

## Overview

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As noted in the May 2020 update to the Five-year Financial Plan, the City is facing a General Fund deficit of \$1.5 billion over the next two years. To balance the FY 2020-21 and FY 2021-22 budget, all departments are required to submit plans to reduce General Fund support, compared to the FY 2020-21 base budget, by an equivalent of 10% of adjusted General Fund support in FY 2020-21, growing to 15% in FY 2021-22. An additional 5% in FY 2020-21 is required to serve as a contingency, should fiscal conditions worsen.

Please fill out the following summary forms 1A, 1B, and 1C to lay out your proposal to meet your department's mandatory reduction and provide a clear, written description of resulting service and staffing impacts. Please also provide loadsheets in forms 2-4 to technically implement all changes required in the budget system that reflect the department's proposal. Form 1D is optional, but can be used by departments as a framework to discuss necessary core services and operations changes in response to the ongoing health crisis. (All budget impacts of these proposals should also be included in the summary form 1A.)

These General Fund mandated reduction plans are due to the Mayor's budget office by no later than **June 12, 2020 at 5pm**.

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## Guidelines for proposals:

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### **1. Mandatory Reduction Requirements**

When developing reduction plans, please prioritize solutions that maintain core functions - even if at reduced service levels. Consider:

- Contract savings: reduce or cancel underperforming contracts, services that do not conform to physical distancing, or those supporting non-essential activities
- For necessary contracts, consider re-bidding at reduced rates
- Reduction of personnel costs, including elimination of vacant positions, attrition savings, or project suspensions
- Streamlining operations and consolidation
- New revenue options (being mindful of CY GF impact)

\*Note: Do not submit changes to your department's Pay-Go capital or COIT allocations in the FY20-21 or FY21-22 budget. Nishad Joshi from ADM's Capital Planning team and Matthias Jaime from COIT will reach out to departments to discuss their original capital submissions in light of CY rebalancing needs and newly constrained resources.

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### **2. Future Planning & Re-opening Considerations**

Within the mandatory reduction requirements, departments should consider budget changes that are based on the following re-opening considerations:

- Identify core services - critical government functions
  - Incorporate public health guidance in plans for re-opening operations
  - Equity principles and considerations need to guide any service changes to ensure people can still access needed services in a safe manner
  - Workforce: work from home & in-person services (how will physical space and supply needs change for work that must continue in person and work that can happen remotely?)
  - Required public services: in-person & online considerations (what services can be moved online and/or should be delivered differently?)
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**Revised FY 20-21 and FY 21-22 Budget Submission Summary of Major Changes**

**Summary of General Fund Changes**

|  | FY 20-21   | FY 21-22    |
|--|------------|-------------|
| Base General Fund Support - please use "base amt" value in the return MBO analyst provides | 42,639,669 | 43,845,110  |
| Mandatory Reduction Requirement - MBO analyst will provide value                           | 4,179,121  | 6,268,682   |
| <b>Department Proposal: Changes from Base Budget</b>                                       |            |             |
| Total GF Expenditure Reduction (use negative values for all reductions)                    | (760,802)  | (1,188,864) |
| Total GF Revenue Changes (use positive values for increased revenue)                       |            |             |
| Total GF Change from Base (should match mandatory reduction requirement value in line 5)   | 760,802    | 1,188,864   |
| Total FTE Change from Base (formula from 1B)   | (3.35)     | (5.00)      |

