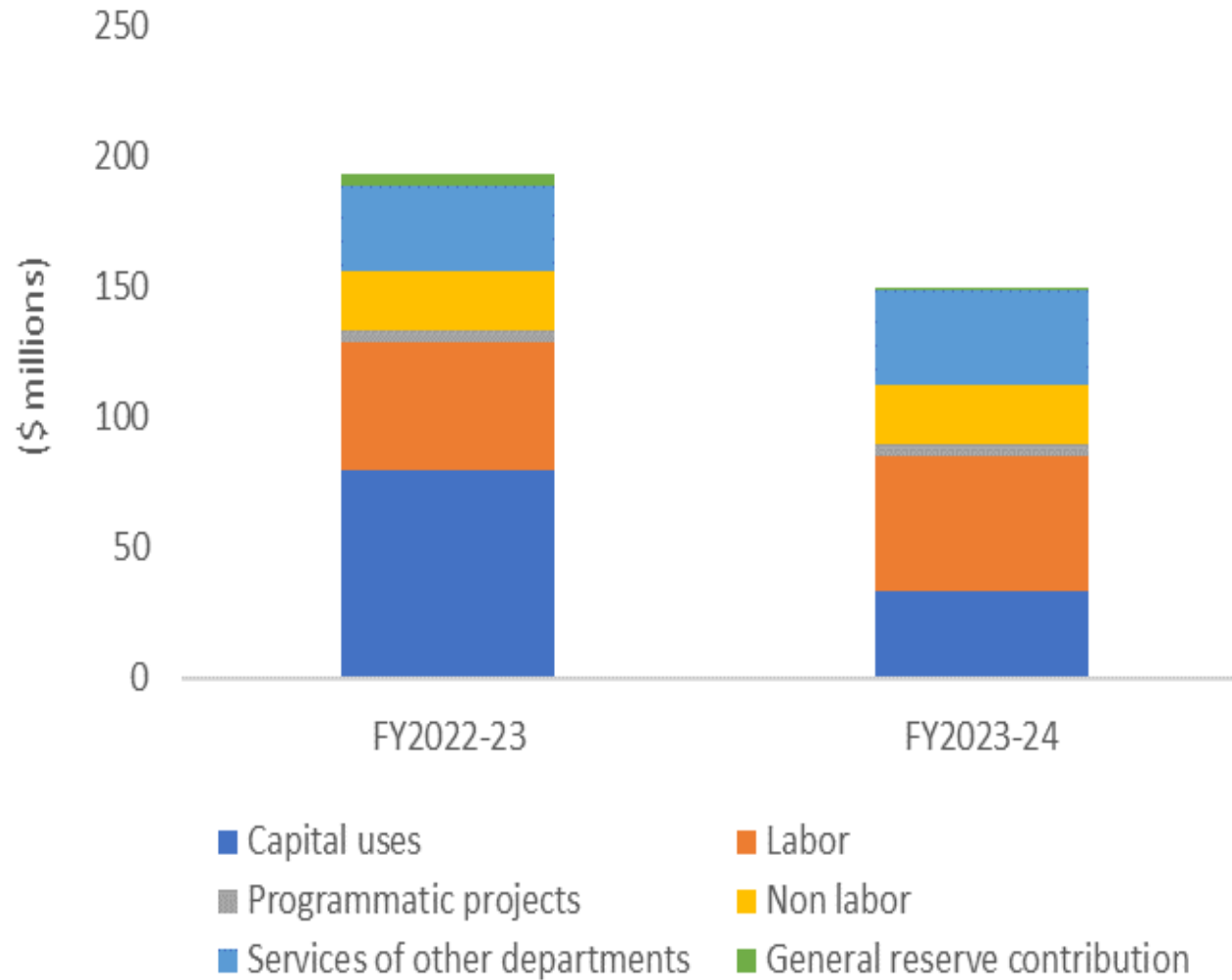
Port Budget Update

- Fixed 2-year budget was adopted last year. Now making minimal mid-cycle changes
- Mission Bay Parks, which are currently maintained by OCII, will be maintained by the Port and RPD beginning July 1. Maintenance costs will be funded by OCII.
- The Mayor's budget also reduces a FY23-24 general fund add-back of \$500k to incubate black-owned businesses on Port property. The Port can still deliver on the intent of the add-back, using unspent funds from the FY22-23 add-back of \$500k, and other sources needed to fill the gap.

