

File No. 100701

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 6/21/10

Board of Supervisors Meeting

Date _____

Cmte Board

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OTHER

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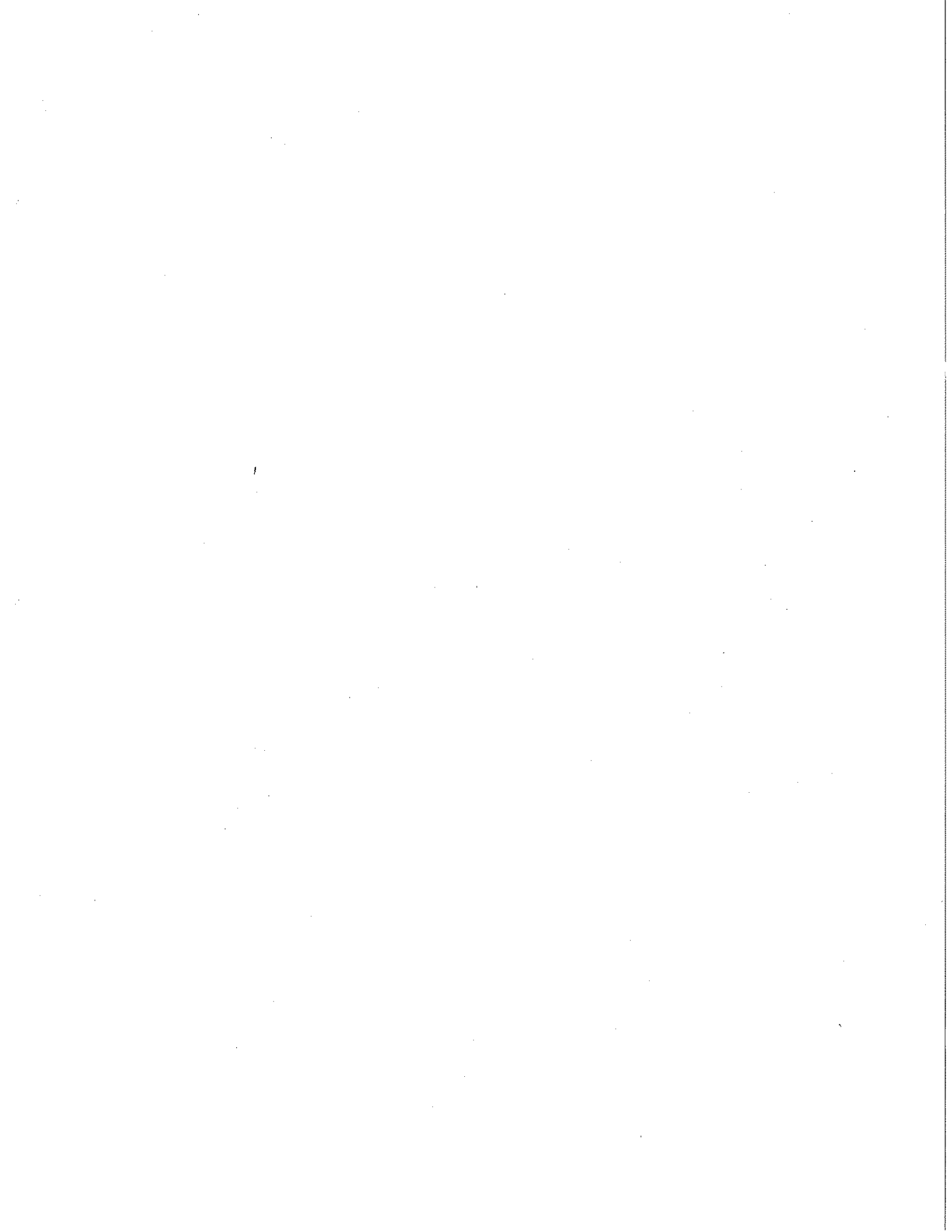
Completed by: Gail Johnson

Date 6/18/10

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* An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.





City and County of San Francisco

Proposed Consolidated Budget

and

Annual Appropriation Ordinance

FISCAL YEAR ENDING JUNE 30, 2011 and
FISCAL YEAR ENDING JUNE 30, 2012 for the

SAN FRANCISCO INTERNATIONAL AIRPORT, MUNICIPAL
TRANSPORTATION AGENCY, PORT COMMISSION, and PUBLIC
UTILITIES COMMISSION

File No. _____ Ordinance _____

Gavin Newsom, Mayor



Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

**PROPOSED CONSOLIDATED BUDGET AND ANNUAL
APPROPRIATION
ORDINANCE FOR
FISCAL YEAR ENDING JUNE 30, 2011
and
FISCAL YEAR ENDING JUNE 30, 2012 FOR THE SAN FRANCISCO
INTERNATIONAL AIRPORT, MUNICIPAL TRANSPORTATION
AGENCY, PORT COMMISSION and PUBLIC UTILITIES COMMISSION**

The Interim Consolidated Budget and Annual Appropriation Ordinance and its accompanying schedules are produced by the Controller's Budget Office. Upon approval, this is the document that is the legal authority for the City to spend funds during the fiscal year.

This document contains information on the sources and uses of selected City funds detailed by department and by program. Additional schedules summarize selected City revenues and expenditures by service area, department and fund. Please see the table of contents for a complete list of the information contained in this document.

Copies of this document are distributed to all city libraries and on the City's Controller website (<http://www.sfgov.org/site/controller>). They may also be viewed at the following City Hall offices:

Mayor's Office of Public Policy and Finance
1 Dr. Carlton B. Goodlett Place, Room 288

Controller's Office
1 Dr. Carlton B. Goodlett Place, Room 316

Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244

If you would like additional copies or need further information, please call the Controller's Budget Office at (415) 554-7500.

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

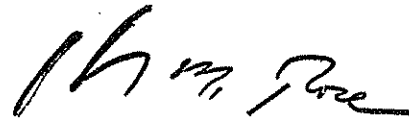
June 17, 2010

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 2010-2011 Budget.

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Descriptions for Departmental Budget Hearing, June 21, 2010 Meeting, 10:00 a.m.

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Harvey M. Rose

cc: Supervisor Avalos
Supervisor Mirkarimi
Supervisor Elsbernd
Supervisor Maxwell
Supervisor Campos
President Chiu
Supervisor Alioto-Pier
Supervisor Chu

Supervisor Daly
Supervisor Dufty
Supervisor Mar
Clerk of the Board
Cheryl Adams
Controller
Greg Wagner

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: CHF – CHILDREN, YOUTH & THEIR FAMILIES

FINANCIAL DATA:

The Department of Children, Youth and Their Families' proposed \$109,168,025 budget for FY 2010-11 is \$27,526,300 or 20.1 percent less than the original FY 2009-10 budget of \$136,694,325.

SUMMARY OF PROGRAM EXPENDITURES:

<u>Program</u>	<u>FY 2009-2010 Original Budget</u>	<u>FY 2010-2011 Proposed Budget</u>	<u>Proposed Increase (Decrease) vs. FY 2009-2010 Budget</u>	<u>% Inc./Dec.</u>
CHILDREN'S BASELINE	\$ 49,874,908	\$ 29,546,608	\$ (20,328,300)	(40.8%)
CHILDREN'S FUND PROGRAMS	46,321,062	41,518,727	(4,802,335)	(10.4%)
CHILDREN'S SVCS - NON - CHILDREN'S FUND	9,052,323	7,499,328	(1,552,995)	(17.2%)
PUBLIC EDUCATION FUND (PROP H)	27,672,500	26,979,000	(693,500)	(2.5%)
VIOLENCE PREVENTION	3,773,532	3,624,362	(149,170)	(4.0%)
Total Expenditures	\$ 136,694,325	\$ 109,168,025	\$ (27,526,300)	(20.1%)
Less Interdepartmental Recoveries And Transfers	(7,662,523)	(6,654,443)	1,008,080	(13.2%)
Net Expenditures	\$ 129,031,802	\$ 102,513,582	\$ (26,518,220)	(20.6%)

The Department's proposed FY 2010-2011 budget includes a \$27,390 Controller's Reserve, including \$20,192 for unspecified salaries and \$7,198 for unspecified fringe benefits. These Controller Reserves are part of the total \$142,218,840 Controller Reserves included in the FY 2010-11 budget, which is intended to offset \$142,218,840 of Uncertain Revenues and Follow-Up Actions Required that are assumed as revenues in the FY 2010-2011 budget.

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions budgeted for FY 2010-11 is 30.88 FTEs, which is 2.99 FTEs less than the 33.87 FTEs in the original FY 2009-10 budget. The FTE allocations are as follows:

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: CHF – CHILDREN, YOUTH & FAMILIES

AUTHORIZED POSITIONS	FY 2009-2010 Original Budget	FY 2010-2011 Proposed Budget	Proposed Increase (Decrease) vs. FY 2009-2010 Budget
Total Authorized	35.71	30.88	(4.83)
Non-Operating Positions (Capital / Other)	(1.84)	-	1.84
Net Operating Positions	33.87	30.88	(2.99)

Specific changes in the Department's FY 2010-11 FTE count include:

- Centralized administration of San Francisco's early childcare subsidy system, childcare provider supports, and childcare workforce investments within the Human Services Agency (HSA). Three positions including 0.77 FTE 9772 Community Development Specialist 0.77 FTE 2917 Program Support Analyst, and 0.77 FTE 1842 CPAC Coordinator will transfer from the Department of Children, Youth and Their Families to the HSA on October 1, 2010 to create the Office of Child Care and Early Learning (OCCEL).
- The downward substitution of 1.0 FTE grant-funded 0902 Mayoral Staff XIV to 1.0 FTE grant-funded 1824 Principal Administrative Analyst. The Principal Administrative Analyst will serve as the Department's Violence Prevention and Intervention Policy and Planning Manager.
- Four position deletions in the Children's Fund program due to reductions in the Children's Fund, resulting in the deletion of one vacant Senior Community Development Specialist position and three layoffs effective June 11, 2010, as detailed in the table below.

The following are the Department's proposed three layoffs in FY 2010-11:

Bureau/Division	Job Class	Title	FTE Count	Salary
Children, Youth and Their Families/ Children's Fund	9774	Senior Community Development Specialist	2.0	\$242,944
Children, Youth and Their Families/ Children's Fund	1842	Management Assistant	1.0	\$67,627
TOTAL LAYOFFS IN FY 2010-11			3.0	\$310,571

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: **CHF – CHILDREN, YOUTH & FAMILIES**

DEPARTMENT REVENUES:

Department revenues have decreased by \$27,526,300 or 20.1 percent, from the original FY 2009-10 budget of \$136,694,325 to the proposed FY 2010-11 budget of \$109,168,025. General Fund support has decreased by \$3,169,235 or 13.3 percent, from the original FY 2009-10 budget of \$23,784,542 to the proposed FY 2010-11 budget of \$20,615,307. Specific changes in the Department's FY 2010-11 revenues include:

- A decrease in Rainy Day Reserve support by \$18,432,000.
- A decrease in General Fund support by \$3,169,235.
- A decrease in Children's Fund support by \$4,800,000. The Children's Fund receives a share of City property tax revenues according to a formula in the City Charter approved by voters. The decrease in monies for FY 2010-11 is the result of declining property tax revenues.

DESCRIPTION:

The Department's proposed FY 2010-11 budget has decreased by \$27,526,300 largely due to:

- A reduction in Aid Assistance/ Grants in the amount of \$26,067,132, largely due to the reduction of Rainy Day support described above.
- A reduction in Services of Other Departments in the amount of \$1,979,033.
- A net reduction in salaries and wages that total \$373,939.
- Various offsetting increases in other costs.

INITIATIVES AND POLICY

Office of Early Child Care and Early Learning (OCCEL)

A newly formed Office of Child Care & Early Learning (OCCEL) is proposed for FY 2010-11, which will merge functions from different departments to oversee the City's child care subsidy system, child care provider supports, and child care workforce investments. According to the Department, the policy rationale for the proposed new office is to maximize resources through blended funding, to improve policy coordination, and to provide a single line of authority for the City's investments.

As part of the proposed new office and consolidation of efforts, the Department of Children, Youth and Their Families will transfer three positions to the Human Services Agency, as discussed above in the Department Personnel Summary. The transfer of functions will result in a decrease of \$167,114 in DCYF's budget and an increase of \$163,781 in HSA's budget, for a net savings of \$3,333.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: CHF – CHILDREN, YOUTH & FAMILIES

Violence Prevention and Intervention

In FY 2010-11, the Department of Children, Youth and Their Families will allocate \$9,573,885 to services in the Violence Prevention and Intervention service area used to fund case management, alternative education, diversion and young women services. Expenditures associated with the Violence Prevention and Intervention service area include funding to community based organizations and work orders to the Department of Public Health. These services are funded by General Fund, Children's Fund, and State grant funds. FY 2010-11 funding for Violence Prevention and Intervention reflects a decrease of \$2,373,114, or 19.9 percent, from \$11,947,000 in FY 2009-10.

Early Childhood Education Activities

In FY 2010-11, the Department of Children, Youth and Their Families will allocate \$14,359,153 to services in the Early Childcare and Education service area used to fund childcare subsidies, as well as capacity building, childcare workforce investment, homeless childcare, and early childhood mental health services. Expenditures associated with the Early Childcare and Education service area include funding to community based organizations and work orders to the Department of Public Health, the First 5 Commission¹ and the Human Services Agency. These services are funded by General Fund monies, Children's Fund monies and State grants, as well as recoveries from City departments. FY 2010-11 funding for Early Childcare and Education reflects a decrease of \$2,022,413, or 12.3 percent, from \$16,381,566 in FY 2009-10.

