



Mayor's Budget Instructions

November 19, 2009



FY2011 Shortfall

- Revenue Weakness
- Expenditure Increases
- Loss of One-Time Solutions to Balance 09-10 Budget



FY2011 Shortfall

REVENUE

(97.1)	Property Tax
(14.7)	Payroll Tax
30.3	Other General Revenues
(81.4)	Total

FY2011 Shortfall

REVENUE

- (81.4) General Tax, State, Federal, and other revenue weakness
- (49.2) Loss of Rainy Day Reserve Revenues
- (62.2) Loss of FMAP federal stimulus funding (includes FY 08-09)
- (35.4) Loss of Other Starting Fund Balance
- (40.0) Estimated State Budget Impact
- (22.5) Other

(290.7) Revenue Total

FY2011 Shortfall

EXPENDITURES

- (41.3) Expiration of Labor Give-Backs and existing MOU Wage Increases
- (63.3) Health, Retirement, and Other Benefit Increases
- (57.5) Loss of one-time expenditure savings (e.g., Capital, Equipment) FY 09-10
- (69.4) Other Expenditure Increases

(231.5) Expenditure Total



FY2011 Shortfall

SUMMARY

(290.7) Revenues

(231.5) Expenditures

(522.2) Projected General Fund Deficit for FY 10-11



FY 2011 Budget

POTENTIAL IMPROVEMENTS

- 56.3 All Mid-Year Cuts are Ongoing
- 12.0 Use of Rainy Day Reserve
- 22.0 FMAP Extension - ?
- 34.0 AB 188 Health Revenues - ?
- 26.7 Federal funding continued for Healthy SF - ?



FY 2011 Budget

POTENTIAL UNCERTAINTIES

Additional revenue weakness

State cuts beyond \$40 million assumed

Current year overspending or supplemental appropriations



FY2011 Budget Instructions

- Propose reductions and revenues equal to 20% of adjusted GF support (at least 15% ongoing)
- Provide additional 10% Contingency
 - We encourage departments to take current-year actions to meet targets
 - Mid-year savings beyond the targets issued Tuesday can apply toward the budget year target.



FY2011 Budget Instructions

Prioritize core functions

Seek and prioritize solutions such as:

- Administrative efficiencies
- Consolidation of programs and functions
- Restructuring service delivery
- Revenue options



FY2011 Budget Instructions

(522.2) Projected General Fund Deficit for FY 10-11

56.25 All Mid-Year Cuts are Ongoing

230.9 Department 20% Reduction Targets

(235.1) Remaining Deficit

115.5 Department 10% Contingency

(119.6) Remaining Deficit



Calendar: Key Dates and Next Steps

Early Dec	Technical Instructions Issued
Dec 4	Mid-Year Cut Ideas Due
Jan 9	Governor's Budget Released
Mid-Jan	1 st Layoff Notice Date (tentative)
February	Controller's 6-Month Report
Feb 20	Budget Submissions Due
Mid-March	2 nd Layoff Notice date (tentative)
March	Joint Report Issued



Calendar: Key Dates and Next Steps (ctd)

May 1	Proposed Budget for Enterprise Depts introduced at BOS
May	Governor's May Revise released
May	Controller's 9-month Report
June 1	Budget Submitted to BOS
June	Budget Committee Hearings
July	Budget considered at BOS