COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee  Date: 05/8/2013
Board of Supervisors Meeting  Date: May 21, 2013

Cmte Board

☐ Motion
☐ Resolution
☐ Ordinance
☐ Legislative Digest
☐ Budget and Legislative Analyst Report
☐ Legislative Analyst Report
☐ Youth Commission Report
☐ Introduction Form (for hearings)
☐ Department/Agency Cover Letter and/or Report
☐ MOU
☐ Grant Information Form
☐ Grant Budget
☐ Subcontract Budget
☐ Contract/Agreement
☐ Form 126 – Ethics Commission
☐ Award Letter
☐ Application
☐ Public Correspondence

OTHER  (Use back side if additional space is needed)

Completed by: Victor Young  Date: May 3, 2013
Completed by: Victor Young  Date: 5-9-13
[De-Appropriation and Re-Appropriation - $71,016 to Public Utilities Commission for Overtime - FY2012-2013]

Ordinance de-appropriating $71,016 in salaries in the Public Utilities Commission Hetch Hetchy Department operating budget and re-appropriating $71,016 to overtime in the Public Utilities Commission Hetch Hetchy Department operating budget in order to support the department's projected increases in overtime as required per Ordinance 194-11, and requiring a two-thirds vote of all members of the Board of Supervisors for approval.

Note: Additions are single-underline italics Times New Roman; deletions are strikethrough italics Times New Roman. Board amendment additions are double underlined. Board amendment deletions are strikethrough normal.

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

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

**Uses De-appropriation**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Index/Project Code</th>
<th>Subobject</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5T AAA AAA</td>
<td>326112</td>
<td>00101</td>
<td>Permanent</td>
<td>$71,016</td>
</tr>
<tr>
<td>Hetchy Operating - Non</td>
<td></td>
<td></td>
<td>Salaries</td>
<td></td>
</tr>
<tr>
<td>Project Controlled</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total USES De-appropriation $71,016

Mayor Lee
BOARD OF SUPERVISORS
Section 2. The uses of funding outlined below are herein re-appropriated in Subobject 01101 (Salaries – Overtime – Misc), and reflect the projected uses of funding to support the increases in overtime spending in the Public Utilities Commission Hetch Hetchy Department for Fiscal Year 2012-2013.

USES Re-appropriation

<table>
<thead>
<tr>
<th>Fund</th>
<th>Index/Project Code</th>
<th>Subobject</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>5T AAA AAA</td>
<td>326112</td>
<td>01101</td>
<td>Salaries – Overtime – Miscellaneous</td>
<td>$71,016</td>
</tr>
<tr>
<td>Hetchy Operating - Non</td>
<td>Project Controlled</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total USES Re-appropriation: $71,106

Section 3: The Controller is authorized to record transfers between funds and adjust the accounting treatment of sources and uses appropriated in this Ordinance as necessary to conform with Generally Accepted Accounting Principles.

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

By: Deputy City Attorney

FUNDS AVAILABLE
Ben Rosenfield, Controller

By: Date: April 18, 2013

Mayor Edwin M. Lee
BOARD OF SUPERVISORS

Page 2 of 2
4/18/13
EXECUTIVE SUMMARY

Legislative Objectives

- The proposed supplemental appropriation ordinances would (1) de-appropriate $71,016 in permanent salaries and re-appropriate $71,016 to overtime in the Public Utilities Commission's (PUC) Hetch Hetchy Enterprise (File 13-0364); and (2) de-appropriate $250,000 in debt service and re-appropriate $250,000 to overtime in the PUC's Water Enterprise (File 13-0366).

Key Points

- The Hetch Hetchy Water and Power Enterprise incurred overtime in excess of the budget for Powerhouse Operators due to vacant positions as well as mandated scheduling requirement.
- The Water Enterprise incurred overtime in excess of the budget due to repair work needed for a leaking valve in the regional water system transmission pipeline (Bay Division No. 4) in January 2013, and a major transmission pipeline failure in San Mateo County in February 2013.

