

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

May 23, 2022

TO: Budget and Appropriations Committee

FROM: Budget and Legislative Analyst



SUBJECT: Recommendations of the Budget and Legislative Analyst for Amendment of the Mayor's Fiscal Year 2022-2023 to Fiscal Year 2023-2024 Budget.

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Descriptions for Departmental Budget Hearing, May 25, 2022 Meeting, 2:00 p.m.

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YEAR ONE: FY 2022-23

Budget Changes

The Department’s proposed \$1,158,673,505 budget for FY 2022-23 is \$16,225,364 or 1.4% less than the original FY 2021-22 budget of \$1,174,898,869.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2022-23 are 1,595.60 FTEs, which are 5.89 FTEs less than the 1,601.49 FTEs in the original FY 2021-22 budget. This represents a 0.4% decrease in FTEs from the original FY 2021-22 budget.

Revenue Changes

The Department's revenues of \$1,158,673,505 in FY 2022-23 are \$16,225,364 or 1.4% less than FY 2021-22 revenues of \$1,174,898,869.

YEAR TWO: FY 2023-24

Budget Changes

The Department’s proposed \$1,310,578,454 budget for FY 2023-24 is \$151,904,949 or 13.1% more than the Mayor’s proposed FY 2022-23 budget of \$1,158,673,505.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2023-24 are 1,632.62 FTEs, which are 37.02 FTEs more than the 1,595.60 FTEs in the Mayor’s proposed FY 2022-23 budget. This represents a 2.3% increase in FTEs from the Mayor’s proposed FY 2022-23 budget.

Revenue Changes

The Department's revenues of \$1,310,578,454 in FY 2023-24 are \$151,904,949 or 13.1% more than FY 2022-23 estimated revenues of \$1,158,673,505.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: AIR – AIRPORT

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

	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Proposed
Airport	1,108,572,997	1,219,373,518	1,465,583,462	1,174,898,869	1,158,673,505
FTE Count	1,587.04	1,591.93	1,609.69	1,601.49	1,595.60

The Department’s budget increased by \$50,100,508 or 4.5% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23. The Department’s FTE count increased by 8.56 or 0.5% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23.

FY 2022-23

The Department’s proposed FY 2022-23 budget has decreased by \$16,225,364 largely due to slower than anticipated passenger recovery from the COVID-19 pandemic. This decrease is largely reflected in a decrease to debt service payments, and partially offset by increases to capital outlay, non-personnel services, and salaries.

FY 2023-24

The Department’s proposed FY 2023-24 budget has increased by \$151,904,949 largely due to an anticipated eventual recovery in passenger levels over the two budget years. This increase is largely reflected in increases to debt service payments and salaries and partially offset by decreases to capital outlay.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: AIR – AIRPORT

RECOMMENDATIONS

YEAR ONE: FY 2022-23

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$7,468,405 in FY 2022-23. Of the \$7,468,405 in recommended reductions, \$5,313,824 are ongoing savings and \$2,154,581 are one-time savings.

YEAR TWO: FY 2023-24

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$6,011,839 in FY 2023-24. Of the \$6,011,839 in recommended reductions, \$5,317,159 are ongoing savings and \$694,680 are one-time savings. These reductions would still allow an increase of \$145,893,110 or 12.6% in the Department’s FY 2023-24 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

AIR - Airport

Rec #	Account Title	FY 2022-23						FY 2023-24						
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings	
		From	To	From	To			From	To	From	To			
AIR-1	9993 Attrition Savings													
	Mandatory Fringe Benefits													
	Total Savings													
	Increase Attrition Savings to reflect hiring timeline for vacant 2.00 FTE Manager III positions. This Attrition Savings reflects an estimated start date of January 1, 2023 for one position and October 1, 2022 for the other position, rather than July 1, 2022 for these positions.													
AIR-2	1654 Accountant III	1.00	0.00	\$129,907	\$0		\$129,907			1.00	0.00	\$134,079	\$0	\$134,079
	Mandatory Fringe Benefits			\$52,095	\$0		\$52,095					\$49,085	\$0	\$49,085
	1652 Accountant II	0.00	1.00	\$0	\$105,260		(\$105,260)			0.00	1.00	\$0	\$107,824	(\$107,824)
	Mandatory Fringe Benefits			\$0	\$44,447		(\$44,447)					\$0	\$41,939	(\$41,939)
	1654 Accountant III	1.00	0.00	\$129,907	\$0		\$129,907			1.00	0.00	\$134,079	\$0	\$134,079
	Mandatory Fringe Benefits			\$52,095	\$0		\$52,095					\$49,085	\$0	\$49,085
	Total Savings													
	Deny proposed upward substitution of 2.00 FTE 1652 Accountant II positions to 1654 Accountant III classification. The Department is proposing substitution of 4.00 FTE 1652 Accountant II positions, of which three are vacant, to the 1654 Accountant III classification. Denial will still allow upward substitution of 2.00 FTE positions while the Department reassesses its needs.													
AIR-3	Other Current Expenses			\$5,000,000	\$0		\$5,000,000					\$5,000,000	\$0	\$5,000,000
		Reduce Other Current Expenses by \$5,000,000 due to available carryforward funds from the FY 2021-22 budget. The FY 2021-22 budget included a \$5,100,000 appropriation to provide working capital for the Grand Hyatt hotel, which was placed on Budget and Finance Committee reserve. The Department has not requested this funding to be released from reserve and plans to carry it forward at the end of the fiscal year. With carryforward funds available, this proposed appropriation is not needed.												
AIR-4	AIR Chief Operating Office													
	9993 Attrition Savings													
	Mandatory Fringe Benefits													
	Total Savings													
	Increase Attrition Savings to reflect hiring timeline for vacant 1.00 FTE 3544 Curator III, 1.00 FTE 3556 Museum Registrar, and 3.00 FTE 3522 Senior Museum Preparator positions. This Attrition Savings reflects an estimated start date of January 1, 2023 rather than July 1, 2022 for these positions.													

