

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

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June 13, 2013

TO: Budget and Finance Committee

FROM: Budget and Legislative Analyst

SUBJECT: Recommendations of the Budget and Legislative Analyst for Amendment of the Mayor's Fiscal Year 2013-2014 to Fiscal Year 2014-2015 Budget.

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BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$21,818,899 budget for FY 2013-14 is \$610,315 or 2.9% more than the original FY 2012-13 budget of \$21,208,584.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 154 FTEs, which are 12 FTEs more than the 142 FTEs in the original FY 2012-13 budget. This represents an 8.5% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$5,687,599 in FY2013-14 are \$202,988 or 3.7% more than FY 2012-13 revenues of \$5,484,611. General Fund support of \$16,131,300 in FY 2013-14 is \$407,327 or 2.6% more than FY 2012-13 General Fund support of \$15,723,973.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$23,838,243 budget for FY 2014-15 is \$2,019,344 or 9.3% more than the FY 2013-14 budget of \$21,818,899.

Personnel Changes

The number of FTEs budgeted for FY 2014-15 are 150 FTEs, which are 4 or 2.6% less than the 154 FTEs budgeted for FY 2013-14.

Revenue Changes

The Department's revenues of \$5,681,260 in FY 2014-15 are \$6,339 or 0.1% less than FY 2013-14 revenues of \$5,687,599. General Fund support of \$18,156,983 in FY 2014-15 is \$2,025,683 or 12.6% more than FY 2013-14 General Fund support of \$16,131,300.

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$555,332 in FY 2013-14. Of the \$555,332 in recommended reductions, \$511,789 are ongoing savings and \$43,543 are one-time savings. These reductions would still allow an increase of \$54,983 or 0.3% in the Department's FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$523,007 in FY 2014-15. Of the \$523,007 in recommended reductions, \$523,007 are ongoing savings and \$0 are one-time savings. These reductions would still allow an increase of \$1,496,337 or 6.9% in the Department's FY 2013-14 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ASR- ASSESSOR-RECORDER

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012- 2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|--------------------------------|-------------------------------------|---------------------------------------|--|---------------------------------------|--|
| ASSESSOR / RECORDER | | | | | |
| PERSONAL PROPERTY | 2,996,239 | 3,124,644 | 128,405 | 2,960,111 | (164,533) |
| REAL PROPERTY RECORDER | 7,257,028 | 8,251,326 | 994,298 | 6,647,533 | (1,603,793) |
| TECHNICAL SERVICES | 3,389,611 | 2,367,599 | (1,022,012) | 2,361,260 | (6,339) |
| TRANSFER TAX | 6,514,062 | 6,796,969 | 282,907 | 10,121,709 | 3,324,740 |
| | 1,051,644 | 1,278,361 | 226,717 | 1,747,630 | 469,269 |
| ASSESSOR / RECORDER | 21,208,584 | 21,818,899 | 610,315 | 23,838,243 | 2,019,344 |

FY 2013-14

The department's proposed FY 2013-14 budget has increased by \$610,315 largely due to increases in salaries and fringe benefits, non-personnel services, and work orders.

FY 2014-15

The department's proposed FY 2014-15 budget has increased by \$2,019,344 largely due to increases in fringe benefits, non-personnel services, materials and supplies, and work orders, and due to the renewal of the Assessment Appeals Research project (Project PASAAR) and technology projects approved by the Committee on Information Technology (COIT).

Project PASAAR began in FY 2011-12 to manage the increase in assessment appeals. The Assessor/Recorder's Office is requesting continuation of 13 limited-term positions for this project to process 8,300 open assessment appeals.

The FY 2014-15 budget has also increased due to continued technology projects approved by the COIT for the replacement of the Property Assessment Database (\$500,000).

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ASR– ASSESSOR-RECORDER

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 154 FTEs, which are 12 FTEs more than the 142 FTEs in the original FY 2012-13 budget.

In FY 2013-14 the Assessor/Recorder’s Office is requesting:

- (1) Six new limited-term positions in the Real Property division to add a new assessment appeals team in cooperation with the Assessment Appeals Board in order to expand Board services and assign additional Assessor/Recorder staff to Board sessions;
- (2) One new position in the Recorder Division to support the Recorder’s indexing function, paid by fee revenues;
- (3) One new administrative analyst in the Transfer Tax division to improve the Recorder’s ability to collect underreported transfer taxes, which the Assessor/Recorder’s Office expects to increase transfer tax collections to offset the cost of the new position; and
- (4) One new engineering associate position to support the Assessor’s mapping function.

The Assessor/Recorder’s Office has also requested reductions in budgeted attrition savings in order to hire vacant positions in the Real Property division.

FY 2014-15

The number of FTEs budgeted for FY 2014-15 are 150 FTEs, which are 4 or 2.6% less than the 154 FTEs budgeted for FY 2013-14. The decrease in FTEs primarily comes from transfer of limited tenure positions assigned to process assessment appeals from the operating budget to the project budget.

DEPARTMENT REVENUES:

FY 2013-14

The Department’s revenues of \$5,687,599 in FY2013-14 are \$ 202,988 or 3.7% more than FY 2012-13 revenues of \$5,484,611. General Fund support of \$16,131,300 in FY 2013-14 is \$407,327 or 2.6% more than FY 2012-13 General Fund support of \$15,723,973.

FY 2013-14

The Department’s revenues of \$5,681,260 in FY 2014-15 are \$6,339 or 0.1% less than FY 2013-14 revenues of \$5,687,599. General Fund support of \$18,156,983 in FY 2014-15 is \$2,025,683 or 12.5% less than FY 2013-14 General Fund support of \$16,131,300.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ASR- ASSESSOR-RECORDER

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$555,332 in FY 2013-14. Of the \$555,332 in recommended reductions, \$511,789 are ongoing savings and \$43,543 are one-time savings. These reductions would still allow an increase of \$54,983 or 0.3% in the Department's FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$523,007 in FY 2014-15. Of the \$523,007 in recommended reductions, \$523,007 are ongoing savings and \$0 are one-time savings. These reductions would still allow an increase of \$1,495,337 or 6.9% in the Department's FY 2013-14 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

| ASR - Assessor/Recorder | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|----------------------------|--|--------|----------------------|--------------|------------|----|------------|--------|----------------------|--------------|------------|----|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| FDJ - Real Property | | | | | | | | | | | | |
| Engineering Associate I | 0.77 | 0.50 | \$ 61,068 | \$ 39,655 | \$ 21,413 | x | | | | | | |
| Mandatory Fringe Benefits | | \$ | \$ 27,984 | \$ 18,171 | \$ 9,813 | x | | | | | | |
| | | | <i>Total Savings</i> | \$ 31,226 | | | | | | | | |
| | Reduce to reflect the planned start date for this position. | | | | | | | | | | | |
| Attrition Savings | (3.69) | (7.22) | \$ (324,539) | \$ (674,539) | \$ 350,000 | x | (3.69) | (6.14) | \$ (328,671) | \$ (678,671) | \$ 350,000 | x |
| Mandatory Fringe Benefits | | | \$ (143,529) | \$ (298,318) | \$ 154,789 | x | | | \$ (155,891) | \$ (321,898) | \$ 166,007 | x |
| | | | <i>Total Savings</i> | \$ 504,789 | | | | | <i>Total Savings</i> | \$ 516,007 | | |
| | The Assessor/Recorder has decreased attrition savings from FY 2012-13 by \$353,546. The Assessor/Recorder has a projected salary surplus of approximately \$700,000 in FY2012-13, which has resulted in part from five long-term vacant positions that are part of their assessment appeals team. The Assessor/Recorder's Office has also requested six new project positions in FY 2013-14 to process assessment appeals. Our recommendation would provide the Assessor/Recorder's Office sufficient project staff to process assessment appeals. | | | | | | | | | | | |
| Other Current Expenses | | | \$ 90,000 | \$ 83,000 | \$ 7,000 | x | | | \$ 90,000 | \$ 83,000 | \$ 7,000 | x |
| | Reduce expenditures to correspond to the department's budget. | | | | | | | | | | | |
| Administrative Analyst | 0.77 | 0.67 | \$ 63,980 | \$ 55,394 | \$ 8,586 | x | | | | | | |
| Mandatory Fringe Benefits | | | \$ 28,727 | \$ 24,996 | \$ 3,731 | x | | | | | | |
| | | | <i>Total Savings</i> | \$ 12,317 | | | | | | | | |
| | Reduce to reflect the planned start date of 11/1/13 for this position. | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

| ASR - Assessor/Recorder | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|--|----------------------------|------|--------|----|----|----|------------|------|--------|---------|----|---------|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| | FDL - Real Property | | | | | | | | | | | |
| Assessor-Recorder Office Assistant | 0.77 | 0.77 | \$ | - | \$ | - | | | | | | |
| Real Property Appraiser | 3.08 | 3.08 | \$ | - | \$ | - | | | | | | |
| Principal Real Property Appraiser | 0.77 | 0.77 | \$ | - | \$ | - | | | | | | |
| The Assessor/Recorder has requested six new off-budget positions (4.62 FTEs in FY 2013-14) to process assessment appeals. These positions should be limited tenure for two fiscal years, FY 2013-14 and FY 2014-15, with a termination date of June 30, 2015. | | | | | | | | | | | | |
| Real Property Appraiser | | | | | | | 7.00 | 7.00 | \$ | 587,296 | \$ | 587,296 |
| Assessor-Recorder Office Assistant | | | | | | | 3.00 | 3.00 | \$ | 168,265 | \$ | 168,265 |
| Senior Real Property Appraiser | | | | | | | 2.00 | 2.00 | \$ | 194,265 | \$ | 194,265 |
| Principal Real Property Appraiser | | | | | | | 1.00 | 1.00 | \$ | 112,429 | \$ | 112,429 |
| Mandatory Fringe Benefits | | | | | | | | | \$ | 516,666 | \$ | 516,666 |
| The Assessor/Recorder has 13 existing limited-tenure project positions to process assessment appeals, which were due to terminate in FY 2013-14. The Assessor/Recorder has requested extension of these positions in FY 2014-15. Therefore, these positions should be limited tenure for one additional year with a termination date of June 30, 2015. | | | | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | |
|------------------------------|---------------|-------------------|
| One-Time | Ongoing | Total |
| General Fund \$ | 43,543 | \$ 511,789 |
| Non-General Fund \$ | - | \$ - |
| Total \$ | 43,168 | \$ 511,789 |

FY 2014-15

| Total Recommended Reductions | | |
|------------------------------|----------|-------------------|
| One-Time | Ongoing | Total |
| General Fund \$ | - | \$ 523,007 |
| Non-General Fund \$ | - | \$ - |
| Total \$ | - | \$ 523,007 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department’s proposed \$17,402,898 budget for FY 2013-14 is \$894,742 or 4.9% less than the original FY 2012-13 budget of \$18,297,640.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 59.09 FTEs, which are 0.34 FTEs less than the 59.43 FTEs in the original FY 2012-13 budget. This represents a 0.6% decrease in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$17,402,898 in FY 2013-14, are \$894,742 or 4.9% less than FY 2012-13 revenues of \$18,297,640. This department receives no General Fund support.

YEAR TWO: FY 2014-15

Budget Changes

The department’s proposed \$17,596,760 budget for FY 2014-15 is \$193,862 or 1.1% more than the Mayor’s proposed FY 2013-14 budget of \$ 17,402,898.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 58.65 FTEs, which are 0.44 FTEs less than the 59.09 FTEs in the Mayor’s proposed FY 2013-14 budget. This represents a decrease of 0.7% in FTEs from the Mayor’s proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$17,596,760 in FY 2014-15 are \$193,862 or 1.1% more than FY 2013-14 estimated revenues of \$17,402,898. This department receives no General Fund support.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ENV – ENVIRONMENT

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$36,000 in FY 2013-14. Of the \$36,000 in recommended reductions, all are ongoing savings.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$36,000 in FY 2014-15. Of the \$36,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$157,862 or 0.9% in the Department's FY 2014-15 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ENV – ENVIRONMENT

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012- 2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|---|----------------------------|------------------------------|---|------------------------------|---|
| ENVIRONMENT | | | | | |
| CLEAN AIR | 781,857 | 858,062 | 76,205 | 865,306 | 7,244 |
| CLIMATE CHANGE/ENERGY | 3,179,097 | 754,945 | (2,424,152) | 771,656 | 16,711 |
| ENVIRONMENT | 7,261,554 | 8,060,746 | 799,192 | 8,170,088 | 109,342 |
| ENVIRONMENT-OUTREACH | 219,521 | 218,688 | (833) | 223,962 | 5,274 |
| ENVIRONMENTAL JUSTICE / YOUTH EMPLOYMENT | 173,709 | 173,569 | (140) | 179,652 | 6,083 |
| GREEN BUILDING | 383,130 | 478,322 | 95,192 | 490,941 | 12,619 |
| RECYCLING | 4,760,233 | 5,198,426 | 438,193 | 5,195,760 | (2,666) |
| SOLID WASTE MANAGEMENT | 0 | 0 | 0 | 0 | 0 |
| TOXICS | 1,500,874 | 1,611,516 | 110,642 | 1,649,093 | 37,577 |
| URBAN FORESTRY | 37,665 | 48,624 | 10,959 | 50,302 | 1,678 |
| ENVIRONMENT | 18,297,640 | 17,402,898 | (894,742) | 17,596,760 | 193,862 |

FY 2013-14

The Department's proposed FY 2013-14 budget has decreased by \$894,742 largely due to:

- Several State and Federal grant programs expired at the end of the current fiscal year, including those from the American Recovery and Reinvestment Act and the Used Oil Grant Program.
- The budget reflects that the Climate Change and Energy program has requested \$2,249,565 less than the previous year due to the expiration of the Energy Watch PG&E Contract. The department expects this contract to be renewed at some point in FY 2013-14.

FY 2014-15

The Department's proposed FY 2014-15 budget will increase by \$193,862 over the FY 2013-14 budget largely due to:

- The Department's request to adjust mandated adjustments to fringe benefits and salaries for employees.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ENV – ENVIRONMENT

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 59.09 FTEs, which are 0.34 FTEs less than the 59.43 FTEs in the original FY 2012-13 budget. This represents a decrease of 0.6% in FTEs from the original FY 2012-13 budget.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 58.65 FTEs, which are 0.44 FTEs less than the 59.09 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a decrease of 0.7% in FTEs from the Mayor's proposed FY 2013-14 budget.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$17,402,898 in FY 2013-14, are \$894,742 or 4.9% less than FY 2012-13 revenues of \$18,297,640. This department receives no General Fund support.

Major changes in the Department's FY 2013-14 revenues include:

- The Department is projecting an increase of \$757,610 in revenue from Solid Waste Impound Fees collected from San Francisco's refuse customers, from a total of \$8,433,868 in the current FY 2012-13 to \$9,191,478 in FY 2013-2014.
- As stated earlier, the expiration of the Energy Watch PG&E Contract (valued at \$2,725,000 for on-budget purposes) has resulted in a decrease in revenue. However, the department expects this contract to be renewed at some point in FY 2013-14.

FY 2014-15

The Department's revenues of \$17,596,760 in FY 2014-15 are \$193,862 or 1.1% more than FY 2013-14 estimated revenues of \$17,402,898. This department receives no General Fund support.

Specific changes in the Department's FY 2014-15 revenues include:

- The Department is projecting an increase of \$309,635 in revenue from Solid Waste Impound Fees collected from San Francisco's refuse customers, from a total of \$9,191,478 in FY 2013-2014 to \$9,501,113 in FY 2014-2015.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ENV – ENVIRONMENT

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$36,000 in FY 2013-14. Of the \$36,000 in recommended reductions, all \$36,000 are ongoing savings.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$36,000 in FY 2014-15. Of the \$36,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$157,862 or 0.9% in the Department's FY 2014-15 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ENV - Environment

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | | |
|-----------------------------|---|----|-----------|-----------|----------|----|------------|------|----|-----------|-----------|----------|----|----|
| | FTE | | Amount | | Savings | GF | IT | FTE | | Amount | | Savings | GF | IT |
| | From | To | From | To | | | | From | To | From | To | | | |
| Other Current Expenses | | | \$100,000 | \$85,000 | \$15,000 | | | | | \$100,000 | \$85,000 | \$15,000 | | |
| | This line-item is being increased from \$75,000 to \$100,000 to support the Sustainability Director for SF Unified School District. The past three fiscal years have seen this line-item decreased from a high of \$92,500 to \$75,000 in the current fiscal year. Reduction restores funding to FY 2011-2012 levels. | | | | | | | | | | | | | |
| Other Professional Services | | | \$485,392 | \$464,392 | \$21,000 | | | | | \$485,392 | \$464,392 | \$21,000 | | |
| | Materials provided by the Department show that these services will only cost \$459,392. This reduction simply matches the amount the department is expected to spend on professional services, plus a \$5,000 buffer. | | | | | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | |
|------------------------------|------------|-----------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$0 |
| Non-General Fund | \$0 | \$36,000 |
| Total | \$0 | \$36,000 |

FY 2014-15

| Total Recommended Reductions | | |
|------------------------------|------------|-----------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$0 |
| Non-General Fund | \$0 | \$36,000 |
| Total | \$0 | \$36,000 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$42,290,428 budget for FY 2013-14 is \$3,956,476 or 8.6% less than the original FY 2012-13 budget of \$46,246,904.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 85.88 FTEs, which are 9.78 FTEs more than the 76.10 FTEs in the original FY 2012-13 budget. This represents a 12.9% decrease in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$24,097,217 in FY 2013-14, are \$3,127,687 or 11.5% less than FY 2012-13 revenues of \$27,224,904. General Fund support of \$18,193,211 in FY 2013-14 is \$828,789 or 4.4% less than FY 2012-13 General Fund support of \$19,022,000.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$28,090,585 budget for FY 2014-15 is \$14,199,843 or 33.6% less than the Mayor's proposed FY 2013-14 budget of \$42,290,428.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 87.70 FTEs, which are 1.82 FTEs more than the 85.88 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 2.1% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$13,488,224 in FY 2014-15, are \$10,608,993 or 44% less than FY 2013-14 estimated revenues of \$24,097,217. General Fund support of \$14,602,361 in FY 2014-15 is \$3,590,850 or 19.7% less than FY 2013-14 General Fund support of \$18,193,211.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$423,816 in FY 2013-14. Of the \$423,816 in recommended reductions, \$34,130 are ongoing savings and \$389,686 are one-time savings.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$146,898 to the General Fund.

Together, these recommendations will result in \$570,714 savings to the City's General Fund in FY 2013-14.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$618,212 in FY 2014-15. Of the \$618,212 in recommended reductions, \$41,294 are ongoing savings and \$576,918 are one-time savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012-2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|---|------------------------|------------------------------|---|------------------------------|---|
| ECONOMIC AND WORKFORCE DEVELOPMENT | | | | | |
| CHILDREN'S BASELINE | 314,065 | 314,065 | 0 | 314,065 | 0 |
| ECONOMIC DEVELOPMENT | 24,504,084 | 23,611,791 | (892,293) | 9,997,767 | (13,614,024) |
| FILM SERVICES | 1,291,625 | 1,325,000 | 33,375 | 625,000 | (700,000) |
| OFFICE OF SMALL BUSINESS AFFAIRS | 787,895 | 866,509 | 78,614 | 891,866 | 25,357 |
| WORKFORCE TRAINING | 19,349,235 | 16,173,063 | (3,176,172) | 16,261,887 | 88,824 |
| ECONOMIC AND WORKFORCE DEVELOPMENT | 46,246,904 | 42,290,428 | (3,956,476) | 28,090,585 | (14,199,843) |

FY 2013-14

The Department's proposed FY 2013-14 budget has decreased by \$3,956,476 largely due the expiration of one-time capital project funding for the Phase I of construction on the James R. Herman Cruise Ship Terminal project.

The proposed budget includes \$10,000,000 in anticipated revenues from the America's Cup Organizing Committee and expenditures of \$9,175,641 for the 34th America's Cup. The detailed expenditure budget provided by the Department to the Budget and Legislative Analyst's Office is \$7,567,909 to pay FY 2013-14 costs for permits, transit reconfiguration to support the events, Port costs for events, and OEWD's project management costs. According to OEWD staff, the Mayor's Office will further reduce the FY 2013-14 budget for the America's Cup through a technical adjustment.

FY 2014-15

The Department's proposed FY 2014-15 budget has decreased by \$14,199,843 largely due to the completion of the 34th America's Cup Project.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 85.88 FTEs, which are 9.78 FTEs more than the 76.10 FTEs in the original FY 2012-13 budget. This represents a 12.9% change in FTEs from the original FY 2012-13 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

The increase in FTE is chiefly explained by:

- Two limited tenure staff to work with the City’s businesses over the course of the next two years to ensure business owners comply with the new Gross Receipts Tax;
- Two staff to aid in the community outreach and education of local business in First Source hiring;
- Two staff to assist with community outreach and contract management for the City’s Public-Private Development program;
- One new staff to actively recruit international businesses to locate in the City and manage contracts associated with ChinaSF and new initiatives in Latin America and Asia under the umbrella of the City’s Tourism and International Trade program.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 87.70 FTEs, which are 1.82 FTEs more than the 85.88 FTEs in the Mayor’s proposed FY 2013-14 budget. This represents a 2.1% change in FTEs from the Mayor’s proposed FY 2013-14 budget.

