CITY AND COUNTY OF SAN FRANCISCO BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

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June 11, 2015

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 2015-2016 to Fiscal Year 2016-2017 Budget.

Page Descriptions for Departmental Budget Hearing, June 15, 2015 Meeting, 10:00 a.m. **ASR** Controller, Office of the9 CON **GEN** CAT RFG Health Service System......35 HSS HRD **ENV ECN** CPC TTX MYR **BOS**

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$25,003,879 budget for FY 2015-16 is \$1,146,711 or 4.8% more than the original FY 2014-15 budget of \$23,857,168.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 165.20 FTEs, which are 18.13 FTEs more than the 147.07 FTEs in the original FY 2014-15 budget. This represents a 12.3% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$6,105,104 in FY 2015-16 are \$137,697 or 2.3% more than FY 2014-15 revenues of \$5,967,407. General Fund support of \$18,898,775 in FY 2015-16 is \$1,009,014 or 5.6% more than FY 2014-15 General Fund support of \$17,889,761.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$25,106,763 budget for FY 2016-17 is \$102,884 or 0.4% more than the Mayor's proposed FY 2015-16 budget of \$25,003,879.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 165.91 FTEs, which is 0.71 FTEs more than the 165.20 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.4% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$6,108,232 in FY 2016-17, are \$3,128 or 0.05% more than FY 2015-16 estimated revenues of \$6,105,104. General Fund support of \$18,998,532 in FY 2016-17 is \$99,757 or 0.5% more than FY 2015-16 General Fund support of \$18,898,775.

DEPARTMENT: ASR – ASSESSOR/RECORDER

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$483,514 in FY 2015-16. Of the \$483,514 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$663,197 or 2.8% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$354,382 in FY 2016-17. Of the \$354,382 in recommended reductions, all are ongoing savings.

DEPARTMENT: ASR – ASSESSOR/RECORDER

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
ASESSOR/RECORDER					
PERSONAL PROPERTY	2,958,157	2,791,990	(166,167)	2,850,466	58,476
REAL PROPERTY	7,100,784	10,866,457	3,765,673	10,914,027	47,570
RECORDER	1,887,407	1,865,104	(22,303)	1,803,231	(61,873)
TECHNICAL SERVICES	10,477,703	8,290,451	(2,187,252)	8,277,826	(12,625)
TRANSFER TAX	1,433,117	1,189,877	(243,240)	1,261,213	71,336
ASESSOR/RECORDER	23,857,168	25,003,879	1,146,711	25,106,763	102,884

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$1,146,711 largely due to:

Movement of Project-Based Positions to Permanent Positions for New Property Tax Assessment System—In 2014-15 the Assessor-Recorder's office received funding for the project development phase of replacing the City's property tax assessment system, a COIT recommended capital project. The proposed budget includes the reassignment of 13.00 FTE limited-term project positions to permanent positions to address ongoing departmental needs.

Restructuring Department to Expand Assessment Enrollments—The City has experienced a four-fold increase in the number of assessment appeals compared to the prior ten-year average due to a high volume of new commercial and residential construction activity, as well as property sales, which is not expected to decline in the near term. The proposed budget includes increased funding for six new positions to evaluate new ways to assess values, test new strategies to gather assessment-related information, and increase the percentage of properties audited annually from five percent to 25-30 percent.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$102,884 largely due to:

Continued Efforts Related to New Property Tax Assessment System—The Department will continue efforts related to the upgrading of the City's property tax assessment system.

DEPARTMENT: ASR – ASSESSOR/RECORDER

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 165.20 FTEs, which is 18.13 FTEs more than the 147.07 FTEs in the original FY 2014-15 budget. This represents a 12.3% increase in FTEs from the original FY 2014-15 budget.

The Department has increased its number of FTEs due to the rise in workload caused by the high number of assessment appeals compared to the prior ten-year average. This is primarily due to a spike in the volume of new commercial and residential construction activity, as well as property sales which is not expected to decline in the near term. The Department will reassign 13.00 limited term FTE positions to permanent positions in FY 15-16. The proposed budget additionally includes funding for 1.54 FTE Junior Administrative Analysts, 0.77 FTE ASR Senior Office Specialist, and 2.31 Real Property Appraiser Trainees to evaluate new ways to assess values and pilot new strategies to gather assessment-related information, as well as 1.00 FTE IS Engineer to support IT operations. New positions will also review the Department's current backlog, and provide capacity to audit 25 – 30 percent of properties annually, rather than the five percent currently audited on an annual basis.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 165.91 FTEs, which is 0.71 FTE more than the 165.20 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.4% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

The Department plans to hire an additional Principal Real Property Appraiser in FY 2016-17 to continue efforts related to assessment technology and backlog review.

INTERIM EXCEPTION

The Department has requested approval of a 1042 IS Engineer-Journey 1.00 FTE position as an interim exception. The Budget and Legislative Analyst recommends disapproval of this interim exception to be hired on July 1, 2015.

Based on the information provided by the Department, the Budget and Legislative Analyst believes that the position should be filled on September 1, 2015.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$6,105,104 in FY 2015-16, are \$137,697 or 2.3% more than FY 2014-15 revenues of \$5,967,407. General Fund support of \$18,998,775 in FY 2015-16 is \$1,009,014 or 5.6% more than FY 2014-15 General Fund support of \$17,889,761.

DEPARTMENT: ASR – ASSESSOR/RECORDER

Specific changes in the Department's FY 2015-16 revenues include:

State Grant--The Department received a three-year \$1,285,000 grant in FY 2014-15 to fund five limited tenure positions working on new construction assessment cases. This grant funding for this pilot program will expire in FY 2017-18.

Property Tax System Replacement--The Department will receive \$360,000 in one-time funding to support four off-budget positions to complete the City's property tax system replacement in collaboration with the Office of the Treasurer-Tax Collector and the Office of the Controller.

FY 2016-17

The Department's revenues of \$6,108,232 in FY 2016-17, are \$3,128 or 0.05% more than FY 2015-16 estimated revenues of \$6,105,104. General Fund support of \$18,998,532 in FY 2016-17 is \$99,757 or 0.5% more than FY 2015-16 General Fund support of \$18,898,775.

Specific changes in the Department's FY 2016-17 revenues include:

State Grant-- Continued funding from the State for limited tenure positions to implement the pilot program to work on new construction assessment cases.

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$483,514 in FY 2015-16. Of the \$483,514 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$663,197 or 2.8% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$354,382 in FY 2016-17. Of the \$354,382 in recommended reductions, all are ongoing savings.

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			Ē	FY 2015-16						FY	FY 2016-17			
	<u>.</u>	FTE	Amc	Amount				Ŀ	FTE	Amount	ınt			
Object Title	From	To	From	To	Savings	GF	1T	From	To	From	То	Savings	GF	1T
	FDJ- Real Property	Property												
Senior Real Property Appraiser	2.00	0.00	\$204,560	0\$	\$204,560	×		2.00	0.00	\$211,522	0\$	\$211,522	×	
Mandatory Fringe Benefits			\$81,390	0\$	\$81,390	×				\$82,008	\$0	\$82,008	×	
Attrition Savings	(3.60)	(2.35)	(\$346,445)	(\$226,445)	(\$120,000)	X		(3.60)	(2.09)	(\$358,237)	(\$208,237)	(\$150,000)	X	
Mandatory Fringe Benefits			(\$140,663)	(\$91,941)	(\$48,722)	×				(\$141,645)	(\$82,336)	(\$29,309)	×	
			Total Savings	\$117,228						Total Savings	\$84,221			
	Delete va	cant positi	Delete vacant positions. One 4265 has been v	s been vacant since	acant since January 2013, the other	ne oth	er							
	has been	vacant sin	ce October 2013. /	has been vacant since October 2013. Adjust attrition savings to offset the position	ings to offset the	posit	ion .	Ongoing savings.	savings.					
	reduction Fiscal Yea	reductions. The Dep Fiscal Year 2014-15.	artment reports ti	reductions. The Department reports that it will have \$900,000 in salary savings in Fiscal Year 2014-15.	Ju,UUU in salary sa	avings	⊆							
Temporary Salaries	2.42	2.03	\$218,568	\$183,568	\$35,000	×		2.35	1.97	\$218,568	\$183,568	\$35,000	×	
Mandatory Fringe Benefits			\$17,266	\$14,501	\$2,765	X				\$17,310	\$14,538	\$2,772	×	
			Total Savings	\$37,765						Total Savings	\$37,772			
	Due to th reduce \$3 temporar Personne	e addition 5,000 in it y 1203 Per I Analyst is	Due to the addition of one new 1224 Personr reduce \$35,000 in its temporary salaries budg temporary 1203 Personnel Technician to perf Personnel Analyst is being hired to fill those c	Due to the addition of one new 1224 Personnel Analyst, the Department shou reduce \$35,000 in its temporary salaries budget, as they will no longer need a temporary 1203 Personnel Technician to perform clerical HR duties. The 1224 Personnel Analyst is being hired to fill those duties on a full-time basis.	nel Analyst, the Department should set, as they will no longer need a orm clerical HR duties. The 1224 luties on a full-time basis.	shoul ed a 1224	70	Ongoing savings.	savings.					
	FDL-Tech	FDL-Technical Services	ses											
Assessor-Recorder Office Assistant	2.00A	2.00L				×		2.00A	2.00L				×	
Mandatory Fringe Benefits	2.00A	2.00L				×			2.00L				×	
Real Property Appraiser	3.00A	3.00L				×		3.00A	3.00L				××	
Wandatory Fringe Benefits Senior Real Property Appraiser	3.00A 1.00A	3.00L 1.00L				× ×			3.00L				× ×	
Mandatory Fringe Benefits	1.00A	1.00L				×		1.00A	1.00L				×	
Principal Real Property Appraiser	1.00A	1.00L				×		1.00A	1.00L				×	
Mandatory Fringe Benefits	1.00A	1.00L				×		1.00A	1.00L				×	
	Deny the instead exthrough Finformati	substitutic tend the I Y 16-17. T	Deny the substitution of 7.00 limited tenure raistead extend the limited tenure of the 7.00 through FY 16-17. The Department has not pinformation to support making these position		ositions to permanent positions, positions by two additional years rovided sufficient workload s permanent.	ions, years		Deny the instead e through I informati	substitutio xtend the li -Y 16-17. T on to supp	Deny the substitution of 7.00 limited tenure positions to permanent positions, and instead extend the limited tenure of the 7.00 positions by two additional years through FY 16-17. The Department has not provided sufficient workload information to support making these positions permanent.	enure positions to e 7.00 positions b s not provided suf ositions permane	permanent posi vy two additional fficient workload nt.	itions, I years I	, and

ASR - Assessor-Recorder

			FY	FY 2015-16			H			FY	FY 2016-17			
	F	FTE	Amount	unt				FTE	щ	Amount	ınt			
Object Title	From	To	From	To	Savings	GF	1T	From	To	From	To	Savings	GF	1T
Management Assistant	1.00	0.00	\$81,952	0\$	\$81,952	×	Н	1.00	0.00	\$84,742	0\$	\$84,742	×	
Mandatory Fringe Benefits			\$34,997	0\$	\$34,997	×	Н			\$35,262	0\$	\$35,262	×	
Assessor-Recorder Senior Office Specialist	2.00	0.00	\$152,302	0\$	\$152,302	×		2.00	0.00	\$157,486	0\$	\$157,486	×	
Mandatory Fringe Benefits			898′99\$	0\$	\$98'99\$	×	Н			\$67,444	0\$	\$67,444	×	
Attrition Savings	(4.99)	(3.44)		(\$265,993)	(\$120,000)	×		(4.99)	(5.86)	(\$399,123)	(\$229,123)	(\$170,000)	×	
Mandatory Fringe Benefits			(\$218,049)	(\$150,261)	(\$67,788)	×				(\$170,982)	(\$98,155)	(\$72,827)	×	
			Total Savings	\$148,331					į	Total Savings	\$102,107			
	Delete thr both 4215	ree vacant 5 positions	Delete three vacant positions. The 1842 has been vacant since November 2012 and both 4215 positions have been vacant since July 2012. The Department has also	2 has been vacani since July 2012. T	t since November he Department h	. 2012 as also	and							
	requested	d an Interin	requested an Interim Exception to hire one new 1042 IS Engineer for which the	one new 1042 IS	Engineer for white	ch the		andives paiopao	Sylpas					
	offset the	position re	budget and registative Analyst is recommenting disapproval. Aujust activition to offset the position reductions, as well as the disapproval of the Interim Exception	as the disapproval	oval. Aujust attil. I of the Interim Ex	ceptio		2 8 1108 17	dvillgs.					
	for the 10 The Depa	042 positio rtment rep	for the 1042 position to reflect a more realistic hiring date of September 1 The Department reports \$900,000 in salary savings in Fiscal Year 2014-15.	realistic hiring da alary savings in Fis	c hiring date of September 1, 2015. vings in Fiscal Year 2014-15.	1, 201!	10							
	FDK-Person	FDK-Personal Property	rty											
Personal Property Auditor	2.00	0.00	\$176,676	0\$	\$176,676	×		2.00	00.00	\$182,690	0\$	\$182,690	×	
Mandatory Fringe Benefits			\$73,892	0\$	\$73,892	×				\$74,616	0\$	\$74,616	×	
Attrition Savings	(4.00)	(3.00)	(\$374,503)	(\$280,503)	(\$94,000)	×		(4.00)	(5.66)	(\$387,250)	(\$257,250)	(\$130,000)	×	
Mandatory Fringe Benefits			(\$153,741)	(\$115,152)	(\$38,589)	×				(\$154,793)	(\$102,829)	(\$51,964)	×	
			Total Savings	\$117,979					-	Total Savings	\$75,342			
	Delete tw	o vacant p	Delete two vacant positions. Two 4220 Personal Property Auditor positions have	Personal Propert	y Auditor position	ns hav	رن ا							
	been vaca offset the	ant since Se	been vacant since September 2012 and February 2013. Adjust attrition savings to offset the position reductions. The Department reports \$900,000 in salary savings	4 February 2013. /	4djust attrition sa \$900.000 in salar	vings 1		Ongoing savings.	avings.					
	for Fiscal	for Fiscal Year 2014-15.	.15.	-)							
	FEH- Transfer Tax	sfer Tax												
0931 Manager III	0.77	00.00	\$107,378	0\$	\$107,378	×		1.00	0.00	\$144,198	0\$	\$144,198	×	
Mandatory Fringe Benefits			\$40,707	0\$	\$40,707	×				\$52,662	0\$	\$52,662	×	
0923 Manager II	1.00	1.77	\$129,287	\$228,838	(\$99,551)	×	Н	1.00	2.00	\$133,688	\$267,376	(\$133,688)	×	
Mandatory Fringe Benefits			\$50,849	\$90,003	(\$39,154)	×				\$50,707	\$101,414	(\$50,707)	×	
			Total Savings	\$9,380					-	Total Savings	\$12,465			
	Disapprov	re the redu	Disapprove the requested new 0931 Manager III, and instead approve a new 0923	lanager III, and ins	stead approve a n	ew 09	23							
	Manager this positi	II. The 092 on will ma	Manager II. The 0923 job classification is more consistent with the number of FTEs this position will manage as demonstrated by the Department's organizational	is more consister ited by the Depart	e consistent with the number of the Department's organizational	er of F ional		Ongoing savings.	avings.					
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			FY.	FY 2015-16						FY 2	FY 2016-17		
	FTE	ш	Amount	int				FTE	Ę	Amount	ı.		
Object Title	From	To	From	To	Savings	GF	1T	GF 1T From	To	From	To	Savings GF	: 1T
Attrition Savings	(0.50)	(0.94)	(\$42,008)	(\$79,025)	\$37,017 X	×		(0.50)	(0.85)	(\$43,438)	(\$73,438)	X 000'0£\$	
Mandatory Fringe Benefits			(\$17,947)	(\$33,762)	\$15,815 X	×				(\$18,064)	(\$30,540)	\$12,476 X	
		7	Total Savings	\$52,832					7	Total Savings	\$42,476		
	Increase at current vac	trition savi	Increase attrition savings due to ongoing vac current vacancies and new positions in this p		ancies and expected hiring dates for program.	ates fo		Ongoing savings.	avings.				

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$483,514	\$483,514
Von-General Fund	\$0	\$0	\$
Total	0\$	\$483,514	\$483,514

!	One-Time	Ongoing	Total
General Fund	0\$	\$354,382	\$354,382
Non-General Fund	\$0	\$0	\$0
Total	0\$	\$354,382	\$354,382

Total Recommended Reductions

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$62,799,020 budget for FY 2015-16 is \$9,161,714 or 17.1% more than the original FY 2014-15 budget of \$53,637,306.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 254.64 FTEs, which are 36.13 FTEs more than the 218.51 FTEs in the original FY 2014-15 budget. This represents a 16.5% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$52,209,346 in FY 2015-16, are \$10,582,360 or 25.4% more than FY 2014-15 revenues of \$41,626,986. General Fund support of \$10,589,674 in FY 2015-16 is \$1,420,646 or 11.8% less than FY 2014-15 General Fund support of \$12,010,320

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$73,157,615 budget for FY 2016-17 is \$10,358,595 or 16.5% more than the Mayor's proposed FY 2015-16 budget of \$62,799,020.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 262.19 FTEs, which are 7.55 FTEs more than the 254.64 FTEs in the Mayor's proposed FY 2015-16 budget. This represents 3.0% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$62,011,896 in FY 2016-17, are \$9,802,550 or 18.8% more than FY 2015-16 revenues of \$52,209,346. General Fund support of \$11,145,719 in FY 2016-17 is \$556,045 or 5.3% more than FY 2015-16 General Fund support of \$10,589,674.

DEPARTMENT: CON – CONTROLLER

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$960,677 in FY 2015-16. Of the \$960,677 in recommended reductions, \$629,075 are ongoing savings and \$331,602 are one-time savings. These reductions would still allow an increase of \$8,201,037 or 15.3% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$634,138 in FY 2016-17, which are ongoing savings. These reductions would still allow an increase of \$9,724,457 or 15.5% in the Department's FY 2016-17 budget.

DEPARTMENT: CON – CONTROLLER

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
CONTROLLER					
ACCOUNTING OPERATIONS AND SYSTEMS	8,670,738	10,321,424	1,650,686	10,715,120	393,696
CITY SERVICES AUDITOR	15,060,195	15,535,723	475,528	15,400,193	(135,530)
ECONOMIC ANALYSIS	473,151	475,661	2,510	483,714	8,053
FINANCIAL SYSTEMS PROJECTS	8,580,798	14,879,395	6,298,597	25,571,900	10,692,505
MANAGEMENT, BUDGET AND ANALYSIS	5,123,591	3,794,751	(1,328,840)	3,634,621	(160,130)
PAYROLL AND PERSONNEL SERVICES	14,953,805	17,012,433	2,058,628	16,556,664	(455,769)
PUBLIC FINANCE	775,028	779,633	4,605	795,403	15,770
CONTROLLER	53,637,306	62,799,020	9,161,714	73,157,615	10,358,595

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$9,161,714 largely due to:

- Implementation of the Department's Financial System Replacement Project. The
 project is scheduled to take approximately two years to complete and will cost an
 estimated \$58,578,196. The proposed spending in FY 2015-16 includes initial vendor
 payments, lease payments, new permanent staff in the Controller's Office, and related
 costs.
- Additional expenditures in the Payroll and Personnel Services for an upgrade to the eMerge software implemented in fiscal year 2014-15.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$10,358.595 largely due to:

 The second and final year implementation the Department's Financial System Replacement Project. Spending is requested to increase \$10,692,505 to accommodate vendor payments, and the full salary and benefit costs of the project team of 31 permanent and 8 Limited Term positions.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 254.64 FTEs, which are 36.13 FTEs more than the 218.51 FTEs in the original FY 2014-15 budget. This represents a 16.5% increase in FTEs from the original FY 2014-15 budget.

DEPARTMENT: CON – CONTROLLER

The growth in the number of positions is largely due to the annualization of new positions in FY 2014-15 and previously approved new positions in FY 2015-16 for the Financial System Replacement Project.

In addition, the Department is requesting 5.85 new positions in FY 2015-16 for the Accounting Operations and Systems, the City Services Auditor, and Payroll divisions.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 262.19 FTEs, which are 7.55 FTEs more than the 254.64 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 3.0% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

The increases in positions is largely due to annualization of previously approved positions and new positions requested in FY 2015-16. In addition, the Department is requesting 9.77 new positions for the Accounting Operations and Systems, the City Services Auditor, and Payroll divisions in FY 2016-17.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$52,209,346 in FY 2015-16, are \$10,582,360 or 25.4% more than FY 2014-15 revenues of \$41,626,986.

Specific increases in the Department's FY 2015-16 revenues include:

• Increases to the Department's expenditure recoveries from work orders toward the Financial System Replacement Project.

FY 2016-17

The Department's revenues of \$62,011,896 in FY 2016-17, are \$9,802,550 or 18.8% more than FY 2015-16 revenues of \$52,209,346.

Specific increases in the Department's FY 2016-17 revenues include:

• Increases to the Department's expenditure recoveries from work orders toward the Financial System Replacement Project.