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

AIR - Airport

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
		From	To	From	To			From	To				
AIR-5	9993 Attrition Savings		(\$110,099)	(\$169,004)		\$58,905	X						\$0
	Mandatory Fringe Benefits		(\$46,553)	(\$57,899)		\$11,346	X						\$0
	<i>Total Savings</i>			\$70,251									\$0
	Increase Attrition Savings to reflect hiring timeline for 1.00 FTE 0941 Manager IV, which has been vacant since 2014. This Attrition Savings reflects an estimated start date of April 1, 2023 rather than July 1, 2022 for this position.												
AIR-6	9993 Attrition Savings		(\$158,133)	(\$211,425)		\$53,292	X						\$0
	Mandatory Fringe Benefits		(\$66,865)	(\$89,522)		\$22,657	X						\$0
	<i>Total Savings</i>			\$75,949									\$0
	Increase Attrition Savings to reflect hiring timeline for vacant 1.00 FTE 1842 Management Assistant. This Attrition Savings reflects an estimated start date of January 1, 2023 rather than July 1, 2022 for this position.												
AIR-7	9993 Attrition Savings		(\$211,878)	(\$349,998)		\$138,120	X						\$0
	Mandatory Fringe Benefits		(\$89,588)	(\$155,974)		\$66,386	X						\$0
	<i>Total Savings</i>			\$204,505									\$0
	Increase Attrition Savings to reflect hiring timeline for vacant 2.00 FTE 7313 Automotive Machinist, 1.00 FTE 7381 Automotive Mechanic, 3.00 FTE 7310 Automotive Service Worker, and 1.00 FTE 7309 Car and Auto Painter positions. This Attrition Savings reflects an estimated start date of January 1, 2023 rather than July 1, 2022 for these positions.												
AIR-8	9993 Attrition Savings		\$0	(\$158,187)		\$158,187	X						\$0
	Mandatory Fringe Benefits		\$0	(\$69,887)		\$69,887	X						\$0
	<i>Total Savings</i>			\$228,074									\$0
	Increase Attrition Savings to reflect hiring timeline for vacant 3.00 FTE 7346 Painter positions. This Attrition Savings reflects an estimated start date of January 1, 2023 rather than July 1, 2022 for these positions.												
AIR-9	9993 Attrition Savings		(\$268,648)	(\$325,951)		\$57,303	X						\$0
	Mandatory Fringe Benefits		(\$113,596)	(\$138,589)		\$24,993	X						\$0
	<i>Total Savings</i>			\$82,296									\$0
	Increase Attrition Savings to reflect hiring timeline for vacant 2.00 FTE Carpenter positions. This Attrition Savings reflects an estimated start date of October 1, 2022 rather than July 1, 2022 for these positions.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

AIR - Airport

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
		From	To	From	To			From	To				
AIR-15	9993 Attrition Savings			(\$412,836)	(\$601,845)	\$189,009	X					\$0	
	Mandatory Fringe Benefits			(\$171,784)	(\$251,189)	\$79,405	X					\$0	
	<i>Total Savings</i>				\$268,414						\$0		
	Increase Attrition Savings to reflect hiring timeline for vacant 4.00 FTE 9202 Airport Communications Dispatcher, 2.00 FTE 9204 Airport Communications Supervisor, 1.00 FTE 0923 Manager II, 3.00 FTE Senior Airport Communications Dispatcher, and 2.00 FTE 1706 Telephone Operator positions. This Attrition Savings reflects an estimated start date of October 1, 2022 for the 9204 Airport Communications Dispatcher positions and January 1, 2023 for the other positions, rather than July 1, 2022.												
AIR-16	9993 Attrition Savings			(\$81,363)	(\$136,316)	\$54,953	X					\$0	
	Mandatory Fringe Benefits			(\$33,855)	(\$53,725)	\$19,870	X					\$0	
	<i>Total Savings</i>				\$74,824						\$0		
	Increase Attrition Savings to reflect hiring timeline for vacant 2.00 FTE 5290 Transportation Planner IV positions. This Attrition Savings reflects an estimated start date of September 1, 2023 rather than July 1, 2022 for these positions.												
AIR-17	AIR Chief Development Office												
	5366 Engineering Associate II	1.00	0.00	\$0	\$0	\$0		1.00	0.00	\$0	\$0	\$0	
	Mandatory Fringe Benefits			\$0	\$0	\$0				\$0	\$0	\$0	
	<i>Total Savings</i>				\$0					\$0			
	Eliminate 1.00 FTE off-budget 5366 Engineering Associate. Position has been vacant since 2006, or approximately 16 years, and the Department has no immediate plans to fill the position.												
AIR-18	AIR Planning Division												
	5211 Engineer/Architect/ Landscape Architect Senior	0.00	0.00			\$0		0.79	0.33	\$172,672	\$72,129	\$100,543	X
	Mandatory Fringe Benefits					\$0				\$52,223	\$21,815	\$30,408	X
	<i>Total Savings</i>				\$0					\$130,951			
	Reduce FTE count for proposed new 5211 Engineer/Architect/Landscape Architect Senior position to reflect a more realistic hiring timeline. This FTE count reflects an estimated start date of March 1, 2024 rather than October 1, 2023 for these positions.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

AIR - Airport

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF	1T	FTE		Amount		GF	1T
		From	To	From	To			From	To	Savings			
	Automotive & Other Vehicles				\$0				\$238,756	\$59,609	\$179,147	X	
AIR-19		Eliminate two Pickup Trucks and one Police Bureau Vehicle. These are replacement vehicles. The existing vehicles have only been driven 22,400 to 35,987 miles in 11-15 years, or approximately 1,600 to 3,272 miles per year. The Department does not need these vehicles and the City is trying to "right-size" its fleet											
		Savings in FY 2023-24											
		AIR Chief Information Office											
	1054 IS Business Analyst-Principal	1.00	0.00	\$185,176	\$0	\$185,176		1.00	0.00	\$191,124	\$0	\$191,124	
	Mandatory Fringe Benefits			\$64,058	\$0	\$64,058			\$59,233	\$0	\$59,233		
				<i>Total Savings</i>	\$249,234			<i>Total Savings</i>		\$250,357			
AIR-20		Eliminate vacant 1.00 FTE 1054 IS Business Analyst-Principal. Position has been vacant since 2017, or approximately 5 years, and the Department has no immediate plans to fill the position. After eliminating the position, department will still have 14.00 FTE 1054 IS Business Analyst-Principal positions, of which six are vacant.											
		AIR Commercial Office											
	9993 Attrition Savings			(\$60,370)	(\$191,575)	\$131,205	X				\$0		
	Mandatory Fringe Benefits			(\$25,119)	(\$76,886)	\$51,767	X				\$0		
				<i>Total Savings</i>	\$182,972			<i>Total Savings</i>		\$0			
AIR-21		Increase Attrition Savings to reflect hiring timeline for vacant 3.00 FTE 9206 Airport Property Specialist I and 1.00 FTE 1840 Junior Management Specialist positions. This Attrition Savings reflects an estimated start date of January 1, 2023 for one 9206 Airport Property Specialist I and September 1, 2022 for the other two 9206 Airport Property Specialist I and 1840 Junior Management Specialist positions, rather than July 1, 2022.											
		Ongoing savings											
		One-time savings											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

AIR - Airport

Rec #	Account Title	FY 2022-23						FY 2023-24							
		FTE		Amount		Savings	GF	1T	FTE		Amount		Savings	GF	1T
		From	To	From	To				From	To	From	To			
	AIR External Affairs														
	9993 Attrition Savings			(\$91,765)	(\$241,504)	\$149,739		X						\$0	
	Mandatory Fringe Benefits			(\$38,802)	(\$80,478)	\$41,676		X						\$0	
				<i>Total Savings</i> \$191,415										\$0	
AIR-22	Increase Attrition Savings to reflect hiring timeline for vacant 1.00 FTE 0955 Deputy Director V and 1.00 FTE 0933 Manager V positions. This Attrition Savings reflects an estimate start date of January 1, 2023 rather than July 1, 2022 for these positions.														