The increase is explained through the annualization of new staff proposed for FY2013-14.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$24,097,217 in FY 2013-14, are \$3,127,687 or 11.5% less than FY 2012-13 revenues of \$27,224,904. General Fund support of \$18,193,211 in FY 2013-14 is \$828,789 or 4.4% less than FY 2012-13 General Fund support of \$19,022,000.

Specific changes in the Department’s FY 2013-14 revenues include reductions in General Fund support and in Federal government grants.

FY 2014-15

The Department's revenues of \$13,488,224 in FY 2014-15, are \$10,608,993 or 44% less than FY 2013-14 estimated revenues of \$24,097,217. General Fund support of \$14,602,361 in FY 2014-15 is \$3,590,850 or 19.7% less than FY 2013-14 General Fund support of \$18,193,211.

Specific changes in the Department’s FY 2014-15 revenues include an expiration of the revenues associated with the 34th America’s Cup Project as it will terminate in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$423,816 in FY 2013-14. Of the \$423,816 in recommended reductions, \$34,130 are ongoing savings and \$389,686 are one-time savings.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$146,898 to the General Fund.

Together, these recommendations will result in \$570,714 savings to the City's General Fund in FY 2013-14.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$618,212 in FY 2014-15. Of the \$618,212 in recommended reductions, \$41,294 are ongoing savings and \$576,918 are one-time savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ECN - Office of Economic and Workforce Development

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|--|------------|------|----------------------|-----------|-----------------|----|------------|------|--------|----------------------|----------|------------------|------------------|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT | |
| | From | To | From | To | | | From | To | From | To | | | |
| BK5 - Economic Development | | | | | | | | | | | | | |
| Senior Community Development Specialist II | 0.77 | 0.00 | \$83,265 | \$0 | \$83,265 | x | | 1.00 | 0.00 | \$109,980 | \$0 | \$109,980 | x |
| Mandatory Fringe Benefits | | | \$34,022 | \$0 | \$34,022 | x | | | | \$48,312 | \$0 | \$48,312 | x |
| Senior Community Development Specialist I | 0.00 | 0.77 | \$0 | \$70,165 | (\$70,165) | x | | 0.00 | 1.00 | \$0 | \$92,677 | (\$92,677) | x |
| Mandatory Fringe Benefits | | | \$0 | \$30,558 | (\$30,558) | x | | | | \$0 | \$43,197 | (\$43,197) | x |
| | | | <i>Total Savings</i> | | <i>\$16,564</i> | | | | | <i>Total Savings</i> | | <i>\$22,418</i> | |
| The Budget and Legislative Analyst recommends approval of this position as a Senior Community Development Specialist I rather than a Senior Community Development Specialist II to reflect the actual job responsibilities. | | | | | | | | | | | | | |
| Senior Administrative Analyst | 0.77 | 0.00 | \$74,965 | \$0 | \$74,965 | x | | 1.00 | 0.00 | \$98,552 | \$0 | \$98,552 | x |
| Mandatory Fringe Benefits | | | \$32,095 | \$0 | \$32,095 | x | | | | \$45,353 | \$0 | \$45,353 | x |
| Administrative Analyst | 0.00 | 0.77 | \$0 | \$63,005 | (\$63,005) | x | | 0.00 | 1.00 | \$0 | \$84,507 | (\$84,507) | x |
| Mandatory Fringe Benefits | | | \$0 | \$26,489 | (\$26,489) | x | | | | \$0 | \$40,522 | (\$40,522) | x |
| | | | <i>Total Savings</i> | | <i>\$17,566</i> | | | | | <i>Total Savings</i> | | <i>\$18,876</i> | |
| The Budget and Legislative Analyst recommends approval of this position as an Administrative Analyst rather than a Senior Administrative Analyst to reflect the actual job responsibilities. | | | | | | | | | | | | | |
| Manager V | 1.00 | 0.77 | \$151,446 | \$116,613 | \$34,833 | x | x | | | | | | |
| Mandatory Fringe Benefits | | | \$58,011 | \$44,669 | \$13,342 | x | x | | | | | | |
| | | | <i>Total Savings</i> | | <i>\$48,175</i> | | | | | <i>Total Savings</i> | | <i>\$650,000</i> | <i>\$275,000</i> |
| The reduction in the FTE adjusts for the actual start date. | | | | | | | | | | | | | |
| Professional and Specialized Services - Budget | | | | | | | | | | | | | |
| The Department has historically underspent this line item. Furthermore, the line item inaccurately reflects actual reported costs for which the Department is responsible. Currently, there are three separate Joint Development projects at Pier 70, Seawall 337 and Pier 48, and Piers 30-32 on which OEWD is collaborating with the Port. Currently the Port is funding these projects, but the Port's funds to pay for these contracts will not cover the total costs for the project consultants, requiring OEWD to spend \$375,000 to cover the remaining developer-reimbursed costs. However, the Department has budgeted \$375,000 for both FY2013-14 and FY2014-15 when a total of \$375,000 for both fiscal years is required. | | | | | | | | | | | | | |
| BL1 - Workforce Training | | | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ECN - Office of Economic and Workforce Development

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | | |
|-----------------------------|--|------|----------------------|-------------|-----------------|----|------------|------|----|-------------|-------------|-----------|----|----|
| | FTE | | Amount | | Savings | GF | IT | FTE | | Amount | | Savings | GF | IT |
| | From | To | From | To | | | | From | To | From | To | | | |
| Senior Management Assistant | 0.50 | 0.17 | \$43,811 | \$20,153 | \$23,658 | x | x | | | | | | | |
| Mandatory Fringe Benefits | | | \$19,325 | \$8,890 | \$10,435 | x | x | | | | | | | |
| | | | <i>Total Savings</i> | | <i>\$34,093</i> | | | | | | | | | |
| | The FTE is altered to reflect the anticipated October 2013 hiring date. | | | | | | | | | | | | | |
| City Grant Programs | | | \$5,463,000 | \$5,155,582 | \$307,418 | x | x | | | \$5,357,500 | \$5,155,582 | \$201,918 | x | x |
| | The Department has historically underspent this budget line item, and the Mayor has proposed a \$307,418 increase. The amount was reduced to the FY 2012-13 total. | | | | | | | | | | | | | |
| | The Department has historically underspent this budget line item, and the Mayor has proposed a \$201,918 increase. The amount was reduced to the FY 2012-13 total. | | | | | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | | |
|------------------------------|------------------|-----------------|------------------|
| One-Time | Ongoing | Total | |
| General Fund | \$389,686 | \$34,130 | \$423,816 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$389,686 | \$34,130 | \$423,816 |

FY 2014-15

| Total Recommended Reductions | | | |
|------------------------------|------------------|-----------------|------------------|
| One-Time | Ongoing | Total | |
| General Fund | \$576,918 | \$41,294 | \$618,212 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$576,918 | \$41,294 | \$618,212 |

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

ECN - Office of Economic and Workforce Development

| Vendor Name | Subobject Title | General Fund Savings | Year of Appropriation | Date of Last Recorded Transaction | Original Amount | Unexpended Balance |
|--|---------------------------------------|----------------------|-----------------------|-----------------------------------|-------------------------|--------------------|
| City College of San Francisco | COMMUNITY BASED ORGANIZATION SERVICES | Yes | 2010 | 9/27/2012 | 177,700.00 | 66,443.00 |
| Arriba Juntos - IAL | COMMUNITY BASED ORGANIZATION SERVICES | Yes | 2011 | 9/27/2012 | 100,000.00 | 80,335.00 |
| G Neil | OTHER OFFICE SUPPLIES | Yes | 2011 | 9/27/2012 | 120.00 | 120.00 |
| San Francisco Redevelopment Agency | COMMUNITY BASED ORGANIZATION SERVICES | No | 2010 | 9/27/2012 | 74,520.00 | 21,181.00 |
| Arriba Juntos - IAL | COMMUNITY BASED ORGANIZATION SERVICES | No | 2011 | 9/27/2012 | 50,000.00 | 10,035.00 |
| Total Amount Return to Fund Balance | | | | | General Fund | 178,114.00 |
| | | | | | Non-General Fund | 146,898.00 |
| | | | | | | 31,216.00 |

Note: The above encumbrance balances are from budget years prior to FY 2013-14. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The Department's proposed \$78,837,676 budget for FY 2013-14 is \$28,607,678 or 57.0% more than the original FY 2012-13 budget of \$50,229,998.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 285.09 FTEs, which are 19.27 FTEs more than the 265.82 FTEs in the original FY 2012-13 budget. This represents a 7.3% change in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$78,837,676 in FY 2013-14, are \$28,607,678 or 57.0% more than FY 2012-13 revenues of \$50,229,998. There is no General Fund support for the department.

YEAR TWO: FY 2014-15

Budget Changes

The Department's proposed \$64,887,963 budget for FY 2014-15 is \$13,949,713 or 17.7% less than the Mayor's proposed FY 2013-14 budget of \$78,837,676.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 291.55 FTEs, which are 6.46 FTEs more than the 285.09 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 2.3% change in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$64,887,963 in FY 2014-15 are \$13,949,713 or 17.7% less than FY 2013-14 estimated revenues of \$78,837,676. There is no General Fund support for the department.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DBI – BUILDING INSPECTION

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$483,163 in FY 2013-14. Of the \$483,163 in recommended reductions, \$172,603 are ongoing savings and \$310,560 are one-time savings. These reductions would still allow an increase of \$28,124,515 or 56.0% in the Department's FY 2013-14 budget.

The Budget and Legislative Analyst recommends that the Board of Supervisors place \$2,642,000 in FY 2013-14 on Budget and Finance Committee reserve for tenant improvements at 1660 Mission Street and other capital improvements, to be released when the Department provides a spending plan.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$177,000 in FY 2014-15. All of the \$177,000 in recommended reductions are ongoing.

The Budget and Legislative Analyst recommends that the Board of Supervisors place \$2,000,000 in FY 2014-15 on Budget and Finance Committee reserve for tenant improvements at 1660 Mission Street and other capital improvements, to be released when the Department provides a spending plan.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DBI – BUILDING INSPECTION

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012-2013 Budget | FY 2013-2014 Proposed | Increase/ Decrease from FY 2012-2013 | FY 2014-2015 Proposed | Increase/ Decrease from FY 2013-2014 |
|--|------------------------|--------------------------|--|--------------------------|--|
| BUILDING INSPECTION | | | | | |
| ADMINISTRATION/SUPPORT SERVICES | 12,695,193 | 35,002,916 | 22,307,723 | 20,633,277 | (14,369,639) |
| HOUSING INSPECTION/CODE ENFORCEMENT SVCS | 8,727,166 | 10,420,268 | 1,693,102 | 10,323,650 | (96,618) |
| INSPECTION SERVICES | 16,648,234 | 19,728,730 | 3,080,496 | 19,438,198 | (290,532) |
| PERMIT CENTER | 0 | 0 | 0 | 0 | 0 |
| PLAN REVIEW SERVICES | 12,159,405 | 13,685,762 | 1,526,357 | 14,492,838 | 807,076 |
| BUILDING INSPECTION | 50,229,998 | 78,837,676 | 28,607,678 | 64,887,963 | (13,949,713) |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$28,607,678 largely due to:

- The increase in revenues from fees for permits, inspections and plan checking requests due to the upsurge in new construction activities related to the economic recovery.
- Personnel cost increases with the addition of several FTEs newly proposed in the FY 2013-14 budget in addition to several FTEs previously approved in the FY 2013-14 base budget as well as the reinstatement of standby pay for Inspectors assigned to emergency situations and funding for engineering interns. Some of the newly proposed FTEs are to support the implementation of the new Soft Story legislation.
- The designation of monies in DBI’s fund balance as a Capital Reserve to fund the recommendations from the Facilities Master Plan.
- The investment of approximately \$4.5 million in capital and tenant improvements at 1660 Mission Street and the proposed purchase of 33 new electric vehicles and the replacement of vehicles over 12 years old pursuant to the Healthy Air and Clean Transportation Ordinance (HACTO).
- Increased training costs under State law, which requires that DBI inspectors and engineers receive Certified Access Specialist programs (CASp) training and certification as well as building, plumbing and electrical code training for newly hired inspectors.
- An increase in outreach activities for educating citizens on the permit process.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DBI – BUILDING INSPECTION

FY 2014-15

The Department's proposed FY 2014-15 budget has decreased by \$13,949,713 largely due to:

- The exclusion of one-time Capital Reserve funding in the FY 2013-14 budget.
- A reduction in capital expenditures as a result of a decrease in vehicle purchases.
- A reduction in one time funding for professional services for specialized projects that will be completed as well as a reduction in training and travel related to the code cycle, and materials and supplies.
- Although there is an overall decrease in the Department's budget, there is an increase in salaries and mandatory fringe benefits due the annualization of FY 2013-14 positions and new 2014-15 positions.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 285.09 FTEs, which are 19.27 FTEs more than the 265.82 FTEs in the original FY 2012-13 budget. This represents a 7.3% increase in FTEs from the original FY 2012-13 budget.

DBI is proposing 17 new positions in its FY 2013-14 budget, which is an increase of 11 positions from the 6 already approved in the original FY 2013-14 base budget to accommodate the increase in workload from a construction industry that continues to recover as well as positions to support the implementation of the new Mandatory Soft Story Retrofit legislation. The specific changes include:

- Five new positions in the Code Enforcement Division to address the increase in the number of complaints that have been escalated from the Building, Electrical and Plumbing Divisions.
- Four new positions to alleviate the backlog of complaints, address the increase in inspections and to correct the span of control as a result of newly added inspectors.
- Two new positions to address the increase in workload related to a higher number of permits that need to be processed.
- One new position to support current staff and provide continuous counter assistance.

These positions amount to a net addition of 19.27 operating FTE after accounting for other adjustments for project-based positions. The Department is not deleting any positions in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: **DBI – BUILDING INSPECTION**

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 291.55 FTEs, which are 6.46 FTEs more than the 285.09 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 2.3% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

DBI's budget annualizes all 17 new positions added in FY 2013-14 and adds four new positions, including:

- Two engineers and one building inspector to address increased workload related to higher number of permits and to provide continuous coverage of the technical services desk.
- One building inspector to support the new Soft Story Retrofit legislation as the program expands in FY 2014-15.

These positions amount to a new addition of 6.46 FTE after accounting for other adjustments for project-based positions.

INTERIM EXCEPTIONS

The Department has requested approval of 3.00 FTEs as an interim exception. The Budget and Legislative Analyst recommends approval of 3.00 FTEs as interim exceptions which include 1.00 FTE IT Business Analyst-Senior, 1.00 FTE Building Plans Engineer, and 1.00 FTE Permit Technician I to support the Soft Story Retrofit Program that was created through the Soft Story Retrofit Ordinance, which was approved April 18, 2013 and will become operative on June 18, 2013. Once operative, all buildings within the scope of the ordinance will be sent notices and screened.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$78,837,676 in FY 2013-14, are \$28,607,678 or 57.0% more than FY 2012-13 revenues of \$50,229,998. There is no General Fund support for the department.

Specific changes in the Department's FY 2013-14 revenues include increases in Charges for Services which is projected to be 14.0% greater than the FY 2012-13 original budget due to the continued economic recovery and increased need for building permits, inspections and plan reviews.

The Department will also realize an increase in revenue in its budget due to a transfer of approximately \$21.7 million from DBI's fund balance of which \$15 million will go into a Capital Reserve Fund pursuant to the City Controller, City Services Auditor's recommendations which will fund capital and tenant improvements based on the Facilities Master Plan. The remaining approximately \$6.7 million will be used to pay for emergency orders, vehicle purchases, work associated with the Mandatory Soft Story Retrofit legislation, and for capital and continuing projects.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DBI – BUILDING INSPECTION

FY 2014-15

The Department's revenues of \$64,887,963 in FY 2014-15 are \$13,949,713 or 17.7% less than FY 2013-14 estimated revenues of \$78,837,676. There is no General Fund support for the department.

The Department assumes revenue will grow by an additional 3.0% in FY 2014-15. However, overall revenues will decrease due to the exclusion of the Capital Reserve transfer.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$483,163 in FY 2013-14. Of the \$483,163 in recommended reductions, \$172,603 are ongoing savings and \$310,560 are one-time savings. These reductions would still allow an increase of \$28,124,515 or 56.0% in the Department's FY 2013-14 budget.

The Budget and Legislative Analyst recommends that the Board of Supervisors place \$2,642,000 in FY 2013-14 on Budget and Finance Committee reserve for tenant improvements at 1660 Mission Street and other capital improvements, to be released when the Department provides a spending plan.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$177,000 in FY 2014-15. All of the \$177,000 in recommended reductions are ongoing.

The Budget and Legislative Analyst recommends that the Board of Supervisors place \$2,000,000 in FY 2014-15 on Budget and Finance Committee reserve for tenant improvements at 1660 Mission Street and other capital improvements, to be released when the Department provides a spending plan.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

DBI - Building Inspection

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|----------------------------|---|----|-----------|-----------|----|----|------------|----|-----------|-----------|----|----|----------|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT | |
| | From | To | From | To | | | From | To | From | To | | | Savings |
| Entertainment & Promotion | | | \$122,603 | \$50,000 | | | | | \$127,000 | \$50,000 | | | \$77,000 |
| | Reduce entertainment and promotion budget based on historical expenditures. This reduction still provides an allocation that is well over historical expenditures. | | | | | | | | | | | | |
| | BIS - Inspection Services | | | | | | | | | | | | |
| Temporary Salaries | | | \$241,484 | \$191,484 | | | | | \$241,484 | \$191,484 | | | \$50,000 |
| | Reduce temporary salaries budget based on historical expenditures. This reduction still leaves an increase over current use. | | | | | | | | | | | | |
| Maintenance Svcs Equipment | | | \$267,805 | \$253,245 | | X | | | | | | | |
| | Reduce maintenance services equipment budget. The Budget Analyst recommends an overall reduction to the amount of new vehicles requested by the DBI from 33 to 25, a reduction of 8. Therefore the number of new parking placards needed should also be reduced by 8. Placards are \$1820 each. | | | | | | | | | | | | |
| Materials & Supplies | | | \$67,975 | \$47,975 | | | | | \$57,225 | \$37,225 | | | \$20,000 |
| | Reduce materials and supplied based on historical expenditures. | | | | | | | | | | | | |
| | Ongoing reduction | | | | | | | | | | | | |
| | Ongoing reduction | | | | | | | | | | | | |
| | Ongoing reduction | | | | | | | | | | | | |
| | BHS - Housing Inspection & Code Enforcement | | | | | | | | | | | | |
| Equipment Purchase | | | \$444,000 | \$148,000 | | X | | | | | | | |
| | DBI has 124 inspectors who are currently on staff or have a planned hire date in FY 2013-14 that need vehicles. The current fleet consists of 99 vehicles therefore DBI needs 25 new vehicles and are requesting 33. Reduce the vehicle amount by 8. | | | | | | | | | | | | |
| Materials & Supplies | | | \$18,750 | \$13,750 | | | | | \$13,000 | \$8,000 | | | \$5,000 |
| | Reduce materials and supplied based on historical expenditures. | | | | | | | | | | | | |
| | Ongoing reduction | | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

DBI - Building Inspection

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|--|------------|----|----------|----------|----------|-------|------------|----|--------|----------|----------|----------|--|
| | FTE | | Amount | | Savings | GF IT | FTE | | Amount | | Savings | GF IT | |
| | From | To | From | To | | | From | To | From | To | | | |
| Training | | | \$77,361 | \$57,361 | \$20,000 | | | | | \$77,361 | \$57,361 | \$20,000 | |
| <p>BPS - Plan Review Services</p> <p>Reduce training budget based on historical expenditures. This reduction still provides sufficient funds to meet current and projected needs.</p> <p align="center">Ongoing reduction</p> | | | | | | | | | | | | | |

FY 2013-14

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|------------------|------------------|------------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$310,560 | \$172,603 | \$483,163 |
| Total | \$310,560 | \$172,603 | \$483,163 |

FY 2014-15

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|------------|------------------|------------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$0 | \$177,000 | \$177,000 |
| Total | \$0 | \$177,000 | \$177,000 |

Reserve Recommendation

| Capital Outlay | BAN - Administration/ Support Services | | | | |
|---|--|-------------|--|---|-------------|
| | \$2,642,000 | \$2,642,000 | | X | \$2,000,000 |
| Place tenant improvement budget on Budget and Finance Committee reserve until a spending plan is developed. | | | | | |

FY 2013-14

Total Reserve Recommendations

| | One-Time | Ongoing | Total |
|------------------|--------------------|------------|--------------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$2,642,000 | \$0 | \$2,642,000 |
| Total | \$2,642,000 | \$0 | \$2,642,000 |

FY 2014-15

Total Reserve Recommendations

| | One-Time | Ongoing | Total |
|------------------|--------------------|------------|--------------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$2,000,000 | \$0 | \$2,000,000 |
| Total | \$2,000,000 | \$0 | \$2,000,000 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$31,654,676 budget for FY 2013-14 is \$2,031,861 or 7.2 % more than the original FY 2012-13 budget of \$28,185,710.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 158.59 FTEs, which are 6.82 FTEs more than the 151.77 FTEs in the original FY 2012-13 budget. This represents a 4.5% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$27,247,972 in FY 2013-14, are \$3,846,413 or 16.4% more than FY 2012-13 revenues of \$23,401,559. General Fund support of \$2,969,599 in FY 2013-14 is \$1,814,552 or 37.9% less than FY 2012-13 General Fund support of \$4,784,151.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$31,654,676 budget for FY 2014-15 is \$1,437,105 or 4.8% more than the Mayor's proposed FY 2013-14 budget of \$30,217,571.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 161.37 FTEs, which are 2.78 FTEs more than the 158.59 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 1.8% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$28,481,606 in FY 2014-15 are \$1,233,634 or 4.5% more than FY 2013-14 estimated revenues of \$27,247,972. General Fund support of \$3,173,070 in FY 2014-15 is \$203,471 or 6.9% more than FY 2013-14 General Fund support of \$2,969,599.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CPC – CITY PLANNING