Fiscal Impact

- The Hetch Hetchy Water and Power Enterprise's FY 2012-13 budget for overtime is $854,841 and projected use of overtime is $925,857, or $71,016 more than the budget.
- The Water Enterprise's FY 2012-13 budget for overtime is $1,592,638 and projected use of overtime is $1,842,638, or $250,000 more than the budget.
- the FY 2012-13 overtime expenditures exceeding the budget would be paid by the transfer of surplus permanent salaries in the Hetch Hetchy Enterprise operating budget ($71,016) and transfer of surplus debt service funds in the Water Enterprise operating budget ($250,000).

Recommendation

- Approve the proposed ordinances.
MANDATE STATEMENT / BACKGROUND

Mandate Statement

Charter Section 9.105 requires Board of Supervisors' approval of Annual Appropriation Ordinance amendments, after the Controller certifies the availability of funds.

Administrative Code Section 3.17, which was approved by the Board of Supervisors in September of 2011, requires that the Annual Appropriation Ordinance contain a separate overtime appropriation within the Airport, Fire, Emergency Management, Police, Public Health, Public Utilities, Public Works, Recreation and Park and Sheriff Departments' operating budgets. In accordance with Administrative Code Section 3.17(b), these nine City departments must also request a supplemental appropriation, which is subject to Board of Supervisors approval, if their overtime expenditures are expected to exceed the annual overtime appropriation.

DETAILS OF PROPOSED LEGISLATION

The PUC is proposing de-appropriation of certain FY 2102-13 surplus expenditures and re-appropriation to pay for FY 2012-13 overtime expenditures that exceed the budget, as shown in Table 1.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Object</th>
<th>Re-appropriation/ (De-appropriation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>File 13-0364</td>
<td>Hetch Hetchy Enterprise Operating Budget</td>
<td>Permanent Salaries</td>
</tr>
<tr>
<td></td>
<td>Hetch Hetchy Enterprise Operating Budget Net</td>
<td>Overtime</td>
</tr>
<tr>
<td></td>
<td>Water Enterprise Operating Budget</td>
<td>Debt Service</td>
</tr>
<tr>
<td></td>
<td>Water Enterprise Operating Budget Net</td>
<td>Overtime</td>
</tr>
</tbody>
</table>

According to Ms. Cheryl Sperry, PUC Principal Administrative Analyst, the Hetch Hetchy Water and Power Enterprise incurred overtime in excess of the budget for Powerhouse Operators due to vacant positions as well as mandated scheduling requirements in the Memorandum of Understanding (MOU) between the City and the International Brotherhood of Electrical Workers, Local 6, which represents Powerhouse Operators. According to Ms. Sperry, the City and Local 6 are scheduled for arbitration on these scheduling requirements in September 2013.

According to Mr. David Briggs, PUC Regional and Local Water System Manager, the Water Enterprise incurred overtime in excess of the budget due to repair work needed for a leaking valve in the regional water system transmission pipeline (Bay Division No. 4) in January 2013, and a major transmission pipeline failure in San Mateo County in February 2013. According to Mr. Briggs, the Water Enterprise will prioritize the highest needs for overtime for the remainder of the fiscal year.
Approval of the proposed supplemental appropriations requires a two-third vote of the Board of Supervisors.

**FISCAL IMPACT**

The Hetch Hetchy Water and Power Enterprise’s FY 2012-13 budget for overtime is $854,841 and projected use of overtime is $925,857, or $71,016 more than the budget.

The Water Enterprise’s FY 2012-13 budget for overtime is $1,592,638 and projected use of overtime is $1,842,638, or $250,000 more than the budget.

As noted in Table 1 above, the FY 2012-13 overtime expenditures exceeding the budget would be paid by the transfer of surplus permanent salaries in the Hetch Hetchy Enterprise operating budget ($71,016) and transfer of surplus debt service funds in the Water Enterprise operating budget ($250,000).