FY 2022-23

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$2,154,581	\$5,313,824
Total	\$2,154,581	\$7,468,405

FY 2023-24

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$694,680	\$5,317,159
Total	\$694,680	\$6,011,839

YEAR ONE: FY 2022-23

Budget Changes

The Department’s proposed \$93,416,994 budget for FY 2022-23 is \$3,826,677 or 4.3% more than the original FY 2021-22 budget of \$89,590,317.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2022-23 are 267.68 FTEs, which are 0.71 FTEs more than the 266.97 FTEs in the original FY 2021-22 budget. This represents a 0.3% increase in FTEs from the original FY 2021-22 budget.

Revenue Changes

The Department's revenues of \$93,416,994 in FY 2022-23 are \$3,826,677 or 4.3% more than FY 2021-22 revenues of \$89,590,317.

YEAR TWO: FY 2023-24

Budget Changes

The Department’s proposed \$85,755,277 budget for FY 2023-24 is \$7,661,717 or 8.2% less than the Mayor’s proposed FY 2022-23 budget of \$93,416,994.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2023-24 are 267.81 FTEs, which are 0.13 FTEs more than the 267.68 FTEs in the Mayor’s proposed FY 2022-23 budget. This represents a 0.05% increase in FTEs from the Mayor’s proposed FY 2022-23 budget.

Revenue Changes

The Department's revenues of \$85,755,277 in FY 2023-24 are \$7,661,717 or 8.2% less than FY 2022-23 estimated revenues of \$93,416,994.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: DBI – BUILDING INSPECTION

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

	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Proposed
Building Inspection	76,836,503	96,501,543	89,501,462	89,590,317	93,416,994
FTE Count	268.99	269.08	265.49	266.97	267.68

The Department’s budget increased by \$16,580,491 or 21.6% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23. The Department’s FTE count decreased by 1.31 FTEs, or 0.5%, from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23.

FY 2022-23

The Department’s proposed FY 2022-23 budget has increased by \$3,826,677 largely due to increases in salaries and benefits.

FY 2023-24

The Department’s proposed FY 2023-24 budget has decreased by \$7,661,717, \$3 million of which is due in part to discontinuing the Office of Assessor-Recorder (ASR) and Fire Department (FIR) work orders.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: DBI – BUILDING INSPECTION

RECOMMENDATIONS

YEAR ONE: FY 2022-23

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$418,950 in FY 2022-23. Of the \$418,950 in recommended reductions, \$218,950 are ongoing savings and \$200,000 are one-time savings. These reductions would still allow an increase of \$3,407,727, or 3.8%, in the Department’s FY 2022-23 budget.

YEAR TWO: FY 2023-24

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$200,000 in FY 2023-24. All of the \$200,000 in recommended reductions are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

DBI- Building Inspection		FY 2022-23						FY 2023-24						
		FTE		Amount		GF	1T	FTE		Amount		GF	1T	
		From	To	From	To			From	To	From	To			
	DBI-Administration													
	Materials & Supplies Budget			\$17,000	\$12,000	\$5,000	x			\$12,000	\$12,000	\$0		
DBI-1				Reduce budgeted amount for materials and supplies due to historic underspending and continued recovery during the current phase of pandemic.										
	Professional and Specialized Svcs			\$500,000	\$400,000	\$100,000				\$500,000	\$400,000	\$100,000		
DBI-2				Reduce budgeted amount for professional and specialized services for records management due to historic underspending, insufficient justification, and to reflect actual need.										
	Professional and Specialized Svcs			\$515,000	\$415,000	\$100,000				\$515,000	\$415,000	\$100,000		
DBI-3				Reduce budgeted amount for professional and specialized services for management information systems due to historic underspending, insufficient justification, and to reflect actual need.										
	DBI- Permit Services													
	Materials & Supplies Budget			\$25,000	\$20,000	\$5,000	x			\$20,000	\$20,000	\$0		
DBI-4				Reduce budgeted amount for materials and supplies due to historic underspending and continued recovery during the current phase of pandemic.										
	DBI- Inspection Services													
	9993M Attrition Savings			(\$705,912)	(\$855,048)	\$149,136	x			(\$705,911)	(\$705,911)	\$0		
	Mandatory Fringe Benefits			(298,483)	(358,297)	\$59,814	x			(277,676)	(\$277,676)	-		
				<i>Total Savings</i>		\$208,950				<i>Total Savings</i>		\$0		
DBI-5				Increase attrition savings to reflect delays in hiring. The Department has 1.0 FTE vacant 6248 Electrical Inspector that has been vacant since March 21, 2020 and the Department is awaiting a list from DHR. Further, the Department had 14 vacancies as of March 31st in addition to positions being held to meet the Department's attrition savings budget target.										

FY 2022-23

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$218,950	\$418,950
Total	\$218,950	\$418,950

FY 2023-24

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$0	\$200,000
Total	\$0	\$200,000

GF = General Fund
1T = One Time

YEAR ONE: FY 2022-23

Budget Changes

The Department's proposed \$193,244,923 budget for FY 2022-23 is \$100,757,828 or 108.9% more than the original FY 2021-22 budget of \$92,487,095.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2022-23 are 248.63 FTEs, which are 25.91 FTEs more than the 222.72 FTEs in the original FY 2021-22 budget. This represents an 11.6% increase in FTEs from the original FY 2021-22 budget.

Revenue Changes

The Department's revenues of \$193,244,923 in FY 2022-23 are \$100,757,828 or 108.9% more than FY 2021-22 revenues of \$92,487,095.

YEAR TWO: FY 2023-24

Budget Changes

The Department's proposed \$149,127,351 budget for FY 2023-24 is \$44,117,572 or 22.8% less than the Mayor's proposed FY 2022-23 budget of \$193,244,923.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2023-24 are 250.22 FTEs, which are 1.59 FTEs more than the 248.63 FTEs in the Mayor's proposed FY 2022-23 budget. This represents a 0.6% increase in FTEs from the Mayor's proposed FY 2022-23 budget.

Revenue Changes

The Department's revenues of \$149,127,351 in FY 2023-24 are \$44,117,572 or 22.8% less than FY 2022-23 estimated revenues of \$193,244,923.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: PRT-PORT

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

	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Proposed
Port	173,631,820	146,847,821	124,802,058	92,487,095	193,244,923
FTE Count	245.23	246.15	231.81	222.72	248.63

The Department’s budget increased by \$19,613,103 or 11.3% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23. The Department’s FTE count increased by 3.40 or 1.4% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23.