DEPARTMENT: CON – CONTROLLER

File 15-0576 Access Line Tax

Projected revenues for FY 2015-16 are based on the proposed fee ordinance as follows:

File No.	Fee Description	FY 2014-15 Original Revenue	Change in FY 2015-16	Annualized Revenue Thereafter	% Cost Recovery
150576	Adjusting the Access Line Tax with the Consumer Price Index of 2015	\$44,700,000	\$45,600,000	\$45,600,000	n/a
Total		\$44,700,000	\$45,600,000	\$45,600,000	n/a

The Access Line Tax is a locally imposed tax on telephone bills intended to provide revenue for such General Fund services as may be determined by the Board of Supervisors including, without limitation, police, fire, and emergency services (see Business and Tax Regulations Code 780). The proposed ordinance increases the tax rate for FY 2015-16 by the Consumer Price Index.

<u>Recommendation</u>: Approval of the proposed ordinance is a policy matter for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the FY 2015-16 budget includes the revenue as a source of funds to balance the City's budget.

File 15-0574 Ordinance adopting the Neighborhood Beautification and Graffiti Clean-Up Fund Tax designation ceiling.

Article 12B-1 of the Business & Tax Regulations Code establishes the Neighborhood Beautification and Graffiti Clean-Up Fund Option (now known as the Community Challenge Grant Program), allows businesses subject to the gross receipts tax to elect to designate a portion of their tax liability to the Fund. Section 1032 requires the Controller to calculate the maximum percentage of their tax liability that taxpayers can elect to contribute to the Fund such that total contributions will be approximately \$1,000,000, adjusted for inflation.

The Controller's Office calculated the inflation adjusted target contribution level for FY 2015-16 to be \$1,900,000. They project that a maximum taxpayer contribution rate of 2.6% would result in contributions equal to the inflation adjusted target amount. The contribution rate is based on previous years' results, which have varied on occasion above and below the level.

<u>Recommendation</u>: Approval of the proposed ordinance is a policy matter for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the FY 2015-16 budget includes the revenue as a source of funds to balance the City's budget.

DEPARTMENT: CON - CONTROLLER

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$960,677 in FY 2015-16. Of the \$960,677 in recommended reductions, \$629,075 are ongoing savings and \$331,602 are one-time savings. These reductions would still allow an increase of \$8,201,037 or 15.3% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$634,138 in FY 2016-17, which are ongoing savings. These reductions would still allow an increase of \$9,724,457 or 15.5% in the Department's FY 2016-17 budget.

CON - Controller's Office	0										
		_	F	FY 2015-16		-			FY 2016-17		
	# H		Amount				ΨL	Amount			_
Object Title	From	Lo L	From	To	Savings	GF 1T	From To	From	To	Savings GF	1T
111 +22+21:000 V	FDC - Payroll and Personnel Services	nd Person	nel Services	Ş	\$00 000	,	L	\$102 330	Ç	L	
Accountant III Mandatory Fringe Benefits	T:00	0.00	\$99,632	0\$	\$40.038	× ×	T:00		0\$	\$40.355 x	
	7	Total Savings		\$139,870			Tota	Total Savings	\$143,585	1	
	Department is n	requesting	g to substitute a 10	Department is requesting to substitute a 1654 Accountant III from a vacant	from a vacant						
	1226 Chief Payı	roll & Pers	sonnel Clerk positi	1226 Chief Payroll & Personnel Clerk position that has been vacant since	acant since			Ō	Ongoing savings		
	November 2009 adding a new A	9. The deg ccountan	November 2009. The department has not provided su adding a new Accountant III position to this program.	November 2009. The department has not provided sufficient Justification for adding a new Accountant III position to this program.	justification for						
Attrition Savings			(\$133,533)	(\$233 533)	\$100.000	×		(\$138 533)	(\$238.533)	\$100,000 ×	
Mandatory Fringe Benefits			(\$56,340)	(\$98,532)	\$42,192	× ×		(\$56,702)	(\$97,632)	4	
	7.	Total Savings		\$142,192			Tota	Total Savings	\$140,930	Н	
	The Departmen	ıt's FY 201	15-16 budget redu	The Department's FY 2015-16 budget reduces General Fund attrition savings	attrition savings						
	by \$274,414 to	allow hire	e of new positions.	by \$274,414 to allow hire of new positions. The Department has increased	has increased						
	salaries by \$4.4	· million o	r 17.9 percent, fro	salaries by \$4.4 million or 17.9 percent, from \$24.6 million in FY 2014-15 to	FY 2014-15 to			Ō	Ongoing savings		
	\$29 million in F	Y 2015-16 gi igas in	to annualize new	\$29 million in FY 2015-16 to annualize new positions created in FY 2014-15	in FY 2014-15			i	000000000000000000000000000000000000000		
	Department su	fficient fu	and add new positions in F1 2013-10. This recommendation Department sufficient funds to hire positions in FY 2015-16.	ns in FY 2015-16.	בפאפא רוופ						
	FEB - MANAGE	MENT, BL	FEB - MANAGEMENT, BUDGET AND ANALYSIS	YSIS							
Administrative Analyst	1.00	0.00	\$89.030	\$0	\$89.030	×	1.00 0.00	\$92.060	\$0	\$92.060 x	
Mandatory Fringe Benefits			\$36,901	0\$	\$36,901	×			0\$		
	7.	Total Savings	gs	\$125,931			Tota	Total Savings	\$129,202		
	Department is r Accountant III p provided suffici	requesting oosition the	g to substitute a 18 nat has been vacar cation for adding 8	Department is requesting to substitute a 1822 Administrative Analyst I from a vacant 1654 Accountant III position that has been vacant since July 2011. The department has not provided sufficient justification for adding a new Accountant III position to this program.	e Analyst I from a The department III position to thi	vacant 1654 has not s program.		Ō	Ongoing savings		
	FFM - Economic Analysis	ic Analysi									
PROFESSIONAL & SPECIALIZED SVCS	D SVCS	_	\$35,000	\$15,000	\$20,000	× ×			\$0	\$0	
	Reduce by \$20, FY 2015-16.	000 to ac	count for surplus f	Reduce by \$20,000 to account for surplus funds in FY 2014-15 that will be carried forward to FY 2015-16.	5 that will be car	ried forward t	0				-
	FFG - Public Finance	ance									
PROFESSIONAL & SPECIALIZED SERVICES	D SERVICES		\$22,710	0\$	\$22,710						
MATERIALS & SLIPPLIES BLINGET ONLY	FT ONLY		\$6,000	05	\$6,000	× × × ×					
		Total Savings		\$38,710	2000		-				
	Reduce by \$38, FY 2015-16.	710 to ac	count for surplus f	Reduce by \$38,710 to account for surplus funds in FY 2014-15 that will be carried forward to FY 2015-16.	5 that will be car	ried forward t	0				

CON - Controller's Office										
		<u>.</u>	FY 2015-16					FY 2016-17		
	표	Amc	Amount			FTE	Amc	Amount		
Object Title	From To	From	To	Savings	GF 1T	From	To From	To	Savings GF 1	1T
	FDG - Accounting Operations and Systems	rations and System	St							
Attrition Savings		(\$404,939)	(\$464,939)	\$60,000	×		(\$418,722)	(\$478,722)	\$60,000 ×	
Mandatory Fringe Benefits		(\$157,778)	(\$181,156)	\$23,378	×		(\$158,531)	(\$181,247)	\$22,716 x	
	Total Savings	vings	\$83,378			7	Total Savings	\$82,716		
	The Department's FY 2015-16 budget reduces General Fund attrition savings by \$274,414 to allow hire of new positions. The Department as increased salaries by \$4.4 million or 17.9 percent, from \$24.6 million in FY 2014-15 to \$29 million in FY 2015-16 to annualize new positions created in FY 2014-15 and add new positions in FY 2015-16. This recommendation leaves the Department sufficient funds to hire positions in FY 2015-16.	(015-16 budget reditions. The Departme illion in FY 2014-15 2014-15 and add n sufficient funds to	16 budget reduces General Fund attrition savings by \$274,41¢. The Department as increased salaries by \$4.4 million or 17.9 in FY 2014-15 to \$29 million in FY 2015-16 to annualize new I-15 and add new positions in FY 2015-16. This recommendaticient funds to hire positions in FY 2015-16.	attrition savings aries by \$4.4 mill '2015-16 to annu 2015-16. This rec	oy \$274,414 to ion or 17.9 aalize new ommendation		Ō	Ongoing savings		
Training		\$19,000	\$10,000	000′6\$	×		\$19,000	\$10,000	× 000′6\$	
	The Department did not provide sufficient justification or specific purpose of spending increase. The requested increase would nearly double existing training funding for Governmental Accounting Standards Board (GASB) training. However, GASB rules frequently change and have done so traditionally annually for several years. The existing training funding was adopted to address the training needs associated with these annual rule stanges and has been sufficient. Additionally, the requested increase is not consistent with staffing increases and not consistent with the nature of upcoming changes in GASB rules and resulting training needs. The reduction of this increase would still allow for \$10,000 in normal expenditures and meet the ongoing training need.	ot provide sufficienricial increase would in the Standards Boar so traditionally and of address the training sufficient. Addition not consistent with needs. The reduction ind meet the ongoin mid meet the ongoin	t justification or spe early double existin rd (GASB) training. I rually for several ye ing needs associate ally, the requested the nature of upco n of this increase w ng training need.	serfic purpose of: g training fundin However, GASB r ears. The existing d with these ann increase is not cc ming changes in ould still allow fi	spending g for ules frequenth training ual rule nnsistent with GASB rules or \$10,000 in		Ō	Ongoing savings		
Auditing and Accounting		\$328,340	\$199,636	\$128,704	×		\$328,340	\$199,636	\$128,704 x	
	The Department did not provide sufficient justification for spending increase. The increase would fund additional auditing services. The Department states that changes to Governmental Accounting Standards Board (GASB) require additional spending. However, updates to GASB rules are publicized several years in advance, uniform nation-wide, are well understood by financial auditing services, and more often than not involve minor redefinitions of financial terms and reporting. Requested increase is not substantiated by any known cost increases in auditing services. The reduction of this increase would still allow for \$199,636 in normal expenditures.	ot provide sufficient auditing services. T ting Standards Boar are publicized seve al auditing services, terms and reportin n auditing services.	t justification for sp The Department sta "d (GASB) require a rral years in advanct and more often the g. Requested increa The reduction of tt	ending increase. Ites that changes Idditional spendin Pan not involve mi se is not substar is increase wouli	The increase to rg. However, -wide, are wel nor re- triated by any 3 still allow for		Ō	Ongoing savings		
Professional & Specialized Services	vices	\$125,000	\$85,000	\$40,000	×				\$0	
	The requested increase would fund consulting services to update and develop training materials for the FAMIS financial system. However, FAMIS is being updated by the Financial System Replacement Project, set to be completed in two years. The reduction of this would still allow for \$85,000 in normal expenditures.	e would fund consu S financial system. 'roject, set to be coi in normal expendit	Id fund consulting services to update and develop training ncial system. However, FAMIS is being updated by the Fina t, set to be completed in two years. The reduction of this wmal expenditures.	date and develor being updated by rs. The reduction	training the Financial of this would					

			GF									
			Savings		0\$			tions	Total	\$634,138	\$0	\$634,138
	FY 2016-17	<u> </u>	To				FY 2016-17	Total Recommended Reductions	Ongoing	\$634,138	\$0	\$634,138
	FY	Amount	From					Total Reco	One-Time	0\$	\$0	\$0
		_	To							l Fund	Fund	Total
		FTE	From							General Fund	Non-General Fund	
			1T		×	85 Inancial Idustry request Inance t. mplete. oroject, if					Š	
			GF		×	r 13,13 year F ove inc niture n the p projec contra ct is co year p his is a						
			Savings		\$232,892	d equipment for tration of a two rire foot, well ab epartment's fur laby distinct from the two-year on staff, and 42 two year proje shings for a two 304,068 total. Thout overspen		ctions	Total	\$960,677	\$0	\$960,677
	FY 2015-16		То		\$8,240,513	iiture, fixtures an during implement 4540.73 per squa 37, making the dupurchase is not a purchase is not a fill, 1240, 505 fill mited duratic remain after the an high-end furnity ansidered. ending a lower \$\xi\$ ty furnishings, wi	FY 2015-16	Total Recommended Reductions	Ongoing	\$629,075	\$0	\$629,075
	FY 2	Amount	From	Project (FSP)	Project (FSP) \$8,473,405	The department budgeted \$536,961 for furniture, fixtures and equipment for 13,185 square feet of leased office space to be used during implementation of a two-year Financial System Replacement project. This equates to \$40.73 per square foot, well above industry estimates for high-end furnishing at \$30 to \$37, making the department's furniture request well above high-end estimates. The furniture purchase is notably distinct from the planned tenant improvements budgeted at an additional \$1,240,505 for the two-year project. The office will house 31 permanent PCS staff, 8 limited duration staff, and 42 contractor staff. Of these 81 staff members, only 31 will remain after the two year project is complete. This equates to spending \$6,629 per person on high-end furnishings for a two year project, if all of the short-term and contractor staff is considered. The reduction of \$232,892 would result in spending a lower \$304,068 total. This is a sufficient amount to purchase medium-quality furnishings, without overspending on top-of-the line designer furniture.		Total Reco	One-Time	\$331,602	\$0	\$331,602
			To			The department budgeted square feet of leased office System Replacement projected in the standard of the standard spin and provements budgeten of the office will house 31 perstaff. Of these 81 staff mer This equates to spending \$ all of the short-term and compared to the short of \$232,892 sufficient amount to purch the line designer furniture.				Fund	Fund	Total
		FTE		ncial S		rtment et of lea epolacem for high e high-e provem will ho hese 81 tes to si short-te amoun' esigner esigner.				General Fund	Non-General Fund	
			From	FDX - Financial System		The department budg square feet of leased o System Replacement p estimates for high-end estimates for high-end estenant improvements. The office will house 3 staff. Of these 81 staff This equates to spendi all of the short-term at The reduction of \$232, sufficient amount to p the line designer furnit				_	Non	
CON - Controller's Office			Object Title									

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$1,108,294,754 budget for FY 2015-16 is \$165,721,412 or 17.6% more than the original FY 2014-15 budget of \$942,573,342.

Personnel Changes

There are no full-time equivalent (FTE) positions budgeted for FY 2015-16.

Revenue Changes

The Department's revenues of \$242,915,076 in FY 2015-16, are \$31,047,843 or 11.3% less than FY 2014-15 revenues of \$273,962,919. General Fund support totaling \$865,379,678 in FY 2015-16 is \$196,769,255 or 29.4% more than FY 2014-15 General Fund support of \$668,610,423.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$1,112,867,931 budget for FY 2016-17 is \$4,573,177 or 0.4% more than the Mayor's proposed FY 2015-16 budget of \$1,108,294,754.

Personnel Changes

There are no full-time equivalent (FTE) positions budgeted for FY 2016-17.

Revenue Changes

The Department's revenues of \$249,414,163 in FY 2016-17, are \$6,499,087 or 2.7% more than FY 2015-16 estimated revenues of \$242,915,076. General Fund support of \$861,337,987 in FY 2016-17 is \$4,041,691 or 0.5% less than FY 2015-16 General Fund support of \$865,379,678.

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$275,000 in FY 2015-16. Of the \$275,000 in recommended reductions, \$25,000 are ongoing savings and \$250,000 are one-time savings. These reductions would still allow an increase of \$165,446,412 or 17.6% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$25,000 in FY 2016-17. Of the \$25,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$4,548,177 or 0.4% in the Department's FY 2016-17 budget.

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
CHILDREN'S BASELINE	0	1,933,260	1,933,260	3,427,956	1,494,696
GENERAL CITY RESPONSIBILITIES	919,818,599	1,074,326,555	154,507,956	1,059,114,980	(15,211,575)
INDIGENT DEFENSE/GRAND JURY	625,000	475,000	(150,000)	475,000	0
RETIREE HEALTH CARE - PROP B	22,129,743	31,559,939	9,430,196	49,849,995	18,290,056
GENERAL CITY RESPONSIBILITIES	942,573,342	1,108,294,754	165,721,412	1,112,867,931	4,573,177

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$165,721,412 largely due to the November 2014 voter approved Proposition B requiring an additional General Fund transfer to SFMTA based on population growth; funding for increases in the minimum wage; increases in funding to service providing community based organizations; growth in the Children's baseline transfer from the General Fund; continued funding to the JUSTIS project; replacement of the FAMIS accounting system; and, an increase in the amount set aside for the budget stabilization reserve.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$4,573,177 largely due to the November 2014 voter approved Proposition B requiring an additional General Fund transfer to SFMTA based on population growth; funding for increases in the minimum wage; increases in funding to service providing community based organizations; and, growth in the Children's baseline transfer from the General Fund.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$242,915,076 in FY 2015-16, are \$31,047,843 or 11.3% less than FY 2014-15 revenues of \$273,962,919. General Fund support totaling \$865,379,678 in FY 2015-16 is \$196,769,255 or 29.4% more than FY 2014-15 General Fund support of \$668,610,423.

FY 2016-17

The Department's revenues of \$249,414,163 in FY 2016-17, are \$6,499,087 or 2.7% more than FY 2015-16 revenues of \$242,915,076. General Fund support totaling \$861,337,987 in FY 2016-17 is \$4,041,691 or 0.5% less than FY 2015-16 General Fund support of \$865,379,678.

DEPARTMENT: GEN – GENERAL CITY RESPONSIBILITY

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$275,000 in FY 2015-16. Of the \$275,000 in recommended reductions, \$25,000 are ongoing savings and \$250,000 are one time savings. These reductions would still allow an increase of \$165,446,412 or 17.6% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$25,000 in FY 2016-17. Of the \$25,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$4,548,177 or 0.4% in the Department's FY 2016-17 budget.

GEN - General City Responsibility	ty											
			FY 2	/ 2015-16					FY	FY 2016-17		
	FTE		Amon	ount			ETE		Amount	nt		
Object Title	From	To	From	To	Savings	GF 1T	From	To	From	То	Savings GF	1T
	AML- Indig	ent Defe	AML- Indigent Defense/Grand Jury									
Court Fees & Other Compensation			\$475,000	\$450,000	\$25,000	×			\$475,000	\$450,000	\$25,000 x	
	Reduce fun	ds set as	ide for indigent de	Reduce funds set aside for indigent defense special appeals based on projected	als based on proje	cted	Ongoing reductions.	reductio	ns.			
	actual need.	- :)					
	FCZ- Gener	al City Ro	FCZ- General City Responsibilities									
Unappropriated Fund Balance			0\$	(\$150,000)	\$150,000	×			0\$	0\$	× 0\$	
	Close out u	nappropi	Close out unappropriated fund balance f	e for programmati	for programmatic budgets previously	١٨	No reduction in year two.	tion in y	ear two.			
	appropriate	ed for the	Budget Improver	appropriated for the Budget Improvement Project in FY 2014-15.	2014-15.			•				
Reserve for Litigation			\$16,000,000	\$15,900,000	\$100,000	×			\$11,000,000	\$11,000,000	× 0\$	
	Reduce litig	gation res	erve to reflect his	Reduce litigation reserve to reflect historical expenditures and actual needs.	es and actual need	.:	No reduction in year two.	tion in y	ear two.			

\$25,000	0\$	Non-General Fund Total	\$275,000	\$25,000	\$250,000	Non-General Fund Total
\$0	\$0	Non-General Fund	\$0	\$0	\$0	Non-General Fund
\$25,000	0\$	General Fund	\$275,000	\$25,000	\$250,000	General Fund
Ongoing	One-Time	,	Total	Ongoing	One-Time	'
Total Recommended Red	Total Re		ctions	Total Recommended Reductions	Total Re	
FY 2016-17				FY 2015-16		

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$76,534,535 budget for FY 2015-16 is \$783,341 or 1.0% more than the original FY 2014-15 budget of \$75,751,194.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 307.83 FTEs, which are 0.36 FTEs less than the 308.19 FTEs in the original FY 2014-15 budget. This represents a 0.1% decrease in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$64,864,440 in FY 2015-16 are \$305,124 or 0.5% less than FY 2014-15 revenues of \$65,169,564. General Fund support of \$11,670,095 in FY 2015-16 is \$1,088,465 or 10.3% more than FY 2014-15 General Fund support of \$10,581,630.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$78,126,660 budget for FY 2016-17 is \$1,592,125 or 2.1% more than the Mayor's proposed FY 2015-16 budget of \$76,534,535.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 307.77 FTEs, which are 0.06 FTEs less than the 307.83 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.0% change in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$65,215,525 in FY 2016-17 are \$351,085 or 0.5% more than FY 2015-16 estimated revenues of \$64,864,440. General Fund support of \$12,911,135 in FY 2016-17 is \$1,241,040 or 10.6% more than FY 2014-15 General Fund support of \$11,670,095.

DEPARTMENT: CAT – CITY ATTORNEY

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$625,371 in FY 2015-16. Of the \$625,371 in recommended reductions, \$231,887 are ongoing savings and \$393,484 are one-time savings. These reductions would result in an increase of \$157,970 or 0.2% increase in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$238,268 in FY 2016-17. Of the \$238,268 in recommended reductions, all are ongoing. These reductions would still allow an increase of \$1,353,857 or 1.8% increase in the Department's FY 2016-17 budget.