Family Resource Centers

In FY 2009-10, the Human Services Agency, the Department of Children, Youth, and Their Families, and the First 5 Commission jointly funded neighborhood-and-population-based Family Resource Centers through a joint contract procurement process for which the First 5 Commission served as the lead agency. As summarized in the table below, (a) funding Citywide for family resource centers has decreased by \$691,509, or 7.0 percent from FY 2009-2010 funding and, (b) funding from the Department of Children Youth and Their Families for family resource centers has decreased by \$850,000 or 22.3 percent from FY 2009-2010 funding, as shown in the table below.

¹The California Children and Families Act of 1998 (Proposition 10) created the California Children and Families Commission. The Commission is responsible for the implementation of comprehensive and integrated solutions to provide information and services promoting, supporting and improving the early childhood development of children prenatal to the age of five. The Act draws annual funds of nearly \$650 million from a tax on tobacco products. Twenty percent of this revenue supports statewide education and outreach programs through First 5 California. The remaining 80% goes to county Commissions across the state, including First 5 San Francisco, for local programs. These Commissions are funded in proportion to their regional birth rate. San Francisco receives approximately \$6.5 million annually in Proposition 10 funds.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: CHF – CHILDREN, YOUTH & FAMILIES

	Funding in FY 2009-2010	Proposed Funding in FY 2010-2011	Change	Percent Change
Citywide	\$9,879,196	\$9,187,687	(\$691,509)	(7.0%)
DCYF	\$3,804,500	\$2,954,500	(\$850,00)	(22.3%)
DCYF Percent of Total Funding	38.5%	32.2%	N/A	6.3%

Public Education Special Fund

Administrative Code Section 10.100-367 establishes the Public Education Special Fund. Through the Public Education Special Education Fund, the San Francisco Unified School District (SFUSD) receives Children's Fund revenues to fund arts and music, health & wellness, athletics and other public school programs. In FY 2009-10 DCYF transferred \$2,851,859 to the SFUSD from the Children's Fund. In the proposed FY 2010-11 budget, DCYF will transfer \$2,717,000 to the SFUSD from the Children's Fund. These monies are direct funds to SFUSD that are used to pay for activities such as wellness programs, athletics, and music and arts in schools. This funding is not related to the Office of Child Care & Early Learning described above.

Kids 2 College Program

The proposed FY 2010-11 budget includes funds for the Kids 2 College Program, which would provide savings accounts to San Francisco Public School kindergarten students in academic year 2010-11 by providing \$50 for 1,400 students and an additional \$50 for approximately 980 students that receive Free and Reduced Lunch. Staffing would consist of a 1.0 FTE 1844 Senior Management Assistant and 0.15 FTE 0931 Manager III. Both positions are in the Office of the Treasurer/Tax Collector.

This proposed program would be paid for through a DCYF work order to the Treasurer/Tax Collector. The Mayor's proposed FY 2010-11 budget for the Treasurer/Tax Collector includes expenditure recoveries totaling \$257,440 for the Kids 2 College Program. On June 16, 2010, the Mayor's Office submitted a technical adjustment that included a work order in the amount of \$257,440 for this program.

**RECOMMENDATIONS OF THE BUDGET LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DEPT - Children, Youth and Their Families

<u>Page No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>CBI - Children's Fund Programs (2S-CHF-NPR)</u>								
38	001	Attrition Savings - Misc. Increase attrition savings to reflect three vacant positions in the Children's Baseline Program including 1.0 FTE 1823 Senior Administrative Analyst, 1.0 FTE 1840 Junior Management position, and 1.0 FTE 9772 Senior Community Development Specialist.	9993M			(154,972)	(236,829)	81,857
28	013	Mandatory Fringe Benefits Reduction corresponds to increase in Attrition Savings						33,447
28	040	Materials and Supplies Reduction in materials and supplies budget reflects historical under-spending, and projected spending in this program in 2010-11.				58,812	28,812	30,000
Total Recommended Reductions								\$145,304
General Fund Impact (General Fund Savings realized in DCYF Budget)								\$0
Non-General Fund Impact								\$145,304

**RECOMMENDATIONS OF THE BUDGET LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DEPT - Children, Youth and Their Families

Page		<u>Position/ Equipment</u>	<u>Number</u>		<u>Amount</u>		<u>Savings</u>	
<u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>
<u>POLICY RECOMMENDATIONS</u>								
Baseline (1G-AGF-AAP)								
081	Kids2College	Savings Plan Program				2,053,099	1,795,659	257,440
		<p>The Kids2College Program would provide savings accounts to San Francisco Public School kindergarten students in academic year 2010-11. The program will provide \$50 for 1,400 students and an additional \$50 for approximately 980 students that receive Free and Reduced Lunch. Staffing would consist of a 1.0 FTE 1844 Senior Management Assistant that is vacant and has been reassigned, and 0.15 FTE 0931 Manager III, both in the Office of the Treasurer/Tax Collector.</p> <p>This proposed program would be paid for through a DCYF workorder to the Treasurer/Tax Collector. The Mayor's proposed FY 2010-11 budget for the Treasurer/Tax Collector includes expenditure recoveries totaling \$257,440 for the Kids 2 College Program. On June 16, 2010 a technical adjustment was submitted by the Mayor's Office that included a work order in the amount of \$257,440 for this program.</p>						
		Total Policy Recommendations						\$257,440
		General Fund Impact						
		Non-General Fund Impact				\$257,440		
							\$0	
		TOTAL RECOMMENDED REDUCTIONS AND POLICY RECOMMENDATIONS						\$402,744
		General Fund Impact				\$257,440		
		Non-General Fund Impact				145,304		

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: DPH – PUBLIC HEALTH

FINANCIAL DATA:

The Department of Public Health's proposed \$1,442,415,778 budget for FY 2010-11 is \$30,968,295 or 2.1 percent less than the original FY 2009-10 budget of \$1,473,384,073.

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2009-2010 Original Budget	FY 2010-2011 Proposed Budget	Proposed Increase (Decrease) vs. FY 2009-2010 Budget	% Inc./Dec.
CENTRAL ADMINISTRATION	\$ 69,686,527	\$ 96,914,839	\$ 27,228,312	39.1%
CHILDREN'S BASELINE	47,015,209	46,886,262	(128,947)	(0.3%)
COMM HLTH - COMM SUPPORT - HOUSING	24,086,088	20,865,711	(3,220,377)	(13.4%)
COMM HLTH - PREV - MATERNAL & CHILD HLTH	24,896,424	25,121,614	225,190	0.9%
COMM HLTH - PREVENTION - AIDS	59,258,857	58,689,989	(568,868)	(1.0%)
COMM HLTH - PREVENTION - DISEASE CONTROL	20,800,776	21,409,432	608,656	2.9%
COMM HLTH - PREVENTION - HLTH EDUCATION	5,515,064	5,157,123	(357,941)	(6.5%)
EMERGENCY SERVICES AGENCY	1,301,497	1,285,827	(15,670)	(1.2%)
ENVIRONMENTAL HEALTH SERVICES	17,140,982	17,287,751	146,769	0.9%
FORENSICS - AMBULATORY CARE	28,368,792	15,914,124	(12,454,668)	(43.9%)
HEALTH AT HOME	6,840,219	5,653,005	(1,187,214)	(17.4%)
LAGUNA HONDA - LONG TERM CARE	209,207,188	176,313,275	(32,893,913)	(15.7%)
LAGUNA HONDA HOSP - ACUTE CARE	2,404,368	3,384,149	979,781	40.8%
LAGUNA HONDA HOSP - COMM SUPPORT CARE	263	300	37	14.1%
MENTAL HEALTH - ACUTE CARE	4,394,297	3,462,797	(931,500)	(21.2%)
MENTAL HEALTH - CHILDREN'S PROGRAM	35,668,979	38,635,490	2,966,511	8.3%
MENTAL HEALTH - COMMUNITY CARE	157,526,479	152,164,351	(5,362,128)	(3.4%)
MENTAL HEALTH - LONG TERM CARE	23,111,912	26,970,946	3,859,034	16.7%
OCCUPATIONAL SAFETY & HEALTH	1,716,695	1,727,467	10,772	0.6%
PRIMARY CARE - AMBU CARE - HEALTH CNTRS	54,497,269	57,664,298	3,167,029	5.8%
SFGH - ACUTE CARE - FORENSICS	4,878,081	3,315,511	(1,562,570)	(32.0%)
SFGH - ACUTE CARE - HOSPITAL	510,492,381	501,804,057	(8,688,324)	(1.7%)
SFGH - ACUTE CARE - PSYCHIATRY	25,733,666	24,905,775	(827,891)	(3.2%)
SFGH - AMBU CARE - ADULT MED HLTH CNTR	23,843,375	23,444,940	(398,435)	(1.7%)
SFGH - AMBU CARE - METHADONE CLINIC	1,557,871	1,654,102	96,231	6.2%
SFGH - AMBU CARE - OCCUPATIONAL HEALTH	2,860,024	2,467,789	(392,235)	(13.7%)
SFGH - EMERGENCY - EMERGENCY	21,168,015	22,457,559	1,289,544	6.1%
SFGH - EMERGENCY - PSYCHIATRIC SERVICES	8,751,960	8,666,428	(85,532)	(1.0%)
SFGH - LONG TERM CARE - RF PSYCHIATRY	16,182,910	16,308,875	125,965	0.8%
SUBSTANCE ABUSE - COMMUNITY CARE	64,477,905	61,881,992	(2,595,913)	(4.0%)
Total Expenditures	\$ 1,473,384,073	\$ 1,442,415,778	\$ (30,968,295)	(2.1%)
Less Interdepartmental Recoveries And Transfers	(31,645,615)	(34,997,898)	(3,352,283)	10.6%
Net Expenditures	\$1,441,738,458	\$ 1,407,417,880	\$ (34,320,578)	(2.4%)

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: DPH – PUBLIC HEALTH

The Department's proposed FY 2010-2011 budget includes a \$49,589,012 Controller's Reserve, including \$34,776,945 for unspecified salaries and \$14,812,067 for unspecified fringe benefits. These Controller Reserves are part of the total \$142,218,840 Controller Reserves included in the FY 2010-2011 budget, which is intended to offset \$142,218,840 of Uncertain Revenues and Follow-Up Actions Required that are assumed as revenues in the FY 2010-2011 budget.

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions budgeted for FY 2010-11 is 5,581.10 FTEs, which is 256.86 FTEs less than the 5,837.96 FTEs in the original FY 2009-10 budget. The FTE allocations are as follows:

AUTHORIZED POSITIONS	FY 2009-2010 Original Budget	FY 2010-2011 Proposed Budget	Proposed Increase (Decrease) vs. FY 2009-2010 Budget
Total Authorized	5,898.01	5,646.21	(251.80)
Non-Operating Positions (Capital / Other)	(60.05)	(65.11)	(5.06)
Net Operating Positions	5,837.96	5,581.10	(256.86)

Specific changes in the Department's FY 2010-11 FTE count include:

- A reduction of 216.00 FTEs due to labor negotiations with the Coalition of Intern and Residents (CIR-SEIU), in which all University of California, San Francisco (UCSF) interns and residents working at San Francisco General Hospital would be consolidated under the UCSF's payroll system instead of through both the City's and UCSF's payroll system beginning on July 1, 2010. The Department would pay UCSF through a contract.
- A reduction of 70.13 FTEs due to the proposed new Proposition J from the Sheriff's Department that would eliminate the existing work order between the Department and the Sheriff's Department by contracting health services at San Francisco jails to an outside vendor beginning on January 1, 2011.
- A reduction of 10.77 FTEs due to the integration of Community Behavioral Health Services and Primary Care Services.
- A reduction of 6.47 FTEs due to a reduction of ongoing mental health services to indigent clients. Only indigent clients with a serious mental illness would continue to receive ongoing mental health services, pending legislation approval by the Board of Supervisors (see Fee Legislation section below).
- An increase of 10.09 FTEs due to the expansion of the San Francisco General Hospital Family Health Center clinic hours.
- An increase of 9.78 FTEs due to implementation of additional Mental Health Services Act program components (Innovation, Information Technology, Community Services and Support

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: **DPH – PUBLIC HEALTH**

and Prevention and Early Intervention), which will allow the Department to expand mental health services for children, youth, adults and families.

- An increase of 7.00 FTE for the Acute Medical Unit at Laguna Honda Hospital.
- An increase of 6.80 FTEs due to the proposed opening of the new Laguna Honda Hospital in September of 2010.
- An increase of 6.04 FTEs due to the expansion of the Nurse Advice Line to provide nurse triage/screening services by telephone for primary care medical homes and specialty services at San Francisco General Hospital.
- An increase of 5.47 FTEs due to the expansion of the Healthy San Francisco program.
- An increase of 3.85 FTEs due to State and Federal regulatory requirements for the staffing levels of the SFGH Pharmacy Department.
- An increase of 2.00 FTEs due the expansion of services at the Laguna Honda Hospital Primary Care Clinic.

