

AMENDED IN COMMITTEE

7/22/15

FILE NO. 150727

ORDINANCE NO.

RO#15024
SA#99-24

[Appropriation and De-Appropriation - Surplus Expenditures of ~~\$4,150,023~~ \$5,033,384 Supporting Increased Overtime Expenditures - FY2014-2015]

Ordinance retroactively appropriating ~~\$4,150,023~~ \$5,033,384 to overtime and de-appropriating ~~\$4,150,023~~ \$5,033,384 from permanent salaries, premium pay, and fringe benefits in the Sheriff's Department, Police Department and the Public Utilities Commission's operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2014-2015.

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

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

Section 1. The uses of funding outlined below are herein de-appropriated to reflect the projected sources of funding for FY2014-2015.

Uses De-Appropriation

| Fund | Index/Project Code | Subobject | Description | Amount |
|-----------------------------|--------------------|------------------|---------------------------|------------------------|
| 1G AGF AAA | 062CJ2 | 00201 | PERMANENT | (\$210,014) |
| GF - NON PROJECT | | | SALARIES-UNIFORM | (\$300,000) |
| CONTROLLED | | | | |
| 1G AGF AAA | 0662CJ2 | 01501 | HEALTH SERVICE | (\$140,009) |
| GF - NON PROJECT | | | CITY MATCH | |
| CONTROLLED | | | | |

| 1 | Fund | Index/Project Code | Subobject | Description | Amount |
|----|------------------------------------|--------------------|-----------|----------------|----------------------|
| 2 | Subtotal - Sheriff's | | | | <u>(\$350,023)</u> |
| 3 | Department | | | | <u>(\$300,000)</u> |
| 4 | | | | | |
| 5 | 1G AGF AAA | 385036 | 00902 | PREMIUM PAY -- | <u>(\$2,000,000)</u> |
| 6 | GF - NON PROJECT | | | UNIFORM | <u>(\$2,840,000)</u> |
| 7 | CONTROLLED | | | | |
| 8 | | | | | |
| 9 | 1G AGF AAA | 385036 | 01573 | DEPENDENT | <u>(\$1,700,000)</u> |
| 10 | GF - NON PROJECT | | | COVERAGE - | |
| 11 | CONTROLLED | | | UNIFORM | |
| 12 | | | | | |
| 13 | Subtotal - Police | | | | <u>(\$3,700,000)</u> |
| 14 | Department | | | | <u>(\$4,540,000)</u> |
| 15 | | | | | |
| 16 | 5C AAA AAA | 920301 | 00101 | PERMANENT | <u>(\$100,000)</u> |
| 17 | WASTEWATER- | | | SALARIES-MISC | <u>(\$193,384)</u> |
| 18 | OPERATING-NON-PROJ- | | | | |
| 19 | CONTROLLED | | | | |
| 20 | | | | | |
| 21 | Subtotal - Public Utilities | | | | <u>(\$100,000)</u> |
| 22 | Commission | | | | <u>(\$193,384)</u> |
| 23 | | | | | |
| 24 | Total USES De-Appropriation | | | | <u>(\$4,150,023)</u> |
| 25 | | | | | <u>(\$5,033,384)</u> |

1 Section 2. The uses of funding outlined below are herein appropriated to reflect the
 2 projected funding available for FY2014-2015.

3
 4 **Uses Appropriation**

| 5 | Fund | Index/Project Code | Subobject | Description | Amount |
|----|-----------------------------|--------------------|-----------|-------------------|--------------------|
| 6 | 1G AGF AAA | 062CJ2 | 01102 | SALARIES OVERTIME | <u>\$350,023</u> |
| 7 | GF – NON PROJECT | | | – UNIFORM | <u>\$300,000</u> |
| 8 | CONTROLLED | | | | |
| 9 | | | | | |
| 10 | Subtotal - Sheriff's | | | | <u>\$350,023</u> |
| 11 | Department | | | | <u>\$300,000</u> |
| 12 | | | | | |
| 13 | 1G AGF AAA | 385036 | 01102 | SALARIES OVERTIME | <u>\$3,700,000</u> |
| 14 | GF – NON PROJECT | | | – UNIFORM | <u>\$4,540,000</u> |
| 15 | CONTROLLED | | | | |
| 16 | | | | | |
| 17 | Subtotal - Police | | | | <u>\$3,700,000</u> |
| 18 | Department | | | | <u>\$4,540,000</u> |
| 19 | | | | | |
| 20 | 5C AAA AAA | 920301 | 01101 | OVERTIME – MISC | <u>\$100,000</u> |
| 21 | WASTEWATER- | | | | <u>\$106,555</u> |
| 22 | OPERATING-NON-PROJ- | | | | |
| 23 | CONTROLLED FD | | | | |
| 24 | | | | | |
| 25 | | | | | |