**Mandatory Reduction Requirement & Proposed Operational Changes**

| Project, program, or expenditure description - add additional rows if needed     | FY 20-21 GF Savings | FY 21-22 GF Savings | FY 20-21 NGF Savings | FY 21-22 NGF Savings | FY 20-21 # FTE impacted, if applicable | FY 21-22 # FTE impacted, if applicable | Please briefly describe justification & impact on department   | Which loadsheet lines correspond to this change? |
|--|---------------------|---------------------|----------------------|----------------------|--|--|--|--|
| Increase Attrition Target by Not Filling Vacant Positions (with Fringe Benefits) | 740,254             | 1,185,116           |                      |                      | (3)                                    | (5)                                    | Unlike other city departments and services, the Public Defender cannot "cut" its level of service to clients. The Sixth Amendment of the United States Constitution, the California Constitution and ethical and professional codes require that the Public Defender provide effective, competent and professional legal representation to each of the 20,000 clients it is assigned each year.<br><br>When these attorney positions are unfilled, department will have to reassign additional work to existing staff to handle and also make sure legal representation is still provided in an ethical and professional manner. | Loadsheet - Personnel Exp                        |
| Reduction in Youthwork Workorder   | 16,800              | -                   |                      |                      |  |  | PDR is not able to host youthwork students during the pandemic but hope to continue fully support this wonderful program in FY 21-22. Students hosted by our office learned unique legal experience which could in some ways to help them in making career decision.   | Loadsheet- Non-Personnel Exp                     |
| Reduction in Repromail Services  | 3,748               | 3,748               |                      |                      |  |  | Savings from reproduction mail services because more letters and forms have been sent electronically during the pandemic.  | Loadsheet- Non-Personnel Exp                     |
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**Mandatory FY 20-21 5% Contingency**

| Project, program, or expenditure description - add additional rows if needed | FY 20-21 GF Savings | FY 20-21 # FTE impacted, if applicable | Please briefly describe justification & impact on department | Which loadsheet lines correspond to this change? |
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| <b>Narrative - Programs and Services Impacted in FY 20-21 &amp; FY 21-22</b>  |  |  |  |  |
| What are the core operations the department is planning to continue in FY 20-21? How will those operations be adjusted given both public health guidelines and budgetary reduction requirements?  | The office will continue its core operations, with some key adjustments in response to public health guidelines. Specifically, 83% percent of staff will be working remotely for fiscal year 2020-2021, in order to ensure that social distance guidelines are maintained.   |  |  |  |
| What programs, projects, and services are you proposing to change, reduce, suspend, or cancel for FY 20-21 and FY 21-22? How are these changes reflected in this proposal?  | <p>Over 90 percent of the Public Defender's budget is made up of salaries. For this reason, our office is unable to make significant cuts to our budget without laying people off. Moreover, 100 percent of the clients we serve are indigent, meaning they are all extremely low income. Over 50 percent of our clients are Black, over 75 percent are people of color and many are homeless, mentally ill, or both.</p> <p>We understand that the City is reeling from the economic crisis brought on by COVID-19, and we have been looking to see where we can find salary savings. There will be four vacancies that we are anticipating, that could help us achieve some salary savings if left unfilled. However we also want to emphasize that this budget request is coming at the exact same time as a national movement has emerged around the need to eradicate police violence, and to end the police mistreatment and abuse of the very people we serve. In light of this need for advocacy for marginalized communities, police accountability, and structural change, we believe that our department is more important than ever before. We ask that the Mayor take these factors into account as next year's budget priorities are decided</p> |  |  |  |
| What are the impacts for the department, staffing levels, public services, and residents of these reductions? Do any of the proposed budget reductions directly support vulnerable populations?   | Please see answer to above.  |  |  |  |
| What ideas do you have about achieving citywide savings that might be applicable to other departments or require coordination? Are you proposing any reductions to discretionary work orders (IDS) - have you communicated and reached agreement with the other department? | We think it will be good for the Mayor's Office, DHR and Controller to work with Labor Organizations to achieve citywide labor cost savings. We have reached out to Central Shop, Department of Youth and Family, DTIS and Reproduction Service for potential workorder savings. As of now, we have only reached agreement with Repromail.   |  |  |  |



