



August 27, 2020

Supervisor Sandra Lee Fewer
Chair, Budget and Finance Committee
Board of Supervisors, City and County of San Francisco

Re: Technical Adjustments Round 2 to the Mayor's Proposed Budget

Dear Chair Fewer,

Per Charter Section 9.101, I am submitting the attached adjustments to the Mayor's Proposed Budget for FY 2020-21 and FY 2021-22, which include an increase to the City's budget. Significant changes include:

Technical adjustments include:

- Moving expenditure and position authority between departmental divisions, project codes, authority codes, fund codes, and/or account codes in the Department of Public Works, Recreation and Parks Department, Department of Public Health, Department of Technology, Sheriff's Department, Mayor's Office, Juvenile Probation Department, and the Mayor's Office of Housing and Community Development;
- Correcting work order-related costs in the Arts Commission and Office of the City Administrator;
- Consolidating revenue entries and accurately reflecting debt service payment in General City Responsibility;
- Reflecting updated revenue transfers for the San Francisco Unified School District;
- Reflecting updated expenditures for the Office of City Administrator and Mayor's Office of Housing and Community Development;
- Reducing attrition savings for the Ethics Commission;
- Allocating funds from General City Responsibility to the Arts Commission, Department of Public Works, Mayor's Office of Housing and Community Development, Office of Economic and Workforce Development, Recreation and Parks, Department of Homelessness and Supportive Housing, and Human Rights Commission for racial equity related programs;
- Adding off-budget position authority for the Fire Department to accommodate the expanded Crisis Response Team;
- Accurately reflecting revenues and corresponding expenditures for the District Attorney's Office, Public Defender, Sheriff's Department, Adult Probation Department, and Juvenile Probation Department;



- Correcting expenditure authority to accurately reflect programmatic costs in the Department of Homelessness and Supportive Housing and Department of Public Health;
- Balancing self-supporting revenues and expenditures across funds types in the Department of Public Works;
- Reducing assumed revenue from business registration fees;
- Decreasing project expenditures in the Department of Emergency Management;
- Increasing debt service savings resulting from recent refunding; and
- Other adjustments to non-General Fund accounts to correct for errors in budget production process.

These adjustments result in General Fund cost of \$6,018,278 which will be fully offset by the use of \$6,018,278 in technical adjustment reserve. This leaves \$2,944,865 in the technical adjustment reserve.

The following adjustments will grow the budget by \$7,295,707 which will be offset by \$7,295,707 in Non-General Fund revenue:

- Reflecting updated revenue and corresponding expenditures for the Office of the City Administrator and the Department of Public Health; and
- Increasing FEMA revenue and associated expenditures in the Department of Homelessness and Supportive Housing to support additional safe sleeping sites.

Additional funds, which increase the size of the budget, are generated by FY 2019-20 year-end General Fund savings identified by the Budget and Legislative Analyst totaling \$1,155,839.

Sincerely,

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

Ashley Groffenberger
Acting Budget Director

cc: Members of the Budget and Finance Committee
Harvey Rose, Budget and Legislative Analyst
Ben Rosenfield, Controller