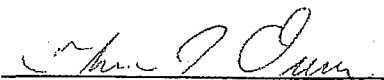
| 1 | Fund | Index/Project Code | Subobject | Description | Amount |
|----|------------------------------------|--------------------|--------------|------------------------|--------------------|
| 2 | <u>5C AAA AAP</u> | <u>535111</u> | <u>01101</u> | <u>OVERTIME - MISC</u> | <u>\$23,321</u> |
| 3 | <u>CWP-OPERATING-ANNUAL</u> | <u>PUW511</u> | | | |
| 4 | <u>PROJECTS</u> | | | | |
| 5 | | | | | |
| 6 | <u>5C AAA AAP</u> | <u>545111</u> | <u>01101</u> | <u>OVERTIME - MISC</u> | <u>\$16,041</u> |
| 7 | <u>CWP-OPERATING-ANNUAL</u> | <u>PUW511</u> | | | |
| 8 | <u>PROJECTS</u> | | | | |
| 9 | | | | | |
| 10 | <u>5C AAA AAP</u> | <u>535141</u> | <u>01101</u> | <u>OVERTIME - MISC</u> | <u>\$47,467</u> |
| 11 | <u>CWP-OPERATING-ANNUAL</u> | <u>PUW514</u> | | | |
| 12 | <u>PROJECTS</u> | | | | |
| 13 | | | | | |
| 14 | Subtotal - Public Utilities | | | | <u>\$100,000</u> |
| 15 | Commission | | | | <u>\$193,384</u> |
| 16 | | | | | |
| 17 | Total USES Appropriation | | | | <u>\$4,150,023</u> |
| 18 | | | | | <u>\$5,033,384</u> |

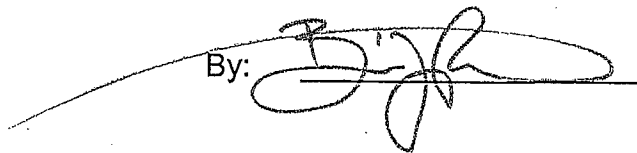
20 Section 3. The Controller is authorized to record transfers between funds and adjust
21 the accounting treatment of sources and uses appropriated in this Ordinance as necessary to
22 conform with Generally Accepted Accounting Principles.

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

FUNDS AVAILABLE:
BEN ROSENFELD, Controller

By: 
THOMAS OWEN
Deputy City Attorney

By: 

ANALYSIS OF SUPPLEMENTAL APPROPRIATION REQUEST

DEPARTMENT: PUC, POL, SHF **DATE:** July 7, 2015

S.A.# **ANALYST:** Carol Lu

AMOUNT REQUESTED: \$4,150,721 (surplus transfer only)

POSITIONS REQUESTED: N/A

FUNDING SOURCES: 1G AGF AAA (POL, SFH) and 5C AAA AAA (PUC)

SUBJECT: The Public Utilities Commission (PUC), Police Department (POL), and Sheriff's Department (SHF) request authority to transfer \$4.15M of currently appropriated funds from non-overtime funds for overtime usage.

BACKGROUND:

In September 2011, Ordinance 194-11 amended Section 3.17 of the Administrative Code to require nine City departments to obtain a supplemental if they were to overspend their overtime budgets. Working with the Mayor's Budget Office and Controller's Office, PUC, POL, and SHF project to overspend their overtime budgets by a combined \$4.15M.

Cost Overruns

- **PUC's \$0.10M** request is driven by vacancies, unexpected workload due to the December 2014 storm, and support of the Sewer System Improvement Program in the Wastewater Enterprise.
- **Police's \$3.7M** request is largely driven by staffing requirements at special events. In FY 2014-15, Overtime pay actuals have exceeded budgeted amounts due to various events including the Giants' postseason games, celebrations, and parade, protests and gatherings in the Fall related to events in Ferguson and Staten Island, and increased dignitary visits at events such as the commissioning of USS America during October Fleet Week and the U.S Conference of Mayors in June.
- **Sheriff's \$0.35M** request is driven by additional unanticipated events in the final quarter of the 2014-15 fiscal year, to include additional protective details for City Hall due to anticipated protests, larger/longer than anticipated hearings, the US Conference of Mayors and an increase in vacation usage across the department.

| Depts | Source: | | Use: | |
|---------------|-----------|---------------|-----------------|-------------|
| | Operating | Savings | Overtime | GF Impact |
| PUC | | \$0.10 | (\$0.10) | - |
| POL | | \$3.70 | (\$3.70) | - |
| SHF | | \$0.35 | (\$0.35) | - |
| Totals | | \$4.15 | (\$4.15) | \$ - |