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$661,915 in FY 2013-14. Of the \$661,915 in recommended reductions, \$581,915 are ongoing savings and \$80,000 are one-time savings. These reductions would still allow an increase of \$1,369,946 or 4.9% in the Department's FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$761,265 in FY 2014-15. Of the \$761,265 in recommended reductions, \$733,265 are ongoing savings and \$28,000 are one-time savings. These reductions would still allow an increase of \$675,840 or 2% in the Department's FY 2014-15 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CPC – CITY PLANNING

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012-2013 Budget | FY 2013-2014 Proposed | Increase/ Decrease from FY 2012-2013 | FY 2014-2015 Proposed | Increase/ Decrease from FY 2013-2014 |
|--------------------------------------|------------------------|--------------------------|--|--------------------------|--|
| CITY PLANNING | | | | | |
| ADMINISTRATION/PLANNING | 9,928,716 | 9,953,961 | 25,245 | 9,876,856 | (77,105) |
| CITYWIDE PLANNING | 4,623,888 | 5,885,155 | 1,261,267 | 6,408,189 | 523,034 |
| CURRENT PLANNING | 7,106,022 | 8,122,387 | 1,016,365 | 8,279,964 | 157,577 |
| ENVIRONMENTAL PLANNING | 4,958,878 | 4,620,442 | (338,436) | 5,393,857 | 773,415 |
| ZONING ADMINISTRATION AND COMPLIANCE | 1,568,206 | 1,635,626 | 67,420 | 1,695,810 | 60,184 |
| CITY PLANNING | 28,185,710 | 30,217,571 | 2,031,861 | 31,654,676 | 1,437,105 |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$2,031,861 largely due to:

- Increased revenues from (a) New Construction Building Permit Fee Revenues, (b) Building Permit Alterations Fee, and (c) Environmental Planning Fees, which is a result of the economic recovery as more permit applications for new developments are being filed.
- An increase in personnel costs due to new positions that are proposed for FY 2013-14, the hiring of 8 new positions that were approved in the FY 2013-13 supplemental appropriation as well as an increase in fringe benefits for current staff.
- Increased support for the existing Pavement to Parks Program and the Better Market Street Project.
- Multiple contracts for consultants to (1) prepare an inventory of the City’s street trees in conjunction with the Recreation and Park Department; (2) assess and consolidate all of the Department’s design guidelines documents; (3) and update the Department’s public information documents.
- Increased work order costs from the Department of Telecommunications and Information Services (DTIS) due to an increase in the allocation for the City’s central information technology system.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CPC – CITY PLANNING

FY 2014-15

The Department's proposed FY 2014-15 budget has increased by \$1,437,105 largely due to:

- Continued increase in revenues for reviewing projects relative to FY 2012-13 revenue levels.
- Increased grant funding from State and Federal sources as well as non-profit organizations.
- The annualization of the new positions.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 158.59 FTEs, which are 6.82 FTEs more than the 151.77 FTEs in the original FY 2012-13 budget. This represents a 4.5% increase in FTEs from the original FY 2012-13 budget.

The Department is requesting 13 new positions, offset by other adjustments, including:

- One business analyst to support the new Permit and Project Tracking Systems.
- One public relations assistant to improve the Department's social media content and support the Communications Managers on various initiatives.
- One project manager to manage the zoning, design and coordination of project along Market Street including the Better Market Street project.
- Eight Planner III's (four of these positions are part time positions) to (a) increase the Department's outreach to neighborhoods and businesses regarding Planning Code legislation and projects, (b) work on new monitoring and reporting requirements, (c) manage Site Master Plans and other projects within the Citywide Planning division, (d) work on Historic Preservation projects, and (e) conduct architectural review of projects.
- One Planner IV for transportation planning and policy.
- One Planner IV that is being transferred from the San Francisco Public Utilities Commission (PUC) to perform PUC related activities.

The Planning Department is also undergoing a reorganization within the Administration Division including the restructuring of management in the Information Services and Operations Division and the substitutions of several administrative positions.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CPC – CITY PLANNING

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 161.37 FTEs, which are 2.78 FTEs more than the 158.59 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 1.8% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

The Department is not proposing any new positions in FY 2014-15. The increase is due to the annualization of new positions created in FY 2013-14.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$27,247,972 in FY 2013-14, are \$3,846,413 or 16.4% more than FY 2012-13 revenues of \$23,401,559. General Fund support of \$2,969,599 in FY 2013-14 is \$1,814,552 or 37.9% less than FY 2012-13 General Fund support of \$4,784,151.

The Department projects fee revenues in FY 2013-14 due to planning permit applications to increase by 4%, comparable to the rate of increase in FY 2012-13, due to the upsurge in construction activity and large scale development projects resulting from the economic recovery. Planning fees will also be adjusted by the Consumer Price Index (CPI) or 2.58% in FY 2013-14.

FY 2014-15

The Department's revenues of \$28,481,606 in FY 2014-15 are \$1,233,634 or 4.5% more than FY 2013-14 estimated revenues of \$27,247,972. General Fund support of \$3,173,070 in FY 2014-15 is \$203,471 or 6.9% more than FY 2013-14 General Fund support of \$2,969,599.

OTHER ISSUES:

The Board of Supervisors approved 8 new limited-term positions in the FY 2012-13 supplemental appropriation to address the backlog in planning cases and various permits, which have not yet been filled.

The Department is proposing to create 9 new positions in FY 2013-14 to also process planning permit applications due to a continued increase in planning permit applications. These positions, which are not funded in the FY 2013-14 budget, would be funded with fee revenues and include:

- Four Planner II's in the Current Planning Division
- Two Planner III's in the Current Planning Division
- One Planner III in the Environmental Planning Division
- One Planner II in the Environmental Planning Division

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CPC – CITY PLANNING

According to the Department, because several months are required to process, recruit and hire new positions, the Department needs this position authorization, prior to receiving funding for the positions, to quickly hire necessary positions to process new planning permits when project applications and fees are received. The Department will submit a supplemental appropriation ordinance to the Board of Supervisors to appropriate Department revenues to fund these 9 new positions when the funds become available. The Budget and Legislative Analyst considers approval of these new, unfunded positions to be a policy matter for the Board of Supervisors. If the Board approves these positions, we recommend that they be designated limited tenure for the term of the respective projects.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$661,915 in FY 2013-14. Of the \$661,915 in recommended reductions, \$581,915 are ongoing savings and \$80,000 are one-time savings. These reductions would still allow an increase of \$1,369,946 or 4.9% in the Department's FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$761,265 in FY 2014-15. Of the \$761,265 in recommended reductions, \$733,265 are ongoing savings and \$28,000 are one-time savings. These reductions would still allow an increase of \$675,840 or 2% in the Department's FY 2014-15 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

CPC - City Planning

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|--------------------------------------|--|------|----------------------|-----------|------------------|----|------------|------|----------------------|-----------|------------------|----|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| FEF - Administration/Planning | | | | | | | | | | | | |
| Public Relations Assistant | 0.77 | 0.00 | \$44,593 | \$0 | \$44,593 | | 1.00 | 0.00 | \$58,901 | \$0 | \$58,901 | |
| Mandatory Fringe Benefits | | | \$22,987 | \$0 | \$22,987 | | | | \$32,136 | \$0.00 | \$32,136 | |
| | | | <i>Total Savings</i> | | <i>\$67,580</i> | | | | <i>Total Savings</i> | | <i>\$91,037</i> | |
| | Delete position due to lack of justification. The Department currently has three positions that perform public and government relations functions. | | | | | | | | | | | |
| Training | | | \$38,000 | \$33,000 | \$5,000 | X | | | \$38,000 | \$10,000 | \$28,000 | X |
| | Proposed training budget includes Conflict Mediation Skills Training provided by outside consultants for \$15,000. Department could not provide quotes justifying the cost for this training. | | | | | | | | | | | |
| | FAH- Citywide Planning | | | | | | | | | | | |
| Bldgs, Structures, and Improvements | | | \$254,312 | \$229,312 | \$25,000 | X | | | | | | |
| | According to staff, \$254,312 is needed to construct the projects and provide staffing for the Pavement to Parks program in FY 2013-14. The Department can carry forward unexpended funds of \$25,000 for capital projects budgeted for this program in FY 2012-13. | | | | | | | | | | | |
| Planner III | 2.87 | 1.54 | \$290,578 | \$134,658 | \$155,920 | | 4.75 | 3.00 | \$384,338 | \$204,980 | \$179,358 | |
| Mandatory Fringe Benefits | | | \$122,928 | \$56,968 | \$65,960 | | | | \$174,905 | \$81,625 | \$93,280 | |
| | | | <i>Total Savings</i> | | <i>\$221,880</i> | | | | <i>Total Savings</i> | | <i>\$272,638</i> | |
| | Two new full time and four new part time Planner III positions (2.87 FTEs in FY 2013-14) are being requested in this division. The Budget and Legislative Analyst is recommending approval of two new full time Planner III positions (1.54 FTE in FY 2013-14) to work on new mandated monitoring and reporting requirements and outreach to City neighborhoods and businesses for Planning Code legislation and projects. The Budget and Legislative Analyst is recommending disapproval of four part-time Planner III positions (1.33 FTEs in FY 2013-14) to provide support for the Portsmouth Square and Chinatown Open Space Project, and Hunters Point Shipyard Project. With our recommendation, in FY 2013-14 the division will have 13 Planner II positions, 13 Planner III positions, and 6 Planner IV positions to provide these functions. | | | | | | | | | | | |
| Professional & Specialized Services | | | \$284,503 | \$234,503 | \$50,000 | | | | \$258,304 | \$208,304 | \$50,000 | |
| | Reduce professional and specialized service contracts for consultants to conduct public outreach and studies and assessments of various Citywide Planning issues. The Budget and Legislative Analyst is recommending a Planner III in this division that will be dedicated to outreach. Scope of work for contracts should be reduced to account for work that can be done internally. | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

CPC - City Planning

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|---|------------|------|----------------------|------------------|------------|----|------------|------|----------------------|------------------|------------|----|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| FDP- Current Planning | | | | | | | | | | | | |
| Planner III | 1.54 | 0.00 | \$155,920 | \$0 | \$155,920 | | 2.00 | 0.00 | \$204,980 | \$0 | \$204,980 | X |
| Mandatory Fringe Benefits | | | \$65,960 | \$0 | \$65,960 | | | | \$93,280 | \$0 | \$93,280 | |
| | | | <i>Total Savings</i> | <i>\$221,880</i> | | | | | <i>Total Savings</i> | <i>\$298,260</i> | | |
| Disapprove two new Planner III positions (1.54 FTE in FY 2013-14). There are currently two vacant Planner III's in this division, which were approved in the FY 2012-13 supplemental appropriation and have not been filled. | | | | | | | | | | | | |
| Professional & Specialized Services | | | \$285,000 | \$235,000 | \$50,000 | X | | | | | | |
| Reduce professional and specialized service contracts for consultants to update planning guidelines and public information documents that can be done internally; and reduce budget for marketing and conferences. | | | | | | | | | | | | |
| FFP- Environmental Planning | | | | | | | | | | | | |
| Planner III- Environmental Planner | 1.00 | 0.00 | \$101,246 | \$0 | \$101,246 | | 1.00 | 0.00 | \$102,490 | \$0 | \$102,490 | |
| Mandatory Fringe Benefits | | | \$42,832 | \$0 | \$42,832 | | | | \$46,640 | | \$46,640 | |
| Planner II | 0.00 | 1.00 | \$0 | \$85,369 | (\$85,369) | | 0.00 | 1.00 | \$0 | \$86,418 | (\$86,418) | |
| Mandatory Fringe Benefits | | | \$0 | \$38,134 | (\$38,134) | | | | \$0 | \$41,382 | (\$41,382) | |
| | | | <i>Total Savings</i> | <i>\$20,575</i> | | | | | <i>Total Savings</i> | <i>\$21,330</i> | | |
| Disapprove upward substitution from 5278 Planner II to 5298 Planner III- Environmental as there is currently a vacant 1.0 FTE Planner III - Environmental position. The division also received 1.00 FTE Planner III - Environmental in the supplemental appropriation in FY 2012-13 that has not been filled, and will receive two new Planner IV positions in the FY 2013-14 budget. | | | | | | | | | | | | |

FY 2013-14

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|-----------------|------------------|------------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$80,000 | \$581,915 | \$661,915 |
| Total | \$80,000 | \$581,915 | \$661,915 |

FY 2014-15

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|-----------------|------------------|------------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$28,000 | \$733,265 | \$761,265 |
| Total | \$28,000 | \$733,265 | \$761,265 |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

CPC - City Planning

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|---|------------|------|--------|----|----|----|------------|----|--------|----|----|----|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| Policy Recommendations | | | | | | | | | | | | |
| FDP- Current Planning | | | | | | | | | | | | |
| Planner III | 1.54 | 1.54 | L | | | | | | | | | |
| Planner II | 3.08 | 3.08 | L | | | | | | | | | |
| FFP- Environmental Planning | | | | | | | | | | | | |
| Planner III- Environmental Planner | 1.54 | 1.54 | L | | | | | | | | | |
| Planner II | 0.77 | 1.77 | L | | | | | | | | | |
| <p>The Department is requesting to create nine new positions in FY 2013-14 that are not funded:</p> <ul style="list-style-type: none"> - Two new Planner III positions (1.54 FTE in FY 2013-14) in Current Planning to process planning permits for new projects; - Four new Planner II positions (3.08 FTE in FY 2013-14) in Current Planning to process planning permits for new projects; - Two new Environmental Planner III positions (1.54 FTE in FY 2013-14) in Environmental Planning for environmental review of new projects; and - One new Planner II in the (0.77 FTE in FY 2013-14) in Environmental Planning for environmental review of new projects. <p>According to the Department, because several months are required to process, recruit and hire new positions, the Department needs this position authorization to quickly hire necessary positions to process new development projects when project applications and fees are received. The Department will submit a supplemental appropriation ordinance to the Board of Supervisors to appropriate Department revenues to fund these positions when the funds become available. The Budget and Legislative Analyst considers approval of these new, unfunded positions to be a policy matter for the Board of Supervisors. If the Board approves these positions, we recommend that they be designated limited tenure for the term of the respective projects.</p> | | | | | | | | | | | | |

FY 2013-14

Total Policy Recommendations

| | One-Time | Ongoing | Total |
|------------------|------------|------------|------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$0 | \$0 |

FY 2014-15

Total Policy Recommendations

| | One-Time | Ongoing | Total |
|------------------|------------|------------|------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$0 | \$0 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$44,263,593 budget for FY 2013-14 is \$5,476,421 or 14.1% more than the original FY 2012-13 budget of \$38,787,172.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 203.66 FTEs, which are 5.99 FTEs more than the 197.67 FTEs in the original FY 2012-13 budget. This represents a 3.0% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$30,810,267 in FY 2013-14, are \$3,253,388 or 11.8% more than FY 2012-13 revenues of \$27,556,879. General Fund support of \$13,453,326 in FY 2013-14 is \$2,223,033 or 19.8% more than FY 2012-13 General Fund support of \$11,230,293.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$43,744,864 budget for FY 2014-15 is \$518,729 or 1.2% less than the Mayor's proposed FY 2013-14 budget of \$44,263,593.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 205.57 FTEs, which are 1.91 FTEs more than the 203.66 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 0.9% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$31,061,003 in FY 2014-15 are \$250,736 or 0.8% more than FY 2013-14 estimated revenues of \$30,810,267. General Fund support of \$12,683,861 in FY 2014-15 is \$769,465 or 5.7% less than FY 2013-14 General Fund support of \$13,453,326.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CON – CONTROLLER

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$283,941 in FY 2013-14. Of the \$283,941 in recommended reductions, \$22,486 are ongoing savings and \$261,455 are one-time savings. These reductions would still allow an increase of \$5,192,480 or 13.4% in the Department's FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$30,702 in FY 2014-15. Of the \$30,702 in recommended reductions, \$22,972 are ongoing savings and \$7,730 are one-time savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CON – CONTROLLER

SUMMARY OF PROGRAM EXPENDITURES:

| Program | Budget | Proposed | FY 2012- 2013 | Proposed | FY 2013- 2014 |
|--|-------------------|-------------------|------------------|-------------------|------------------|
| CONTROLLER | | | | | |
| ACCOUNTING OPERATIONS AND SYSTEMS | 7,202,436 | 8,167,819 | 965,383 | 8,441,922 | 274,103 |
| CITY SERVICES AUDITOR | 12,363,860 | 13,671,802 | 1,307,942 | 13,570,165 | (101,637) |
| ECONOMIC ANALYSIS | 442,997 | 517,577 | 74,580 | 536,061 | 18,484 |
| FINANCIAL SYSTEMS PROJECTS MANAGEMENT, BUDGET AND ANALYSIS | 0 | 2,300,000 | 2,300,000 | 250,000 | (2,050,000) |
| PAYROLL AND PERSONNEL SERVICES | 13,250,360 | 13,889,096 | 638,736 | 15,263,969 | 1,374,873 |
| PUBLIC FINANCE | 540,378 | 692,028 | 151,650 | 756,602 | 64,574 |
| CONTROLLER | 38,787,172 | 44,263,593 | 5,476,421 | 43,744,864 | (518,729) |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$5,476,421 largely due to salary and fringe benefit increases, and the Department’s IT projects:

- The Department will continue to support the Disaster Recovery initiative to establish an offsite location to maintain and protect the City’s core financial systems in order to ensure continuity of operations in the event of an emergency. This project is being developed in collaboration with the Department of Technology. COIT has approved \$2,500,000 for this project in FY 2013-14.
- The Department will continue to support the Financial System Replacement Project and is funded to plan and scope the size, cost, and functionality of the replacement of the City’s financial system. COIT has approved \$2,000,000 for this project in FY 2013-14.
- The Department will implement Phase II of the Financial Transparency Website project that will provide the public with information on the budget, vendor payments, and employee compensation. COIT has approved \$300,000 for this project in FY 2013-14.
- The Department will continue to support the implementation of the Phase II of the eMerge initiative, which transitioned from the Department of Human Resources in December 2009. Project eMerge will integrate recruitment, position management, benefits administration and payroll functions citywide. The Controller will initiate system and integration testing in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CON – CONTROLLER

FY 2014-15

The Department's proposed FY 2014-15 budget has decreased by \$518,729 largely due to decreases in professional and contractual services due to one-time funding for the the Disaster Recovery initiative and the Financial System Replacement Project. However, the Department expects to continue to support the Financial System Replacement Project in FY 2014-15, but funds for this project are not included in the FY 2014-15 budget as they have not yet been approved by COIT.

The Department's continuing IT projects in FY 2014-15 include:

- The Department will complete Phase II of the Financial Transparency Website project that will provide the public with information on the budget, vendor payments, and employee compensation. COIT has approved \$250,000 for this project in FY 2014-15.
- The Department will continue to support the operations of eMerge.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 203.66 FTEs, which are 5.99 FTEs more than the 197.67 FTEs in the original FY 2012-13 budget. This represents a 3.0% increase in FTEs from the original FY 2012-13 budget.

The new positions include one 1825 Principal Administrative Analyst II for the Public Finance Division due to the increase in the City's bond portfolio and the related increase in transactions and work load as well as the new role of administering the San Francisco Community Investment Fund; one 1823 Senior Administrative Analyst for the Economic Analysis Division which is currently filled and being paid by continuing project funds; and one 1222 Senior Payroll and Personnel Clerk that is offset by the deletion of a 1721 Senior Data Entry Operator.

Additionally, the Controller is requesting three new 0.5 FTE 1805 Performance Analyst II for the City Services Auditor to address the increase of work due to the increase in the City's capital projects currently in progress.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 205.57 FTEs, which are 1.91 FTEs more than the 203.66 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 0.9% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

This increase in positions is mainly due to the annualization of new positions in FY 13-14 and Attrition Savings adjustments.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CON – CONTROLLER

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$30,810,267 in FY 2013-14, are \$3,253,388 or 11.8% more than FY 2012-13 revenues of \$27,556,879. General Fund support of \$13,453,326 in FY 2013-14 is \$2,223,033 or 19.8% more than FY 2012-13 General Fund support of \$11,230,293.

Specific changes in the Department's FY 2013-14 revenues include:

- Recoveries from City departments that receive Controller services, which are the largest source of funds for the Controller, are expected to increase by 9.5% in FY 2013-14.
- Additionally, the Controller will receive \$125,000 in Intergovernmental Revenue from the Office of Community Investment and Infrastructure (OCII) (Successor Agency to the Redevelopment Agency) for services to support OCII's use of the City's Financial System (FAMIS) and other accounting support.

FY 2014-15

The Department's revenues of \$31,061,003 in FY 2014-15 are \$250,736 or 0.8% more than FY 2013-14 estimated revenues of \$30,810,267. General Fund support of \$12,683,861 in FY 2014-15 is \$769,465 or 5.7% less than FY 2013-14 General Fund support of \$13,453,326.