DEPARTMENT REVENUES:

Department revenues have increased by \$79,271,461 or 6.6 percent, from the original FY 2009-10 budget of \$1,129,642,440 to the proposed FY 2010-11 budget of \$1,208,913,901. However, General Fund support has decreased by \$110,239,756 or 32.1 percent, from the original FY 2009-10 budget of \$343,741,633 to the proposed FY 2010-11 budget of \$233,501,877. Overall, the Department revenues have decreased by \$30,968,295, or 2.1 percent, from the original FY 2009-10 budget of \$1,473,384,073 to the proposed FY 2010-11 budget of \$1,442,415,778. Specific changes in the Department's FY 2010-11 revenues include:

- **A decrease of \$49,322,880 in Licenses and Fines**, which is due to a reduction of \$49,136,686 in one-time Tobacco Settlement Revenue for the Laguna Honda Hospital Replacement Project in FY 2009-10.
- **A decrease of \$11,153,070 in Other Revenues**, which is due to a decrease of \$22,666,667 in San Francisco General Hospital generator lease funds and a \$10,204,581 Certificate of Participation reimbursement for the Laguna Honda Hospital Replacement Project.
- **A decrease of \$3,754,481 in Intergovernmental Revenue – State**, which is due to a decrease in Community Mental Health Service funds, State Alcohol funds, Tobacco Tax funds, Health/Welfare Sales Tax funds, Motor Vehicle License Fee realignment funds, and other State grants.
- **A decrease of \$25,000 in Use of Money and Property**, which is due to a decrease of interest earned on pooled cash.
- **An increase of \$136,746,233 in Charges for Services**, which is due to an increase of \$51,282,422 in San Francisco General Hospital and Laguna Honda Hospital revenues, \$182,238 in Environment Health Services revenues, and \$88,000,000 in anticipated SB1383/AB188 Hospital Fee revenues, which is still pending Federal approval. The increases are partially offset by a decrease of \$2,718,427 in other service revenues. The \$88,000,000 are part of the \$142,218,840 in Controller Reserves included in the FY 2010-11 budget and noted above.

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- An increase of \$3,438,376 in Intergovernmental Revenue – Federal, which is due to an increase in federal grants.
- An increase of \$3,352,283 in Expenditure Recovery, which is due to an increase of \$3.8 million for the Condo Conversion Fee revenues, which is pending approval from the Board of Supervisors and is detailed in the General City Responsibility report, and decreases to the work orders with the Sheriff's Department, Human Services Agency and the Police Department. The \$3.8 million are part of the \$142,218,840 in Controller Reserves included in the FY 2010-11 budget and noted above.

Fee Legislation

The table below details the proposed fee ordinance that accompanies the Department's proposed FY 2010-11 budget. Projected revenues for FY 2010-11 are based on the proposed fee ordinance as follows:

Item No.	File No.	Fee Description	FY 2009-10	FY 2010-11	Change from PY	Annualized Revenue Thereafter	% Cost Recovery
			Projected Revenue	Projected Revenue			
Non-General Fund Revenues							
Item No 5	10-0707 (June 21, 2010 Calendar)	Refuse Collection Services Liens and Fees	\$2,520,063	\$2,520,063 ¹	\$0	\$2,520,063	100%
		<i>Non-General Fund Revenues Subtotal</i>	\$2,520,063	\$2,520,063	\$0	\$2,520,063	
General Fund Revenues							
Item No 9	10-0717 (June 21, 2010 Calendar)	Inspection and Testing Commercial Weighing and Measuring Devices Registration Fees	\$650,494	\$650,494	\$0	\$650,494	78%
Item No 10	10-0718 (June 21, 2010 Calendar)	Structural Pest Control Registration and Fees	85,717	85,717 ²	0	85,717	78%
Item No 11	10-0719 (June 21, 2010 Calendar)	Patient Rates	274,968,200	278,668,200	3,700,000	3,700,000	N/A
Item No 12	10-0720 (June 21, 2010 Calendar)	Food Permit Requirements and Fees for Caterers	65,826	65,826 ³	0	65,826	100%
Item No 13	10-0721 (June 21, 2010 Calendar)	Aboveground Storage Tank Fees Automated Point-of Sale Systems ("Scanner") Registration, Inspection and	0	69,740	69,740	69,740	97%
Item No 16	10-0725 (June 21, 2010 Calendar)	Reinspection Requirement and Fees	1,046,056	1,483,833	437,777	1,483,833	100%
		<i>General Fund Revenues Subtotal</i>	\$276,816,293	\$281,023,810	\$4,207,517	\$6,055,610	
		Totals	\$281,856,419	\$286,063,936	\$4,207,517	\$11,095,736	

¹ The proposed ordinance would allow the City to charge Refuse Collection Services Fees to commercial property. According to the Department, the proposed amendment to the fees would not significantly increase revenues and therefore, the Department did not increase projected revenues for FY 2010-2011.

² Of the total revenue of \$85,717, only \$5,231 represents Pesticide Registration Fee portion of the Agriculture fees. The proposed ordinance would add tiers to the existing fees by adding Branch 1, 2 & 3 fumigation and registration amendment fees. According to the Department, the proposed amendment to the fees would not significantly increase revenues and therefore, the Department did not increase projected revenues for FY 2010-2011.

³ This revenue represents the revenue for all weights and measure devices. The proposed registration fees only covers a small subset of the commercial devices and only accounts for marinas, mobile home parks, recreational vehicle parks, and apartment complexes utility meters. According to the Department, the proposed amendment to the fees would not significantly increase revenues and therefore, the Department did not increase projected revenues for FY 2010-2011.

The specific fees are included in the proposed ordinances.

Recommendation: Approval of the proposed fee ordinances are policy matters for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the proposed DPH budget is balanced based on the assumption that such fee legislation shown above will be approved.

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Additional Legislation

Item 8, File 10-0716 (June 21, 2010 Calendar) – The California Business and Professions Code requires the Board of Supervisors to adopt a resolution confirming that the County will charge the fees required by the California Business and Professions Code. The proposed resolution authorizes the County Agriculture Commissioner to charge fees for the (a) testing of weighing and measuring devices initiated by written request, and (b) reinspecting, retesting and recertifying weighing and measuring devices, in accordance with the California Business and Professions Code. The proposed resolution does not approve the actual fee schedule. The fee schedule for the County Agriculture Commissioner's Inspection and Testing Commercial Weighing and Measuring Devices Registration fees is in File 10-0717 and shown in the table above.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 22, File 10-0739 (June 21, 2010 Calendar) – The proposed ordinance would amend the San Francisco Administrative Code Section 15.23, to maintain a single standard of care for the indigent and uninsured population who suffer from serious mental illness. According to the Department, this legislation would exclude uninsured patients not considered to suffer from serious mental illnesses. The Department would continue to serve individuals covered by Medi-Cal according to Medi-Cal policies, and would work to divert uninsured individuals into Healthy San Francisco. This policy would not affect individuals under the age of 22 or over the age of 64. If approved, this policy would take effect September 1, 2010. The Department anticipates this change, once annualized, would impact approximately 1,582 clients between the ages of 22 and 64 who are uninsured and not considered seriously mentally ill. The Department anticipates a General Fund savings of \$0.7 million in FY 2010-11, and \$0.8 million annually thereafter. These savings would be the result of the reduction of 6.47 FTEs in FY 2010-11 and 7.56 FTEs thereafter.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the proposed DPH budget is balanced based on the assumption that the proposed ordinance will be approved.

Item 26, File 10-0752 (June 21, 2010 Calendar) – The proposed resolution would authorize the Department to enter into a contract with Siemens Medical Solution USA, Inc. (Siemens) for the continued licensing and maintenance of proprietary Siemens software applications for a seven-year initial term, from July 1, 2010 through June 30, 2017, with one two-year option to extend, from July 1, 2017 through June 30, 2019. The Department has two existing contracts with Siemens, which are scheduled to end on June 30, 2012. The Department renegotiated the terms of the existing Siemens contracts to consolidate the operations of continued licensing and maintenance of proprietary Siemens software applications. As a result, the proposed new contract would include the remaining two years of the existing contract, from July 1, 2010 through June 30, 2012, at a reduced annual cost. The cost of the contract's initial term is \$33,820,487. The Department estimates that the proposed new contract would achieve an annual General Fund savings of approximately \$1.1 million. According to the Department, the proposed contract is sole source because it provides for licensing and maintenance of proprietary software.

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Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors. However, the Budget and Legislative Analyst notes that the proposed DPH budget is balanced based on the assumption that the proposed ordinance will be approved.

DESCRIPTION:

The Department's proposed FY 2010-11 budget has decreased by \$30,968,295, or 2.1 percent. Major changes to the budget include the following:

- Support for the Laguna Honda Hospital programs has decreased by \$31.9 million due to a decrease in Tobacco Settlement Revenues for the Laguna Honda Hospital Replacement Project, which is partially offset by an increase in debt service and professional service contracts related to the opening of the new Laguna Honda Hospital.
- Support for the Forensics - Ambulatory Care program (Jail Health Services) has decreased by \$12.4 million due to the proposed Proposition J contract by the Sheriff's Department to contract Jail Health Services to an outside vendor, which is discussed in the Sheriff's Department budget report.
- Support for the Substance Abuse - Community Care program has decreased by \$2.6 million due to a decrease in State funding and a reduction in contracts for substance abuse services to achieve budget savings.
- Support for the Health at Home program has decreased by \$1.2 million, which is due to a decrease in work orders and transfer of funds to the Primary Care – Ambulatory Care program for the Patient Navigator program.
- Support for the Primary Care – Ambulatory Care program has increased by \$3.2 million which is due to the addition of the Nurse Advise Line, the transfer of funds for the Patient Navigator program and an expansion of the Healthy San Francisco program.
- Support for the Mental Health programs has increased by \$0.5 million due to an increase in State funding for mental health services. However, the increase is partially offset with contract reductions for General Fund savings.
- Support for the Community Health programs has decreased by \$3.4 million due to the expiration of a Department of Justice grant and a decrease of other State and Federal funding.
- Support for the San Francisco General Hospital programs has decreased by \$10.4 million due to the proposed Proposition J to contract out security services discussed below, and an increased transfer of funds to the Central Administration program to draw down revenues from the State of California. However, the decrease is partially offset with an increase to professional services contracts for the Healthy San Francisco program, UCSF retirement, and food management consulting.
- Support for the Central Administration program has increased by \$27.2 million due to the transfer of funds from San Francisco General Hospital.

PROPOSITION J CONTRACT

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Charter Section 10.104 provides that the City may contract with private firms for services, if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work by City employees. The Mayor's proposed FY 2010-11 budget contains one new item requiring Proposition J approval:

- **Item 25, File 10-0746 - Contracting for Security Services (June 21, 2010 Calendar).** The Department proposes a new Proposition J contract for security services at the San Francisco General Hospital, Laguna Honda Hospital and the Public Health Clinics. Currently, the Sheriff's Department provides these services for the Department through a work order agreement. If approved, the Department would contract with an outside security company for services commencing January 1, 2011. Some deputy sheriffs would be reassigned to the Sheriff's jail staff, and 22.5 FTEs in position deletions would result in layoffs in the Sheriff's Department, if this Proposition J contract is approved by the Board of Supervisors. The Mayor's Office has included \$1,729,071 in its proposed FY 2010-11 budget for six months of contracted security services. According to the Controller's analysis, if approved, the estimated six months savings in FY 2010-11 would range between \$2.3 million and \$3.1 million, and annual savings as a result of contracting this service would be between \$4.5 million to \$6.2 million.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors. However, the Budget Analyst notes that the proposed DPH budget is balanced based on the approval of this outside contract.

The Sheriff's Department also proposes a new Proposition J contract for jail health services that would eliminate the existing work order between the Department and the Sheriff's Department by contracting health services at San Francisco jails to an outside vendor beginning on January 1, 2011 (Item 10, File 10-0738, June 17, 2010 Calendar). Shown below are the Department's position deletions from the Sheriff's Department proposed new Proposition J, which will result in layoffs in FY 2010-11. The Department anticipates that at least half of the employees, or approximately 35 FTEs, affected by the proposed position deletions would be reassigned to vacant positions within the Department. The remaining position deletions would result in layoffs. This item is covered in the Sheriff's Department budget report.

