



# OFFICE OF THE CONTROLLER

## CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner  
Controller

ChiaYu Ma  
Deputy Controller

### MEMORANDUM

**TO:** Mayor London Breed  
President Aaron Peskin and Members of the Board of Supervisors

**FROM:** Greg Wagner, Controller

**DATE:** October 31, 2024

**SUBJECT:** Fiscal Year 2024-25 Quarter 1 Department Overtime Spending and Projections

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The Controller's Office has prepared this report on select department's overtime spending through the first quarter of fiscal year 2024-25, as required by changes adopted with the fiscal year 2023-24 budget. This report includes actual overtime expenditures through the last pay period of the quarter and projected overtime expenditures through the end of the fiscal year. These projections are estimates based on available information and may change as the fiscal year progresses.

In summary:

- The Airport, Public Works, Public Health and the Recreation and Parks departments are projected to spend at or below budgeted overtime levels.
- The Fire, Public Utilities Commission, and Emergency Management departments are projected to overspend their overtime budgets for the year, but with offsetting savings available in other department accounts. These internal department reappropriations will require approval by the Mayor and Board of Supervisors.
- The Police Department is projected to overspend its overtime budget for the year, with the majority of these costs offset by projected savings in other department accounts. With proposed draws on the established MOU Reserve for eligible one-time costs and other sources, it appears likely but not certain that the department will not require additional General Fund appropriations.
- The Sheriff's Department is projected to overspend its overtime budget for the year, with a portion of these costs offset by projected savings in other department accounts. Additional General Fund appropriations appear likely to be required at this time to sustain current deployment levels. Our office is working with the Sheriff to refine spending projections and explore savings strategies.



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### **Airport**

The Airport Commission currently projects to end the fiscal year with a \$0.1 million budget surplus in overtime.

### **Emergency Management**

The Department of Emergency Management currently projects to end the fiscal year with a \$1.2 million budget deficit in overtime. The Department reports that due to staffing vacancies of Public Safety Communication Dispatchers, overtime has been utilized to meet minimum standards for answering public safety calls. The department is currently conducting training academy for Public Safety Communications Dispatchers and expects overtime use to decrease upon the new hires completing training requirements by the fiscal year end. The Department will actively monitor overtime usage and may request a budget reallocation from regular salaries to overtime salaries only if the overtime trends follow the current projections.

### **Fire Department**

The Fire Department currently projects to end the fiscal year with a \$7.7 million deficit in overtime primarily due to mandated staffing levels and backfilling staff who are on mutual aid reassignments. The Department plans to request a budget reallocation from regular salaries to overtime salaries.

### **Police Department**

The Police Department currently projects to end the fiscal year with a \$56.1 million deficit in overtime due to vacancies and assignments required to be fulfilled by use of overtime. The Department projects permanent salary savings, due to staff vacancies, to offset the overtime deficit and plans to request a budget reallocation to overtime. The Department will also propose draws on the established MOU Reserve for eligible one-time costs. Together with the Mayor, the Controller will coordinate with the Department to explore savings strategies to reduce any remaining portions of the projected overtime deficit.

### **Public Health**

Public Health currently projects to end the fiscal year with a \$5.8 million budget surplus in overtime. This surplus is comprised of \$0.3 million from San Francisco Zuckerberg General Hospital and \$5.8 million from Laguna Honda, offset by slight deficit of \$0.3 million in the General Fund.



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### Public Utilities Commission

The Public Utilities Commission currently projects to end the fiscal year with a \$0.6 million deficit across its annual operating fund overtime accounts, including those supported by work-orders from other departments. This reflects an anticipated deficit in Wastewater overtime of \$0.1 million due to contingency for winter storms response and a deficit of \$0.5 million in Water and Hetch Hetchy Water & Power funds due to contingency for emergency repairs and mitigation. The Department plans to request a budget reallocation from regular salaries to overtime salaries.

### Public Works

The Department of Public Works currently projects to end the fiscal year with a \$1.0 million surplus across all General Fund overtime accounts, including those supported by work orders from other departments. This reflects an anticipated deficit in General Fund overtime of \$0.4 million due to operations including street cleaning, responding to winter storms, and special events. This is offset by an anticipated surplus in the General Fund Workorder Fund of \$1.5 million due to less overtime required for services provided to other city departments.

### Recreation and Parks

Recreation and Parks currently projects to end the fiscal year within the approved overtime budget.

### Sheriff Department

The Sheriff's Department currently projects to end the fiscal year with a \$24.1 million deficit across all General Fund overtime accounts, including those supported by work orders from other departments. Significant and immediate operational changes would be required to reduce overtime expenditures to live within budgeted levels. The Department projects permanent salary savings, due to staff vacancies, as well as draws on the MOU Reserve for eligible one-time costs, to offset a portion of the overtime deficit, and plans to request a budget reallocation from permanent salaries to overtime.

As these reallocated savings are likely to be insufficient to keep the Department within its budget, the Department and the Mayor's Office should take immediate actions to reduce overtime expenditures. In addition, because federal labor law requires us to pay for overtime authorized by the department head and performed by employees, the Controller will work with the Department and Mayor's Office to identify non-salary spending that will be halted or reduced if the rate of expenditures continues to exceed the authorized salary budget, such as spending on equipment, capital projects, and facilities maintenance. Alternately, the Board could increase appropriations to authorize additional spending at higher levels and the Department, Mayor's Office, and Board of Supervisors could work to increase appropriation, reduce expected service levels, or a combination



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of both in the upcoming annual budget process to bring expected expenditures in line with appropriations.

