

File No. 100728

Committee Item No. 4

Board Item No. 23

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 6/9/10

Board of Supervisors Meeting

Date 6/15/10

Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
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| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
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OTHER

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Completed by: Gail Johnson

Date 6/4/10

Completed by: [Signature]

Date 6/16/10

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

1 [Treasure Island Development Authority Interim Budget]

2
3 **Resolution approving the Interim Budget of the Treasure Island Development Authority**
4 **for Fiscal Year 2010-2011.**

5
6 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97
7 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
8 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
9 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
10 conversion of the former Naval Station Treasure Island; and,

11 WHEREAS, Under the Treasure Island Conversion Act of 1997 (AB 699), the California
12 legislature, among other things, designated the Authority as a redevelopment agency with all
13 of the rights, powers, privileges, immunities, authorities, and duties granted to a
14 redevelopment agency pursuant to the California Community Redevelopment Law, Health
15 and Safety Code Section 33000, et seq. (the "Redevelopment Law") upon approval of the
16 Board of Supervisors; and,

17 WHEREAS, The Board of Supervisors approved the designation of the Authority as a
18 redevelopment agency with powers over the former Naval Station Treasure Island in
19 Resolution 43-98 on February 6, 1998; and,

20 WHEREAS, Section 33606 of the Redevelopment Law provides for approval of the
21 annual budget of redevelopment agencies by the local legislative body of the City (the "Board
22 of Supervisors"); and,

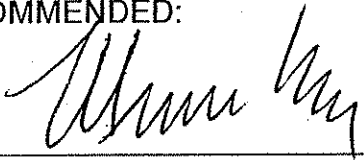
23 WHEREAS, In order to comply with Section 33606, the Board of Supervisors must
24 approve the Authority's annual budget; and,

1 WHEREAS, The Authority has submitted to the Board of Supervisors for approval its
2 interim budget for fiscal year 2010-2011 (the "Interim Budget"); and,

3 WHEREAS, The Authority hereby requests that the Board of Supervisors approve the
4 Interim Budget of the Authority for fiscal year 2010-2011, and the Board of Supervisors is
5 agreeable to doing so; now, therefore, be it

6 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
7 does hereby approve the Interim Budget of the Authority for Fiscal Year 2010-2011, as such
8 Interim Budget is shown in the Interim Budget on file with the Clerk of the Board of
9 Supervisors in File No. 100699, which is hereby declared to be a part of this resolution as if
10 set forth fully herein.

11
12 RECOMMENDED:

13 
14 _____

15 Mirian Saez, Director of Island Operations
16 Treasure Island Development Authority

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

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
 FAX (415) 252-0461

June 3, 2010

TO: Budget and Finance Committee
FROM: Budget and Legislative Analyst
SUBJECT: June 9, 2010 Budget and Finance Committee Meeting

TABLE OF CONTENTS

Item	File	Page
1,2,3 & 4	10-0700	Interim Consolidated Budget and Annual Appropriation Ordinance, FYs Ending June 30, 2011, and June 30, 2012
	10-0702	Interim Annual Salary Ordinance, FY Ending June 30, 2011 for all Departments, and for FY Ending June 30, 2012, for the San Francisco International Airport, Municipal Transportation Agency, Port Commission, and Public Utilities Commission
	10-0726	Redevelopment Agency Interim Budget FY 2010-2011
	10-0728	Treasure Island Development Authority Interim Budget FY 2010-2011
		1,2,3 & 4 - 1

Items 1, 2, 3, and 4 Files 10-0700, 10- 0702, 10- 0726 and 10- 0728	Department(s):
EXECUTIVE SUMMARY	

1. The proposed legislation would approve for FY 2010-11: (a) the Interim Annual Appropriation Ordinance (File 10-0700), (b) the Interim Annual Salary Ordinance (File 10-0702), and two resolutions approving (c) an Interim Budget for the Redevelopment Agency (File 10-0726), and an Interim Budget for the Treasure Island Development Authority (TIDA) (File 10-0728).

2. The annual budget process for the City and County requires that the Board of Supervisors approve an Interim Annual Appropriation Ordinance and an Interim Annual Salary Ordinance for FY 2010-11 on or before June 30, 2010. The purpose of these interim ordinances and resolutions is to provide position and expenditure authorization for the various departments of the City and County during the time that the Budget and Finance Committee of the Board of Supervisors is reviewing the Mayor's recommended budget for FY 2010-11.

3. The Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance are based on the FY 2010-11 proposed budget recommendations of the Mayor. Therefore, these ordinances include authorization and funding for all programs and program revisions which are included in the Mayor's proposed FY 2010-11 budget. An analysis of departmental programs and program revisions, together with the Budget and Legislative Analyst's recommendations will be submitted in budget reports for the Budget and Finance Committee's budget hearings scheduled from June 16 through 28, 2010.

4. The two proposed resolutions (Item 3, File 10-0726 and Item 4, File 10-0728), approving an Interim Budget for the Redevelopment Agency and TIDA, provide authority for the Redevelopment Agency and TIDA to function under the State Community Redevelopment Law for the period from July 1, 2010 until the FY 2010-11 budgets for the Redevelopment Agency and TIDA are finally approved by the Board of Supervisors, as required by Section 33607 of State Redevelopment law. Approval of these two proposed resolutions would not constitute final approval of (a) any new positions, programs, capital improvements and equipment for the Redevelopment Agency and TIDA or (b) Tax Allocation Bonds for the Redevelopment Agency for 2010-2011.