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Bureau/Division	Job Class	Title	FTE Count	\$ Value	Comments
DPHJH	922	Manager I	(0.45)	(47,192)	Proposed Proposition J to contract out health services at San Francisco jails.
DPHJH	923	Manager II	(0.50)	(56,241)	
DPHJH	931	Manager III	(0.50)	(60,698)	
DPHJH	933	Manager V	(0.50)	(70,264)	
DPHJH	943	Manager VIII	(0.50)	(91,436)	
DPHJH	1042	IS Engineer-Journey	(0.50)	(53,637)	
DPHJH	1054	IS Business Analyst-Principal	(0.50)	(57,995)	
DPHJH	1404	Clerk	(0.50)	(22,820)	
DPHJH	1408	Principal Clerk	(1.00)	(62,531)	
DPHJH	1428	Unit Clerk	(1.00)	(55,313)	
DPHJH	1934	Storekeeper	(1.00)	(49,955)	
DPHJH	2110	Medical Records Clerk	(1.50)	(80,811)	
DPHJH	2202	Dental Aide	(1.00)	(59,827)	
DPHJH	2210	Dentist	(0.70)	(105,623)	
DPHJH	2230	Physician Specialist	(0.13)	(21,626)	
DPHJH	2232	Senior Physician Specialist	(1.35)	(241,736)	
DPHJH	2233	Supervising Physician Specialist	(0.50)	(96,296)	
DPHJH	2312	Licensed Vocational Nurse	(12.27)	(782,471)	
DPHJH	2320	Registered Nurse	(29.68)	(3,768,885)	
DPHJH	2322	Nurse Manager	(1.50)	(256,854)	
DPHJH	2328	Nurse Practitioner	(3.78)	(639,938)	
DPHJH	2409	Pharmacy Technician	(2.65)	(184,900)	
DPHJH	2450	Pharmacist	(1.12)	(142,402)	
DPHJH	2454	Clinical Pharmacist	(0.50)	(70,096)	
DPHJH	2585	Health Worker I	(0.50)	(23,155)	
DPHJH	2587	Health Worker III	(1.00)	(56,727)	
DPHJH	2588	Health Worker IV	(0.50)	(33,138)	
DPHJH	2736	Porter	(4.00)	(190,792)	
DPHJH	2738	Porter Assistant Supervisor	(0.50)	(26,230)	
TOTAL			(70.13)	(7,409,589)	

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Page No.	Object	Object Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
<u>D1F - SFGH - Acute Care - Forensic (5H-AAA-AAA)</u>								
47	012	Holiday Pay				\$37,488	\$25,537	\$11,951
		Reduce 012 Holiday Pay to correspond with a comparable reduction in FY 2010-2011 Permanent Salaries.						
47	013	Mandatory Fringe Benefits						\$739
		Corresponds to recommended reductions in Holiday Pay						
<u>D1H - SFGH - Acute Care - Hospital (5H-AAA-AAA)</u>								
4	001	Senior Clerk	1406	1.60	1.54	\$75,579	\$72,745	\$2,834
		Reduce the FTE allocation from 1.60 FTE to 1.54 FTE for the two new Senior Clerk positions to reflect actual hiring date in FY 2010-2011.						
5	001	Health Care Billing Clerk II	1636	30.0	29.0	\$1,803,747	\$1,743,622	\$60,125
		Delete 1.0 FTE 1636 Health Care Billing Clerk II position, which has been vacant since July 1, 2006. This program would continue to have 29.0 FTE Health Care Billing Clerk II positions.						

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
6	001	Assistant Storekeeper	1932	14.5	13.7	\$659,972	\$623,560	\$36,412
		Delete 0.80 FTE 1932 Assistant Storekeeper position, which has been vacant since August 30, 2007. This program would continue to have 13.7 FTE Assistant Storekeeper positions.						
7	001	Surgical Procedures Technician	2310	17.6	16.6	\$1,138,087	\$1,073,423	\$64,664
		Delete 1.0 FTE 2310 Surgical Procedures Technician position, which has been vacant since May 22, 2007. This program would continue to have 16.6 FTE Surgical Procedures Technician positions.						
9	001	Pharmacy Technician	2409	1.54	0.0	\$107,344	\$0	\$107,344
		Disapprove the request for two new 2409 Pharmacy Technician positions totaling 1.54 FTE to add additional shifts in the neonatal nursery and intensive care units of San Francisco General Hospital (SFGH) for compliance with regulatory requirements. The program currently has 3.78 FTE vacant Pharmacy Technician positions, which could cover the additional shifts.						

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
9	001	Pharmacist	2450	2.31	0.0	\$293,412	\$0	\$293,412
		Disapprove the request for three new 2450 Pharmacist positions totaling 2.31 FTE to add additional shifts in the Emergency Department of San Francisco General Hospital (SFGH) for complianace with regulatory requirements. The program currently has 5.50 FTE vacant Pharmacist positions, which could cover the additional shifts.						
10	001	Health Worker II	2586	0.92	0.77	\$47,830	\$40,032	\$7,798
		Reduce the FTE allocation from 0.92 FTE to 0.77 FTE for the new Health Worker II position to reflect actual hiring date in FY 2010-2011.						
11	001	Eligibility Worker	2903	50.05	49.05	\$2,839,174	\$2,782,447	\$56,727
		Delete 1.0 FTE 2903 Eligibility Worker position, which has been vacant since February 2, 2007. This program would continue to have 49.05 FTE Eligibility Worker positions.						
12	001	Hospital Eligibility Worker	2908	70.44	69.44	\$4,579,395	\$4,514,384	\$65,011
		Delete 1.0 FTE 2908 Hospital Eligibility Worker position, which has been vacant since July 1, 2008. This program would continue to have 69.44 FTE Hospital Eligibility Worker positions.						

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
13	001	Attrition Savings	9993M			(\$11,958,821)	(\$11,760,764)	(\$198,057)
		Reduce Attrition Savings to offset deletion of vacant positions.						
48	013	Mandatory Fringe Benefits						\$202,776
		Corresponds to recommended reductions in positions.						
65	027	Professional and Specialized Services				\$121,803,402	\$121,199,477	\$603,925
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.						
49	060	Equipment Purchase				\$1,123,701	\$1,112,393	\$11,308
		Reduce 060 Equipment Purchase to reflect the actual prices listed in the quotes.						

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>D1P - SFGH - Acute Care - Psychiatry (5H-AAA-AAA)</u>								
52	009	Premium Pay				\$503,398	\$475,727	\$27,671
		Reduce 009 Premium Pay to correspond with a comparable reduction in FY 2010-2011 Permanent Salaries.						
52	012	Holiday Pay				\$98,748	\$93,320	\$5,428
		Reduce 012 Holiday Pay to correspond with a comparable reduction in FY 2010-2011 Permanent Salaries.						
52	013	Mandatory Fringe Benefits						\$1,727
		Corresponds to recommended reductions in Premium Pay and Holiday Pay						
<u>D5E - SFGH - Emergency - Emergency (5H-AAA-AAA)</u>								
56	009	Premium Pay				\$132,268	\$128,987	\$3,281
		Reduce 009 Premium Pay to correspond with a comparable reduction in FY 2010-2011 Permanent Salaries.						
56	012	Holiday Pay				\$98,748	\$95,139	\$3,609
		Reduce 012 Holiday Pay to correspond with a comparable reduction in FY 2010-2011 Permanent Salaries.						

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			Number	From	To	From	To	
56	013	Mandatory Fringe Benefits						\$388
		Corresponds to recommended reductions in positions, Premium Pay and Holiday Pay						
<u>DA5 - LHH - Long Term Care (5L-AAA-AAA)</u>								
32	001	Unit Clerk	1428	12.0	11.0	\$663,755	\$608,442	\$55,313
		Delete 1.0 FTE 1428 Unit Clerk position, which has been vacant since July 1, 2007. This program would continue to have 11.0 FTE Unit Clerk positions.						
38	001	Attrition Savings	9993M			(\$9,207,454)	(\$9,168,735)	(\$38,719)
		Reduce Attrition Savings to offset deletion of vacant positions.						
59	013	Mandatory Fringe Benefits						\$6,780
		Corresponds to recommended reductions in positions						
60	060	Equipment Purchase				\$57,055	\$55,138	\$1,917
		Reduce 060 Equipment Purchase to reflect the actual prices listed in the quotes.						

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>DHA - Central Administration (1G-AGF-AAA)</u>								
65	027	Professional and Specialized Services				\$2,181,971	\$2,181,729	\$242
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.						
65	040	Materials and Supplies Budget Only				\$396,563	\$321,563	\$75,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						
<u>DHA - Central Administration (1G-AGF-AAP)</u>								
66	005	Overtime				\$20,600	\$15,600	\$5,000
		Reduce 005 Overtime to reflect historical spending pattern and projected FY 2010-2011 expenditures.						
66	013	Mandatory Fringe Benefits						\$168
		Corresponds to recommended reductions in overtime.						

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				From	To	From	To	
66	040	Materials and Supplies Budget Only				\$122,885	\$115,885	\$7,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						

DHH - Health at Home (1G-AGF-AAA)

71	027	Professional and Specialized Services				\$123,612	\$112,612	\$11,000
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.						
71	040	Materials and Supplies Budget Only				\$135,556	\$125,556	\$10,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>DHP - Primary Care - Ambulatory Care - Health Clinics (1G-AGF-AAA)</u>								
74	027	Professional and Specialized Services				\$1,717,182	\$1,687,182	\$30,000
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.						
<u>DMM - Mental Health - Community Care (1G-AGF-AAA)</u>								
84	027	Professional and Specialized Services				\$59,379,600	\$58,701,762	\$677,838
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.						
84	040	Materials and Supplies Budget Only				\$5,099,582	\$5,049,582	\$50,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DPH - Department of Public Health

<u>Page</u> <u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment</u>		<u>Number</u>		<u>Amount</u>		<u>Savings</u>
			<u>Number</u>		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>DMS - Substance Abuse - Community Care (1G-AGF-AAA)</u>									
92	027	Professional and Specialized Services					\$51,242,183	\$50,944,918	\$297,265
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.							
92	040	Materials and Supplies Budget Only					\$114,537	\$104,537	\$10,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.							

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DPH - Department of Public Health

Page No.	Object	Object Title	Position/ Equipment Number	Number		Amount		Savings	
				From	To	From	To		
94	086	Expend Recovery for Services to AAO Funds					(\$162,000)	(\$134,488)	(\$27,512)

Reduction of funding for three workorders with the Sheriff's Department due to a reduced need of DPH services, which include (a) conducting medical testing of new recruits who will not be hired in FY 2010-2011, (b) providing interpretation services, which are now budgeted in Object 027: Professional Services of the Sheriff's Department's FY 2010-2011 budget, and (c) providing hazardous materials handling services to match historical spending patterns.

DPB - Environmental Health Services (1G-AGF-AAA)

99	027	Professional and Specialized Services					\$309,511	\$301,651	\$7,860
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Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DPH - Department of Public Health

<u>Page No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
99	040	Materials and Supplies Budget Only				\$372,301	\$347,301	\$25,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						
99	060	Equipment Purchase	HC1101N			\$6,510	\$5,972	\$538
		Reduce 060 Equipment Purchase to reflect the actual prices listed in the quotes.						

DPH - Community Health - Prevention - Health Education (1G-AGF-AAA)

143	040	Materials and Supplies Budget Only				\$28,216	\$23,216	\$5,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DPH - Department of Public Health

Page No.	Object	Object Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
<u>DPM - Community Health - Prevention - Disease Control (1G-AGF-AAA)</u>								
151	027	Professional and Specialized Services				\$1,810,399	\$1,785,447	\$24,952
		Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.						
151	040	Materials and Supplies Budget Only				\$170,473	\$145,473	\$25,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						
<u>FAL - Children's Baseline (1G-AGF-AAA)</u>								
163	040	Materials and Supplies Budget Only				\$85,382	\$75,382	\$10,000
		Reduce 040 Materials and Supplies Budget Only to reflect historical spending pattern and projected FY 2010-2011 expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DPH - Department of Public Health

<u>Page</u>	<u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>Amount</u>	<u>To</u>	<u>Savings</u>
<u>FAM - Mental Health - Children's Program (IG-AGF-AAA)</u>										
172	027		Professional and Specialized Services					\$32,370,893	\$31,882,085	\$488,808
			Reduce 027 Professional and Specialized Services to reduce the proposed amounts of new FY 2010-2011 contracts. The Department has existing contracts that will have a projected balance at the end of FY 2009-2010 and therefore, the new FY 2010-2011 contracts will not require the full requested amount.							
			Total Recommended Reductions							<u>\$3,127,522</u>
			General Fund Impact					\$3,127,522		
			Non-General Fund Impact					\$0		

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
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Department: DPH - Department of Public Health

<u>Page</u> <u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u> <u>From</u> <u>To</u>	<u>Amount</u> <u>From</u>	<u>To</u>	<u>Savings</u>
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POLICY RECOMMENDATIONS

DMS - Substance Abuse - Community Care (1G-AGF-AAA)

92	027	Professional and Specialized Services		\$51,242,183	\$50,982,183	\$260,000
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The DPH is requesting \$260,000 to establish a new permanent site for Project Homeless Connect, which is a project that will provide ongoing services to the homeless. DPH has not secured a location for the site. Since the proposed project would incur new General Fund costs and the operational details have not been determined, the proposed reduction is a policy matter for the Board of Supervisors.

DMS - Substance Abuse - Community Care (1G-AGF-WOF)

94	086	Expend Recovery for Services to AAO Funds		(\$162,000)	(\$149,000)	(\$13,000)
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Reduction of the work order with the Sheriff's Department due to a reduced need of DPH services to provide meals to Sheriff staff providing security at SFGH because such security services are proposed to be contracted out to a private firm.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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Department: DPH - Department of Public Health

Page No.	Object	Object Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
<u>DMS - Substance Abuse - Community Care (1G-AGF-ACP)</u>								
93	027	Professional and Specialized Services				\$220,323	\$0	\$220,323
93	028	Maintenance Services - Buildings and Structures				\$21,600	\$0	\$21,600
93	030	Rents & Leases - Buildings and Structures				\$220,800	\$0	\$220,800
93	040	Materials and Supplies Budget Only				\$3,600	\$0	\$3,600
93	081	Services of Other Depts				\$14,811	\$0	\$14,811
21	450	Short-Doyle Medi-Cal Funds				(\$4,136,292)	(\$3,936,292)	(\$200,000)

The DPH's FY 2008-2009 budget included \$983,783 in Department of Justice grant-supported expenditures for the Community Justice Center. In FY 2009-2010, the Department carried forward \$553,446 of \$983,783 to pay for the non-personnel costs, and also reassigned four positions for the Community Justice Center from grant-funded positions to positions funded by the General Fund. In the proposed FY 2010-2011 budget, the non-personnel costs totaling \$481,134 are being shifted from grant funds to the General Fund. Approximately \$200,000 of the costs would be eligible to generate MediCal revenue.