Port FY 23-24 Operating Budget Changes

Expense Changes	\$000
Parks Maintenance Costs	\$1,000.8
<i>Staff Costs, including 2 new Laborers and 2 Gardeners</i>	<i>801.9</i>
<i>Additional Supplies, Utility, and Security Costs</i>	<i>198.9</i>
Workorder adjustments	1,353.2
Fringe Adjustments	430.3
Other Changes	51.1
Reduction of Reserve Deposit	-1,833.4
Reduction of General Fund Add-Back	-500.0
Total Expenditure Increase	\$501.9

Port FY 23-24 Operating Budget Overview





Questions

OFFICE OF THE MAYOR
SAN FRANCISCO



RECEIVED
LONDON N. BREED
SAN FRANCISCO MAYOR
2023 MAY 31 9:05 AM
PH 2:31
BY *[Signature]*

To: Angela Calvillo, Clerk of the Board of Supervisors
From: Anna Duning, Mayor's Budget Director
Date: June 1, 2023
Re: Mayor's FY 2023-24 and FY 2024-25 Budget Submission

Madam Clerk,

In accordance with City and County of San Francisco Charter, Article IX, Section 9.100, the Mayor's Office hereby submits the Mayor's proposed budget by June 1st, corresponding legislation, and related materials for Fiscal Year (FY) 2023-24 and FY 2024-25.

In addition to the Mayor's Proposed FY 2023-24 and FY 2024-25 Budget Book, the following items are included in the Mayor's submission:

- The Annual Appropriation Ordinance and Annual Salary Ordinance, along with Administrative Provisions
- The proposed budget for the Office of Community Investment and Infrastructure for FY 2023-24
- The Airport Annual Salary Ordinance Supplemental for FY 2023-24
- The Port of San Francisco Annual Salary Ordinance Supplemental for FY 2023-24 and Annual Appropriation Ordinance Supplemental for FY 2023-24
- The Public Utilities Commission Capital Budget for FY 2023-24 and Annual Appropriation Ordinance Supplemental for FY 2023-24
- 34 separate pieces of trailing legislation (see list attached)
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- An Interim Exception letter
- A letter addressing funding levels for nonprofit corporations or public entities for the coming two fiscal years
- Memo to the Board President requesting for 30-day rule waivers on ordinances

Please note the following:

- Technical adjustments to the June 1 budget are being prepared, but are not submitted with this set of materials.

Sincerely,

[Signature]
Anna Duning
Mayor's Budget Director

cc: Members of the Board of Supervisors
Budget & Legislative Analyst's Office
Controller

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2023 JUN -1 PM 2:34
BY *[Signature]*

DEPT	Item	Description	Type of Legislation	File #
ADM	Code Amendment	Amending the Administrative Code to eliminate the Annual Joint Fundraising Drive	Ordinance	230648
ADM	Code Amendment	Amending the Administrative and Environment Codes to reduce reporting burdens, so as to update insurance manuals when requested or necessary, instead of on an annual basis, and eliminating some scheduled reports	Ordinance	230647
ADM	Code Amendment	Amending the Administrative Code relating to Technology Commodities and Services Procurements, to eliminate the Tech Marketplace fee	Ordinance	230649
ADM	Continuing Prop J	City Administrator's Office convention facility management services, Real Estate custodial services, and Fleet and Real Estate security services	Resolution	230672
BOS	Continuing Prop J	Board of Supervisors Budget and Legislative Analyst Services for FY 2023-24	Resolution	230672
CON	Access Line Tax (ALT) Tax Rates	Sets Access Line Tax in line with 2023 Consumer Price Index. Revenues assumed in budget.	Ordinance	230676
CON	Neighborhood Beautification Fund	Neighborhood Beautification and Graffiti Clean-Up Fund Option (now known as the Community Challenge Grant Program)	Ordinance	230668
DBI	Department of Building Inspection Fee Changes	Changing the fee structure for DBI fees that are charged for permitting and inspection	Ordinance	230658
DEC	Early Care and Education Commercial Rents Tax Baseline	Amending the baseline funding requirements for early care and education programs to enable the City to use Early Care and Education Commercial Rents Tax revenues for those programs	Ordinance	230661
DEC	Early Care and Education, Commercial Rents Tax Deductions	Amending the Business and Tax Regulations Code relating to the Early Care and Education Commercial Rents Tax Sublessor Deduction	Ordinance	230660
DEM	EMSA Fee Changes	Updating medical services fees due to annual adjustments for the purposes of funding trauma and pediatric centers. Fees also required for certain additional services.	Ordinance	230659

