

File No. 160526

Committee Item No. 9
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date May 25, 2016

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Power Point presentation</u> |
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Completed by: Linda Wong Date May 20, 2016
Completed by: Linda Wong Date _____

File #160526
Received in Committee
5/18/16
fw.

Controller's Office

Nine-Month Budget Status Report

Board of Supervisors

Budget & Finance Committee

May 18, 2016



General Fund Overview

- Projected ending balance of \$397.8M at close of current year is an improvement of \$72.9 million versus the assumptions contained in the March 2016 Joint Report.
- Improvement versus budget driven largely by property tax revenue improvement and savings in health and human services departments.
- There is no projected deposit to the Rainy Day Reserve. Economic reserves are projected to total \$256.6 million at year end, or 5.9% of General Fund revenues (vs 10% target).



General Fund Citywide Revenue Projections

\$ Millions

Controller's Office

	Revised Budget	6-Month Projection	9-Month Projection	Surplus (Shortfall)
Property Taxes	1,291.0	1,360.0	1,374.0	83.0
Business Taxes	634.5	631.1	654.7	20.2
Sales Tax - Local 1% and Public Safety	270.9	254.3	264.6	(6.3)
Hotel Room Tax	384.1	389.2	387.1	3.0
Utility User & Access Line Taxes	139.1	136.2	138.3	(0.8)
Parking Tax	89.7	90.7	90.7	1.0
Real Property Transfer Tax	275.3	275.3	256.0	(19.3)
Interest Income	10.7	12.0	12.7	2.0
1991 and Public Safety Realignment	205.8	211.3	212.2	6.4
Motor Vehicle In-Lieu	-	0.6	0.6	0.6
Franchise Taxes	16.8	16.7	16.7	(0.1)
Fines, Settlements, & Other Revenue	28.2	30.6	38.8	10.6
State - Other	-	0.6	4.7	4.7
Airport Transfer-In	40.8	41.7	41.9	1.1
Total Citywide Revenues	3,386.9	3,450.3	3,493.1	106.2



Baseline Transfers

\$ Millions

Controller's Office

	Revised Budget	6-Month Projection	9-Month Projection	Variance
Aggregate Discretionary Revenues (ADR)	2,958.4	3,012.4	3,051.0	92.7
MTA Baseline 9.2% ADR	272.0	277.1	280.5	8.5
MTA Population Change Baseline	25.9	27.7	27.7	1.8
Library Baseline 2.3% ADR	67.6	68.9	68.2	0.6
Public Education Fund Baseline 0.3% ADR	4.3	4.4	4.4	0.1
Total Baseline Transfers	369.8	378.1	380.8	11.1
80% Parking Tax in Lieu Transfer to MTA	74.2	75.6	76.5	2.3
Total Baselines and In-Lieu Transfers	443.9	453.7	457.3	13.4



Departmental Projections

\$ Millions

Controller's Office

	Revenue Surplus / (Shortfall)	Uses Savings / (Deficit)	Net Surplus / (Shortfall)
Net Shortfall Departments			
City Attorney	(0.5)	0.1	(0.4)
Police	(0.4)	-	(0.4)
Subtotal Departments with Net Deficits	\$ (0.9)	\$ 0.1	\$ (0.7)
Net Surplus Departments			
Public Health	(30.3)	85.7	55.4
Human Services	(1.3)	20.3	19.0
General City Responsibility	-	13.5	13.5
Public Works	5.2	-	5.2
City Administrator	0.4	3.5	3.8
City Planning	2.5	-	2.5
Recreation and Parks	1.3	-	1.3
Emergency Management	-	1.1	1.1
Adult Probation	0.2	0.7	0.9
Other Net Surplus	(1.6)	6.2	4.5
Subtotal Departments with Net Surplus	\$ (23.7)	\$ 130.9	\$ 107.2
Total	\$ (24.6)	\$ 131.1	\$ 106.4



Supplemental Appropriations

- Three General Fund supplemental appropriations have been approved year to date: \$0.1 million for the Super Bowl 50 Impact Fund, \$0.3 million for Legacy Business Implementation, and \$2.5 million for improvements to the Geneva Car Barn.
- The Board has approved a re-appropriation of permanent salaries for overtime spending at Emergency Management, Public Health, Police, Fire, Sheriff and PUC.



Major Reserve Status

\$ Millions

Controller's Office

	FY 2014-15		FY 2015-16			FY 2016-17		
	Ending Balance	Starting Balance	Projected Deposits	Projected Withdrawals	Projected Ending Balance	Budgeted Deposits	Budgeted Withdrawals	Projected Ending Balance
General Reserve	\$ 55.6	\$ 73.4	\$ -	\$ (9.7)	\$ 63.7	\$ 12.0	\$ -	\$ 75.7
Budget Savings Incentive Fund	-	33.9	20.8	-	54.8	-	-	54.8
Recreation & Parks Savings Incentive Reserve	-	10.6	1.3	(3.1)	8.8	-	(3.1)	5.7
Rainy Day Economic Stabilization City Reserve	71.9	71.9	-	-	71.9	-	-	71.9
Rainy Day Economic Stabilization School Reserve	42.1	42.1	-	-	42.1	-	-	42.1
Rainy Day One-Time Reserve	43.1	43.1	-	-	43.1	-	-	43.1
Budget Stabilization Reserve	132.3	132.3	9.4	-	141.6	-	-	141.6
Salary and Benefits Reserve	20.2	34.0	-	(24.1)	9.9	14.0	(14.0)	-
Total	365.1	441.3	31.5	(36.9)	435.9	26.0	(17.1)	434.9
Economic reserves					256.6			
Economic reserves as a % of General Fund revenues					5.9%			



Projection Uncertainty

- Continued pace of economic growth and activity, particularly the effect on transfer and business taxes.
- Federal revenue uncertainty, particularly ACA revenues at DPH.



Other Special Funds

A host of other special funds are reviewed in the report.

- **Improving:**
Building Inspection, Convention Facilities, Airport, MTA, Port
- **Worsening:**
Courthouse Construction, Water, Wastewater



Closing

- Current year benefit from additional transfer tax revenues limited by required Budget Stabilization Reserve deposits (75% of any increase).
- Revised updates for future year revenues will be provided to the Mayor's Office for inclusion in the Mayor's Proposed Budget in June.



Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

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

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor inquires"
- 5. City Attorney request.
- 6. Call File No. from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Question(s) submitted for Mayoral Appearance before the BOS on

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

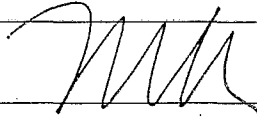
- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

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

Sponsor(s):

Subject:

The text is listed below or attached:

Signature of Sponsoring Supervisor: 

For Clerk's Use Only: