

1 [Board of Supervisors Budget Process - FYs 2026-2027 and 2027-2028]

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3 **Motion establishing priorities for the Board of Supervisors’ Budget and Appropriations**
4 **Committee, and the process to guide the Board’s deliberations on the City budget, for**
5 **Fiscal Years (FYs) 2026-2027 and 2027-2028.**

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7 WHEREAS, Each year, the Board of Supervisors strives for a budget process that
8 includes broad involvement from all members of the Board, the Mayor’s Office, labor partners,
9 service providers, nonprofit partners, and members of the public; and

10 WHEREAS, In 2019, the Board of Supervisors passed Motion M19-180 and Ordinance
11 No. 294-19, on file with the Clerk of the Board of Supervisors in File No. 191072, which is
12 hereby declared to be a part of this Motion as if set forth fully herein, to require greater
13 accountability, transparency, accessibility, and engagement between these stakeholders and
14 accomplishes the above goals, including requirements for public hearings, centralized
15 information, and clear guidelines for public input; and

16 WHEREAS, Each year, it is up to the Chair of the Budget and Appropriations
17 Committee to develop a budget process that accomplishes these goals; and

18 WHEREAS, The City’s balanced budget for FY2025-2026 totaled \$16.3 billion,
19 however, looking ahead to FY2026-2027 and FY2027-2028, while the Controller is reporting
20 that the city’s budget trajectory is finally trending in a better direction, the City is still facing up
21 to a \$1 billion budget deficit; and

22 WHEREAS, Unfortunately, in addition to slow recovery, San Francisco is also facing
23 unprecedented attacks from the federal administration, threatening significant cuts to critical
24 funding for healthcare, food programs, and housing; and

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1 WHEREAS, In addition to these threats from the federal level, this year will be
2 complicated by the fact that the Board will also be considering enterprise department budgets,
3 including the Airport, San Francisco Public Utilities Commission, and San Francisco Municipal
4 Transportation Agency, among others departments that generate their own revenue; and

5 WHEREAS, To address potential federal, state, and local cuts, City departments and
6 policy makers must continue to make some difficult funding decisions; and

7 WHEREAS, The City budget is the most important policy document deliberated by the
8 Board of Supervisors, and therefore should be reflective of the values of this body, as well as
9 the Mayor of San Francisco; and

10 WHEREAS, The Board of Supervisors urges the Mayor, the Mayor's Budget Director,
11 and city departs to consider the following guiding principles as part of their budget proposal,
12 including:

- 13 a. **Chop from the Top:** For the past few fiscal years, the city has hired managers at
14 twice the rate of essential frontline workers. Before the city continues to reduce its
15 workforce, the city should prioritize the elimination of vacant management positions
16 and other vacant positions and reduce management positions accordingly; and
- 17 b. **Leverage Federal and State Grants and Funding:** The city needs to prioritize
18 services and contracts that receive federal and state grants and maximize our
19 reimbursement rate; and
- 20 c. **Review Contracts of \$1 million or Less and Consolidate Processes:** The city
21 should review and consolidate grant contracts that are \$1 million or less to increase
22 accountability, maximize performance and deliverables, reduce administrative costs
23 by consolidating grants, and eliminate redundancies across multiple departments, in
24 order to maximize investments without reducing direct services and while protecting
25 the needs of vulnerable communities ; and

- 1 d. **Reduce Administrative Costs:** The city should immediately eliminate unused cell
2 phone lines, re-evaluate and streamline existing lease agreements for all city
3 departments, consolidate equipment contracts to reduce costs, and aim for
4 efficiency and reduction for related administrative costs; and
- 5 e. **Invest in Oversight to Reduce Wasteful and Corrupt Spending:** The city needs
6 to continue investments in oversight bodies such as commissions, inspector
7 generals, controller auditors, public integrity and whistleblower investigators to
8 reduce corrupt and wasteful spendings as well as reduce the city's liability; and
- 9 f. **Streamline Capital Improvement Projects:** The city should prioritize existing
10 funding and staffing resources for shovel-ready and near-completion projects and
11 streamline processes to tackle backlogged projects that are critical to public safety
12 before launching new projects that are not design-ready; now, therefore, be it
- 13 **MOVED,** That the Board of Supervisors, through the Budget and Appropriations
14 Committee, establish the following guiding principles to ensure that the basic needs of San
15 Franciscans are met, by evaluating and prioritizing:
- 16 a. Availability and capacity of city services serving immigrants, LGBTQ+
17 community, seniors and people with disabilities, children and youth, tenants and unhoused
18 people, BIPOC and African American communities, and working families; and
- 19 b. Collective fiscal impact of fee waivers and tax revenue suspensions on housing
20 production, local business revitalization, and city services that are critical in delivering public
21 safety; and
- 22 c. The utilization of debt and financing policies including but not limited to bonds,
23 enhanced infrastructure finance districts, and certification of participation in correlation with
24 the projection of economic growth for the city; and, be it
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1 FURTHER MOVED, That Board of Supervisors, through the work Budget and
2 Appropriations Committee, shall prioritize a budget that supports these principles, efficiency
3 while preserving effectiveness, and equitable services and resources citywide.

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