

File No. 180113

Committee Item No. 6
Board Item No. 8

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date March 8, 2018

Board of Supervisors Meeting

Date APRIL 3, 2018

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" 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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Completed by: Linda Wong Date March 2, 2018
Completed by: Linda Wong Date March 14, 2018

1 [De-Appropriation and Re-Appropriation - Airport Enterprise Fund - From Permanent Salaries
2 Budget to Overtime Budget - Increased Overtime Expense for Security Services at the Airport
3 Bureau - Police Department - \$926,000 - FY2017-2018]

4 **Ordinance de-appropriating \$926,000 of permanent salaries budget and re-**
5 **appropriating \$926,000 to overtime budget in the Police Department's operating budget**
6 **in order to support the Department's increased overtime expense for security services**
7 **at the Airport Bureau in FY2017-2018 as required per Ordinance No. 194-11; this**
8 **Ordinance requires a two-thirds vote of all members of the Board of Supervisors for**
9 **approval, pursuant to Charter, Section 9.113(c).**

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11 Note: **Unchanged Code text and uncodified text** are in plain Arial font.
12 **Additions to Codes** are in *single-underline italics Times New Roman font*.
13 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
14 **Board amendment additions** are in double-underlined Arial font.
15 **Board amendment deletions** are in ~~strikethrough Arial font~~.

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

17 Section 1. The uses of funding outlined below are herein de-appropriated to reflect the
18 projected funding available for FY 2017-2018.
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1 **USES De-Appropriation**

2	Fund /	Project & Activity /	Account	Description	Amount
3	Department ID	Authority			
4	17960 Airport	10001907-0001	501010	Permanent Salaries	(\$926,000)
5	Enterprise Fund –	Police Airport /	Permanent	Misc	
6	Annual Operating /	10000	Salaries	Regular	
7	232104 POL - Airport	Operating	Misc -		
8			Regular		
9	Total USES De-Appropriation				(\$926,000)

10
 11 Section 2. The uses of funding outlined below are herein re-appropriated to reflect the projected
 12 uses of funding in Fiscal Year 2017-2018.

13
 14 **USES Re-Appropriation**

15	Fund /	Project & Activity /	Account	Description	Amount
16	Department ID	Authority			
17	17960 Airport	10001907-0001	511010	Overtime	\$926,000
18	Enterprise Fund –	Police Airport /	Overtime –	Scheduled Misc for	
19	Annual Operating /	10000	Scheduled	Security Services at	
20	232104 POL - Airport	Operating	Misc	the Airport Bureau	
21					
22	Total USES Re-Appropriation				\$926,000

1 Section 3: The Controller is authorized to record transfers between funds and adjust the
2 accounting treatment of sources and uses appropriated in this ordinance as necessary to
3 conform to Generally Accepted Accounting Principles.
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7 APPROVED AS TO FORM:
8 DENNIS J. HERRERA, City Attorney

9 By:


10 BUCK DELVENTHAL
11 Deputy City Attorney
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FUNDS AVAILABLE
BEN ROSENFELD, Controller

By:


