



San Francisco Office of the City Administrator

Carmen Chu, City Administrator

FY 2024-26 Budget Overview

February 13, 2024

CAO Mission

To ensure efficient and effective government services, robust infrastructure, safety and resiliency and sustained economic recovery within an equitable and inclusive organization.

Major Programs under the CAO

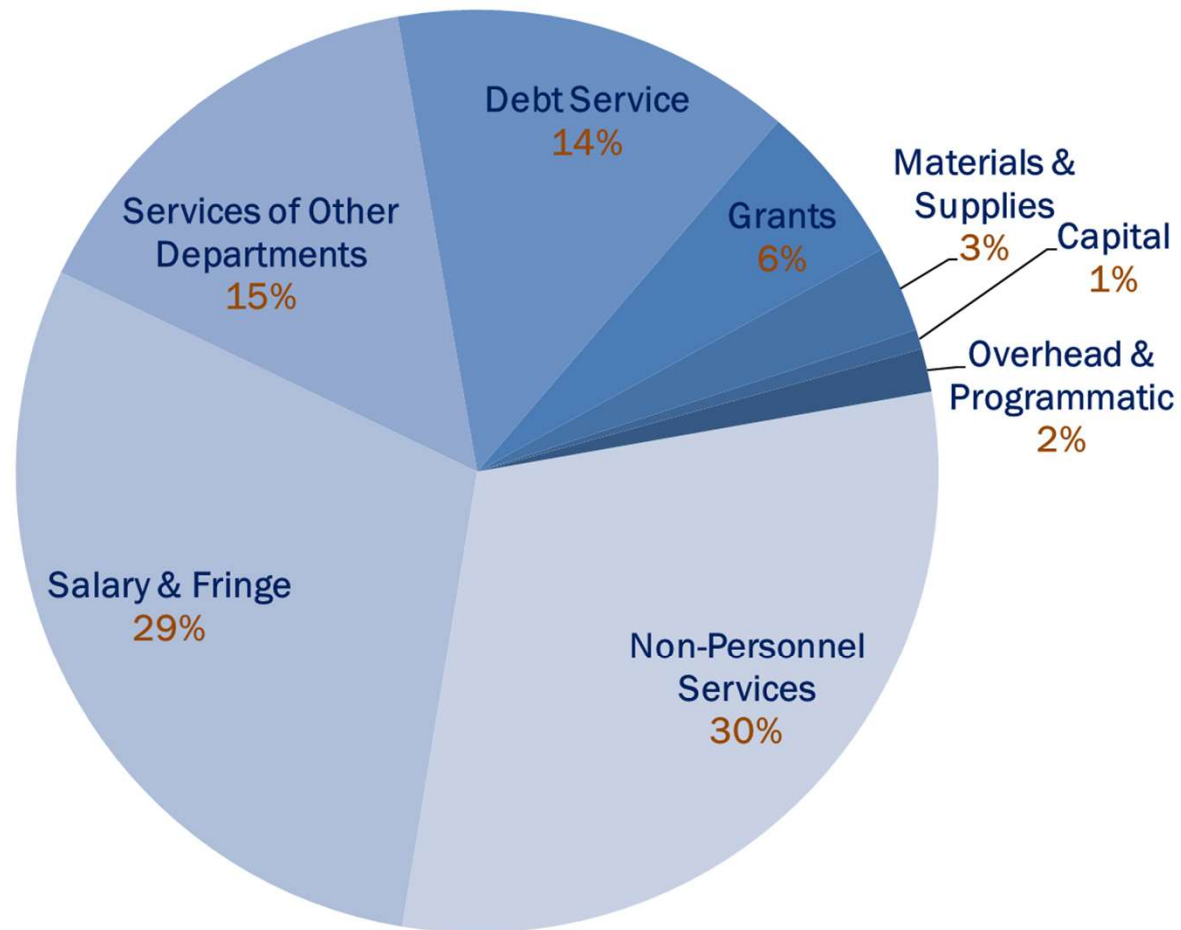
- City Administrator's Office

- Department of Technology

- 311 Customer Service Center
- Animal Care & Control
- Civic Engagement & Immigrant Affairs
- COIT
- Community Challenge Grants
- Contract Administration
- Contract Monitoring Division
- Convention Facilities
- County Clerk
- Digital & Data Services
- Entertainment Commission
- Fleet Management
- Grants for the Arts
- Mayor's Office on Disability
- Medical Examiner
- Office of Labor Standards Enforcement
- Office of Cannabis
- Permit Center
- Real Estate Division
- Resilience & Capital Planning
- Risk Management
- Reprographics & Mail Services
- Transgender Initiatives
- Treasure Island Development