DEPARTMENT: CAT – CITY ATTORNEY

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
CITY ATTORNEY					
CLAIMS	6,531,960	6,567,780	35,820	6,709,689	141,909
LEGAL SERVICE	66,484,234	67,231,755	747,521	68,681,971	1,450,216
LEGAL SERVICE-PAYING DEPTS	2,735,000	2,735,000	0	2,735,000	0
CITY ATTORNEY	75,751,194	76,534,535	783,341	78,126,660	1,592,125

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$783,341 primarily due to cost of living increases in salaries and benefits.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$1,592,125 primarily due to cost of living increases in salaries and benefits.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 307.83 FTEs, which are 0.36 FTEs less than the 308.19 FTEs in the original FY 2014-15 budget. This represents a 0.1% decrease in FTEs from the original FY 2014-15 budget. The department does not have any new position requests but is requesting a large number of upward substitutions.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 307.77 FTEs, which are 0.06 FTEs less than the 307.83 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.0% change in FTEs from the Mayor's proposed FY 2015-16 budget.

DEPARTMENT: CAT – CITY ATTORNEY

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$64,864,440 in FY 2015-16 are \$305,124 or 0.5% less than FY 2014-15 revenues of \$65,169,564. General Fund support of \$11,670,095 in FY 2015-16 is \$1,088,465 or 10.3% more than FY 2014-15 General Fund support of \$10,581,630.

Specific changes in the Department's FY 2015-16 revenues include a decrease in intergovernmental revenues and expenditure recoveries and an increase in General Fund support.

FY 2016-17

The Department's revenues of \$65,215,525 in FY 2016-17 are \$351,085 or 0.5% more than FY 2015-16 estimated revenues of \$64,864,440. General Fund support of \$12,911,135 in FY 2016-17 is \$1,241,040 or 10.6% more than FY 2014-15 General Fund support of \$11,670,095.

Specific changes in the Department's FY 2016-17 revenues include an increase in expenditure recoveries and General Fund support.

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$625,371 in FY 2015-16. Of the \$625,371 in recommended reductions, \$231,887 are ongoing savings and \$393,484 are one-time savings. These reductions would result in an increase of \$157,970 or 0.2% increase in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$238,268 in FY 2016-17. Of the \$238,268 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$1,353,857 or 1.8% increase in the Department's FY 2016-17 budget.

7 × 9 × × × × × × \$89,364 \$67,188 ŞQ \$0 (\$118)\$193,804 (\$179,113) Ş Savings (\$3,113,137) (\$1,002,211) \$67,188 Ş \$400,930 ŞÇ \$179,113 \$97,943 \$983,000 \$0 \$59,155 \$14,513 \$125,812 မ FY 2016-17 Amount Ş (\$3,113,137) (\$1,002,211)0\$ 558,977 \$134,376 \$61,510 \$1,072,364 \$437,378 \$193,804 Total Savings Total Savings Total Savings Total Savings From (19.31)0.00 1.00 11.00 0.00 ۵ On-going savings. On-going savings. On-going savings. Ħ (19.31)12.00 2.00 1.00 0.00 From × 11 Increase attrition savings to reflect anticipated hiring dates for 1408 Principal Clerk (0.23 Delete 1.00 FTE as position has been vacant since 2012. The Controller's Office projects a Deny upward substitution of 1.00 Manager VI to 1.00 Attoney (Civil Criminal). There are Delete 1.00 FTE 1460 Legal Secretary II position as it has been vacant since August 2012. The Controller's Office projects a General Fund salary surplus in the City Attorney's FY ĘF. FTE increase), 1458 Legal Secretary I (0.23 FTE increase), 8113 Court Clerk (0.23 FTE increase), 1424 Clerk Typist (0.23 FTE increase), and 4 8177 Attorney (Civil/Criminal) × × Department has a total of 13 vehicles, 11 of which were purchased in 2013 to 2015. General Fund salary surplus in the City Attorney's FY 2014-15 budget of \$260,000 5.00 FTE Attorney (Civil/Ciminal) vacant positions, which can be utilized to meet \$192,956 (\$173,216) (\$345) \$30,425 \$86,422 \$50,566 \$187,425 \$64,976 \$74,608 Delete funding for two new vehicles that have not been sufficiently justified. Savings \$950,642 \$0 (\$3,204,044) \$0 (\$1,078,861)\$173,216 \$64,976 \$30,425 \$13,864 \$267,564 \$59,570 \$95,401 \$122,622 FY 2015-16 ဥ Amount \$1,037,064 \$434,395 (\$3,011,088) (\$1,004,253) \$187,425 \$0 \$129,952 \$60,850 \$50,566 \$59,225 Total Savings Total Savings Total Savings Total Savings From 2014-15 budget of \$260,000. (0.17 FTE increase for each). FC2 - Legal Services 11.00 (19.31) (21.15) 0.00 1.00 1.00 anticipated needs. ဥ FA2- Claims 2.00 12.00 1.00 0.00 From Mandatory Fringe Benefits Mandatory Fringe Benefits Mandatory Fringe Benefits Mandatory Fringe Benefits Attorney (Civil/Criminal) **Equipment- Vehicles** Claims Process Clerk CAT - City Attorney egal Secretary II **Attrition Savings** Object Title **Manager VI**

CAI - City Attorney													
				FY 2015-16					L	FY 2016-17			
	FTE	ш	Amount	nt				FTE	Amc	Amount			
Object Title	From	То	From	То	Savings	GF 1	GF 1T From	m To	From	To	Savings	GF 1T	11
Attrition Savings	(2.08)	(2.08) (2.58)	(\$220,942)	(\$274,636)	x \$53,694 x	×	x (2	(2.08) (2.08)	8) (\$228,324)	(\$228,324)	0\$	×	×
Mandatory Fringe Benefits			(\$86,308)	(\$107,968)	\$21,660 x x	×	×		(\$86,463)	(\$86,463)	0\$	× 0\$	×
			Total Savings	\$75,354					Total Savings	0\$			
	Increase attrit Investigator.	trition sav	ncrease attrition savings to reflect anticipat nvestigator.	cipated hiring dat	ed hiring date for 0.5 FTE Claims								

		FY 2015-16				FY 2016-17	
	Total	Total Recommended Reductic	ctions		Total Re	Total Recommended Reduction	tions
	One-Time	Ongoing	Total		One-Time	Ongoing	Total
General Fund	\$393,484	\$231,887	\$625,371	General Fund	0\$	\$238,268	\$238,268
Non-General Fund	\$0	\$0	\$0	Non-General Fund	\$0	\$0	\$
Total	\$393,484	\$231,887	\$625,371	Total	0\$	\$238,268	\$238,268

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$19,032,068 budget for FY 2015-16 is \$2,690,278 or 16.5 % more than the original FY 2014-15 budget of \$16,341,790.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 58.18 FTEs, which are 9.67 FTEs more than the 48.51 FTEs in the original FY 2014-15 budget. This represents a 19.9% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$416,117 in FY 2015-16 are \$451,560 or 52% less than FY 2014-15 revenues of \$867,677. General Fund support of \$18,615,951 in FY 2015-16 is \$3,141,838 or 20.3% more than the FY 2014-15 General Fund support of \$15,474,113.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$14,068,196 budget for FY 2016-17 is \$4,963,872 or 26.1% less than the Mayor's proposed FY 2015-16 budget of \$19,032,068.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 49.36 FTEs, which are 8.82 FTEs less than the 58.18 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 15.2% decrease in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$755,057 in FY 2016-17 are \$338,940 or 81.5% more than FY 2015-16 estimated revenues of \$416,117. General Fund support of \$13,313,139 in FY 2016-17 is \$5,302,812 or 28.5% less than FY 2015-16 General Fund support of \$18,615,951.

DEPARTMENT: REG – ELECTIONS

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$209,320 in FY 2015-16. Of the \$209,320 in recommended reductions, \$169,320 are ongoing savings and \$40,000 are one-time savings. These reductions would still allow an increase of \$2,480,958 or 15.2% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$176,362 in FY 2016-17. Of the \$176,362 in recommended reductions, \$166,362 are ongoing savings and \$10,000 are one-time savings.

DEPARTMENT: REG – ELECTIONS

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
ELECTIONS					
ELECTIONS	16,341,790	19,032,068	2,690,278	14,068,196	(4,963,872)
ELECTIONS	16,341,790	19,032,068	2,690,278	14,068,196	(4,963,872)

FY 2015-16

The Department's proposed FY 2015-16 budget will increase by \$2,690,278 largely due to:

- Two scheduled elections in FY 2015-16, a Municipal Election on November 3, 2015 and the Consolidated Presidential Primary Election on June 7, 2016, in contrast to only one election in FY 2014-15, the November 4, 2014 Consolidated General Election. Two elections result in increases in all election-related costs in FY 2015-16, including temporary staffing, payments to poll workers, printing, postage, professional services and Sheriff's security costs.
- \$2,500,000 capital expenditures in FY 2014-15 was placed on Budget and Finance Committee Reserve to pay for the relocation of the Department's warehouse from the Port's property at Pier 48 and for related cost increases for additional warehouse rent, facilities and equipment, after the existing lease expires in December of 2015. The Port now indicates that Elections can likely remain at Pier 48 through the November 2016 elections, or an additional year. In addition, the Port may have available warehouse space for Elections at Pier 31 after that. The \$2,500,000 on Reserve will be carried forward as a continuing project fund for Elections.
- Additional costs to translate all materials into Tagalog, the third language, in addition to Spanish and Chinese, in accordance with the City's Language Access Ordinance.
- Partially offset by consolidation of 576 polling locations to 420, a reduction of 156 locations for the November 3, 2015 Municipal Election. California Election Code Section 12241 allows the consolidation of polling locations only for municipal elections.

FY 2016-17

The Department's proposed FY 2016-17 budget will decrease by \$4,963,872 largely due to:

- One scheduled election in FY 2016-17, a Presidential Election on November 8, 2016, in contrast to two elections in FY 2015-16, as noted above. This results in reductions in all election-related costs.
- The City's existing Dominion Voting Systems, Inc. contract at a cost of \$12.6 million expires in December 2016, which was partially funded with federal and state grants. The

DEPARTMENT: REG – ELECTIONS

Department does not anticipate available outside grants, such that City General Fund monies would be required to fund a new voting system. The Department anticipates issuing a Request for Information during the summer of 2015 and a Request for Proposals in early 2016 seeking formal bids for new voting equipment and services. As the Department has not yet determined the estimated costs, the proposed FY 2016-17 budget does not include any costs associated with leasing or purchasing new voting equipment or services.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 58.18 FTEs, which are 9.67 FTEs more than the 48.51 FTEs in the original FY 2014-15 budget. This represents a 19.9% increase in FTEs from the original FY 2014-15 budget.

The additional positions is due to an increase in temporary salaries resulting from two elections in FY 2015-16.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 49.36 FTEs, which are 8.82 FTEs less than the 58.18 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 15.2% decrease in FTEs from the Mayor's proposed FY 2015-16 budget.

The decrease in positions is due to a reduction of temporary salaries resulting from only one election in FY 2016-17.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues and recoveries of \$416,117 in FY 2015-16 are \$451,560 or 52% less than FY 2014-15 revenues and recoveries of \$867,677. General Fund support of \$18,615,951 in FY 2015-16 is \$3,141,838 or 20.3% more than the FY 2014-15 General Fund support of \$15,474,113.

Specific changes in the Department's FY 2015-16 revenues include:

- Increased revenues from candidate filing fees and paid ballot arguments from two elections in FY 2015-16 as compared to one election in FY 2014-15.
- These increases in revenues are more than offset by \$494,000 in reduced revenue recoveries from the Health Service System, San Francisco Unified School District and Bay Area Rapid Transit (BART) not having scheduled elections in FY 2015-16.

DEPARTMENT: REG – ELECTIONS

FY 2016-17

The Department's revenues of \$755,057 in FY 2016-17 are \$338,940 or 81.5% more than FY 2015-16 estimated revenues of \$416,117. General Fund support of \$13,313,139 in FY 2016-17 is \$5,302,812 or 28.5% less than FY 2015-16 General Fund support of \$18,615,951.

Specific changes in the Department's FY 2016-17 revenues include:

- Reduced candidate filing fees and paid ballot arguments of \$70,000 due to one election scheduled in FY 2016-17 versus two elections in FY 2015-16.
- \$650,000 of revenue recoveries in FY 2016-17 from scheduled elections for the Community College District, BART, San Francisco Unified School District and the Retirement Board.

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$209,320 in FY 2015-16. Of the \$209,320 in recommended reductions, \$169,320 are ongoing savings and \$40,000 are one-time savings. These reductions would still allow an increase of \$2,480,958 or 15.2% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$176,362 in FY 2016-17. Of the \$176,362 in recommended reductions, \$166,362 are ongoing savings and \$10,000 are one-time savings.

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			FY	FY 2015-16						FY 2	FY 2016-17		
	F	FTE	Amount					FTE		Amount			
Object Title	From	T_0	From	To	Savings	GF	1T F	From T	To From		To	Savings	GF 1T
	FCH - Elections	ections											
Attrition Savings	(1.96)	(3.14)	(\$159,166)	(\$255,166)	\$96,000	Х	Ĕ	(1.96) (2.	(2.50) (\$164,584)	,584)	(\$209,928)	\$45,344	X
Mandatory Fringe Benefits			(\$68,508)	(\$109,828)	\$41,320	×	\dashv		69\$)	(\$69,028)	(\$88,046)	\$19,018	×
			Total Savings	\$137,320					Total Savings	ss	\$64,362		
	Increase A	Attrition Sa	Increase Attrition Savings due to significant greater actual salary savings remaining	ficant greater actu	al salary savings	emain	ing						
	in each of	the last fe	in each of the last few years. In addition, currently, the Department has eight vacant	in, currently, the L	Pepartment has eig	tht vac	ant						
	permanen	t positions,	permanent positions, although the budgeted salary savings reflects less than two	geted salary savin,	gs reflects less the	ın two							
	FTE posit	ions. Depa	FTE positions. Department reports they will attempt to fill 6 of the 8 current vacant	y will attempt to fi	III 6 of the 8 curre	ant vac	ant Ir	crease At	trition Savings to	o reflect sig	mificant greater	Increase Attrition Savings to reflect significant greater actual salary savings	ings
	positions	in FY 201. as anticinat	positions as anticipated by Department	d reduction provic	les funding to fill	all six		talized in e	realized in each of the last few years, and anticipated turnor reflect current vacant positions being filled in FV 2015-16	ew years, a	nd anticipated i	realized in each of the last few years, and anticipated turnover, adjusted to	i to
Miscellaneous Facilities Rental	al		\$1,064,553	\$1,024,553	\$40,000	×	×			1 5 1100 5110			
	Reduce to	reflect cla	Reduce to reflect classroom rental costs for poll worker training classes conducted	s for poll worker	raining classes co	nducte	ď			0	•	•	
	prior to th	e Novemb	prior to the November 2015 election. Such costs can be avoided as the Department	such costs can be	avoided as the De	partme	nt						
	was able t	o secure rc	was able to secure rooms, free of charge, with the assistance of City Hall building	ge, with the assista	nce of City Hall b	uildin	ьn						
	management.	ent.	,		•)						
Postage			\$907,847	\$875,847	\$32,000	Х	H		\$579,930	,930	\$527,930	\$52,000	Х
			•				P	ostage is p	rojected to incre	ase from \$	491,135 in curi	Postage is projected to increase from \$491,135 in current FY to \$579,930 in	30 in
	Postage is	projected	Postage is projected to increase from \$491,13	491,135 in curren	i5 in current FY to \$907,847 in FY	in FY	Щ	Y 2016-17	7, an \$88,795 or	18% increa	ise in costs. Bo	FY 2016-17, an \$88,795 or 18% increase in costs. Both years have only one	y one
	2015-16, 1	primarily d	2015-16, primarily due to an increase from one to two elections. With the	from one to two el	ections. With the		e e	ection. W.	ith the Departme	ent transitio	ning to bilingu	election. With the Department transitioning to bilingual ballots, it is likely that	ely tha
	Departme.	nt transitio	Department transitioning from trilingual to bilingual ballots, the ballots are likely to the November 2016 election ballot may be shorter, allowing for the proposed	al to bilingual ball	ots, the ballots ar	e likely	/ to tt.	e Novem	ver 2016 election	ı ballot ma <u>y</u>	v be shorter, all	owing for the pro	posed
	be shorter	, allowing	be shorter, allowing for the proposed reduction in FY 2015-16.	eduction in FY 2C	15-16.		ľE	duction in	reduction in FY 2016-17.		,		
Advertising									\$94	\$94,424	\$84,424	\$10,000	X
							T	he Departi	ment just receive	d a State g	rant from the C	The Department just received a State grant from the California Secretary of	y of
							S	tate to pro	duce a 30-secon	d public se	rvice annuounc	State to produce a 30-second public service annuouncement focusing on	u.
							ă	scessiblity	of polling place	s in San Fr	ancisco, allowii	accessiblity of polling places in San Francisco, allowing for the recommended	nende
							re	duction in	reduction in the Advertising budget.	budget.			
GF-Sheriff							H		\$270,000	000,	\$220,000	\$50,000	X
							ŗ	•	•	•			:
							<u>×</u>	educe the	requested work	order fund:	s to \$220,000 f	Reduce the requested work order funds to \$220,000 for the Sheriff to provide	rovide
							ž .	scurity for	one election day	7 IN F Y 201 25 \$190 00	0 42 \$100 000 4	security for one election day in FY 2016-17. Historically, the Sheriff has	as
							<u>= </u>	ection. Fo	erume expenses r FY 2015-16, a	or \$180,00 total of \$3	10,000 is budge	incurred overtime expenses of \$180,000 to \$190,000 for security for one election. For FY 2015-16, a total of \$310,000 is budgeted for two elections,	ne ions,
							Π	cluding o	including one Municipal election with consolidated polling locations.	ction with	consolidated po	olling locations.	

	ctions	Tota	\$20
FY 2015-16	Total Recommended Reductions	Ongoing	\$169.320
	Total Rec	One-Time	000.048
		,	_

•	One-Time	Ongoing	Total
General Fund	\$40,000	\$169,320	\$209,320
Non-General Fund	80	\$0	80
Total	\$40,000	\$169,320	\$209,320

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$10,849,111 budget for FY 2015-16 is \$874,380 or 8.8% more than the original FY 2014-15 budget of \$9,974,731.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 51.26 FTEs, which are 2.62 FTEs more than the 48.64 FTEs in the original FY 2014-15 budget. This represents a 5.4% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$10,849,111 in FY 2015-16, are \$874,380 or 8.8% more than FY 2014-15 revenues of \$9,974,731.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$10,865,513 budget for FY 2016-17 is \$16,402 or 0.2% more than the Mayor's proposed FY 2015-16 budget of \$10,849,111.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 51.49 FTEs, which are 0.23 FTEs more than the 51.26 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.4% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$10,865,513 in FY 2016-17, are \$16,402 or 0.2% more than FY 2015-16 estimated revenues of \$10,849,111.

DEPARTMENT: HSS — HEALTH SERVICE SYSTEM

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$131,490 in FY 2015-16. Of the \$131,490 in recommended reductions, \$10,000 are ongoing savings and \$121,490 are one-time savings. These reductions would still allow an increase of \$742,890 or 7.4% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$10,000 in FY 2016-17. Of the \$10,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$6,402 or 0.1% in the Department's FY 2016-17 budget.

DEPARTMENT: HSS — HEALTH SERVICE SYSTEM

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
HEALTH SERVICE SYSTEM					
HEALTH SERVICE SYSTEM	9,974,731	10,849,111	874,380	10,865,513	16,402
HEALTH SERVICE SYSTEM	9,974,731	10,849,111	874,380	10,865,513	16,402

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$874,380 largely due to:

- One-time funding to implement an Enterprise Content Management System that will allow digitization of member records and other documents.
- The expansion of the Well-Being Assessment to employees who have waived health coverage.
- A new workorder for Wellness classes with Recreation and Park and an increased workorder with the Department of Real Estate to reflect rent increases.
- The salary and fringe benefit costs associated with new positions proposed for FY 2015-16 and the annualization of new positions added in FY 2014-15.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$16,402 largely due to:

 Annualization of the salary and fringe benefit costs for the new positions proposed in FY 2015-16 and cost of living increases.

DEPARTMENT: HSS – HEALTH SERVICE SYSTEM

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 51.26 FTEs, which are 2.62 FTEs more than the 48.64 FTEs in the original FY 2014-15 budget. This represents a 5.4% increase in FTEs from the original FY 2014-15 budget.

The increase in FTEs is due to the annualization of new positions added during FY 2014-15 and new positions proposed for 2015-16.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 51.49 FTEs, which are 0.23 FTEs more than the 51.26 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.4% change in FTEs from the Mayor's proposed FY 2015-16 budget.

The increase of FTE positions is due to the annualization of positions proposed in FY 2015-16.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$10,849,111 in FY 2015-16 are \$874,380 or 8.8% more than FY 2014-15 revenues of \$9,974,731.

Specific changes in the Department's FY 2015-16 revenues include increases in expenditure recovery due to increases in services provided to other departments and an increase in Flexible Spending Account (FSA) forfeitures.

FY 2016-17

The Department's revenues of \$10,865,513 in FY 2016-17, are \$16,402 or 0.2% more than FY 2015-16 estimated revenues of \$10,849,111.

Specific changes in the Department's FY 2016-17 revenues include increases in expenditure recovery due to increases in services provided to other departments.

