


CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST

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May 22, 2018

TO: Budget and Finance Committee

FROM: Budget and Legislative Analyst 

SUBJECT: Recommendations of the Budget and Legislative Analyst for Amendment of the Mayor's Fiscal Year 2018-2019 to Fiscal Year 2019-2020 Budget.

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YEAR ONE: FY 2018-19

Budget Changes

The Department’s proposed \$1,112,872,807 budget for FY 2018-19 is \$125,086,930 or 12.7% more than the original FY 2017-18 budget of \$987,785,877.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 1598.70 FTEs, which are 12.75 FTEs more than the 1,585.95 FTEs in the original FY 2017-18 budget. This represents a 0.8% increase in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department's revenues of \$1,112,872,807 in FY 2018-19 are \$125,086,930 or 12.7% more than the FY 2017-18 estimated revenues of \$987,785,877.

YEAR TWO: FY 2019-20

Budget Changes

The Department’s proposed \$1,223,801,702 budget for FY 2019-20 is \$110,928,895 or 10% more than the Mayor’s proposed FY 2018-19 budget of \$1,112,872,807.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 1598.56 FTEs, which are 0.14 FTEs less than the 1598.70 FTEs in the Mayor’s proposed FY 2018-19 budget. This represents a 0.01% decrease in FTEs from the Mayor’s proposed FY 2018-19 budget.

Revenue Changes

The Department’s revenues of \$1,223,801,702 in FY 2019-20 are \$110,928,895 or 10% more than the FY 2018-19 estimated revenue of \$1,112,872,807.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: AIR – AIRPORT

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14 Budget	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Proposed
Airport	868,059,481	956,887,475	925,831,985	964,158,240	987,785,877	1,112,872,807
FTE Count	1,459.9	1,472.66	1,492.61	1,540.77	1,585.95	1,598.7

The Department’s budget increased by \$244,813,326 or 28.2% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. The Department’s FTE count increased by 138.80 or 9.5% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FY 2018-19

The Department’s proposed FY 2018-19 budget has increased by \$125,086,930 largely due to:

The Airport has sustained successive years of passenger traffic growth. From FY 2013-14 through FY 2017-18 (projection), the number of enplaned passengers at the Airport has grown by 19.3 percent, from 22.3 million to 28.5 million. The Airport is attempting to meet the increased passenger traffic demands on the Airport’s facilities by investing \$21.4 million in FY 2018-19. The Airport is also significantly investing in safety and security, including 130 Academy cadets, by spending \$22.6 million in FY 2018-19. The Airport is also addressing curbside congestion (\$0.6 million in FY 2018-19), enhancing sustainability efforts (\$1.9 million in FY 2018-19) and supporting the capital program (\$24.8 million).

FY 2019-20

The Department’s proposed FY 2019-20 budget has increased by \$110,928,895 largely due to:

The Airport will spend \$47 million in FY 2019-20 on capital projects, which will be used to support operating services associated with new facilities projects in FY 2018-19. The Airport will be continuing efforts to meet the increased passenger traffic demands on the Airport’s facilities, and will start implementing the fingerprinting and aviation worker biometric checks required to meet TSA mandates. The Airport will also continue supporting safety and security by investing \$15.4 million in FY 2019-20 for 108 new public Safety positions and upgrading the Law Enforcement Automated Data System. Finally, the Airport will expand its sustainability efforts by \$1.7 million in order to help achieve its Zero Waste target.

Airport Police Bureau

The Airport increased its work order with the San Francisco Police Department by \$9.2 million in FY 2018-19 and \$9.7 million in FY 2019-20 to fund additional slots in the San Francisco Police Department’s police academies in order to increase police staffing at the Airport. According to Airport staff, the increased police staffing support increase visibility of police patrols at the

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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FY 2018-19 AND FY 2019-20**

DEPARTMENT: AIR – AIRPORT

Airport, aid in traffic management, and provide special services including dignitary protection, cargo theft investigation, narcotics interdiction, and explosives detection. Under the Airport’s proposal, the increase in police officers would be deployed across the patrol, traffic management, and special services units based on need, with the majority of new officers supporting patrol.

Under the Airport’s proposal, the number of sworn police positions at the Airport would increase by 39 percent, from 184 to 255.69 Full Time Equivalent (FTE) positions¹, with the largest increase among police officers, as shown below.

	Existing FTEs	Proposed FTEs	Increase in FTEs	Percent Increase
Deputy Chief	1.00	1.00	0.00	0%
Commander	1.00	1.00	0.00	0%
Captains	3.00	3.00	0.00	0%
Lieutenants	10.00	11.54	1.54	15%
Sergeants	27.00	37.77	10.77	40%
Police Officers	142.00	201.38	59.38	42%
Total	184.00	255.69	71.69	39%

The ratio of police officers to lieutenants would decrease from 14:1 to 18:1, and the ratio of police officers to sergeants would increase slightly, but still be approximately 5:1.

According to the Airport, the increase in police staffing is necessary to accommodate the growth in terminal space² and passengers, improve patrol functions (higher visibility, decreased response time), improve traffic management (particularly in regards to transportation network companies), increase the canine unit, add staffing for dignitary protection, and implement taser and body camera management.

In FY 2017-18, the Airport budget included \$2,494,724 to fund 20 slots in a police academy class of approximately 50 recruits.

In FY 2018-19 and FY 2019-20, the Airport’s proposed budget includes \$11,722,383 and \$12,218,666 respectively to fund 120 slots in three police academies and 10 lateral police officer hires, for 130 new police hires.

In FY 2018-19, the Airport plans to fund:

- (a) 20 of 50 slots in a police academy scheduled to begin in June 2018;

¹ Police positions funded by the Airport are budgeted in the San Francisco Police Department’s budget, subject to appropriation by the Board of Supervisors during the June 2018 review of the Mayor’s proposed budget.

² According to the Airport, over the past 20 years the Airport has added approximately 2.5 million square feet of terminal space, bringing the total amount of terminal space that needs to be patrolled to 5.1 million square feet.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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FY 2018-19 AND FY 2019-20**

DEPARTMENT: _____ **AIR – AIRPORT**

- (b) 50 slots in each of two academies estimated to begin in August 2018 and January 2019 (totaling 100 slots); and
- (c) 10 lateral police hires in a lateral academy class estimated to begin in March 2019.

In FY 2019-20, the Airport plans to fund a similar number of slots in police academy classes for new recruits and lateral police hires but the dates of the academy classes are not yet known.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: AIR – AIRPORT

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$3,416,184 in FY 2018-19. Of the \$3,416,184 in recommended reductions, \$2,407,158 are ongoing savings and \$1,009,026 are one-time savings. These reductions would still allow an increase of \$121,670,746 or 12.3% in the Department’s FY 2018-19 budget.

Permanent police positions at the Airport are included in the San Francisco Police Department’s (SFPD) budget, funded by Airport funds; these positions will be subject to Board of Supervisors approval during the June 2018 review of the SFPD budget. Therefore, approval of the increase in the Airport’s work order with the San Francisco Police Department to fund additional slots in the police academies in order to increase police staffing at the Airport is a policy matter for the Board of Supervisors.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$2,672,299 in FY 2019-20. Of the \$2,672,299 in recommended reductions, \$2,438,089 are ongoing savings and \$234,210 are one-time savings. These reductions would still allow an increase of \$108,256,596 or 9.7% in the Department’s FY 2019-20 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
AIR Aviation Security												
Materials and Supplies		\$28,500	\$2,500	\$26,000		X			\$31,750	\$31,750		\$0
Reduce Materials and Supplies in Aviation Security to \$26,000 due to Airport need.												
Other Equipment Maintenance		\$555,000	\$500,000	\$55,000		X			\$555,000	\$555,000		\$0
The Department expects to spend approximately \$259,307 by the end of FY 2017-18. The recommended budget of \$500,000 will provide sufficient flexibility for increased costs for FY 2018-19.												
Chief Administration Office												
Administrative Analyst	0.77	0.00	\$75,739	\$0	\$75,739		1.00	0.0	\$98,363	\$0		\$98,363
Mandatory Fringe Benefits			\$31,986	\$0	\$31,986				\$42,552	\$0		\$42,552
<i>Total Savings \$107,725</i>												
Delete 1.00 FTE new1822 Administrative Analyst position. The Airport has asked for a substitute to a Manager III within this division to handle the increased contract load.												
Other Professional Services			\$2,200,000	\$1,800,000	\$400,000				\$1,450,000	\$1,050,000		\$400,000
The Department expects to underspend by the end of FY 2017-18. The recommended budget of \$1,800,000 will provide sufficient flexibility for increased costs for FY 2018-19.												
Communications Dispatch												
Manager II	1.00	0.00	\$142,764	\$0	\$142,764		1.00	0.0	\$142,764	\$0		\$142,764
Mandatory Fringe Benefits			\$57,747	\$0	\$57,747				\$59,533	\$0		\$59,533
Airport Communications Supervisor	0.00	1.00	\$0	\$112,181	(\$112,181)		0.00	1.0	\$0	\$112,181		(\$112,181)
Mandatory Fringe Benefits			\$0	\$45,332	(\$45,332)				\$0	\$46,326		(\$46,326)
<i>Total Savings \$42,998</i>												
Deny upward substitution of 1.00 FTE 9204 Airport Communications Supervisor I to 1.00 FTE 0923 Manager II. The responsibilities of this position can be carried out by the existing classification.												
Ongoing savings												

GF = General Fund

1T = One Time

**Recommendations of the Budget and Legislative Analyst
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AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
Chief Operating Office												
Other Professional Services		\$100,000	\$75,000	\$25,000					\$100,000	\$75,000	\$25,000	
The Department underspent in Non-Professionalized Services by approximately \$141,406 by the end of FY 2017-18. The recommended budget of \$75,000 for Other Professional Services will provide sufficient flexibility for increased costs for FY 2018-19.												
Custodial												
Attrition Savings			(\$1,076,083)	(\$1,276,083)		X				(\$1,418,776)	(\$1,418,776)	\$0
Mandatory Fringe Benefits			(\$541,399)	(\$642,023)		X			\$	(736,969)	\$ (736,969)	\$0
			<i>Total Savings</i>	<i>\$300,624</i>					<i>Total Savings</i>	<i>\$0</i>		
Increase Attrition Savings in FY 2018-19 due to delays in hiring custodians. There are currently 34 vacant custodian positions, and the Facilities Manager plans on hiring a few at a time.												
Custodial Assistant Supervisor	1.00	0.00	\$69,869	\$0			2.00	0.0	\$69,869	\$0		\$69,869
Mandatory Fringe Benefits			\$33,731	\$0					\$34,771	\$0		\$34,771
			<i>Total Savings</i>	<i>\$103,600</i>					<i>Total Savings</i>	<i>\$104,640</i>		
Delete 1.00 FTE Custodial Assistant Supervisor position that is vacant. The Airport no longer needs this position.												
Attrition Savings			(\$431,203)	(\$631,203)		X				(\$179,229)	(\$179,229)	\$0
Mandatory Fringe Benefits			(\$160,167)	(\$235,167)		X			\$	(68,370)	\$ (68,370)	\$0
			<i>Total Savings</i>	<i>\$265,447</i>					<i>Total Savings</i>	<i>\$0</i>		
Increase Attrition Savings in FY 2018-19 due to delays in hiring one Deputy Director V. The position has been vacant since 2016 and the Airport is still in the planning stages.												