BEN ROSENFELD
Controller

<p>Item 6 File 18-0113</p>	<p>Department: Airport Police</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p>	
<ul style="list-style-type: none"> • The proposed ordinance would de-appropriate \$926,000 of permanent salaries and re-appropriate \$926,000 to overtime in the San Francisco Police Department (SFPD) Airport Bureau's FY 2017-18 operating budget in order to fund increased SFPD Airport Bureau overtime. 	
<p style="text-align: center;">Key Points</p>	
<ul style="list-style-type: none"> • The San Francisco Police Department (SFPD) provides police services to the Airport, which are funded in the Airport's budget. • The increase in overtime expenditures in FY 2017-18 of \$926,000 is primarily due to unbudgeted overtime costs including (1) increasing security by maintaining higher police visibility in the Airport terminals (\$791,000), and (2) providing additional police coverage for an increased number of passengers, which average 75,000 or more per day (\$135,000). 	
<p style="text-align: center;">Fiscal Impact</p>	
<ul style="list-style-type: none"> • The SFPD Airport Bureau FY 2017-18 overtime budget is \$2,090,000. The SFPD Airport Bureau spent \$1,838,777 on overtime for operations as of the pay period ending February 9, 2018, resulting in remaining overtime authority of \$251,223 in FY 2017-18. The SFPD Airport Bureau estimates overtime expenditures from February 10, 2018 through June 30, 2018 of \$1,117,223, resulting in a shortfall of \$926,000. • The SFPD Airport Bureau has a projected uniform salary surplus in FY 2017-18 of \$1,854,083. According to the SFRD Airport Bureau, the salary surplus is due to high vacancy rates within the department. Re-appropriation of uniform salaries to overtime results in an estimated year-end surplus of \$928,083. 	
<p style="text-align: center;">Policy Consideration</p>	
<ul style="list-style-type: none"> • According to Section 2A.88 of the Administrative Code, the Chief of Police is required to report to the Board of Supervisors on the staffing needs for the SFPD Airport Bureau for each fiscal year. However, the Chief of Police has not reported to the Board of Supervisors for FY 2017-18. The SFPD Airport Bureau and the Airport have yet to discuss the FY 2017-18 memorandum of understanding on staffing levels for FY 2017-18. • The Airport currently funds up to 20 recruits in each Police Academy class, and has proposed funding 110 additional recruits in both FY 2018-19 and FY 2019-20, for a total of 130 students each year. The SFPD Airport Bureau expects that the increased funding for the Academy, starting in FY 2018-19, will result in an increase of 19.3 funded full time equivalent positions located at the Airport for FY 2019-20, increasing the current sworn positions in that year from 178 to 197.3. 	
<p style="text-align: center;">Recommendation</p>	
<ul style="list-style-type: none"> • Approve the proposed ordinance. 	

MANDATE STATEMENT

Charter Section 9.105 provides that amendments to the Annual Appropriation Ordinance be subject to Board of Supervisors approval by ordinance, after the Controller certifies the availability of funds.

Administrative Code Section 3.17 requires that the Annual Appropriation Ordinance contain a separate overtime appropriation within the Airport, Emergency Management, Police, Fire, Public Health, Public Utilities, Public Works, Recreation and Park, and Sheriff Departments' operating budgets. In accordance with Administrative Code Section 3.17(b), these nine identified City departments must first obtain Board of Supervisors supplemental appropriation approval if their overtime expenditures are proposed to be greater than the amount of overtime previously appropriated by the Board of Supervisors in the department's budget.

Section 9.113(c) of the San Francisco Charter states that a supplemental appropriation ordinance introduced after the adoption of the budget which had been rejected by the Board of Supervisors in its consideration of the Mayor's proposed budget for the budgetary cycle requires a vote of two-thirds of all members of the Board of Supervisors to approve such supplemental appropriation ordinance. As the Board of Supervisors reduced the budget during the approval process for the current year, the two-thirds requirement applies.

BACKGROUND

The San Francisco Police Department (SFPD) provides police services to the Airport, which are funded in the Airport's budget. In addition to providing basic police services to the Airport, the SFPD Airport Bureau enforces the Airport's Transportation Security Administration's security plan, and supports individual security plans of the airlines.

According to Section 2A.88 of the Administrative Code, the Chief of Police and the Director of the San Francisco International Airport jointly establish a methodology for assessing staffing needs for the SFPD Airport Bureau. In establishing that methodology, the Chief and Director consult with the Controller's Office.¹ The Chief and Director must make the initial baseline staffing determination based on the methodology by no later than July 1 every year. The Chief of Police is then required to report to the Board of Supervisors on the staffing needs methodology and baseline personnel determination for the Airport Bureau.

The Police Chief reported to the Board of Supervisors during the Board's review of the Airport's two-year FY 2016-17 and FY 2017-18 budget that the baseline staffing for FY 2016-17 was 184 uniform positions. However due to staffing constraints within the SFPD, the Airport funded 178 positions in FY 2016-17. The number of budgeted uniform positions has remained steady since FY 2013-14, as shown in Table 1 below.

¹ The methodology takes into account passenger traffic at the Airport; security mandates and restrictions, including any imposed by the Transportation Security Administration and other government agencies; policing activity at the Airport, including calls for service and traffic responsibilities; and any other factors that the Chief and the Director determine are relevant.

Table 1: Authorized and Funded Sworn Positions for the SFPD Airport Bureau

Sworn Positions	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
Authorized	184	184	185	185	184	184
Funded	173	178	179	179	178	178

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would de-appropriate \$926,000 of permanent salaries and re-appropriate \$926,000 to overtime in the SFPD Airport Bureau’s FY 2017-18 operating budget in order to fund increased SFPD Airport Bureau overtime.