RECOMMENDATION: Approve

FISCAL IMPACT: This request has no new fiscal impact to the General Fund.

| | |
|--|--|
| Item 14 File 15-0727 | Department: Police, Public Utilities Commission (PUC), Sheriff |
| EXECUTIVE SUMMARY | |
| <p>Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed ordinance appropriates \$5,033,384 to overtime and de-appropriates \$5,033,384 from permanent salaries, premium pay, and fringe benefits in the Police Department, Public Utilities Commission, and Sheriff's Department operating budgets in order to support the Departments' actual increases in overtime in FY 2014-2015. <p>Key Points</p> <ul style="list-style-type: none"> • At the end of Fiscal Year 2014-15, the Police Department, Public Utilities Commission and Sheriff's Department had overages in their overtime budgets of \$4,540,000, \$193,384, and \$294,000 respectively for total overspending on overtime of \$5,027,384. The proposed ordinance rounds the total overtime spending for the Sheriff's Department to \$300,000, resulting in a total de-appropriation and re-appropriation of \$5,033,384. • Overspending on overtime in the Police and Sheriff Departments was due to the need for additional police presence at a number of events, including the Giants Post Season and World Series parade; the Warriors play-off and victory games; the hosting of the U.S. Conference of Mayors; the Pride Celebration; and the Centennial Celebration. • Overspending on overtime in the Sheriff's Department was also due to the completion of advanced officer training as mandated by the Board of State and Community Corrections and the Commission on Peace Officer Standards and Training. • Overspending on overtime in the Public Utilities Commission's Wastewater Enterprise was due to operational issues including vacancies within the Wastewater position inventory that are responsible for operating the treatment facilities and high levels of long-term leaves of absence granted to staff in critical classifications, among other issues. <p>Fiscal Impact</p> <ul style="list-style-type: none"> • In each of the three departments, funds will be de-appropriated from permanent salaries, premium pay and fringe benefits and re-appropriated to overtime salaries where the overage is anticipated to occur. <p>Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinance. | |

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.105 states that amendments to the Annual Appropriations Ordinance, after the Controller certifies the availability of funds, are subject to Board of Supervisors approval by ordinance.

Administrative Code Section 3.17, which was approved by the Board of Supervisors in September 2011, requires that the Annual Appropriation Ordinance contain a separate overtime appropriation within the operating budgets of the following eight City departments: San Francisco International Airport, Department of Emergency Management, Police Department, Department of Public Health, Public Utilities Commission, Department of Public Works, Recreation and Park Department, and the Sheriff.

Administrative Code Section 3.17(b) states that the eight City departments identified above must also request a supplemental appropriation ordinance for any overtime costs in excess of the overtime included in their annual operating budgets as previously appropriated by the Board of Supervisors. Such requested supplemental appropriation ordinances are subject to Board of Supervisors appropriation approval.

Of the eight departments listed above, the Police Department, Public Utilities Commission, and Sheriff's Department incurred overtime expenses in excess of the amounts appropriated by the Board of Supervisors in the FY 2014-15 budgets.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would authorize a supplemental appropriation of \$5,033,384 to overtime and would de-appropriate \$5,033,384 from permanent salaries, premium pay, and fringe benefits in the Police Department, Public Utilities Commission, and Sheriff's Department FY 2014-15 operating budgets in order to support the Departments' actual increases in overtime in FY 2014-2015 in excess of the overtime amount previously appropriated by the Board of Supervisors.

At the end of Fiscal Year 2014-15, the Police Department, the Public Utilities Commission (PUC) and the Sheriff's Department had overages in their overtime budgets of \$4,540,000, \$193,384, and \$294,000 respectively, as shown in Table 1 below, for total additional overtime in excess of the budgeted overtime previously appropriated by the Board of Supervisors of \$5,027,384. The proposed ordinance rounds the total for the Sheriff's department to \$300,000, which results in a total appropriation of \$5,033,384.

Table 1: Overtime Overages by Department for FY 2014-15

| Department | Overtime Overage (FY 2014-15) |
|---|----------------------------------|
| Police | \$4,540,000 |
| Public Utilities Commission, Wastewater Enterprise | \$193,384 |
| Sheriff | \$294,000* |
| Total | \$5,027,384 |

Source: Proposed Ordinance

*Rounded to \$300,000 in the proposed legislation.