GF = General Fund
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**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
	From	To	From	To			From	To	From	To		
Other Current Expenses			\$100,000	\$80,000		\$20,000	X			\$50,000	\$50,000	\$0
	<p>The Department underspent in Non-Professionalized Services by approximately \$256,578 by the end of FY 2017-18. The recommended budget of \$80,000 for Other Professional Services will provide sufficient flexibility for increased costs for FY 2018-19.</p>											
Senior Administrative Analyst	1.00	0.00	\$114,618	\$0		\$114,618		1.00	0.0	\$114,618	\$0	\$114,618
Mandatory Fringe Benefits			\$46,467	\$0		\$46,467				\$47,499	\$0	\$47,499
Senior Management Assistant	0.00	1.00	\$0	\$103,719		(\$103,719)		0.00	1.0	\$0	\$103,719	(\$103,719)
Mandatory Fringe Benefits			\$0	\$43,012		(\$43,012)				\$0	\$44,015	(\$44,015)
			<i>Total Savings</i>	<i>\$14,354</i>						<i>Total Savings</i>	<i>\$14,383</i>	
	<p>Deny upward substitution of 1.00 FTE 1844 Senior Management to 1.00 FTE 1823 Senior Administrative Analyst.</p>											
	Facilities											
Ford Contour Sedan	4.00	2.00	\$139,380	\$69,690		\$69,690	X					\$0
	<p>Reduce the number of replacement Ford Contour Sedans by two. Two of the replacement vehicles have been driven 34,050 miles and 38,360 miles since 1999. The Airport is requesting 17 hybrid, electric, and conventional cars and SUVs, of which 4 are new and 13 are replacement. Given the low mileage of the vehicles to be replaced, we recommend not replacing 4 vehicles. The Airport will still have 13 vehicles, of which 9 are replacement and 4 are new.</p>											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20						
	FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings	
	From	To	From	To			From	To	From	To			
Ford E350 Van	1.00	0.00	\$34,000	\$0	\$34,000	X						\$0	
	<p>The vehicle is from 1992 and only has 39,888 miles. The Airport does not need this vehicle and the City is trying to "right size" its fleet of vehicles. The Airport proposes 36 trucks in the budget (light duty, regular, super duty, and lift), of which 16 are new and 20 are replacement. We recommend against 3 replacement trucks for which the vehicle to be replaced has low annual mileage, and 2 new trucks which are not needed. The Airport will still have 29 new and replacement trucks in the budget.</p>												
Ford 150 Truck	1.00	0.00	\$70,000	\$0	\$70,000	X						\$0	
	<p>The vehicle to be replaced has only 55,172 miles after 22 years. The Airport proposes 36 trucks in the budget (light duty, regular, super duty, and lift), of which 16 are new and 20 are replacement. We recommend against 3 replacement trucks for which the vehicle to be replaced has low annual mileage, and 2 new trucks which are not needed. The Airport will still have 29 new and replacement trucks in the budget.</p>												
Ford Fusion Mid-Size Sedan							1.00	0.0	\$26,210	\$0		\$26,210	X
	<p>The vehicle to be replaced has 60,380 miles and still has remaining life before the vehicle needs to be replaced. The Airport budget proposes 9 replacement hybrids (8 sedans and 1 SUV); the vehicles to be replaced have low annual mileage. The Airport is requesting 17 hybrid, electric, and conventional cars and SUVs, of which 4 are new and 13 are replacement. Given the low mileage of the vehicles to be replaced, we recommend not replacing 4 vehicles. The Airport will still have 13 vehicles, of which 9 are replacement and 4 are new.</p>												

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AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
	From	To	From	To			From	To	From	To		
Ford Ranger Truck	1.00	0.00	\$27,798	\$0		\$27,798	X					\$0
	<p>The vehicle is from 1994 and has 55,828 miles. The Airport does not need this vehicle and the City is trying to "right size" its fleet of vehicles. The Airport proposes 36 trucks in the budget (light duty, regular, super duty, and lift), of which 16 are new and 20 are replacement. We recommend against 3 replacement trucks for which the vehicle to be replaced has low annual mileage, and 2 new trucks which are not needed. The Airport will still have 29 new and replacement trucks in the budget.</p>											
Sedan Hybrid	2.00	1.00	\$51,478	\$25,739		\$25,739	X					\$0
	<p>The Department is replacing two minivans with hybrid sedans. The two minivans being replaced have 45,713 miles and 36,292 miles. Both are 19 years old. The Airport does not need both vehicles and the City is trying to "right size" its fleet of vehicles. The Airport is requesting 17 hybrid, electric, and conventional cars and SUVs, of which 4 are new and 13 are replacement. Given the low mileage of the vehicles to be replaced, we recommend not replacing 4 vehicles. The Airport will still have 13 vehicles, of which 9 are replacement and 4 are new.</p>											
Ford 150	1.00	0.00	\$27,798	\$0		\$27,798	X					\$0
	<p>The new truck is due to the increase in the number of additional staff in the Sheetmetal shop. However, the FTE count will not rise in FY19-20 or FY 20-21. The Airport is already buying a new truck for the filled positions. The Airport proposes 36 trucks in the budget (light duty, regular, super duty, and lift), of which 16 are new and 20 are replacement. We recommend against 3 replacement trucks for which the vehicle to be replaced has low annual mileage, and 2 new trucks which are not needed. The Airport will still have 29 new and replacement trucks in the budget.</p>											

**Recommendations of the Budget and Legislative Analyst
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AIR- Airport

Account Title	FY 2018-19						FY 2019-20																																												
	FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings																																							
	From	To	From	To			From	To	From	To																																									
F250 Lift Truck	1.00	0.00	\$26,930	\$0	X	\$26,930					\$0																																								
	<p>The new truck is for additional staff at the Plumbing Shop. However, there is no increase in FTEs in this division in FY 2018-19 and FY 2019-20. Furthermore, there are still 4 vacant positions and one person on leave. The Airport should delay purchasing this vehicle until FY 2020-21 when all positions are filled. The Airport proposes 36 trucks in the budget (light duty, regular, super duty, and lift), of which 16 are new and 20 are replacement. We recommend against 3 replacement trucks for which the vehicle to be replaced has low annual mileage, and 2 new trucks which are not needed. The Airport will still have 29 new and replacement trucks in the budget.</p>																																																		
	<p>Electric Shop</p> <table border="1"> <tr> <td>Electrician</td> <td>22.00</td> <td>21.00</td> <td>\$2,516,115</td> <td>\$2,406,719</td> <td></td> <td>\$109,396</td> <td></td> <td>#####</td> <td>###</td> <td>\$2,516,115</td> <td>\$2,406,719</td> <td>\$109,396</td> </tr> <tr> <td>Mandatory Fringe Benefits</td> <td></td> <td></td> <td>\$1,094,495</td> <td>\$1,046,908</td> <td></td> <td>\$47,587</td> <td></td> <td></td> <td></td> <td>\$1,122,644</td> <td>\$1,073,833</td> <td>\$48,811</td> </tr> <tr> <td></td> <td colspan="2"></td> <td><i>Total Savings</i></td> <td>\$156,983</td> <td></td> <td></td> <td></td> <td colspan="2"><i>Total Savings</i></td> <td>\$158,207</td> <td></td> <td></td> </tr> </table>												Electrician	22.00	21.00	\$2,516,115	\$2,406,719		\$109,396		#####	###	\$2,516,115	\$2,406,719	\$109,396	Mandatory Fringe Benefits			\$1,094,495	\$1,046,908		\$47,587				\$1,122,644	\$1,073,833	\$48,811				<i>Total Savings</i>	\$156,983				<i>Total Savings</i>		\$158,207		
Electrician	22.00	21.00	\$2,516,115	\$2,406,719		\$109,396		#####	###	\$2,516,115	\$2,406,719	\$109,396																																							
Mandatory Fringe Benefits			\$1,094,495	\$1,046,908		\$47,587				\$1,122,644	\$1,073,833	\$48,811																																							
			<i>Total Savings</i>	\$156,983				<i>Total Savings</i>		\$158,207																																									
	<p>Reduce the number of 7345 Electricians by 1.00 FTEs. One position has been vacant since 2015, and two have been vacant since 2016. The Airport has requested a substitution for one of these Electrician positions to become an Electronic Maintenance Technician, leaving seven vacant Electricians within this department.</p> <p align="center">Ongoing savings</p>																																																		
	<p>Engineering Services</p> <table border="1"> <tr> <td>Other Professional Services</td> <td></td> <td></td> <td>\$1,285,000</td> <td>\$1,010,000</td> <td></td> <td>\$275,000</td> <td></td> <td></td> <td></td> <td>\$2,360,000</td> <td>\$2,085,000</td> <td>\$275,000</td> </tr> </table>												Other Professional Services			\$1,285,000	\$1,010,000		\$275,000				\$2,360,000	\$2,085,000	\$275,000																										
Other Professional Services			\$1,285,000	\$1,010,000		\$275,000				\$2,360,000	\$2,085,000	\$275,000																																							
	<p>Reduce proposed budget for Low and Medium priority new professional services contracts in Engineering.</p> <p align="center">Ongoing savings</p>																																																		

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20						
	FTE		Amount		GF	1T	FTE		Amount		GF	1T	
	From	To	From	To			From	To	From	To			Savings
Ground Transportation Unit													
Other Equip Maint			\$500,000	\$336,642	\$163,358				\$500,000	\$500,000	\$0		\$0
	Reduce to reflect historical underspending. The Department is projected to spend \$133,053 in FY 2017-18.												
	Info Technology and Telecom												
IS Business Analyst- Senior	1.00	0.00	\$126,107	\$0	\$126,107		1.00	0.0	\$126,107	\$0	\$126,107		
Mandatory Fringe Benefits			\$49,005	\$0	\$49,005				\$50,025	\$0	\$50,025		
			<i>Total Savings</i>		\$175,112				<i>Total Savings</i>		\$176,132		
Telephone Charges- Non Work Order	Delete 1.00 FTE 1053 IS Business Analyst-Senior position that has been vacant since 2015.												
			\$1,815,000	\$1,632,000	\$183,000				\$1,815,000	\$1,632,000	\$183,000		
	Reduce Other Professional Services budget by \$183,000 to reflect actual need.												
Senior Clerk	1.57	0.77	\$97,164	\$48,582	\$48,582		2.00	1.8	\$126,187	\$111,675	\$14,512		
Mandatory Fringe Benefits			\$49,084	\$24,542	\$24,542				\$65,840	\$58,268	\$7,572		
			<i>Total Savings</i>		\$73,124				<i>Total Savings</i>		\$22,083		
Network Equipment	Delay 0.77 FTE new 1406 Senior Clerk position by one year due to ongoing vacancies and delayed hiring. The Airport currently has two vacant Senior Clerk positions.												
							1.00	0.0	\$120,000	\$0	\$120,000		X
	One time savings Delete the replacement network equipment. The Airport does not need this item.												