According to a memo from the Chief of Police, the increase in overtime expenditures is primarily due to unbudgeted overtime costs such as (1) high visibility terminal coverage (\$791,000) and (2) coverage for an increased number of passengers, which average 75,000 or more per day (\$135,000).

The Airport requested higher visibility coverage due to incidents such as active shooter situations at both Brussels and Fort Lauderdale airports. The SFPD Airport Bureau assigns patrols, consisting of one sergeant and three officers, to remain in public view in the Airport terminals and if need, to assist with other police assignments. According to Ms. Cathy Widener, Airport Director of Government Relations, the SFPD Airport Bureau’s current staffing does not allow a sufficient number of officers to provide higher visibility coverage, resulting in the use of overtime to provide the coverage.

FISCAL IMPACT

The SFPD Airport Bureau FY 2017-18 overtime budget is \$2,090,000. The SFPD Airport Bureau spent \$1,838,777 on overtime for operations as of the pay period ending February 9, 2018, resulting in remaining overtime authority of \$251,223 in FY 2017-18, as shown in Table 2 below. The SFPD Airport Bureau estimates overtime expenditures from February 10, 2018 through June 30, 2018 of \$1,117,223, resulting in a year-end overtime shortfall of \$926,000.

Table 2: Airport Uniform Salary and Overtime Expenditures in FY 2017-18

	Uniform Salaries	Overtime	Total
	\$25,918,053	\$2,090,000	\$28,008,053
Expenditures through pay period ending 1/26/18	<u>(13,307,026)</u>	<u>(1,838,777)</u>	<u>(15,145,803)</u>
Remaining expenditure authority	12,611,027	251,223	12,862,250
Projected expenditures 1/27/18 to 6/30/18	<u>(10,756,944)</u>	<u>(1,177,223)</u>	<u>(11,934,167)</u>
Total projected surplus/(deficit)	\$1,854,083	(\$926,000)	\$928,083

The SFPD Airport Bureau has a projected uniform salary surplus in FY 2017-18 of \$1,854,083, as shown in Table 2 above. According to Ms. Jelina Enriquez, Fiscal Manager at the SFPD Airport Bureau, the salary surplus is due to high vacancy rates within the department of between 9 and 12 percent. The current vacancy rate is 5 percent, and the SFPD Airport Bureau believes that future year surpluses will be smaller.

POLICY CONSIDERATION

Delay in reporting on staffing needs to the Board of Supervisors

According to Section 2A.88 of the Administrative Code, the Chief of Police is required to report to the Board of Supervisors on the staffing needs for the SFPD Airport Bureau for each fiscal year. However, the Chief of Police has not reported to the Board of Supervisors for FY 2017-18. According to Ms. Enriquez, the Chief of Police has not reported to the Board of Supervisors on staffing levels as the memorandum of understanding regarding staffing levels for FY 2017-18 has not been signed as of February 2018. The SFPD Airport Bureau and the Airport have yet to discuss the FY 2017-18 memorandum of understanding.

Airport funding of Police Academy

The Airport funds up to 20 recruits in each Police Academy class of 50 recruits to help fill SFPD Airport Bureau vacancies. However, according to Ms. Enriquez, the ongoing funding of 20 recruits produces just enough sworn members to keep up with attrition of officers at the SFPD Airport Bureau.

The Airport has proposed funding 110 additional recruits in both FY 2018-19 and FY 2019-20, for a total of 130 students each year. The Academy lasts 11 months, and therefore will not result in increased staffing levels in FY 2018-19; the currently funded class of 20 recruits will be used to fill the 13 vacancies currently at the SFPD Airport Bureau.² The SFPD Airport Bureau expects that the increased funding for the Academy, starting in FY 2018-19, will result in an increase of 19.3 funded full time equivalent positions located at the Airport for FY 2019-20, increasing the current sworn positions in that year from 178 to 197.3.

RECOMMENDATION

Approve the proposed ordinance.

² These vacancies include 12 officer level and one sergeant level positions.