Specific changes in the Department's FY 2014-15 revenues include:

- Recoveries from City departments that receive Controller services, which are the largest source of funds for the Controller, are expected to increase by 3.4% in FY 2014-15.
- Additionally, the Controller will receive \$130,000 in Intergovernmental Revenue from the OCII for services to support the use of the City's Financial System (FAMIS) and other accounting support.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$283,941 in FY 2013-14. Of the \$283,941 in recommended reductions, \$22,486 are ongoing savings and \$261,455 are one-time savings. These reductions would still allow an increase of \$5,192,480 or 13.4% in the Department's FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$30,702 in FY 2014-15. Of the \$30,702 in recommended reductions, \$22,972 are ongoing savings and \$7,730 are one-time savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

CON - Controller

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | | | | | | | | | | | | |
|--|---|--------|----------------------|-------------|------------|----|--------|----|--|--|--|----------|----------|---------|---|--|--|--|--|
| | FTE | | Amount | | FTE | | Amount | | | | | | | | | | | | |
| | From | To | From | To | From | To | From | To | | | | | | | | | | | |
| FEB - Management | | | | | | | | | | | | | | | | | | | |
| Materials and Supplies | | | \$16,000 | \$11,000 | \$5,000 | x | | | | | | \$16,000 | \$11,000 | \$5,000 | x | | | | |
| | Reduce to reflect historical spending patterns for materials and supplies. | | | | | | | | | | | | | | | | | | |
| Attrition Savings | (2.27) | (3.27) | (\$247,165) | (\$302,165) | \$55,000 | x | x | | | | | | | | | | | | |
| Mandatory Fringe Benefits | | | (\$101,528) | (\$124,120) | \$22,592 | x | x | | | | | | | | | | | | |
| | | | <i>Total Savings</i> | | \$77,592 | | | | | | | | | | | | | | |
| | Increase attrition savings to reflect actual hire dates for a 1824 Principal Administrative Analyst, a 1654 Accountant III, and a 1054 Principal IS Business Analyst as well as the 0931 Manager III position that is being held for the incumbent who is Acting 0953 expected to return February 2014. | | | | | | | | | | | | | | | | | | |
| Miscellaneous Salaries | | | \$369,368 | \$288,668 | \$80,700 | x | x | | | | | | | | | | | | |
| Mandatory Fringe Benefits | | | \$148,209 | \$115,828 | \$32,381 | x | x | | | | | | | | | | | | |
| | | | <i>Total Savings</i> | | \$113,081 | | | | | | | | | | | | | | |
| | The Department has increased this budget by \$119,000 to transfer a position from the programmatic project budget to the Economic Analysis program budget. Because the Department also has \$148,000 in carryforward funds from prior years that can fund this position, new funds can be deleted. | | | | | | | | | | | | | | | | | | |
| FDG - Accounting Operations and Systems | | | | | | | | | | | | | | | | | | | |
| Training | | | \$14,000 | \$10,000 | \$4,000 | x | x | | | | | | | | | | | | |
| | Reduce to reflect historical spending patterns for training. | | | | | | | | | | | | | | | | | | |
| Attrition Savings | (4.82) | (5.32) | (\$475,271) | (\$524,573) | \$49,302 | x | x | | | | | | | | | | | | |
| Mandatory Fringe Benefits | | | (\$201,500) | (\$222,402) | \$20,902 | x | x | | | | | | | | | | | | |
| | | | <i>Total Savings</i> | | \$70,204 | | | | | | | | | | | | | | |
| | Increase attrition savings to reflect actual hire dates of four vacant positions: one 1652 Accountant II position vacant since November 2011; two 1654 Accountant III, one vacant since January 2013 and one vacant since April 2013; and, one Accountant IV vacant since May 2010. | | | | | | | | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

CON - Controller

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | | | | |
|--|------------|------|-----------|-----------|-------|----|------------|----|-------------|-------------|----|----|---------|---------|---|--|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT | | | | |
| | From | To | From | To | | | From | To | From | To | | | Savings | Savings | | |
| Equipment Purchase | | | \$234,277 | \$233,700 | \$577 | x | | | \$1,009,162 | \$1,001,432 | | | \$7,730 | x | x | |
| Decrease to reflect actual departmental needs. | | | | | | | | | | | | | | | | |
| Principal IS Programmer Analyst | 0.00 | 1.00 | \$0 | \$112,837 | | | | | | | | | | | | |
| Mandatory Fringe Benefits | | | \$0 | \$45,695 | | x | | | | | | | | | | |
| Principal IS Business Analyst | 1.00 | 0.00 | \$123,792 | \$0 | | | | | | | | | | | | |
| Mandatory Fringe Benefits | | | \$48,226 | \$0 | | x | | | | | | | | | | |
| <i>Total Savings \$13,486</i> | | | | | | | | | | | | | | | | |
| Deny upward substitution. Responsibilities and functions can be carried out by current classification. | | | | | | | | | | | | | | | | |
| Ongoing Savings | | | | | | | | | | | | | | | | |

FY 2013-14

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|------------------|-----------------|------------------|
| General Fund | \$261,455 | \$22,486 | \$283,941 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$261,455 | \$22,486 | \$283,941 |

FY 2014-15

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|----------------|-----------------|-----------------|
| General Fund | \$7,730 | \$22,972 | \$30,702 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$7,730 | \$22,972 | \$30,702 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The Department's proposed \$838,447,172 budget for FY 2013-14 is \$221,305,191 or 35.9% more than the original FY 2012-13 budget of \$617,141,981.

Revenue Changes

The Department's revenues of \$838,447,172 in FY 2013-14 are \$221,305,191 or 35.9% more than FY 2012-13 revenues of \$617,141,981. General Fund support of \$570,750,525 in FY 2013-14 is \$146,716,424 or 34.6% more than FY 2012-13 General Fund support of \$424,034,101.

YEAR TWO: FY 2014-15

Budget Changes

The Department's proposed \$854,349,636 budget for FY 2014-15 is \$15,902,464 or 1.9% more than the Mayor's proposed FY 2013-14 budget of \$838,447,172.

Revenue Changes

The Department's revenues of \$854,349,636 in FY 2014-15 are \$15,902,464, or 1.9% more than FY 2013-14 estimated revenues of \$838,447,172. General Fund support of \$589,393,631 in FY 2014-15 is \$18,643,106 or 3.3% more than FY 2013-14 General Fund support of \$570,750,525.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$300,000 in FY 2013-14. Of the \$300,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$221,005,191 or 35.8% in the Department's FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$300,000 in FY 2014-15. Of the \$300,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$15,602,464 or 1.9% in the Department's FY 2014-15 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012-2013 Budget | FY 2013-2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014-2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|------------------------------------|------------------------|--------------------------|---|--------------------------|---|
| GENERAL CITY RESPONSIBILITY | | | | | |
| GENERAL CITY RESPONSIBILITIES | 606,221,981 | 820,915,536 | 214,693,555 | 832,148,092 | 11,232,556 |
| GENERAL FUND UNALLOCATED | 0 | 0 | 0 | 0 | 0 |
| INDIGENT DEFENSE/GRAND JURY | 750,000 | 750,000 | 0 | 750,000 | 0 |
| RETIREE HEALTH CARE - PROP B | 10,170,000 | 16,781,636 | 6,611,636 | 21,451,544 | 4,669,908 |
| GENERAL CITY RESPONSIBILITY | 617,141,981 | 838,447,172 | 221,305,191 | 854,349,636 | 15,902,464 |

The General City Responsibility budget is comprised of general expenditures and revenue transfers that are not the responsibility of other City departments, including General Fund supported debt service, reserves, and General Fund contributions to subsidized enterprise funds, such as San Francisco General Hospital and Laguna Honda Hospital.

FY 2013-14

Major changes to the General City Responsibility budget in FY 2013-14 include:

- \$15,895,000 to the Budget Stabilization Reserve, which equals 75% of estimated Real Property Transfer Tax in FY 2013-14 exceeding the 5-year average, as required by the Administrative Code.
- \$22,908,000 to the General Reserve, which will equal \$44,708,000 in FY 2013-14, including the carry forward of unexpended FY 2012-13 General Reserve funds of approximately \$21,800,000. The total General Reserve will equal 1.25% of General Fund revenues of \$3,576,640,000 in FY 2013-14 as required by Administrative Code Section 10.60(b).

The FY 2013-14 budget also includes: (a) \$500,000 for a Participatory Budgeting Project to bring prioritization and decision making to citizens and residents in the budget development process and (b) continued support of \$3,000,000 for HOPE SF capital needs and debt service. Unlike the FY 2012-13 budget, the FY 2013-14 budget does not include funds for a cost-of-living-adjustment for community-based organizations.

FY 2014-15

Major changes to the General City Responsibility budget in FY 2014-15 include:

- \$14,377,000 to the Budget Stabilization Reserve, as required by the Administrative Code Section 10.60(c).
- \$10,781,000 to the General Reserve, which will equal \$55,489,000 in FY 2014-15, including the carry forward of unexpended FY 2012-13 General Reserve funds of

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

approximately \$44,708,000. The total General Reserve will equal 1.25% of estimated General Fund revenues of \$4,439,120,000 in FY 2014-15 as required by Administrative Code Section 10.60(b).

The FY 2014-15 budget also includes: (a) an increase of \$2,000,000 for a total of \$5,000,000 in 2014-15 for HOPE SF capital needs and debt service. Unlike the FY 2012-13 budget, but consistent with the FY 2013-14 budget, the FY 2014-15 budget does not include funds for a cost-of-living-adjustment for community-based organizations.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$838,447,172 in FY 2013-14 are \$221,305,191 or 35.9% more than FY 2012-13 revenues of \$617,141,981. General Fund support of \$570,750,525 in FY 2013-14 is \$146,716,424 or 34.6% more than FY 2012-13 General Fund support of \$424,034,101.

FY 2014-15

The Department's revenues of \$854,349,636 in FY 2014-15 are \$15,902,464, or 1.9% more than FY 2013-14 estimated revenues of \$838,447,172. General Fund support of \$589,393,631 in FY 2014-15 is \$18,643,106 or 3.3% more than FY 2013-14 General Fund support of \$570,750,525.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$300,000 in FY 2013-14. Of the \$300,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$221,005,191 or 35.8% in the Department's FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$300,000 in FY 2014-15. Of the \$300,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$15,602,464 or 1.9% in the Department's FY 2014-15 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

GEN- General City Responsibility

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | | |
|---|-------------|----|-------------|-------------|-------------|----|-------------|-------------|---|
| | FTE From | To | From | To | FTE From | To | From | To | |
| FCZ - General City Responsibilities | | | | | | | | | |
| Judgements and Claims | | | \$3,300,000 | \$3,100,000 | | | \$3,300,000 | \$3,100,000 | x |
| The Litigation Reserve is intended to provide funds for potential legal claims or judgements against the City. Reduce the reserve amount based on projected Judgements and Claims expenditures in FY 2012-13. Reducing the budget for judgements and claims to \$3,100,000 would retain sufficient funds to meet expected claims in FY 2013-14 and FY 2014-15. | | | | | | | | | |
| Other Current Expenses- Budget | | | \$5,452,401 | \$5,352,401 | | | \$5,452,401 | \$5,352,401 | x |
| The Audit Reserve is intended to pay claims from prior years' audits. However, this Reserve is also used to meet shortfalls in internal service funds, work order recoveries and other uses. Audit Reserve Fund expenditures in FY 2011-12 were \$5,515,685. Reducing the Audit Reserve by \$100,000 to \$5,352,401 would retain sufficient funds to meet expected claims in FY 2013-14 and FY 2014-15. | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | |
|------------------------------|------------|------------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$300,000 |
| Non-General Fund | \$0 | \$0 |
| Total | \$0 | \$300,000 |

FY 2014-15

| Total Recommended Reductions | | |
|------------------------------|------------|------------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$300,000 |
| Non-General Fund | \$0 | \$0 |
| Total | \$0 | \$300,000 |

Policy Recommendations

| FCZ - General City Responsibilities | | | |
|--|-----------|-----------|--|
| Programmatic Projects- Budget | \$500,000 | \$500,000 | |
| The programmatic project is a participatory budgeting pilot project. The purpose of the project is to bring prioritization and decision making to citizens and residents in the budget development process. As this is a new policy initiative piloted by a member of the Board, it is a policy matter for the Board of Supervisors. | | | |

FY 2013-14

| Total Policy Recommendations | | |
|------------------------------|------------|------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 |
| Total | \$0 | \$0 |

FY 2014-15

| Total Policy Recommendations | | |
|------------------------------|------------|------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 |
| Total | \$0 | \$0 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department’s proposed \$70,898,932 budget for FY 2013-14 is \$3,285,681 or 4.9 % more than the original FY 2012-13 budget of \$67,613,251.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 303.86 FTEs, which are 0.39 FTEs more than the 303.47 FTEs in the original FY 2012-13 budget. This represents a 0.1% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$62,043,757 in FY 2013-14, are \$1,296,316 or 2.1% more than FY 2012-13 revenues of \$60,747,441. General Fund support of \$8,855,175 in FY 2013-14 is \$1,989,365 or 29% more than FY 2012-13 General Fund support of \$6,865,810.

YEAR TWO: FY 2014-15

Budget Changes

The department’s proposed \$73,053,999 budget for FY 2014-15 is \$2,155,067 or 3.0% more than the Mayor’s proposed FY 2013-14 budget of \$70,898,932.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 303.82 FTEs, which are 0.04 FTE less than the 303.86 FTEs in the Mayor’s proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$61,778,757 in FY 2014-15 are \$265,000 or 0.4% less than FY 2013-14 estimated revenues of \$62,043,757. General Fund support of \$11,275,242 in FY 2014-15 is \$2,420,067 or 27% more than FY 2013-14 General Fund support of \$8,855,175.

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$158,057 in FY 2013-14. Of the \$158,057 in recommended reductions, \$50,000 are ongoing savings and \$108,057 are one-time savings. These reductions would still allow an increase of \$3,127,624 or 4.6% in the Department’s FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$50,000 in FY 2014-15. Of the \$50,000 in recommended reductions, \$50,000 are ongoing savings. These reductions would still allow an increase of \$2,105,067 or 3.0% in the Department’s FY 2014-15 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CAT- CITY ATTORNEY

SUMMARY OF PROGRAM EXPENDITURES:

| <u>Program</u> | <u>FY 2012- 2013 Budget</u> | <u>FY 2013- 2014 Proposed</u> | <u>Increase/ Decrease from FY 2012- 2013</u> | <u>FY 2014- 2015 Proposed</u> | <u>Increase/ Decrease from FY 2013- 2014</u> |
|-------------------------------|-------------------------------------|---------------------------------------|--|---------------------------------------|--|
| CITY ATTORNEY | | | | | |
| CLAIMS | 6,060,764 | 6,305,851 | 245,087 | 6,529,935 | 224,084 |
| LEGAL SERVICE | 58,817,487 | 61,858,081 | 3,040,594 | 63,789,064 | 1,930,983 |
| LEGAL SERVICE-PAYING DEPTS | 2,735,000 | 2,735,000 | 0 | 2,735,000 | 0 |
| CITY ATTORNEY | 67,613,251 | 70,898,932 | 3,285,681 | 73,053,999 | 2,155,067 |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$3,285,681 largely due to:

- Increases in mandated salaries, related fringe benefit costs in the Legal Services and Claims divisions, and work order services provided by other City departments to the Legal Services division; and
- An increase in professional and contractual services for gross receipts tax litigation.
- An increase in rent for leased office space.

FY 2014-15

The Department’s proposed FY 2014-15 budget has increased by \$2,155,067 largely due to increases in salaries and mandatory fringe benefits.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 303.86 FTEs, which are 0.39 FTEs more than the 303.47 FTEs in the original FY 2012-13 budget. This represents a 0.1% change in FTEs from the original FY 2012-13 budget.

There are no new positions requested in FY 2013-14.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 303.82 FTEs, which are 0.04 FTE less than the 303.86 FTEs in the Mayor’s proposed FY 2013-14 budget.

There are no new positions requested in FY 2014-15.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: CAT- CITY ATTORNEY

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$62,043,757 in FY 2013-14, are \$1,296,316 or 2.1% more than FY 2012-13 revenues of \$60,747,441. General Fund support of \$8,855,175 in FY 2013-14 is \$1,989,365 or 29% more than FY 2012-13 General Fund support of \$6,865,810.

Specific changes in the Department's FY 2013-14 revenues include:

- Recoveries from City departments that receive City Attorney services are the largest source of funds for the City Attorney, which are expected to decrease by 1.4% in FY 2013-14 from the original FY 2012-2013 budget.
- General Fund support is proposed to increase, as noted above, to offset the reduction of one-time revenues of \$1,025,000 that the City Attorney's Office received in FY 2012-13 as a litigation settlement.

FY 2014-15

The Department's revenues of \$61,778,757 in FY 2014-15 are \$265,000 or 0.4% less than FY 2013-14 estimated revenues of \$62,043,757. General Fund support of \$11,275,242 in FY 2014-15 is \$2,420,067 or 27% more than FY 2013-14 General Fund support of \$8,855,175.

Specific changes in the Department's FY 2014-15 revenues include:

- Recoveries from City departments that receive City Attorney services are expected to decrease by 0.4% in FY 2014-145 from the original FY 2013-2014 budget..
- General Fund support is proposed to increase, as noted above, to offset decreases in work order recoveries and to fund the Department's increased salary and fringe benefit costs.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$158,057 in FY 2013-14. Of the \$158,057 in recommended reductions, \$50,000 are ongoing savings and \$108,057 are one-time savings. These reductions would still allow an increase of \$3,127,624 or 4.6% in the Department's FY 2013-14 budget.

FY 2014-15The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$50,000 in FY 2014-15. Of the \$50,000 in recommended reductions, \$50,000 are ongoing savings. These reductions would still allow an increase of \$2,105,067 or 3.0% in the Department's FY 2014-15 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

| CAT - City Attorney | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|---------------------------|--|---------|---------------|---------------|----------|----|------------|----|--------|-------------|-------------|----------|---------|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT | |
| | From | To | From | To | | | From | To | From | To | | | Savings |
| | FC2 - Legal Service | | | | | | | | | | | | |
| Judgements and Claims | | | \$5,642,623 | \$5,592,623 | \$50,000 | x | | | | \$5,942,623 | \$5,892,623 | \$50,000 | x |
| Equipment Purchase | | | \$114,077 | \$77,139 | \$36,938 | x | | | | | | | |
| | Reduce to reflect the Department's historical expenditures on litigation expenses. | | | | | | | | | | | | |
| | Disapprove one of four requested new cars to replace existing cars, one of which has mileage of 77,000 and therefore does not require immediate replacement. | | | | | | | | | | | | |
| Attrition Savings | (18.62) | (19.12) | (\$2,711,917) | (\$2,762,037) | \$50,120 | x | | | | | | | |
| Mandatory Fringe Benefits | | | (\$1,014,797) | (\$1,035,796) | \$20,999 | x | | | | | | | |
| | <i>Total Savings</i> \$71,119 | | | | | | | | | | | | |
| | Increase attrition savings by 0.50 FTE to reflect actual hire date of January 2014 for a vacant 1.00 FTE Claims Investigator position. | | | | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | | |
|------------------------------|------------------|-----------------|------------------|
| One-Time | Ongoing | Total | |
| General Fund | \$108,057 | \$50,000 | \$158,057 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$108,057 | \$50,000 | \$158,057 |

FY 2014-15

| Total Recommended Reductions | | | |
|------------------------------|------------|-----------------|-----------------|
| One-Time | Ongoing | Total | |
| General Fund | \$0 | \$50,000 | \$50,000 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$50,000 | \$50,000 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$83,111,935 budget for FY 2013-14 is \$7,477,066 or 9.9% more than the original FY 2012-13 budget of \$75,634,869.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 217.95 FTEs, which are 18.75 FTEs more than the 199.20 FTEs in the original FY 2012-13 budget. This represents a 9.4% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$81,403,844 in FY 2013-14, are \$7,356,766 or 9.9% more than FY 2012-13 revenues of \$74,047,078. General Fund support of \$1,708,091 in FY 2013-14 is \$120,300 or 7.6% more than FY 2012-13 General Fund support of \$1,587,791.