**Recommendations of the Budget and Legislative Analyst
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AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
NetOptic Expansion	2.00	1.00	\$90,000	\$45,000	\$45,000	X	1.00	1.00	\$45,000	\$45,000		\$0
	Reduce the number of new NetOptic Expansion (which mirrors network traffic to inspect potential vulnerabilities) by one in FY 2018-19. The Airport will still be able to purchase an additional NetOptic Expansion in FY 2018-19 and another one in FY 2019-20.											
Video Monitor	6.00	5.00	\$90,000	\$75,000	\$15,000	X			\$0	\$0		\$0
	Reduce the number of replacement video monitors by one. The Airport needs 4 operational video monitors, and requested two in case the operational ones break. However, according to the Airport, the operational ones rarely break.											
	Museum											
Curator II	0.77	0.00	\$67,945	\$0	\$67,945		1.00	0.00	\$88,240	\$0		\$88,240
Mandatory Fringe Benefits			\$29,796	\$0	\$29,796				\$39,711	\$0		\$39,711
	<i>Total Savings \$97,741</i>											
	Deny new position. The SFO Airport is already creating a new Curator II position from a Curator I position. The Airport will still have 4 Curator II positions, one more than it has currently. The Airport currently has one Curator I position, 4 Curator II position, 7 Curator III positions, and 3 Curator IV positions.											
	Planning and Environmental Affairs											
Other Professional Services			\$3,837,500	\$3,737,500	\$100,000				\$3,650,000	\$3,375,000		\$275,000
	Ongoing savings											
	<i>Total Savings \$127,951</i>											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20						
	FTE		Amount		GF	1T	FTE		Amount		GF	1T	
	From	To	From	To			From	To	From	To			Savings
	Reduce to reflect historical underspending. The Department is projected to spend \$2,554,519.8 for this in FY 2017-18. The recommended budget of \$3,737,500 will provide sufficient flexibility for increased costs for FY 2018-19.												
	Police Bureau												
Manager III	1.00	0.00	\$153,931	\$0	\$153,931		1.00	0.0	\$153,931	\$0	\$153,931		
Mandatory Fringe Benefits			\$60,019	\$0	\$60,019				\$61,793	\$0	\$61,793		
Airport Economic Planner	0.00	1.00	\$0	\$140,702	(\$140,702)		0.00	1.0	\$0	\$140,702	(\$140,702)		
Mandatory Fringe Benefits			\$0	\$52,400	(\$52,400)				\$0	\$53,757	(\$53,757)		
			<i>Total Savings</i>	\$20,848					<i>Total Savings</i>	\$21,265			
	Deny upward substitution of 1.00 FTE 9255 Airport Economic Planner to 1.00 FTE 0931 Manager II due to inadequate justification and ongoing need for Airport Economic Planner in another Department. The Police Bureau does not currently have Airport staff.												
GO-4							1.00	0.0	\$34,000	\$0	\$34,000		X
	The vehicle to be replaced has only 16,602 miles and still has remaining useful life before the vehicle needs to be replaced.												
GO-4							1.00	0.0	\$34,000	\$0	\$34,000		X
	The vehicle to be replaced has only 16,556 miles and still has remaining useful life before the vehicle needs to be replaced.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
	From	To	From	To			From	To	From	To		
Project Management												
Project Manager IV	1.00	0.00	\$220,935	\$0	\$220,935		1.00	0.0	\$220,935	\$0	\$220,935	
Mandatory Fringe Benefits			\$69,006	\$0	\$69,006				\$70,276	\$0	\$70,276	
			<i>Total Savings</i>	\$289,941					<i>Total Savings</i>	\$291,211		
	Delete 1.00 FTE 5508 Project Manager IV position that has been vacant since 2014 (4 years); the Airport does not have immediate plans to fill this position. The Airport has 7 positions in this classification (2 on-budget, including the subject position; and 5 off-budget funded by the capital budget). Two of the 5 off-budget positions are vacant.											
	Reprographics											
Illustrator And Art Designer	1.00	0.00	\$93,435	\$0	\$93,435		1.00	0.0	\$93,435	\$0	\$93,435	
Mandatory Fringe Benefits			\$40,668	\$0	\$40,668				\$41,721	\$0	\$41,721	
Graphic Artist	0.00	1.00	\$0	\$71,904	(\$71,904)		0.00	1.0	\$0	\$71,904	(\$71,904)	
Mandatory Fringe Benefits			\$0	\$34,288	(\$34,288)				\$0	\$35,327	(\$35,327)	
			<i>Total Savings</i>	\$27,911					<i>Total Savings</i>	\$27,925		
	Deny upward substitution of 1.00 FTE 5322 Graphic Artist I to 1.00 FTE 5320 Illustrator And Art Designer. The responsibilities of this position can be carried out by the existing classification.											
	Security Access Office											
Other Current Expenses			\$412,500	\$412,500	\$0				\$586,000	\$566,000	\$20,000	X
	One time savings											
	Reduce Other Current Expenses by \$20,000 due to a new professional services contract											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

AIR- Airport

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		Savings		FTE		Amount		Savings	
	From	To	From	To	From	To	From	To	From	To	From	To
Water Quality												
Stationary Engineer, Sewage Plant	1.00	0.00	\$105,353	\$0	\$105,353	\$0	1.00	0.0	\$105,353	\$0	\$105,353	\$0
Mandatory Fringe Benefits			\$45,110	\$0	\$45,110	\$0			\$46,234	\$0	\$46,234	\$0
			<i>Total Savings</i>		\$150,463				<i>Total Savings</i>		\$151,587	
Delete 1.00 FTE 7372 Stationary Engineer, Sewage System position that has been vacant since 2015. There are currently four vacant 7372 Stationary Engineer, Sewage Plant positions. The Airport will still have 17 positions.												

FY 2018-19

Total Recommended Reductions			
General Fund	Non-General Fund	One-Time	Ongoing
\$0	\$1,009,026	\$0	\$2,407,158
Total	\$1,009,026	\$2,407,158	\$3,416,184

FY 2019-20

Total Recommended Reductions			
General Fund	Non-General Fund	One-Time	Ongoing
\$0	\$234,210	\$0	\$2,438,089
Total	\$234,210	\$2,438,089	\$2,672,299

YEAR ONE: FY 2018-19

Budget Changes

The Department’s proposed \$77,782,063 budget for FY 2018-19 is \$1,248,364 or 1.6% more than the original FY 2017-18 budget of \$76,533,699.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 301.00 FTEs, which are 25.20 FTEs more than the 275.80 FTEs in the original FY 2017-18 budget. This represents a 9.1% increase in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department's revenues of \$77,782,063 in FY 2018-19, are \$1,248,364 or 1.6% more than FY 2017-18 revenues of \$76,533,699.

YEAR TWO: FY 2019-20

Budget Changes

The Department’s proposed \$76,547,087 budget for FY 2019-20 is \$1,234,976 or 1.6% less than the Mayor’s proposed FY 2018-19 budget of \$77,782,063.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 301.00 FTEs, which is the same as the 301.00 FTEs in the Mayor’s proposed FY 2018-19 budget. This represents no change in FTEs from the Mayor’s proposed FY 2018-19 budget.

Revenue Changes

The Department's revenues of \$76,547,087 in FY 2019-20, are \$1,234,976 or 1.6% less than FY 2018-19 estimated revenues of \$77,782,063.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14 Budget	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Proposed
Department of Building Inspection	78,833,726	92,447,756	72,065,853	70,236,047	76,533,699	77,782,063
FTE Count	284.50	287.34	283.15	282.03	275.80	301.00

The Department’s budget decreased by \$1,051,663 or 1.3% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. The Department’s FTE count increased by 16.50 or 5.8% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FY 2018-19

The Department’s proposed FY 2018-19 budget has increased by \$1,248,364 largely due to an increase in funding for outreach for the Accessible Business Entrance (ABE) program and Tall Building Peer Review, as well as an increase in a work order with the City Attorney’s Office.

FY 2019-20

The Department’s proposed FY 2019-20 budget has decreased by \$1,234,976 largely due to the termination of a work order with the Mayor’s Office of Housing and Community Development’s Code Enforcement Loan Program to address violations.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: DBI – DEPARTMENT OF BUILDING INSPECTION

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$803,327 in FY 2018-19. Of the \$803,327 in recommended reductions, \$494,734 is ongoing savings and \$308,593 is one-time savings. These reductions would still allow an increase of \$445,037 or 0.6% in the Department’s FY 2018-19 budget.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$498,013 in FY 2019-20. All of the \$498,013 in recommended reductions are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

DBI - Department of Building Inspection

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
Administration												
Data Processing Equipment			\$430,000	\$421,811	\$8,189	x			\$0	\$0		\$0
	Reduce to reflect actual amount of vendor quotes. These are carry-forward funds from FY 2017-18.											
1822 Administrative Analyst	1.00	0.00	\$98,363	\$0	\$98,363		1.00	0.00	\$98,363	\$0		\$98,363
Mandatory Fringe Benefits			\$41,544	\$0	\$41,544				\$42,552	\$0.00		\$42,552
			<i>Total Savings</i>	<i>\$139,907</i>					<i>Total Savings</i>	<i>\$140,915</i>		
	Delete 1.0 FTE vacant 1822 Administrative Analyst. This position has been vacant since February 2015 and is part of a unit that conducts Office Operations, which already has a filled 1.0 FTE 1452 Executive Secretary II position.											
	Ongoing savings.											
	Permit Services											
9993 Attrition Savings	(12.00)	(11.00)	(\$1,205,118)	(\$1,331,761)	\$126,643		(12.00)	(11.00)	(\$1,205,118)	(\$1,331,761)		\$126,643
Mandatory Fringe Benefits			(\$501,017)	(\$551,787)	\$50,770				(\$514,145)	(\$566,051)		\$51,906
			<i>Total Savings</i>	<i>\$177,413</i>					<i>Total Savings</i>	<i>\$178,549</i>		
	Increase Attrition Savings due to anticipated delays in hiring and vacancies.											
6321 Permit Technician	1.00	0.77	\$63,094	\$48,582	\$14,512	x						
Mandatory Fringe Benefits			\$31,873	\$24,542	\$7,331	x						
5207 Associate Engineer	1.00	0.77	\$131,463	\$101,227	\$30,236	x						
Mandatory Fringe Benefits			\$50,446	\$38,843	\$11,603	x						
5214 Building Plans Engineer	2.00	1.54	\$335,553	\$258,376	\$77,177	x						\$0
Mandatory Fringe Benefits			\$116,008	\$89,326	\$26,682	x						\$0
			<i>Total Savings</i>	<i>\$167,541</i>					<i>Total Savings</i>	<i>\$0</i>		
	Reduce 2.0 FTE 5214 Building Plans Engineer by 0.23 FTE each, 1.0 FTE 5207 Associate Engineer by 0.23 FTE, and 1.0 FTE 6321 Permit Technician I by 0.23 FTE to reflect anticipated delays in hiring and vacancies.											
	One time savings											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

DBI - Department of Building Inspection

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
Inspection Services												
9993 Attrition Savings	(14.00)	(13.00)	(\$1,693,988)	(\$1,820,631)	\$126,643		(14.00)	(13.00)	(\$1,693,988)	(\$1,820,631)	\$126,643	
Mandatory Fringe Benefits			(\$690,203)	(\$740,974)	\$50,771				(\$707,175)	(\$759,081)	\$51,906	
			<i>Total Savings</i>	<i>\$177,414</i>					<i>Total Savings</i>	<i>\$178,549</i>		
	Increase Attrition Savings due to anticipated delays in hiring and vacancies.											
6248 Electrical Inspector	1.00	0.77	\$126,643	\$97,515	\$29,128						\$0	
Mandatory Fringe Benefits			\$51,704	\$39,812	\$11,892						\$0	
			<i>Total Savings</i>	<i>\$41,020</i>					<i>Total Savings</i>	<i>\$0</i>		
	Reduce 1.0 FTE 6248 Electrical Inspector by 0.23 FTE to reflect anticipated delays in hiring.											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

DBI - Department of Building Inspection

Account Title	FY 2018-19				FY 2019-20								
	FTE		Amount		FTE		Amount						
	From	To	From	To	From	To	From	To					
6321 Permit Technician I	1.00	0.77	\$63,094	\$48,582									
Mandatory Fringe Benefits			\$31,873	\$24,542									
			<i>Total Savings</i>	<i>\$21,843</i>			<i>Total Savings</i>	<i>\$0</i>					
	Reduce 1.0 FTE 6321 Permit Technician I by 0.23 FTE to reflect anticipated delays in hiring.												
Automotive & Other Vehicles			\$35,000	\$0			\$35,000						\$0
Automotive & Other Vehicles			\$35,000	\$0			\$35,000						\$0
			<i>Total Savings</i>	<i>\$70,000</i>			<i>Total Savings</i>	<i>\$0</i>					
	Reduce the number of replacement vehicles by two. Since 2004, one replacement vehicle has been driven 19,879 miles (approximately 6 miles per work day). Since 2005, one replacement vehicle has been driven 25,526 (approximately 9 miles per work day). DBI will still be able to replace eight Honda Civic CNG with over 50,000 miles. The Department has not shown sufficient justification for replacement vehicles and the City is trying to "right size" its fleet of vehicles.												