FY 2022-23

The Department’s proposed FY 2022-23 budget has increased by \$100,757,828 largely due to a \$114 million two-year allocation of funding from the American Rescue Plan Act to offset revenue losses due to the COVID-19 pandemic. This is largely reflected in an increase in capital outlay and partially offset by a decrease in programmatic projects.

FY 2023-24

The Department’s proposed FY 2023-24 budget has decreased by \$44,117,572 largely due to a smaller allocation of funding from the American Rescue Plan Act. This is largely reflected in a decrease in capital outlay

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: PRT-PORT

RECOMMENDATIONS

YEAR ONE: FY 2022-23

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$393,836 in FY 2022-23. Of the \$393,846 in recommended reductions, \$43,836 are ongoing savings and \$350,000 are one-time savings. These reductions would still allow an increase of \$100,363,992 or 108.5% in the Department’s FY 2022-23 budget.

YEAR TWO: FY 2023-24

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$44,144 in FY 2023-24. All of the \$44,144 in recommended reductions are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

PRT - Port

Rec #	Account Title	FY 2022-23						FY 2023-24									
		FTE		Amount		Savings		FTE		Amount		Savings					
		From	To	From	To	To	From	To	From	To	From	To					
	PRT Executive																
	9252 Communications Specialist	1.00	0.00	\$144,329	\$0	\$144,329		1.00	0.00	\$148,964	\$0	\$148,964					\$148,964
	Mandatory Fringe Benefits			\$60,477	\$0	\$60,477				\$57,324	\$0	\$57,324					\$57,324
	1314 Public Relations Officer	0.00	1.00	\$0	\$137,214	(\$137,214)		0.00	1.00	\$0	\$141,620	(\$141,620)					(\$141,620)
	Mandatory Fringe Benefits			\$0	\$53,426	(\$53,426)				\$0	\$50,173	(\$50,173)					(\$50,173)
				<i>Total Savings</i>	<i>\$14,166</i>					<i>Total Savings</i>	<i>\$14,495</i>						
PRT-4	Deny proposed upward substitution of 1312 Public Information Officer to 9252 Communications Specialist due to insufficient justification. Allow upward substitution to 1314 Public Relations Officer classification, which is a more appropriate classification for this position.																Ongoing savings

FY 2022-23

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$350,000	\$43,836
Total	\$350,000	\$393,836

FY 2023-24

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$0	\$44,144
Total	\$0	\$44,144

YEAR ONE: FY 2022-23

Budget Changes

The Department’s proposed \$185,794,068 budget for FY 2022-23 is \$14,571,814 or 8.5% more than the original FY 2021-22 budget of \$171,222,254.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2022-23 are 706.69 FTEs, which are 6.24 FTEs more than the 700.45 FTEs in the original FY 2021-22 budget. This represents a 0.9% increase in FTEs from the original FY 2021-22 budget.

Revenue Changes

The Department's revenues of \$86,864,068 in FY 2022-23 are \$11,581,814 or 15.4% more than FY 2021-22 revenues of \$75,282,254.

YEAR TWO: FY 2023-24

Budget Changes

The Department’s proposed \$186,763,543 budget for FY 2023-24 is \$969,475 or 0.5% more than the Mayor’s proposed FY 2022-23 budget of \$185,794,068.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2023-24 are 707.82 FTEs, which are 1.13 FTEs more than the 706.69 FTEs in the Mayor’s proposed FY 2022-23 budget. This represents a 0.2% increase in FTEs from the Mayor’s proposed FY 2022-23 budget.

Revenue Changes

The Department's revenues of \$80,413,543 in FY 2023-24 are \$6,450,525 or 7.4% less than FY 2022-23 estimated revenues of \$86,864,068.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: LIB – PUBLIC LIBRARY

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

	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Proposed
Public Library	160,612,490	171,592,228	151,700,834	171,222,254	185,794,068
FTE Count	696.31	701.06	700.17	700.45	706.69

The Department’s budget increased by \$25,181,578 or 15.7% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23. The Department’s FTE count increased by 10.38 or 1.5% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23.

FY 2022-23

The Department’s proposed FY 2022-23 budget has increased by \$14,571,814 largely due to capital spending, including on renovating neighborhood Public Library branches, expansion of the library’s physical and electronic collections, and increasing costs in salaries and benefits.

FY 2023-24

The Department’s proposed FY 2023-24 budget has increased by \$969,475 largely due to increased costs in salaries and benefits and continued library branch renovations.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: LIB – PUBLIC LIBRARY

RECOMMENDATIONS

YEAR ONE: FY 2022-23

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$496,724 in FY 2022-23. Of the \$496,724 in recommended reductions, \$145,000 are ongoing savings and \$351,724 are one-time savings. These reductions would still allow an increase of \$14,075,090 or 8.2% in the Department’s FY 2022-23 budget.

YEAR TWO: FY 2023-24

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$145,000 in FY 2023-24. All of the \$145,000 in recommended reductions are ongoing savings. These reductions would still allow an increase of \$824,475 or 0.4% in the Department’s FY 2023-24 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

LIB - Public Library

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF	1T	FTE		Amount		GF	1T
		From	To	From	To			From	To	From	To		
	Public Library												
LIB-1	Air Travel-Employees Reduce budgeted amount to original FY 2021-22 budget for Air Travel due to historic underspending and delayed ramp up in travel during this phase of the pandemic.		\$25,000	\$20,000	\$5,000				\$25,000	\$20,000	\$5,000		
LIB-2	Other Bldg. Main Svcs Reduce budgeted amount for other equipment maintenance to reflect actual need.		\$70,000	\$50,000	\$20,000				\$70,000	\$50,000	\$20,000		
LIB-3	Other Materials & Supplies Reduce budgeted amount for branch library operations materials and supplies due to historic underspending.		\$69,700	\$49,700	\$20,000				\$69,700	\$49,700	\$20,000		
LIB-4	Equipment-AT Equipment Refresh Reduce budgeted amount for braille embosser Assistive Technology (AT) per Department's suggestion since equipment was ultimately purchased in current year and no longer needed in proposed budget year.		\$100,000	\$0	\$100,000	x			\$0	\$0	\$0		

YEAR ONE: FY 2022-23

Budget Changes

The Department’s proposed \$1,650,697,669 budget for FY 2022-23 is \$146,607,370 or 9.7% more than the original FY 2021-22 budget of \$1,504,090,299.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2022-23 are 1,754.50 FTEs, which are 46.60 FTEs more than the 1,707.90 FTEs in the original FY 2021-22 budget. This represents a 2.7% increase in FTEs from the original FY 2021-22 budget.

Revenue Changes

The Department's revenues of \$1,650,697,669 in FY 2022-23 are \$146,607,370 or 9.7% more than FY 2021-22 revenues of \$1,504,090,299.

