

File No. 130185

Committee Item No. 6

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date 03/27/2013

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date March 22, 2013

Completed by: Victor Young Date _____

1 [Appropriating \$751,312 of General Fund Reserve to the Public Defender for Salary
2 Expenditures - FY2012-2013]

3 **Ordinance appropriating \$751,312 from the General Fund Reserve to the Public**
4 **Defender for salary expenditures in FY2012-2013, pursuant to Charter Section 9.113,**
5 **this appropriation is subject to a two-thirds affirmative vote of all members of the**
6 **Board of Supervisors.**

7
8 Note: Additions are single-underline italics Times New Roman;
9 deletions are ~~strikethrough italics Times New Roman~~.
10 Board amendment additions are double underlined.
11 Board amendment deletions are ~~strikethrough normal~~.

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. The sources of funding outlined below are herein appropriated to reflect the
14 funding available for Fiscal Year 2012-2013.

15
16 **SOURCES Appropriation**

Fund	Index Code	Subobject	Description	Amount
1G AGF AAA – GF-	*CON1GAGFAAA	098GR	General Fund	\$751,312
Non-Project-			Reserve	
Controlled				
Total SOURCES Appropriation				\$751,312

22
23 Section 2. The uses of funding outlined below are herein appropriated in subobject 00100
24 Salaries and reflect the projected uses of funding to support Public Defender salary
25 expenditures in Fiscal Year 2012-2013.

1 **USES Appropriation**

2

Fund	Index Code	Subobject	Amount
3 1G AGF AAA – GF-Non-Project- 4 Controlled	055002	00100 Salaries	\$751,312
6 Total USES Appropriation			<u>\$751,312</u>

7

8 Section 3. The Fiscal Year 2012-2013 Annual Appropriation Ordinance includes the rejection
9 of \$751,312 in Salaries and Fringe Benefits by the Mayor, which is subject to appropriation in
10 this legislation. Pursuant to Charter Section 9.113, the funding of any item previously rejected
11 by the Mayor or the Board of Supervisors in consideration of the annual budget shall require a
12 two-thirds vote of all members of the Board of Supervisors for approval. Therefore, the
13 appropriation of \$751,312 within this appropriation is subject to a two-thirds affirmative vote of
14 all members of the Board of Supervisors.

15

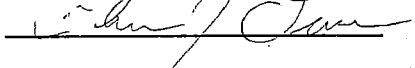
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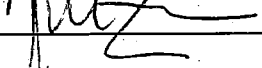
19 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

20

21 By: 
22 Deputy City Attorney

FUNDS AVAILABLE
Ben Rosenfield, Controller

23

24 By: 
25 February 22, 2013

Item 6
File 13-0185

Department:
Public Defender

EXECUTIVE SUMMARY

Legislative Objectives

The proposed ordinance would appropriate \$751,312 from the General Fund Reserve to the Public Defender's FY 2012-13 budget to resolve the budgetary shortfall in permanent salaries, temporary salaries, premium pay, and one-time payments due to terminating employees. Approval of the requested \$751,312 requires two-thirds vote of the Board of Supervisors because the Board of Supervisors rejected appropriation of these expenditures in the Public Defender's FY 2012-13 budget.

Key Points

- The requested \$751,312 would pay for (1) \$466,851 in permanent salaries due largely to salary step increases exceeding the budget in FY 2012-13; (2) \$255,981 in temporary salaries due to the Public Defender's Office hiring more temporary employees and expending more temporary salaries than authorized in the FY 2012-13 budget; (3) \$4,192 in premium pay; and (4) \$24,288 in one-time payments pay for accrued vacation time owed to an employee terminating from the City.

Fiscal Impact

- The General Fund Reserve balance is \$28,845,655 and the State Revenue Loss Reserve balance is \$8,410,605, totaling \$37,256,260.
- In addition to the Public Defender's requested supplemental appropriation of \$751,312, two supplemental appropriations will be submitted to the Board of Supervisors for the Sheriff's Department and Department of Public Health, which will significantly draw down on the available reserve balances. According to Ms. Monique Zmuda, Deputy Controller, the Controller's Office and Mayor's Office are working with the Sheriff's Department and the Department of Public Health to identify additional revenues or expenditure savings, and therefore, as of the writing of this report, the Controller's Office cannot provide details on the funding sources for the pending supplemental appropriations for the Sheriff's Department and Department of Public Health.
- The Public Defender's Office has hired temporary employees whose projected salary costs of \$375,056 in FY 2012-13 are \$255,981 more than the FY 2012-13 budget of \$119,075 for temporary salaries. Because the Public Defender's Office has spent more temporary salaries than authorized by the Board of Supervisors in the FY 2012-13 budget, the requested supplemental appropriation should be reduced by \$94,354 for temporary salaries not yet incurred for the pay periods beginning March 30, 2013 through June 30, 2013.
- Therefore, the requested supplemental appropriation should be reduced by \$94,354 from \$751,312 to \$656,958.