FY 2018-19

Total Recommended Reductions		
One-Time	Ongoing	Total
Non-General Fund	\$308,593	\$494,734
Total	\$308,593	\$494,734

FY 2019-20

Total Recommended Reductions		
One-Time	Ongoing	Total
Non-General Fund	\$0	\$498,013
Total	\$0	\$498,013

YEAR ONE: FY 2018-19

Budget Changes

The Department’s proposed \$21,965,767 budget for FY 2018-19 is \$1,115,671 or 4.8% less than the original FY 2017-18 budget of \$23,081,438.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 66.00 FTEs, which are 0.90 FTEs less than the 66.90 FTEs in the original FY 2017-18 budget. This represents a 1.3% decrease in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department's revenues of \$21,965,767 in FY 2018-19, are \$1,115,671 or 4.8% less than FY 2017-18 revenues of \$23,081,438.

YEAR TWO: FY 2019-20

Budget Changes

The Department’s proposed \$22,045,518 budget for FY 2019-20 is \$79,751 or 0.4% more than the Mayor’s proposed FY 2018-19 budget of \$21,965,767.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 66.00 FTEs, which is the same as the 66.00 FTEs in the Mayor’s proposed FY 2018-19 budget. This represents no change in FTEs from the Mayor’s proposed FY 2018-19 budget.

Revenue Changes

The Department's revenues of \$22,045,518 in FY 2019-20, are \$79,751 or 0.4% more than FY 2018-19 estimated revenues of \$21,965,767.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: ENV – DEPARTMENT OF THE ENVIRONMENT

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14 Budget	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Proposed
Department of the Environment	17,366,898	15,979,636	17,368,744	18,598,247	23,081,438	21,965,767
FTE Count	59.09	61.69	61.07	65.92	66.90	66.00

The Department’s budget increased by \$4,598,869 or 26.5% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. The Department’s FTE count increased by 6.91 or 11.7% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FY 2018-19

The Department’s proposed FY 2018-19 budget has decreased by \$1,115,671 largely due to fluctuations in federal and state grant awards. According to the Department, this is a regular occurrence and there are no material differences in the grant cycle from federal or state agencies.

FY 2019-20

The Department’s proposed FY 2019-20 budget has increased by \$79,751 largely due to a Consumer Price Index (CPI) increase to the Solid Waste Impound funding.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: ENV – DEPARTMENT OF THE ENVIRONMENT

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$194,754 in FY 2018-19. Of the \$194,754 in recommended reductions, \$94,300 is ongoing savings and \$100,454 is one-time savings.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$94,300 in FY 2019-20. All of the \$94,300 in recommended reductions are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

ENV - Department of the Environment

Account Title	FY 2018-19					FY 2019-20									
	FTE		Amount		Savings	GF	1T	FTE		Amount					
	From	To	From	To				From	To	From	To	Savings	GF	1T	
Environmental Services															
Other Professional Services			\$25,800	\$18,300	\$7,500					\$25,800	\$18,300	\$7,500			
	Reduce by \$7,500 to reflect historical Department operating contract expenditures and actual need.														
Other Professional Services			\$94,940	\$38,140	\$56,800					\$279,414	\$222,614	\$56,800			
	Reduce by \$56,800 to reflect historical Department solid waste contract expenditures and actual need.														
Other Current Expenses			\$38,700	\$25,801	\$12,899					\$38,700	\$25,801	\$12,899			
	Reduce by \$12,899 to reflect historical operating expenditures and actual need.														
Other Current Expenses			\$51,300	\$34,199	\$17,101					\$51,300	\$34,199	\$17,101			
	Reduce by \$17,101 to reflect historical Department expenditures and actual need.														
Attrition Savings	(8.00)	(8.73)	(\$770,773)	(\$841,106)	\$70,333	x									\$0
Mandatory Fringe Benefits			(\$330,097)	(\$360,218)	\$30,121	x									\$0
			<i>Total Savings</i>		\$100,454					<i>Total Savings</i>		\$0			
	Increase attrition savings due to delay of hiring 1.0 FTE 5644 Principal Environmental Specialist by 0.5 FTE and 5638 1.0 FTE Environmental Assistant by 0.23 FTE, which became vacant in March 2018. The Department has a projected salary surplus of approximately \$374,000 in FY 2017-18 and had salary surpluses of \$229,400 in FY 2016-17 and \$509,500 in FY 2015-16 due to turnover, extended vacancies, and other delays in hiring.														

FY 2018-19

Total Recommended Reductions

General Fund	\$0	\$0	\$0
Non-General Fund	\$100,454	\$94,300	\$194,754
Total	\$100,454	\$94,300	\$194,754

FY 2019-20

Total Recommended Reductions

General Fund	\$0	\$0	\$0
Non-General Fund	\$0	\$94,300	\$94,300
Total	\$0	\$94,300	\$94,300

YEAR ONE: FY 2018-19

Budget Changes

The Department’s proposed \$174,354,417 budget for FY 2018-19 is \$41,152,390 or 30.9% more than the original FY 2017-18 budget of \$133,202,027.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 246.51 FTEs, which are 0.87 FTEs more than the 245.64 FTEs in the original FY 2017-18 budget. This represents a 0.4% increase in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department's revenues of \$174,354,417 in FY 2018-19, are \$41,152,390 or 30.9% more than FY 2017-18 revenues of \$133,202,027.

YEAR TWO: FY 2019-20

Budget Changes

The Department’s proposed \$147,698,264 budget for FY 2019-20 is \$26,656,153 or 15.3% less than the Mayor’s proposed FY 2018-19 budget of \$174,354,417.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 246.95 FTEs, which are 0.44 FTEs more than the 246.51 FTEs in the Mayor’s proposed FY 2018-19 budget. This represents a 0.2% increase in FTEs from the Mayor’s proposed FY 2018-19 budget.

Revenue Changes

The Department's revenues of \$147,698,264 in FY 2019-20, are \$26,656,153 or 15.3% less than FY 2018-19 estimated revenues of \$174,354,417.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: PRT – PORT

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14 Budget	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Proposed
Port	91,674,259	109,885,192	109,731,648	141,159,032	133,202,027	174,354,417
FTE Count	236.79	241.34	241.29	244.19	245.64	246.51

The Department’s budget increased by \$82,680,158 or 90.2% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. The Department’s FTE count increased by 9.72 or 4.1% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FY 2018-19

The Department’s proposed FY 2018-19 budget has increased by \$41,152,390 largely due to increases of \$15,016,678 in Buildings, Structures, and Improvement Projects, \$13,688,448 in Programmatic Projects, \$5,256,847 in work orders to other departments, and \$5,063,020 in anticipated reserve balance to fund future capital projects. The largest project budget increases are \$11,000,000 for the Mission Bay Ferry Terminal, \$8,000,000 for waterfront developments and \$5,000,000 for the Seawall Resiliency Project.

FY 2019-20

The Department’s proposed FY 2019-20 budget has decreased by \$26,656,153 largely due to a decrease of \$30,305,184 in Buildings, Structures, and Improvement Projects. This decrease in FY 2019-20 is largely due to the anticipated completion of projects budgeted in FY 2018-19.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: _____ **PRT – PORT**

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$581,336 in FY 2018-19. Of the \$581,336 in recommended reductions, \$270,228 are ongoing savings and \$311,108 are one-time savings. These reductions would still allow an increase of \$40,571,055 or 30.5% in the Department’s FY 2018-19 budget.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$576,483 in FY 2019-20. Of the \$576,483 in recommended reductions, \$392,853 are ongoing savings and \$183,360 are one-time savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

PRT - Port

Account Title	FY 2018-19						FY 2019-20						
	FTE		Amount		Savings	GF	FTE		Amount		Savings	GF	
	From	To	From	To			From	To	From	To			
	Administration												
Equipment Purchase-Budget			\$99,496	\$65,408	\$34,088	X							
	Eliminate 1 replacement Ford Transit. The vehicle proposed for replacement, Ford E350 Van, has been driven only 16,843 miles since 1997, an average of 842 miles per year. The Port does not need this replacement vehicle, and the City is trying to "right size" its fleet of vehicles.												
Equipment Purchase-Budget					\$0				\$57,504	\$37,000	\$20,504		X
	Substitute 2 replacement Toyota Priuses with 1 Chevy Bolt. The vehicles proposed for replacement, 2001 and 2002 Toyota Priuses, have only been driven 35,320 and 28,185 miles, respectively; these vehicles average only 2,208 and 1,762 miles per year. The Chevy Bolt will help the Port reach its electrical vehicle goal by 2022.												
Equipment Purchase-Budget					\$0				\$315,434	\$217,558	\$97,876		X
	Eliminate 2 replacement Ford F250s. The vehicles proposed for replacement, 2001 Ford F250s, have only been driven 48,104 and 47,618 miles, respectively; these vehicles average only 2,832 and 2,801 miles per year. The Port does not need these replacement vehicles and the City is trying to "right size" its fleet of vehicles.												
Equipment Purchase-Budget					\$0				\$181,613	\$116,363	\$65,250		X
	Eliminate Cisco server equipment. The Port listed this as a "low priority" equipment request.												
Dp-Wp Equipment Maint					\$0				\$289,000	\$279,000	\$10,000		
	Reduce the Equipment Maintenance budget to reflect savings associated with purchasing new equipment.												
Attrition			(\$33,870)	(37,655)	\$3,785	X							
Mandatory Fringe Benefits			(\$12,832)	(13,615)	\$783	X							
			<i>Total Savings</i>		\$4,568				<i>Total Savings</i>		\$0		

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

PRT - Port

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
Adjust attrition savings to account for delay in finalizing position substitution from 1043 IS Senior Engineer to 1044 IS Engineer Principal position							N/A					
Real Estate and Development												
Maint Svcs-Bldgs & Impvts-Bdgt			\$865,000	\$860,000	\$5,000					\$870,000	\$865,000	\$5,000
9993 Attrition			\$0	(\$47,588)	\$47,588	X						
Mandatory Fringe Benefits			\$0	(\$19,249)	\$19,249	X						
			<i>Total Savings</i>		\$66,837					<i>Total Savings</i>		\$0
Reduce the Buildings Maintenance budget by \$5,000 to correct for overbudgeting Pest Control.							Ongoing savings					
Adjust attrition savings to account for delay in hiring Manager II position.							N/A					
Maritime												
5216 Chief Surveyor	1.00	0.00	\$142,095	\$0	\$142,095		1.00	0.00	\$142,095	\$0	\$142,095	
Mandatory Fringe Benefits			\$52,688	\$0	\$52,688				\$54,044	\$0	\$54,044	
5314 Survey Associate	1.00	2.00	\$109,718	\$219,436	(\$109,718)		1.00	2.00	\$109,718	\$219,436	(\$109,718)	
Mandatory Fringe Benefits			\$45,125	\$90,250	(\$45,125)				\$46,164	\$92,328.00	(\$46,164)	
			<i>Total Savings</i>		\$39,940				<i>Total Savings</i>		\$40,257	
Deny substitution of 1.00 FTE 5312 Survey Assistant II position to 5216 Chief Surveyor. This recommendation would allow two Survey Associates under the Engineer.							Ongoing savings					
9993 Attrition			(\$70,571)	(83,667)	\$13,096	X						
Mandatory Fringe Benefits			(\$25,737)	(28,662)	\$2,925	X						
			<i>Total Savings</i>		\$16,021				<i>Total Savings</i>		\$0	
Adjust attrition savings to account for delay in hiring 5241 Engineer position							N/A					
1825 Principal Administrative Analyst II	1.00	0.00	\$145,335	\$0	\$145,335		1.00	0.00	\$145,335	0	\$145,335	
Mandatory Fringe Benefits			\$53,358	\$0	\$53,358				\$54,711	0	\$54,711	