The Budget and Legislative Analyst considers the shift of \$481,134 from grant funds to the General Fund to pay Community Justice Center non-personnel expenditures in FY 2010-11 to be a policy matter for the Board of Supervisors.

Total Policy Recommendations	\$528,134
General Fund Impact	\$528,134
Non-General Fund Impact	\$0
Total Recommended Reductions and Policy Recommendations	\$3,655,656
General Fund Impact	\$3,655,656
Non-General Fund Impact	\$0

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
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DEPARTMENT: HSA – HUMAN SERVICES AGENCY

FINANCIAL DATA:

The Human Services Agency's proposed \$662,550,307 budget for FY 2010-11 is \$21,594,599 or 3.2 percent less than the original FY 2009-10 budget of \$684,144,906.

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2009-2010 Original Budget	FY 2010-2011 Proposed Budget	Proposed Increase (Decrease) vs. FY 2009-2010 Budget	%
				Inc./Dec.
ADMINISTRATIVE SUPPORT	\$ 82,266,009	\$ 82,974,283	\$ 708,274	0.9%
ADULT SERVICES	176,565,929	166,100,271	(10,465,658)	(5.9%)
CALWORKS	54,464,987	52,202,376	(2,262,611)	(4.2%)
CHILDREN AND FAMILIES FUND	352,531	-	(352,531)	(100.0%)
CHILDREN'S BASELINE	21,950,017	24,245,760	2,295,743	10.5%
CHILDREN'S FUND PROGRAMS	759,000	759,000	-	0.0%
COUNTY ADULT ASSISTANCE PROGRAM	51,129,008	53,553,415	2,424,407	4.7%
FAMILY AND CHILDREN'S SERVICE	147,478,050	144,172,668	(3,305,382)	(2.2%)
FOOD STAMPS	13,113,968	15,031,093	1,917,125	14.6%
HOMELESS SERVICES	89,382,495	77,336,069	(12,046,426)	(13.5%)
MEDI-CAL	24,731,578	23,623,231	(1,108,347)	(4.5%)
PUBLIC ED FUND - PROP H (MARCH 2004)	315,000	-	(315,000)	(100.0%)
REFUGEE RESETTLEMENT PROGRAM	390,442	644,555	254,113	65.1%
WORKFORCE DEVELOPMENT	21,245,892	21,907,586	661,694	3.1%
Total Expenditures	\$ 684,144,906	\$ 662,550,307	\$ (21,594,599)	(3.2%)
Less Interdepartmental Recoveries And Transfers	(35,690,670)	(26,749,099)	8,941,571	(25.1%)
Net Expenditures	\$ 648,454,236	\$ 635,801,208	\$ (12,653,028)	(2.0%)

The Department's proposed FY 2010-2011 budget includes a \$13,676,207 Controller's Reserve, including \$9,057,543 for unspecified salaries and \$4,618,664 for unspecified fringe benefits. These Controller Reserves are part of the total \$142,218,840 Controller Reserves included in the FY 2010-2011 budget, which is intended to offset \$142,218,840 of Uncertain Revenues and Follow-Up Actions Required that are assumed as revenues in the FY 2010-2011 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: HSA – HUMAN SERVICES AGENCY

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions budgeted for FY 2010-11 is 1,690.43 FTEs, which is 28.66 FTEs more than the 1,661.77 FTEs in the original FY 2009-10 budget. The FTE allocations are as follows:

AUTHORIZED POSITIONS	FY 2009-2010 Original Budget	FY 2010-2011 Proposed Budget	Proposed Increase (Decrease) vs. FY 2009-2010 Budget
Total Authorized	1,672.77	1,706.43	33.66
Non-Operating Positions (Capital / Other)	(11.00)	(16.00)	(5.00)
Net Operating Positions	1,661.77	1,690.43	28.66

Specific changes in the Department's FY 2010-11 FTE count include:

- 41.0 FTE positions that were previously approved by the Board of Supervisors through a supplemental appropriation in FY 2009-10.
- Transfer of 5.0 FTE operating-budget positions to non-operating budget positions.
- Proposed deletion of 8.75 FTE positions, including 4.0 FTE layoffs as shown in the table below.
- A proposed new 0.77 FTE 1063 IS Programmer Analyst- Senior, which, according to the Department, requires a different skills set from the proposed layoff of an existing 1.0 FTE 1063 IS Programmer Analyst- Senior.
- Proposed new 4.0 FTE 2919 Child Care Specialists. The new employee classification of 2919 Child Care Specialists replaces the 6.0 FTE 3280 Assistant Recreation Directors deleted in FY 2008- 09. According to the Department, the duties and job qualifications for the 2919 Child Care Specialists more appropriately align with those required to operate child care drop-in rooms at Human Services Agency facilities.
- Transfer of 1.0 FTE IS Technician- Journey from the Department of Building Inspection to the Human Services Agency to consolidate desktop support between the departments and allow the Department of Building Inspection to access other information technology services at the Human Services Agency through a work order.
- Transfer of the following three positions from the Department of Children, Youth and Their Families to the Human Services Agency on October 1, 2010: (a) 0.77 FTE 1842 Management Assistant, (b) 0.77 FTE 9772 Community Development Specialist, and (c) 0.77 FTE 2917 Program Support Analyst, for a total of 2.31 FTE. These positions will be part of the newly created Office of Child Care and Early Learning (OCCEL), which is further discussed in the Descriptions section.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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DEPARTMENT: HSA – HUMAN SERVICES AGENCY

The following are the Department's proposed four layoffs in FY 2010-11:

Bureau/Division	Job Class	Title	FTE Count	\$ Value	Comments
Administrative Support	1063	IS Programmer Analyst- Senior	1.0	\$90,882	The position being eliminated worked with mainframe technologies, which is no longer needed.
Administrative Support	0931	Manager III	1.0	\$121,397	
Administrative Support	1246	Principal Personnel Analyst	1.0	\$113,261	
Administrative Support	1708	Senior Telephone Operator	1.0	\$49,955	
TOTAL LAYOFFS IN FY 2010-11			4.0	\$375,495	

DEPARTMENT REVENUES:

Department revenues have decreased by \$18,941,384 or 3.8 percent, from the original FY 2009-10 budget of \$497,123,185 to the proposed FY 2010-11 budget of \$478,181,801. General Fund support has decreased by \$2,677,467 or 1.3 percent, from the original FY 2009-10 budget of \$203,101,396 to the proposed FY 2010-11 budget of \$200,423,929. Specific changes in the Department's FY 2010-11 revenues include:

- A decrease of \$6,869,201 largely due to (a) a decrease of \$5,225,958 in American Recovery and Reinvestment Act (Federal Stimulus) funds in FY 2010-2011, (b) decrease of \$1,265,832 in Housing and Urban Development (HUD) McKinney Grant funding, and (c) decrease of \$377,411 in other Federal revenues.
- A decrease of \$8,941,571 in interdepartmental recoveries largely due to (a) the elimination of a \$8,757,780 work order agreement with the Mayor's office, funded by Federal Stimulus Funds, to provide homeless prevention and re-housing support services for individuals in need of such due to current economic conditions; (b) net decrease of \$1,558,094 in work order agreements with the Department of Children, Youth and Their Families due to a reduction in revenues, the elimination of a one-time HUD Subsidy Loan repayment, and other budget reductions; (c) decrease of \$1,382,978 in a work order agreement with the Department of Public Health due to a decrease in projected enrollments for the San Francisco Health Program; and (d) an offsetting new work order agreement with General City Responsibility, funded by revenues from a proposed condo conversion fee, for affordable housing programs.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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DEPARTMENT: HSA – HUMAN SERVICES AGENCY

- A decrease of \$1,725,752 in State revenues in FY 2010-11.
- A decrease of \$818,138 in charges for expected probate services in FY 2010-11, largely due to an expected decrease in cases, most of which have smaller asset balances, leading to a projected decrease in fee revenue.¹
- A decrease of \$327,470 in revenue from investments, due to projected low earnings in FY 2010-11.
- A total decrease of \$259,252 due to (a) a \$24,252 decrease in transfers in and \$235,000 decrease in other revenues.

DESCRIPTION:

The Department's proposed FY 2010-11 budget has decreased by \$21,594,599 largely due to:

- A total decrease of \$3,355,342 in salaries and adjustments, largely due to substitutions, reassignments, and deletions of various positions.
- A decrease of \$2,782,805 in aid assistance, largely due to (a) a net reduction of \$2,221,724 in day care assistance, (b) an offset increase of \$464,899 in transportation services for the County Adult Assistance Program and Homeless Services, and (c) \$1,025,980 decrease in other services.
- A decrease of \$20,296,237 in City grant programs due to shifts in funding within programs, Community Based Organization grant expirations, and a decrease in revenue due to (a) the loss of interdepartmental recoveries from the Department of Children, Youth and their Families and the First 5 San Francisco Commission² and (b) loss of Federal and State grant revenues. The decrease in revenue impacts services such as child care, transgender employment services, and homeless and housing services for families and adults.
- These decreases are offset by a \$5,615,728 increase for mandatory fringe benefits for regular and miscellaneous positions.

INITIATIVES AND POLICY:

Office of Child Care & Early Learning (OCCEL)

A newly formed Office of Child Care & Early Learning (OCCEL) is proposed for FY 2010-11, which will merge functions from different departments to oversee the City's child care subsidy system, child care provider supports and child care workforce investments. According to the Department, the policy rationale for the proposed new office is to maximize resources through blended funding, improve policy coordination, and provide a single line of authority for the City's investments.

¹ The Human Services Agency provides collects court mandated fees to help to partially recover program costs for the Public Administrator, Public Guardian, and Public Conservatorship programs. Fees are generated based on a percentage of the value of the estate closed.

² First 5 San Francisco Commission is the local Children and Families Commission established to receive Proposition 10 funding from First 5 California, the California Children and Families Commission.

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DEPARTMENT: HSA – HUMAN SERVICES AGENCY

As part of the proposed new office and consolidation of efforts, the Department of Children, Youth and Their Families will transfer three positions to the Human Services Agency, as discussed above in the Department Personnel Summary section. The transfer of functions will result in a decrease of \$167,114 in the Department of Children Youth and Their Families proposed FY 2010-2011 budget and an increase of \$163,781 in the Human Services Agency’s proposed budget, for a Citywide net savings of \$3,333.

Family Resource Centers

In FY 2009-10, the Human Services Agency, the Department of Children, Youth, and Their Families, and First 5 San Francisco jointly funded neighborhood-and-population-based Family Resource Centers through a joint contract procurement process for which First 5 San Francisco Commission served as the lead agency. As summarized in the table below, (a) funding Citywide for family resource centers has decreased by \$691,509, or 7.0 percent from FY 2009-2010 funding and (b) funding from the Human Services Agency for family resource centers has increased by \$88,491 or 2.4 percent from FY 2009-2010 funding.

	Funding in FY 2009-2010	Proposed Funding in FY 2010-2011	Change	Percent Change
Citywide	\$9,879,196	\$9,187,687	(\$691,509)	(7.0%)
HSA	\$3,658,147	\$3,746,638	\$88,491	2.4%
HSA Percent of Total Funding	37.0%	40.8%	N/A	10.3%

Item No. 24, File No. 10-0741 on June 21, 2010 Calendar (Jobs Now)

In FY 2009-10, the Board of Supervisors approved a total of \$46,529,274 in Federal Stimulus funds to support the Mayor’s Jobs Now program through accept and expenditure grants. The Federal funds are used to support employment for current and former CalWORKS³ recipients and other low income families, including employment in the non-profit and private sector, and public sector employment within City departments. According to the Department, expenditures for the program are projected to total approximately \$43,000,000 in FY 2009-2010, of which approximately \$1,025,000, or 2.4 percent, is General Fund monies. The balance of \$41,975,000 (\$43,000,000 less \$1,025,000) is funded by Federal and State funds, and in-kind support from employers.

Item 24, File No. 10-0741, which accompanies the Human Services Agency’s proposed FY 2010-11 budget, is an ordinance (a) amending the Fiscal Year 2010-2011 Annual Salary Ordinance (File 10-0701) to reflect the addition of temporary salaries of \$22,698,000 and (b) authorizing the Human Services Agency to retroactively accept and expend \$52,038,115 from the United States Department of Health and Human Services, as part of the American Recovery and Reinvestment Act of 2009, to support the Mayor’s Jobs Now Program, and (c) authorizing the Human Services Agency to accept and

³ The California Work Opportunities and Responsibility to Kids (CalWORKs) Program provides temporary financial assistance and employment focused services to families with minor children who have income and property below State maximum limits for their family size.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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DEPARTMENT: HSA – HUMAN SERVICES AGENCY

expend an additional grant not to exceed \$101,793,566 pending final approval by the U.S. Congress to extend Federal funding beyond the September 20, 2010, for a total amount not to exceed \$153,741,681. Attachment I, provided by the Department is a budget detailing the proposed expenditure of \$153,741,681.

According to the Department, total expenditures for the Jobs Now Program in FY 2010-11 is an estimated \$185,125,757,⁴ of which \$903,162, or 0.5 percent, is General Fund and already included in the Department's proposed FY 2010-11 budget. The Department advises that the \$903,162 will fund the salaries and mandatory fringe benefits of Department staff administering the program as well as other support staff in the CalWORKS and Workforce Development divisions that will participate in a time study for supporting subsidized employment efforts.⁵ Attachment II, provided by the Department, shows the sources and uses of funding for the estimated \$185,125,757.