DEPARTMENT: HSS – HEALTH SERVICE SYSTEM

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed FY 2015-16 budget total \$131,490. Of the \$131,490 in recommended reductions, \$10,000 are ongoing savings and \$121,490 are one-time savings. These reductions would still allow an increase of \$742,890 or 7.4% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$10,000 in FY 2016-17. Of the \$10,000 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$6,402 or 0.1% in the Department's FY 2016-17 budget.

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				F1 2013-10	ļ				LI 2010-17		
	FTE	щ	Amount	unt			FTE	Amount	nnt		
Object Title	From	To	From	То	Savings	GF 1T	T From To	From	То	Savings	GF 1T
	HSS - Elect	ronic Con	HSS - Electronic Content Management	t							
Equipment Purchase			\$85,000	\$75,000	\$10,000	×				0\$	
	Reduce to	reflect act	Reduce to reflect actual needs based o	on vendor quotes.							
Professional and Specialized Services			\$64,000	\$60,000	\$4,000	×				0\$	
	Reduce to	reflect act	Reduce to reflect actual needs based o	on vendor quotes.							
Other Current Expenses			\$146,000	\$141,000	\$5,000	×				0\$	
	Reduce to	reflect act	Reduce to reflect actual needs based o	on vendor quotes.							
	HSS - HSS Administration	Administr	ation								
Attrition Savings	(1.62)	(2.12)	(\$154,119)	(\$197,423)	\$43,304	×				0\$	
Mandatory Fringe Benefits			(\$62,755)	(\$80,941)	\$18,186	×				0\$	
			Total Savings	\$61,490				Total Savings	0\$		
	Increase A	ttrition Sa	vings to reflect exp	Increase Attrition Savings to reflect expected hiring date of new 2594 Employee	of new 2594 Emp	oloyee					
	Assistance Repetits A	Counselo	Assistance Counselor position and retire	Assistance Counselor position and retirement date of a current 1.0 FTE 1210	current 1.0 FTE 12	10					
	חבוובוו א	iiaiyat pos	T-CTO2								
Professional and Specialized Services			\$1,202,444	\$1,197,444	\$5,000	×				0\$	
	Reduce to	more accu	urately reflect exp∈	Reduce to more accurately reflect expected costs of the proposed management	proposed manage	ement					
	training budget.	ıdget.									
	HSS - Wellness Program	ness Prog	ram								
Other Current Expenses			\$10,000	0\$	\$10,000	×		\$10,000	0\$	\$10,000	×
	Reduce to materials.	reflect lov This reduc	wer printing costs : tion still allows fo	Reduce to reflect lower printing costs resulting from increased online-only materials. This reduction still allows for an increase of \$5,000 in printing under	reased online-only	, nder	Ongoing savings.	٠			
	the Employ	yee Assista	the Employee Assistance Program.								
Professional and Specialized Services			\$426,040	\$390,040	\$36,000	×				0\$	
	Reduce to group licer	reflect thε nse for 35,	Reduce to reflect the actual cost of the group license for 35,000 participants.	ne Annual Wellness Challenge purchase as a	Challenge purcha	se as a					

		FY 2015-16				FY 2016-17	
	Total Reα	otal Recommended Reduction	tions		Total Rec	otal Recommended Reduction	tions
	One-Time	Ongoing	Total		One-Time	Ongoing	Total
General Fund	\$61,960	\$5,100	\$67,060	General Fund	0\$	\$5,100	\$5,100
Non-General Fund	\$59,530	\$4,900	\$64,430	Non-General Fund	\$0	\$4,900	\$4,900
Total	\$121,490	\$10,000	\$131,490	Total	\$0	\$10,000	\$10,000

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$88,091,052 budget for FY 2015-16 is \$6,690,506 or 8.2% more than the original FY 2014-15 budget of \$81,400,546.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 151.12 FTEs, which are 7.84 FTEs more than the 143.28 FTEs in the original FY 2014-15 budget. This represents a 5.5% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$74,791,826 in FY 2015-16 are \$5,528,143 or 8.0% more than FY 2014-15 revenues of \$69,263,683. General Fund support of \$13,299,226 in FY 2015-16 is \$1,162,363 or 9.6% more than FY 2014-15 General Fund support of \$12,136,863.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$91,586,230 budget for FY 2016-17 is \$3,495,178 or 4.0% more than the Mayor's proposed FY 2015-16 budget of \$88,091,052.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 159.53 FTEs, which are 8.41 FTEs more than the 151.12 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 5.6% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$76,570,646 in FY 2016-17 are \$1,778,820 or 2.4% more than FY 2015-16 estimated revenues of \$74,791,826. General Fund support of \$15,015,584 in FY 2016-17 is \$1,716,358 or 12.9% more than FY 2015-16 General Fund support of \$13,299,226.

DEPARTMENT: HRD – HUMAN RESOURCES

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$206,040 in FY 2015-16. Of the \$206,040 in recommended reductions, \$171,893 are ongoing savings and \$34,147 are one-time savings. These reductions would still allow an increase of \$6,484,466 or 8.0% in the Department's FY 2015-16 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended general fund encumbrances, which would allow the return of \$51,038 to the General Fund.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$274,173 in FY 2016-17. Of the \$274,173 in recommended reductions, \$180,513 are ongoing savings and \$93,660 are one-time savings. These reductions would still allow an increase of \$3,221,005 or 3.7% in the Department's FY 2016-17 budget.

DEPARTMENT: HRD – HUMAN RESOURCES

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
HUMAN RES OURCES					
ADMINISTRATION	1,304,940	2,000,259	695,319	2,032,841	32,582
CLASS AND COMPENSATION	348,796	497,082	148,286	507,819	10,737
EMPLOYEE RELATIONS	4,218,615	4,447,883	229,268	5,987,971	1,540,088
EQUAL EMPLOYMENT OPPORTUNITY	2,506,173	2,802,230	296,057	2,892,307	90,077
RECRUIT/ ASSESS/ CLIENT SERVICES	9,391,391	9,148,416	(242,975)	9,282,068	133,652
WORKERS COMPENSATION	62,497,246	66,676,533	4,179,287	69,749,323	3,072,790
WORKFORCE DEVELOPMENT	1,133,385	2,518,649	1,385,264	1,133,901	(1,384,748)
HUMAN RES OURCES	81,400,546	88,091,052	6,690,506	91,586,230	3,495,178

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$6,690,506 largely due to:

- The continuation and expansion of the Personnel Analyst Development Program, which allows City department staff in the personnel analyst classification series to train in a dedicated program offered by the Human Resources Department.
- A one-year pilot of an expanded Senior Fellows program, which allows mid-career professionals to complete limited-term projects with City departments. The expanded program is based on a partnership between the Human Resources Department, sponsoring City departments, and the Mayor's Office.
- The development and implementation of a new training program for City employees to build implicit bias awareness, in collaboration with the Human Rights Commission.
- The increase in the cost of Worker's Compensation insurance.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$3,495,178 largely due to:

- The increase in labor negotiation needs during FY 2016-17, including the hiring of temporary employees, in order to meet the anticipated service level responsible for negotiating all non-MTA labor contracts for City employees.
- The increase in the cost of Worker's Compensation insurance.

DEPARTMENT: HRD – HUMAN RESOURCES

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 151.12 FTEs, which are 7.84 FTEs more than the 143.28 FTEs in the original FY 2014-15 budget. This represents a 5.5% increase in FTEs from the original FY 2014-15 budget.

The increase in FTEs is due to new positions approved through supplemental appropriations between January 1 and June 30, 2015, the annualization of positions added in FY 2014-15, and the addition of the City's new Paid Parental Leave Consultant.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 159.53 FTEs, which are 8.41 FTEs more than the 151.12 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 5.6% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

The increase in FTEs is due to the annualization of positions proposed in 2015-16 and an increase in temporary and limited tenure employees in order to meet the anticipated FY 2016-17 service level responsible for negotiating all non-MTA labor contracts for City employees.

INTERIM EXCEPTIONS

The Department has requested approval of 14.0 positions as an interim exception. The Budget and Legislative Analyst recommends disapproval of these 14.0 positions as an interim exception because they do not meet a critical need of the department and therefore do not need to be hired on July 1, 2015.

- Although the recruitment process begins immediately in FY 2015-16, the Department has stated that the 4.0 FTE proposed 0922 Manager I positions will not be hired until September of 2015.
- The Department has stated that the 10.0 FTE proposed 1249 Personnel Trainee positions will not be hired until late September or early October of 2015 after a recruitment process that begins in August.

DEPARTMENT: HRD – HUMAN RESOURCES

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$74,791,826 in FY 2015-16 are \$5,528,143 or 8.0% more than FY 2014-15 revenues of \$69,263,683. General Fund support of \$13,299,226 in FY 2015-16 is \$1,162,363 or 9.6% more than FY 2014-15 General Fund support of \$12,136,863

Specific changes in the Department's FY 2015-16 revenues include increases in expenditure recovery due to increases in services provided to other departments.

General Fund support has increased to pay for new and ongoing initiatives for which the Department is not recovering costs through work orders with other City departments, including the implicit bias training and the City Hall Fellows program.

FY 2016-17

The Department's revenues of \$76,570,646 in FY 2016-17 are \$1,778,820 or 2.4% more than FY 2015-16 estimated revenues of \$74,791,826. General Fund support of \$15,015,584 in FY 2016-17 is \$1,716,358 or 12.9% more than FY 2015-16 General Fund support of \$13,299,226.

Specific changes in the Department's FY 2016-17 revenues include increases in expenditure recovery due to increases in services provided to other departments.

General Fund support has increased to pay for the increase in labor negotiation needs during FY 2016-17, including the hiring of temporary and limited duration employees, in order to meet the anticipated service level responsible for negotiating all non-MTA labor contracts for City employees. General Fund support has also increased to pay for the ongoing initiatives for which the Department is not recovering costs through work orders with other City departments.

DEPARTMENT: HRD – HUMAN RESOURCES

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$206,040 in FY 2015-16. Of the \$206,040 in recommended reductions, \$171,893 are ongoing savings and \$34,147 are one-time savings. These reductions would still allow an increase of \$6,484,466 or 8.0% in the Department's FY 2015-16 budget.

In addition, the Budget and Legislative Analyst recommends closing out prior year unexpended general fund encumbrances, which would allow the return of \$51,038 to the General Fund.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$274,173 in FY 2016-17. Of the \$274,173 in recommended reductions, \$180,513 are ongoing savings and \$93,660 are one-time savings. These reductions would still allow an increase of \$3,221,005 or 3.7% in the Department's FY 2016-17 budget.

Recommendations of the Budget and Legislative Analyst For Amendment of Budget Items in the FY 2015-16 and FY 2016-17 Two-Year Budget

HRD - Human Resources

			FY 2	FY 2015-16					FY	FY 2016-17		
	F	FTE	Amount	ınt				FTE	Amount	nt		
Object Title	From	To	From	То	Savings	GF 1T	From L	To	From	То	Savings GF	1T
	FC4 - Emp	FC4 - Employee Relations	ations									
Temporary Salaries									\$900,000	\$806,340	\$93,660 X	×
							Reduc Salarie negoti 1281 5 contra with tl	e to refleces by \$700 ations. In senior Em ct negotic to Departing the Departing contract in sontract in serior se	Reduce to reflect actual needs. The Department has increased Temporal Salaries by \$700,000 in FY 2016-17 to pay for staff to support labor cont negotiations. In addition, the Department is proposing new limited tenu 1281 Senior Employee Relations Representatives to support these labor contract negotiations. The recommended reduction of \$93,660 is consis with the Department's staffing plan and will provide sufficient resources labor contract negotiations in FY 2016-17.	Department has i to pay for staff to the pay for staff to thent is proposin presentatives to sended reduction cand will provide sand will provide sente-17.	Reduce to reflect actual needs. The Department has increased Temporary Salaries by \$700,000 in FY 2016-17 to pay for staff to support labor contract negotiations. In addition, the Department is proposing new limited tenure 1281 Senior Employee Relations Representatives to support these labor contract negotiations. The recommended reduction of \$93,660 is consistent with the Department's staffing plan and will provide sufficient resources for labor contract negotiations in FY 2016-17.	r t
Attrition Savings	(0.20)	(0.43)	(\$26,019)	(\$55,941)	\$29,922	×	(0.20)	(0.43)	(\$26,905)	(\$57,846)	\$30,941 X	
Mandatory Fringe Benefits			(\$9,268)	(\$19,926)	\$10,658	×			(\$9,245)	(\$19,877)	\$10,632 X	
			Total Savings	\$40,580					Total Savings	\$41,573		
	Increase A turnover.	Attrition Sa	Increase Attrition Savings by 0.23 FTE to more accurately reflect expected turnover.	o more accuratel	ly reflect expecte	pe	Ongoi	Ongoing savings.	:			
	FAR - Woi	rkforce De	FAR - Workforce Development									
Programmatic Projects			\$1,405,085	\$1,303,356	\$101,729	×						
Expenditure Recovery			(\$1,405,085)	(\$1,303,356)	(\$101,729)	×						
			Total Savings	0\$					Total Savings	\$0		
	Reduce Pr	rogrammat	Reduce Programmatic Project budget to	o reflect expecte	to reflect expected September hire dates of	e dates o	Į					
	4.0 new 0	1922 Mana	4.0 new 0922 Manager I positions in the Senior Fellows Program. These positions	e Senior Fellows	Program. These	positions						
	are iunde	์น เทเงนูยก	are iunded through citywide workorders.	Š.								Ī
	FC5 - Reci	ruit/Asses	FC5 - Recruit/Assess/Client Services									
Professional & Specialized Services			\$550,340	\$450,340	\$100,000	×			\$550,340	\$450,340	\$100,000 X	
	Reduce to	، reflect his	Reduce to reflect historical departmental expenditures on Professional and	al expenditures	on Professional ล	put						
	Specialize	d Services	Specialized Services in this program and anticipated expenditure needs in FY 2015-Ongoing savings.	l anticipated exp	enditure needs i	n FY 201.	5-Ongoi	ng savings	.6			
	16.											

Recommendations of the Budget and Legislative Analyst For Amendment of Budget Items in the FY 2015-16 and FY 2016-17 Two-Year Budget

HRD - Human Resources

			FY	FY 2015-16					F	FY 2016-17			
	FTE		Amount	ount			_	FTE	Amount	ınt			
Object Title	From	То	From	To	Savings	GF 1T	From	To	From	То	Savings	GF	1T
	FC8 - Equal Er	mploym	FC8 - Equal Employment Opportunity	,									
EEO Programs Senior Specialist	0.77	0.00	\$88,569	0\$	695′88\$	×	1.00	0.00	\$118,941		\$118,941	×	
Mandatory Fringe Benefits			\$32,793	0\$	\$32,793	×			\$42,721		\$42,721	×	
EEO Programs Specialist	0.00	0.77	0\$	\$69,864	(\$69,864)	×	0.00	1.00	0\$	\$93,820	(\$93,820)	×	
Mandatory Fringe Benefits			\$0	\$28,185	(\$28,185)	×			0\$	\$36,905	(\$36,902)	×	
		7	Total Savings	\$23,313					Total Savings	\$30,940			
	A new 1233 E	EO Prog	A new 1233 EEO Programs Specialist is	s recommended in	is recommended in the place of a proposed	oposed							
	1231 EEO Pro	grams S	1231 EEO Programs Senior Specialist t	to serve as the Cit	to serve as the City's Paid Parental Leave	eave							
	Coordinator.	The resp		functions of the n	functions of the new postion can be carried	carried		Ongoing savings.					
	out by the 1233 classification.	33 classi	fication.										
Attrition Savings	(0.26)	(0.43)	(\$29,915)	(\$45,339)	\$15,424	×							
Mandatory Fringe Benefits			(\$11,137)	(\$17,360)	\$6,223	×							
		7	Total Savings	\$21,647					Total Savings	0\$			
	Increase Attri	ition Sav	Increase Attrition Savings by 0.17 due	to expected delay	to expected delay in hiring of new 1233 EEO	1233 EE(0						
	Programs Spe	ecialist p	Programs Specialist position. Recomm	nendation calculat	nendation calculation is contingent on	nc							
	acceptance of	f our rec	ommendation to	o downard substit	acceptance of our recommendation to downard substitute 0.77 FTE 1231 EEO	EEO							
	Programs Sen	nior Spec	Programs Senior Specialist to 0.77 FTE	E 1233 EEO Programs Specialist.	ams Specialist.								
Training			\$37,418	\$29,418	\$8,000	×			\$37,418	\$29,418	\$8,000	×	
	Reduce to ref	flect hist	orical departmer	ntal expenditures	Reduce to reflect historical departmental expenditures on Equal Employment	nent	Ongo	Ongoing savings					
	Opportunity t	training (and anticipated ϵ	Opportunity training and anticipated expenditure needs in FY 2015-16.	s in FY 2015-16.))						
Programmatic Projects			\$150,000	\$137,500	\$12,500	×							
	Reduce the no	umbero	f implicit bias tra	aining sessions to	Reduce the number of implicit bias training sessions to 55 rather than 60 during	during							
	the first year	of the pı	ogram given the	e needs for develo	the first year of the program given the needs for development and testing of the	g of the							
	training conte	ent durin	training content during FY 2015-16.										

	uctions	Total
FY 2015-16	Total Recommended Reductions	Ongoing
	Total Re	One-Time

'	One-Time	Ongoing	Total
General Fund	\$34,147	\$171,893	\$206,040
Non-General Fund	\$0	\$0	\$0
Total	\$34,147	\$171,893	\$206,040

FY 2016-17 Total Recommended Reductions One-Time Ongoing Total Fund \$93,660 \$180,513 \$\$ Non-General Fund \$93,660 \$180,513 \$\$ Total \$93,660 \$180,513 \$\$
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Year	Department Code	Subfund Code	Vendor No	Vendor Name	Remaining Balance
12	HRD	1GAGFAAA	83748	GENBOOK INC	915.65
13	HRD	1GAGFAAA	14492	PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	7,810.74
14	HRD	1GAGFAAA	48471	SHRED WORKS	454.00
14	HRD	1GAGFAAA	18151	RICOH USA INC	10.54
14	HRD	1GAGFAAA	C05807	EXTREME PIZZA	1,285.90
14	HRD	1GAGFAAA	14492	PERSONNEL DCSNS INTL DBA PDI NINTH HOUSE	11,750.00
				Subtotal	22,226.83
09	HRD	1GAGFAAP	05052	CITY COLLEGE OF SAN FRANCISCO	28,811.00
				Subtotal	28,811.00
				Total	51,037.83

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$17,284,617 budget for FY 2015-16 is \$1,304,981 or 8.2% more than the original FY 2014-15 budget of \$15,979,636.

Personnel Changes

The number of full-time equivalent positions (FTEs) budgeted for FY 2015-16 is 61.13 FTEs, which is 0.56 FTEs less than the 61.69 FTEs in the original FY 2014-15 budget. This represents a .9% decrease in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$17,284,617 in FY 2015-16 are \$1,304,981 or 8.2% more than FY 2014-15 revenues of \$15,979,636. The Department does not receive General Fund support.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$17,499,459 budget for FY 2016-17 is \$214,842 or 1.2% more than the Mayor's proposed FY 2015-16 budget of \$17,284,617.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 61.08 FTEs, which are .05 FTEs less than the 61.13 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a .08% decrease in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$17,499,459 in FY 2016-17 are \$214,842 or 1.2% more than FY 2015-16 estimated revenues of \$17,284,617. The Department does not receive General Fund support.

DEPARTMENT: ENV - ENVIRONMENT

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$343,396 in FY 2015-16. Of the \$343,396 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$961,585 or 6.0% in the Department's FY 2015-16 budget.

The Budget and Legislative Analyst also recommends placing \$2,155,874 on Budget and Finance Committee Reserve.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$538,163 in FY 2016-17. Of the \$538,163 in recommended reductions, \$334,163 are ongoing savings and \$204,000 are one-time savings.

The Budget and Legislative Analyst also recommends placing \$1,982,874 on Budget and Finance Committee Reserve.

DEPARTMENT: ENV – ENVIRONMENT

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
ENVIRONMENT					
BIO-DIVERSITY	0	63,166	63,166	63,166	0
CLEAN AIR	769,219	1,500,128	730,909	1,510,461	10,333
CLIMATE CHANGE/ENERGY	512,268	950,322	438,054	711,547	(238,775)
ENVIRONMENT	7,021,416	6,734,246	(287,170)	6,884,351	150,105
ENVIRONMENT-OUTREACH	14,547	430,388	415,841	640,652	210,264
ENVIRONMENTAL JUSTICE / YOUTH EMPLOYMENT	226,203	235,374	9,171	240,306	4,932
GREEN BUILDING	389,847	424,253	34,406	433,092	8,839
RECYCLING	5,377,295	5,332,876	(44,419)	5,376,386	43,510
TOXICS	1,618,463	1,538,608	(79,855)	1,562,442	23,834
URBAN FORESTRY	50,378	75,256	24,878	77,056	1,800
ENVIRONMENT	15,979,636	17,284,617	1,304,981	17,499,459	214,842

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$1,304,981 largely due to increases in services and overhead required by new grants.