YEAR TWO: FY 2014-15

Budget Changes

The Department's proposed \$80,345,648 budget for FY 2014-15 is \$2,766,287 or 3.3% less than the Mayor's proposed FY 2013-14 budget of \$83,111,935.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 215.87 FTEs, which are 2.08 FTEs less than the 217.95 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 1% decrease in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$78,514,746 in FY 2014-15 are \$2,889,097 or 3.5% less than FY 2013-14 estimated revenues of \$81,403,844. General Fund support of \$1,830,901 in FY 2014-15 is \$122,810 or 7.2% more than FY 2013-14 General Fund support of \$1,708,091.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$1,746,149 in FY 2013-14. Of the \$1,746,149 in recommended reductions, \$865,066 are ongoing savings and \$881,083 are one-time savings. These reductions would still allow an increase of \$5,730,917 or 7.6% in the Department’s FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$876,002 in FY 2014-15, which are ongoing savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012- 2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|---|----------------------------|------------------------------|---|------------------------------|---|
| GENERAL SERVICES AGENCY - TECHNOLOGY | | | | | |
| ADMINISTRATION | 23,541,789 | 27,024,554 | 3,482,765 | 27,940,734 | 916,180 |
| GOVERNANCE AND OUTREACH | 9,087,343 | 8,965,129 | (122,214) | 9,356,228 | 391,099 |
| OPERATIONS | 31,333,200 | 32,694,054 | 1,360,854 | 30,237,969 | (2,456,085) |
| REPRODUCTION SERVICES | 0 | 0 | 0 | 0 | 0 |
| TECHNOLOGY | 2,601,035 | 3,242,459 | 641,424 | 2,508,443 | (734,016) |
| TECHNOLOGY SERVICES:PUBLIC SAFETY | 9,071,502 | 11,185,739 | 2,114,237 | 10,302,274 | (883,465) |
| GENERAL SERVICES AGENCY - TECHNOLOGY | 75,634,869 | 83,111,935 | 7,477,066 | 80,345,648 | (2,766,287) |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$7,477,066 largely due to the initiation or continuation of the following projects:

- Project Management Office: Creation of a new Project Management Office to support the completion of all Department and City-wide IT projects;
- City Free Wi-Fi: Completion of the development of a citywide, free Wi-Fi network;
- Fiber to City-Owned Buildings: Continuation of the extension of a robust fiber network to City-owned buildings;
- Enterprise Security Dashboard: Expansion of a program to allow all City departments to perform high-level assessments of their IT environments by monitoring applications, servers, and networks;
- Security Visibility and Intelligence Data Loss Prevention: Implementation of data loss prevention tools, with a particular emphasis on the City’s maintenance of confidential information;
- Radio Security Enhancement Project: Upgrade of the City-owned radio facilities, chiefly used for crisis communication;
- Customer Service Desk Ticketing System: Replacement of the City’s ServiceDesk application, HP Open View ServiceCenter;
- Disaster Recovery Project: Design and development of a system to connect the City’s financial systems to the California State Office of Technology Services Data Center;
- Business License Portal Pilot: Improvement of the City’s business permit and licensing process consistent with task 13 of the City’s Jobs Plan.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: **TIS – DEPARTMENT OF TECHNOLOGY**

FY 2014-15

The Department's proposed FY 2014-15 budget has decreased by \$2,766,287 largely due to the completion and termination of the following projects in FY2013-14:

- City Free Wi-Fi
- Enterprise Security Dashboard
- Security Visibility and Intelligence Data Loss Prevention
- Disaster Recovery Project
- Business License Portal Pilot

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 217.95 FTEs, which are 18.75 FTEs more than the 199.20 FTEs in the original FY 2012-13 budget. This represents a 9.4% increase in FTEs from the original FY 2012-13 budget.

The proposed budget includes new positions chiefly to support the following projects: Fiber to City-Owned Buildings, the Customer Service Desk Ticketing System, the Project Management Office, the Disaster Recovery Project, and the Business License Portal Pilot.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 215.87 FTEs, which are 2.08 FTEs less than the 217.95 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 1% decrease in FTEs from the Mayor's proposed FY 2013-14 budget.

This reduction in FTEs in the proposed budget is chiefly due to the sunset of the limited tenure positions proposed with the year-long Business License Portal Pilot program created to implement task 13 of the City Jobs Plan.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$81,403,844 in FY 2013-14, are \$7,356,766 or 9.9% more than FY 2012-13 revenues of \$74,047,078. General Fund support of \$1,708,091 in FY 2013-14 is \$120,300 or 7.6% more than FY 2012-13 General Fund support of \$1,587,791.

Changes in the Department's FY 2013-14 revenues are a result of: increases in expenditure recovery from other City departments; reduced use of fund balance; and increased revenue from licenses and fines.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: TIS – DEPARTMENT OF TECHNOLOGY

FY 2014-15

The Department's revenues of \$78,514,746 in FY 2013-14, are \$2,889,097 or 3.5% less than FY 2013-14 estimated revenues of \$81,403,844. General Fund support of \$1,830,901 in FY 2014-15 is \$122,810 or 7.2% more than FY 2013-14 General Fund support of \$1,708,091.

Specific changes in the Department's FY 2014-15 revenues include continued reductions in the Department's use of fund balance, as well as a reduction in anticipated expenditure recoveries from other City departments.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,746,149 in FY 2013-14. Of the \$1,746,149 in recommended reductions, \$865,066 are ongoing savings and \$881,083 are one-time savings. These reductions would still allow an increase of \$5,730,917 or 7.6% in the Department's FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$876,002 in FY 2014-15, which are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

TIS - General Services Agency- Technology

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | | | | | |
|---|--|--------|---------------|---------------|-------------|-------|----------------------|--------|---------------|---------------|-------------|-------|
| | FTE From | FTE To | Amount From | Amount To | Savings | GF IT | FTE From | FTE To | Amount From | Amount To | Savings | GF IT |
| BIU - Administration | | | | | | | | | | | | |
| Deputy Director IV | 0.77 | 0.00 | \$142,247 | \$0 | \$142,247 | | 1.00 | 0.00 | \$187,006 | \$0 | \$187,006 | |
| Mandatory Fringe Benefits | | | \$50,442 | \$0 | \$50,442 | | | | \$72,557 | \$0 | \$72,557 | |
| Manager V | 0.00 | 0.77 | \$0 | \$116,613 | (\$116,613) | | 0.00 | 1.00 | \$0 | \$153,307 | (\$153,307) | |
| Mandatory Fringe Benefits | | | \$0 | \$44,669 | (\$44,669) | | | | \$0 | \$63,913 | (\$63,913) | |
| | <i>Total Savings</i> | | | | \$31,407 | | <i>Total Savings</i> | | | | \$42,343 | |
| | <p>The position has been altered to match the duties and responsibilities as described by the Department for the new Project Management Office. According to the Department of Human Resources (DHR) job description, the Deputy Director IV position is responsible for overseeing a major division within a department, approximately 800-2000 employees, and monitoring the overall organization of a department. The proposed Project Management Office within the Department currently has five proposed employees, and the manager overseeing the division is responsible for ensuring that project managers overseeing specific projects adhere to project management best practices. These responsibilities easily fall under the Manager V description.</p> | | | | | | | | | | | |
| Professional & Specialized Services | | | \$548,743 | \$0 | \$548,743 | x | | | | | | |
| | <p>This line item has been reduced to reflect the scheduled rollout of the Project Management Office. This item was intended to cover the acquisition of training resources for existing project managers within the Department. However, the Department intends to train existing project managers in project management best practices in the second year of implementing this office. In the first year, the Department will bring on two project managers who will aid in addressing immediate project management shortfalls.</p> | | | | | | | | | | | |
| Expected Recovery for Services to AAO Funds | | | (\$3,169,057) | (\$2,869,057) | (\$300,000) | | | | (\$2,953,965) | (\$2,653,965) | (\$300,000) | |
| Professional & Specialized Services | | | \$900,905 | \$600,905 | \$300,000 | | | | \$900,905 | \$600,905 | \$300,000 | |
| | <i>Total Savings</i> | | | | \$0 | | <i>Total Savings</i> | | | | \$0 | |
| | <p>This expected recovery and corresponding expenditure is reduced to reflect corresponding changes in the workorder reduction with the Fire Department. The workorder is reduced to reflect the City's financial obligation, as stated in the Motorola contract, associated with the radio replacement effort. The Fire Department's budget recommendations will also contain a \$300,000 reduction in workorders with the Department of Technology.</p> | | | | | | | | | | | |
| | <p>Ongoing savings.</p> | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

TIS - General Services Agency- Technology

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | | | |
|---|------------|--------|----------------------|---------------|-------------|------|--------|----------------------|---------------|-------------|
| | FTE | Amount | | GF | IT | FTE | Amount | | GF | IT |
| | From | To | From | To | Savings | From | To | From | To | Savings |
| Expected Recovery for Services to AAO Funds | | | (\$8,633,175) | (\$8,133,175) | (\$500,000) | | | (\$8,274,770) | (\$7,774,770) | (\$500,000) |
| Professional & Specialized Services | | | \$900,905 | \$400,905 | \$500,000 | | | \$900,905 | \$400,905 | \$500,000 |
| | | | <i>Total Savings</i> | \$0 | | | | <i>Total Savings</i> | \$0 | |
| <p>This expected recovery and corresponding expenditure is reduced to reflect corresponding changes in the workorder reduction with the Police Department. The workorder is reduced to reflect the City's financial obligation, as stated in the Motorola contract, associated with the radio replacement effort. The Police Department's budget recommendations will also contain a \$500,000 reduction in workorders with the Department of Technology.</p> | | | | | | | | | | |
| BIT - Technology | | | | | | | | | | |
| Management Assistant | 0.77 | 0.00 | \$58,849 | \$0 | \$58,849 | | | | | |
| Mandatory Fringe Benefits | | | \$27,209 | \$0 | \$27,209 | | | | | |
| | | | <i>Total Savings</i> | \$86,058 | | | | | | |
| <p>The Department has not sufficiently demonstrated the need for a 0.77 FTE Management Assistant to aid in the implementation of the temporary Business License Portal Program.</p> | | | | | | | | | | |
| IS Business Analyst - Senior | 1.54 | 0.77 | \$164,722 | \$82,361 | \$82,361 | | | | | |
| Mandatory Fringe Benefits | | | \$67,738 | \$33,869 | \$33,869 | | | | | |
| IS Business Analyst | 0.00 | 0.77 | \$0 | \$71,134 | (\$71,134) | | | | | |
| Mandatory Fringe Benefits | | | \$0 | \$30,961 | (\$30,961) | | | | | |
| | | | <i>Total Savings</i> | \$14,135 | | | | | | |
| <p>The Department is requesting two new limited tenure Senior IS Business Analyst positions to implement the temporary Business License Portal Program. The Department has not sufficiently demonstrated the need for two Senior IS Business Analysts in the proposed program structure comprised of four employees. Based on the project goals and objectives, substituting one new IS Business Analyst position for one of the requested new Senior IS Business Analyst positions will be sufficient to meet the stated program objectives.</p> | | | | | | | | | | |
| Manager III | 0.77 | 0.00 | \$100,720 | \$0 | \$100,720 | | | | | |
| Mandatory Fringe Benefits | | | \$41,089 | \$0 | \$41,089 | | | | | |
| Manager II | 0.00 | 0.77 | \$0 | \$94,491 | (\$94,491) | | | | | |
| Mandatory Fringe Benefits | | | \$0 | \$43,171 | (\$43,171) | | | | | |
| | | | <i>Total Savings</i> | \$4,147 | | | | | | |
| <p>The Department is requesting one new Manager III position for the temporary Business License Portal Program. Because the requested position, which will be responsible for a single program and therefore does not meet the specifications of the DHR job description for the Manager III classification, which states that the classification oversees an entire division within a department, the Budget and Legislative Analyst recommends approving the requested position as a Manager II rather than a Manager III.</p> | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

TIS - General Services Agency- Technology

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | |
|---|------------|--------|-------------|-----------|------------|--------|-------------|-----------|
| | FTE From | FTE To | Amount From | Amount To | FTE From | FTE To | Amount From | Amount To |
| Professional & Specialized Services | | | \$228,000 | \$0 | | | \$228,000 | \$0 |
| The Department has not provided documentation justifying the professional services costs associated with the Business License Portal Program. | | | | | | | | |
| BTO - Technology Services - Public Safety | | | | | | | | |
| Professional & Specialized Services | | | \$390,000 | \$0 | | | \$390,000 | \$0 |
| The Department has not provided documentation justifying the costs associated with the Radio Security Enhancement Program. | | | | | | | | |
| Materials and Supplies Budget Only | | | \$384,201 | \$184,201 | | | \$384,201 | \$184,201 |
| Reduce the line item to accurately reflect the Department's portion of the City's contractually stipulated financial obligation associated with the Motorola contract. | | | | | | | | |
| BAK - Operations | | | | | | | | |
| Professional & Specialized Services | | | \$900,905 | \$750,000 | | | \$900,905 | \$750,000 |
| Reduce to reflect historical expenditures for these services. | | | | | | | | |
| BK4 - Governance and Outreach | | | | | | | | |
| Professional & Specialized Services | | | \$231,009 | \$146,255 | | | \$231,009 | \$146,255 |
| Reduce to reflect actual contracted totals as reported in the Department's contract for closed captioning services, which commenced on June 1, 2012 and is set to terminate on June 30, 2015. | | | | | | | | |
| Maintenance Services - Equipment | | | \$10,000 | \$2,000 | | | \$10,000 | \$2,000 |
| Reduced to reflect historical expenditures. | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | |
|------------------------------|------------------|--------------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$92,754 |
| Non-General Fund | \$881,083 | \$772,312 |
| Total | \$881,083 | \$1,653,395 |

FY 2014-15

| Total Recommended Reductions | | |
|------------------------------|------------|------------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$92,754 |
| Non-General Fund | \$0 | \$783,248 |
| Total | \$0 | \$876,002 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The Department's proposed \$158,303,662 budget for FY 2013-14 is \$11,731,177 or 8.0% more than the original FY 2012-13 budget of \$146,572,485.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 826.21 FTEs, which are 18.7 FTEs more than the 807.51 FTEs in the original FY 2012-13 budget. This represents a 2.3% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$128,481,406 in FY 2013-14, are \$10,190,057 or 8.6% more than FY 2012-13 revenues of \$118,291,349. General Fund support of \$29,822,216 in FY 2013-14 is \$1,541,080 or 5.5% more than FY 2012-13 General Fund support of \$28,281,136.

YEAR TWO: FY 2014-15

Budget Changes

The Department's proposed \$202,554,080 budget for FY 2014-15 is \$44,250,418 or 28.0% more than the Mayor's proposed FY 2013-14 budget of \$158,303,662.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 827.64 FTEs, which are 1.43 FTEs more than the 826.21 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 0.17% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$120,200,393 in FY 2014-15 are \$8,281,013 or 6.5% less than FY 2013-14 estimated revenues of \$128,481,406. General Fund support of \$82,353,687 in FY 2014-15 is \$52,531,471 or 176% more than FY 2013-14 General Fund support of \$29,822,216.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DPW – PUBLIC WORKS

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$411,179 in FY 2013-14. Of the \$411,179 in recommended reductions, \$103,679 are ongoing savings and \$307,500 are one-time savings. These reductions would still allow an increase of \$11,319,998 or 7.7% in the Department's FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$129,009 in FY 2014-15. All of the \$129,009 in recommended reductions are ongoing savings. These reductions would still allow an increase of \$44,121,409 or 27.9% in the Department's FY 2014-15 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DPW – PUBLIC WORKS

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012-2013 Budget | FY 2013-2014 Proposed | Increase/ Decrease from | FY 2014-2015 Proposed | Increase/ Decrease from |
|---|------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| | | | FY 2012-2013 | | FY 2013-2014 |
| GENERAL SERVICES AGENCY - PUBLIC WORKS | | | | | |
| ARCHITECTURE | 414,630 | 443,844 | 29,214 | 441,624 | (2,220) |
| BUILDING REPAIR AND MAINTENANCE | 18,102,561 | 18,637,389 | 534,828 | 18,981,004 | 343,615 |
| CAPITAL ASSET PLANNING | 0 | 0 | 0 | 0 | 0 |
| CITY CAPITAL PROJECTS | 37,234,377 | 40,680,471 | 3,446,094 | 81,521,743 | 40,841,272 |
| CONSTRUCTION MANAGEMENT SERVICES | 217,264 | 271,799 | 54,535 | 271,749 | (50) |
| ENGINEERING | 883,494 | 870,432 | (13,062) | 851,701 | (18,731) |
| FACILITIES MGMT & OPERATIONS | 0 | 0 | 0 | 0 | 0 |
| GENERAL ADMINISTRATION | 0 | 0 | 0 | 0 | 0 |
| MAINTENANCE OF STREETLIGHTS | 0 | 0 | 0 | 0 | 0 |
| MAPPING | 0 | 0 | 0 | 0 | 0 |
| NEIGHBORHOOD BEAUTIFICATION | 0 | 0 | 0 | 0 | 0 |
| PARKING & TRAFFIC | 0 | 0 | 0 | 0 | 0 |
| STREET AND SEWER REPAIR | 16,776,235 | 17,233,619 | 457,384 | 18,135,243 | 901,624 |
| STREET ENVIRONMENTAL SERVICES | 39,926,370 | 43,947,522 | 4,021,152 | 44,665,913 | 718,391 |
| STREET USE MANAGEMENT | 16,142,550 | 18,469,276 | 2,326,726 | 19,426,067 | 956,791 |
| URBAN FORESTRY | 16,875,004 | 17,749,310 | 874,306 | 18,259,036 | 509,726 |
| GENERAL SERVICES AGENCY - PUBLIC WORKS | 146,572,485 | 158,303,662 | 11,731,177 | 202,554,080 | 44,250,418 |

FY 2013-14

The Department's proposed FY 2013-14 budget has increased by \$11,731,177 largely due to:

- Increased personnel costs, including the salaries and mandatory fringe benefits for eight new staff to implement a new Illegal Street Dumping Outreach program in the Bureau of Street Environmental Services as well as staff to manage the increased number of permit requests in the Bureau of Street Use and Mapping.
- Funding for the Tree Relinquishment Program which will fund four arborists to trim over 3,000 of the City's trees and repair sidewalks damaged by street trees in order to be transferred to property owners.
- A robust capital project and bond program, capital projects include the Pedestrian and Bike Safety Improvement Program, Streetscape Improvement Program, the Better Market Street project, and pothole repair and facilities maintenance.
- Increased equipment purchases due to the replacement of 21 vehicles over 12 years old pursuant to the Healthy Air and Clean Transportation Ordinance (HACTO) as well as the replacement of 450 public trash cans.

FY 2014-15

The Department's proposed FY 2014-15 budget has increased by \$44,250,418 largely due to:

- An increase of approximately \$46,000,000 in increased General Fund support for street resurfacing and reconstruction once the Road Resurfacing and Street bond funding expires.
- Continued funding dedicated to DPW's capital projects that were funded in FY 2013-14.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DPW – PUBLIC WORKS

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 826.21 FTEs, which are 18.7 FTEs more than the 807.51 FTEs in the original FY 2012-13 budget. This represents a 2.3% increase in FTEs from the original FY 2012-13 budget.

The FY 2013-14 budget includes 60 new positions funded by interdepartmental (ID) work orders; the majority of these positions are off-budget while several are funded by specific projects, principally within the bureau of Infrastructure Design and Construction and General Administration. There are also five new position funded by the department's overhead largely within General Administration.

The budget also includes eight new positions that will support DPW's new Illegal Dumping Outreach program in Street Environmental Services as well as five new positions in Street-Use and Mapping that will address the rise in permit requests.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 827.64 FTEs, which are 1.43 FTEs more than the 826.21 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a .17% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

There are 16 new positions in FY 2014-15 funded by interdepartmental work orders principally within the bureau of Infrastructure Design and Construction.

INTERIM EXCEPTIONS

The Department has requested approval of 18 positions as interim exceptions. The Budget and Legislative Analyst recommends approval of all 18 positions as interim exceptions.

- 12 of the positions are funded by interdepartmental work orders with the Airport, Public Library and Public Utilities Commission and are being filled temporarily until the permanent position is created as the projects with these departments have already started.
- One position is needed to be filled to support administration of the Moscone Expansion project that is currently underway. The recruitment process will be accelerated in order to fill the position in early FY 2013-14.
- Four of the positions are funded by an interdepartmental work order with the Recreation and Park Department. The hiring process for these positions are being accelerated in order to meet project timelines.
- One position reflects the transition of an employee that is currently working for the Department as a City Hall Fellow into an administrative analyst position prior to the Fellows program ending to prevent a layoff.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: DPW – PUBLIC WORKS

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$128,481,406 in FY 2013-14, are \$10,190,057 or 8.6% more than FY 2012-13 revenues of \$118,291,349. General Fund support of \$29,822,216 in FY 2013-14 is \$1,541,080 or 5.4% more than FY 2012-13 General Fund support of \$28,281,136.

Specific changes in the Department's FY 2013-14 revenues include:

- Higher volumes of applicants seeking street use permits.
- Increased allocation of solid waste impound account revenues.
- Reimbursement from the Federal government for the 4th Street Bridge legal settlement.
- Higher projections of available state gas tax revenues for local streets and road improvements.

FY 2014-15

The Department's revenues of \$120,200,393 in FY 2014-15 are \$8,281,013 or 6.4% less than FY 2013-14 estimated revenues of \$128,481,406. General Fund support of \$82,353,687 in FY 2014-15 is \$52,531,471 or 176% more than FY 2013-14 General Fund support of \$29,822,216.