## Revised FY 20-21 and FY 21-22 Budget Submission Summary of Proposed IDS Changes

Work Order Changes - If any departmental IDS changes are proposed within the mandatory reductions described in Form 1A, please highlight below

| Proposed IDS Changes (486XXX)<br>*If recovery changes will impact GF requesting department budgets, please specify that impact in columns B-C | FY 20-21 GF Savings<br>(Please specify GF impact) | FY21-22 GF Savings<br>(Please specify GF impact) | Partner Department Code | Confirm here that partner department is in agreement: | Please briefly describe justification & impact on department  | Which loadsheet lines correspond to this change? |
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| Proposed IDS Changes (581XXX)   | FY 20-21 GF Savings<br>(Please specify GF impact) | FY21-22 GF Savings<br>(Please specify GF impact) | Partner Department Code | Confirm here that partner department is in agreement: | Please briefly describe justification & impact on department  | Which loadsheet lines correspond to this change? |
| Is-Purch-Reproduction 581820  | 3,748   | 3,748  | 228880                  | Confirmed   | Savings from reproduction mail services because more letters and forms have been sent electronically during the pandemic.               | Loadsheet - Non-Personal Exp                     |
| GF-Chf-Youthworks 581660  | 16,800  | -  | 229218                  |   | PDR is unable to host youthwork students during the pandemic but want to fully support this program in FY 21-22 when things are better. | Loadsheet - Non-Personal Exp                     |
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## Core Service and Operations Changes

Optional form - departments may choose to use to use this sheet to brainstorm and summarize proposed changes if helpful

| #    | Core Service/Operation Before COVID | Changes to Service/Op Because of COVID               | What the Service/Op Will Look Like in BY and BY+1  | Rough Cost Implications   |
|------|-------------------------------------|--|--|---|
| e.g. | Trainings                           | No more in-person trainings; transitioning to online | Reduced trainings available in total; offering some (1-3) critical trainings via webinar | <ul style="list-style-type: none"> <li>- Significant reduction in in-person training costs (trainers salaries, supplies, food, space requirements)</li> <li>- Moderate increase in costs for e-training/webinar tools</li> <li>- Overall cost reduction of 30%</li> </ul> |
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| Dept. # | Code | Department Name                                   | Mayor's Office   | Controller's Budget & Analysis  |
|---------|------|---|------------------|---------------------------------|
| 62      | AAM  | Asian Art Museum                                  | Sally Ma         | Mark Chen                       |
| 70      | ADM  | General Services Agency - Administrative Services | Lillian Patil    | Risa Sandler                    |
| 13      | ADP  | Adult Probation                                   | Andrea Lynn      | Nick Leo                        |
| 27      | AIR  | Airport   | Andrea Lynn      | Nick Leo                        |
| 28      | ART  | Arts Commission                                   | Adrian Liu       | Mendy Ma                        |
| 2       | ASR  | Assessor/Recorder                                 | Morgan Owens     | David Ly                        |
| 1       | BOS  | Board of Supervisors                              | Anna Duning      | Michael Mitton                  |
| 3       | CAT  | City Attorney                                     | Matthew Bangcaya | Ysabel Catapang                 |
| 64      | CFC  | Children & Families Commission                    | Anna Duning      | Mendy Ma                        |
| 23      | CHF  | Children, Youth & Their Families                  | Camilla Taufic   | Mendy Ma                        |
| 9       | CON  | Controller  | Morgan Owens     | Ysabel Catapang                 |
| 29      | CPC  | City Planning                                     | Morgan Owens     | David Ly                        |
| 10      | CRT  | Superior Court                                    | Andrea Lynn      | David Ly                        |
| 30      | CSC  | Civil Service Commission                          | Camilla Taufic   | Michael Mitton                  |
| 17      | CSS  | Child Support Services                            | Andrea Lynn      | Nick Leo                        |
| 4       | DAT  | District Attorney                                 | Andrea Lynn      | Ysabel Catapang                 |
| 19      | DBI  | Department of Building Inspection                 | Morgan Owens     | David Ly                        |
| 88      | DPA  | Department of Police Accountability               | Camilla Taufic   | Edward de Asis                  |
| 81      | DPH  | Department of Public Health                       | Anna Duning      | Risa Sandler                    |
| 90      | DPW  | General Services Agency - Public Works            | Adrian Liu       | Edward de Asis                  |
| 45      | HSA  | Human Services Agency                             | Anna Duning      | Mendy Ma                        |
| 77      | DEM  | Emergency Communications                          | Matthew Bangcaya | Nick Leo                        |
| 21      | ECN  | Economic & Workforce Development                  | Matthew Bangcaya | Mendy Ma                        |
| 22      | ENV  | Environment                                       | Sally Ma         | Nick Leo                        |
| 18      | ETH  | Ethics Commission                                 | Sally Ma         | Michael Mitton                  |
| 61      | FAM  | Fine Arts Museum                                  | Sally Ma         | Michael Mitton                  |
| 31      | FIR  | Fire Department                                   | Matthew Bangcaya | Mark Chen                       |
| 97      | GEN  | General City Responsibility                       |                  | Michelle Allersma/ Risa Sandler |
| 4       | HRC  | Human Rights Commission                           | Camilla Taufic   | Ysabel Catapang                 |
| 33      | HRD  | Human Resources                                   | Camilla Taufic   | Michael Mitton                  |