Specific changes in the Department's FY 2015-16 budget include:

- Increased funding for professional and specialized services related to the Clean Air program.
- Increased funding for materials and supplies through the Air Travel Carbon Fund in the Climate Change/Energy Program.
- Increased funding for salaries and overhead in the Environment-Outreach program.
- Decreases in funding for overhead and salaries for the Environment program and for legal services from the City Attorney's office for the Recycling program.

FY 2016-17

The Department's proposed FY 2016-17 budget has increased by \$214,842 largely due to:

- Additional funding for professional services for its Clean Air and Environment-Outreach programs.
- Decreased funding for materials and supplies for its Climate Change-energy program, which reflects reassigning anticipated future funding from the Air Travel Carbon Fund.

DEPARTMENT: ENV - ENVIRONMENT

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 61.13 FTEs, which is .56 FTEs less than the 61.69 FTEs in the original FY 2014-15 budget. This represents a .9% decrease in FTEs from the original FY 2014-15 budget.

The decrease in FTEs is due to deletion of an off-budget position, reduction in temporary salaries, and technical adjustment.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 61.08 FTEs, which are .05 FTEs less than the 61.13 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a .08% decrease in FTEs from the Mayor's proposed FY 2015-16 budget.

This change is due to a decrease in temporary staff and increase in attrition savings.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$17,284,617 in FY 2015-16, are \$1,304,981 or 8.2% more than FY 2014-15 revenues of \$15,979,636. There is no General Fund support for this Department.

The Department attained new regional and state grant funding, as well as anticipated commitments from private businesses, mainly for the Clean Air, Climate Change/Energy, and Outreach programs.

Specific changes in the Department's FY 2015-16 revenues include:

- A new grant for work related to electrical vehicle charging systems in multi-unit dwellings.
- Increased funding for the Department's Air Travel Carbon Fund via new carbon offset commitments from private companies.
- An increase in the State CalRecycle grant, funded by the fee imposed on purchases of certain beverage containers and used to promote recycling in the city.
- A decrease in support from the San Francisco Transportation Authority for the Clean Air program.

DEPARTMENT: ENV – ENVIRONMENT

FY 2016-17

The Department's revenues of \$17,499,459 in FY 2016-17, are \$214,282 or 1.2% more than FY 2015-16 estimated revenues of \$17,284,617. There is no General Fund support for this Department.

Specific changes in the Department's FY 2016-17 revenues include:

- Increased funding from the Solid Waste Impound Account Fee.
- Additional funding from the State CalRecycle grant.

RECOMMENDATIONS:

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$343,396 in FY 2015-16. Of the \$343,396 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$961,585 or 6.0% in the Department's FY 2015-16 budget.

The Budget and Legislative Analyst also recommends placing \$2,155,874 on Budget and Finance Committee Reserve.

YEAR Two: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$538,163 in FY 2016-17. Of the \$538,163 in recommended reductions, \$334,163 are ongoing savings and \$204,000 are one-time savings.

The Budget and Legislative Analyst also recommends placing \$1,982,874 on Budget and Finance Committee Reserve.

Recommendations of the Budget and Legislative Analyst For Amendment of Budget Items in the FY 2014-15 and FY 2015-16 Two-Year Budget

ENV - Department of the Environment

			FY 2	FY 2015-16		-		1	FY 20	FY 2016-17	_	
			Amount			_			Amount			_
Object Litle	From	10	From	10	Savings	11 12	From	0	From	0	Savings	11
1023 IS Administrator III	0.60 0.00	0:00	\$65,056	\$0	\$65,056		0.60	0.00	\$67,270	\$0	\$67,270	
	0.40	0.00	\$43,371	0\$	\$43,371		0.40	0.00	\$44,487	0\$	\$44,487	
Mandatory Fringe Benefits	09:0	00.0	\$25,096	0\$	\$25,096		09.0	0.00	\$25,254	0\$	\$25,254	
	0.40	0.00	\$16,730	0\$	\$16,730		0.40	0.00	\$16,838	0\$	\$16,838	
			Total Savings	\$150,253				1	Total Savings	\$153,849		
	Delete long of approxim	Delete long term vacant pos of approximately \$400,000.	Delete long term vacant position. The Department projects a FY 2014-15 salary surplus of approximately $\$400,000$.	irtment projects a	ı FY 2014-15 saları	y surplus	Ongoing savings.	vings.				
1840 Junior Management Assistant	09:0	0.00	\$43,281	0\$	\$43,281		09:0	0.00	\$44,753	0\$	\$44,753	
	0.40	0.00	\$28,853	0\$	\$28,853		0.40	00.00	\$29,836	0\$	\$29,836	
Mandatory Fringe Benefits	09:0	0.00	\$19,411	0\$	\$19,411		09:0	00.00	\$19,592	0\$	\$19,592	
	0.40	0.00	\$12,942	\$0\$	\$12,942		0.40	0.00	\$13,063	\$0	\$13,063	
	Delete long of approxim	Delete long term vacant po: of approximately \$400,000.	Delete long term vacant position. The Department projects a FY 2014-15 salary surplus of approximately \$400,000.	irtment projects a	ı FY 2014-15 salan	y surplus	Ongoing savings					
Other Materials and Supplies			\$75,000	\$35,000	\$40,000				\$45,000	\$20,000	\$25,000	
	Reduce buc Departmen increased th	dget for data t is underspe⊧ heir materials	Reduce budget for data processing supplies based on historical expenditures. Department is underspending on materials and supplies in FY 2014-15 and has increased their materials and supplies budget in FY 2015-16.	s based on historic and supplies in F ^y get in FY 2015-16.	cal expenditures. Y 2014-15 and has	10	Ongoing savings.	vings.				
Other Materials and Supplies			000′9\$	\$1,000	\$5,000				\$3,265	0\$	\$3,265	
	Reduce buc underspenc materials ar	dget for mino ding on mater nd supplies b	Reduce budget for minor furnishings based on historical expenditures. Departm underspending on materials and supplies in FY 2014-15 and has increased their materials and supplies budget in FY 2015-16.	on historical exp FY 2014-15 and 6.	on historical expenditures. Department is FY 2014-15 and has increased their 6.	ment is ir	Ongoing savings.	vings.				
	CIO - Clean Air	Air										
Other Materials and Supplies			\$17,318	\$2,000	\$15,318				\$17,318	\$2,000	\$15,318	
	Reduce buc is underspe materials ar	dget for mate inding on mat nd supplies bu	Reduce budget for materials and supplies based on historical expenditures. Department is underspending on materials and supplies in FY 2014-15 and has increased their materials and supplies budget in FY 2015-16.	nased on historica in FY 2014-15 an 6.	l expenditures. De id has increased th	partment neir	Ongoing savings.	vings.				
	CIR - Green Building	Building										
Training			000′6\$	\$2,000	\$7,000				\$9,000	\$2,000	\$7,000	
	Deny new fu has a depar program.	unding and fu tmentwide si	Deny new funding and further reduce funding for training in this program. Department has a departmentwide surplus in training funds in FY 2014-15, including a surplus in this Ongoing savings. program.	ing for training in Inds in FY 2014-1.	this program. Del 5, including a surp	partment ilus in this	Ongoing sa	vings.				

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Recommendations of the Budget and Legislative Analyst For Amendment of Budget Items in the FY 2014-15 and FY 2015-16 Two-Year Budget

ENV - Department of the Environment

ile or Environmental			í	OT-CTOS -					FT 2016-1/	11-01		
Environmental	Ξ.		Amount	unt				FTE	Amount	ınt		
or Environmental	From	To	From	То	Savings	GF 1T	From	То	From	То	Savings	GF 1T
5642 Senior Environmental	CIU - Environment - Outreach	ment - Outre	each					•	-	-		
Specialist	0.20	0.00	\$20,866	0\$	\$20,866		0.20	0.00	\$21,576	\$0	\$21,576	
Mandatory Fringe Benefits	0.20	0.00	\$8,250	\$0	\$8,250		0.20	0.00	\$8,310	\$0	\$8,310	
5640 Environmental Specialist	0.00	0.20	0\$	\$17,388	(\$17,388)		0.00	0.20	0\$	\$17,928	(\$17,928)	
Mandatory Fringe Benefits	0.00	0.20	\$0	\$7,459	(\$7,459)		0.00	0.20	\$0	\$7,459	(\$7,459)	
		7	Total Savings	\$4,268					Total Savings	\$4,498		
-	Deny propose Senior Enviror responsibilitie	id upward su nmental Spe is do not me	ubstitution for ma cialist. Position's et Department of	nager of Environn s current manager Human Resource	Deny proposed upward substitution for manager of Environment Now program to Senior Environmental Specialist. Position's current management and outreach responsibilities do not meet Department of Human Resources job specifications.	n to n s.	Ongoing savings.	avings.				
Professional & Specialized Services									\$204,000	0\$	\$204,000	×
							Mistakenly	/ included in M	Mistakenly included in Mayor's budget proposal.	osal.		
	CIU - Recycling	p0										
5642 Senior Environmental Specialist	0.80	0.00	\$83,463	0\$	\$83,463		0.80	0.00	\$86,304	0\$	\$86,304	
Mandatory Fringe Benefits	0.80	0.00	\$32,998	0\$	\$32,998		0.80	00.00	\$33,236	0\$	\$33,236	
5640 Environmental Specialist	0.00	0.80	0\$	\$69,554	(\$69,554)		0.00	0.80	0\$	\$71,714	(\$71,714)	
Mandatory Fringe Benefits	0.00	0.80	0\$	\$29,838	(\$29,838)		0.00	0.80	0\$	\$29,838	(\$29,838)	
, = 0, =	Deny propose Senior Enviror responsibilitie	d upward sumental Spe	<i>Total Savings</i> ubstitution for malecialist. Position's	\$17,070 nager of Environn s current managen f Human Resource	Total Savings \$17,070 Deny proposed upward substitution for manager of Environment Now program to Senior Environmental Specialist. Position's current management and outreach responsibilities do not meet Department of Human Resources job specifications.	י to ו S.	Ongoing savings.		Total Savings	\$17,989		
				FY 2015-16						FY 2016-17		
			Total Re	Total Recommended Reductions ime Ongoing	uctions Total				Total Rec One-Time	Total Recommended Reductions ime Ongoing	ıctions Total	
	Gen Non-Gen	General Fund Non-General Fund	0\$	\$343,396	\$343,396		Non-6	General Fund Non-General Fund	\$04,000	\$334,163	\$0\$	
		Total	\$0	\$343,396	\$343,396			Total	\$204,000	\$334,163	\$538,163	_

Recommendations of the Budget and Legislative Analyst For Amendment of Budget Items in the FY 2014-15 and FY 2015-16 Two-Year Budget

ENV - Department of the Environment

			FY	FY 2015-16					FY 2	FY 2016-17			
	FTE	ц	Am	Amount			-	FTE	Amount	ount			
Object Title	From	To	From	70	Savings GF	F 1T	From	70	From	То	Savings	Ŗ	1T
				Re	Recommended Reserves	ves							
	CIO - Clean Air	\ir											
Professional & Specialized Services			\$376,873	\$376,873		×			\$376,873	\$376,873			×
	Recommend proposed inc program, per resources an professional	placing on rease in fur nding additi d how grant services is fa	Budget and Finar Iding for Profession onal explanation : requires these d	Recommend placing on Budget and Finance Committee reserve a portion of th proposed increase in funding for Professional & Specialized Services for the Cle program, pending additional explanation by the Department for uses of these I resources and how grant requires these dollars be expended. Expenditures for professional services is far less than other proposed additional funding.	Recommend placing on Budget and Finance Committee reserve a portion of the proposed increase in funding for Professional & Specialized Services for the Clean Air program, pending additional explanation by the Department for uses of these new resources and how grant requires these dollars be expended. Expenditures for professional services is far less than other proposed additional funding.	Air	Place addit planned ex	onal funding penditures an	Place additional funding in reserve pending additional det planned expenditures and updated estimates of revenue.	Place additional funding in reserve pending additional details from department about planned expenditures and updated estimates of revenue.	s from departm	ent abo	Ħ
	CIP - Climate Change/Energy	: Change/Er	iergy										
Materials and Supplies			\$324,721	\$324,721		×			\$151,721	\$151,721			×
	Recommend from city and Department expected. Ex current fiscal	placing the 1/or private for uses of t penditures I year do noi	Recommend placing the anticipated incre from city and/or private businesses in ress Department for uses of these resources al expected. Expenditures for materials and current fiscal year do not exceed \$6,000.	ase in funding for t erve, pending addit nd clarification on f supplies related to	Recommend placing the anticipated increase in funding for the Air Travel Carbon Fund from city and/or private businesses in reserve, pending additional explanation by the Department for uses of these resources and clarification on how much revenue is to be expected. Expenditures for materials and supplies related to Air Travel Carbon Fund in current fiscal year do not exceed \$6,000.	Fund the to be nd in		onal funding penditures an	Place additional funding in reserve pending additional dei planned expenditures and updated estimates of revenue.	Place additional funding in reserve pending additional details from department about planned expenditures and updated estimates of revenue.	s from departm	ent abo	
	CIS - Recycling	Jg.											
Programmatic Projects- Budget			\$1,454,280	\$1,454,280		×			\$1,454,280	\$1,454,280			×
	Recommend actual need a	' placing the and additior	Recommend placing the full budget for Pr actual need and additional explanation.	ogrammatic Projec	Recommend placing the full budget for Programmatic Projects on reserve, pending actual need and additional explanation.	g _l	Recommen actual need	d placing the and addition	Recommend placing the full budget for Pro actual need and additional explanation.	Recommend placing the full budget for Programmatic Projects on reserve, pending actual need and additional explanation.	cts on reserve, p	ending	
	Ger Non-Ge	General Fund Non-General Fund Total	Total One-Time \$0 \$2,155,874 \$2,155,874	FY 2015-16 Total Recommended Reserves ne Ongoing T \$0 \$0 5,874 \$0 5,874 \$0 \$2	\$0 \$0 \$2,155,874		Non-G	General Fund Non-General Fund Total	Total P. One-Time \$0 \$1,982,874 \$1,982,874	FY 2016-17 Total Policy Recommendations me Ongoing T \$0 \$0 2,874 \$0 \$1 2,874 \$0 \$1	ations		

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$40,583,251 budget for FY 2015-16 is \$3,761,838 or 10.2% more than the original FY 2014-15 budget of \$36,821,413.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 99.08 FTEs, which are 7.22 FTEs more than the 91.86 FTEs in the original FY 2014-15 budget. This represents a 7.9% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$13,834,380 in FY 2015-16, are \$2,926,254 or 17.5% less than FY 2014-15 revenues of \$16,760,634. General Fund support of \$26,748,871 in FY 2015-16 is \$6,688,092 or 33.3% more than FY 2014-15 General Fund support of \$20,060,779.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$38,968,399 budget for FY 2016-17 is \$1,614,852 or 4.0% less than the Mayor's proposed FY 2015-16 budget of \$40,583,251.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 100.19 FTEs, which are 1.11 FTE more than the 99.08 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 1.1% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$13,555,826 in FY 2016-17, are \$273,554 or 2.0% less than FY 2015-16 revenues of \$13,834,380. General Fund support of \$25,412,573 in FY 2016-17 is \$1,336,298 or 5.0% less than FY 2015-17 General Fund support of \$26,748,871.

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,840,806 in FY 2015-16. Of the \$1,840,806 in recommended reductions, \$1,040,806 are ongoing savings and \$800,000 are one-time savings. These reductions would still allow an increase of \$1,921,032 or 5.2% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,269,169 in FY 2016-17. Of the \$1,269,169 in recommended reductions, \$1,122,682 are ongoing savings and \$146,487 are one-time savings.

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
ECONOMIC & WORKFORCE DEVELOPMENT					
CHILDREN'S BASELINE	314,065	314,065	0	314,065	0
ECONOMIC DEVELOPMENT	15,385,760	13,126,610	(2,259,150)	11,645,347	(1,481,263)
FILM SERVICES	1,125,000	1,450,000	325,000	1,450,000	0
FINANCE AND ADMINISTRATION	0	1,174,875	1,174,875	1,263,982	89,107
JOINT DEVELOPMENT	0	2,252,009	2,252,009	2,273,691	21,682
OFFICE OF SMALL BUSINESS	891,470	896,707	5,237	912,896	16,189
WORKFORCE TRAINING	19,105,118	21,368,985	2,263,867	21,108,418	(260,567)
ECONOMIC & WORKFORCE DEVELOPMENT	36,821,413	40,583,251	3,761,838	38,968,399	(1,614,852)

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$3,761,838 largely due to:

- Increased funding for OEWD's grants to community-based organizations. In addition to expanding existing programs, the new grants will launch two new Economic Development Initiatives: (1) The Neighborhood Asset Relief Buildings program and (2) the Small Business Disaster Recovery Fund.
- Eight new positions in the following programs: Economic Development, Film Services, Joint Development, and Finance & Administration.

FY 2016-17

The Department's proposed FY 2016-17 budget has decreased by \$1,614,852 largely due to:

- A decrease in OEWD's grants to community-based organizations, in particular in the Invest in Neighborhoods and Workforce Development sector programs.
- An expected decrease in charges for services from the Department of Technology.

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 99.08 FTEs, which are 7.22 FTEs more than the 91.86 FTEs in the original FY 2014-15 budget. This represents a 7.9% increase in FTEs from the original FY 2014-15 budget.

- A new Junior Administrative Assistant to assist in processing film permit applications.
- A new Community Development Specialist to stimulate spending on local businesses.
- A new Community Development Specialist dedicated to helping small businesses through the City permitting process.
- Positions to provide employment and contract compliance services related to the Mayor's office of Housing and Community Development's Rental Assistance Demonstration (RAD) Program.
- A new Project Manager for the Invest in Neighborhoods team to manage projects in the Fillmore and Japantown.
- A new human resources manager for the Department, which has historically shared this function with the Mayor's Office.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 100.19 FTEs, which are 1.11 FTE more than the 99.08 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 1.1% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

• This is due to an additional Employment and Training Specialist to provide employment services for Phase 2 of the RAD project.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$13,834,380 in FY 2015-16, are \$2,926,254 or 17.5% less than FY 2014-15 revenues of \$16,760,634. General Fund support of \$26,748,871 in FY 2015-16 is \$6,688,092 or 33.3% more than FY 2014-15 General Fund support of \$20,060,779.

Specific changes in the Department's FY 2015-16 revenues include:

A decrease in developer fees and federal grants

FY 2016-17

The Department's revenues of \$13,555,826 in FY 2016-17, are \$273,554 or 2.0% less than FY 2015-16 estimated revenues of \$13,834,380. General Fund support of \$25,412,573 in FY 2016-17 is \$1,336,298 or 5.0% less than FY 2015-17 General Fund support of \$26,748,871.

Specific changes in the Department's FY 2016-17 revenues include:

A decrease in federal grants.

DEPARTMENT: ECN – ECONOMIC AND WORKFORCE DEVELOPMENT

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,840,806 in FY 2015-16. Of the \$1,840,806 in recommended reductions, \$1,040,806 are ongoing savings and \$800,000 are one-time savings. These reductions would still allow an increase of \$1,921,032 or 5.2% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$1,269,169 in FY 2016-17. Of the \$1,269,169 in recommended reductions, \$1,122,682 are ongoing savings and \$146,487 are one-time savings.