GF = General Fund
1T = One Time

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

PRT - Port

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
1824 Principal Administrative Analyst	0.00	1.00	\$0	\$132,668			0.00	1.00	\$0	132,668		
Mandatory Fringe Benefits			\$0	\$50,737					\$0	51,782		
			Total Savings \$15,288						Total Savings \$15,596			
Deny substitution of 1.00 FTE 1824 Principal Administrative Analyst to 1825 Principal Administrative Analyst II. This position oversees two clerk positions and is appropriate at the 1824 level.												
Entertainment & Promotion Bdg			\$95,400	\$70,400					\$97,400	\$72,400		
Reduce the Maritime Promotional budget by \$25,000 to reflect the Port's needs.												
Other Current Expenses - Bdg									\$76,775	\$63,775		
Reduce Other Current Expenses by \$13,000 to account for a 3-year cyclical expense incorrectly applied to FY 2019-20.												
Capital Investment												
9993 Attrition			(\$1,265,298)	(\$1,303,504)								
Mandatory Fringe Benefits			(\$504,935)	(\$520,424)								
			Total Savings \$53,695						Total Savings \$0			
Adjust attrition savings to account for delay in hiring Senior Administrative Analyst position												
9993 Attrition			\$0	(\$24,406)								
Mandatory Fringe Benefits			\$0	(\$11,493)								
			Total Savings \$35,898						Total Savings \$0			
Adjust attrition savings to account for delay in hiring Asphalt Worker												
Overtime	0.00	0.00	\$500,385	\$470,385					\$500,385	\$470,385		

YEAR ONE: FY 2018-19

Budget Changes

The Department's proposed \$159,376,732 budget for FY 2018-19 is \$21,525,907 or 15.6% more than the original FY 2017-18 budget of \$137,850,825.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 697.14 FTEs, which are 0.46 FTEs less than the 697.60 FTEs in the original FY 2017-18 budget. This represents a 0.1% decrease in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department's revenues of \$159,376,732 in FY 2018-19, are \$21,525,907 or 15.6 % more than FY 2017-18 revenues of \$137,850,825.

YEAR TWO: FY 2019-20

Budget Changes

The Department's proposed \$150,509,345 budget for FY 2019-20 is \$8,867,387 or 5.6% less than the Mayor's proposed FY 2018-19 budget of \$159,509,345.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 694.57 FTEs, which are 2.57 FTEs less than the 697.14 FTEs in the Mayor's proposed FY 2018-19 budget. This represents a 0.4% decrease in FTEs from the Mayor's proposed FY 2018-19 budget.

Revenue Changes

The Department's revenues of \$150,509,345 in FY 2019-20, are \$8,867,387 or 5.6% less than FY 2018-19 estimated revenues of \$159,256,732.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: LIB – PUBLIC LIBRARY

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14 Budget	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Proposed
Budget	\$100,531,375	\$109,483,373	\$117,128,318	\$126,008,847	\$137,850,825	\$159,376,732
FTE Count	652.22	660.70	662.28	682.99	697.60	697.14

The Department’s budget increased by \$58,845,357 or 58.5% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. The Department’s FTE count increased by 44.92 or 6.9% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FTE increases from FY 2015-16 to FY 2017-18 were driven by the expansion of service hours, the corresponding addition of custodial, security and engineering staff and the addition of youth librarians system wide. The primary driver of the budget increase from FY 2017-18 to FY 2018-19 is the capital funding for the Mission branch library, which fully funds the project.

FY 2018-19

The Department’s FY 2018-19 budget is proposed to increase by \$ \$21,525,907 largely due to large capital projects to be launched in FY 2018-19, notably the renovation of the Mission branch, additional roofing renewals and other projects.

The Library is proposing an expenditure of \$2,992,772 to deploy a Radio Frequency Identification (RFID) system in FY 2018-19. The RFID system will equip library books and audio/visual materials with radio communication tags in order to improve the Library’s collection management and check out procedures. The budget for the RFID project includes funding for hardware, software licensing, and temporary salaries to backfill permanent staff redirected for the RFID implementation.

FY 2019-20

The Department’s FY 2019-20 budget is proposed to decrease by \$8,867,387 largely due to a decrease in capital project allocations.

The Library is proposing an expenditure of \$384,984 for the deployment of the Radio Frequency Identification (RFID) system in FY 2019-20 (discussed above).

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: _____ **LIB – PUBLIC LIBRARY**

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$352,600 in FY 2018-19. Of the \$352,600 in recommended reductions, \$341,350 are ongoing savings and \$11,250 are one-time savings. These reductions would still allow an increase of \$21,173,307 or 15.4% in the Department’s FY 2018-19 budget.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$641,350 in FY 2019-20. Of the \$641,350 in recommended reductions, \$341,350 are ongoing savings and \$300,000 are one-time savings. These reductions would further reduce the Department’s planned decrease of its FY 2019-20 budget, to a total decrease of \$9,508,737 or 6.0% in the Department’s FY 2019-20 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

LIB - Public Library

Account Title	FY 2018-19						FY 2019-20						
	FTE		Amount		GF	1T	FTE		Amount		GF	IT	
	From	To	From	To			Savings	To	From	To			Savings
Main Library Operations													
Attrition Savings			(\$1,374,486)	(\$1,443,486)	\$69,000					(1,374,486)	(1,443,486)	\$69,000	
Mandatory Fringe Benefits			(\$624,756)	(\$655,756)	\$31,000					(\$624,756)	(\$655,756)	\$31,000	
			<i>Total Savings</i>	<i>\$100,000</i>						<i>Total Savings</i>	<i>\$100,000</i>		
Freight Delivery			\$50,000	\$20,000	\$30,000					\$50,000	\$20,000	\$30,000	
			Increase attrition savings to account for vacancies.									Ongoing savings	
			Reduce Freight Delivery to expected expenditure.									Ongoing savings	
Facilities Maintenance													
Property Rent			\$1,025,745	\$925,745	\$100,000					\$1,055,145	\$955,145	\$100,000	
			Decrease rent due to expected surplus in current fiscal year.									Ongoing savings	
Equipment Purchase-Budget			\$246,500	\$235,250	\$11,250	X						\$0	
			Eliminate purchase of one piece of unnecessary equipment.									One-time savings.	
Administration													
Membership Fees			\$66,350	\$55,000	\$11,350					\$66,350	\$55,000	\$11,350	
			Reduce budget for Membership Fees to expected expenditure.									Ongoing savings	
Information Technology													
Software Licensing Fees			\$1,207,737	\$1,107,737	\$100,000					\$1,172,737	\$1,072,737	\$100,000	
			Reduce Licensing Fees to expected expenditure.									Ongoing savings	

YEAR ONE: FY 2018-19

Budget Changes

The Department’s proposed \$1,300,058,462 budget for FY 2018-19 is \$247,217,074 or 23% more than the original FY 2017-18 budget of \$1,052,841,388.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 1,684.39 FTEs, which are 36.26 FTEs more than the 1,648.13 FTEs in the original FY 2017-18 budget. This represents a 2% increase in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department's revenues of \$1,300,058,462 in FY 2018-19, are \$247,217,074 or 23% more than FY 2017-18 revenues of \$1,052,841,388.

YEAR TWO: FY 2019-20

Budget Changes

The Department’s proposed \$1,402,330,591 budget for FY 2019-20 is \$102,272,129 or 8% more than the Mayor’s proposed FY 2018-19 budget of \$1,300,058,462.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 1,687.71 FTEs, which are 3.32 FTEs more than the 1,684.39 FTEs in the Mayor’s proposed FY 2018-19 budget. This represents a 0.2% increase in FTEs from the Mayor’s proposed FY 2018-19 budget.

Revenue Changes

The Department's revenues of \$1,402,330,591 in FY 2019-20, are \$102,272,129 or 8% more than FY 2018-19 estimated revenues of \$1,300,058,462.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: PUC – PUBLIC UTILITIES COMMISSION

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
	Budget	Budget	Budget	Budget	Budget	Proposed
SFPUC	\$873,552,638	\$939,577,779	\$973,661,875	\$993,383,879	\$1,052,841,388	\$1,300,058,462
FTE	1,621.27	1,618.25	1,633.53	1,636.96	1,648.13	1,684.39

The Department’s budget increased by \$426,505,824 or 49% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. The Department’s FTE count increased by 63.12 or 4% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FY 2018-19

The Department’s proposed FY 2018-19 budget has increased largely due to the proposed expansion of CleanPowerSF, San Francisco’s Community Choice Aggregation (CCA) program. CleanPowerSF launched in 2016 and currently serves approximately 80,000 customer accounts. The next auto-enrollment phase in July 2018 is expected to add approximately 150,000 customers, and final citywide enrollment is expected to add approximately 125,000 customers by July 2019, for a total of approximately 350,000 customer accounts with average electricity demand of approximately 400 megawatts (MW).

CleanPowerSF program revenues and costs are estimated to increase from \$38.0 million in FY 2017-18 to \$128.3 million in FY 2018-19.