Budget Overview

	FY 23-24	FY 24-25	FY 25-26
Uses	597m	607m	609m
FTE	974	982	979



Uses by Division

Division	FY24-25 Base	FY25-26 Base	Division	FY24-25 Base	FY25-26 Base
311 Call Center	20.7	21.4	Grants For The Arts	19.4	19.5
Animal Care and Control	10.0	10.3	Mayor's Office on Disability	1.7	1.7
City Administrator's Office	19.0	19.2	Medical Examiner	13.6	13.6
Civic Engagement & Immigrant Affairs	10.4	10.7	Office of Cannabis	1.1	1.2
COIT	0.7	0.7	Office of Contract Administration	10.3	10.7
Community Challenge Grants	2.8	2.6	Office of Labor Standards Enforcement	7.3	7.6
Contract Monitoring	7.8	8.1	Real Estate Division	205.5	206.4
Convention Facilities	101.1	98.1	ReproMail	9.7	9.8
County Clerk	2.8	2.9	Resilience & Capital Planning	14.0	14.1
Digital Services	13.2	11.9	Risk Management	63.1	64.6
Entertainment Commission	1.4	1.5	Treasure Island	29.4	29.6
Fleet Management	41.8	42.4			
				607.0	608.6

General Fund Divisions in Blue

\$799 Million General Fund Deficit

Mayor's Budget Instructions

- 10% ongoing General Fund cuts in FY 25 and FY 26
 - CAO = \$6.6 million in each year
- 5% contingency proposal in each year
 - CAO = \$3.3 million in each year
- Non-General Fund departments balance within their own revenue

Mayor's Policy Priorities

- Improving public safety and street conditions
- Citywide economic vitality
- Homelessness and mental health
- Accountability and equity in services and spending

Budget Context

- Key city revenues down by 20%, coupled with deep economic uncertainty in next five years
- Continued uncertainty in labor and employee benefit costs

Proposed General Fund Reduction Summary

Cut Target = \$6.6 million in FY 25 and FY 26

	FY 24-25	FY 25-26
Salary & Fringe Benefits	\$2.3 million	\$2.3 million
Non-Personnel	\$569,000	\$480,000
Grants	\$895,000	\$945,000
Revenue	\$2.8 million	\$2.9 million
Total	\$6.6 million	\$6.6 million

Proposed Expenditure Reductions

- Keep CAO positions vacant and downgrade positions
 - Savings = \$1.4 million
- Preserve grants that provide direct services, reducing funding for outreach and education
 - Reduce OCEIA grant budget by \$695,000
 - Reduce OLSE outreach budget by \$368,000
- Reduce 311 hours – impacts 6% of calls
 - Savings = \$587,000
- Use reserves to fund Community Ambassador Program (no reduction to current service)
 - Savings = \$380,000
- Reduce materials & supplies and contracts = \$211,000
- Shift grants to non-General Fund sources = \$150,000

Proposed Revenue Increases

- Increase revenue from other City departments for services provided = \$1.3 million
- Increased Convention Center revenue = \$1 million
- Standardize fee for City Hall civil wedding ceremonies to match offsite fee – \$103 to \$171
 - Revenue = \$448,000
- Increase Entertainment Commission license fees by 15%
 - Revenue - \$83,000