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			FY	FY 2015-16						FY 2016-17			
	314		Amount	ount				FTE	Am	Amount			
Object Title	From	To	From	To	Savings	GF 1	1T Fr	From To	From	То	Savings	GF	11
	PGM - ECON	IOMIC DE	PGM - ECONOMIC DEVELOPMENT										
PROFESSIONAL & SPECIALIZED SERVICES			\$200,000	\$180,000	\$20,000	×			\$200,000	\$180,000	\$20,000	×	
	Reduce this line.	item to re	Reduce this item to reflect historical underspending on one of the contracts in this line.	derspending on on	ie of the contract	s in this		Ongoing savings	sgı				
COMMUNITY BASED ORGANIZATION SVCS- BUDGET			\$5,545,000	\$5,045,000	\$500,000	×	×		\$4,691,487	\$4,545,000	\$146,487	×	×
	Reduce to re grants to co	eflect histo mmunity l	Reduce to reflect historical spending. The Department budgeted \$12.9 million for grants to community based organizations in FY 2013-14 and FY 2014-15, but only	ie Department buc is in FY 2013-14 ar	dgeted \$12.9 milli nd FY 2014-15, bu	ion for it only							
	spent \$8.4 n	illion in F	spent \$8.4 million in FY 2013-14 and is p	projected to spend approximately \$8.6	l approximately \$8	. 9.8	ć	المردي ومان	ŭ				
	million in FY organizatior	2014-15. Is by \$4.6	million in FY 2014-15. The Mayor's budget increased grants to community based organizations by \$4.6 million, from \$12.9 million in	get increased grants to community based 9 million in FY 2014-15 to \$17.5 million in FY	ts to community k 4-15 to \$17.5 mil	based lion in F		Sambe salingino	S 200				
	2015-16.												
Attrition Savings			(\$117,965)	(\$187,965)	\$70,000	×			(\$121,981)	(\$191,981)	\$70,000	×	
Mandatory Fringe Benefits			(\$45,981)	(\$73,266)	\$27,285	×			(\$46,061)	(\$72,494)	\$26,433	×	
			Total Savings	\$97,285					Total Savings	\$96,433			
	Increase att has a projec savings by \$	riton savir ted salary 70,190 in	Increase attriton savings to account for has a projected salary surplus in FY 2014 savings by \$70,190 in FY 2015-16 to allo	r currently vacant positions. The Department 14-15 of \$211,338, but has reduced attrition ow for increased hiring. The Department has	ositions. The Dep but has reduced a ring. The Departn	artmen Ittrition Ient ha		Ongoing savings	SBL				
	also request Analyst is re	ed six nev commend	also requested six new positions in this fund for which the Budget and Legislative Analyst is recommending approval of four new positions and disapproval of two new	rund tor which the ur new positions a	: Budget and Legis ind disapproval of	slative two ne							
	positions.							-					
Senior Community Devl Specialist I	0.77	0.00	\$75,150	\$0	\$75,150	×	1	1.00 0.00	0 \$100,919	\$0	\$100,919	×	
Mandatory Fringe Benefits	00:0	0.00	\$30,190	0\$	\$30,190	×	0	0.00 0.00	0 \$39,415	0\$	\$39,415	×	
			Total Savings	\$105,340					Total Savings	\$140,334			
	Delete one r City's permi Health (DPH restaurant p 2013, MOEV DPH permitt process.	new positi cting proconting broconting in resportermits in value of the conting procesting processing processi	Delete one new position. The Department requested this position to facilitate the City's permitting process for new restaurant owners. The Department of Public Health (DPH) is responsiblefor restaurant permitting. While the number of restaurant permits in the City increased over six years from 214 in 2007 to 536 in 2013, MOEWD has not shown that delays or other problems have occurred in the DPH permitting process that require MOEWD to add a new position to facilitate the process.	nt requested this areat owners. The the permitting. While over six years from the over the probler to add a new the probler to add a new the probler the problem that the problem	position to facilita Department of P le the number of m 214 in 2007 to ms have occurred w position to facil	ate the ublic 536 in I in the itate th		Ongoing savings	SBL				

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			FY	FY 2015-16						FY	FY 2016-17			
	FTE	Į, i	Ame	Amount				FTE		Amount	ıt			
Object Title	From	To	From	To	Savings	GF	1T F	From To		From	To	Savings	GF	1T
Community Development Specialist	0.77	0.00	\$64,926	0\$	\$64,926	×		1.00 0.1	0.00	\$87,190	0\$	\$87,190	×	
Mandatory Fringe Benefits	00'0	0.00	\$27,441	0\$	\$27,441	×		0.00	0.00	\$35,890	0\$	\$35,890	×	
			Total Savings	\$92,367					Total Savings	rvings	\$123,080			
	Delete one r stimulate sp that such sti sales tax rev (projected).	new positi nending on mulus is n enue, has	on. This position v local businesses. ecessary. Local bu increased by \$55	would conduct a However, the De Lishness spending, million between	Delete one new position. This position would conduct a marketing campaign to stimulate spending on local businesses. However, the Department has not shown that such stimulus is necessary. Local business spending, as captured by the City's sales tax revenue, has increased by \$55 million between FY 2010-11 to FY 2014-15 (projected).	gn to shown e City's 2014-1		Ongoing savings	ings					
	PGM - WORKFORCE TRAINING	KFORCE T	RAINING											
COMMUNITY BASED ORGANIZATION SVCS- BUDGET			\$3,390,049	\$2,890,049	\$500,000	×			\$3,	\$3,290,049	\$2,790,049	\$500,000	×	
	Reduce to re	eflect histo	Reduce to reflect historical spending. The grants to community based organization	ne Department b	Reduce to reflect historical spending. The Department budgeted \$12.9 million for grants to community based organizations in FY 2013-14 and FY 2014-15. but only	lion for								
	spent \$8.4 n	nillion in F 2014-15.	spent \$8.4 million in FY 2013-14 and is pmillion in FY 2014-15. The Mayor's budg	projected to sper	spent \$8.4 million in FY 2013-14 and is projected to spend approximately \$8.6 million in FY 2014-15. The Mayor's budget increased grants to community based	58.6 based	2	Ongoing savings	rings					
	organizacion 2015-16.	Is by 54.0		.9	IIII C: /T¢ 01 CT- / T/		Ξ.							
	PGM - CHILDREN'S BASELINE	OREN'S BA	SELINE								•	•	ŀ	
WORKFORCE DEVELOPMENT- CHILDRENS BASELINE			\$314,065	\$180,000	\$134,065	×			₩.	\$314,065	\$180,000	\$134,065	×	
	Reduce this 2013-14 was budget was 16 budget tc	item to re s \$314,06! \$314,065 >\$180,000	flect historical unication and actual spendand spendand spending was is consistent with	derspending. The ding was \$0.00 oo \$\$179,845 or 57. h FY 2014-15 pro	Reduce this item to reflect historical underspending. The budget for this item in FY 2013-14 was \$314,065 and actual spending was \$0.00 or 0%. In FY 2014-15 the budget was \$314,065 and spending was \$179,845 or 57.3%. Reducing the FY 2015-16 budget to \$180,000 is consistent with FY 2014-15 projected expenditures.	em in F 5 the FY 201! es.		Ongoing savings	ings					
	PGM - FILM SERVICES	SERVICES												
Junior Administrative Analyst	0.77	00.00	\$52,142	0\$		××	+	1.00 0.0	0.00	\$70,022	\$0 80	\$70,022	××	
Mandatory Fringe Benefits	0.00	0.00	323,996	0\$,0=+	955,996	×	+	_		531,482	\$0.00	\$31,482	×	
			Total Savings	\$76,138					Total Savings	ıvings	\$101,504			
	Delete one r permit rever Commission	new positi. nue, the walready ha	Delete one new position. Based on the r permit revenue, the workload for the Fi Commission already has two 1822s to p	number of film production entit ilm Commission is not increasin, process film permit applications.	Delete one new position. Based on the number of film production entities and film permit revenue, the workload for the Film Commission is not increasing. The Commission already has two 1822s to process film permit applications.	and filr he		Ongoing savings	vings					

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ECN - Eco
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			FY	Y 2015-16						E	FY 2016-17			
	FTE	ш	Amount	unt			H	FTE		Amount	nt			
Object Title	From	To	From	To	Savings	GF	1T F	From	To	From	То	Savings	GF	1T
INVESTMENT EXP.(AGAINST INVESTMENT INC.)			\$800,000	\$500,000	\$300,000	×	×					0\$		
	The Film Rebate prograr reduction would give thappropriation plus \$373 \$831,000 in FY 2014-15.	bate progr ould give t on plus \$37 FY 2014-1	The Film Rebate program currently has a reduction would give the Film Rebate prappropriation plus \$373,658 carry forwa\$331,000 in FY 2014-15.	The Film Rebate program currently has a fund balance of \$373,658. The proposed reduction would give the Film Rebate program funds of \$873,658 (\$500,000 in new appropriation plus \$373,658 carry forward) which is consistent with expenditures of \$831,000 in FY 2014-15.	\$373,658. The pro 373,658 (\$500,00. stent with expeno	oposec) in ne litures	o e							
			Total Savings	\$300,000					To	Total Savings	0\$			
	PGM - FINA	NCE AND	PGM - FINANCE AND ADMINISTRATION											
Manager 1	0.77	00'0	\$92,749	0\$	\$92,749	X		1.00	0.00	\$124,553	0\$	\$124,553	×	
Mandatory Fringe Benefits	00.00	0.00	\$37,802	0\$	\$37,802	×		0.00	0.00	\$35,890	\$0.00	\$35,890	×	
Senior Personnel Analyst	00.00	0.77	0\$	\$83,489	(\$83,489)	X		0.00	1.00	0\$	\$112,118	(\$112,118)	×	
Mandatory Fringe Benefits	0.00	0.00	0\$	\$31,451	(\$31,451)	×	Н	0.00	0.00	\$0	\$41,059	(\$41,059)	×	
			Total Savings	\$15,611					70	Total Savings	\$7,266			
	Substitute o	ne new Se	nior Personnel An	Substitute one new Senior Personnel Analyst for one new requested Manager I to	requested Mana	ter I to								
	oversee the	Departme	nt's human resou	oversee the Department's human resources functions. The Department has shared	e Department ha	share	٥							
	this functior	with the	Mayor's Office but	this function with the Mayor's Office but has requested additional help to support	Iditional help to s	uppor		and ive a paiopa	, vinge					
	increased st	affing. Thi	s recommendation	increased staffing. This recommendation would give the Department one new	epartment one n	ew)	180111831	24.11.63					
	human reso	urces posi	tion while continu	human resources position while continuing to share management of human	gement of humai	_								
	resources fu	inctions wi	resources functions with Mayor's Office.											

٠,	Total	\$1,840,806	\$1,040,806	\$800,000	Total
	Non-General Fund	\$0	\$0	\$0	Non-General Fund
0,	General Fund	\$1,840,806	\$1,040,806	\$800,000	General Fund
One	•	Total	Ongoing	One-Time	•
		ctions	Total Recommended Reductions	Total Rec	
			FY 2015-16		

 FY 2016-17

 Total Recommended Reductions

 One-Time
 Ongoing
 Total

 General Fund
 \$1.46,487
 \$1,122,682
 \$1,269,169

 Non-General Fund
 \$0
 \$0
 \$0

 Total
 \$146,487
 \$1,122,682
 \$1,269,169

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$40,888,727 budget for FY 2015-16 is \$2,537,115 or 6.6% more than the original FY 2014-15 budget of \$38,351,612.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 183.51 FTEs, which are 13.25 FTEs more than the 170.26 FTEs in the original FY 2014-15 budget. This represents a 7.8% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$38,783,637 in FY 2015-16, are \$2,804,650 or 7.8% more than FY 2014-15 revenues of \$35,978,987. General Fund support of \$2,105,090 in FY 2015-16 is \$267,535 or 11.3% less than FY 2014-15 General Fund support of \$2,372,625.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$40,603,089 budget for FY 2016-17 is \$285,638 or 0.7% less than the Mayor's proposed FY 2015-16 budget of \$40,888,727.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 194.69 FTEs, which are 11.18 FTEs more than the 183.51 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 6.1% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$38,217,677 in FY 2016-17, are \$565,960 or 1.5% less than FY 2015-16 estimated revenues of \$38,783,637. General Fund support of \$2,385,412 in FY 2016-17 is \$280,322 or 13.3% more than FY 2015-16 General Fund support of \$2,105,090.

DEPARTMENT: CPC- CITY PLANNING

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$563,918 in FY 2015-16. Of the \$563,918 in recommended reductions, \$252,480 are ongoing savings and \$311,438 are one-time savings. These reductions would still allow an increase of \$1,973,197 or 5.1% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$332,565 in FY 2016-17. Of the \$332,565 in recommended reductions, all are ongoing savings.

DEPARTMENT: CPC- CITY PLANNING

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
CITY PLANNING					
ADMINISTRATION/PLANNING	10,627,576	13,303,866	2,676,290	12,273,593	(1,030,273)
CITYWIDE PLANNING	8,550,369	10,308,118	1,757,749	9,309,500	(998,618)
CURRENT PLANNING	10,982,280	8,476,874	(2,505,406)	9,933,776	1,456,902
ENVIRONMENTAL PLANNING	6,114,136	6,330,307	216,171	6,463,168	132,861
ZONING ADMINISTRATION AND COMPLIANCE	2,077,251	2,469,562	392,311	2,623,052	153,490
CITY PLANNING	38,351,612	40,888,727	2,537,115	40,603,089	(285,638)

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$2,537,115 largely due to the addition of new staff and one-time projects.

Due to the population growth in recent years, the Planning Department's caseload has increased significantly and the projects the Department processes have increased in complexity. The Department has experienced a 38 percent growth in planning applications and building permits over the past five years, and the Department expects the same level of planning cases and building permit application volumes in FY 2015-16 as FY 2014-15. The Department seeks to increase efficiencies and reduce processing time delays.

In coordination with the Department of Building Inspection, the Planning Department is currently implementing the new Permit and Project Tracking System, which will consolidate multiple existing systems into one citywide permitting system, allowing City departments to share data. The system is scheduled to go live to the public at the end of FY 2014-15 with continued enhancements anticipated throughout FY 2015-16. Also, the Citywide Planning Division is implementing a five-year work program to improve services.

FY 2016-17

The Department's proposed FY 2016-17 budget will decrease by \$285,638 from the proposed FY 2015-16 budget largely due to the expiration of one-time project funding. However, salaries are still increasing by \$1,908,379 from the previous year, primarily due to the annualization of new positions proposed for FY 2015-16.

DEPARTMENT: CPC- CITY PLANNING

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 183.51 FTEs, which are 13.25 FTEs more than the 170.26 FTEs in the original FY 2014-15 budget. This represents a 7.8% increase in FTEs from the original FY 2014-15 budget.

The Department is requesting 6.54 new FTEs in the Citywide Planning Division and 3.85 new FTEs in the Environmental Planning Division. The Department is also requesting 2.31 FTEs in the Zoning and Compliance Division due to the creation of the Office of Short-Term Rentals.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 194.69 FTEs, which are 11.18 FTEs more than the 183.51 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 6.1% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

The increase is primarily due to the annualization of new positions proposed in FY 2015-16.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$38,783,637 in FY 2015-16, are \$2,804,650 or 7.8% more than FY 2014-15 revenues of \$35,978,987. General Fund support of \$2,105,090 in FY 2015-16 is \$267,535 or 11.3% less than FY 2014-15 General Fund support of \$2,372,625.

Specific changes in the Department's FY 2015-16 revenues include increases in charges for services due to the increases in permit applications and business license issuance, decreases in Federal and State funding, and decreases in other revenue and General Fund support.

FY 2016-17

The Department's revenues of \$38,217,677 in FY 2016-17, are \$565,960 or 1.5% less than FY 2015-16 estimated revenues of \$38,783,637. General Fund support of \$2,385,412 in FY 2016-17 is \$280,322 or 13.3% more than FY 2015-16 General Fund support of \$2,105,090.

Specific changes in the Department's FY 2016-17 revenues include increases in Federal funding, decreases in State and other revenues, and increases in charges for services and General Fund support.

DEPARTMENT: CPC- CITY PLANNING

File 15-0566 and File 15-0571

File No. 15-0566 is an ordinance amending the Administrative Code to eliminate the \$53 Installation Agreement Processing Fee and the \$436 Refund Processing Fee from the California Environmental Quality Act procedures and fees.

File No. 15-0571 is an ordinance amending the Planning and Building Codes to waive fees related to granting legal status to dwelling units constructed without required permits. Currently the Department charges administrative fees for review of building permit applications. The proposed ordinance would waive permit application fees for review of permit applications that seek to legalize secondary dwelling units until January 1, 2020.

Projected revenue decreases for FY 2015-16 are based on the proposed fee ordinance as follows:

File No.	Fee Description	FY 2014-15 Projected Revenue	Change in FY 2015-16
	Admin Code- CEQA		
	Procedures and Fees		
	(Installment		
15-0566	Agreements)	\$62	(\$62)
	Admin Code- CEQA		
	Procedures and Fees		
15-0566	(Refunds)	\$2,285	(\$2,285)
	Planning, Building		
	Codes- Fee Waiver for		
	Legalization of		
	Secondary Dwelling		
15-0571	Units	\$52,000	(\$52,000)
Total		\$54,347	(\$54,347)

<u>Recommendation</u>: Approval of the proposed fee elimination resolution is a policy matter for the Board of Supervisors.

DEPARTMENT: CPC- CITY PLANNING

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$563,918 in FY 2015-16. Of the \$563,918 in recommended reductions, \$252,480 are ongoing savings and \$311,438 are one-time savings. These reductions would still allow an increase of \$1,973,197 or 5.1% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$332,565 in FY 2016-17. Of the \$332,565 in recommended reductions, all are ongoing savings.

CPC - City Planning

			FY	FY 2015-16						FY 2016-17			
	FTE	E	Amount	ınt				FTE	Amount	ınt			
Object Title	From	To	From	To	Savings	GF 1	1T Fr	From To	From	То	Savings	GF 1	1T
	FEF- Administration	nistration											
Materials and Supplies- Budget Only			\$115,000	\$100,000	\$15,000	×			\$135,000	\$120,000	\$15,000	×	
	Reduce bu	dgeted ex	Reduce budgeted expenditures to reflect historical expenditures.	: historical expend	itures.		luO	Ongoing savings	S.				
Other Current Expenses			\$8,000	\$7,000	\$1,000	×			\$8,248	\$7,000	\$1,248	×	
	Reduce bu year's bud	dgeted ex get. Depar	Reduce budgeted expenditures for Credit Card Processing Fees to reflect current year's budget. Department has not provided sufficient justification for the increa:	t Card Processing ded sufficient just	rd Processing Fees to reflect current sufficient justification for the increase.	ent rease.	ůo	Ongoing savings	<u>ν</u>				
Other Current Expenses			\$102,908	\$97,000	\$2,908	×			\$106,098	000'26\$	860'6\$	×	
	Reduce bud and to refle FY 2014-15.	dgeted ex ect histori 5.	Reduce budgeted expenditures for Advertising that have not been sufficiently justified and to reflect historical spending. Department's actuals are projected to be \$97,000 in Ongoing savings FY 2014-15.	rtising that have n :ment's actuals are	ig that have not been sufficiently justified it's actuals are projected to be \$97,000 in	justifi 97,000	be in On	going saving	S.				
Equipment Purchase Budget			\$47,850	\$35,234	\$12,616	×	×						
	Reduce bu Departmer requested	dgeted ex nt has only new proje	Reduce budgeted expenditures that have not been sufficiently justified. The Department has only provided justification for the purchase of three of four requested new projectors and accessories.	e not been sufficie on for the purchas	ntly justified. The e of three of four								
Attrition Savings	(0.62)	(0.85)	(\$63,986)	(\$87,723)	\$23,737	×	×						
Mandatory Fringe Benefits	00.00	0.00	(\$25,257)	(\$34,627)	\$9,370	×	×						
			Total Savings	\$33,106			_						
	Increase at	trition sav	Increase attrition savings by 0.23 FTEs to reflect anticipated hiring date for 1.00 FTE	reflect anticipate	d hiring date for 1.0	00 FTE							
	5277 Planner I.	er I.											
	FAH - Citywide planning	vide planı	ing										
Planner III	0.77	0.00	\$83,099	0\$	\$83,099	×	1	1.00 0.00	\$111,595	0\$	\$111,595	×	
Manadatory Fringe Benefits	0.00	0.00	\$32,101	0.00	\$32,101	×	0	0.00 0.00	\$41,964	\$0	\$41,964	×	
One-day adjustment - Misc	0.00	0.00	\$171	0.00	\$171	×	0	0.00 00.00	\$107	\$0	\$107	×	
			Total Savings	\$115,371					Total Savings	\$153,666			
	Deny the c justificatio be utilized	reation of n. There a to meet a	Deny the creation of a new 0.77 5291 Planner III position due to insuffient justification. There are currently 4.64 FTE 5291 Planner III vacant positions, which can On-going savings. be utilized to meet anticipated needs.	anner III position o E 5291 Planner III v	lue to insuffient /acant positions, wl	nich ca	u On	going savin	gs.				

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			FY 2015	015-16						FY 2016-17			
	ETE	E	Amount	nt				FTE	Amount	unt			
Object Title	From	То	From	To	Savings	GF 1	1T From	m To	From	To	Savings	GF 1	11
	FDP - Current Planning	ent Planni											
Planner III	0.77	0.00	\$83,099	0\$	\$83,099	×	1.	1.00 0.00	\$111,594	0\$	\$111,594	×	
Mandatory Fringe Benefits	0.00	0.00	\$32,102	0\$	\$32,102	×	0.00	00.00	\$41,959	0\$	\$41,959	×	
			Total Savings	\$115,201					Total Savings	\$153,553			
	Deny creat 2.00 FTE va	ion of nev	Deny creation of new position due to insufficient justification. There are currently 2.00 FTE vacant Planner III positions in Current Planning, which can be utilized to meet On-going savings.	fficient justificati rrent Planning, wl	on. There are curr hich can be utilize	ently d to me	et On-	going saving	ý				
	anticipated needs.	d needs.		i									
Attrition Savings	(9.12)	(9.75)	(\$930,124)	(\$1,003,991)	\$73,867	×	×						
Mandatory Fringe Benefits			(\$367,288)	(\$394,263)	\$26,975	×	×						
			Total Savings	\$100,842									
	Increase at (increase o	ttrition sav of 0.23 FTE	Increase attrition savings to reflect anticipated hiring dates for 1406 Senior Clerk (increase of 0.23 FTE).	ated hiring dates (increase of 0.4 F	for 1406 Senior C TE).	lerk							
	FFP - Environmental	onmental											
Attrition Savings	(0.95)	(1.95)	(\$102,656)	(\$221,260)	\$118,604	×	×						
Mandatory Fringe Benefits			(\$39,772)	(\$86,042)	\$46,270	×	×						
			Total Savings	\$164,874									
	Increase at 0.50 FTE) a	trition sav ınd Planne	Increase attrition savings to reflect anticipated hiring dates of Manager II (increase by 0.50 FTE) and Planner III Environmental Review (increase by 0.50 FTE).	ated hiring dates eview (increase b	of Manager II (inc y 0.50 FTE).	rease b	>						
													ļ

FY 2015-16 Total Recommended Reductions

One-Time Ongoing General Fund \$311,438 \$252,480 Non-General Fund \$0 \$0		יסנמו ווכר		2
\$311,438 \$0		One-Time	Ongoing	Total
Non-General Fund \$0 \$0	General Fund	\$311,438	\$252,480	\$563,918
	Non-General Fund	\$0	\$0	\$0
Total \$311,438 \$252,480	Total	\$311,438	\$252,480	\$563,918

 FY 2016-17

 Total Recommended Reductions

 One-Time
 Ongoing
 Total

 General Fund
 \$0
 \$332,565
 \$332,565

 Non-General Fund
 \$0
 \$332,565
 \$0

 Total
 \$0
 \$332,565
 \$332,565

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$39,398,581 budget for FY 2015-16 is \$795,123 or 2.0% less than the original FY 2014-15 budget of \$40,193,704.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 220.88 FTEs, which are 4.88 FTEs less than the 225.76 FTEs in the original FY 2014-15 budget. This represents a 2.2% decrease in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$14,500,269 in FY 2015-16, are \$140,535 or 1.0% less than FY 2014-15 revenues of \$14,640,804. General Fund support of \$24,898,312 in FY 2015-16 is \$654,588 or 2.6% less than FY 2014-15 General Fund support of \$25,552,900.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$38,657,684 budget for FY 2016-17 is \$740,897 or 1.9% less than the Mayor's proposed FY 2015-16 budget of \$39,398,581.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 221.71 FTEs, which are 0.83 FTEs more than the 220.88 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.4% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$14,172,668 in FY 2016-17 are \$327,601 or 2.3% less than FY 2015-16 estimated revenues of \$14,500,269. General Fund support of \$24,485,016 in FY 2016-17 is \$413,296 or 1.7% less than FY 2015-16 General Fund support of \$24,898,312.