YEAR TWO: FY 2023-24

Budget Changes

The Department’s proposed \$1,689,518,938 budget for FY 2023-24 is \$38,821,269 or 2.4% more than the Mayor’s proposed FY 2022-23 budget of \$1,650,697,669.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2023-24 are 1,771.91 FTEs, which are 17.41 FTEs more than the 1,754.50 FTEs in the Mayor’s proposed FY 2022-23 budget. This represents a 1.0% increase in FTEs from the Mayor’s proposed FY 2022-23 budget.

Revenue Changes

The Department's revenues of \$1,689,518,938 in FY 2023-24 are \$38,821,269 or 2.4% more than FY 2022-23 estimated revenues of \$1,650,697,669.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: PUC – PUBLIC UTILITIES COMMISSION

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

	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Proposed
Public Utilities Commission	1,296,900,195	1,411,692,142	1,433,954,907	1,504,090,299	1,650,697,669
FTE Count	1,676.43	1,690.00	1,666.85	1,707.90	1,754.50

The Department’s budget increased by \$353,797,474 or 27.3% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23. The Department’s FTE count increased by 78.07 or 4.7% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23.

FY 2022-23

The Department’s proposed FY 2022-23 budget has increased by \$146,607,370 largely due to the increased cost of debt service and power, and salary and benefit changes.

The increase is also due to power purchase and distribution costs. As the Power Enterprise utilizes the PG&E electricity distribution grid to deliver power to its customers, PG&E fees and tariffs represent a substantial portion of power purchase costs.

FY 2023-24

The Department’s proposed FY 2023-24 budget has increased by \$38,821,269 largely due to the increased cost of debt service and power, and salary and benefit changes.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: PUC – PUBLIC UTILITIES COMMISSION

RECOMMENDATIONS

YEAR ONE: FY 2022-23

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$4,391,124 in FY 2022-23. Of the \$4,391,124 in recommended reductions, \$3,590,798 are ongoing savings and \$800,326 are one-time savings. These reductions would still allow an increase of \$142,216,246 or 9.5% in the Department’s FY 2022-23 budget.

YEAR TWO: FY 2023-24

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$4,001,759 in FY 2023-24. Of the \$4,001,759 in recommended reductions, \$3,641,498 are ongoing savings and \$360,261 are one-time savings. These reductions would still allow an increase of \$34,819,510 or 2.1% in the Department’s FY 2023-24 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

WWE - Wastewater Enterprise

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF	FTE		Amount		Savings	GF
		From	To	From	To			From	To	From	To		
WWE-9	Bayside Operations												
	7373 Sr. Stationary Eng, Sew Plant	1.00	0.00	140,455	\$0	\$140,455		1.00	0.00	144,966	\$0	\$144,966	
	Mandatory Fringe Benefits			55,893	\$0	\$55,893				52,631	\$0	\$52,631	
				<i>Total Savings</i>	\$196,348					<i>Total Savings</i>	\$197,597		
	Eliminate 1.00 FTE vacant 7373 Sr. Stationary Eng, Sew Plant. This position has been vacant since August 2018 , and the operational need is unclear.												
	Ongoing savings												

FY 2022-23

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$465,412	\$428,655	\$894,067
Total	\$465,412	\$428,655	\$894,067

FY 2023-24

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$188,862	\$431,421	\$620,283
Total	\$188,862	\$431,421	\$620,283

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF	1T	FTE		Amount		GF	1T
		From	To	From	To			From	To	From	To		
WTR-1	Automotive & Other Vehicles	1.00	0.00	\$102,651	\$0	\$34,960	x	1.00	0.00	\$73,662	\$37,303	\$36,359	x
	Water Quality Administration	<p>The Water Enterprise is requesting 9 new and replacement Ford trucks (F150 and F250) and Ford Transit vans in FY 2022-23 and 6 new and replacement Ford trucks (F150 and F250) and Ford Transit vans in FY 2023-24, totaling 15 vehicles. The Budget and Legislative Analyst recommends not approving one Ford Transit replacement van in FY 2022-23 and one Ford Transit replacement van in FY 2023-24, which replace vehicles that are 10 and 9 years old and have low maintenance costs (according to documents provided by SFPUC), and which we consider to be within their useful life. We are recommending approval of 12 new and replacement Ford trucks and vans enterprise-wide.</p> <p>The Water Enterprise is requesting 9 new and replacement Ford trucks (F150 and F250) and Ford Transit vans in FY 2022-23 and 6 new and replacement Ford trucks (F150 and F250) and Ford Transit vans in FY 2023-24, totaling 15 vehicles. The Budget and Legislative Analyst recommends not approving one Ford Transit replacement van in FY 2022-23 and one Ford Transit replacement van in FY 2023-24, which replace vehicles that are 10 and 9 years old and have low maintenance costs (according to documents provided by SFPUC), and which we consider to be within their useful life. We are recommending approval of 12 new and replacement Ford trucks and vans enterprise-wide.</p>											
WTR-2	Professional and Specialized Services			\$778,000	\$728,000	\$50,000				\$843,000	\$793,000	\$50,000	
	Professional and Specialized Services			\$700,000	\$650,000	\$50,000	x						
WTR-3	Automotive & Other Vehicles	1.00	0.00	\$230,280	\$194,412	\$35,868	x						
	Natural Resources	<p>Reduce professional and specialized services budget due to historical underspending within the Annual Account Control Fund. The Water Enterprise underspent in professional and specialized services in FY 2020-21 and projects underspending in FY 2021-22, and the Water Enterprise proposes increasing contract spending by \$429,000 in FY 2022-23. Proposed contracts in FY 2022-23 do not yet have a selected contractor or defined scope of work.</p> <p>One-time savings.</p> <p>One-time savings.</p>											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

