



# CIVIL SERVICE COMMISSION

## CITY AND COUNTY OF SAN FRANCISCO

Date: February 6, 2023

To: Civil Service Commission

Through: Sandra Eng  
Executive Officer

From: Lavena Holmes  
Deputy Director

Subject: **Fiscal Years 2023-24 and 2024-25 Mayor’s Budget Instructions and Department Budget Preparation – Scenarios for consideration**

Starting with the base budget, in the second column, the required salary adjustments are reflected along with the potential new budget based on the scenarios presented on each option. One of the goals this budget cycle is to make the corrections in the budget system for the MEA-MCCP salaries so that manual accounting is not an on-going task to be performed each year, and the budget system can accurately reflect the salaries of the Executive Officer and Deputy Director. Of note, this chart contains assumptions for salary and fringes. Salaries are reflected at the highest rate within the salary range for all positions and fringes are calculated at 40% of salaries. I am presenting a few scenarios to accomplish receiving approval to add a 1244 Senior Human Resources Analyst (1244) to our salary and fringe budget including the associated costs. One of the easiest ways to accomplish obtaining a new position into the budget is to substitute a current position. Additionally, substituting a position in the budget is not subject to the restrictive temporary exchange of funds (TXing) guidelines that limit these types of transaction during the budget year.

**Option 1** – Substitute 1426 Senior Clerk Typist for 1244, no other changes = 94K increase year 1, 98K increase year 2

<b>Fiscal Years Budgets 2023 - 2025</b>	<b>Base Budget 23/24</b>	<b>Adjusted Salaries 23/24</b>	<b>New Budget 23/24</b>	<b>Base Budget 24/25</b>	<b>Adjusted Salaries 24/25</b>	<b>New Budget 24/25</b>
Salaries	848,129	903,236	970,888	883,535	940,937	1,011,412
Fringes	308,034	361,294	388,355	304,345	376,375	404,565
Professional Services	28,795	28,795	28,795	28,795	28,795	28,795
Materials/Supplies	3,395	3,395	3,395	3,395	3,395	3,395
Services of Depts	276,024	276,024	276,024	276,024	276,024	276,024
<b>Total Budget</b>	<b>1,464,4377</b>	<b>1,572,744</b>	<b>1667457</b>	<b>1,496,294</b>	<b>1,625,527</b>	<b>1,724,191</b>
Expenditure Recovery	430,839	430,839	430,839	430,839	430,839	430,839
<b>General Fund support</b>	<b>1,033,538</b>	<b>1,141,905</b>	<b>1,236,618</b>	<b>1,065,455</b>	<b>1,194,688</b>	<b>1,293,352</b>

**Option 2** – Substitute 1241 Human Resources Analyst (1241) for 1244 no other changes = 29K increase in year 1, 31K increase in year 2

<b>Fiscal Years Budgets 2023 - 2025</b>	<b>Base Budget 23/24</b>	<b>Adjusted Salaries 23/24</b>	<b>New Budget 23/24</b>	<b>Base Budget 24/25</b>	<b>Adjusted Salaries 24/25</b>	<b>New Budget 24/25</b>
Salaries	848,129	903,236	924,504	883,535	940,938	963,092
Fringes	308,034	361,294	369,801	304,345	376,375	385,237
Professional Services	28,795	28,795	28,795	28,795	28,795	28,795
Materials/Supplies	3,395	3,395	3,395	3,395	3,395	3,395
Services of Depts	276,024	276,024	276,024	276,024	276,024	276,024
<b>Total Budget</b>	<b>1,464,4377</b>	<b>1,572,744</b>	<b>1,602,519</b>	<b>1,496,294</b>	<b>1,625,527</b>	<b>1,656,543</b>
Expenditure Recovery	430,839	430,839	430,839	430,839	430,839	430,839
<b>General Fund support</b>	<b>1,033,538</b>	<b>1,141,905</b>	<b>1,171,680</b>	<b>1,065,455</b>	<b>1,194,688</b>	<b>1,225,704</b>

**Option 3** – add 1244, make reductions where we are underspent remove Services of Depts spending for 1244 support from DHR (\$22,955). This is a service not currently utilized. = 173K increase year 1, 182K increase year 2

<b>Fiscal Years Budgets 2023 - 2025</b>	<b>Base Budget 23/24</b>	<b>Adjusted Salaries 23/24</b>	<b>New Budget 23/24</b>	<b>Base Budget 24/25</b>	<b>Adjusted Salaries 24/25</b>	<b>New Budget 24/25</b>
Salaries	848,129	903,236	1,052,216	883,535	940,938	1,096,135
Fringes	308,034	361,294	420,886	304,345	376,375	438,454
Professional Services	28,795	28,795	<b>18,795</b>	28,795	28,795	<b>18,795</b>
Materials/Supplies	3,395	3,395	<b>1,700</b>	3,395	3,395	<b>1,700</b>
Services of Depts	276,024	276,024	<b>253,069</b>	276,024	276,024	<b>253,069</b>
<b>Total Budget</b>	<b>1,464,4377</b>	<b>1,572,744</b>	<b>1,746,666</b>	<b>1,496,294</b>	<b>1,625,527</b>	<b>1,808,153</b>
Expenditure Recovery	430,839	430,839	430,839	430,839	430,839	430,839
<b>General Fund support</b>	<b>1,033,538</b>	<b>1,141,905</b>	<b>1,315,827</b>	<b>1,065,455</b>	<b>1,194,688</b>	<b>1,377,314</b>

A combination of a position substitution and reduction in services would save another approx. \$35K in each year. The additional savings with option 2 would actually result in a very small reduction in the budget; however, it would eliminate the 1241, require reorganization within the department including services provided, and the potential of a promotive opportunity for staff.

We place emphasis on the measures we have taken to increase our budget and assist the City in reducing our overhead (successfully increasing the works orders with PUC and MTA and availing our

staff to be relocated to offices that reduce our rent) with our Mayor's Budget Office (MBO) Analyst. However, we have found that increasing our work orders have only served to reduce our general fund support, we were not granted the FTE increase requested.

We are hoping to walk through these options with our MBO Analyst later this week when they return to the office to gauge support for the requested position. We are hesitant to offer the proposed cuts that may be accepted without adding the FTE in order to reduce the general fund support. If that is the case, not only will lose a position, we will also lose our ability to fund any potential support either through professional services or from other departments.

Taking all these things into consideration, I also recommend proposing the technology solution for appeals and inspection services. Although it will not likely be approved due to its \$60K – \$70K start-up cost, I would like it as a placeholder for ongoing conversations in future budgets.

**RECOMMENDATION:** Direct the Executive Officer to continue to negotiate with the Office of the Mayor and the Controller to ensure that every attempt is made to meet the Mayor's targets while ensuring Commission's budget sufficiently supports anticipated service and staff with a contingency for potential changes in FY 2023-25 after further discussions concerning the hearing of appeals regarding discrimination matters and to continue its Charter mandated functions. In addition, finalize the Fiscal Years 2023-25 Budget Request; incorporate changes made by the Commission and submit the Fiscal Years 2023-25 Budget Re-quest to the Controller and the Mayor by February 21, 2023.