FY 2019-20

The Department’s proposed FY 2019-20 budget has increased largely due to the proposed final expansion of CleanPowerSF. CleanPowerSF program revenues and costs are estimated to increase from \$128.3 million in FY 2018-19 to \$244.3 million in FY 2019-20.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: PUC – PUBLIC UTILITIES COMMISSION

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$6,115,079 in FY 2018-19. Of the \$6,115,079 in recommended reductions, \$3,642,130 are ongoing savings and \$2,472,949 are one-time savings. These reductions would still allow an increase of \$241,101,995 or 23% in the Department’s FY 2018-19 budget.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$4,460,467 in FY 2019-20. Of the \$4,460,477 in recommended reductions, \$4,394,249 are ongoing savings and \$66,218 are one-time savings. These reductions would still allow an increase of \$97,311,662 or 8% in the Department’s FY 2019-20 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

WTR - Water Enterprise

Account Title	FY 2018-19				FY 2019-20				
	FTE		Amount		FTE		Amount		
	From	To	From	To	From	To	From	To	
Administration									
Facilities Maintenance			\$5,277,000	\$4,627,000			\$650,000		x
SFPUUC increased the budget for 525 Golden Gate operations and maintenance from \$3,719,000 in FY 2017-18 to \$5,277,000 in FY 2018-19 to fund one-time expenditures. Actual expenditures in FY 2015-16 and FY 2016-17 for ongoing operations and maintenance were \$2.7 million and \$2.4 million respectively. The proposed reduction of \$650,000 adjusts for annual expenditures that are less than the budget will allow for the one-time budget increase for special maintenance activities.									
Step Adjustments			\$0	(\$10,266)			\$10,266		
Mandatory Fringe Benefits			\$0	(\$2,672)			\$2,672		
			<i>Total Savings \$12,938</i>				<i>Total Savings \$12,938</i>		
	Reduce Step Adjustments to FY 2017-18 amount.								
	CDD Shops								
Automotive & Other Vehicles			\$133,492	\$75,600			\$57,892		X
	Eliminate 2 new Chevy Colorado pickups. The Water Enterprise has 264 pick up trucks of various sizes, including 144 in CDD. The increase in CDD staff to do field work is minimal and could share existing vehicles.								
7345 Electrician	3.00	2.00	\$328,189	\$218,793			\$109,396		
Mandatory Fringe Benefits			\$142,760	\$95,173			\$47,587		
9993 Attrition			(\$361,089)	(\$251,693)			(\$109,396)		
Mandatory Fringe Benefits			(\$156,832)	(\$109,245)			(\$47,587)		
			<i>Total Savings \$0</i>				<i>Total Savings \$0</i>		
	Eliminate 1.00 FTE 7345 Electrician Position vacant since 07/01/2014. Department is not planning to fill the position. The Water Enterprise has 7 Electrician positions in the budget. Position reduction offset by a reduction in attrition savings to allow the department sufficient funds for salaries.								
Step Adjustments			\$0	(\$46,046)			\$46,046		
Mandatory Fringe Benefits			\$0	(\$12,574)			\$12,574		
			<i>Total Savings \$58,620</i>				<i>Total Savings \$58,620</i>		
	Reduce Step Adjustments to FY 2017-18 amount.								
	Ongoing savings								

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

WTR - Water Enterprise

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	IT	FTE		Amount		GF	IT
	From	To	From	To			From	To	From	To		
CDD Admin												
0941 Manager VI	1.00	0.00	\$191,316	\$0	\$191,316				\$0	\$191,316		
Mandatory Fringe Benefits			\$67,625	\$0	\$67,625				\$0	\$69,359		
0933 Manager V	0.00	1.00	\$0	\$178,221	(\$178,221)				\$0	\$178,221		
Mandatory Fringe Benefits			\$0	\$64,960	(\$64,960)				\$0	\$66,708		
			<i>Total Savings</i>	<i>\$15,760</i>					<i>Total Savings</i>	<i>\$15,746</i>		
Deny proposed upward substitution of 1.00 FTE 7388 Utility Plumber to 1.00 FTE 0941 Manager VI to oversee Business Support Services. Based on the position's span of control, the 0933 Manager V classification is more appropriate.												
Automotive & Other Vehicles			\$61,375	\$28,992	\$32,383							\$0
Eliminate new Toyota Prius. The Water Enterprise budget has 5 new passenger vehicles. According to the explanation provided to the Budget and Legislative Analyst's Office, three vehicles are needed to transport staff to sites within the city and to accommodate new staff. The other two vehicles are needed for the CIP (one in each fiscal year). The Water Enterprise has 47 vehicles for staff which should be shared in accordance with City policy to reduce vehicle use.												
CDD Bldgs. & Grounds												
Step Adjustments			\$0	(\$2,184)	\$2,184				\$0	(\$2,184)		
Mandatory Fringe Benefits			\$0	(\$596)	\$596				\$0	(\$596)		
			<i>Total Savings</i>	<i>\$2,780</i>					<i>Total Savings</i>	<i>\$2,780</i>		
Reduce Step Adjustments to FY 2017-18 amount.												
CDD Engineering												
Automotive & Other Vehicles			\$32,383	\$0	\$32,383							\$0
Eliminate new Toyota Prius. The Water Enterprise budget has 5 new passenger vehicles. According to the explanation provided to the Budget and Legislative Analyst's Office, three vehicles are needed to transport staff to sites within the city and to accommodate new staff. The other two vehicles are needed for the CIP (one in each fiscal year). The Water Enterprise has 47 vehicles for staff which should be shared in accordance with City policy to reduce vehicle use.												
Step Adjustments			\$0	(\$203,138)	\$203,138				\$0	(\$203,138)		
Mandatory Fringe Benefits			\$0	(\$55,472)	\$55,472				\$0	(\$55,472)		
			<i>Total Savings</i>	<i>\$258,610</i>					<i>Total Savings</i>	<i>\$258,610</i>		
Reduce Step Adjustments to FY 2017-18 amount.												
Ongoing savings												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

WTR - Water Enterprise

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	IT	FTE		Amount		GF	IT
	From	To	From	To			From	To	From	To		
CDD Const & Maint												
Automotive & Other Vehicles			\$3,007,030	\$2,971,647	\$35,383	X						
Eliminate new Toyota Prius. The Water Enterprise budget has 5 new passenger vehicles. According to the explanation provided to the Budget and Legislative Analyst's Office, three vehicles are needed to transport staff to sites within the city and to accommodate new staff. The other two vehicles are needed for the CIP (one in each fiscal year). The Water Enterprise has 47 vehicles for staff which should be shared in accordance with City policy to reduce vehicle use.												
7514 General Laborer	21.00	20.00	\$1,507,178	\$1,435,408	\$71,770		21.00	20.00	\$1,507,178	\$1,435,408	\$71,770	
Mandatory Fringe Benefits			\$715,714	\$681,632	\$34,082				\$737,216	\$702,110	\$35,106	
9993 Attrition			(\$2,484,703)	(\$2,412,933)	(\$71,770)		21.00	20.00	(\$2,567,444)	(\$2,495,674)	(\$71,770)	
Mandatory Fringe Benefits			(\$1,079,071)	(\$1,044,989)	(\$34,082)				(\$1,145,279)	(\$1,110,173)	(\$35,106)	
			<i>Total Savings</i>		\$0				<i>Total Savings</i>		\$0	
Eliminate 1.00 FTE 7514 General Laborer Positions vacant since 01/16/2016. Department does not plan to fill position. The Water Enterprise has 50 General Laborer positions, of which 2 were new in FY 2017-18 and never hired. Position reduction offset by a reduction in attrition savings to allow the department sufficient funds for salaries.												
WQD Engineering												
Automotive & Other Vehicles			\$26,661	\$0	\$26,661	X					\$0	
Eliminate 1 replacement Ford Escape. The Water Enterprise states that this vehicle is to comply with HACTO, but the replacement is not energy/carbon efficient. City policy is to reduce overall vehicles.												
WQD Envmntl Services												
Automotive & Other Vehicles					\$0				\$37,605	\$0	\$37,605	X
Eliminate 1 replacement Ford Transit. The Water Enterprise states that this is to comply with HACTO but are replacing existing vehicles with new gas-powered vehicles. This vehicle is to replace a 2007 Toyota Prius which still has useful life.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

WTR - Water Enterprise

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	IT	FTE		Amount		GF	IT
	From	To	From	To			From	To	From	To		
WST Systems Ops												
Step Adjustments		\$0	(\$34,917)		\$34,917				\$0	(\$34,917)		\$34,917
Mandatory Fringe Benefits		\$0	(\$9,464)		\$9,464				\$0	(\$9,464)		\$9,464
			<i>Total Savings</i>		<i>\$44,381</i>					<i>\$44,381</i>		
Reduce Step Adjustments to FY 2017-18 amount.												
Wtr Resources Planning												
Step Adjustments		\$0	(\$55,235)		\$55,235				\$0	(\$55,235)		\$55,235
Mandatory Fringe Benefits		\$0	(\$14,793)		\$14,793				\$0	(\$14,793)		\$14,793
			<i>Total Savings</i>		<i>\$70,028</i>					<i>\$70,028</i>		
Reduce Step Adjustments to FY 2017-18 amount.												
Natural Resources												
1842 Management Assistant	1.00	0.00	\$90,516	\$0	\$90,516		1.00	0.00	\$90,516	\$0		\$90,516
Mandatory Fringe Benefits			\$39,391	\$0	\$39,391				\$39,391	\$0		\$39,391
9993 Attrition			(\$499,399)	(\$408,883)	(\$90,516)		21.00	20.00	(\$499,399)	(\$408,883)		(\$90,516)
Mandatory Fringe Benefits			(\$207,553)	(\$168,162)	(\$39,391)				(\$212,904)	(\$173,513)		(\$39,391)
			<i>Total Savings</i>		<i>\$0</i>				<i>Total Savings</i>			<i>\$0</i>
Eliminate 1.00 FTE 1842 Management Assistant Position vacant since 07/01/2016.												
2483 Biologist	16.00	15.00	\$1,764,481	\$1,654,201	\$110,280		16.00	15.00	\$1,764,481	\$1,654,201		\$110,280
Mandatory Fringe Benefits			\$724,480	\$679,200	\$45,280				\$741,055	\$694,739		\$46,316
9993 Attrition			(\$499,399)	(\$389,119)	(\$110,280)		21.00	20.00	(\$499,399)	(\$389,119)		(\$110,280)
Mandatory Fringe Benefits			(\$207,553)	(\$162,273)	(\$45,280)				(\$207,553)	(\$161,237)		(\$46,316)
			<i>Total Savings</i>		<i>\$0</i>				<i>Total Savings</i>			<i>\$0</i>
Eliminate 1.00 FTE 2483 Biologist Position vacant since 06/18/2016. The Water Enterprise would still have 21 Biologist positions. Position reduction offset by reduction in attrition savings to allow the department sufficient funds for salaries.												
Step Adjustments			\$0	(\$185,031)	\$185,031				\$0	(\$185,031)		\$185,031
Mandatory Fringe Benefits			\$0	(\$50,104)	\$50,104				\$0	(\$50,104)		\$50,104
			<i>Total Savings</i>		<i>\$235,135</i>				<i>Total Savings</i>			<i>\$235,135</i>
Reduce Step Adjustments to FY 2017-18 amount.												

FY 2018-19				FY 2019-20			
Total Recommended Reductions		Total Recommended Reductions		Total Recommended Reductions		Total Recommended Reductions	
One-Time	Ongoing	One-Time	Ongoing	One-Time	Ongoing	One-Time	Total
General Fund	\$0	\$0	\$0	General Fund	\$0	\$0	\$0
Non-General Fund	\$922,804	\$891,081	\$1,813,885	Non-General Fund	\$66,218	\$891,067	\$957,285
Total	\$922,804	\$891,081	\$1,813,885	Total	\$66,218	\$891,067	\$957,285

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

WWE - Wastewater Enterprise

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
	From	To	From	To			From	To				
Maintenance												
Ford F350 Super Cab Long Bed			\$373,021	\$305,574	\$67,447	x						
Deny request for new truck for Green Infrastructure maintenance crew that has not yet been hired. Wastewater Enterprise has 24 F350s.												
5207 Associate Engineer (A)	8.00	7.00	\$1,051,704	\$920,241	\$131,463		8.00	7.00	\$1,051,704	\$920,241	\$131,463	
5207 Associate Engineer (O)	0.00	1.00					0.00	1.00				
Mandatory Fringe Benefits			\$403,565	\$353,119	\$50,446				\$411,672	\$360,213	\$51,459	
			<i>Total Savings</i>	<i>\$181,909</i>					<i>Total Savings</i>	<i>\$182,922</i>		
Move 1.00 FTE 5207 Associate Engineer position that has been vacant since May 2016 off budget to support capital program.												
Step Adjustments			\$0	(\$162,059)	\$162,059				\$0	(\$162,059)	\$162,059	
Mandatory Fringe Benefits			\$0	(\$44,323)	\$44,323				\$0	(\$44,323)	\$44,323	
			<i>Total Savings</i>	<i>\$206,382</i>					<i>Total Savings</i>	<i>\$206,382</i>		
Reduce step adjustments to FY 2017-18 amount.												
Source Control												
Attrition Savings	(3.16)	(4.08)	(\$346,286)	(\$446,653)	\$100,367	x						
Mandatory Fringe Benefits			(\$145,352)	(\$187,480)	\$42,128	x						
			<i>Total Savings</i>	<i>\$142,495</i>								
Increase attrition savings to account for delays in hiring.												
Step Adjustments			\$0	(\$63,292)	\$63,292				\$0	(\$63,292)	\$63,292	
Mandatory Fringe Benefits			\$0	(\$17,249)	\$17,249				\$0	(\$17,249)	\$17,249	
			<i>Total Savings</i>	<i>\$80,541</i>					<i>Total Savings</i>	<i>\$80,541</i>		
Reduce step adjustments to FY 2017-18 amount.												
Sewer Operations												
Step Adjustments			\$0	(\$5,678)	\$5,678				\$0	(\$5,678)	\$5,678	
Mandatory Fringe Benefits			\$0	(\$1,546)	\$1,546				\$0	(\$1,546)	\$1,546	
			<i>Total Savings</i>	<i>\$7,224</i>					<i>Total Savings</i>	<i>\$7,224</i>		
Reduce step adjustments to FY 2017-18 amount.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

