

Additional Budget Instructions

As you all know, San Francisco is facing a significant budget deficit.

- We have to close an historic \$876 Million two-year deficit.
- I also intend to take on the structural deficit to put our city on more secure financial footing.
- The era of one-time or band-aid solutions is over.

We are going to eliminate \$1 Billion in overspending over the next 3 years.

- This is going to be challenging for all of us, and probably even painful.
- But if we commit to fiscal discipline in the next 2 years, we will be on stable footing to reinvest in the programming that makes San Francisco into a city that we can all be proud of;
- And will begin to see the stronger revenue growth that we need.

Additionally, I am offering the following budget instructions:

Halting New Programs

In line with that, I ask that you pause **any new contracts or programs that have not yet been signed or implemented.**

- Any spending or new programs that are not yet operational will be re-evaluated in the Mayor's Budget process, and should be eligible for the prioritization necessary to meet your budget targets.

Hiring Freeze

I also know that we cannot balance our budget without right sizing the City workforce.

Effective today, I am implementing a Citywide hiring freeze through the end of the fiscal year.

- This includes non-General Fund departments.
- For roles which are historically challenging to staff and directly support public health & safety, hiring may continue.
- Those departments are, however, still expected to submit budget reduction proposals meeting their assigned target.

- **My Chiefs and the Budget office will work with you to prioritize filling any key vacancies** that may come up over the next few months, and the Budget Office will be in touch with details on that process later this week.
- If you have open positions where you have already made a written offer, we will work with DHR (department of Human Resources) to honor those offers.

The Chiefs will work closely with you and my Budget Office to understand the service impacts of your proposals, and we will manage towards ensuring effective delivery of core government services.