Specific changes in the Department's FY 2014-15 revenues are largely due:

- General Fund support for capital projects:
- Revenues for street use permits are expected to decrease due to the current construction boom to plateau.
- Increase in the City's share of State gas tax revenues.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$411,179 in FY 2013-14. Of the \$411,179 in recommended reductions, \$103,679 are ongoing savings and \$307,500 are one-time savings. These reductions would still allow an increase of \$11,319,998 or 7.7% in the Department's FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$129,009 in FY 2014-15. All of the \$129,009 in recommended reductions are ongoing savings. These reductions would still allow an increase of \$44,121,409 or 27% in the Department's FY 2014-15 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

GSA-DPW General Services Agency - Department of Public Works

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|--|---|--------|-------------|-------------|-------------|-------|---------------|--------|-------------|-------------|-------------|-------|
| | FTE | | Amount | | Savings | GF IT | FTE | | Amount | | Savings | GF IT |
| | From | To | From | To | | | From | To | From | To | | |
| BAR - Building Repair & Maintenance | | | | | | | | | | | | |
| Carpenter | 1.00 | 0.00 | \$82,722 | \$0 | \$82,722 | X | 1.00 | 0.00 | \$83,739 | \$0 | \$83,739 | X |
| Mandatory Fringe Benefits | | | \$38,477 | \$0 | \$38,477 | X | | | \$41,594 | \$0 | \$41,594 | X |
| | Total Savings | | \$121,199 | | | | Total Savings | | \$125,333 | | | |
| Attrition Savings | (1.20) | 0.00 | (\$99,539) | \$0 | (\$82,722) | X | (1.20) | 0.00 | (\$99,099) | \$0 | (\$83,739) | X |
| Mandatory Fringe Benefits | | | (\$45,872) | \$0 | (\$38,477) | X | | | (\$48,285) | \$0 | (\$41,594) | X |
| | Total Savings | | (\$121,199) | | | | Total Savings | | (\$125,333) | | | |
| Materials & Supplies | | | \$208,082 | \$188,082 | \$20,000 | X | | | \$208,082 | \$188,082 | \$20,000 | X |
| | Reduce attrition savings to reflect reduction of vacant position held for salary savings. | | | | | | | | | | | |
| | Reduce materials and supplies based on Department's projected need. | | | | | | | | | | | |
| BAT - Street Use Management | | | | | | | | | | | | |
| Jr. Administrative Analyst | 0.77 | 0.00 | \$48,690 | \$0 | \$48,690 | X | 1.00 | 0.00 | \$64,311 | \$0 | \$64,311 | X |
| Mandatory Fringe Benefits | | | \$24,199 | \$0 | \$24,199 | X | | | \$33,908 | \$0.00 | \$33,908 | X |
| | Total Savings | | \$72,889 | | | | Total Savings | | \$98,219 | | | |
| | Disapprove new position based on need. The Budget and Legislative Analyst recommends approval of 3.08 new FTEs in this Bureau to address the increase in permit requests. There are currently three administrative staff assigned to this Bureau, including one Junior Administrative Assistant, one Senior Administrative Assistant, and one Administrative Analyst. | | | | | | | | | | | |
| Temporary Salaries | | | \$30,000 | \$20,000 | \$10,000 | X | | | \$30,000 | \$20,000 | \$10,000 | X |
| Mandatory Fringe Benefits | | | \$2,370 | \$1,580 | \$790 | X | | | \$2,370 | \$1,580 | \$790 | X |
| | Total Savings | | \$10,790 | | | | Total Savings | | \$10,790 | | | |
| | Reduce temporary salaries to offset 2.32 new Assistant Engineers in this division. | | | | | | | | | | | |
| BAZ - Street Environmental Services | | | | | | | | | | | | |
| Equipment | | | \$473,754 | \$466,254 | \$7,500 | X | | | | | | |
| | Reduce equipment based on actual cost of equipment (grafitti guns). | | | | | | | | | | | |
| General Laborer | 127.50 | 125.50 | \$7,770,296 | \$7,648,409 | \$121,887 | X | 127.50 | 125.50 | 7,865,776 | 7,742,391 | \$123,385 | X |
| Mandatory Fringe Benefits | | | \$3,953,265 | \$3,891,253 | \$62,012 | X | | | \$4,274,399 | \$4,207,350 | \$67,049 | X |
| | Total Savings | | \$183,899 | | | | Total Savings | | \$190,434 | | | |
| | Reduce General Laborers by 2.4 FTE to reflect positions left vacant since 2010. | | | | | | | | | | | |
| Attrition Savings | (6.41) | (4.51) | (\$412,247) | (\$290,360) | (\$121,887) | X | (9.21) | (7.28) | (\$589,533) | (\$466,148) | (\$123,385) | X |
| Mandatory Fringe Benefits | | | (\$206,173) | (\$144,161) | (\$62,012) | X | | | \$317,146 | \$384,195 | (\$67,049) | X |
| | Total Savings | | (\$183,899) | | | | Total Savings | | (\$190,434) | | | |
| | Reduce attrition savings due to reduction of vacant position held for salary savings. | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

GSA-DPW General Services Agency - Department of Public Works

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|--|------------|----|-----------|---------|-----------|----|------------|----|--------|----|---------|----|--|
| | FTE | | Amount | | Savings | | FTE | | Amount | | Savings | | |
| | From | To | From | To | From | To | From | To | From | To | From | To | |
| BAW- Capital City Projects | | | | | | | | | | | | | |
| Capital Project (CENTRN SM5299) | | | \$309,594 | \$9,594 | \$300,000 | X | X | | | | | | |
| Reduce budget for 4th Street Bridge project based on Department's projections. | | | | | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | | |
|------------------------------|------------------|------------------|------------------|
| One-Time | Ongoing | Total | |
| General Fund | \$307,500 | \$103,679 | \$411,179 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$307,500 | \$103,679 | \$411,179 |

FY 2014-15

| Total Recommended Reductions | | | |
|------------------------------|------------|------------------|------------------|
| One-Time | Ongoing | Total | |
| General Fund | \$0 | \$129,009 | \$129,009 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$129,009 | \$129,009 |

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget

GSA-DPW General Services Agency - Department of Public Works

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | |
|--------------|------------|----|--------|----|------------|----|--------|----|
| | FTE | | Amount | | FTE | | Amount | |
| | From | To | From | To | From | To | From | To |

| Policy Recommendations | | | | | | | | | |
|------------------------------------|--|--|--------|--------|----------------------|-------------|--|------------------|---|
| BAZ- Street Environmental Services | | | | | | | | | |
| | | | | | | | | | |
| General Laborer Supervisor I | | | 23.00 | 22.00 | \$1,571,722 | \$1,503,387 | | \$68,335 | X |
| Mandatory Fringe Benefits | | | | | \$821,095 | \$785,395 | | \$35,700 | X |
| Environmental Service Worker | | | 14.00 | 8.00 | \$690,804 | \$394,745 | | \$296,059 | X |
| Mandatory Fringe Benefits | | | | | \$438,648 | \$250,656 | | \$187,992 | X |
| Truck Driver | | | 5.00 | 4.60 | \$395,255 | \$363,635 | | \$31,620 | X |
| Mandatory Fringe Benefits | | | | | \$204,415 | \$188,062 | | \$16,353 | X |
| General Laborer | | | 125.50 | 125.10 | \$7,742,391 | \$7,717,714 | | \$24,677 | X |
| Mandatory Fringe Benefits | | | | | \$4,207,350 | \$4,193,940 | | \$13,410 | X |
| | | | | | <i>Total Savings</i> | | | <i>\$674,146</i> | |

The Budget and Legislative Analyst's audit of the San Francisco Housing Authority (SFHA) recommended termination of the Memorandum of Understanding (MOU) between DPW and SFHA for the Laborer Apprentice Program in order for SFHA to provide the program directly. The Mayor's proposed FY 2013-14 and FY 2014-15 budget continues the Laborer Apprentice Program for SFHA as a City cost. The Board of Supervisors, as a policy option, could approve City funds for the Laborer Apprentice Program in FY 2013-14 and transfer the program to SFHA in FY 2014-15.

FY 2013-14

Total Policy Recommendations

| | One-Time | Ongoing | Total |
|------------------|------------|------------|------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$0 | \$0 |

FY 2014-15

Total Policy Recommendations

| | One-Time | Ongoing | Total |
|------------------|------------|------------------|------------------|
| General Fund | \$0 | \$674,146 | \$674,146 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$674,146 | \$674,146 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$12,908,915 budget for FY 2013-14 is \$494,794 or 4.0% more than the original FY 2012-13 budget of \$12,414,121.

Personnel Changes

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2013-14 are 74.62 FTEs, which is 4.3 FTEs more than the 70.32 FTEs in the original FY 2012-13 budget. This represents a 6.1% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The department's non-General Fund revenues of \$635,617 in FY 2013-14, are \$2,750 or 0.4% more than FY 2012-13 non-General Fund revenues of \$632,867. General Fund support of \$12,273,298 in FY 2013-14 is \$492,044 or 4.2% more than FY 2012-13 General Fund support of \$11,781,254.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$13,247,392 budget for FY 2014-15 is \$338,477 or 2.6% more than the Mayor's proposed FY 2013-14 budget of \$12,908,915.

Personnel Changes

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2014-15 are 74.60 FTEs, which is .02 FTEs less than the 74.62 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a .03% decrease in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's non-General Fund revenues of \$617,617 in FY 2014-15 are \$18,000 or 2.8% less than FY 2013-14 estimated non-General Fund revenues of \$635,617. General Fund support of \$12,629,775 in FY 2014-15 is \$366,477 or 2.9% more than FY 2013-14 General Fund support of \$12,273,298.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: BOS – BOARD OF SUPERVISORS

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$18,373 in FY 2013-14, all which are ongoing savings. These reductions would still allow an increase of \$476,421 or 3.8% in the Department's FY 2013-14 budget.

These recommendations will result in \$18,373 savings to the City's General Fund in FY 2013-14.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$18,965 in FY 2014-15, all of which are ongoing savings. These reductions would still allow an increase of \$319,512 or 2.5% in the Department's FY 2014-15 budget. These recommendations will result in \$18,965 savings to the City's General Fund in FY 2014-15.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: BOS – BOARD OF SUPERVISORS

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012- 2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|------------------------------|----------------------------|------------------------------|---|------------------------------|---|
| BOARD OF SUPERVISORS | | | | | |
| BOARD - LEGISLATIVE ANALYSIS | 2,000,000 | 2,000,000 | 0 | 2,000,000 | 0 |
| BOARD OF SUPERVISORS | 6,183,898 | 6,668,149 | 484,251 | 6,856,302 | 188,153 |
| CHILDREN'S BASELINE | 175,530 | 266,905 | 91,375 | 275,525 | 8,620 |
| CLERK OF THE BOARD | 4,054,693 | 3,973,861 | (80,832) | 4,115,565 | 141,704 |
| LOCAL AGENCY FORMATION | 0 | 0 | 0 | 0 | 0 |
| BOARD OF SUPERVISORS | 12,414,121 | 12,908,915 | 494,794 | 13,247,392 | 338,477 |

FY 2013-14

The Department's proposed FY 2013-14 budget has increased by \$494,794 largely due to:

- Mandated increases in salary and fringe benefits due to negotiated labor, retirement and health benefit costs;
- Fully annualized cost of third Legislative Assistant position for each member of the Board of Supervisors;
- Filling one additional Youth Commission (Children's Baseline) position;
- Partially offset by a FY 2012-13 one-time \$350,000 professional services agreement for the Assessment Appeals Board (AAB) to implement an online new tracking system and creation of one new AAB project position in FY 2013-14 to address the growing backlog of assessment appeals cases; and
- All funds for the Local Agency Formation Committee (LAFCO) are off-budget, due to available carry forward funds from FY 2012-13.

FY 2014-15

The Department's proposed FY 2014-15 budget would increase by \$338,477 largely due to:

- Mandated increases in salary and fringe benefits due to negotiated labor, retirement and health benefit costs.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2013-14 are 74.62 FTEs, which are 4.30 FTEs more than the 70.32 FTEs in the original FY 2012-13 budget. This represents a 6.1% increase in FTEs from the original FY 2012-13 budget, due to:

- Annualized third Legislative Assistant positions for the Board of Supervisors; and
- Adjustment in Attrition Savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: BOS – BOARD OF SUPERVISORS

FY 2014-15

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2014-15 are 74.60 FTEs, which are .02 FTEs less than the 74.62 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a .03% decrease in FTEs from the Mayor's proposed FY 2013-14 budget, due to minor reductions in Temporary Salaries.

INTERIM EXCEPTIONS

The Department has requested approval of one new 1406 Senior Clerk position as an interim exception. The Budget and Legislative Analyst recommends approval of this one new project position as an interim exception because the position is needed as soon as possible to address both existing workload and the Assessment Appeals Board backlog of approximately 8,000 appeals. The filing period for new assessment appeals is between July 1 and September 15th each year. Effective July 1, 2013, this new position will address new assessment appeals by opening mail and providing data entry and then beginning in the fall, will assist the Assessment Appeals Board with additional evening hearings to address the backlog of cases.

DEPARTMENT REVENUES:

FY 2013-14

The Department's non-General Fund revenues of \$635,617 in FY 2013-14, are \$2,750 or 0.4% more than FY 2012-13 revenues of \$632,867. General Fund support of \$12,273,298 in FY 2013-14 is \$492,044 or 4.2% more than FY 2012-13 General Fund support of \$11,781,254.

FY 2014-15

The Department's non-General Fund revenues of \$617,617 in FY 2014-15, are \$18,000 or 2.8% less than FY 2013-14 revenues of \$635,617. The change is due to an adjustment of the Board of Supervisors advertising outreach fund from a calendar year to a fiscal year accounting in FY 2013-14. General Fund support of \$12,629,775 in FY 2014-15 is \$356,477 or 2.9% more than FY 2013-14 General Fund support of \$12,273,298.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$18,373 in FY 2013-14, all of which are ongoing savings. These reductions would still allow an increase of \$476,421 or 3.8% in the Department's FY 2013-14 budget. These recommendations will result in \$18,373 savings to the City's General Fund in FY 2013-14.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$18,965 in FY 2014-15, all of which are ongoing savings. These reductions would still allow an increase of \$319,512 or 2.5% in the Department's FY 2014-15 budget. These recommendations will result in \$18,965 savings to the City's General Fund in FY 2014-15.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

BOS - Board of Supervisors

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|---|------------|------|----------------------|-----|----------|----|------------|------|----------------------|----------|----------|----------|---------|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT | |
| | From | To | From | To | | | From | To | From | To | | | Savings |
| FAA - Board of Supervisors | | | | | | | | | | | | | |
| Attrition Savings | 0.13 | 0.00 | \$12,839 | \$0 | \$12,839 | x | | 0.13 | 0.00 | \$12,954 | \$0 | \$12,954 | x |
| Mandatory Fringe Benefits | | | \$5,534 | \$0 | \$5,534 | x | | | | \$6,011 | \$0 | \$6,011 | x |
| | | | <i>Total Savings</i> | | \$18,373 | | | | <i>Total Savings</i> | | \$18,965 | | |
| Adjust Attrition Savings to zero due to positive Attrition Savings currently budgeted. | | | | | | | | | | | | | |
| Ongoing Savings. Adjust Attrition Savings to zero due to positive Attrition Savings currently budgeted. | | | | | | | | | | | | | |

FY 2013-14

| Total Recommended Reductions | | | |
|------------------------------|------------|-----------------|-----------------|
| One-Time | Ongoing | Total | |
| General Fund | \$0 | \$18,373 | \$18,373 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$18,373 | \$18,373 |

FY 2014-15

| Total Recommended Reductions | | | |
|------------------------------|------------|-----------------|-----------------|
| One-Time | Ongoing | Total | |
| General Fund | \$0 | \$18,965 | \$18,965 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$18,965 | \$18,965 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$51,469,813 budget for FY 2013-14 is \$25,447,777 or 97.8 % more than the original FY 2012-13 budget of \$26,022,036.

Personnel Changes

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2013-14 are 49.70 FTEs, which are 11.18 FTEs more than the 38.52 FTEs in the original FY 2012-13 budget. This represents a 29.0% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues, including transfers and recoveries, of \$41,704,821 in FY 2013-14, are \$22,821,191 or 120.9% more than FY 2012-13 revenues of \$18,883,630. General Fund support of \$9,764,992 in FY 2013-14 is \$2,626,586 or 36.8% more than FY 2012-13 General Fund support of \$7,138,406.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$54,617,383 budget for FY 2014-15 is \$3,147,570 or 6.1% more than the Mayor's proposed FY 2013-14 budget of \$51,469,813.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 50.78 FTEs, which are 1.08 FTEs more than the 49.70 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 2.2% increase in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues, including transfers and recoveries, of \$46,663,120 in FY 2014-15 are \$4,958,299 or 11.9% more than FY 2013-14 estimated revenues of \$41,704,821. General Fund support of \$7,954,263 in FY 2014-15 is \$1,810,729 or 18.6% less than FY 2013-14 General Fund support of \$9,764,992.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: MYR – MAYOR

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$63,505 in FY 2013-14. Of the \$63,505 in recommended reductions, \$15,104 are ongoing savings and \$48,401 are one-time savings. These reductions would still allow an increase of \$25,384,272 or 97.6% in the Department's FY 2013-14 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$6,851 to the General Fund.

Together, these recommendations will result in \$70,356 savings to the City's General Fund in FY 2013-14.

In addition, the Budget and Legislative Analyst includes a Policy Recommendation regarding the Housing Trust Fund for FY 2013-14.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst's recommended General Fund reductions to the proposed budget total \$15,653 in FY 2014-15, all of which are ongoing savings. These reductions would still allow an increase of \$3,131,917 or 6.1% in the Department's FY 2014-15 budget.

In addition, the Budget and Legislative Analyst includes a Policy Recommendation regarding the Housing Trust Fund for FY 2014-15.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: MYR – MAYOR

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012- 2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|-------------------------|----------------------------|------------------------------|---|------------------------------|---|
| MAYOR | | | | | |
| AFFORDABLE HOUSING | 9,356,855 | 31,456,143 | 22,099,288 | 32,369,885 | 913,742 |
| CITY ADMINISTRATION | 4,460,237 | 4,653,049 | 192,812 | 4,702,454 | 49,405 |
| COMMUNITY INVESTMENT | 3,815,211 | 3,845,514 | 30,303 | 3,198,513 | (647,001) |
| CRIMINAL JUSTICE | 8,101 | 8,095 | (6) | 8,097 | 2 |
| HOMELESS SERVICES | 6,635,496 | 9,629,687 | 2,994,191 | 12,396,841 | 2,767,154 |
| NEIGHBORHOOD SERVICES | 335,341 | 407,392 | 72,051 | 421,252 | 13,860 |
| PUBLIC POLICY & FINANCE | 1,410,795 | 1,469,933 | 59,138 | 1,520,341 | 50,408 |
| MAYOR | 26,022,036 | 51,469,813 | 25,447,777 | 54,617,383 | 3,147,570 |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$25,447,777 largely due to:

- In the Affordable Housing Program, \$20 million set-aside from the General Fund for the new Housing Trust Fund, in response to the November 2012 San Francisco voters approval of Proposition C to provide ongoing funding of affordable housing opportunities for low and middle income residents. The Housing Trust Fund Program will increase local financing for the construction, preservation and rehabilitation of affordable multifamily housing, but also includes additional funding for (a) Down Payment Loan Assistance, including First Responders Down Payment Loan Assistance, (b) Housing Stabilization Programs, such as Single Family Rehabilitation Loans, Healthy Homes and Energy Efficiency Programs, Small Site Acquisition Program, Foreclosure Intervention and Eviction Prevention, and (c) Neighborhood Infrastructure Grants;
- In the Community Investment Program, reallocation of various community-based organizations funding;
- In the Homeless Services Program, increases of approximately \$3 million for the Local Operating Subsidy Program (LOSP) to provide additional supportive housing for previously homeless tenants; and
- Mandated increases in salary and fringe benefits due to negotiated labor, retirement and health benefit costs.

FY 2014-15

The Department’s proposed FY 2014-15 budget has increased by \$3,147,570 largely due to:

- In the Affordable Housing Program, increase from \$20 million to \$22.8 million set-aside from the General Fund for the ongoing Housing Trust Fund, offset by reductions in other one-time Housing funds;

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: MYR – MAYOR

- In the Homeless Services Program, further increases for LOSP to provide additional supportive housing; and
- Mandated increases in salary and fringe benefits due to negotiated labor, retirement and health benefit costs.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2013-14 are 49.70 FTEs, which are 11.18 FTEs more than the 38.52 FTEs in the original FY 2012-13 budget. This represents a 29.0% increase in FTEs from the original FY 2012-13 budget. As shown in the Table below, six new positions are being created to implement the new Housing Trust Fund, 3.0 positions are being transferred from the previous Redevelopment Agency/Successor Agency and one position is being converted from an existing temporary position.

| New Position Classification | New Position Title | Number of New Positions in FY 2013-14 | Total Cost of Positions Salaries and Benefits in FY 2013-14 | Comments |
|------------------------------------|--|--|--|--------------------------------|
| 9770 | Community Development Assistant | 1.0 | \$93,841 | Housing Trust Fund |
| 9774 | Senior Community Development Specialist I | 3.0 | 392,431 | Housing Trust Fund |
| 9774 | Senior Community Development Specialist I | 1.0 | 130,812 | Redevelopment/Successor Agency |
| 9775 | Senior Community Development Specialist II | 2.0 | 304,642 | Housing Trust Fund |
| 9920 | Public Service Aide | 1.0 | 60,416 | Convert from Temporary |
| 9770 | Community Development Assistant | 1.0 | 93,318 | Redevelopment/Successor Agency |
| 1657 | Accountant IV | 1.0 | 152,725 | Redevelopment/Successor Agency |
| 5502 | Project Manager I | 1.0 | 166,848 | Redevelopment/Successor Agency |
| Total | | 11.0 | \$1,395,033 | |

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: MYR – MAYOR

FY 2014-15

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2014-15 are 50.78 FTEs, which are 1.08 FTEs more than the 49.70 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 2.2% increase in FTEs from the Mayor's proposed FY 2013-14 budget. The increase is due to a reduction in Attrition Savings.

INTERIM EXCEPTIONS

The Department has requested approval of 8 positions as interim exceptions, including 6 positions for the Mayor's Office of Housing and Community Development (MOHCD)¹, one Non-General Fund position for MOHCD and one position for the Mayor's Office of Neighborhood Services.