Approval of Item 24, File No. 10-0741 would increase the Human Services Agency's proposed FY 2010-11 budget by \$153,741,681, or 23.2 percent more than the Mayor's proposed \$662,550,307 budget for FY 2010-11, to \$816,291,988 in FY 2010-11.

The Budget and Legislative Analyst notes that proposed Ordinance incorrectly states that \$101,793,566 Federal Stimulus funds is requested for accept and expenditure of Federal grant funds. However, the Department has budgeted total expenditures in the correct amount of \$101,703,566, or \$90,000 less, as shown in Attachment I.

RECOMMENDATIONS

1. Amend the proposed ordinance (File No. 10-0741) to reduce Jobs Now expenditures by \$90,000 from \$101,793,566 to \$101,703,566 in order to provide for the correct amount.
2. Reserve \$101,703,566 of the \$153,742,681 Federal Stimulus funds in FY 2010-11, pending approval of such funds by Congress.

INTERIM EXCEPTIONS

The Department has requested an interim exception four 2919 Child Care Specialists to be filled on July 1, 2010. These positions will be responsible for operating child care drop-in rooms at Human Services Agency facilities, and are approximately 95 percent funded by State and Federal revenues. According to the Department, two of the positions are currently filled by staff funded by temporary salaries and two positions are in the hiring process. The Budget Analyst recommends approval of 2.0 FTE 2919 Child Care Specialists positions as an interim budget exception because these positions are (a) already filled positions and (b) primarily funded by State and Federal revenues. However, the Budget

⁴ As shown in Attachment II, provided by the Department, estimated expenditures totaling \$185,125,757 includes Federal and State funds, General Fund support, and in-kind support from employers.

⁵ The Human Services Agency advises that, at this time, the Department cannot specify the total FTE count and job class of positions that will participate in the time study for claims and reimbursements of funds from Federal and State funding.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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FY 2010-11**

DEPARTMENT: HSA – HUMAN SERVICES AGENCY

Analyst recommends reducing 2.0 FTE 2919 Child Care Specialists positions to 1.54 FTE to reflect the actual hire date of October 1, 2010.

Jobs Now Expenditures

Subsidized Employment		FY 10-11 Direct Costs (A)		FY 10-11 Direct Costs (B)		FY 10-11 Direct Costs	
Character	Subsubject	Index Code	Grant Code	Program	FY 10-11 Direct Costs	FY 10-11 Direct Costs	FY 10-11 Direct Costs
Transitional Employment Program							
038	03801	48ESAR	SSERAR	Transitional Employment Program Contracts	\$ 1,516,584	\$ 3,033,169	\$ 4,549,753
021	02711	48ESAR	SSERAR	Transitional Employment Program Payrolling	\$ 5,662,020	\$ 9,629,100	\$ 15,291,120
038	03801	48ESAR	SSERAR	Work Study	\$ 3,275,220	\$ 6,357,780	\$ 9,633,000
Public Service Trainee Program							
001	TEMPM	48ESAR	SSERAR	PST Expenses (salaries)	\$ 6,691,853	\$ 12,402,547	\$ 19,094,400
013	01300	48ESAR	SSERAR	PST Expenses (fringe)	\$ 3,011,334	\$ 5,581,146	\$ 8,592,480
038	03801	48ESAR	SSERAR	Summer Youth program	\$ 740,124	\$ 740,124	\$ 1,480,248
Wage Subsidy (Private Sector Employers)							
021	02711	48ESAR	SSERAR	Subsidized Private Employment Wages	\$ 29,012,880	\$ 59,732,400	\$ 88,745,280
Administration and Ancillary							
001	TEMPM	48ESAR	SSERAR	Administrative Positions Salaries	\$ 785,400	\$ 2,818,200	\$ 3,603,600
013	01300	48ESAR	SSERAR	Administrative Positions Fringe	\$ 392,700	\$ 1,409,100	\$ 1,801,800
Subsidized Employment Subtotal					\$ 51,088,115	\$ 101,703,566	\$ 152,791,681
Non-Recurrent Benefits							
Character	Subsubject	Index Code	Grant Code	Program	FY 10-11 Direct Costs	FY 10-11 Direct Costs	FY 10-11 Direct Costs
038	03801	48ESAR	SSERAR	School Supplies Program	\$ 950,000	\$ -	\$ 950,000
Non-Recurrent Benefits Subtotal					\$ 950,000	\$ -	\$ 950,000
TOTAL					\$ 52,038,115	\$ 101,703,566	\$ 153,741,681

Sources of Funding

Grant	
U.S. Department of Health and Human Services TANF Emergency Contingency Funds	\$153,741,681
Required Match	
CalWORKs (State Funds, already in HSA FY 2010-2011 budget)	\$1,678,140
General Fund (already in HSA FY 2010-2011 budget)	\$903,162
In-kind Services	\$28,802,774
Required Match Subtotal	\$31,384,076
Total	\$185,125,757

Uses of Funding

Grant	
Transitional Employment Program	\$29,473,873
Public Service Trainee Program	\$27,686,880
Subsidized Employment with Private Employers	\$88,745,280
Summer Youth Employment Program (two summers)	\$1,480,248
Administration	\$5,405,400
School Supplies Program	\$950,000
Grant Subtotal	\$153,741,681
Required Match	
Salaries	\$1,857,052
Fringe	\$724,250
In-kind Services	\$28,802,774
Required Match Subtotal	\$31,384,076
Total	\$185,125,757

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: HSA - Human Services Agency

Page No.	Object	Object Title	Position/ Equipment Number	Number		Amount		Savings
				From	To	From	To	
<u>CAG - CalWorks (1G-AGF-AAA)</u>								
127	036	Aid Assistance				\$775,000	\$725,000	\$50,000
		Reduce 036 Aid Assistance in the CalWorks Program by \$50,000 based on historical and projected actual expenditures.						
<u>CAH - Food Stamps (1G-AGF-AAA)</u>								
128	040	Materials and Supplies				\$34,400	\$14,400	\$20,000
		Reduce 040 Materials and Supplies in the Food Stamps Program by \$20,000 based on historical and projected actual expenditures. With the recommended reduction of \$20,000, FY 2010-11 expenditures would still increase by \$9,400 compared to FY 2009-10 expenditures of \$5,000.						
<u>CAI - County Adult Assistance Program (1G-AGF-AAA)</u>								
6	001	Physician Specialist	2230	0.25	0.00	41,587	0	41,587
		Delete 0.25 FTE 2230 Physician Specialist position. This position was proposed by the Department to be deleted in FY 2010-2011 but was inadvertently not deleted.						
129	013	Mandatory Fringe						\$16,992
		Corresponds to recommended reduction in positions.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: HSA - Human Services Agency

Page No.	Object	Object Title	Position/ Equipment		Number		Amount		Savings
			Number	From	To	From	To		
129	040	Materials and Supplies					\$70,000	\$55,000	\$15,000
		Reduce 040 Materials and Supplies in the County Adult Assistance Program by \$15,000 based on historical and projected actual expenditures.							
129	036	Aid Assistance					\$1,065,202	\$995,202	\$70,000
		Reduce 036 Aid Assistance in the County Adult Assistance Program by \$70,000 based on historical and projected actual expenditures. With the recommended reduction of \$115,000, FY 2010-11 expenditures would still increase by \$38,899 compared to FY 2009-10 expenditures of \$911,303.							

CAL - Family and Children's Service (1G-AGF-AAA)

14	001	Child Care Specialist	2919	4.00	3.54	167,675	148,392	19,283	
		The Department has requested an interim exception for 4.0 new FTE 2919 Child Care Specialist positions. The Budget and Legislative Analyst recommends approval of 2.0 new FTEs as an interim exception, which are currently filled through the reclassification of existing HSA employees. The Budget and Legislative Analyst also recommends reducing 2.0 vacant FTEs to 1.54 FTE to reflect a hire date of October 1, 2010. In summary, the Budget and Legislative Analyst recommends approval of 3.54 FTE 2919 Child Care Specialist positions (2.0 FTE plus 1.54 FTE).							
133	013	Mandatory Fringe							\$7,879
		Corresponds to recommended reduction in positions.							

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: HSA - Human Services Agency

Page No.	Object	Object Title	Position/ Equipment	Number		Amount		Savings
			Number	From	To	From	To	
CAO - Administrative Support (1G-AGF-AAA)								
28	001	Senior Accountant	1652	0.00	1.00	0	72,594	(72,594)
		Administrative Analyst	1822	1.00	0.00	73,842	0	73,842
		Disapprove the proposed substitution of one 1652 Senior Accountant position (1.00 FTE) to one 1822 Administrative Analyst position (1.00 FTE). The Department has two vacant 1822 Administrative Analyst positions in the same division, which have been vacant since February 23, 2008 and March 22, 2008.						
146	013	Mandatory Fringe						\$510
		Corresponds to recommended reduction in positions.						
146	049	Other Materials and Supplies				\$746,252	\$676,252	\$70,000
		Reduce 049 Other Materials and Supplies in the Administrative Support Division by \$70,000 based on historical and projected actual expenditures. With the recommended reduction of \$70,000, FY 2010-11 expenditures would still increase by \$145,632 compared to FY 2009-10 expenditures of \$530,620.						
147	060	Equipment Purchase				\$335,782	\$295,782	\$40,000
		Reduce 060 Equipment Purchase by \$40,000 to reflect actual vendor quotes for (a) high speed scanners, (b) switch replacements, (c) HVAC System, and (d) UPS (APS Symetra).						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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FY 2010-11**

Department: HSA - Human Services Agency

Page <u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
147	081	Services of Other Departments				\$18,348,870	\$18,308,870	\$40,000

Reduce 081 Services to Other Departments in the Administrative Support Division by \$40,000 to reduce work orders for TIS-ISD services which have encumbrances that have not been spent since FY 2008-09.

CAK - Workforce Development (1G-AGF-ACP)

189	039	Other Support and Care of Persons	PSSWFC			1,300,000	1,100,000	200,000
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Reduce 039 Other Support and Care of Persons in the Workforce Development Division based on historical and projected actual expenditures.

Total Recommended Reductions

\$592,499

General Fund Impact

\$376,501

Non-General Fund Impact

\$215,998

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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Department: HSA - Human Services Agency

<u>Page</u>			<u>Position/ Equipment</u>	<u>Number</u>		<u>Amount</u>		
<u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Number</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>

RESERVE RECOMMENDATIONS

File 10-0741

101,793,566 101,703,566*

*File 10-0741 would approve the acceptance and expenditure of Federal Stimulus funds totaling \$101,793,566 for expenditures from October 1, 2010 through June 30, 2011, which is pending approval by Congress. The Budget and Legislative Analyst recommends reserving the correct amount of \$101,703,566, placing these funds on Controller's reserve, pending approval by Congress.

Total Recommended Controller's Reserve

101,703,566*

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: DPW – GSA - PUBLIC WORKS

FINANCIAL DATA:

The Department of Public Work's proposed \$163,003,344 budget for FY 2010-11 is \$326,963 or 0.2 percent more than the original FY 2009-10 budget of \$162,676,381.

SUMMARY OF PROGRAM EXPENDITURES:

<u>Program</u>	<u>FY 2009-2010 Original Budget</u>	<u>FY 2010-2011 Proposed Budget</u>	<u>Proposed Increase (Decrease) vs. FY 2009-2010 Budget</u>	<u>% Inc./Dec.</u>
ARCHITECTURE	\$ 548,344	\$ 533,310	\$ (15,034)	(2.7%)
BUILDING REPAIR AND MAINTENANCE	16,378,156	16,432,320	54,164	0.3%
CITY CAPITAL PROJECTS	56,297,533	60,835,169	4,537,636	8.1%
CONSTRUCTION MANAGEMENT SERVICES	340,641	340,745	104	0.0%
ENGINEERING	729,244	821,330	92,086	12.6%
NEIGHBORHOOD BEAUTIFICATION	-	1,217,338	1,217,338	N/A
STREET AND SEWER REPAIR	17,644,713	15,474,708	(2,170,005)	(12.3%)
STREET ENVIRONMENTAL SERVICES	39,033,605	37,577,788	(1,455,817)	(3.7%)
STREET USE MANAGEMENT	14,510,375	13,436,059	(1,074,316)	(7.4%)
URBAN FORESTRY	17,193,770	16,334,577	(859,193)	(5.0%)
Total Expenditures	\$ 162,676,381	\$ 163,003,344	\$ 326,963	0.2%
Less Interdepartmental Recoveries And Transfers	(111,892,173)	(112,088,236)	(196,063)	0.2%
Net Expenditures	\$ 50,784,208	\$ 50,915,108	\$ 130,900	0.3%

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: DPW – GSA - PUBLIC WORKS

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions budgeted for FY 2010-11 is 795.67 FTEs, which is 25.85 FTEs less than the 821.52 FTEs in the original FY 2009-10 budget. The FTE allocations are as follows:

AUTHORIZED POSITIONS	FY 2009-2010 Original Budget	FY 2010-2011 Proposed Budget	Proposed Increase (Decrease) vs. FY 2009-2010 Budget
Total Authorized	1,175.52	1,151.67	(23.85)
Non-Operating Positions (Capital / Other)	(354.00)	(356.00)	(2.00)
Net Operating Positions	821.52	795.67	(25.85)

Specific changes in the Department's FY 2010-11 FTE count include:

- A decrease of 10.00 FTE positions due to layoffs;
- A net total 0.85 FTE increase in temporary salaries comprised of
 - 0.95 FTE reduction in Bureau of Street Use and Mapping's general fund budget due to the elimination of three part-time engineering student trainee positions;
 - 0.40 FTE reduction in Bureau of Street and Sewer Repair general fund budget due to the closure of the asphalt plant;
 - 1.10 FTE increase in the Bureau of Building Repair's budget for as-needed custodial services to reduce need for overtime and for safety inspections and inventory maintenance and related activities; and,
 - 1.10 FTE increase in the remaining bureaus due to system adjustments,
- An increase in attrition savings of 1.48 FTE;
- An increase of 1.77 FTE in Management and Supervisor Reduction attrition savings.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: DPW – GSA - PUBLIC WORKS

The following are the Department's proposed ten layoffs in FY 2010-11:

Bureau/Division	Job Class	Title	FTE Count	Salary	Comments
General Administration	1071	IS Manager	1.00	150,612	Layoff to reduce management and supervisory positions.
General Administration	1044	Engineer Prin. – IT	1.00	127,861	Layoff to reduce management and supervisory positions.
General Administration	1938	Stores and Equip. Ast. Supr.	1.00	64,664	Layoff to meet reduction target.
Building Repair	2708	Custodian	1.00	47,698	Layoff to meet reduction target
Building Repair	7333	Apprentice Stationary Engineer	1.00	68,854	Layoff to meet reduction target.
Building Repair	7420	Bridgetender	1.00	57,829	Layoff to meet reduction target.
Engineering	1840	Management Asst.	1.00	59,740	Layoff to meet reduction target. 1842 deletion (filled by class 1840). Salary data is for actual class rather than budgeted class.
Street Use and Mapping	6230	Street Inspectors	2.00	143,219	Layoff to meet reduction target.
Building Repair	7319	Electric Motor Repair	1.00	74,536	Layoff due to lack of work order funds.
TOTAL LAYOFFS IN FY 2010-11			10.00	\$795,013	

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: DPW – GSA - PUBLIC WORKS

The salary costs for all of the layoffs presented in the table above have been estimated based on assumed pay rates beginning July 1, 2010. All layoffs are effective as of June 12, 2010.

DEPARTMENT REVENUES:

Department revenues have increased by \$326,963 or 0.2 percent, from the original FY 2009-10 budget of \$162,676,381 to the proposed FY 2010-11 budget of \$163,003,344. General Fund support has decreased by \$2,001,771 or 8 percent, from the original FY 2009-10 budget of \$24,385,565 to the proposed FY 2010-11 budget of \$22,383,794. Specific changes in the Department's FY 2010-11 revenues include:

- A decrease of \$4,041,492 in Charges for Services due primarily to the closure of the asphalt plant.
- An increase of \$1,362,945 in Intergovernmental Revenue from the State largely due to a \$2,833,866 increase in funds for street resurfacing and a \$1,470,921 decrease in gas tax funds for operations.
- An increase of \$1,357,092 in Intergovernmental Revenue from the Federal Government resulting primarily from additional dollars for the bridge repair capital program.

DESCRIPTION:

The Department's proposed FY 2010-11 budget has increased by \$326,963 largely due to:

- An increase of \$4,537,636 in City Capital Projects for (a) street resurfacing projects, (b) the bridge repair capital program; (c) street structure repair projects; and, (d) sidewalk repair program.
- Decreases in (a) the Bureau of Street and Sewer Repair of \$2,170,005 due largely to the closure of the asphalt plant; (b) the Bureau of Street Environmental Services of \$1,455,817 due to reductions in supervisory positions, the suspension of the General Laborer Apprentice Program, and reductions in General Laborer and Truck Driver positions; and (c) in the Bureau of Street Use Management of \$1,074,316 due to a reduction in Street Inspector positions and temporary salaries as well as a reduction in sidewalk repair program programmatic monies.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: DPW - General Services Agency - Department of Public Works

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>BA1 - Urban Forestry (2S-GTF-GTN)</u>								
216	9993M	Attrition Savings		(2.42)	(2.67)	(\$160,706)	(\$170,706)	\$10,000
		Increase 9993M Attrition Savings to reflect anticipated length of vacancy for 1.0 FTE 3424- Pest Control Specialist position. The position is currently vacant and administrative processes will likely delay this position from being immediately filled.						
181	013	Mandatory Fringe Benefits						\$4,086
		Corresponds to increase in salary savings.						
182	040	Materials and Supplies				\$184,500	\$180,500	\$4,000
		Reduce 040- Materials and Supplies to reflect historical expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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Department: DPW - General Services Agency - Department of Public Works

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>BA1 - Urban Forestry (2S-PWF-OHF)</u>								
183	035	Other Current Expenses				\$11,880	\$10,880	\$1,000
		Reduce 035- Other Current Expenses based on historical expenditures and actual need.						
 <u>BA2 - Street and Sewer Repair (1G-AGF-PWF)</u>								
184	005	Temporary Salaries- Misc.				\$330,231	\$290,231	\$40,000
		Reduce 005- Temporary Salaries- Misc. to reflect historical expenditures.						
184	013	Mandatory Fringe Benefits						\$3,160
		Corresponds to reduction in positions.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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Department: DPW - General Services Agency - Department of Public Works

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			Number	From	To	From	To	
<u>BA2- Street and Sewer Repair (2S-GTF-RDN)</u>								
220	9993M	Attrition Savings		(1.79)	(2.04)	(\$127,000)	(\$141,145)	\$14,145
		Increase 9993M Attrition Savings to reflect anticipated level of vacant 7514- General Labor positions. The positions are currently vacant. Administrative processes will likely delay these positions from being filled until October 1, 2010.						
<u>BA2 - Street and Sewer Repair (2S-PWF-OHF)</u>								
186	024	Membership Fees				\$444	\$245	\$199
		Reduce 024- Membership Fees based on historical expenditures.						
186	035	Other Current Expenses				\$15,828	\$15,328	\$500
		Reduce 035- Other Current Expenses based on historical expenditures.						
186	040	Materials and Supplies				\$44,551	\$39,551	\$5,000
		Reduce 040- Materials and Supplies based on historical expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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				From	To	From	To	
<u>BAA - Engineering (1G-AGF-PWF)</u>								
188	005	Temporary Salaries				\$314,221	\$264,221	\$50,000
		Reduce 005- Temporary Salaries based on historical expenditures.						
188	013	Mandatory Fringe Benefits						\$3,950
		Corresponds to reduction in temporary positions.						
188	011	Overtime				\$89,114	\$79,114	\$10,000
		Reduce 011- Overtime based on historical expenditures.						
188	013	Mandatory Fringe Benefits						\$335
		Corresponds to reduction in overtime.						

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				From	To	From	To	
<u>BAA - Engineering (2S-PWF-OHF)</u>								
224	9993M	Attrition Savings		(2.77)	(3.27)	(\$307,518)	(\$344,439)	\$36,921
		Increase 9993M Attrition Savings by 0.5 FTE to reflect anticipated length of time that 1.0 FTE 5366 Engineering Associate II position will remain vacant. Administrative processes will likely delay this position from being filled until January 1, 2011.						
188	013	Mandatory Fringe Benefits						\$15,086
		Corresponds to reduction in positions.						
189	035	Other Current Expenses				\$278,745	\$277,745	\$1,000
		Corresponds to reduction in positions.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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			<u>Equipment</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>BAG - Construction Management (2S-PWF-OHF)</u>								
191	005	Temporary Salaries				\$246,697	\$226,697	\$20,000
		Reduce 005 Temporary Salaries based on historical expenditures.						
191	013	Mandatory Fringe Benefits						\$1,580
		Corresponds to reduction in positions.						
191	024	Membership Fees				\$2,250	\$2,025	\$225
		Reduce 024 Membership Fees based on historical expenditures.						
192	035	Other Current Expenses				\$185,524	\$184,442	\$1,082
		Reduce 035 Other Current Expenses based on historical expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
192	040	Materials and Supplies				\$112,000	\$107,000	\$5,000
		Reduce 040 Materials and Supplies based on historical expenditures.						
<u>BAM - Bureau of Architecture (2S-PWF-OHF)</u>								
194	024	Membership Fees				\$6,997	\$6,207	\$790
		Reduce 024-Membership Fees to reflect actual expenditures.						
194	035	Other Current Expenses				\$202,461	\$202,113	\$348
		Reduce 035-Other Current Expenses to reflect actual expenditures.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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				From	To	From	To	
194	040	Materials and Supplies				\$50,407	\$43,407	\$7,000

Reduce 040-Materials and Supplies to reflect actual expenditures.

194	049	Other Materials and Supplies				\$129,700	\$123,200	\$6,500
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Reduce 049-Other Materials and Supplies to reflect historical expenditures. This reduction will still allow an increase of \$48,700 from the original FY 2009-10 budget for this line item.

BAR - Building Repair and Maintenance (2S-PWF-OHF)

197	035	Other Current Expenses				\$37,561	\$33,061	\$4,500
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Reduce 035-Other Current Expenses based on historical expenditures. This reduction will still allow for a \$9,361 increase from the original FY 2009-10 budget.

197	040	Materials and Supplies				\$99,382	\$93,382	\$6,000
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Reduce 040-Materials and Supplies based on historical expenditures.

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Department: DPW - General Services Agency - Department of Public Works

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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
197	060	Equipment Purchase	PW1102R	1.0	0.0	\$149,382	\$0	\$149,382
			PW1103N	1.0	0.0	\$33,148	\$0	\$33,148

Reduce 060-Equipment Purchase to deny the request for the purchase of this equipment, a Saw Dust Extractor (PW1102R) and a Universal Profiler (PW1103N), due to insufficient justification. Department staff can accomplish project tasks without this equipment.

BAT - Street Use and Mapping (1G-AGF-AAA)

199	035	Other Current Expenses				\$40,000	\$36,500	\$3,500
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Reduce 035 Other Current Expenses to reflect historical expenditures and anticipated need.

199	040	Materials and Supplies				\$6,758	\$5,258	\$1,500
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Reduce 040-Materials and Supplies to reflect historical expenditures and anticipated need.

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>BAT - Street Use and Mapping (1G-AGE-PWF)</u>								
236	001	Street Inspector		12.0	11.0	\$859,311	\$787,702	\$71,609
		Delete 1.0 FTE Street Inspector based on actual need. The position has been vacant since November 17, 2008.						
199	013	Mandatory Fringe Benefits						\$29,259
		Corresponds to reduction in positions.						
<u>BAT - Street Use and Mapping (2S-PWF-OHF)</u>								
200	035	Other Current Expenses				\$59,933	\$59,470	\$463
		Reduce 035-Other Current Expenses to reflect actual need.						
200	040	Materials and Supplies				\$40,000	\$36,500	\$3,500
		Reduce 040-Materials and Supplies to reflect actual need.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>BAZ - Street Environmental Services (1G-AGF-AAA)</u>								
240	9993M	Attrition Savings		(9.97)	(10.97)	(\$598,069)	(\$648,496)	\$50,427
		Increase 9993M Attrition Savings by 1.0 FTE to reflect anticipated vacancy of a 1704 Communications Dispatcher position currently held vacant for as-needed staffing.						
208	013	Mandatory Fringe Benefits						\$20,604
		Corresponds to reduction in positions.						
<u>BAZ - Street Environmental Services (2S-PWF-OHF)</u>								
242	001	Manager VII	0942-AS	1.0	0.0	\$161,412	\$0	\$161,412
		Manager VI	0941-AS	0.0	1.0	\$0	\$150,719	(\$150,719)
		Dissapprove upward substitution of 1.0 FTE 0941 Manager VI position to 0942 Manager VII position that is not adequately justified.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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Department: DPW - General Services Agency - Department of Public Works

<u>Page</u> <u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
				<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
210	013	Mandatory Fringe Benefits						\$4,369
		Corresponds to reduction in positions.						

BAZ - Street Environmental Services (2S-GTF-GTN)

209	011	Overtime			\$5,805,785	\$5,790,785		\$15,000
		Reduce 011 Overtime based on historical expenditures and actual need.						
209	013	Mandatory Fringe Benefits						\$503
		Corresponds to reduction in 011 Overtime.						

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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FY 2010-11**

Department: DPW - General Services Agency - Department of Public Works

<u>Page</u> <u>No.</u>	<u>Object</u>	<u>Object Title</u>	<u>Position/ Equipment Number</u>	<u>Number</u> <u>From</u> <u>To</u>	<u>Amount</u> <u>From</u>	<u>To</u>	<u>Savings</u>
<u>BKJ - General Administration (2S-PWF-OHF)</u>							
212	024	Membership Fees			\$17,415	\$12,661	\$4,754
		Reduce 024-Membership to reflect historical expenditures and actual need.					
212	035	Other Current Expenses			\$323,893	\$322,893	\$1,000
		Reduce 035-Other Current Expenses to reflect historical expenditures and actual need.					
Total Recommended Reductions							\$652,118
General Fund Impact					\$158,544		
Non-General Fund Impact					\$493,574		

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: RED – REDEVELOPMENT AGENCY

FINANCIAL DATA:

The Redevelopment Agency's proposed \$225,908,000 budget for FY 2010-11 is \$12,280,000 or 5.2 percent, less than the approved FY 2009-10 budget of \$238,188,000.