WTR - Water Enterprise

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
		From	To	From	To			From	To	From	To		
	1823 Senior Administrative Analyst Mandatory Fringe Benefits	0.00	0.00	\$0	\$0	\$0	\$0	1.00	0.00	\$110,145	\$0	\$110,145	
WTR-4				\$0	\$0					\$39,022	\$0	\$39,022	
		Deny proposed new 1.0 FTE 1823 Senior Administrative Analyst position. The Department states this position is needed for maintenance of the Alameda Creek Watershed Center, but has not provided sufficient justification or explanation for the position.											
		Administration											
	Training - Budget			\$176,265	\$100,000	\$76,265				\$176,265	\$100,000	\$76,265	
WTR-5		Reduce training budget due to underspending. For FY 2021-22, the department has spent only \$34,687 (out of \$214,351 available) on training.											
				\$2,872,500	\$2,672,500	\$200,000				\$2,772,500	\$2,672,500	\$100,000	
WTR-6		Reduce professional and specialized services budget due to historical underspending within the Annual Account Control Fund. The Water Enterprise underspent in professional and specialized services in FY 2020-21 and projects underspending in FY 2021-22, and the Water Enterprise proposes increasing contract spending by \$429,000 in FY 2022-23. Proposed contracts in FY 2022-23 do not yet have a selected contractor or defined scope of work. ☐											
		1.00	0.00	\$179,367	\$0	\$179,367				\$188,715	\$0	\$188,715	
	Mandatory Fringe Benefits			\$61,265	\$0	\$61,265				\$58,828	\$0	\$58,828	
		\$240,632											
WTR-7		Eliminate 1.0 FTE 5241 Engineer position vacant since 2018. The position has been vacant for approximately four years and the operational need is unclear. There are 27 positions with the same job class within the department.											
		Ongoing savings.											
		Water Supply											
	7514 General Laborer	1.00	0.00	\$84,499	\$0	\$84,499				\$87,212	\$0	\$87,212	
	Mandatory Fringe Benefits			\$39,384	\$0	\$39,384				\$37,746	\$0	\$37,746	
		\$123,883											
WTR-8		Delete vacant 7514 General Laborer position which the Department is not planning to fill. The Water Enterprise reports 68 vacant positions in this division, including 5 vacancies in this classification. The Water Enterprise had salary savings in this division in FY 2020-21, projects salary savings of \$2.3 million in this division in FY 2021-22, and only increased budgeted attrition from \$2.5 million in the current year to \$2.6 million in the budget year. This recommendation provides SFPUC with sufficient salary authority to fill vacant positions as planned in FY 2022-23.											
		Ongoing savings											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
		From	To	From	To			From	To	From	To		
	9993 Attrition Mandatory Fringe Benefits			(\$2,045,586)	(\$2,195,586)	\$150,000	(\$150,000)			(\$2,045,586)	(\$2,195,586)	\$150,000	(\$150,000)
				(\$864,942)	(\$928,367)	\$63,425	(\$63,425)			(\$804,651)	(\$863,655)	\$59,004	(\$59,004)
WTR-9		Increase budgeted attrition; SFPUC reports 68 vacant positions in this division. SFPUC increased the budgeted salary and fringe benefits for this division by \$2.0 million in FY 2022-23 compared to FY 2021-22. The Water Enterprise had salary savings in this division in FY 2020-21, projects salary savings of \$2.3 million in this division in FY 2021-22, and only increased budgeted attrition from \$2.5 million in the current year to \$2.6 million in the budget year. This recommendation provides SFPUC with sufficient salary authority to fill vacant positions as planned in FY 2022-23.											
		CDD Program and Maintenance											
	7514 General Laborer	1.00	0.00	\$84,499	\$0	\$84,499	\$0			\$87,212	\$0	\$87,212	\$0
	Mandatory Fringe Benefits			\$39,384	\$0	\$39,384	\$0			\$37,746	\$0	\$37,746	\$0
WTR-10		Delete one vacant 7514 General Labor position that SFPUC is not planning to fill. The City Distribution Division projects \$2.3 million in salary savings in FY 2021-22 and reported 102 vacant positions. SFPUC increased budgeted attrition in the City Distribution Division from \$5.0 million in FY 2021-22 to \$5.2 million in FY 2022-23. The CDD Program & Maintenance section increased budgeted salaries from \$6.4 million in FY 2021-22 to \$6.8 million in FY 2022-23. This recommendation provides sufficient budgeted salaries for SFPUC to fill vacant positions in CDD in FY 2022-23.											
		CDD Administration											
	1820 Junior Administrative Analyst	1.00	0.00	\$88,069	\$0	\$88,069	\$0			\$90,898	\$0	\$90,898	\$0
	Mandatory Fringe Benefits			\$40,251	\$0	\$40,251	\$0			\$38,499	\$0	\$38,499	\$0
	1822 Administrative Analyst	1.00	0.00	\$115,815	\$0	\$115,815	\$0			\$119,534	\$0	\$119,534	\$0
	Mandatory Fringe Benefits			\$47,840	\$0	\$47,840	\$0			\$45,237	\$0	\$45,237	\$0
WTR-11		Delete two vacant positions that SFPUC is not planning to fill. The City Distribution Division projects \$2.3 million in salary savings in FY 2021-22 and reported 102 vacant positions. SFPUC increased budgeted attrition in the City Distribution Division from \$5.0 million in FY 2021-22 to \$5.2 million in FY 2022-23. This recommendation provides sufficient budgeted salaries for SFPUC to fill vacant positions in CDD in FY 2022-23.											

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

WTR - Water Enterprise

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
		From	To	From	To			From	To				
	CDD Bldgs. & Grounds												
	7341 Stationary Engineer	1.00	0.00	\$124,083	\$0	\$124,083				\$128,069	\$0	\$128,069	
	Mandatory Fringe Benefits			\$52,095	\$0	\$52,095				\$49,354	\$0	\$49,354	
													\$177,423
WTR-12		Delete one vacant 7341 Stationary Engineer position. The City Distribution Division projects \$2.3 million in salary savings in FY 2021-22 and reported 102 vacant positions. SFPUC increased budgeted attrition in the City Distribution Division from \$5.0 million in FY 2021-22 to \$5.2 million in FY 2022-23. This recommendation provides sufficient budgeted salaries for SFPUC to fill vacant positions in CDD in FY 2022-23.											
		Ongoing savings.											

FY 2022-23

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$120,828	\$1,496,241
Total	\$120,828	\$1,617,069

FY 2023-24

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$36,359	\$1,553,486
Total	\$36,359	\$1,589,845

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

Hetch Hetchy Water & Power

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
		From	To	From	To			From	To				
	Hetchy Water												
	Automotive & Other Vehicles			3,268,280	3,232,412	\$35,868	x			1,365,550	1,299,754	\$65,796	x
HH-1	Hetch Hetchy Water proposes to replace six Ford F150 and F250 trucks in FY 2022-23 and in FY 2023-24, totaling twelve replacement trucks. The Budget and Legislative Analyst recommends not approving three replacement trucks in FY 2022-23 and FY 2023-24. One Ford F150 has been in service for 13 years and one Ford F250 has been in service in 17 years, and according to documents provided by SFPUC, the existing trucks do not have high maintenance costs and we do not consider them to be past their useful life.			\$0	\$0	\$0				1,365,550	1,328,247	\$37,303	x
HH-2	FY 2023-24 savings only												
	7514 General Laborer	1.00	0.00	\$84,499	\$0	\$84,499				\$87,212	\$0	\$87,212	
	Mandatory Fringe Benefits			\$39,384	\$0	\$39,384				\$37,746	\$0	\$37,746	
					\$123,883						\$124,958		
HH-3	Delete long term vacancy held for attrition.												
	9993 Attrition	1.00	0.00	(\$2,436,756)	(\$2,646,756)	\$210,000				(\$2,436,756)	(\$2,536,759)	\$100,003	
	Mandatory Fringe Benefits			(\$1,030,341)	(\$1,119,136)	\$88,795				(\$958,520)	(\$997,857)	\$39,337	
					\$298,795						\$139,340		
HH-4	Hetch Hetchy Water has 57 vacant positions and projected salary savings of \$1.7 million in FY 2021-22. This recommendation provides sufficient salaries for Hetch Hetchy Water to implement the hiring plan												
	Ongoing savings.												
	Ongoing savings.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