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$686,013 in FY 2015-16. Of the \$686,013 in recommended reductions, \$246,650 are one-time and \$439,363 are ongoing savings.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$564,621 in FY 2016-17. Of the \$564,621 in recommended reductions, all are ongoing savings.

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
TREASURER/TAX COLLECTOR					
BUSINESS TAX	5,887,464	5,953,521	66,057	5,949,022	(4,499)
CHILDREN'S BASELINE	0	645,313	645,313	651,467	6,154
DELINQUENT REVENUE	8,138,502	8,648,691	510,189	8,189,207	(459,484)
GROSS RECEIPTS TAX	9,953,115	7,257,439	(2,695,676)	7,128,440	(128,999)
INVESTMENT	2,599,358	2,625,804	26,446	2,679,672	53,868
LEGAL SERVICE	534,974	660,169	125,195	673,801	13,632
MANAGEMENT	5,932,170	5,857,437	(74,733)	5,774,311	(83,126)
PROPERTY TAX/LICENSING	2,094,808	2,255,822	161,014	2,317,444	61,622
TAXPAYER ASSISTANCE	1,747,123	1,743,828	(3,295)	1,776,292	32,464
TREASURY	3,306,190	3,750,557	444,367	3,518,028	(232,529)
TREASURER/TAX COLLECTOR	40,193,704	39,398,581	(795,123)	38,657,684	(740,897)

FY 2015-16

The Department's proposed FY 2015-16 budget has decreased by \$795,123 largely due to:

Closeout of New Gross Receipts Tax System –The new Gross Receipts Tax and Business Registration fees system was approved in November 2012, and launched in January 2015. The expiration of limited duration positions related to implementation of the Gross Receipts tax are largely responsible for this decrease in the FY 2015-16 budget.

FY 2016-17

The Department's proposed FY 2016-17 budget has decreased by \$740,897 largely due to:

Expiration of One-time IT Expenditures—A significant portion of the major technological expenditures related to implementation the gross receipts tax system will no longer be needed by FY 2016-17, and account for the decrease in overall budget.

Continued Closeout of New Gross Receipts Tax System-- The new Gross Receipts Tax and Business Registration fees system was approved in November 2012, and launched in January 2015. Some project costs associated with this development project will no longer be needed in FY 20W16-17.

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 220.88 FTEs, which are 4.88 FTEs less than the 225.76 FTEs in the original FY 2014-15 budget. This represents a -2.2% decrease in FTEs from the original FY 2014-15 budget.

The Department's FY 2015-16 budget adds new positions, offset by an increase in attrition savings. The attrition adjustment results in an overall reduction in FTEs, to allow for hiring timelines, turnover, and ongoing vacancies. In FY 2015-16, the Department plans to add 3.85 FTE new Sr. Personal Property Auditors to work on the expected increase in filers of gross receipts. The grant-funded Office of Financial Empowerment will add a 1.0 FTE Junior Management Analyst and a 1.0 FTE Senior Management Analyst. The Department will add a new 1.0 FTE Sr. Administrative Analyst to manage these grant funded positions. A new 1.0 FTE new Senior Management Assistant will be added under a work order with the Mayor's Office of Housing.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 221.71 FTEs, which are 0.83 FTEs more than the 220.88 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.4% increase in FTEs from the Mayor's proposed FY 2015-16 budget.

In FY 2016-17, the Department plans to annualize several limited term positions related to Gross Receipts Tax including a 1.0 FTE Manager III, a 1.0 FTE Manager V and a 1.0 FTE Senior Personnel Analyst. This increase is offset by an increase in attrition savings, reflected in the overall FTE increase of 0.83 FTE.

INTERIM EXCEPTIONS

The Department has requested approval of a new 1.0 FTE 1823 Senior Administrative Analyst position as an interim exception. The Budget and Legislative Analyst recommends approval of this position as the Department has indicated that disapproval of this interim exception will result in a layoff.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$14,500,269 in FY 2015-16, are \$140,535 or 1.0% less than FY 2014-15 revenues of \$14,640,804. General Fund support of \$24,898,312 in FY 2015-16 is \$654,588 or 2.6% less than FY 2014-15 General Fund support of \$25,552,900.

Specific changes in the Department's FY 2015-16 revenues include:

While revenue earned from local taxes and the use of money or property increased, there was a decrease in revenue earned from charges for services. In addition, the Department will receive \$654,888 less in General Fund support this year, largely due to closeout and expiration of one-time expenditures related to the new gross receipts tax system.

DEPARTMENT: TTX – TREASURER/TAX COLLECTOR

FY 2016-17

The Department's revenues of \$14,172,668 in FY 2016-17 are \$327,601 or 2.3% less than FY 2015-16 estimated revenues of \$14,500,269. General Fund support of \$24,485,016 in FY 2016-17 is \$413,296 or 1.7% less than FY 2015-16 General Fund support of \$24,898,312.

Specific changes in the Department's FY 2016-17 revenues include:

In 2016-17, the Department expects to earn additional funding from Other Revenues; however they anticipate a decrease in revenue earned from the use of money or property and expenditure recovery. The Department anticipates receiving \$413,296 less in General Fund support that in FY 2015-16.

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$686,013 in FY 2015-16. Of the \$686,013 in recommended reductions, \$246,650 are one-time and \$439,363 are ongoing savings.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$564,621 in FY 2016-17. Of the \$564,621 in recommended reductions, all are ongoing savings.

TTX- Treasurer-Tax Collector

			4	FY 2015-16		-			E	FY 2016-17		-
	FTE	Ë	Amc	Amount			FTE		Amount	ıt		
Object Title	From	То	From	To	Savings GF	1T	From	To	From	То	Savings	GF 1T
	FCL-Treasury	ury										
IS Administrator I	0.50	0.00	\$35,574	0\$	\$35,574 X		0.50	0.00	\$36,711	0\$	\$36,711 X	
Mandatory Fringe Benefits			\$17,342	0\$	\$17,342 X				\$16,644	\$0	\$16,644 X	
			Total Savings	\$52,916				Tot	Total Savings	\$53,355		
	Delete vad reports \$1	ant positi	Delete vacant position that has been held reports \$1.1 million in salary savings for fi	Delete vacant position that has been held vacant since July reports \$1.1 million in salary savings for fiscal year 2014-15	vacant since July 2010. The Department scal year 2014-15.		Ongoing savings.	avings.				
Materials & Supplies			\$21,300	\$11,300	\$10,000 ×		F		\$21,300	\$11,300	\$10,000 X	
	Reduce 04 program h \$11,300 sl	O Materia las consist nould be s	Reduce 040 Materials & Supplies budget to reflect program has consistently had a surplus over \$20,0 \$11,300 should be sufficent for new expenditures.	get to reflect histor is over \$20,000 sind xpenditures.	Reduce 040 Materials & Supplies budget to reflect historical expenditures. This program has consistently had a surplus over \$20,000 since FY 12-13. A budget of \$11,300 should be sufficent for new expenditures.		Ongoing savings.	avings.				
	FCN- Property Tax/Licensing	erty Tax/I	Licensing			T						
Clerk	1.00	0.00	\$55,051	0\$	\$55,051 X		1.00	0.00	\$56,955	0\$	\$56,925 X	_
Mandatory Fringe Benefits			\$29,612	0\$	\$29,612 X				\$29,493	0\$		
Attrition Savings	(3.40)	(3.01)	(\$254,537)	(\$225,537)	(\$29,000) X		(3.40)	(3.01)	(\$263,201)	(\$233,201)	(\$30,000) X	
Mandatory Fringe Benefits			(\$113,434)	(\$100,510)	(\$12,924) X				(\$114,282)	(\$101,256)	(\$13,026) X	
			Total Savings	\$42,739				Tot	Total Savings	\$43,392		
	Delete vac	ant positi	Delete vacant position that has been held		vacant since March 2012. Adjust							
	attrition to	offset th	attrition to offset the position reduction.	on. The Departmer	The Department reports \$1.1 million in		Ongoing savings.	avings.				
	salary savi	ngs for fis	salary savings for fiscal year 2014-15.									
	FCO-Business Tax	iess Tax										
Personal Property Auditor	12.00	7.00	\$1,060,053	\$618,364	\$441,689 X		12.00	7.00	\$1,096,136	\$639,413	\$456,723 X	
Mandatory Fringe Benefits			\$443,352	\$258,622	\$184,730 X				\$447,698	\$261,157	\$186,541 X	
Attrition Savings	(4.51)	(2.50)	(\$403,377)	(\$223,377)	(\$180,000) X		(4.51)	(2.35)	(\$417,108)	(\$217,108)	(\$200,000) x	
Mandatory Fringe Benefits			(\$167,765)	(\$92,903)	(\$74,862) X				(\$168,989)	(\$87,960)	(\$81,029) X	
			Total Savings	\$371,557						\$362,235		
	Delete 5 v	acant posi	tions that have be	en held vacant sin	Delete 5 vacant positions that have been held vacant since June 2011 (1), May							
	2013 (3) a	nd Octobe	er 2013 (1). Adjust	attrition to offset	2013 (3) and October 2013 (1). Adjust attrition to offset the position reduction.	0	Ongoing savings.	avings.				
	The Depar	tment rep	orts \$1.1 million i	n salary savings for	The Department reports \$1.1 million in salary savings for fiscal year 2014-15.							
	FCS-Delinquent Revenue	quent Rev	enne									
Materials & Supplies			\$20,000	\$10,000	\$10,000 X				\$20,000	\$10,000	\$10,000 X	
	Reduce 04 program h \$10,000 sl	O Materia las consist nould be s	Reduce 040 Materials & Supplies budget to reflect program has consistently had a surplus over \$20,0 \$10,000 should be sufficent for new expenditures.	get to reflect histor is over \$20,000 sind xpenditures.	Reduce 040 Materials & Supplies budget to reflect historical expenditures. This program has consistently had a surplus over \$20,000 since FY 12-13. A budget of \$10,000 should be sufficent for new expenditures.		Ongoing savings.	avings.				

ITX- Treasurer-Tax Collector	
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			FY ?	FY 2015-16					F	FY 2016-17			
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onject iitie	From	To	From	То	Savings	GF 1T	T From	n To	From	То	Savings	GF 1	1T
Materials & Supplies			\$24,958	\$14,958	\$10,000	×			\$24,958	\$14,958	\$10,000	×	
<u> </u>	Reduce 040	0 Material	Reduce 040 Materials & Supplies budget t	t to reflect histori	o reflect historical expenditures. This	rhis							
<u>a v</u> ,	orogram ha 314,958 sh	as consiste iould be su	program has consistently had a surplus over \$25,0 \$14,958 should be sufficent for new expenditures.	over \$25,000 sinc ɔenditures.	rer \$25,000 since FY 12-13. A budget of nditures.	get of	Ongo	Ongoing savings.	٠				
	FEG-Management	gement											
Materials & Supplies			\$17,550	\$7,550	\$10,000	×			\$17,550	\$7,550	\$10,000	×	
<i>α</i> α.ν.	Reduce 040 program ha 37,550 sho	O Material as consiste uld be suf	Reduce 040 Materials & Supplies budget to reflect historical expenditures. This program has consistently had a surplus over \$17,000 since FY 12-13. A budget of \$7,550 should be sufficent for new expenditures.	t to reflect histori over \$17,000 sinc enditures.	cal expenditures. T e FY 12-13. A budg	rhis get of	Ongo	Ongoing savings.	÷				
IS Administrator I	0.50	0.00	\$35,574	\$0	\$35,574	×	0.50	00.00	\$36,711	\$0	\$36,711	×	
Mandatory Fringe Benefits			\$17,342	0\$		×			\$16,644	0\$	\$16,644	×	
Attrition Savings	(2.48)	(2.39)	(\$290,934)	(\$280,934)	_	×	(2.23)	3) (2.15)	(\$269,918)	(\$259,918)	(\$10,000)	×	
Mandatory Fringe Benefits			(\$109,435)	(\$105,673)	(\$3,762)	×			(\$98,458)	(\$94,810)	(\$3,648)	×	
		•	Total Savings	\$39,154					Total Savings	\$39,707			
٥	Jelete vaca	ant positio	Delete vacant position that has been held	eld vacant since Ju	vacant since July 2010. Adjust attrition	rition							
tc Si	to offset the position reduction savings for fiscal year 2014-15.	ne position fiscal year	to offset the position reduction. The Department reports $\$1.1$ million in salary savings for fiscal year 2014-15.	partment reports	\$1.1 million in sala	ary	Ongo	Ongoing savings.	٠				
<u>u</u>	FGRGross Receipts Tax	s Receipts	Тах										
Principal Personal Property Auditor	1.00	00:00	\$118,378	0\$	\$118,378	×	1.00	00:00	\$122,407	0\$	\$122,407	×	
Mandatory Fringe Benefits			\$44,403	0\$	\$44,403	×			\$44,411	0\$	\$44,411	×	
Attorney, Civil/Criminal	1.00	0.00	\$187,425	0\$	\$187,425	×							
Mandatory Fringe Benefits			\$59,225	0\$	\$59,225	×							
Attrition Savings	(8.74)	(6.55)	(\$229,909)	(\$269,909)	(\$190,000)	×	(3.11)	1) (2.00)	(\$279,473)	(\$179,473)	(\$100,000)	X	
Mandatory Fringe Benefits			(\$319,099)	(\$239,315)	(\$79,784)	×			(\$114,268)	(\$73,381)	(\$40,887)	×	
			Total Savings	\$139,647					Total Savings	\$25,931			
0 2 8 8	Delete 2 va 2013. The I pudget. Ac 31.1 millior	icant posit Departmei Jjust attrit n in salary	Delete 2 vacant positions that have been held vacant since July 2010 and July 2013. The Department deleted the 8177 Attorney position from the FY 2016-17 budget. Adjust attrition to offset the position reduction. The Department reports \$1.1 million in salary savings for fiscal year 2014-15.	n held vacant sinc 7 Attorney positio osition reduction. ear 2014-15.	held vacant since July 2010 and July Attorney position from the FY 2016-: ition reduction. The Department rep ir 2014-15.	ıly 6-17 eports		Ongoing savings.	٠				
				EV 201E 16						EV 2016 17			7

FY 2015-16 Total Recommended Reductions Ongoing \$439,363 \$0 \$439,363 One-Time \$246,650 \$0 \$246,650 General Fund Non-General Fund Total

\$686,013

Total

\$686,013

\$564,621 \$564,621 Total FY 2016-17 Total Recommended Reductions \$564,621 \$564,621 Ongoing Tota.
One-Time
\$0
\$0
\$0 General Fund Non-General Fund Total

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$106,377,829 budget for FY 2015-16 is \$16,209,477 or 18% more than the original FY 2014-15 budget of \$90,168,352.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 54.68 FTEs, which are 4.47 FTEs more than the 50.21 FTEs in the original FY 2014-15 budget. This represents a 8.9% change in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$87,442,044 in FY 2015-16, are \$10,499,802 or 13.6% more than FY 2014-15 revenues of \$76,942,242. General Fund support of \$18,935,785 in FY 2015-16 is \$5,709,675 or 43.2% more than the FY 2014-15 General Fund support of \$13,226,110.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$73,520,371 budget for FY 2016-17 is \$32,857,458 or 30.9% less than the Mayor's proposed FY 2015-16 budget of \$106,377,829.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 54.89 FTEs, which are .21 FTEs more than the 54.68 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a .4% change in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$55,384,757 in FY 2016-17, are \$32,057,287 or 36.7% less than FY 2015-16 estimated revenues of \$87,442,044. General Fund support of \$18,135,614 in FY 2016-17 is \$800,171 or 4.2% less than FY 2015-16 General Fund support of \$18,935,785.

DEPARTMENT: MYR – MAYOR

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$100,000 in FY 2015-16, all of which would be one-time savings. These reductions would still allow an increase of \$16,109,477 or 17.9% in the Department's FY 2015-16 budget.

In addition, the Budget and Legislative Analyst includes \$2,829,110 of Policy Recommendations, all of which would be ongoing savings.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst includes \$2,882,341 of Policy Recommendations, all of which would be ongoing savings.

DEPARTMENT: MYR – MAYOR

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
MAYOR					
AFFORDABLE HOUSING	62,292,138	73,342,373	11,050,235	40,332,770	(33,009,603)
CITY ADMINISTRATION	4,862,277	5,302,765	440,488	5,420,510	117,745
COMMUNITY INVESTMENT	8,252,156	11,563,728	3,311,572	11,349,477	(214,251)
CRIMINAL JUSTICE	8,095	8,099	4	8,099	0
HOM ELESS SERVICES	12,232,146	13,504,571	1,272,425	13,731,165	226,594
NEIGHBORHOOD SERVICES	402,994	406,650	3,656	414,992	8,342
OFFICE OF STRATEGIC PARTNERSHIPS	581,115	364,656	(216,459)	300,000	(64,656)
PUBLIC POLICY & FINANCE	1,537,431	1,704,232	166,801	1,782,603	78,371
TRANSITIONAL-AGED YOUTH BASELINE	0	180,755	180,755	180,755	0
MAYOR	90,168,352	106,377,829	16,209,477	73,520,371	(32,857,458)

FY 2015-16

The Department's proposed FY 2015-16 budget will increase by \$16,209,477 largely due to:

- With the approval of Proposition C in November 2012, the City established a Housing Trust Fund, with an initial \$20 million appropriation in FY 2013-14, which increases by \$2.8 million annually, such that in FY 2015-16 the appropriation will be \$25.6 million. In both FY 2014-15 and FY 2015-16, an additional \$25 million is being appropriated to the Housing Trust Fund with the planned issuance of a \$50 million General Fund Certificates of Participation (COPs) in the Fall of 2015. The Housing Trust Fund is used to provide local financing for the construction, preservation and rehabilitation of affordable housing, including down payment loan assistance, housing stabilization programs, and development of new affordable housing.
- Affordable Housing Program increase of \$2.5 million for a new Housing Accelerator Program to leverage additional private development funds to expedite the construction of new housing, and a \$8.3 million increase for one-time allocation of tax-exempt bond revenues from the OCII.
- Community Investment increase of \$3.3 million primarily due to \$2.3 million of CDBG and HOPWA Federal grant reductions which would be offset with General Fund monies and \$1.3 million increase in grants to other community based organizations to expand nonprofit capacity building and immigrant services.
- Homeless Services increase of \$1.3 million to provide additional operating subsidies for supportive housing for previously homeless tenants.

RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST FOR AMENDMENT OF BUDGET ITEMS FY 2015-16 AND FY 2016-17

DEPARTMENT: MYR – MAYOR

- Creation of a new Transitional-Aged Youth Baseline Program in the Mayor's Office at an annual cost of \$180,775 to reflect existing community-based organization grants in the Mayor's Office.
- Increases in City Administration and Public Policy & Finance primarily from two new
 positions to implement the City's new Open Data ordinance, increases in workers
 compensation costs and costs to complete the annual Mayor's Budget Book and
 transition of a position from the Office of Strategic Partnerships that was previously
 grant-funded.
- A new Mayor's Office of Strategic Partnerships Program was created with three positions in FY 2014-15 funded with both grants and General Fund monies to explore private and philanthropic strategies to address City coordinated initiatives. In FY 2015-16, the Director position will continue to be funded 50/50 with General Fund and grant funds and the two other positions will be transitioned to the City's General Fund.

FY 2016-17

The Department's proposed FY 2016-17 budget will decrease by \$32,857,458 largely due to:

Decrease of \$33 million for Affordable Housing Program from the reduction of \$25 million of Housing Trust Fund COPs in both FY 2014-15 and FY 2015-16 and \$8.3 million of one-time tax-exempt bond proceeds from OCII.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 54.68 FTEs, which are 4.47 FTEs more than the 50.21 FTEs in the original FY 2014-15 budget. This represents an 8.6% change in FTEs from the original FY 2014-15 budget.