Police Department

According to Ms. Maureen Gannon, Police Department Chief Financial Officer, overspending by the Police Department on overtime is due to several events that required adding officers and security, including but not limited to:

- The United States Ship America Commissioning during Fleet Week that was attended by several dignitaries including the President and Vice President of the United States;
- The Giants Post Season play-off and world series games and World Series Parade held in October;
- Gatherings in commemoration of the Ferguson and Staten Island events;
- An increased number of visits by dignitaries to the City, including the Vice President and President;
- The hosting of the National Mayor’s Conference in June, which was attended by the President of the United States; and
- Warriors Post Season Watch Parties that were held throughout the City in June.

Public Utilities Commission (PUC)

According to Ms. Yolanda Alcantar, PUC Manager, overspending on overtime by the Public Utilities Commission’s (PUC) Wastewater Enterprise was due to the following operational issues:

- Vacancies in Wastewater positions that are responsible for operating the treatment facilities;
- High levels of long-term leaves of absence granted to staff in critical classifications (there are currently 30 staff members on continuous long-term leave and 10 on intermittent leave);
- Scheduled shift overtime that is directed by labor agreements and built into staff schedules at the treatment facilities;

- Excessive rain events on December 3, 2014 and December 11, 2014, which caused significant flooding within the City; and
- Unanticipated staff responses to infrastructure incidents as a result of the aging collection and treatment systems.

Ms. Alcantar also reports that overspending on overtime was due to issues associated with the following programmatic projects at Treasure Island and 525 Golden Gate:

- Overtime in support of unscheduled and as needed maintenance related to the Water Treatment Plant, Wastewater Pump Station, Stormwater Pump Station and Wastewater Collection System, and to the unscheduled and as needed duties related to the operations of Treasure Island and Yerba Buena Island Sewer Treatment Plant and Pump Stations; and

The overtime expenditures related to the city-owned 525 Golden Gate Public Utilities Commission facility are needed to support maintenance and repair activities, such as touchup painting that cannot be performed during business hours, Monday through Friday.

Sheriff's Department

According to Ms. Bree Mawhorter, Sheriff's Department Chief Financial Officer, overspending in the Sheriff's Department on overtime was due to the following events:

- The U.S. Conference of Mayors;
- The U.N. Celebration and Ruling on Marriage Equality;
- The City Hall Centennial Celebration;
- The Warriors play-off games;
- The Pride Celebration;
- High security court proceedings; and
- Completion of advanced officer training as mandated by the State Board and Community Corrections and the Commission on Peace Officer Standards and Training.

FISCAL IMPACT

Table 2 below shows the sources of the funds by department to be de-appropriated and the uses of funds to be re-appropriated under the proposed ordinance totaling \$5,033,384.

Table 2: Sources and Uses of Funds by Department

| <i>Police Department</i> | Fund | Description | Amount |
|-----------------------------|----------------------|------------------------------|---------------------------|
| Sources of Funds | General Fund | Premium Pay – Uniform | \$ 2,840,000 |
| | General Fund | Dependent Coverage – Uniform | \$ 1,700,000 |
| | | <i>Total</i> | \$ 4,540,000 |
| Uses of Funds | General Fund | Salaries Overtime – Uniform | \$ 4,540,000 |
| | | | |
| <i>PUC Wastewater</i> | Fund | Description | Amount |
| Source of Funds | CWP - Operating Fund | Permanent Salaries – Misc. | \$ 193,384 |
| Uses of Funds | CWP - Operating Fund | Overtime – Misc. | \$ 106,555 |
| | CWP - Operating Fund | Overtime – Misc. | \$ 23,321 |
| | CWP - Operating Fund | Overtime – Misc. | \$ 16,041 |
| | CWP - Operating Fund | Overtime – Misc. | \$ 47,467 |
| | | <i>Total</i> | \$ 193,384 |
| | | | |
| <i>Sheriff's Department</i> | Fund | Description | Amount |
| Source of Funds | General Fund | Permanent Salaries – Uniform | \$ 300,000 |
| Use of Funds | General Fund | Salaries Overtime – Uniform | \$ 300,000 |
| | | | Total \$ 5,033,384 |

Source: Proposed Ordinance

RECOMMENDATION

Approve the proposed ordinance.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee *NW*
RE: Appropriation and De-Appropriation – Surplus Expenditures of \$4,150,023
Supporting Increased Overtime Expenditures
DATE: July 7, 2015

Attached for introduction to the Board of Supervisors is an ordinance appropriating \$4,150,023 to overtime and de-appropriating \$4,150,023 from permanent salaries, premium pay, and fringe benefits in the Sheriff's Department, Police Department and the Public Utilities Commission's operating budgets in order to support the Departments projected increases in overtime as required per Ordinance No. 194-11 in FY2014-2015.

I respectfully request a waiver of the 30-day hold on this legislation and that this item be calendared in Budget & Finance Committee on July 15th, 2015.

Should you have any questions, please contact Nicole Elliott (415) 554-7940.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
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