		(Dollars in Thousands)		
		Approved Budget FY 09/10	Proposed Budget FY 10/11	Proposed Increase (Decrease)
Amount:	Expenditure Budget	\$238,188	\$225,908	(\$12,280)
Revenues:	Property Sales	\$1,074	\$1,155	\$81
	Rentals/Leases	17,984	14,878	(\$3,106)
	Prior Year Earn./Savings	11,217	7,554	(\$3,663)
	Developer Contribution	18,354	12,550	(\$5,804)
	Grants	13,964	25,857	\$11,893
	Other	3,570	4,164	\$594
	Tax Increment (for O/S Obligations)	89,275	99,574	\$10,299
	Total Sources:	\$155,438	\$165,731	\$10,293
Expenditures:	Project Areas/Programs			
	Legal	\$23	\$43	\$20
	Studies & Misc. Items (1)	125	410	285
	Planning	4,051	1,042	(3,009)
	Public Improvements (2)	19,170	24,201	5,031
	Arch./Eng. Design & Review	575	290	(285)
	Property Maintenance	10,871	13,277	2,406
	Housing Production & Assist.	79,312	46,621	(32,691)
	Job Training/Assist.	1,450	1,360	(90)
	Business Development	3,979	4,375	396
	Other	15,784	12,297	(3,487)
	Pass-Through Obligations	19,878	13,001	(6,877)
	Debt Service	62,361	87,696	25,335
	Subtotal: Programs	\$217,579	\$204,613	(\$12,966)
	Personnel/Administration			
	Personnel Costs	\$16,944.60	\$17,107	\$162
	Administrative Costs	3,665	4,188	\$523
	Subtotal- Personnel/Admin.	\$20,609	\$21,295	\$686
	Total Uses	\$238,188	\$225,908	(\$12,280)
	Total Revenues	\$155,438	\$165,731	\$10,293
	SERAF (3)	28,733	6,000	(22,733)
	Surplus(Deficit)	(\$111,483)	(\$66,177)	\$45,306
Other Funding Sources:	Funds Reprogrammed from Housing and Economic Development	\$4,233	\$0	(\$4,233)
	Tax Increment(pay-as-you-go)	6,326	10,105	\$3,779
	Tax Inc. Bond Proceeds	100,925	56,073	(\$44,852)
	Total Sources Less Uses	\$0	\$0	\$0
Tax Increment:	Request	\$87,751	\$99,012	\$11,261
	Total General Fund Impact	\$54,196	\$62,177	\$7,981
FTEs:	Permanent Staff	110.0	111.5	1.5

(1) Includes econ./marketing/planning/toxic studies/inspection services, etc.
(2) Mission Bay number may increase with additional bond issuance request.
(3) In May 2010, the Sacramento Superior Court upheld the FY 2009-10 state budget bill which redirected \$2 billion in local redevelopment funds to help fill the state's budget deficit, the Supplemental Educational Revenue Augmentation Fund (SERAF) in each county.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: RED – REDEVELOPMENT AGENCY

The Redevelopment Agency's FY 2010-11 proposed budget includes expenditures for Project Areas, the Citywide Housing Program, and Administration and Personnel as described below.

REDEVELOPMENT PROJECT AREAS:

A Project Area is a designated redevelopment area, which has been approved by the Board of Supervisors. As shown in the table below, there are 10 existing Project Areas,¹ for which the Redevelopment Agency's proposed budget for FY 2010-2011 provides \$169,198,000 in project areas funding which is \$29,713,000 or 14.9 percent, less than the approved budget of \$198,911,000 for FY 2009-10. Changes to individual projects programs are as follows:

Project Area Budgets, Current and Proposed				
	Project Area*	Approved Budget FY 2009-10	Proposed Budget FY 2010-11	Proposed Increase (Decrease)
1	Bayview Hunters Point Area B	\$12,101,000	\$6,815,000	(\$5,286,000)
	<i>Golden Gateway</i>	14,907,000	15,612,000	705,000
	<i>Hunters Point (Area "A")</i>	591,000	571,000	(20,000)
2	Hunters Point Shipyard (Phase I)	4,777,000	7,374,000	2,597,000
	Hunters Point Shipyard (Phase II)	9,832,000	5,505,000	(4,327,000)
	<i>India Basin</i>	561,000	561,000	0
3	Mid Market	0	954,000	954,000
4	Mission Bay North	14,933,000	9,416,000	(5,517,000)
5	Mission Bay South	12,288,000	18,106,000	5,818,000
6	South Beach Harbor	2,235,000	2,235,000	0
	<i>Rincon Point- South Beach</i>	15,746,000	17,461,000	1,715,000
7	South of Market	4,660,000	7,578,000	2,918,000
8	Transbay Terminal	4,122,000	21,308,000	17,186,000
	<i>Western Addition</i>	38,741,000	12,511,000	(26,230,000)
9	Visitacion Valley	717,000	442,000	(275,000)
10	Yerba Buena Center	50,638,000	33,771,000	(16,867,000)
	Yerba Buena Gardens & Center for the Arts	12,062,000	8,978,000	(3,084,000)
	Total	\$198,911,000	\$169,198,000	(\$29,713,000)

*Numbered Areas are Active Project Areas. Italicized Project Areas are expired project areas that have been extended under SB 2113, as discussed below.

¹ South Beach Harbor is a part of Rincon Point-South Beach project and Yerba Buena Gardens & Center for the Arts is a part of the Yerba Buena Center project. Additionally, the following five Project Areas are expired, non-current project areas but have been extended under SB 2113: (a) Golden Gateway, (b) Hunters Point (Area "A"), (c) India Basin, (d) Rincon Point-South Beach, and (e) Western Addition A2.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

DEPARTMENT: RED – REDEVELOPMENT AGENCY

As shown in the table above, the following Project Areas' budgets are increasing:

Golden Gateway

The \$705,000 increase is primarily related to housing related activities pursuant to SB 2113 Amendment and debt service.²

Hunters Point Shipyard Phase I

The \$2,597,000 increase is primarily related to property management costs and economic revitalization efforts.

Mid Market

The \$954,000 increase from \$0 is the result of the Agency's proposal for the reconsideration of the Mid-Market Redevelopment Plan and accompanying Special Use District (SUD). The Plan and SUD were approved by the Redevelopment and Planning Commissions in fall 2005 and subsequently introduced at the Board of Supervisors, but were not assigned to Committee. The increase in the proposed budget will primarily fund a Historic building and District survey, preparation of a revised California Environmental Quality Act (CEQA) review, land use and economic development planning, and community outreach and notices.

Mission Bay South

The \$5,818,000 increase is primarily related to public improvements.

Rincon Point – South Beach

The \$1,715,000 increase is primarily related to port leases, property maintenance, and debt service.

South of Market

The \$2,918,000 increase is primarily related to public improvements, Sixth Street economic revitalization efforts, pass-through obligations, and debt service.

Transbay Terminal

The \$17,186,000 increase is primarily expenses related to public improvements, housing production and assistance, pass-through obligations, and debt service.

Additionally as shown in the table above, the following Project Areas' budgets are decreasing:

Bayview Hunters Point Area B

The \$5,286,000 decrease is primarily related to decreases in housing production and assistance, economic and retail development, and economic revitalization.

Hunters Point Area A

The \$20,000 decrease is due to a decrease in debt service.

² SB 2113 authorizes the Redevelopment Agency of the City and County of San Francisco to continue to borrow funds exclusively for Low and Moderate Income Housing Fund activities until January 1, 2014 or until the agency replaces all of the housing units demolished prior to the requirement for replacement housing obligations.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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FY 2010-11**

DEPARTMENT: RED – REDEVELOPMENT AGENCY

Hunters Point Shipyard Phase II

The \$4,327,000 decrease is primarily related to decreases in planning and developer costs.

Mission Bay North

The \$5,517,000 decrease is primarily related to decreases in housing production and assistance as well as developer reimbursements. Although housing goals have not been met, housing funding has been reduced due to a lack of projects that are ready for construction.

Western Addition

The \$26,230,000 decrease is primarily related to the elimination of housing production and assistance services in the project area. Although housing goals have not been met, housing funding has been reduced due to a lack of projects that are ready for construction.

Visitacion Valley

The \$275,000 decrease is primarily related to decreases in planning and design, job training and placement services, and community outreach.

Yerba Buena Center

The \$16,867,000 decrease is primarily related to decreases in public improvements, housing production and assistance services, and job training and placement services.

Yerba Buena Gardens & Center for the Arts

The \$3,084,000 decrease is primarily related to decreases in public improvements and property management costs.

As shown in the table above the budgets for the India Basin (\$561,000) and South Beach Harbor (\$2,235,000) project areas are unchanged from FY 2009-10.

REDEVELOPMENT AGENCY ADMINISTRATIVE AND PERSONNEL COSTS:

The number of full-time equivalent positions budgeted for FY 2010-11 is 111.5 FTEs, which is 1.5 FTEs more than the 110.0 FTEs in the original FY 2009-10 budget. The increase in FTEs is the result of:

- A supplemental increase in the Agency's budget to cover the costs of 1.0 FTE Senior Development Specialist position, and
- A 0.5 FTE increase for a part-time Contract Compliance Specialist I position

The Department has no proposed layoffs in FY 2010-11.

The proposed Administrative Budget for FY 2010-11, which does not include salaries and mandatory fringe benefits for permanent staff, is \$4,188,820. This represents an increase of \$524,065 from the FY 2009-10 Administrative Budget of \$3,664,755. This increase is primarily due to:

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
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DEPARTMENT: RED – REDEVELOPMENT AGENCY

- A \$242,502 increase in consultant services for (a) human resource services, and (b) labor compliance software;
- An \$89,600 increase in miscellaneous expenses chiefly due to the provision of required services by the Department of the Environment for certain project areas;
- An \$82,776 increase in general insurance costs primarily due to the increased cost of insuring project functions such as at the Hunters Point shipyard as well as property maintenance at the South Beach Harbor; and
- A \$79,700 increase in monies for purchasing machines, equipment, and furniture.

RECOMMENDATIONS:

1. Amend the Redevelopment Agency's proposed FY 2010-11 budget (Item 17, File No. 10-0727) in accordance with the Budget Analyst's recommended reductions totaling \$690,504 as shown on the following pages.
2. Approve the Redevelopment Agency budget and approve the proposed issuance of San Francisco Redevelopment Agency bonds not to exceed amount of \$64,000,000 (File No. 10-0727).

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: RED - Redevelopment Agency

	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>Personnel Positions and Salaries for FY 2010-11</u>					
Salary Savings			(\$222,986)	(\$242,986)	\$20,000
Increase the salary savings requirement to account for the anticipated vacancy of the Agency's Human Resources Manager position until August 1, 2010.					
Assistant Project Manager	1.0	0.0	\$107,858	\$0	\$107,858
Delete 1.0 vacant FTE Assistant Project Manager position. Due to anticipated expiration in active projects and a reduction in work program funds, Department has reduced need for Project Management staff.					
Mandatory Fringe Benefits					\$52,243
Corresponds to reduction in permanent salaries.					

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: RED - Redevelopment Agency

	<u>Number</u>		<u>Amount</u>		
	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	<u>Savings</u>
<u>Administrative Budget for FY 2010-11</u>					
Building Repair and Maintenance			\$12,900	\$7,500	\$5,400
Reduce based on historical expenditures and actual need.					
Staff Training			\$61,100	\$35,000	\$26,100
Reduce based on historical expenditures and actual need.					
Temp. Empl. & Placement Costs			\$130,705	\$128,000	\$2,705
Reduce based on historical expenditures and actual need.					
Postage and Express Mail			\$80,450	\$55,000	\$25,450
Reduce based on historical expenditures and actual need.					

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: RED - Redevelopment Agency

	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
Purchase- Machines/Equip/Furniture			\$148,300	\$75,000	\$73,300
Reduce based on historical expenditures and actual need.					
Maintenance- Machines/Equip/Furniture			\$323,510	\$300,000	\$23,510
Reduce based on historical expenditures and actual need.					
Maintain Agency Vehicles			\$7,470	\$4,500	\$2,970
Reduce based on historical expenditures and actual need.					
Consultant Services			\$978,282	\$928,282	\$50,000
Reduce based on historical expenditures and actual need.					

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2010-11**

Department: RED - Redevelopment Agency

	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
Misc. Admin Expenses (Petty Cash)			\$325,960	\$240,000	\$85,960
Reduce based on historical expenditures and actual need.					
Office Supplies			\$125,700	\$110,000	\$15,700
Reduce based on historical expenditures and actual need.					
Supplies- Mimeo, Printing, Photo			\$42,800	\$38,000	\$4,800
Reduce based on historical expenditures and actual need.					

**RECOMMENDATIONS OF THE BUDGET AND LEGISLATIVE ANALYST
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FY 2010-11**

Department: RED - Redevelopment Agency

	<u>Number</u>		<u>Amount</u>		<u>Savings</u>
	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
<u>POLICY RECOMMENDATIONS</u>					
<u>Personnel Positions and Salaries for FY 2010-11</u>					
Senior Civil Engineer	2.0	1.0	\$276,172	\$138,086	\$138,086
Delete 1.0 filled FTE Senior Civil Engineer position, which the Department is laying off due to expiration in active projects. Department has reduced need for engineering staff.					
Mandatory Fringe Benefits					\$56,422
Corresponds to reduction in permanent salaries.					
Total Recommended Reductions					<u>\$690,504</u>
General Fund Impact			\$324,537		
Non-General Fund Impact			\$365,967		