Hetch Hetchy Water & Power

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
		From	To	From	To			From	To				
	Prof & Specialized Svcs-Bogt			\$4,323,728	\$4,073,728	\$250,000				\$4,423,728	\$4,173,728	\$250,000	
HH-5		<p>Hetch Hetchy Water underspent on professional services contracts in FY 2020-21 and projects underspending in FY 2021-22. As of the date of this report, of the \$4.3 million budgeted in FY 2022-23 for professional services, Hetch Hetchy Water had completed contracts totaling \$544,021 in FY 2022-23. The proposed FY 2022-23 budget includes \$1.7 million for wildfire mitigation services and approximately \$1.2 million for professional services for which SFPUC has not yet identified the vendor or the scope of work. This recommendation provides sufficient funding for Hetch Hetchy Water to procure professional services in FY 2022-23.</p> <p>Ongoing savings.</p>											
		Hetchy Power											
	5277 Planner 1			\$97,382	\$0	\$97,382				\$100,509	\$0	\$100,509	
	9993 Attrition									(\$1,913,262)	(\$1,812,753)	(\$100,509)	
HH-6	Mandatory Fringe Benefits			\$43,212	\$0	\$43,212				\$41,200	\$0	\$41,200	
	Mandatory Fringe Benefits									(\$752,600)	(\$711,400)	(\$41,200)	
					\$140,594						\$0		
		<p>Delete long term vacancy which SFPUC does not plan to fill. According to documents provided by SFPUC, Hetch Hetchy Power has 40 vacant positions, of which SFPUC plans to fill 31. Deletion of this position will provide Hetch Hetchy with sufficient salary budget to fill vacant positions.</p> <p>Reduce budgeted attrition to offset projected hiring of 40 vacant positions by FY 2023-24.</p>											

FY 2022-23

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$35,868	\$813,272	\$849,140
Total	\$35,868	\$813,272	\$849,140

FY 2023-24

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$0	\$0
Non-General Fund	\$103,099	\$514,298	\$617,397
Total	\$103,099	\$514,298	\$617,397

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

CLP - CleanPowerSF

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
		From	To	From	To			From	To	From	To		
	CleanPowerSF												
	Training - Budget			\$72,511	\$36,256		\$36,256			\$72,511	\$36,256		\$36,256
CLP-1	Reduce training budget due to historic underspending. CleanPowerSF underspent on training in FY 2020-21 and projects underspending in FY 2021-22.												
	Professional & Specialized Services			\$8,929,919	\$8,779,919		\$150,000			\$8,691,904	\$8,591,904		\$100,000
CLP-2	Reduce budget for professional and specialized due to underspending. CleanPowerSF underspent on professional services contracts in FY 2020-21 and projects underspending in FY 2021-22. Of the \$8.9 million in budgeted spending for FY 2022-23, approximately \$2 million in contracts are for a variety of services, are still pending vendor selection, and the scopes of work have not been finalized.												
	Non-Air Travel - Employees			\$13,950	\$3,950		\$10,000			\$13,950	\$3,950		\$10,000
CLP-3	Reduce budget for non-air travel by \$10,000 due to underspending. CleanPowerSF did not post expenditures for air travel and non-air travel in FY 2020-21 or in FY 2021-22 (as of May 2022).												
	Minor Data Processing			\$196,358	\$150,000		\$46,358	x					
CLP-4	Reduce budget for minor data processing equipment due to underspending. CleanPowerSF underspent on minor data processing equipment in FY 2020-21 and is projected to underspend in FY 2021-22.												

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

CLP - CleanPowerSF

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
		From	To	From	To			From	To	From	To		
	Attrition Savings		(\$1,010,116)	(\$1,260,116)	\$250,000					(\$1,010,115)	(\$1,260,116)	\$250,001	
	Mandatory Fringe Benefits		(\$427,110)	(\$532,818)	\$105,708					(\$397,339)	(\$495,679)	\$98,340	
			<i>Total Savings</i>		<i>\$355,708</i>					<i>Total Savings</i>		<i>\$348,341</i>	
CLP-5		<p>CleanPowerSF has 21 vacant positions, equal to 50% of 42 budgeted positions, which has resulted in high salary savings in FY 2020-21 and FY 2021-22. CleanPowerSF uses temporary salaries to backfill vacancies and to meet operational needs due to the variability of revenues and operational requirements and has budgeted \$1.4 million in Temporary salaries and benefits in FY 2022-23 and FY 2023-24. The recommendation to increase budgeted attrition accounts for the 50% vacancies in permanent positions while allowing CleanPowerSF to hire temporary staff as needed.</p> <p align="center">Ongoing savings.</p>											

FY 2022-23

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$46,358	\$551,964
Total	\$46,358	\$598,322

FY 2023-24

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$0	\$494,597
Total	\$0	\$494,597

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

PUB - Public Utilities Bureau

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
		From	To	From	To			From	To	From	To		
	Health and Safety												
PUB-1	Training - Budget		\$358,147	\$158,147	\$200,000		\$200,000		\$358,987	\$158,987		\$200,000	
	Reduce budgeted amount for Training-Budget due to historical underspending. Actual expenditures on Training in this account have ranged from \$90,000 to \$140,000 in the last three fiscal years. The Department has carried forward the unspent funds each year, for a total carry forward budget of \$980,000 in FY 2021-22. This recommendation will allow for sufficient funds in the budget years, and the Department can spend down the carryforward amount if additional resources are needed.												
	Community Services Bureau												
PUB-2	Automotive & Other Vehicles		\$0	\$0	\$0		\$0		\$95,823	\$63,882		\$31,941	x
	FY 2023-24 savings only.												
	Deny purchase of 1 replacement Chevy Colorado vehicle with mileage of 49,003, well within the useful life of the vehicle.												
	Fleet												
PUB-3	Automotive & Other Vehicles		\$33,860	\$0	\$33,860		\$0		\$0	\$0		\$0	
	Deny purchase of 1 replacement Toyota Prius Prime Plug-In Hybrid. The mileage of this vehicle is 47,018, well within the useful life of the vehicle.												
	Information Technology Services												
	Other Current Expenses		943,789	845,789	\$98,000	X	\$98,000						
	<i>Total Savings</i>			\$98,000			\$98,000					\$0	
PUB-4	Reduce budgeted amount for Other Current Expenses due to historical underspending.												
	One-time savings												

YEAR ONE: FY 2022-23

Budget Changes

The Department’s proposed \$43,804,306 budget for FY 2022-23 is \$2,443,688 or 5.9% more than the original FY 2021-22 budget of \$41,360,618.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2022-23 are 125.92 FTEs, which are 13.94 FTEs more than the 111.98 FTEs in the original FY 2021-22 budget. This represents a 12.4% increase in FTEs from the original FY 2021-22 budget.