**RECOMMENDATION**

Approve the proposed ordinances.
April 16, 2013

The Honorable Edwin M. Lee
The Honorable Board of Supervisors
The Honorable Ben Rosenfield, Controller

Subject: SFPUC – Hetch Hetchy Water Powerhouse Operation
Overtime Supplemental Appropriation Request $71,016

Ladies and Gentlemen:

Attached is a completed copy of the Request for Supplemental Appropriation, funded completely by a like amount of salary savings, in the amount of $71,016 to fund overtime for Hetch Hetchy Water.

In accordance with Section 3.17 of the Administrative Code, I would like to request this budget adjustment for additional overtime funding for Hetch Hetchy Water to support the powerhouse operation for the remainder of the fiscal year.

For the SFPUC the funding will come from salary savings within this Hetchy Division.

Regards,

Harlan L. Kelly, Jr.
General Manager
REQUEST FOR SUPPLEMENTAL APPROPRIATION

DEPARTMENT Hatch Hetchy Water and Power  DIVISION Hetchy Water  DATE 4/16/2013

To the Mayor:
Request is hereby made for supplemental appropriation from the following appropriations(s) or fund(s) in the amount(s) indicated:

<table>
<thead>
<tr>
<th>APPROPRIATION NUMBER</th>
<th>DESCRIPTION OF APPROPRIATION OR FUND</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FD/GROUP FD  ST AAA AAA  DEPT-DIV-SEC  32 10 02  INDEX  326112  CHAR/SUB-OBJ  001/02/00101</td>
<td>This transfers surplus salaries funds to fund a projected year-end shortfall in overtime for Hetchy Water.</td>
<td>$71,016</td>
</tr>
</tbody>
</table>

To the credit of the following appropriation(s) or fund(s) in the amount(s) indicated:

<table>
<thead>
<tr>
<th>APPROPRIATION NUMBER</th>
<th>DESCRIPTION OF APPROPRIATION OR FUND</th>
<th>AMOUNT REQUESTED</th>
<th>AMOUNT APPROVED MAYOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>FD/GROUP FD  ST AAA AAA  DEPT-DIV-SEC  32 10 02  INDEX  326112  CHAR/SUB-OBJ  001/01/01101</td>
<td>Surplus salary funds are transferred from Salaries to fund the projected year-end shortfall in overtime.</td>
<td>$71,016</td>
<td></td>
</tr>
</tbody>
</table>

There are no surpluses in any of this department’s appropriations available for transfer for the requested purposes(s). Complete detail as to the necessity for THIS appropriation is stated below.

APPLICABLE BOXES MUST BE CHECKED.

This request includes capital projects (s.o.2020 or 2030); a separate copy has been sent to the Chair, Capital Improvement Advisory Committee
[ ] These funds have not been previously requested.
[ ] These funds were previously requested by: [ ] Supplemental Appropriation or [ ] Budget Estimate and are [ ] reduced or [ ] denied by: [ ] The Mayor, or [ ] The Board of Supervisors.

CERTIFIED AS TO FACTS AND AMOUNTS AS ABOVE STATED AND RECOMMENDED: Todd Bydstrom, AGM Business Services & CFO, SFPUC

APPROVED: Harlan L. Kelly, Jr., General Manager, SFPUC (C.A.O., Board or Commission)

Recorded Controller’s Budget Division

By __________________________ Date __________________________ Request No. __________________________

FOR MAYOR’S USE

To the Controller:

The above request meets with my approval, as indicated above. You are hereby requested to prepare the necessary appropriation ordinance.

APPROVED: Edwin M. Lee  By __________________________ Date __________________________

MAYOR
TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Edwin M. Lee
RE: Appropriation and De-Appropriation - $71,016 for Overtime - FY2012-2013
DATE: April 23, 2013

Attached for introduction to the Board of Supervisors is the ordinance de-appropriating $71,016 in salaries in the Public Utilities Commission Hetch Hetchy Department operating budget and re-appropriating $71,016 to overtime in the Public Utilities Commission Hetch Hetchy Department operating budget in order to support the department's projected increases in overtime as required per Ordinance 194-11, and requiring a two-thirds vote of all members of the Board of Supervisors for approval.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.