CITY AND COUNTY OF SAN FRANCISCO
POLICE DEPARTMENT
 HEADQUARTERS
 1245 3RD Street
 San Francisco, California 94158



EDWIN M. LEE
 MAYOR

WILLIAM SCOTT
 CHIEF OF POLICE

To: L. Julius M. Turman, President of the Police Commission
 Members of the Police Commission

CC: William Scott, Chief of Police
 Sgt. Rachel Kilshaw, Secretary to the Police Commission

From: Catherine McGuire, Chief Financial Officer, SFPD

Date: December 1, 2017

Subject: Seeking Police Commission Approval of Mid-Cycle Budget Modification, Reallocating Department Savings to Fund Anticipated Overtime in Excess of the Adopted Budget

President Turman and Members of the Police Commission:

Per San Francisco Charter Section 4.102(3), the Department seeks your approval to submit a budget modification to the Board of Supervisors, reallocating \$926,000 from savings in Permanent Salaries to Overtime.

The Department seeks to reallocate \$926,000 from Permanent Salaries to Overtime expenditures. The Department's FY2016-17 budget for the Airport Bureau's discretionary overtime is \$2,090,000. The increase in expenditures primarily is due to the following unbudgeted overtime costs:

- 1) High Visibility Terminal Coverage - \$791,000
- 2) Coverage for Increased Passenger Loads - \$135,000

First, the Airport has requested higher visibility of uniformed personnel within the four terminals at SFO. Although current staffing levels can meet the minimum required deployment of 80%, a higher visibility is being requested to deliver the safest and most secure Airport possible to the travelling public.

In addition, passenger loads are higher than average, at 75,000 or more per day. An increase in passengers has resulted in an increase in incidents that impact SFO's terminals, curbsides, and roadways. Higher passenger loads continue to be expected through this fiscal year at SFO.

The Department respectfully requests your approval to submit a budget modification to the Board of Supervisors to reflect the current year's anticipated overtime expenditures at the Airport Bureau.

REQUEST FOR SUPPLEMENTAL APPROPRIATION

DEPARTMENT: Police DATE: 11 December 2017

To the Mayor:

Request is hereby made for supplemental appropriation from the following appropriation(s) or fund(s) in the amount(s) indicated;

APPROPRIATION NUMBER	DESCRIPTION OF APPROPRIATION OR FUND	AMOUNT
FROM:		
Fund: 17960 Dept ID: 232104 Authority: 10000 Project: 10001907 Activity: 0001 Account Code: 501010	Airport Enterprise Fund – Annual Operating POL – Airport Police Airport Permanent Salaries	 (\$926,000)
TO:		
Fund: 17960 Dept ID: 232104 Authority: 10000 Project: 10001907 Activity: 0001 Account Code: 511010	Airport Enterprise Fund – Annual Operating POL – Airport Police Airport Overtime	 \$926,000

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

APPLICABLE BOXES MUST BE CHECKED

- This request included capital projects (s.o. 06700 OR 06700); a separate copy has been sent to the Chair, Capital Improvement Advisory Committee.
- These funds have not been previously requested.
- These funds were previously requested by:
 () Supplemental Appropriation or () Budget Estimate and were
 () reduced or () denied by The Mayor, or The Board of Supervisors.

CERTIFIED AS TO FACTS AND AMOUNTS AS ABOVE STATED, AND

RECOMMENDED: William Scott (Department Head)
 APPROVED: _____ (Board or Commission)

Recorded Controller's Budget Division _____

By: _____ Date: _____ Request No. _____

FOR MAYOR'S USE

To the Controller:

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

APPROVED: Mayor Edwin Lee BY: _____ DATE: _____



OFFICE OF THE MAYOR
SAN FRANCISCO

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Farrell
RE: De-Appropriation and Re-Appropriation - Airport Enterprise Fund - Support
Increased Overtime Expense for Security Services at the Airport Bureau -
Police Department - \$926,000 - FY2017-2018
DATE: January 30, 2018

Attached for introduction to the Board of Supervisors is an ordinance de-appropriating \$926,000 of permanent salaries budget and re-appropriating \$926,000 to overtime budget in the Police Department's operating budget in order to support the Department's increased overtime expense for security services at the Airport Bureau in FY2017-2018 as required per Ordinance No. 194-11; this Ordinance requires a two-thirds vote of all members of the Board of Supervisors for approval, pursuant to Charter, Section 9.113(c).

Should you have any questions, please contact Mawuli Tugbenyoh (415) 554-5168.

[Handwritten signature]
SAN FRANCISCO
10:44 PM 05/10/18
BOARD OF SUPERVISORS
SAN FRANCISCO