DPH	Patient Rates	Amending the Health Code to set patient rates and rates for other services provided by the Department of Public Health.	Ordinance	230662
DPH	Recurring State Grants	Accept and expend for annual, recurring state grant funds.	Resolution	230677
DPH	Managed Care Rates	Amending the Health Code to set managed care rates provided by the Department of Public Health.	Ordinance	230650
DPH	Public Health Foundation MOU	MOU between DPH and San Francisco Public Health Foundation to establish roles and responsibilities for purposes of fundraising and capital projects	Resolution	230673
DPH	Hospital Foundation MOU	MOU between DPH and San Francisco General Hospital Foundation to establish roles and responsibilities for purposes of fundraising and capital projects	Resolution	230674
DPH	Mobile Crisis Grant	Grant agreement between DPH and Advocates for Human Potential Inc. for anticipated revenue that support behavioral health mobile crisis and non-mobile crisis services	Resolution	230679
DPH	Continuing Prop J	Department of Public Health Security Services	Resolution	230672
DPW	Continuing Prop J	Department of Public Works Security Services for FY 2023-24	Resolution	230672
ECN	Contract Amendment - MidMarket Foundation	Contract amendment to reflect budgeted funding levels for the Mid-Market Foundation - Mid-Market/Tenderloin Community-Based Safety Program	Resolution	230681
ECN	Contract Amendment – San Francisco Tourism Improvement District Management Corporation	Contract amendment to reflect budgeted funding levels for the San Francisco Tourism Improvement District Management Corporation – Downtown Welcome Ambassador Program	Resolution	230680
ECN	Film Commission Fee Changes	Increase of filming fees for the SF Film Commission	Ordinance	230651
HOM	CAAP Legislation	Annual legislation for CAAP housing, required if appropriations for HSH fund exceed \$11.9 million, including expenditure details and explanation of benefits provided	Resolution	230675
HOM	Continuing Prop J	Homelessness and Supportive Housing security services	Resolution	230672

HSA	Continuing Prop J	Human Services Agency Security Services for FY 2023-24	Resolution	230672
HSH/ DPH	Funding Reallocation - Our City, Our Home Homelessness Gross Receipts Tax	Ordinance reallocating approximately \$60,000,000 in unencumbered revenues from the Our City, Our Home Fund to allow the City to use revenues from the Homelessness Gross Receipts Tax to provide services to prevent homelessness.	Ordinance	230657
LIB	Friends of the Library A&E	Annual Accept & Expend legislation for the SFPL's Friends of the Library Fund	Resolution	230678
MOHCD	Continuing Prop J	Mayor's Office of Housing and Community Development security services for undeveloped real property	Resolution	230672
OCII	OCII Interim Budget Resolution	OCII Interim Budget Resolution	Resolution	230670
	Citywide Tax Changes	Gross Receipts Tax Rate Increase Postponement and Credits for Opening City Location	Ordinance (Introduced)	File No. 230155
REG	Continuing Prop J	Department of Elections Envelope Assembly Services for FY 2023-24	Resolution	230672
REG	Ballot Arguments Opt-Out	Legislation for CCSF opt out of arguments on ballots required in AB 1416	Ordinance	230663
SHF	Continuing Prop J	Sheriff's Department County Jails Food Services for FY 2023-24	Resolution	230672
TTX	First Year Free	Continues waiving certain small business first-year permit, license, and business registration fees	Ordinance	230664

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

TO: Aaron Peskin, President of the Board of Supervisors; Angela Calvillo, Clerk of
the Board of Supervisors
FROM: Tom Paulino
RE: 30-day Waiver Request for 7 Ordinances Related to Budget
DATE: June 2, 2023

A formal request to waive the 30-day hold on the following 7 ordinances introduced along with the budget on Thursday, June 1, 2023:

- Interim AAO
- Interim ASO
- Proposed AAO
- Proposed ASO
- Airport ASO Supplemental
- Port ASO Supplemental
- PUC Capital Budget and AAO Supplemental

Should you have any questions, please contact Tom Paulino at 415-554-6153.

President, District 3
BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. 554-7450
Fax No. 554-7454
TDD/TTY No. 544-6546

Aaron Peskin

PRESIDENTIAL ACTION

Date:

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,

Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No.

(Primary Sponsor)

Title.

Transferring (Board Rule No 3.3)

File No.

(Primary Sponsor)

Title.