 The increase in budgeted positions is due to (a) two new positions to implement the Open Data Policy ordinance approved in April of 2013, (b) transitioning of previously grant funded positions to the City's General Fund, and (c) a slight reduction in Attrition Savings. In addition, there are three FTE additional off-budget positions under the Mayor's Office of Housing and community Development (MOHCD).

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 54.89 FTEs, which are .21 FTEs more than the 54.68 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a .4% change in FTEs from the Mayor's proposed FY 2015-16 budget.

INTERIM EXCEPTIONS

RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST FOR AMENDMENT OF BUDGET ITEMS FY 2015-16 AND FY 2016-17

DEPARTMENT: MYR – MAYOR

The Department is requesting approval of 2.0 FTE positions as interim exceptions, one 0889 Mayor's Staff IX and one 0902 Mayor's Staff XIV to implement and manage the City's Open Data Program as established under Administrative Code Chapter 22D and approved by the Board of Supervisors in April of 2013. As discussed in the Policy Recommendation Section, these positions were hired in FY 2014-15 and are now being requested to be added to the ongoing budget at an annual General Fund salary and benefit cost of \$306,274. However, the Mayor's Office created and filled these two new positions, without requesting prior approval of a supplemental appropriation ordinance and annual salary ordinance in FY 2014-15 from the Board of Supervisors. Furthermore, the Open Data Program ordinance only specified that the Mayor appoint one position, a Chief Data Officer. Therefore, the requested interim exception to approve two new General Fund positions at an annual salary and benefit General Fund cost of \$306,274 as interim exceptions is a policy decision for the Board of Supervisors.

Approval of these two positions as interim exceptions are policy decisions for the Board of Supervisors.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$87,442,044 in FY 2015-16, are \$10,499,802 or 13.6% more than FY 2014-15 revenues of \$76,942,242. General Fund support of \$18,935,785 in FY 2015-16 is \$5,709,675 or 43.2% more than the FY 2014-15 General Fund support of \$13,226,110.

Specific changes in the Department's FY 2015-16 revenues include:

• Additional \$2.8 million for the Housing Trust Fund and \$8.3 million for one-time allocation of tax-exempt bond revenues from the OCII.

FY 2016-17

The Department's revenues of \$55,384,757 in FY 2016-17, are \$32,057,287 or 36.7% less than FY 2015-16 estimated revenues of \$87,442,044. General Fund support of \$18,135,614 in FY 2016-17 is \$800,171 or 4.2% less than FY 2015-16 General Fund support of \$18,935,785

Primary changes in the Department's FY 2016-17 revenues include:

 Reduction of \$25 million of Housing Trust Fund COPs and \$8.3 million of one-time taxexempt bond proceeds from OCII.

PROPOSED LEGISLATION

<u>Item 11 - File 15-0579:</u> Resolution declaring the intent of the City and County of San Francisco to reimburse certain expenditures from proceeds of future bonded indebtedness.

RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST FOR AMENDMENT OF BUDGET ITEMS FY 2015-16 AND FY 2016-17

DEPARTMENT: MYR – MAYOR

- The proposed resolution would officially declare the City's intent, in accordance with U.S. Treasury Regulations Section 1.150-2, to reimburse capital costs that are incurred up to a maximum principal amount of \$50 million, from the proceeds of the Housing Trust Fund Certificates of Participation (COPs). As discussed above, both the FY 2014-15 and FY 2015-16 budgets include \$25 million each year from the proceeds of Housing Trust Fund COPs that are anticipated to be issued in the fall of 2015. However, some costs for projects that would be funded with these COP proceeds will be incurred prior to the receipt of the proceeds. For example, the affordable housing project at 55 Laguna Street, for LGBT seniors is currently under construction, incurring building and infrastructure costs that could be eligible for reimbursement from the Housing Trust Fund COPs.
- Recommendation: Approved the proposed resolution.

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$100,000 in FY 2015-16, all of which would be one-time savings. These reductions would still allow an increase of \$16,109,477 or 17.9% in the Department's FY 2015-16 budget.

In addition, the Budget and Legislative Analyst includes \$2,829,110 of Policy Recommendations, all of which would be ongoing savings.

FY 2016-17

The Budget and Legislative Analyst includes \$2,882,341 of Policy Recommendations, all of which would be ongoing savings.

MYR - MAYOR

			FY	FY 2015-16							FY 2016-17			
	F	FTE	Amount	unt				FTE	E	Am	Amount			
Object Title	From	Γ	From	T_0	Savings GF 1T From To	\mathbf{GF}	1T	From	\mathbf{To}	From	T_0	Savings	GF 1T	11
	FAB - Co	mmunity	FAB - Community Investment											
Community Based Organ			\$743,734	\$643,734	\$100,000 x x	×	×							
	Reduce the required to new grants.	e propose o complet	Reduce the proposed funding for nonprofit capacity building based on the timing required to complete the Request for Proposal process and award the anticipated new grants.	orofit capacity build roposal process an	ding based on the id award the antic	timin zipatec	lg J							
					0\$							80		
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FY 2015-16

| Total Recommended Reductions |
| One-Time Ongoing Total |
| General Fund \$\$100,000 \$\$0 \$\$100,000 \$

FY 2016-17

Total Recommended Reductions
One-Time Oncoing Total

 One-Time
 Ongoing
 Total

 General Fund
 \$0
 \$0
 \$0

 Non-General Fund
 \$0
 \$0
 \$0

 Total
 \$0
 \$0
 \$0

Policy Recommendations

	FAB - Con	nmunity I	FAB - Community Investment									
Community Based Organ			\$2,383,713	0	\$2,383,713 x			\$	\$2,383,713	0	\$2,383,713 x	
						Ong	Ongoing savings	sgu				
	FEA- City Administration	Administ	tration									
Mayoral Staff IX	1.00	0.00	\$85,597	0\$	\$85,597	1.0	0.00	(\$88,510	0\$	\$88,510	
Mandatory Fringe Benefits			\$39,999	0\$	\$39,999				\$40,260	0\$	\$40,260	
		,	Total Savings	\$125,596				Total	Total Savings	\$128,770		
Mayoral Staff XIV	1.00	0.00	\$130,245	0\$	\$130,245	1.0	00.0 00.1	(\$134,678	0\$	\$134,678	
Mandatory Fringe Benefits			\$50,433	0\$	\$50,433				\$50,251	0\$	\$50,251	
		. 4	Total Savings	\$180,678				Total	Total Savings	\$184,929		

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			F	FY 2015-16					, ·	FY 2016-17			
	FTE	E	Am	Amount			I	FTE	Amount	ount			
Object Title	From	To	From	To	Savings	GF 1T	[From	ı To	From	To	Savings	GF 1	1T
	These two	new posit	ions, which are b	These two new positions, which are being requested as interim exceptions, were	interim exceptic	ons, were							
	hired by th	e Mayor's	hired by the Mayor's Office in FY 2014-15,	14-15, in response	in response to the Board of Supervisors	Supervisor	Š						
	approval o on April 16	6, 2013 (F	ance establisming ile 12-1017; Ord	approval of an ordinance establishing the City's open data policies and procedures on April 16, 2013 (File 12-1017; Ordinance 69-13). However, the Mayor's Office	ata policies and swever, the May	procedures or's Office							
	did not req	quest Board	d of Supervisors	did not request Board of Supervisors approval of a supplemental appropriation	plemental appro	priation							
	requesting	authorizat	tion to add these	requesting authorization to add these two new existing positions into their budget,	positions into th	eir budget,							
	at an annu	al addition	al total General l	at an annual additional total General Fund cost of \$306,274. Furthermore, the Open	7,274. Furthermo	re, the Oper	u						
	Data Polic	y ordinanc	Data Policy ordinance called for the Mayor	Mayor to appoint a	to appoint a Chief Data Officer, which	icer, which							
	is the prop	osed new	Mayoral Staff XI	is the proposed new Mayoral Staff XIV position. However, the ordinance did not	ever, the ordinan	ce did not							
	specify add	ding two n	specify adding two new General Fund positions.	d positions.			Ongoi	Ongoing savings					
	FEY-Pub	lic Policy	FEY- Public Policy & Finance										
Mayoral Staff XIV	0.77	0.00	\$100,289	0\$	\$100,289	6	1.00	0.00	\$134,678	0\$	\$134,678		
Mandatory Fringe Benefits			\$38,834	0\$	\$38,834	4			\$50,251	0\$	\$50,251		
			Total Savings	\$139,123				Ţ	Total Savings	\$184,929			
	The Mayor	r's Office i	nitiated a new O	The Mayor's Office initiated a new Office of Strategic Partnerships in FY 2014-15	Partnerships in	FY 2014-15	16						
	with a Dire	ector positi	ion funded 50%	with a Director position funded 50% by the City's General Fund and 50% with	eral Fund and 50	% with							
	foundation	grants, w	hich is proposed	foundation grants, which is proposed to continue in FY 2015-16. In addition, two	7 2015-16. In ado	lition, two							
	new position	ons were f	unded with a Pay	new positions were funded with a Pay for Success Grant in FY 2014-15. However,	nt in FY 2014-15	5. However,							
	the grant fu	unding for	the two new pos	the grant funding for the two new positions will expire after the first quarter of FY	after the first qu	arter of FY							
	2015-16 ar	nd the prop	posed new positic	2015-16 and the proposed new position would be reassigned to the Mayor's Office	igned to the Ma	yor's Office							
	of Public F	Policy and	Finance at a new	of Public Policy and Finance at a new General Fund annualized expense of	nualized expens	e of							
	approximately \$185,000.	tely \$185,0	.000				Ongoi	Ongoing savings					

Total Policy Recommendation			FY 2015-16				FY 2016-17	
One-Time Ongoing Total One-Time Ongoing \$0 \$2,383,713 \$2,383,713 \$ \$0 \$445,397 \$445,397 Non-General Fund \$0 \$498,628 \$0 \$2,829,110 \$2,829,110 \$2,823,341 \$		Total Pc	olicy Recommenda	ations		Total Po	dicy Recommends	tions
\$0 \$2,383,713 \$2,383,713 General Fund \$0 \$2,383,713 \$ \$0 \$445,397 \$445,397 Non-General Fund \$0 \$498,628 \$0 \$2,829,110 \$2,829,110 \$2,823,341 \$		One-Time	Ongoing	Total		One-Time	Ongoing	Total
\$\text{\$\scrt{80}\$} \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	General Fund	80	\$2,383,713	\$2,383,713	General Fund	0\$	\$2,383,713	\$2,383,713
\$0 \$2,829,110 \$2,829,110 Total \$0 \$2,882,341	Non-General Fund	\$0	\$445,397	\$445,397	Non-General Fund	80	\$498,628	\$498,628
	Total	0\$	\$2,829,110	\$2,829,110	Total	0\$	\$2,882,341	\$2,882,341

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2015-16

Budget Changes

The Department's proposed \$14,547,336 budget for FY 2015-16 is \$1,062,139 or 7.9% more than the original FY 2014-15 budget of \$13,485,197.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 75.92 FTEs, which are 1.76 FTEs more than the 74.16 FTEs in the original FY 2014-15 budget. This represents a 2.4% increase in FTEs from the original FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$694,789 in FY 2015-16 are \$203,713 or 41.5% more than FY 2014-15 revenues of \$491,076. General Fund support of \$13,852,547 in FY 2015-16 is \$858,426 or 6.6% more than the FY 2014-15 General Fund support of \$12,994,121.

YEAR TWO: FY 2016-17

Budget Changes

The Department's proposed \$14,277,713 budget for FY 2016-17 is \$269,623 or 1.9% less than the Mayor's proposed FY 2015-16 budget of \$14,547,336.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 are 75.34 FTEs, which are 0.58 FTEs less than the 75.92 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.8% decrease in FTEs from the Mayor's proposed FY 2015-16 budget.

Revenue Changes

The Department's revenues of \$698,589 in FY 2016-17 are \$3,800 or 0.5% more than FY 2015-16 estimated revenues of \$694,789. General Fund support of \$13,579,124 in FY 2016-17 is \$273,423 or 2.0% less than FY 2015-16 General Fund support of \$13,852,547.

DEPARTMENT: BOS – BOARD OF SUPERVISORS

RECOMMENDATIONS

YEAR ONE: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$22,171 in FY 2015-16. Of the \$22,171 in recommended reductions, \$7,461 are ongoing savings and \$14,710 are one-time savings. These reductions would still allow an increase of \$1,039,968 or 7.7% in the Department's FY 2015-16 budget.

YEAR TWO: FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$7,638 in FY 2016-17, all of which are ongoing savings.

DEPARTMENT: BOS – BOARD OF SUPERVISORS

SUMMARY OF PROGRAM EXPENDITURES:

			Increase/		Increase/
	FY 2014-2015	FY 2015-2016	Decrease from	FY 2016-2017	Decrease from
Program	Budget	Proposed	FY 2014-2015	Proposed	FY 2015-2016
BOARD OF SUPERVISORS					
BOARD - LEGISLATIVE ANALYSIS	2,045,000	2,110,213	65,213	2,126,950	16,737
BOARD OF SUPERVISOR	7,014,046	7,384,150	370,104	7,581,238	197,088
CHILDREN'S BASELINE	275,558	277,802	2,244	284,345	6,543
CLERK OF THE BOARD	4,150,593	4,626,408	475,815	4,285,180	(341,228)
LOCAL AGENCY FORMATION	0	148,763	148,763	0	(148,763)
BOARD OF SUPERVISORS	13,485,197	14,547,336	1,062,139	14,277,713	(269,623)

FY 2015-16

The Department's proposed FY 2015-16 budget will increase by \$1,062,139 largely due to:

- \$175,000 one-time expenditure for the Assessment Appeals Board's COIT-approved back office application re-engineering project to upgrade and streamline technology, workflow, and align tracking of cases with the Assessor, Tax Collector and Controller's systems. This is partially off-set by \$110,000 reduction of one-time funding in FY 2014-15 to address the backlog of cases at the Assessment Appeals Board.
- \$250,000 one-time expenditure for the COIT-approved Records Digitization/Repository Project, including \$125,000 for software licensing fees and \$125,000 for document preparation, scanning/digitizing, indexing and storage/repository of San Francisco's historical legislative records.
- Higher salary and fringe benefit costs due to annual adjustments, reductions in attrition savings, and increased step adjustments and premium pay.
- \$65,213 increase for Budget and Legislative Analyst services, reflecting (a) annualization of a cost of living adjustment (COLA) approved by the Board of Supervisors in FY 2014-15 (Motion M14-154) and (b) a proposed 3.25% COLA for FY 2015-16 (see Item 17, File 15-0545 on the June 15, 2015 Budget and Finance Committee calendar).
- \$75,000 for a new professional services contract to provide weekly radio broadcast of the Board of Supervisors meetings (see Item 18, File 15-0546 on the June 15, 2015 Budget and Finance Committee calendar for hearing on this matter).
- Local Agency Formation Commission (LAFCo) request for \$148,763 General Fund appropriation in FY 2015-16 due to insufficient remaining fund balance available to support their estimated FY 2015-16 expenses.

DEPARTMENT: BOS – BOARD OF SUPERVISORS

FY 2016-17

The Department's proposed FY 2016-17 budget will decrease by \$269,623 largely due to:

- Reduction of \$425,000 from two (\$175,000 plus \$ 250,000) one-time expenditures in FY 2015-16, as described above.
- Reduction of \$148,763 for LAFCo from one year appropriation in FY 2015-16.
- Partially offset by higher salary and fringe benefit costs due to annual adjustments.

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 is 75.92 FTEs, which is 1.76 FTEs more than the 74.16 FTEs in the original FY 2014-15 budget. This represents a 2.4% increase in FTEs from the original FY 2014-15 budget, which results from:

 Reduction in Attrition Savings based on plans to fill vacant positions, partially offset by a reduction in Temporary Salaries.

FY 2016-17

The number of full-time equivalent positions (FTE) budgeted for FY 2016-17 is 75.34 FTEs, which is 0.58 FTEs less than the 75.92 FTEs in the Mayor's proposed FY 2015-16 budget. This represents a 0.8% decrease in FTEs from the Mayor's proposed FY 2015-16 budget.

DEPARTMENT REVENUES:

FY 2015-16

The Department's revenues of \$694,789 in FY 2015-16 are \$203,713 or 41.5% more than FY 2014-15 revenues of \$491,076. General Fund support of \$13,852,547 in FY 2015-16 is \$858,426 or 6.6% more than the FY 2014-15 General Fund support of \$12,994,121.

Specific changes in the Department's FY 2015-16 revenues include:

- Projected increase of \$178,000 of hearing fee revenue for the Assessment Appeals Board as more commercial property appeal hearings can be scheduled, with less time required for reviewing and processing new applications, given the improvement in the real estate market.
- Increase in recoveries from the Port, SFMTA and PUC to offset Citywide cost of membership in municipal organizations included in the Board of Supervisors budget.

DEPARTMENT: BOS – BOARD OF SUPERVISORS

FY 2016-17

The Department's revenues of \$698,589 in FY 2016-17 are \$3,800 or 0.5% more than FY 2015-16 estimated revenues of \$694,789. General Fund support of \$13,579,124 in FY 2016-17 is \$273,423 or 2.0% less than FY 2015-16 General Fund support of \$13,852,547.

RECOMMENDATIONS:

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$22,171 in FY 2015-16. Of the \$22,171 in recommended reductions, \$7,461 are ongoing savings and \$14,710 are one-time savings. These reductions would still allow an increase of \$1,039,968 or 7.7% in the Department's FY 2015-16 budget.

FY 2016-17

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$7,638 in FY 2016-17, all of which are ongoing savings.

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Object Title	From	$^{ m oL}$	From	To	Savings	GF 1T	From From	n To	From	\mathbf{To}	Savings	GF 1T
	FAE-Cler	FAE-Clerk of the Board	Soard									
Senior Clerk Typist	3.00	2.00	\$188,383	\$125,589	\$62,794	×	3.00) 2.00	\$194,796	\$129,864	\$64,932	×
Mandatory Fringe Benefits			\$89,513	\$59,675	\$29,838	Х			\$90,529	\$60,353	\$30,176	Х
Senior Clerk	0.00	1.00	0\$	\$57,074	(\$57,074)	х	0.00	1.00	80	\$59,017	(\$59,017)	Х
Mandatory Fringe Benefits			0\$	\$28,298	(\$28,298)	X			0\$	\$28,658	(\$28,658)	Х
			Total Savings	\$7,260					Total Savings	\$7,433		
	Current va	acant Seni	Current vacant Senior Clerk Typist position	ition will be filled	will be filled with a lower classification	sificatic						
	Senior Cle	erk positio	Senior Clerk position. This recommendation	lation corrects the	corrects the position classification and	ıtion an	ъ					
	achieves s	alary and	achieves salary and fringe benefit savings.	igs.			Ongo	Ongoing savings.	S.			
	FAE - As	sessment	FAE - Assessment Appeals Board									
Clerk Typist	1.00	00.00	\$57,233	0\$	\$57,233	×	1.00	0.00	\$59,182	0\$	\$59,182	×
Mandatory Fringe Benefits			\$28,340	80	\$28,340	X			\$28,698	\$0.00	\$28,698	Х
Senior Clerk	0.00	1.00	0\$	\$57,074	(\$57,074)	X	0.00	1.00	0\$	\$59,017	(\$59,017)	X
Mandatory Fringe Benefits			0\$	\$28,298	(\$28,298)	X			0\$	\$28,658	(\$28,658)	Х
			Total Savings	\$201					Total Savings	\$205		
	Current vs	acant Clerl	Current vacant Clerk Tvnist nosition is nlanned to be filled with a slightly lower	nlanned to be fill	ed with a sliohtly l	OWer						
	Senior Cle	erk classifi	Senior Clerk classification. This recommendation corrects the position	mendation correc	ts the position	5						
	classificat	ion and ac	classification and achieves minor salary and	y and fringe benefit savings.	fit savings.		Ongo	Ongoing savings.	Š			
	FAT-Loc	al Agency	FAT-Local Agency Formation									
Professional & Spec Services			\$55,000	\$40,290	\$14,710	X					0\$	
	This reduc	ction is ba	This reduction is based on updated information from the Local Agency Formation	ormation from the	Local Agency For	mation						
	Committee	e (LAFCo	Committee (LAFCo) for a revised total requested \$134,053 from the City's General	requested \$134,0	53 from the City's	Genera	77					
	Fund, inst	ead of the	Fund, instead of the proposed budget request of \$148,763 in FY 2015-16, resulting	equest of \$148,76	53 in FY 2015-16,	resultin						
	in a Gener	ral Fund sa	in a General Fund savings of \$14,710.				Kationale	nale				

		FY 2015-16				FY 2016-17	
	Total Rec	commended Reduction	ctions		Total Rec	Total Recommended Reduction	tions
	One-Time	Ongoing	Total		One-Time	Ongoing	Total
General Fund	\$14,710	\$7,461	\$22,171	General Fund	80	\$7,638	\$7,638
Non-General Fund	\$0	80	0\$	Non-General Fund	80	80	9 \$
Total	\$14,710	\$7,461	\$22,171	Total	0\$	\$7,638	\$7,638
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