5. As a general policy, in previous years, the Board of Supervisors has not approved new positions, programs, capital improvements and equipment during the interim budget period without detailed review unless the Budget and Finance Committee and the full Board authorizes exceptions requested by the Mayor's Office. This general policy has been implemented by instructing the Controller not to certify the availability of funds for new positions, programs, capital

improvements and equipment during the interim budget period between July 1 and July 31. If an exception is approved by the Board of Supervisors, new positions can be filled effective July 1. Otherwise, new positions will generally not be filled until October 1 of each fiscal year.

6. The Administrative Provisions of the Interim Annual Appropriation Ordinance states that no funds shall be allotted until August 1 for capital improvements and equipment. However, leased equipment is not subject to this provision.

7. In certain cases, specific exceptions requested by the Mayor's Office to these general policies have been approved by the Board of Supervisors. Exceptions have been based on such factors as new positions and programs that produce revenue or cost savings or prevent major service deficiencies which would result from delays in filling new positions or starting new programs. Approval of some equipment purchases, for example, could result in cost savings. Although the Mayor's Office has stated that two new positions have been included in the interim budget, as of the writing of this report, the Mayor's Office has not provided the Budget and Legislative Analyst with specific requests for exceptions to the Annual Appropriation Ordinance and the Annual Salary Ordinance.

8. According to Ms. Monique Zmuda, Deputy Controller, the Controller has not submitted revisions to the Administrative Provisions of the Interim Annual Appropriation Ordinance (AAO). Ms. Zmuda states that the Controller has submitted proposed revisions to the Administrative Provisions of the final Annual Appropriation Ordinance to the Budget and Finance Committee for approval.

9. The Department of Human Resources has recommended a new Section 1.1B.F of the Administrative Provisions of the Interim Annual Salary Ordinance (ASO) to add:

"Consistent with the Annual Appropriations Ordinance Section 11.2, Professional Service Contracts, the Human Resources Director is authorized to add positions funded in accordance with that section."

Under this provision, funds appropriated for professional service contracts may be transferred to pay for City salaries rather than private contractors on the recommendation of the department head and with the approval of the Director of Human Resources and the Mayor. The Controller must certify that transferring such funds from professional service contracts to salaries would not increase the cost of government.

According to Mr. Ted Yamasaki of the Department of Human Resources, this provision has been added to the FY 2010-11 Annual Salary Ordinance to provide position authority to City departments to perform services in-house rather than with private contractors.

10. Generally, in past years, the Mayor's recommended Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance have been routinely approved by the Board of Supervisors, excluding exceptions for new positions, programs, capital improvements and equipment.

11. In accordance with the FY 2010-11 Budget Calendar, the Interim Annual Appropriation Ordinance and the Interim Annual Salary Ordinance are anticipated to be passed on first reading at the June 15, 2010 meeting of the Board of Supervisors. Final passage of these ordinances is anticipated for June 22, 2010.

12. The Budget and Legislative Analyst has previously been advised by Ms. Adams of the City Attorney's Office that the Board of Supervisors is required to approve an Interim Annual Appropriation Ordinance and an Interim Annual Salary Ordinance (and therefore the Interim Budget). Ms. Adams has further advised the Budget and Legislative Analyst that if these ordinances are not approved by the Board of Supervisors by June 30, the Controller will no longer have authority to issue payroll warrants to City and County employees or to issue other warrants to pay for any other City and County services.

The Controller has advised the Budget and Legislative Analyst that he concurs with the opinion of Ms. Adams. The Controller would cease to issue any further City and County warrants unless the Board of Supervisors approves an Interim Annual Appropriation Ordinance and Interim Annual Salary Ordinance (the Interim Budget) by June 30.

Exceptions to the FY 2010-11 Interim Budget

As noted above, although the Mayor's Office has stated that two new positions have been included in the interim budget, as of the writing of this report, the Mayor's Office has not provided the Budget and Legislative Analyst with specific requests for exceptions to the Annual Appropriation Ordinance and the Annual Salary Ordinance. Therefore, the Budget and Legislative Analyst considers approval of the Annual Appropriation Ordinance (File 10-0700) and Annual Salary Ordinance (File 10-0702) to be a policy matter for the Board of Supervisors.

The Budget and Legislative Analyst recommends that, if such exceptions are submitted, the Budget and Finance Committee should consider all of the Mayor's requested exceptions to the Interim Budget during the scheduled applicable June departmental budget review hearings, pending a report from the Budget and Legislative Analyst pertaining to the justification for any new positions, programs, capital improvements and equipment, in order to provide the Committee with specific analysis and recommendations on such requested new positions, programs, program expansions capital improvements and equipment.

Recommendations

Recommendations

1. Approval of Item 1, File 10-0700, the Interim Annual Appropriation Ordinance, and Item 2, File 10- 0702, the Interim Annual Salary Ordinance, are policy matters for the Board of Supervisors.

2. Approve Item 3, File 10-0726, the Interim Budget for the Redevelopment Agency and Item 4, File 10-0728, the Interim Budget for the Treasure Island Development Authority.


Harvey M. Rose

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