|    |      |   |                  |                                 |
|----|------|---|------------------|---------------------------------|
| 84 | HOM  | Dept. of Homelessness and Supportive Housing      | Lillian Patil    | Edward de Asis                  |
| 55 | HSS  | Health Service System                             | Camilla Taufic   | Mark Chen                       |
| 12 | JUV  | Juvenile Probation                                | Camilla Taufic   | Edward de Asis                  |
| 41 | LIB  | Public Library                                    | Matthew Bangcaya | Michael Mitton                  |
| 63 | LLB  | Law Library                                       | Adrian Liu       | David Ly                        |
| 35 | MTA  | Municipal Transportation Agency (MTA)             | Camilla Taufic   | Edward de Asis                  |
| 25 | MYR  | Mayor   | Morgan Owens     | Mendy Ma                        |
| 37 | BOA  | Board of Appeals                                  | Sally Ma         | Nick Leo                        |
| 5  | PDR  | Public Defender                                   | Andrea Lynn      | Nick Leo                        |
| 38 | POL  | Police Department                                 | Andrea Lynn      | Nick Leo                        |
| 39 | PRT  | Port  | Adrian Liu       | David Ly                        |
| 40 | PUC  | Public Utilities Commission                       | Morgan Owens     | Edward de Asis                  |
| 42 | REC  | Recreation & Park                                 | Matthew Bangcaya | Mark Chen                       |
| 80 | REG  | Elections   | Adrian Liu       | Ysabel Catapang                 |
| 44 | RET  | Retirement System                                 | Camilla Taufic   | Michael Mitton                  |
| 65 | RNT  | Rent Arbitration Board                            | Morgan Owens     | Mendy Ma                        |
| 60 | SCI  | Academy of Sciences                               | Sally Ma         | Ysabel Catapang                 |
| 6  | SHF  | Sheriff's Department                              | Anna Duning      | Edward de Asis                  |
| 75 | TIS  | General Services Agency - Technology              | Adrian Liu       | Nick Leo                        |
| 8  | TTX  | Treasurer / Tax Collector                         | Morgan Owens     | Michael Mitton                  |
| 99 | UNA  | General Fund Unallocated                          |                  | Michelle Allersma/ Risa Sandler |
| 7  | USD  | County Office of Education                        |                  | David Ly                        |
| 46 | WAR  | War Memorial                                      | Adrian Liu       | Ysabel Catapang                 |
| 48 | WOM  | Department on the Status of Women                 | Andrea Lynn      | Ysabel Catapang                 |
|    | OCII | Office of Community Investment and Infrastructure | Morgan Owens     | Risa Sandler                    |