- The 6 new positions under MOHCD are being hired with \$20 million of General Fund set-aside revenues in FY 2013-14 to implement the new Housing Trust Fund, approved by San Francisco voters in November of 2012. Although all 6 of the Housing Trust Fund positions will not be hired on July 1, 2013, the Budget and Legislative Analyst recommends approval of these 6 positions as interim exceptions because the Housing Trust Fund commences on July 1, 2013 and any reductions would be returned to the Fund.
- One new Non-General Fund position for MOHCD funded by the former Redevelopment Agency/Successor Agency asset revenue to monitor and manage the increase in affordable housing assets that were transferred to MOHCD in FY 2012-13. The Budget and Legislative Analyst recommends approval of this interim exception.
- The Budget and Legislative Analyst recommends approval of one new position for the Mayor's Office of Neighborhood Services as it would convert an existing temporary position to a permanent position.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues, including set-asides, transfers and recoveries of \$41,704,821 in FY 2013-14, are \$22,821,191 or 120.9% more than FY 2012-13 revenues of \$18,883,630. General Fund support of \$9,764,992 in FY 2013-14 is \$2,626,586 or 36.8% more than FY 2012-13 General Fund support of \$7,138,406.

Major changes in the Department's FY 2013-14 revenues include:

- Set-aside of \$20 million from the General Fund for the new Housing Trust Fund, created in response to the November 2012 San Francisco voters approval of Proposition C to provide increased affordable housing opportunities for low and middle income residents;

¹ Previously known as the Mayor's Office of Housing.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: MYR – MAYOR

- Increase in recoveries from the Department of Public Health and the Human Services Agency for Local Operating Subsidy Program for supportive housing; and
- Additional revenues from Successor Agency to the Redevelopment Agency to support Mayor’s Office of Housing activities related to specific development projects.

FY 2014-15

The Department's revenues, including set-asides, transfer and recoveries of \$46,663,120 in FY 2014-15, are \$4,958,299 or 11.9% more than FY 2013-14 revenues of \$41,704,821. General Fund support of \$7,954,263 in FY 2014-15 is \$1,810,729 or 18.6% less than FY 2013-14 General Fund support of \$9,764,992.

Major changes in the Department’s FY 2014-15 revenues include:

- Increase from \$20 million in FY 2013-14 to \$22.8 million for set-aside from the General Fund for the ongoing Housing Trust Fund; and
- Increase in recoveries from the Department of Public Health and the Human Services Agency for Local Operating Subsidy Program for supportive housing.

PROPOSED LEGISLATION (June 17, 2013 Budget and Finance Committee Calendar)

Item 3, File 13-0560: Resolution authorizing the Director of the MOHCD to execute a Local Operating Subsidy Program Grant Agreement with Mercy Housing California XX, LP, a California limited partnership, to provide operating subsidies for formerly homeless households at Mission Creek Senior Community, 225 Berry Street, for a 15-year period, in an amount not-to-exceed \$11,468,518,

Item 4, File 13-0561: Resolution authorizing the Director of the Mayor’s Office of Housing to execute a Local Operating Subsidy Program Grant Agreement with Third & LeConte Associates LP, a California limited partnership, to provide operating subsidies for formerly homeless households at 1075 Le Conte Avenue for a 15-year period, in an amount not-to-exceed \$12,974,190.

Item 5, File 13-0562: Resolution authorizing the Director of the Mayor’s Office of Housing to execute a Local Operating Subsidy Program Grant Agreement with 25 Essex, LP, a California limited partnership, to provide operating subsidies for formerly homeless households at Rene Cazenave Apartments, 25 Essex Street, for a 15-year period, in an amount not-to-exceed \$17,882,085.

The three proposed resolutions would authorize the Mayor’s Office of Housing to enter into three new agreements to provide Local Operating Subsidy Program funds to assist formerly homeless tenants over the next 15 years. The amount of the Local Operating Subsidy Program (LOSP) annual contribution to each project increases annually over the 15-year term of the subject agreements, with the average annual LOSP and total amounts estimated to be paid over the 15-year term summarized in the Table below.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: MYR – MAYOR

| File Number | Project Address | Total Homeless Units | Average Annual LOSP | Total 15-Year Not-to-Exceed LOSP |
|--------------------|------------------------|-----------------------------|----------------------------|---|
| 13-0560 | 225 Berry Street | 51 | \$764,568 | \$11,468,518 |
| 13-0561 | 1075 Le Conte Avenue | 72 | 864,946 | 12,974,190 |
| 13-0562 | 25 Essex Street | 120w | 1,192,139 | 17,882,085 |

Annual LOSP funding are funded through recoveries from the Department of Public Health and the Human Services Agency to the Mayor’s Office of Housing, primarily with General Fund revenues.

Recommendation: Approve the proposed resolutions.

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$63,505 in FY 2013-14. Of the \$63,505 in recommended reductions, \$15,104 are ongoing savings and \$48,401 are one-time savings. These reductions would still allow an increase of \$25,384,272 or 97.6% in the Department’s FY 2013-14 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended General Fund encumbrances, which would allow the return of \$6,851 to the General Fund.

Together, these recommendations will result in \$70,356 savings to the City’s General Fund in FY 2013-14.

In addition, the Budget and Legislative Analyst includes a Policy Recommendation regarding the Housing Trust Fund for FY 2013-14.

FY 2014-15

The Budget and Legislative Analyst’s recommended General Fund reductions to the proposed budget total \$15,653 in FY 2014-15, all of which are ongoing savings. These reductions would still allow an increase of \$3,131,917 or 6.1% in the Department’s FY 2014-15 budget.

In addition, the Budget and Legislative Analyst includes a Policy Recommendation regarding the Housing Trust Fund for FY 2014-15.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

| MYR - Mayor | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|--------------------------------|--|------|----------------------|-----------|----------|----|------------|------|----------------------|----------|----------|----|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| Public Service Aide | 1.00 | 0.75 | \$35,844 | \$26,883 | x | | 1.00 | 0.75 | \$36,455 | \$27,341 | x | |
| Mandatory Fringe Benefits | | | \$24,572 | \$18,429 | x | | | | \$26,155 | \$19,616 | x | |
| | | | <i>Total Savings</i> | | \$15,104 | | | | <i>Total Savings</i> | | \$15,653 | |
| | Adjustment reflects that this new permanent Public Service Aide requested in FY 2013-14 is currently a temporary position which will be filled on a .75 FTE basis. | | | | | | | | | | | |
| | Ongoing savings | | | | | | | | | | | |
| | FY 2012-13 | | | | | | | | | | | |
| | FAB - Community Investment | | | | | | | | | | | |
| Programmatic Projects - Budget | | | \$148,401 | \$100,000 | x | x | | | | | | |
| | Reduce current FY projected General Fund balance that has not previously been accounted for, due to more recent projections of expenditures for project savings. | | | | | | | | | | | |

FY 2013-14

Total Recommended Reductions

| | | | | | |
|---------------------|----------|-------------------------|----------|--------------|----------|
| One-Time | \$48,401 | Ongoing | \$15,104 | Total | \$63,505 |
| General Fund | \$0 | Non-General Fund | \$0 | Total | \$0 |
| General Fund | \$48,401 | Non-General Fund | \$15,104 | Total | \$63,505 |

FY 2014-15

Total Recommended Reductions

| | | | | | |
|---------------------|-----|-------------------------|----------|--------------|----------|
| One-Time | \$0 | Ongoing | \$15,653 | Total | \$15,653 |
| General Fund | \$0 | Non-General Fund | \$0 | Total | \$0 |
| General Fund | \$0 | Non-General Fund | \$15,653 | Total | \$15,653 |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

MYR - Mayor

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | | | | | | | | |
|--------------|------------|----|--------|----|---------|----|------------|----|------|----|------|----|--------|----|---------|----|------|----|------|----|
| | FTE | | Amount | | Savings | | GF | | IT | | FTE | | Amount | | Savings | | GF | | IT | |
| | From | To | From | To | From | To | From | To | From | To | From | To | From | To | From | To | From | To | From | To |

Policy Recommendations

MYR - Mayor

| FFC - Affordable Housing - Housing Trust Fund | | | | | | | | | | | | | | | | | | | | | |
|--|------------|----|--------------|--------------|---------|----|------------|----|------|----|------|----|--------|--------------|--------------|-----|------|----|------|----|---|
| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | | | | | | | | | |
| | FTE | | Amount | | Savings | | GF | | IT | | FTE | | Amount | | Savings | | GF | | IT | | |
| | From | To | From | To | From | To | From | To | From | To | From | To | From | To | From | To | From | To | From | To | |
| Neighborhood Initiative - Programmatic Project | | | \$200,000 | \$200,000 | \$0 | | x | | | | | | | | | | | | | | |
| Neighborhood Initiative - Community Based Org | | | \$1,000,000 | \$1,000,000 | \$0 | | x | | | | | | | \$1,000,000 | \$1,000,000 | \$0 | | | | | x |
| Downpayment Assistance Loan Program | | | \$1,000,000 | \$1,000,000 | \$0 | | x | | | | | | | \$2,000,000 | \$2,000,000 | \$0 | | | | | x |
| First Responder Loan Program | | | \$1,000,000 | \$1,000,000 | \$0 | | x | | | | | | | \$1,000,000 | \$1,000,000 | \$0 | | | | | x |
| Housing Stabilization - Community Based Org | | | \$825,000 | \$825,000 | \$0 | | x | | | | | | | \$1,100,000 | \$1,100,000 | \$0 | | | | | x |
| Housing Development Pool Loans | | | \$14,821,000 | \$14,821,000 | \$0 | | x | | | | | | | \$14,346,000 | \$14,346,000 | \$0 | | | | | x |
| Small Site Acq/Rehab Program Loans | | | \$1,000,000 | \$1,000,000 | \$0 | | x | | | | | | | \$2,000,000 | \$2,000,000 | \$0 | | | | | x |
| Total Savings | | | | | | | | | | | | | | | | | | | | | |
| \$0 | | | | | | | | | | | | | | | | | | | | | |

The above-listed programs totaling \$18,846,000 are part of the Mayor's Office of Housing new \$20 million General Fund set-aside for the Housing Trust Fund, in response to San Francisco voters approval of Proposition C in November 2012. The total Housing Trust Fund appropriation of \$20 million is not discretionary, and there are specific required funding levels over the first five years, such as (a) \$15 million for the Downpayment Assistance Loan Programs in the first five years, (b) up to \$15 million for the Housing Stabilization Programs in the first five years, and (c) a maximum of 10% of the Housing Trust Fund in any one year for the Neighborhood Infrastructure Grant Program. However, the specific allocation of funding to individual programs is discretionary in FY 2013-14, such that the requested specific appropriations are considered policy decisions for the Board of Supervisors.

FY 2013-14

| Total Policy Recommendations | | |
|------------------------------|------------|------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 |
| Total | \$0 | \$0 |

FY 2014-15

| Total Policy Recommendations | | |
|------------------------------|------------|------------|
| One-Time | Ongoing | Total |
| General Fund | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 |
| Total | \$0 | \$0 |

**Recommendations of the Budget and Legislative Analyst
For Reduction and Close-out of Past-year Encumbrances from City Budget**

MYR - Mayor

| Vendor Name | Subobject Title | General Fund Savings | Year of Appropriation | Date of Last Recorded Transaction | Original Amount | Unexpended Balance |
|--------------------|------------------------|-----------------------------|------------------------------|--|--|---------------------------|
| Xerox Corporation | Copy Machine | Yes | 2011 | 9/27/2012 | 5,000.00 | 1,575.00 |
| Xerox Corporation | Copy Machine | Yes | 2002 | 9/27/2012 | 696.00 | 360.00 |
| Regency | Other Current Expenses | Yes | 2002 | 9/27/2012 | 4,000.00 | 1,410.00 |
| Staples Inc | Other Office Supplies | Yes | 2011 | 9/27/2012 | 800.00 | 800.00 |
| Staples Inc | Other Office Supplies | Yes | 2011 | 9/27/2012 | 4,500.00 | 2,506.00 |
| Staples Inc | Other Office Supplies | Yes | 2011 | 9/27/2012 | 200.00 | 200.00 |
| | | | | | Total Amount Return to Fund Balance | 6,851.00 |
| | | | | | General Fund | 6,851.00 |
| | | | | | Non-General Fund | - |

Note: The above encumbrance balances are from budget years prior to FY 2013-14. The Department has indicated that the balances of these encumbrances are no longer needed, therefore the balances can be returned to the General Fund, if applicable.

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The department's proposed \$16,847,957 budget for FY 2013-14 is \$4,431,109 or 35.7% more than the original FY 2012-13 budget of \$12,416,848.

Personnel Changes

The number of full-time equivalent (FTE) positions budgeted for FY 2013-14 are 53.44 FTEs, which is 11.19 FTEs more than the 42.25 FTEs in the original FY 2012-13 budget. This represents a 26.5% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The department's non-General Fund revenues of \$333,393 in FY 2013-14, are \$558,963 or 62.6% less than FY 2012-13 non-General Fund revenues of \$892,356. General Fund support of \$16,514,564 in FY 2013-14 is \$4,990,072 or 43.3% more than FY 2012-13 General Fund support of \$11,524,492.

YEAR TWO: FY 2014-15

Budget Changes

The department's proposed \$15,981,195 budget for FY 2014-15 is \$866,762 or 5.1% less than the Mayor's proposed FY 2013-14 budget of \$16,847,957.

Personnel Changes

The number of full-time equivalent (FTE) positions budgeted for FY 2014-15 are 47.43 FTEs, which is 6.01 FTEs less than the 53.44 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 11.3% decrease in FTEs from the Mayor's proposed FY 2013-14 budget.

Revenue Changes

The department's non-General Fund revenues of \$785,482 in FY 2014-15 are \$452,089 or 135.6% more than FY 2013-14 estimated non-General Fund revenues of \$333,393. General Fund support of \$15,195,713 in FY 2014-15 is \$1,318,851 or 8% less than FY 2013-14 General Fund support of \$16,514,564.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: REG - ELECTIONS

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$151,934 in FY 2013-14, all of which would be ongoing savings. These reductions would still allow an increase of \$4,279,175 or 34.5% in the Department’s FY 2013-14 budget.

These recommendations will result in \$151,934 savings to the City’s General Fund in FY 2013-14.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$161,321 in FY 2014-15, all of which are ongoing savings. These recommendations will result in \$161,321 savings to the City’s General Fund in FY 2014-15.

In addition, the Budget and Legislative Analyst recommends a Budget and Finance Committee Reserve in FY 2014-15 totaling \$2,500,000 of General Funds.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: REG - ELECTIONS

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012- 2013 Budget | FY 2013- 2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|------------------|-------------------------------------|---------------------------------------|--|---------------------------------------|--|
| ELECTIONS | | | | | |
| ELECTIONS | 12,416,848 | 16,847,957 | 4,431,109 | 15,981,195 | (866,762) |
| ELECTIONS | 12,416,848 | 16,847,957 | 4,431,109 | 15,981,195 | (866,762) |

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$4,431,109 largely due to:

- Increase from one election in FY 2012-13 (November 6, 2012 Consolidated General Election) to two elections in FY 2013-14 (November 5, 2013 Municipal Election and June 3, 2014 Consolidated Gubernatorial Primary Election) which results in increases in all election-related costs, including printing, postage, professional services, facilities rental, pollworker expenditures, and Sheriff’s security services;
- Addition of 12.32 FTE new permanent positions partially offset by a reduction of funding for 2.30 FTE temporary positions; and
- Mandated increases in salary and fringe benefits due to negotiated labor, retirement and health benefit costs.

An area of concern regarding the FY 2013-14 budget is that:

- Section 500(c)(6) of the Municipal Elections Code requires the Department of Elections mail a Voter Information Pamphlet (VIP) which contains the full text of each measure to be voted upon at the next election to every registered voter in San Francisco. A Referendum Against Ordinance 104-12, (8 Washington Street) has qualified to appear on the November 5, 2013 election ballot. However, the full text of this Referendum is 502 pages.
- According to the Department of Elections, the average cost of one page of the VIP is approximately \$3,500, such that it is estimated to cost approximately \$1,757,000 to print and mail the full 502 page Referendum. However, the Department of Elections has currently budgeted sufficient VIP printing and postage for only a total of approximately 72 pages for the November 2013 election. Therefore, the Department of Elections does not have sufficient funds in the proposed FY 2013-14 budget to print and post the VIP for this Referendum.
- Currently, there are two ordinances to amend the Municipal Elections Code to (1) not print the text of any ballot measure in the VIP that exceeds 20 pages (File 13-0434); and (2) not print the text of any ballot measure in the VIP that exceeds 100 pages (File 13-0431) that are pending before the Board of Supervisors under 30-day rule.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: REG - ELECTIONS

FY 2014-15

The Department's proposed FY 2014-15 budget would decrease by \$866,762 largely due to:

- Decrease from two elections in FY 2013-14 (November 5, 2013 Municipal Election and June 3, 2014 Consolidated Gubernatorial Primary Election) to one election in FY 2014-15 (November 4, 2014 Consolidated Gubernatorial General Election) which results in reductions in all election-related costs; and
- Reduction of 9.72 FTE positions or over \$800,000 for Temporary Salaries due to fewer elections and the addition of new permanent positions added in FY 2013-14.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 53.44 FTEs, which are 11.19 FTEs more than the 42.25 FTEs in the original FY 2012-13 budget. This represents a 26.5% increase in FTEs from the original FY 2012-13 budget. The Table below summarizes the 12.32 FTE new permanent positions. These 12.32 new permanent positions are partially offset by a reduction of 2.30 FTE temporary positions in FY 2013-14.

| New Position Classification | New Position Title | Number of New Positions in FY 2013-14 | Total Cost of Positions Salaries and Benefits in FY 2013-14 | Total Annualized Number of Positions | Total Cost of Positions Salaries and Benefits in FY 2014-15 |
|------------------------------------|-----------------------------|--|--|---|--|
| 1950 | Assistant Purchaser | .77 | \$75,351 | 1.0 | \$101,210 |
| 1840 | Junior Management Assistant | 3.08 | 307,959 | 4.0 | 415,065 |
| 1842 | Management Assistant | 3.08 | 344,231 | 4.0 | 464,130 |
| 1062 | IS Programmer Analyst | .77 | 89,527 | 1.0 | 120,300 |
| 1403 | Elections Clerks | 4.62 | 399,486 | 6.0 | 538,118 |
| Total | | 12.32 | \$1,216,554 | 16.0 | \$1,638,023 |

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: REG - ELECTIONS

FY 2014-15

The number of full-time equivalent (FTE) positions budgeted for FY 2014-15 are 47.43 FTEs, which are 6.01 FTEs less than the 53.44 FTEs in the Mayor's proposed FY 2013-14 budget. This represents a 11.3% decrease in FTEs from the Mayor's proposed FY 2013-14 budget.

The Table above summarizes the annualization of the 12.32 FTE new positions added in FY 2013-14 to 16 FTE positions in FY 2014-15, an increase of 3.68 FTEs. In addition, the FY 2014-15 budget decreases Temporary Salary positions by 9.72 FTEs.

DEPARTMENT REVENUES:

FY 2013-14

The department's non-General Fund revenues of \$333,393 in FY 2013-14, are \$558,963 or 62.6% less than FY 2012-13 revenues of \$892,356. General Fund support of \$16,514,564 in FY 2013-14 is \$4,990,072 or 43.3% more than the FY 2012-13 General Fund support of \$11,524,492.

Specific changes in the Department's FY 2013-14 revenues include:

- Reductions in revenues received from the Retirement System and Health Service System because these organizations will not be holding elections in FY 2013-14. Similarly, there are no scheduled Community College, Bay Area Rapid Transit (BART) or San Francisco Unified School District elections scheduled for FY 2013-14, which were held in FY 2012-13, reducing the Department of Elections revenue recoveries; and
- Partially offset by increases in Candidate Filing Fees and Paid Ballot Arguments because there are two elections in FY 2013-14 as compared to only one election in FY 2012-13.

FY 2014-15

The department's non-General Fund revenues of \$785,482 in FY 2014-15, are \$452,089 or 135.6% more than the FY 2013-14 revenues of \$333,393. General Fund support of \$15,195,713 in FY 2014-15 is \$1,318,851 or 8% less than FY 2013-14 General Fund support of \$16,514,564.

Specific changes in the Department's FY 2014-15 revenues include:

- Increases in revenues received from the Health Service System for an election scheduled for FY 2014-15. Similarly, elections are scheduled for the Community College, BART and the San Francisco Unified School District in FY 2014-15, which will result in additional Department of Elections revenue recoveries; and
- Partially offset by reductions in Candidate Filing Fees and Paid Ballot Arguments due to one election in FY 2014-15.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: REG - ELECTIONS

COMMENTS:

FY 2013-14

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$151,934 in FY 2013-14, all of which are ongoing savings. These reductions would still allow an increase of \$4,279,175 or 34.5% in the Department's FY 2013-14 budget.

These recommendations will result in \$151,934 savings to the City's General Fund in FY 2013-14.

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$161,321 in FY 2014-15, all of which are ongoing savings. These recommendations will result in \$161,321 savings to the City's General Fund in FY 2014-15.