Table 1. FY 2024-25 Overtime Expenditure Projection (\$ in Millions)

Department (\$ in Millions)	FY 2024-25					
	Overtime Budget	Overtime Expended	% of Budget Expended	Year-end Expenditure Projection	Year-end % of Budget Projection	Year-end Surplus/ (Deficit) Projection
<b>Airport</b>						
Annual Operating Fund	6.1	1.5	25%	\$ 6.1	99%	\$ 0.1
<b>Airport Annual Operating Fund</b>	<b>6.1</b>	<b>1.5</b>	<b>25%</b>	<b>\$ 6.1</b>	<b>99%</b>	<b>\$ 0.1</b>
<b>Emergency Management</b>						
General Fund	7.8	2.2	28%	\$ 9.1	116%	\$ (1.2)
<b>Emergency Management Annual operating Fund</b>	<b>7.8</b>	<b>2.2</b>	<b>28%</b>	<b>\$ 9.1</b>	<b>116%</b>	<b>\$ (1.2)</b>
<b>Fire</b>						
General Fund	53.5	16.0	30%	\$ 60.4	113%	\$ (6.9)
General Fund Work Order	4.6	0.6	12%	\$ 4.5	97%	\$ 0.1
Airport Annual Operating Fund	7.3	2.0	27%	\$ 8.3	113%	\$ (1.0)
<b>Fire Annual Operating Funds</b>	<b>65.5</b>	<b>18.6</b>	<b>28%</b>	<b>\$ 73.2</b>	<b>112%</b>	<b>\$ (7.7)</b>
<b>Police</b>						
General Fund	41.0	22.5	55%	\$ 97.3	237%	\$ (56.3)
General Fund Work Order	2.6	0.2	9%	\$ 2.5	94%	\$ 0.1
Airport Annual Operating Fund	10.5	2.2	21%	\$ 10.4	99%	\$ 0.1
<b>Police Annual Operating Funds</b>	<b>54.1</b>	<b>25.0</b>	<b>46%</b>	<b>110.2</b>	<b>204%</b>	<b>(56.1)</b>
<b>Public Health</b>						
General Fund	4.1	1.1	26%	\$ 4.3	104%	\$ (0.2)
General Fund Work Order	0.0	0.0	69%	\$ 0.1	238%	\$ (0.1)
General Hospital Annual Operating Fund	30.8	7.4	24%	\$ 30.5	99%	\$ 0.3
Laguna Honda Hospital Annual Operating Fund	20.7	3.6	17%	\$ 14.9	72%	\$ 5.8
<b>Public Health Annual Operating Funds</b>	<b>55.7</b>	<b>12.1</b>	<b>22%</b>	<b>\$ 49.8</b>	<b>90%</b>	<b>\$ 5.8</b>
<b>Public Utilities Commission</b>						
Waste Water Annual Operating Fund	3.0	0.7	24%	\$ 3.1	105%	\$ (0.1)
Hetch Hetchy Annual Operating Fund	1.0	0.2	23%	\$ 1.1	110%	\$ (0.1)
Water Annual Operating Fund	2.3	0.7	32%	\$ 2.7	117%	\$ (0.4)
PUC Annual Operating Fund	0.1	0.0	28%	\$ 0.1	100%	\$ -
<b>Public Utilities Commission Annual Operating Funds</b>	<b>6.4</b>	<b>1.7</b>	<b>27%</b>	<b>\$ 7.1</b>	<b>110%</b>	<b>\$ (0.6)</b>
<b>Public Works</b>						
General Fund	2.0	0.5	23%	\$ 2.4	122%	\$ (0.4)
General Fund Work Order	2.4	0.2	8%	\$ 0.9	38%	\$ 1.5
<b>Public Works Annual Operating Funds</b>	<b>4.3</b>	<b>0.7</b>	<b>15%</b>	<b>\$ 3.3</b>	<b>77%</b>	<b>\$ 1.0</b>
<b>Recreation and Parks</b>						
General Fund	2.0	0.5	26%	\$ 1.9	94%	\$ 0.1
<b>Recreation &amp; Park Annual Operating Funds</b>	<b>2.0</b>	<b>0.5</b>	<b>26%</b>	<b>\$ 1.9</b>	<b>94%</b>	<b>\$ 0.1</b>
<b>Sheriff</b>						
General Fund	13.5	9.5	70%	\$ 37.7	279%	\$ (24.2)
General Fund Work Order	8.8	2.2	25%	\$ 8.8	99%	\$ 0.0
<b>Sheriff Department Annual Operating Funds</b>	<b>22.3</b>	<b>11.7</b>	<b>52%</b>	<b>\$ 46.4</b>	<b>208%</b>	<b>\$ (24.1)</b>



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cc: Sophia Kittler, Mayor's Budget Director  
Benjamin McCloskey, Mayor's Interim Budget Director  
Angela Calvillo, Clerk of the Board of Supervisors  
Dan Goncher, Board Budget & Legislative Analyst  
Brad Russi, Deputy City Attorney