WWE - Wastewater Enterprise

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
	From	To	From	To			From	To				
Bayside Operations												
Attrition Savings	(17.62)	(19.72)	(\$1,986,094)	(\$2,222,926)	\$236,832	x						
Mandatory Fringe Benefits			(\$824,877)	(\$923,239)	\$98,362	x						
			<i>Total Savings</i>	\$335,194								
	Increase attrition savings to account for delays in hiring.											
Ford Fusion Hybrid			\$72,230	\$45,803	\$26,427	x						\$0
	Deny request for replacement of 2007 Toyota Prius. This vehicle has useful life, indicated by low lifetime maintenance costs, and is for transporting staff to meetings and appointments, which are trips that can be accomplished on public transit.											
Step Adjustments			\$0	(\$121,279)	\$121,279				\$0	(\$121,279)		\$121,279
Mandatory Fringe Benefits			\$0	(\$33,103)	\$33,103				\$0	(\$33,103)		\$33,103
			<i>Total Savings</i>	\$154,382					<i>Total Savings</i>		\$154,382	
	Reduce step adjustments to FY 2017-18 amount.											
Planning & Regulation												
Attrition Savings	(0.85)	(2.13)	(\$91,519)	(\$229,695)	\$138,176	x						
Mandatory Fringe Benefits			(\$38,007)	(\$95,390)	\$57,383	x						
			<i>Total Savings</i>	\$195,559								
	Increase attrition savings to account for delays in hiring.											
Administration												
Facilities Maintenance			\$1,634,000	\$1,534,000	\$100,000	x						
	The FY 2017-18 budget for 525 Golden Gate operations and maintenance is \$1,149,000, increasing to \$1,636,600 in FY 2018-19 to account for one-time maintenance costs. Actual expenditures for 525 Golden Gate operations and maintenance were \$862,281 in FY 2015-16 and \$995,535 in FY 2016-17.											
Step Adjustments			\$0	(\$40,646)	\$40,646				\$0	(\$40,646)		\$40,646
Mandatory Fringe Benefits			\$0	(\$10,864)	\$10,864				\$0	(\$10,864)		\$10,864
			<i>Total Savings</i>	\$51,510					<i>Total Savings</i>		\$51,510	
	Reduce step adjustments to FY 2017-18 amount.											

FY 2018-19

Total Recommended Reductions			
General Fund	Non-General Fund	One-Time	Ongoing
\$0	\$0	\$0	\$0
\$867,122	\$681,948	\$681,948	\$1,549,070
Total	\$867,122	\$681,948	\$1,549,070

FY 2019-20

Total Recommended Reductions			
General Fund	Non-General Fund	One-Time	Ongoing
\$0	\$0	\$0	\$0
\$0	\$682,961	\$682,961	\$682,961
Total	\$0	\$682,961	\$682,961

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

HHWP - Hetch Hetchy Water & Power

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
	From	To	From	To			From	To	From	To		
Energy Services												
Attrition Savings	(3.11)	(4.22)	(\$393,571)	(\$533,863)	\$140,292	x						
Mandatory Fringe Benefits			(\$155,044)	(\$210,311)	\$55,267	x						
			<i>Total Savings</i>		\$195,559							
Increase attrition savings to account for delays in hiring.												
Professional & Specialized Services			\$4,682,082	\$4,582,082	\$100,000				\$2,932,082	\$2,832,082	\$100,000	
Reduce the proposed, to-be-determined contract amount for business plan development from \$700,000 to \$600,000 in each year. Professional services budget increased from \$1.1 million in FY 2017-18 to \$4.7 million in FY 2018-19.												
Step Adjustments			\$0	(\$29,470)	\$29,470				\$0	(\$29,470)	\$29,470	
Mandatory Fringe Benefits			\$0	(\$7,826)	\$7,826				\$0	(\$7,826)	\$7,826	
			<i>Total Savings</i>		\$37,296				<i>Total Savings</i>		\$37,296	
Reduce step adjustments to the budget equal to the FY 2017-18 amount.												
Hetchy Power - Long Range Planning												
Step Adjustments			\$0	(\$143,775)	\$143,775				\$0	(\$143,775)	\$143,775	
Mandatory Fringe Benefits			\$0	(\$38,393)	\$38,393				\$0	(\$38,393)	\$38,393	
			<i>Total Savings</i>		\$182,168				<i>Total Savings</i>		\$182,168	
Reduce step adjustments to the budget equal to the FY 2017-18 amount.												
Power Administration												
Step Adjustments			\$0	(\$29,541)	\$29,541				\$0	(\$29,541)	\$29,541	
Mandatory Fringe Benefits			\$0	(\$7,823)	\$7,823				\$0	(\$7,823)	\$7,823	
			<i>Total Savings</i>		\$37,364				<i>Total Savings</i>		\$37,364	
Reduce step adjustments to the budget equal to the FY 2017-18 amount.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

HHWP - Hetch Hetchy Water & Power

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
Hetchy Water												
Attrition Savings	(17.32)	(18.40)	(\$1,887,757)	(\$2,005,873)		x						
Mandatory Fringe Benefits			(\$791,898)	(\$841,446)		x						
			<i>Total Savings</i>									
			\$167,664									
Increase attrition savings to account for delays in hiring.												
Step Adjustments			\$0	(\$278,972)					\$0	(\$278,972)		
Mandatory Fringe Benefits			\$0	(\$75,550)					\$0	(\$75,550)		
			<i>Total Savings</i>						<i>Total Savings</i>			
			\$354,522						\$354,522			
Reduce step adjustments to the budget equal to the FY 2017-18 amount.												
General Administration												
Facilities Maintenance			\$971,200	\$921,200		x						
The FY 2017-18 budget for 525 Golden Gate operations and maintenance is \$692,000, increasing to \$971,200 in FY 2018-19 for one time maintenance costs. Actual expenditures in FY 2015-16 were \$434,456 and in FY 2016-17 were \$578,996.												

FY 2018-19

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$413,223	\$711,350	\$1,124,573
Total	\$413,223	\$711,350	\$1,124,573

FY 2019-20

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$0	\$711,350	\$711,350
Total	\$0	\$711,350	\$711,350

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

PUB - Public Utilities Bureau

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
	From	To	From	To			From	To				
Business Services												
Step Adjustments			(\$169,680)	(\$69,680)	\$100,000				\$0	\$100,000	\$100,000	
Mandatory Fringe Benefits			(\$45,163)	(\$18,546)	\$26,617				\$0	\$26,617	\$26,617	
			<i>Total Savings</i>	<i>\$126,617</i>					<i>Total Savings</i>	<i>\$126,617</i>		
	Reduce step adjustments to FY 2017-18 amounts.											
Step Adjustments			\$0	(\$120,000)	\$120,000				\$0	(\$120,000)	\$120,000	
Mandatory Fringe Benefits			\$0	(\$31,940)	\$31,940				\$0	(\$31,939.89)	\$31,940	
			<i>Total Savings</i>	<i>\$151,940</i>					<i>Total Savings</i>	<i>\$151,940</i>		
	Reduce step adjustments to FY 2017-18 amounts.											
General Manager												
Step Adjustments			\$0	(\$55,363)	\$55,363				\$0	(\$55,363)	\$55,363	
Mandatory Fringe Benefits			\$0	(\$14,937)	\$14,937				\$0	(\$14,937)	\$14,937	
			<i>Total Savings</i>	<i>\$70,300</i>					<i>Total Savings</i>	<i>\$70,300</i>		
	Reduce step adjustments to FY 2017-18 amounts.											
Step Adjustments			(\$19,132)	(\$62,870)	\$43,738				(\$19,132)	(\$62,870)	\$43,738	
Mandatory Fringe Benefits			(\$5,096)	(\$16,964)	\$11,868				(\$5,106)	(\$16,964)	\$11,858	
			<i>Total Savings</i>	<i>\$55,606</i>					<i>Total Savings</i>	<i>\$55,596</i>		
	Reduce step adjustments to FY 2017-18 amounts.											

FY 2018-19

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$0	\$718,472	\$718,472
Total	\$0	\$718,472	\$718,472

FY 2019-20

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$0	\$718,462	\$718,462
Total	\$0	\$718,462	\$718,462

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

CLP - CleanPowerSF

Account Title	FY 2018-19						FY 2019-20						
	FTE		Amount		Savings		FTE		Amount		Savings		
	From	To	From	To	From	To	From	To	From	To	From	To	
CleanPowerSF													
Temporary Salaries	26.27	23.79	\$2,645,369	\$2,395,369	\$250,000	x	26.94	26.94	\$2,803,849	\$2,803,849	\$0		
Mandatory Fringe Benefits			\$209,513	\$189,713	\$19,800	x			\$222,063	\$222,063	\$0		
			<i>Total Savings \$269,800</i>						<i>Total Savings \$0</i>				
This recommendation accounts for delays of approximately 2 months in hiring 10 of the 23 new positions.													
Property Rent			\$1,000,000	\$825,000	\$175,000				\$1,500,000	\$575,000	\$925,000		
CleanPowerSF budgeted \$1 million in FY 2018-19 and \$1.5 million in FY 2019-20 for rent for space for an additional 26 to 33 staff. This reduction should provide sufficient funds for rent (est. \$66/sf), tenant improvements, and operating expenses.													
0923 Manager II	0.77	0.00	\$109,929		\$109,929		1.00	0.00	\$142,764		\$142,764		
Mandatory Fringe Benefits			\$44,466		\$44,466				\$59,533		\$59,533		
1825 Principal Administrative Analyst II	0.00	0.77		\$111,908	(\$111,908)		0.00	1.00		\$145,337	(\$145,337)		
Mandatory Fringe Benefits				\$41,086	(\$41,086)					\$54,429	(\$54,429)		
			<i>Total Savings \$1,401</i>						<i>Total Savings \$2,531</i>				
Reduce new 0923 Manager II position to 1825 Principal Administrative Analyst II. The position would manage up to 2 staff who have not yet been hired. The 1825 job class has necessary qualifications to supervise staff.													
Attrition Savings			\$0	(\$180,627)	\$180,627				\$0	(\$180,627)	\$180,627		
Mandatory Fringe Benefits			\$0	(\$72,251)	\$72,251				\$0	(\$72,251)	\$72,251		
			<i>Total Savings \$252,878</i>						<i>Total Savings \$252,878</i>				
Increase Attrition Savings equivalent to 4% of salaries and fringe benefits.													
Step Adjustments			\$0	(\$150,000)	\$150,000				\$0	(\$150,000)	\$150,000		
Mandatory Fringe Benefits			\$0	(\$60,000)	\$60,000				\$0	(\$60,000)	\$60,000		
			<i>Total Savings \$210,000</i>						<i>Total Savings \$210,000</i>				
Reduce Step Adjustments equivalent to approximately 5% of salaries and fringe benefits.													