Revenue Changes

The Department's revenues of \$43,804,306 in FY 2022-23 are \$1,973,449 or 4.7% more than FY 2021-22 revenues of \$41,830,857.

YEAR TWO: FY 2023-24

Budget Changes

The Department’s proposed \$45,147,043 budget for FY 2023-24 is \$1,342,737 or 3.1% more than the Mayor’s proposed FY 2022-23 budget of \$43,804,306.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2023-24 are 132.91 FTEs, which are 6.99 FTEs more than the 125.92 FTEs in the Mayor’s proposed FY 2022-23 budget. This represents a 5.6% increase in FTEs from the Mayor’s proposed FY 2022-23 budget.

Revenue Changes

The Department's revenues of \$45,147,043 in FY 2023-24 are \$1,342,737 or 3.1% more than FY 2022-23 estimated revenues of \$43,804,306.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: RET – RETIREMENT SYSTEM

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

	FY 2018-19 Budget	FY 2019-20 Budget	FY 2020-21 Budget	FY 2021-22 Budget	FY 2022-23 Proposed
Retirement System	111,733,816	127,947,637	39,716,333	41,360,618	43,804,306
FTE Count	105.71	105.48	106.83	111.98	125.92

The Department’s budget decreased by \$67,929,510 or 60.8% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23. The Department’s FTE count increased by 20.21 or 19.1% from the adopted budget in FY 2018-19 to the proposed budget in FY 2022-23.

FY 2022-23

The Department’s proposed FY 2022-23 budget has increased by \$2,443,688, or 5.9%, largely due to changes in salaries and benefits and new permanent positions. New permanent positions include a proposed Chief of Staff (0923 Manager II) to work for the proposed Chief Operating Officer (1117 Deputy Director for Investments). The Chief Operating Officer position is proposed via the substitution of a 0965 Department Head V position. A new 1043 Senior Engineer position is proposed to replace a professional services contract, and another new 1043 Senior Engineer is being proposed to lead the Department’s cybersecurity oversight. A new 0931 Business Process Improvement Manager position will fulfill a management function that has been funded using Temporary Salaries monies over the past three years. In total, the Department is proposing to upwardly substitute 10 positions in an effort to assist recruitment and retention efforts.

FY 2023-24

The Department’s proposed FY 2023-24 budget has increased by \$1,342,737 largely due to increases in salaries and benefits and the annualization of new positions. For FY 2023-24 the Department is proposing two new permanent positions in the Investment Division: An Associate Portfolio Manager (0923 Manager II) and an Investment Officer (0922 Manager I). Both positions would direct investment programs approved by the Retirement Board, among other duties.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2022-23 AND FY 2023-24**

DEPARTMENT: RET – RETIREMENT SYSTEM

RECOMMENDATIONS

YEAR ONE: FY 2022-23

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$506,319 in FY 2022-23. Of the \$506,319 in recommended reductions, \$65,200 are ongoing savings and \$441,119 are one-time savings. These reductions would still allow an increase of \$1,937,369, or 4.7%, in the Department’s FY 2022-23 budget.

YEAR TWO: FY 2023-24

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$65,200 in FY 2023-24. Of the \$65,200 in recommended reductions, \$55,200 are ongoing savings and \$10,000 are one-time savings. These reductions would still allow an increase of \$1,277,537, or 2.9%, in the Department’s FY 2023-24 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		GF 1T	Savings	FTE		Amount		GF 1T	Savings
		From	To	From	To			From	To	From	To		
	RET-Administration												
	Travel-Budget		\$80,000	\$60,000	\$20,000				\$80,000	\$60,000	\$20,000		
RET-1	Reduce budgeted amount for Travel due to historic underspending and delayed ramp up in travel during this phase of the pandemic.							Ongoing savings.					
	Training-Budget		\$96,650	\$73,650	\$23,000				\$96,650	\$73,650	\$23,000		
RET-2	Reduce budgeted amount for training due to historic underspending and no new hires in Administration Division in budget year.							Ongoing savings.					
	Materials & Supplies-Budget		\$170,000	\$150,000	\$20,000				\$170,000	\$160,000	\$10,000		
RET-3	Reduce budgeted amount for Materials & Supplies to reflect historic underspending and actual projected need.							Ongoing savings.					
	Materials & Supplies-Budget		\$0	\$0	\$0				\$10,000	\$0	\$10,000		x
RET-4	One-time savings in FY 2023-24.												
	RET-Retirement Services												
	Non-Air Travel- Employees		\$12,400	\$10,200	\$2,200				\$12,400	\$10,200	\$2,200		
RET-5	Reduce budgeted amount for Non-Air Travel due to historic underspending and gradual ramp up in conferences and training during this phase of the pandemic.							Ongoing savings.					
	9993M Attrition Savings		(\$864,233)	(\$1,017,531)	\$153,298	x			(\$532,321)	(\$532,321)	\$0		
	Mandatory Fringe		(\$365,427)	(\$434,316)	\$68,889	x			(209,395)	(209,395)	\$0		
	<i>Total Savings</i>			<i>\$222,187</i>				<i>Total Savings</i>		<i>\$0</i>			
RET-6	Increase attrition savings to reflect three-month delays in hiring for 7.0 FTE Retirement Services Division positions: 1.0 FTE 0931 Manager III, 2.0 FTE 1812 Assistant Retirement Analysts, 1.0 FTE 1825 Principal Admin Analyst II, 2.0 FTE 1844 Senior Management Assistants, and 1.0 FTE 1867 Auditor I. Also, increase attrition savings to reflect six-month delays in hiring for 2.0 FTE 1814 Benefits Supervisor positions.							One-time savings.					

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2022-23 and FY 2023-24 Two-Year Budget**

RET - Retirement System

Rec #	Account Title	FY 2022-23						FY 2023-24					
		FTE		Amount		Savings	GF 1T	FTE		Amount		Savings	GF 1T
		From	To	From	To			From	To				
	RET-Investment												
	9993M Attrition Savings			(\$710,318)		\$157,006	x			(\$710,317)			\$0
	Mandatory Fringe			(\$300,346)		(\$362,272)	x			(\$279,410)			\$0
				<i>Total Savings</i>		<i>\$218,932</i>				<i>Total Savings</i>			<i>\$0</i>
RET-7	Increase attrition savings to reflect three-month delays in hiring for 4.0 FTE Investment Division positions: 2.0 FTE 0922 Manager I, 1.0 FTE 0923 Manager II, and 1.0 FTE 4331 Security Analyst.												

One-time savings.

FY 2022-23

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$441,119	\$65,200
Total	\$441,119	\$506,319

FY 2023-24

Total Recommended Reductions		
One-Time	Ongoing	Total
General Fund	\$0	\$0
Non-General Fund	\$10,000	\$55,200
Total	\$10,000	\$65,200