Recommendations

- Amend the proposed ordinance to reduce the requested supplemental appropriation by \$94,354 from \$751,312 to \$656,958 to account for the temporary salary expenditures, not yet incurred, in excess of the temporary salaries authorized by the Board of Supervisors in the Public Defender's FY 2012-13 budget.
- Approve the supplemental appropriation, as amended.

MANDATE STATEMENT AND BACKGROUND

Mandate Statement

According to Charter Section 9.105, the Board of Supervisors may adopt amendments to the Annual Appropriation Ordinance in the same manner as other ordinances.

According to Charter Section 9.113, if the Mayor or Board of Supervisors has previously rejected an appropriation in the Annual Appropriation Ordinance, then approval of a supplemental appropriation requires a two-thirds vote of the Board of Supervisors.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would appropriate \$751,312 from the General Fund Reserve to the Public Defender's FY 2012-13 budget to resolve a projected budgetary shortfall to pay for salary step increases, premium pay, one time payments to terminating employees for vacation pay-outs, and temporary salaries. Approval of the requested \$751,312 requires two-thirds vote of the Board of Supervisors, because the Board of Supervisors rejected appropriation of these expenditures in the Public Defender's FY 2012-13 budget.

FISCAL IMPACT

The proposed ordinance would appropriate \$751,312 in the Public Defender's FY 2012-13 budget as shown in Table 1 below.

Table 1: Proposed \$751,312 Appropriation

	FY 2012-13 Budget Previously Authorized by the Board of Supervisors	Estimated Actual Expenditures	Estimated Actual Expenditures Exceeding Authorized Budget
Permanent Salaries ¹	\$17,673,624	\$18,140,475	\$466,851
Temporary Salaries	119,075	375,056	255,981
Premium Pay	62,571	66,763	4,192
One Time Payments	0	24,288	24,288
Total	\$17,855,270	\$18,606,582	\$751,312

¹ Includes reductions for salary step adjustments and attrition savings.

Salary Step Adjustments (\$466,851)

The Public Defender's FY 2012-13 budget included \$17,855,270 for salaries funded by the General Fund, an increase of \$717,016 or 4.2% from the Public Defender's FY 2011-12 budget of \$17,138,254 for salaries funded by the General Fund. The Public Defender's FY 2012-13 budget did not correctly account for the difference between positions budgeted at the top salary step and the actual salary step paid to employees, resulting in an estimated deficit in permanent salaries of \$466,851.

Temporary Salaries (\$255,981)

The Public Defender's FY 2012-13 budget included \$119,075 for temporary salaries, a reduction of \$295,464 from the Public Defender's FY 2011-12 budget of \$414,539 for temporary salaries. The Public Defender has hired 5.4 Full Time Equivalent (FTE) positions paid by temporary salaries, or 4.0 FTE more than the 1.4 FTE positions authorized by the Board of Supervisors in the FY 2012-13 budget, as follows:

- 2.4 FTE 8173 Legal Assistants. Of these 2.4 FTEs, 1.4 FTEs were included in the FY 2012-13 budget and provide support to attorneys in the Training and Specialty Courts Units. In addition, the Public Defender has hired 1.0 FTE in the Investigation Unit to serve subpoenas, collect court and expert records, and conduct various database searches on case information.
- 2.0 FTE 1406 Senior Clerk in the MAGIC Program¹ to coordinate the Public Defender's Community, Youth and Family Programs. These positions assist in maintaining program documents, communicating with members of the public, and conducting community outreach. These two positions do not support the Public Defender's core responsibility for providing legal defense to individuals who cannot pay for a private attorney.
- 1.0 FTE 8446 Court Alternative Specialist, who serves as the Department's Communication and Policy Assistant to administer a public information program for the Public Defender's Office. This position does not support the Public Defender's core responsibility for providing legal defense to individuals who cannot pay for a private attorney.

According to Mr. Matt Gonzalez, Public Defender's Office Chief Attorney, the Public Defender's Office will propose that these temporary positions become permanent in the FY 2013-14 budget.