5 % Contingency Proposal

- In development

FY 24-25 Core Services

- Treasure Island Development Authority will open the island's second **100% affordable housing building** and work with partners on predevelopment of a new Behavioral Health Building and two additional permanent supportive housing sites
- Convention Facilities will focus on **improving customer experience in and around the Moscone Convention Center** by convening pre-convention meetings with event organizers, coordinating City service delivery in the Moscone area, improving way-finding signage and by partnering with SF Travel and new operating partners
- Entertainment Commission will focus on transitioning businesses from JAM (Just Add Music) permits to BAM (Brick and Mortar) in support of **vibrant and safe entertainment spaces**
- Office of Cannabis will focus on **streamlining the conversion of provisional permits** into permanent Article 16 permits

FY 24-25 Core Services

- Community Challenge Grants to fund and support community-led beautification projects will **release an RFP and launch extensive outreach and technical assistance for grantees**
- Permit Center will **introduce digital application forms to improve end-to-end permit review and approval**. The Permit Center coordinates seamless interactions between the public and back-end departments like DBI, Planning, Public Works, Fire Department and others
- Grants for the Arts will **simplify grant applications and help grantees seek timely reimbursements** through the launch of new technology in the coming year
- County Clerk will **simplify and expedite the process to obtain documents** such as marriage licenses and copies of birth certificates, by rolling out online requests, enabling credit card and e-check payments options and installing self-service kiosks at City Hall and will also work to consolidate the public's access to birth records in one location

FY 24-25 Core Services

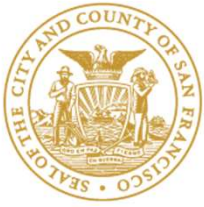
- 311 answers roughly 1.6 million in customer service calls/online requests annually. **311 will refine and rollout multi-language features on the 311 app** and work to strengthen the reliability and operating function of its CRM system
- Digital Services will focus on **improving the City's affordable housing application platform and online permit forms** while continuing to improve access to City services through SF.gov. So far, 85 City websites have transitioned to SF.gov with another 10-15 larger, more complex sites in-progress
- Office of the Chief Medical Examiner will **focus on performance outcomes to maintain NAME and ABFT accreditation**, including timely completion of medical and laboratory forensic investigations. OCME will work to gain ISO 17025 accreditation for laboratory practices. The independent work of OCME is vital to establishing cause and manner of death and helps inform and support the City's response to the opioid health crisis
- ACC and Friends of SFACC will develop a **grant program to help low-income individuals keep their pets** instead of surrendering them to a shelter due to veterinary costs

FY 24-25 Core Services

- Office of Labor Standards Enforcement enforces labor laws to **protect the welfare of San Francisco workers**. Last year, the work of OLSE staff resulted in \$20 million in worker restitution collected
- Mayor's Office of Disability will work to **strengthen Citywide ADA Coordinator capacity** through anti-ableist training for employees and technical assistance for accessibility compliance
- Contract Monitoring Division will enhance small business participation in contracting by **expanding technical assistance and access to capital programs**. CMD will focus on a program evaluation in the year ahead
- Office of Contract Administration will maintain contract vehicles on behalf of all City departments. OCA will continue piloting shared contract support for small to mid-sized departments and launch quarterly meetings to **provide training, information and support for City procurement staff**

FY 24-25 Core Services

- Gov Ops will build **reports and dashboards on key contracting metrics** to support improved internal City contracting operations
- Real Estate Division will seek to capitalize on economic conditions to **consolidate the City's real estate footprint and lower lease costs**
- Fleet Management will continue to maintain and repair the City's aging and varied fleet from fire engines, to police vehicles and equipment used for public works. A focus this year will be to advance **decarbonizing the City's vehicle fleet**
- Risk Management and CMD will assist the Local Business Enterprise (LBE) community by **continuing enhancement of the Contractor Accelerated Payment Program**
- CAO HR will focus on diversifying applicant pools for recruitments to support **more equitable outcomes for staff**. One initiative will be to launch a summer internship pipeline program for City employment



San Francisco Office of the City Administrator

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Thank You!



Department of Technology

FY 24/25 Public Budget Hearing

February 2024

Department of Technology

Our mission is to provide innovative, reliable and secure technology solutions that support the delivery of high-quality services to the public.



Working to Close the Digital Divide
Providing free internet access to residents living in affordable housing with Fiber to Housing Program.



Promoting a Resilient San Francisco
Modernizing City networks and infrastructure and providing unified telecommunications citywide.



