

Revised FY 20-21 and FY 21-22 Budget Submission Summary of Major Changes

Summary of Changes

Budget Changes	FY 20-21	FY 21-22
Total Expenditure Changes (use negative values for all reductions)	(53,500,088)	(45,775,317)
Total Revenue Changes (use positive values for all increased revenue)	(53,500,088)	(45,775,317)
Total Change from updated Base budget	(30,954,397)	(19,328,126)
Total FTE Change from Base	0	0

PRT note: changes except where specified reflect change from original dept submission; not change from base

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
Increased attrition			(2,500,000)	(2,575,000)			See tab 1B FTE Detail
Reduced non-personnel services budgets departmentwide			(1,859,998)	(1,516,647)			All Port divisions were tasked with cutting 50% of non-essential non-personnel spending. Most cuts are to professional services.
Reduced materials & supplies budgets departmentwide			(659,374)	(638,374)			All Port divisions were tasked with cutting 50% of non-essential non-personnel spending. Materials & supplies cuts mostly affect the Maintenance division.
Deletion of most equipment requests			(1,118,757)	(1,006,242)			All Port divisions were tasked with cutting 50% of non-essential non-personnel spending. The Port will have to go without replacing aging equipment.
Reduction in work orders			(1,144,176)	-			See tab 1C IDS Detail
Deletion of budgeted designation to capital			(14,715,922)	(13,849,966)			The Port typically designates net revenue to future capital investments. The Port will restore a capital designation line when revenues improve.
Facility Maintenance Repair Projects, Pier 1 and Pier 50			(287,000)	(287,000)			Reduction in available funds for facility maintenance of Port facilities at Piers 1 and 50. Will restore funding when revenue assumption improves.
Embarcadero Tree Replacement & Maintenance			(200,000)	(200,000)			Deletion of funds for care and replacement of palm trees along the Embarcadero. Will restore funding when revenue assumption improves.
Crane Cove Park Operations Project			(230,480)	-			No effect; budget cleanup
Public Access Improvements			(35,000)	(35,000)			Reduced funding for public access improvements, delaying improvements requested by BCDC. Will restore funding when revenue assumption improves.
Sanitary Sewer Management Plan			(90,000)	(90,000)			Deferral of Sanitary Sewer Management Plan project. Will restore funding when revenue assumption improves.
Pier 80 Ust Investigation			(70,000)	(70,000)			Deferral of Pier 80 Underground Storage Tank Investigation. Will restore funding when revenue assumption improves.
Miscellaneous Tenant Facility Improvements			(152,500)	(152,500)			Reduced funding available for miscellaneous Port Tenant Facility Improvements. Will restore funding when revenue assumption improves.
Enterprise Technology Projects			(1,533,211)	(1,383,913)			Reduced funding for Port eAM replacement project; will use existing appropriations for most essential work.

Mission Bay Ferry Landing			(29,000,000)	-		Waiting for RM3 funding to be available due to litigation for project funds instead of using \$29m of critical Port funds. Potentially delay Mission Bay Ferry Landing project .
Contingency			(3,265,556)	(1,462,500)		Funding critical life safety and priority capital projects, and contingency fund has prior appropriations.
Southern Waterfront Beautification Fund			(2,435,000)	(2,400,000)		Deferring overdue payments to fund in order for capital savings, and still allocating \$4m over the course of FY 2020-21 and FY 2021-22.
Pier 80 Grading			(1,250,000)	(3,750,000)		Project funding to re-grade a flood prone area to prevent high water intrusion and direct rainwater to improved storm drains will be deferred to start design in FY 2022-23.
Marine Pile Research			(565,000)	-		Prioritizing life safety projects at the Port removing this project from the capital budget.
P80 Berth C Fendering Upgrade			(375,000)	(750,000)		Deferring funding for a berth upgrade to start design in FY 2021-22 instead of FY 2020-21 due to design easily being pushed out to the following year.
Capital Project Implementation Team (PMO)			(230,013)	(200,000)		Decreasing funding due to Project Management Office vacancy that will not be filled in capital budget.
Pier 45 Repairs & Improvements			-	(1,162,500)		Large scope facility-based improvements with design deferred to FY 2022-23 due to project in pre-design phase.
Pier 33 Repairs & Improvements			-	(2,925,000)		Large scope facility-based improvements with design deferred to FY 2022-23 due to project in pre-design phase.
Pier 35 Repairs			-	(7,335,724)		Large scope facility-based improvements with design deferred to FY 2022-23 due to project in pre-design phase.

Narrative - Programs and Services Impacted in FY 20-21 & FY 21-22

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?	Port revenue will decrease due to the cancellation of cruise calls, the significant inability for Port tenants to do business due to shelter-in-place orders, and the overall economic slowdown. Despite these revenue shortfalls, the proposed budget maintains essential Port operations, invests in life-safety capital projects, and retains a fiscally reasonable fund balance to address additional unforeseen events. Operations remain largely unchanged.
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?	The Port made cuts across the board to meet our revenue constraints, including cancelling the new positions we had planned to request, increasing attrition, reducing funding for non-personnel services, materials & supplies, equipment, and interdepartmental work orders, and by deferring capital project, reserving funding only for life-safety projects. See staff report for more details.
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?	The hiring freeze and reductions to professional services funds will somewhat increase the workload of Port staff. We do not anticipate any effect on public services or residents, or effect on services supporting vulnerable populations.
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?	See tab 1C IDS Detail for planned work order changes. Agreement is identified there.