In addition, the Budget and Legislative Analyst recommends a Budget and Finance Committee Reserve in FY 2014-15 totaling \$2,500,000 of General Funds.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

REG - Elections

| Object Title | FY 2013-14 | | | | FY 2014-15 | | | | | |
|--|----------------------|--------|-------------|-------------|------------|--------|----------------------|-------------|-----------|---|
| | FTE | | Amount | | FTE | | Amount | | | |
| | From | To | From | To | From | To | From | To | | |
| FCH - Elections | | | | | | | | | | |
| Attrition Savings | (1.97) | (3.25) | (\$160,835) | (\$265,337) | | (3.25) | (\$160,828) | (\$269,428) | \$108,600 | x |
| Mandatory Fringe Benefits | | | (\$73,000) | (\$120,432) | | | (\$78,076) | (\$130,797) | \$52,721 | x |
| | <i>Total Savings</i> | | \$151,934 | | | | <i>Total Savings</i> | | \$161,321 | |
| Increase Attrition Savings due to existing 2.75 FTE positions being held vacant to achieve budgeted savings plus additional .50 FTE projected savings. | | | | | | | | | | |
| Miscellaneous Facilities Rental | | | | | | | \$1,479,756 | \$1,479,756 | \$0 | x |
| Place \$500,000 on Budget and Finance Committee Reserve for rent pending approval of a new lease and determination of the actual costs to relocate the Department's warehouse from Pier 48. This General Fund appropriation of \$500,000 is an additional amount included in the FY 2014-15 budget in anticipation of the need to relocate and potentially higher lease costs. | | | | | | | | | | |
| Bldgs, Structures & Improvement Project | | | | \$0 | | | \$2,000,000 | \$2,000,000 | \$0 | x |
| Place \$2,000,000 on Budget and Finance Committee Reserve pending approval of a new lease and determination of the actual costs to relocate the Department's warehouse from Pier 48. A one-time General Fund appropriation of \$2,000,000 is included in the FY 2014-15 capital budget in anticipation of the need to relocate and move the Department of Elections warehouse. | | | | | | | | | | |

FY 2013-14

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|------------|------------------|------------------|
| General Fund | \$0 | \$151,934 | \$151,934 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$151,934 | \$151,934 |

FY 2014-15

Total Recommended Reductions

| | One-Time | Ongoing | Total |
|------------------|------------|------------------|------------------|
| General Fund | \$0 | \$161,321 | \$161,321 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$161,321 | \$161,321 |

FY 2013-14

Total Reserve Recommendations

| | One-Time | Ongoing | Total |
|------------------|------------|------------|------------|
| General Fund | \$0 | \$0 | \$0 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$0 | \$0 | \$0 |

FY 2014-15

Total Reserve Recommendations

| | One-Time | Ongoing | Total |
|------------------|--------------------|------------|--------------------|
| General Fund | \$2,500,000 | \$0 | \$2,500,000 |
| Non-General Fund | \$0 | \$0 | \$0 |
| Total | \$2,500,000 | \$0 | \$2,500,000 |

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2013-14

Budget Changes

The Department’s proposed \$294,885,613 budget for FY 2013-14 is \$26,341,866 or 9.8% more than the original FY 2012-13 budget of \$268,543,747.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 717.61 FTEs, which are 28.99 FTEs more than the 688.62 FTEs in the original FY 2012-13 budget. This represents a 4.2% increase in FTEs from the original FY 2012-13 budget.

Revenue Changes

The Department's revenues of \$243,048,043 in FY 2013-14, are \$18,892,394 or 8.4% more than FY 2012-13 revenues of \$224,155,649. General Fund support of \$51,837,570 in FY 2013-14 is \$7,449,472 or 16.8% more than FY 2012-13 General Fund support of \$44,388,098.

YEAR TWO: FY 2014-15

Budget Changes

The Department’s proposed \$292,716,021 budget for FY 2014-15 is \$2,169,592 or 0.7% less than the Mayor’s proposed FY 2013-14 budget of \$294,885,613.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 732.98 FTEs, which are 15.37 FTEs more than the 717.61 FTEs in the Mayor’s proposed FY 2013-14 budget. This represents a 2.1% increase in FTEs from the Mayor’s proposed FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$245,839,929 in FY 2014-15 are 2,791,886 or 1.1% more than FY 2013-14 estimated revenues of \$243,048,043. General Fund support of \$46,876,092 in FY 2014-15 is \$4,961,478 or 9.6% less than FY 2013-14 General Fund support of \$51,837,570.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

RECOMMENDATIONS

YEAR ONE: FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$798,772 in FY 2013-14. Of the \$798,772 in recommended reductions, \$614,367 are ongoing savings and \$184,405 are one-time savings. These reductions would still allow an increase of \$25,543,094 or 9.5% in the Department’s FY 2013-14 budget.

YEAR TWO: FY 2014-15

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$674,479 in FY 2014-15, which are ongoing savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

SUMMARY OF PROGRAM EXPENDITURES:

| Program | FY 2012-2013 Budget | FY 2013-2014 Proposed | Increase/ Decrease from FY 2012- 2013 | FY 2014- 2015 Proposed | Increase/ Decrease from FY 2013- 2014 |
|---|------------------------|--------------------------|---|------------------------------|---|
| GENERAL SERVICES AGENCY - CITY ADMIN | | | | | |
| 11 CALL CENTER | 10,879,996 | 11,479,480 | 599,484 | 11,794,312 | 314,832 |
| ANIMAL WELFARE | 5,395,922 | 5,712,200 | 316,278 | 4,963,433 | (748,767) |
| CAPITAL ASSET PLANNING | 750,000 | 750,000 | 0 | 750,000 | 0 |
| CITY ADMINISTRATOR - ADMINISTRATION | 9,469,713 | 10,528,005 | 1,058,292 | 10,415,663 | (112,342) |
| COMMUNITY AMBASSADOR PROGRAM | 496,385 | 580,753 | 84,368 | 718,484 | 137,731 |
| COMMUNITY REDEVELOPMENT | 0 | 728,678 | 728,678 | 752,019 | 23,341 |
| CONTRACT MONITORING | 4,476,177 | 4,662,030 | 185,853 | 3,986,097 | (675,933) |
| COUNTY CLERK SERVICES | 1,894,985 | 1,886,255 | (8,730) | 1,876,877 | (9,378) |
| DISABILITY ACCESS | 8,424,249 | 7,937,835 | (486,414) | 5,490,603 | (2,447,232) |
| EARTHQUAKE SAFETY PROGRAM | 440,000 | 590,000 | 150,000 | 590,000 | 0 |
| ENTERTAINMENT COMMISSION | 861,464 | 851,356 | (10,108) | 875,315 | 23,959 |
| FACILITIES MGMT & OPERATIONS | 40,692,393 | 45,788,116 | 5,095,723 | 50,922,979 | 5,134,863 |
| FLEET MANAGEMENT | 991,055 | 990,923 | (132) | 1,125,655 | 134,732 |
| GRANTS FOR THE ARTS | 11,888,347 | 12,787,639 | 899,292 | 12,814,723 | 27,084 |
| IMMIGRANT AND LANGUAGE SERVICES | 1,841,055 | 2,009,655 | 168,600 | 2,026,021 | 16,366 |
| JUSTIS PROJECT - CITY ADM OFFICE | 3,481,495 | 3,397,792 | (83,703) | 3,425,758 | 27,966 |
| LIVING WAGE / LIVING HEALTH (MCO/HCAO) | 3,297,163 | 3,722,140 | 424,977 | 3,820,910 | 98,770 |
| MEDICAL EXAMINER | 6,191,525 | 11,406,772 | 5,215,247 | 6,738,758 | (4,668,014) |
| MOSCONE EXPANSION PROJECT | 1,700,000 | 3,400,000 | 1,700,000 | 0 | (3,400,000) |
| NEIGHBORHOOD BEAUTIFICATION | 1,865,000 | 1,840,000 | (25,000) | 1,380,000 | (460,000) |
| PROCUREMENT SERVICES | 5,106,654 | 5,366,628 | 259,974 | 5,544,031 | 177,403 |
| PUBLICITY AND ADVERTISING | 0 | 0 | 0 | 0 | 0 |
| REAL ESTATE SERVICES | 26,874,789 | 27,414,519 | 539,730 | 29,921,138 | 2,506,619 |
| REPRODUCTION SERVICES | 6,025,989 | 6,853,219 | 827,230 | 6,799,546 | (53,673) |
| RISK MANAGEMENT / GENERAL | 14,325,471 | 18,305,849 | 3,980,378 | 18,376,381 | 70,532 |
| TOURISM EVENTS | 73,465,907 | 73,595,485 | 129,578 | 74,688,351 | 1,092,866 |
| TREASURE ISLAND | 1,758,079 | 1,924,948 | 166,869 | 1,848,550 | (76,398) |
| VEHICLE & EQUIPMENT MAIN & FUELING | 25,949,934 | 30,375,336 | 4,425,402 | 31,070,417 | 695,081 |
| GENERAL SERVICES AGENCY - CITY ADMIN | 268,543,747 | 294,885,613 | 26,341,866 | 292,716,021 | (2,169,592) |

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

FY 2013-14

The Department’s proposed FY 2013-14 budget has increased by \$26,341,866 largely due to:

- Increased spending on capital projects, including the Moscone Expansion Project, a new emergency generator and fire alarm system at City Hall, the Alemany Market repaving, and various building improvements related to American’s with Disabilities Act (ADA) compliance;
- Increased insurance premium costs for commercial properties owned by the City;
- Relocation of the Medical Examiner’s office to a new, seismically-safe facility;
- Increased costs for vehicle maintenance and fuel;
- Increased salary costs due to increased demand for services from the 311 Call Center, Reproduction Services, and the Facilities and Operations programs; and
- New rent payments for 1155 Market Street and increased debt service for City-owned properties.

FY 2014-15

The Department’s proposed FY 2014-15 budget has decreased by \$2,169,592 from the Mayor’s proposed FY 2013-14 budget largely due to completion of one-time projects, such as the relocation of the Medical Examiner’s Office.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2013-14

The number of full-time equivalent positions (FTE) budgeted for FY 2013-14 are 717.61 FTEs, which are 28.99 FTEs more than the 688.62 FTEs in the original FY 2012-13 budget. This represents a 4.2% increase in FTEs from the original FY 2012-13 budget. The increase in FTEs results from reductions in attrition savings, allowing the Department to hire vacant positions, and increases in temporary salaries for the 311 Call Center. The Department is also requesting new positions including:

- One Senior Administrative Analyst to support the Budget and Planning Unit in the City Administrator’s Office;
- One Junior Management Assistant in the Immigrant and Language Services program;
- Two Clerks and one Graphic Artist in Reproduction Services to handle increased demand for services; and

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2013-14 AND FY 2014-15**

DEPARTMENT: ADM – CITY ADMINISTRATOR’S OFFICE

- Planner III, Manager I, and Administrative Analyst positions in Facilities Management and Operations in preparation for the new public safety building.

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 732.98 FTEs, which are 15.37 FTEs more than the 717.61 FTEs in the Mayor’s proposed FY 2013-14 budget. This represents a 2.1% increase in FTEs from the Mayor’s proposed FY 2013-14 budget.

DEPARTMENT REVENUES:

FY 2013-14

The Department's revenues of \$243,048,043 in FY 2013-14, are \$18,892,394 or 8.4% more than FY 2012-13 revenues of \$224,155,649. General Fund support of \$51,837,570 in FY 2013-14 is \$7,449,472 or 16.8% more than FY 2012-13 General Fund support of \$44,388,098.

FY 2014-15

The Department's revenues of \$245,839,929 in FY 2014-15 are 2,791,886 or 1.1% more than FY 2013-14 estimated revenues of \$243,048,043. General Fund support of \$46,876,092 in FY 2014-15 is \$4,961,478 or 9.6% less than FY 2013-14 General Fund support of \$51,837,570.

COMMENTS

FY 2013-14

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$798,772 in FY 2013-14. Of the \$798,772 in recommended reductions, \$614,367 are ongoing savings and \$184,405 are one-time savings. These reductions would still allow an increase of \$25,543,094 or 9.5% in the Department’s FY 2013-14 budget.

FY 2014-15

The Budget and Legislative Analyst’s recommended reductions to the proposed budget total \$674,479 in FY 2014-15, which are ongoing savings.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ADM - Administration

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|---------------------------------------|--|----|----------------------|-------------|----------|----|------------|----|-----------|-----------|----------|----|
| | FTE | | Amount | | Savings | GF | FTE | | Amount | | Savings | GF |
| | From | To | From | To | | | From | To | From | To | | |
| FFO - 311 Call Center | | | | | | | | | | | | |
| Temporary Salaries | | | \$418,331 | \$371,331 | \$47,000 | x | | | | | | |
| Mandatory Fringe Benefits | | | \$12,509 | \$11,103.60 | \$1,405 | x | | | | | | |
| | | | <i>Total Savings</i> | | \$48,405 | | | | | | | |
| | The Mayor's proposed FY 2013-14 budget increases temporary salaries by \$250,000 in the 311 Call Center. The recommended reduction of \$47,000 is consistent with the 311 Call Center's operational need and FY 2014-15 budgeted expenditures. | | | | | | | | | | | |
| Other Current Expenses | | | \$382,500 | \$354,781 | \$27,719 | x | | | \$382,500 | \$354,781 | \$27,719 | x |
| | Reduced to reflect anticipated expenses on actual software and technology services based off documentation provided by the department. | | | | | | | | | | | |
| Professional and Specialized Services | | | \$51,000 | \$35,000 | \$16,000 | x | | | | | | |
| | Department is requesting a one-time \$16,000 increase in this line-item. Of this amount, \$6,000 is allotted for "enhanced security," which is not necessary for delivering program services. The remaining \$10,000 of the increase, allocated for software licences, can be covered by the amount previously budgeted. | | | | | | | | | | | |
| | AUA-Animal Welfare | | | | | | | | | | | |
| Training | | | \$10,000 | \$7,500 | \$2,500 | x | | | \$10,000 | \$7,500 | \$2,500 | x |
| | Reduction reflects historical expenditures. | | | | | | | | | | | |
| Materials and Supplies | | | \$253,000 | \$223,000 | \$30,000 | x | | | \$253,000 | \$223,000 | \$30,000 | x |
| | Department is requesting an increase of \$50,000 (from the previous year total of \$203,000 to \$253,000) to cover the increased cost of animal medicines and new equipment. The Budget and Legislative Analyst's recommendation provides for a 10 percent increase, consistent with the expected increase in the cost of medicines. | | | | | | | | | | | |
| Equipment Purchase | | | \$96,034 | \$71,034 | \$25,000 | x | | | | | | |
| | Reduce to reflect actual price plus sales tax for one new F250 CNG truck and one new Prius. | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ADM - Administration

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|-------------------------------|--|--------|--------------------------------|-------------|----|----|------------|--------|--------------------------------|-------------|----|----|
| | FTE | | Amount | | GF | IT | FTE | | Amount | | GF | IT |
| | From | To | From | To | | | From | To | From | To | | |
| Attrition Savings--Misc. | (1.35) | (1.80) | (\$89,901) | (\$118,391) | x | | (1.35) | (1.80) | (\$91,069) | (\$121,977) | x | |
| Mandatory Fringe Benefits | | | (\$35,960) | (\$47,356) | x | | | | (\$36,428) | (\$48,791) | x | |
| | | | <i>Total Savings</i> \$39,886 | | | | | | <i>Total Savings</i> \$43,271 | | | |
| | <p>The Mayor's proposed FY 2013-14 budget reduces attrition savings to allow for the hire of vacant positions. The Department has not shown the need for the increased staffing. The Budget and Legislative Analyst's recommendation would restore attrition savings to the FY 2012-13 amount.</p> | | | | | | | | | | | |
| | FAC-City Administrator's Office | | | | | | | | | | | |
| Travel | | | \$11,700 | \$7,500 | x | | | | \$11,700 | \$7,500 | x | |
| | Reduction reflects projected expenditures for FY 2013-14. | | | | | | | | | | | |
| Senior Administrative Analyst | 0.77 | 0.00 | \$74,965 | \$0 | x | | 1.00 | 0.00 | \$98,552 | \$0 | x | |
| Mandatory Fringe Benefits | | | \$29,986 | \$0 | x | | | | \$39,421 | \$0 | x | |
| | | | <i>Total Savings</i> \$104,951 | | | | | | <i>Total Savings</i> \$137,973 | | | |
| | <p>City Administrator's Office is requesting 1.00 FTE new Senior Administrative Analyst position to handle programmatic responsibilities in the Budget and Planning Department. However, the program has four vacant analyst positions, as well as already having a Senior Administrative Analyst on staff. The department should be able handle responsibilities with current FY staffing levels if current vacancies are filled.</p> | | | | | | | | | | | |
| | Ongoing reduction. | | | | | | | | | | | |
| Attrition Savings--Misc. | (1.29) | (1.94) | (\$132,565) | (\$196,068) | x | | (1.29) | (1.94) | (\$134,316) | (\$196,068) | x | |
| Mandatory Fringe Benefits | | | (\$53,026) | (\$76,961) | x | | | | (\$53,726) | (\$76,961) | x | |
| | | | <i>Total Savings</i> \$87,438 | | | | | | <i>Total Savings</i> \$84,987 | | | |
| | <p>The Mayor's proposed FY 2013-14 budget reduces attrition savings to allow for the hire of vacant positions. The Department has not shown the need for the increased staffing. The Budget and Legislative Analyst's recommendation would restore attrition savings to the FY 2012-13 amount.</p> | | | | | | | | | | | |
| | Ongoing savings. | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ADM - Administration

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | | |
|---|------------|--------|------------|-------------|-----------|---------|------------|--------|------------|-------------|-------|-----------|---|
| | FTE | | Amount | | GF 1T | Savings | FTE | | Amount | | GF 1T | Savings | |
| | From | To | From | To | | | From | To | From | To | | | |
| AME - County Clerk Services | | | | | | | | | | | | | |
| Professional and Specialized Services | | | \$61,130 | \$43,000 | \$18,130 | x | | | \$61,130 | \$43,000 | | \$18,130 | x |
| Department has agreed to this reduction to match expected spending patterns. | | | | | | | | | | | | | |
| Materials and Supplies | | | \$110,000 | \$90,000 | \$20,000 | x | | | \$110,000 | \$90,000 | | \$20,000 | X |
| Recommended reduction reflects expected actual expenditures over next two fiscal years. | | | | | | | | | | | | | |
| FFN - Immigrant and Language Services | | | | | | | | | | | | | |
| Junior Management Assistant | 0.77 | 0.00 | \$51,853 | \$0 | \$51,853 | x | 1.00 | 0.00 | \$68,490 | \$0 | | \$68,490 | x |
| Mandatory Fringe Benefits | | | \$20,741 | \$0 | \$20,741 | x | | | \$27,396 | \$0 | | \$27,396 | x |
| <i>Total Savings \$72,594</i> | | | | | | | | | | | | | |
| Program currently has a vacancy open for a 1842 Management Assistant that hasn't been filled since December of 2012. Program should fill all open permanent positions before requesting additional staff. | | | | | | | | | | | | | |
| ASG - Medical Examiner | | | | | | | | | | | | | |
| Attrition Savings--Misc | (0.11) | (1.11) | (\$13,021) | (\$137,813) | \$124,792 | x | (0.11) | (1.11) | (\$13,202) | (\$140,040) | | \$126,838 | x |
| Mandatory Fringe Benefits | | | (\$5,208) | (\$55,125) | \$49,917 | x | | | (\$5,281) | (\$56,016) | | \$50,735 | x |
| <i>Total Savings \$174,709</i> | | | | | | | | | | | | | |
| The Mayor's proposed FY 2013-14 budget reduces attrition savings to allow for the hire of vacant positions. The Department has not shown the need for the increased staffing. The Budget and Legislative Analyst's recommendation would restore attrition savings to the FY 2012-13 amount. | | | | | | | | | | | | | |
| Equipment Purchase | | | \$184,151 | \$109,151 | \$75,000 | x | | | | | | | |
| Reduce to reflect actual price plus sales tax for 3 new Ford Econoline Cargo Vans and one new Ford Escape Hybrid. | | | | | | | | | | | | | |
| Training | | | \$29,240 | \$17,000 | \$12,240 | x | | | \$29,240 | \$17,000 | | \$12,240 | x |
| Reduction reflects what department has traditionally spent on trainings based on the last three budget years. | | | | | | | | | | | | | |

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2013-14 and FY 2014-15 Two-Year Budget**

ADM - Administration

| Object Title | FY 2013-14 | | | | | | FY 2014-15 | | | | | |
|------------------------|--|----|-----------|-----------|----------|-------|------------|----|-----------|-----------|----------|-------|
| | FTE | | Amount | | Savings | GF 1T | FTE | | Amount | | Savings | GF 1T |
| | From | To | From | To | | | From | To | From | To | | |
| Other Current Expenses | | | \$383,968 | \$363,968 | \$20,000 | x | | | \$383,968 | \$363,968 | \$20,000 | |
| | Department is requesting an increase in this line-item from \$303,968 to \$383,968 (for an \$80,000 increase). Of the \$80,000 increase over the current year's budget, \$40,000 was to make up for a cut in materials and supplies, while another \$20,000 was intended for refrigerator maintenance costs. That leaves \$20,000 that is beyond departmental needs. | | | | | | | | | | | |
| | FCC - Procurement Services | | | | | | | | | | | |
| Other Current Expenses | | | \$101,650 | \$81,650 | \$20,000 | x | | | | | | |
| | This line-item refers to software licensing fees related to the e-procurement system. The department has carry-forward funds from FY 2012-13 to pay for expenditures in FY 2013-14. | | | | | | | | | | | |

| Total Recommended Reductions | | | |
|------------------------------|------------------|------------------|------------------|
| General Fund | Non-General Fund | One-Time | Ongoing |
| \$184,405 | \$0 | \$614,367 | \$0 |
| \$184,405 | \$0 | \$614,367 | \$798,772 |

| Total Recommended Reductions | | | |
|------------------------------|------------------|------------------|------------------|
| General Fund | Non-General Fund | One-Time | Ongoing |
| \$0 | \$0 | \$674,479 | \$0 |
| \$0 | \$0 | \$674,479 | \$674,479 |