Other Pay

As shown in Table 1 above, the Public Defender estimates deficits in premium pay of \$4,192 and one-time payments of \$24,288 to pay for accrued vacation time owed to an employee terminating from the City.

General Fund and State Revenue Loss Reserves

As of March 21, 2013, the General Fund Reserve balance was \$28,845,655 and the State Revenue Loss Reserve balance was \$8,410,605, for total reserve balances of \$37,256,260. Two supplemental appropriations will be submitted to the Board of Supervisors for the Sheriff's Department and Department of Public Health, which will significantly draw down on the available reserve balances. According to Ms. Monique Zmuda, Deputy Controller, the

¹ The MAGIC Program (Mobilization for Adolescent Growth in Our Communities) is a Public Defender's Office program in the Bayview and Western Addition neighborhoods in which community based organizations coordinate programs and services for youth.

Controller's Office and Mayor's Office are working with the Sheriff's Department and Public Health Department to identify revenues or expenditure savings and therefore, as of the writing of this report, the Controller's Office cannot provide details on funding sources for the pending supplemental appropriations for the Sheriff's Department and Department of Public Health.

Temporary Salary Savings

The Public Defender's Office has hired temporary employees whose projected salary costs of \$375,056 in FY 2012-13 are \$255,981 more than the FY 2012-13 budget of \$119,075 for temporary salaries. Because the Public Defender's Office has spent more temporary salaries than authorized by the Board of Supervisors in the FY 2012-13 budget, the requested supplemental appropriation should be reduced by \$94,354² for temporary salaries not yet incurred for the pay periods beginning March 30, 2013 through June 30, 2013.

The Budget and Legislative Analyst recommends approval to pay for the projected FY 2012-13 budgetary shortfall of (1) \$466,851 in permanent salaries due to higher than budgeted salary step increases, (2) \$4,192 in premium pay, (3) \$24,288 in one-time payments for accrued vacation time owed to an employee terminating from the City; and (4) \$161,627 for temporary salary expenditures which have been previously incurred, for a total recommended approval of \$656,958.

However, the Budget and Legislative Analyst recommends that the balance of temporary salaries, \$94,354 (the requested \$255,981 less recommended approval of \$161,627), not yet incurred for the period from March 30, 2013 through June 30, 2013, be disapproved because such funding was never authorized by the Board of Supervisors in the Public Defender's FY 2012-13 budget. Permitting a department to hire positions previously not authorized by the Board of Supervisors diminishes the Board of Supervisors budgetary process.

Therefore, the requested supplemental appropriation should be reduced by \$94,354 from \$751,312 to \$656,958.

RECOMMENDATIONS

1. Amend the proposed ordinance to reduce the requested supplemental appropriation by \$94,354 from \$751,312 to \$656,958 to account for the temporary salary expenditures, not yet incurred, in excess of the temporary salaries authorized by the Board of Supervisors in the Public Defender's FY 2012-13 budget.
2. Approve the supplemental appropriation, as amended.

² Based on temporary salary expenditures of \$14,516 per pay period for 6.5 pay periods from March 30, 2013 through June 30, 2013.

President, Board of Supervisors
District 3
第三區
市參事會主席



City and County of San Francisco
三藩市市及縣政府

BOS-11, CO13
Leg Dep, B+F Clerk

DAVID CHIU
邱信福

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2013 MAR 13 PM 2:53

TO: Angela Calvillo, Clerk of the Board
FROM: Supervisor David Chiu *DSC*
DATE: March 12, 2013
RE: **Waive 30 day hold on item 130185** - Appropriating \$751,312 of General Fund Reserve to the Public Defender for Salary Expenditures - FY2012-2013

Madame Clerk,

I hereby waive the 30-Day Rule on the following file:

File No. 130185 - Ordinance appropriating \$751,312 from the General Fund Reserve to the Public Defender for salary expenditures in FY2012-2013, pursuant to Charter Section 9.113, this appropriation is subject to a two-thirds affirmative vote of all members of the Board of Supervisors.

Thank you for your prompt assistance in this matter.



Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee.
An ordinance, resolution, motion, or charter amendment.
- 2. Request for next printed agenda without reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Request for Closed Session (attach written motion).
- 10. Board to Sit as A Committee of the Whole.
- 11. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative

Sponsor(s):

Campos, Avalos, Mar

Subject:

Ordinance appropriating \$751,312 from the General Fund Reserve to the Public Defender for salary expenditures in Fiscal Year 2012-2013.

The text is listed below or attached:

[Empty box for text listing]

Signature of Sponsoring Supervisor:

For Clerk's Use Only:

130184 BAT