Keeping San Francisco Cyber Safe
Securing the City's infrastructure, network, and data through strong policies, practices, and technology.



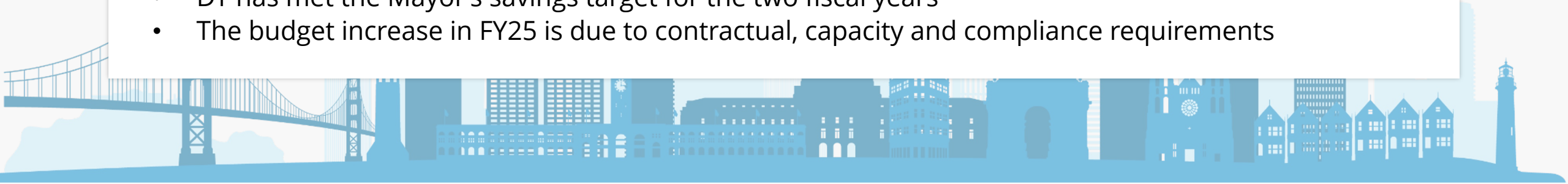
Innovating in the Cloud
Improving efficiencies through innovative cloud services with our Cloud Center of Excellence.

Base Budget Overview

	FY23-24	FY24-25 Base*	FY25-26 Base*
Operating Budget	\$158.9M	\$162.6M	\$164.3M
COIT & Tech Projects	\$6.5M	\$7.2M	TBD
Capital Projects	\$0.9M	\$0.5M	TBD
Budgeted Positions	266.3	266.5	266.5

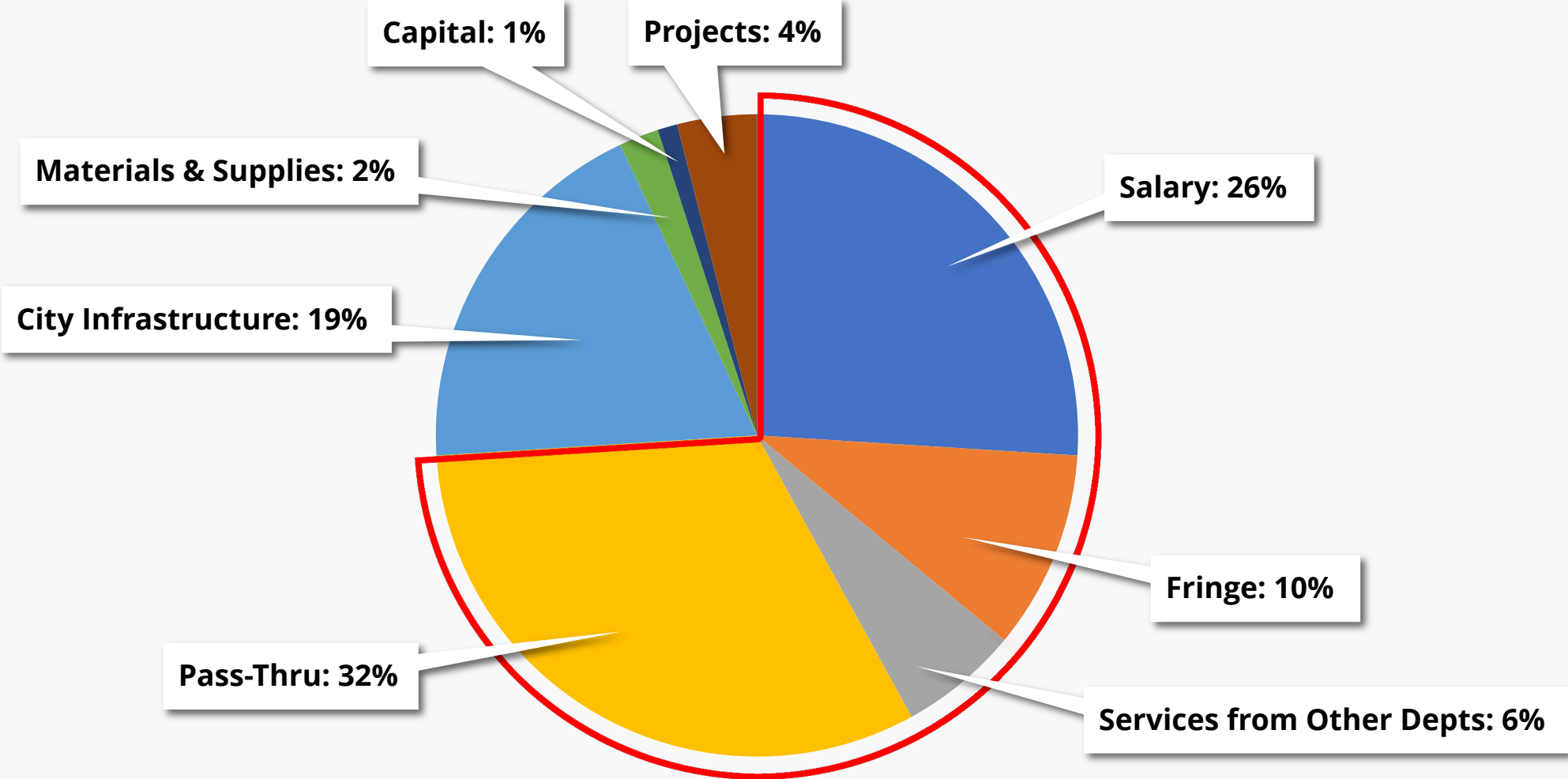
* Base budget reflects the approved amount from prior year budget process.