FY 2018-19

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$269,800	\$639,279
Total	\$269,800	\$909,079

FY 2019-20

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$0	\$1,390,409
Total	\$0	\$1,390,409

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

SFPUC - Public Utilities Commission

	FY 2018-19			FY 2019-20		
	One-Time	Ongoing	Total	One-Time	Ongoing	Total
Water Enterprise	\$922,804	\$891,081	\$1,813,885	\$66,218	\$891,067	\$957,285
Wastewater Enterprise	\$867,122	\$681,948	\$1,549,070	\$0	\$682,961	\$682,961
Hetch Hetchy Water & Power	\$413,223	\$711,350	\$1,124,573	\$0	\$711,350	\$711,350
PUC Bureaus	\$0	\$718,472	\$718,472	\$0	\$718,462	\$718,462
CleanPowerSF	\$269,800	\$639,279	\$909,079	\$0	\$1,390,409	\$1,390,409
Total	\$2,472,949	\$3,642,130	\$6,115,079	\$66,218	\$4,394,249	\$4,460,467

YEAR ONE: FY 2018-19

Budget Changes

The Department’s proposed \$112,141,309 budget for FY 2018-19 is \$14,518,482 or 14.9% more than the original FY 2017-18 budget of \$97,622,827.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2018-19 are 107.96 FTEs, which are 1.99 FTEs more than the 105.97 FTEs in the original FY 2017-18 budget. This represents a 1.9% increase in FTEs from the original FY 2017-18 budget.

Revenue Changes

The Department’s revenues of \$112,141,309 in FY 2018-19 are \$14,518,482 or 14.9% more than the FY 2017-18 estimated revenues of \$97,622,827.

YEAR TWO: FY 2019-20

Budget Changes

The Department’s proposed \$124,166,473 budget for FY 2019-20 is \$12,025,164 or 10.7% more than the Mayor’s proposed FY 2018-19 budget of \$112,141,309.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2019-20 are 108.18 FTEs, which are 0.22 FTEs more than the 107.96 FTEs in the Mayor’s proposed FY 2018-19 budget. This represents a 0.2% increase in FTEs from the Mayor’s proposed FY 2018-19 budget.

Revenue Changes

The Department's revenues of \$124,166,473 in FY 2019-20 are \$12,025,164 or 10.7% more than the FY 2018-19 estimated revenues of \$112,141,309.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: RET – RETIREMENT

SUMMARY OF 5-YEAR HISTORICAL & PROPOSED BUDGET YEAR EXPENDITURES AND FTE AUTHORITY:

	FY 2013-14 Budget	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget	FY 2017-18 Budget	FY 2018-19 Proposed
Retirement	22,406,764	27,520,551	26,669,227	28,408,930	97,622,827	112,141,309
FTE Count	97.49	103.14	105.43	106.51	105.97	107.96

The Department’s budget increased by \$89,734,545 from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19. This increase is largely due to the shift of the Retirement Health Care Trust Fund from General City Responsibility to the Retirement System in FY 2017-18. This change is budget neutral on a city-wide basis. The Department’s FTE count increased by 10.47 or 11% from the adopted budget in FY 2013-14 to the proposed budget in FY 2018-19.

FY 2018-19

The Department’s proposed FY 2018-19 budget has increased by \$14,518,482 largely due to the Department’s integration of environmental, social, and governance considerations, including engagement activities, into investment decisions. This has led to an increase in professional and personalized services.

FY 2019-20

The Department’s proposed FY 2019-20 budget has increased by \$12,025,164 largely due to the Department’s integration of environmental, social, and governance considerations, including engagement activities, into investment decisions. This has led to an increase in professional and personalized services.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2018-19 AND FY 2019-20**

DEPARTMENT: _____ **RET – RETIREMENT**

RECOMMENDATIONS

YEAR ONE: FY 2018-19

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$410,332 in FY 2018-19. Of the \$410,332 in recommended reductions, \$50,782 are ongoing savings and \$359,550 are one-time savings. These reductions would still allow an increase of \$14,108,150 or 14.5% in the Department’s FY 2018-19 budget.

YEAR TWO: FY 2019-20

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$45,180 in FY 2019-20. All of the \$45,180 in recommended reductions would be ongoing savings. These reductions would still allow an increase of \$11,979,984 or 10.7% in the Department’s FY 2019-20 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

RET - Retirement

Account Title	FY 2018-19						FY 2019-20																																																																																																																																																																																																																																																								
	FTE		Amount		GF	1T	FTE		Amount		GF	1T																																																																																																																																																																																																																																																			
	From	To	From	To			Savings	From	To	From			To	Savings																																																																																																																																																																																																																																																	
Administration																																																																																																																																																																																																																																																															
1244 Senior Personnel Analyst	1.00	0.77	\$119,787	\$92,236	\$27,551	X	1.00	1.00	\$119,787	\$119,787																																																																																																																																																																																																																																																					
Mandatory Fringe Benefits			\$46,566	\$35,856	\$10,710	X			\$48,110	\$48,110						<i>Total Savings</i>	<i>\$38,261</i>			<i>Total Savings</i>		<i>\$0</i>				Reduce 1.0 FTE 1244 Senior Personnel Analyst position to 0.77 FTE due to anticipated delays in hiring. The Department intends to fill the position within the next few months.												1054 IS Business Analyst Principal	4.00	3.50	\$584,018	\$511,016	\$73,002	X	4.00	4.00	\$584,018	\$584,018			Mandatory Fringe Benefits			\$213,991	\$187,242	\$26,749	X			\$219,394	\$219,394						<i>Total Savings</i>	<i>\$99,751</i>			<i>Total Savings</i>		<i>\$0</i>				Reduce 4.00 FTE 1054 IS Business Analyst Principal positions to 3.50 FTEs due to anticipated delays in hiring. The position has been vacant since July 2017 and the Department not begun the process of filling this position or defining its role and responsibilities.												1093 IT Operations Support Admin III	1.00	0.50	\$100,479	\$50,240	\$50,240	X	1.00	1.00	\$100,479	\$100,479			Mandatory Fringe Benefits			\$42,597	\$21,299	\$21,299	X			\$43,642	\$43,642						<i>Total Savings</i>	<i>\$71,538</i>			<i>Total Savings</i>		<i>\$0</i>				Reduce 1.00 FTE 1093 IT Operations Support Admin III position to 0.50 FTE to reflect delayed hiring of 1.00 FTE IT Operations Support Admn III. The Department does not plan to begin recruitment for this position until approval of 1094 IT Operations Support Admin IV.												Investment													Attrition Savings					\$100,000	X							Mandatory Fringe Benefits					\$50,000	X										<i>Total Savings</i>	<i>\$150,000</i>			<i>Total Savings</i>		<i>\$0</i>				Increase Attrition Savings in FY 2018-19 due to anticipated delays in hiring and vacancies.												San Francisco Deferred Compensation Plan													Professional and Specialized Services				\$186,718	\$48,282				\$235,000	\$192,320		\$42,680		Reduce the Professional and Specialized Services to reflect historical underspending and actual contractual need.													Ongoing savings.											
			<i>Total Savings</i>	<i>\$38,261</i>			<i>Total Savings</i>		<i>\$0</i>																																																																																																																																																																																																																																																						
	Reduce 1.0 FTE 1244 Senior Personnel Analyst position to 0.77 FTE due to anticipated delays in hiring. The Department intends to fill the position within the next few months.																																																																																																																																																																																																																																																														
1054 IS Business Analyst Principal	4.00	3.50	\$584,018	\$511,016	\$73,002	X	4.00	4.00	\$584,018	\$584,018																																																																																																																																																																																																																																																					
Mandatory Fringe Benefits			\$213,991	\$187,242	\$26,749	X			\$219,394	\$219,394						<i>Total Savings</i>	<i>\$99,751</i>			<i>Total Savings</i>		<i>\$0</i>				Reduce 4.00 FTE 1054 IS Business Analyst Principal positions to 3.50 FTEs due to anticipated delays in hiring. The position has been vacant since July 2017 and the Department not begun the process of filling this position or defining its role and responsibilities.												1093 IT Operations Support Admin III	1.00	0.50	\$100,479	\$50,240	\$50,240	X	1.00	1.00	\$100,479	\$100,479			Mandatory Fringe Benefits			\$42,597	\$21,299	\$21,299	X			\$43,642	\$43,642						<i>Total Savings</i>	<i>\$71,538</i>			<i>Total Savings</i>		<i>\$0</i>				Reduce 1.00 FTE 1093 IT Operations Support Admin III position to 0.50 FTE to reflect delayed hiring of 1.00 FTE IT Operations Support Admn III. The Department does not plan to begin recruitment for this position until approval of 1094 IT Operations Support Admin IV.												Investment													Attrition Savings					\$100,000	X							Mandatory Fringe Benefits					\$50,000	X										<i>Total Savings</i>	<i>\$150,000</i>			<i>Total Savings</i>		<i>\$0</i>				Increase Attrition Savings in FY 2018-19 due to anticipated delays in hiring and vacancies.												San Francisco Deferred Compensation Plan													Professional and Specialized Services				\$186,718	\$48,282				\$235,000	\$192,320		\$42,680		Reduce the Professional and Specialized Services to reflect historical underspending and actual contractual need.													Ongoing savings.																																																														
			<i>Total Savings</i>	<i>\$99,751</i>			<i>Total Savings</i>		<i>\$0</i>																																																																																																																																																																																																																																																						
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Mandatory Fringe Benefits			\$42,597	\$21,299	\$21,299	X			\$43,642	\$43,642						<i>Total Savings</i>	<i>\$71,538</i>			<i>Total Savings</i>		<i>\$0</i>				Reduce 1.00 FTE 1093 IT Operations Support Admin III position to 0.50 FTE to reflect delayed hiring of 1.00 FTE IT Operations Support Admn III. The Department does not plan to begin recruitment for this position until approval of 1094 IT Operations Support Admin IV.												Investment													Attrition Savings					\$100,000	X							Mandatory Fringe Benefits					\$50,000	X										<i>Total Savings</i>	<i>\$150,000</i>			<i>Total Savings</i>		<i>\$0</i>				Increase Attrition Savings in FY 2018-19 due to anticipated delays in hiring and vacancies.												San Francisco Deferred Compensation Plan													Professional and Specialized Services				\$186,718	\$48,282				\$235,000	\$192,320		\$42,680		Reduce the Professional and Specialized Services to reflect historical underspending and actual contractual need.													Ongoing savings.																																																																																																																	
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**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2018-19 and FY 2019-20 Two-Year Budget**

RET - Retirement

Account Title	FY 2018-19						FY 2019-20					
	FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
	From	To	From	To			From	To	From	To		
Air Travel-Employees			\$3,500	\$2,500	\$2,500				\$3,500	\$2,500	\$2,500	

Reduce Travel to reflect historical underspending and actual need.
Ongoing savings.

FY 2018-19

Total Recommended Reductions			
General Fund	Non-General Fund	One-Time	Ongoing
\$0	\$359,550	\$0	\$50,782
Total	\$359,550	\$0	\$50,782

FY 2019-20

Total Recommended Reductions			
General Fund	Non-General Fund	One-Time	Ongoing
\$0	\$0	\$0	\$45,180
Total	\$0	\$0	\$45,180