From:

Committee

To:

Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor:

Replacing Supervisor:

For:

Meeting

(Date)

(Committee)

Start Time:

End Time:

Temporary Assignment: Partial

Full Meeting

Aaron Peskin, President
Board of Supervisors

**Board of Supervisors
Legislation Introduced**

Legislation Introductions - 6/6/23					
Number	Requests or IA	File No.	Sponsor	File Type	Description
	30-Day	230642	Mayor	O	Proposed Interim Budget and Annual Appropriation Ordinance (AAO)
	30-Day	230643	Mayor	O	Proposed Interim Annual Salary Ordinance (ASO)
	30-Day	230644	Mayor	O	Proposed Budget and Annual Appropriation Ordinance (AAO)
	30-Day	230645	Mayor	O	Proposed Annual Salary Ordinance (ASO)
	30 Day Waiver	230646	Mayor	O	Admin Code - Minimum Compensation Ordinance
	30 Day Waiver	230647	Mayor	O	Admin & Environment Codes - Reducing Reporting Burdens
	30 Day Waiver	230648	Mayor	O	Admin Code - Eliminating Annual Joint Fundraising Drive
	30 Day Waiver	230649	Mayor	O	Admin Code - Technology Commodities and Services Procurements
	30 Day Waiver	230650	Mayor	O	Admin Code - DPH Managed Care Contracts
	30 Day Waiver	230651	Mayor	O	Admin Code - Film Commission Programs
	30-Day	230652	Mayor	O	Appropriation - \$124,020,472 in Proceeds from Revenue Bonds, Hetch Hetchy Revenue, Cap and Trade Allowance - FY 2023-24
	30-Day	230653	Mayor	O	Appropriation - Proceeds from CleanPowerSF Revenue and CPUC Grant Funds for CleanPowerSF Capital Improvements - \$1,607,220 - FY2023-24
	30-Day	230654	Mayor	O	Appropriation - \$332,278,006 in Proceeds from Revenue Bonds, State Loan or Grant Funds, Water Revenues, and Water Capacity Fees - FY2023-24
	30-Day	230655	Mayor	O	Appropriation - Proceeds from Revenue Bonds, State Loans or Grant Funds, Wastewater Revenues, and Wastewater Capacity Fees for Wastewater Capital Improvements - \$1,142,597,402 - FY2023-24
	30-day	230656	Mayor	O	Appropriation - Port Commission - \$501,908 - PUC - \$97,057,341 - FY2023-24
	30 Day Waiver	230657	Mayor	O	Funding Reallocation - Our City, Our Home Homelessness Gross Receipts Tax
	30 Day Waiver	230658	Mayor	O	Building Code - Fees
	30 Day Waiver	230659	Mayor	O	Business & Tax Regulations, Health Codes - Emergency Medical Services Fees
	30 Day Waiver	230660	Mayor	O	Business & Tax Regulations Code - Early Care and Education Commerical Rents Tax Sublessor Deduction
	30 Day Waiver	230661	Mayor	O	Business & Tax Regulations Code - Early Care and Education Commerical Rents Tax Baseline
	30 Day Waiver	230662	Mayor	O	Health Code - Patient Rates for FY 2023-24 and 2024-25
	30 Day Waiver	230663	Mayor	O	Municipal Elections Code - Supporters and Opponents in Ballot Questions for Local Measures
	30 Day Waiver	230664	Mayor	O	Business & Tax Regulations Code - Waiver of Permit, License, and Business Registration Fees for Certain Small Businesses

**Board of Supervisors
Legislation Introduced**

Legislation Introductions - 6/6/23					
Number	Requests or IA	File No.	Sponsor	File Type	Description
	30-Day	230665	Mayor	O	SFPUC Water Revenue Bond and Other Forms of Indebtedness Issuance - NTE \$358,985,453
	30-Day	230666	Mayor	O	SFPUC Wastewater Revenue Bond Issuance - NTE \$1,047,288,286
	30-Day	230667	Mayor	O	SFPUC Power Revenue Bond and Other Forms of Indebtedness Issuance - NTE \$41,031,367
	30 Day Waiver	230668	Mayor	O	Neighborhood Beautification and Graffiti Clean-Up Fund Tax Designation Ceiling
	30-Day	230669	Mayor	O	Public Employment - Amendment to the Salary Ordinance for the Port Commission and the Airport Commission - FY2023-24

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Tom Paulino, Liaison to the Board of Supervisors
RE: Appropriation - Port Commission - \$501,908 - Public Utilities Commission –
\$97,057,341 - FY2023-2024
DATE: June 1, 2023

Ordinance Appropriating \$501,908 in the Port Commission and \$97,057,341 in the San Francisco Public Utilities Commission in Fiscal Year (FY) 2023-2024.

Should you have any questions, please contact Tom Paulino at 415-554-6153.