- DT has met the Mayor’s savings target for the two fiscal years
- The budget increase in FY25 is due to contractual, capacity and compliance requirements



Budget Uses by Expenditure Type

Allocation of Cost Categories for FY 23-24



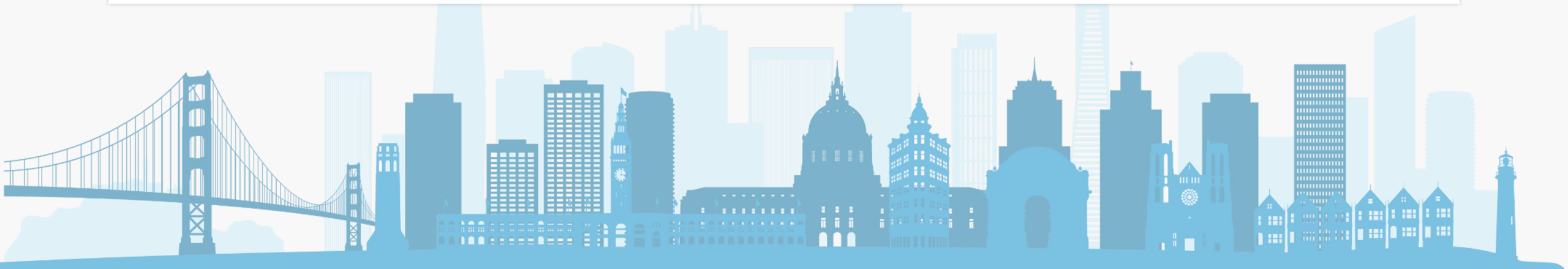
Achieving 10% (\$9M) Cost Reduction Goal

	FY24-25	FY25-26
Operational budget reductions	(\$6.5)	(\$6.0)
Use of dept fund balance	(\$2.5)	(\$2.5)
Telephone reduction (cellular)		(\$0.5)
Total Dept Budget Reductions	(\$9.0)	(\$9.0)



Achieving 5% (\$4.5M) Contingency Cost Reduction

- Suspend IT projects and initiatives
- Reduce licenses and capacity to core operational requirement
- Pause new/ backfill hiring to achieve additional attrition savings



Citywide Cost Savings

Optimizing **DT** platforms for Departments

- Dynamically align license expenses to changing needs, e.g., email, e-signatures
- Contain cellular costs with model and service standardization
- Modernize telephony and lower costs by adopting use of softphones to replace landlines
- Extend use of existing computers and contain new computer costs with Cloud Desktop



THANK YOU!

Questions & Comments



SAN FRANCISCO
DEPARTMENT OF
TECHNOLOGY