



Date: January 23, 2017

To: Executive Committee Members

Cc: Sharon Page Ritchie, Commission Secretary

From: Tom DeCaigny, Director of Cultural Affairs
Rebekah Krell, Deputy Director of Cultural Affairs & Chief Financial Officer

Re: FY18 & FY19 Budget Proposal

- Our departmental budget submission is due to the Controller's Office and Mayor's Office of Policy and Finance on February 21. The Mayor will present a balanced City budget to the Board of Supervisors on June 1. The Board's Budget Analyst will review the budget and recommend cost savings, which will be presented and discussed at hearings throughout the month of June. The final budget will be passed by the full Board in July, and signed by the Mayor in August.
- The Arts Commission is submitting a rolling two-year budget. The attachment includes our final approved budget for FY17, as well as our proposed budget for FY18 and FY19. Capital requests are listed separately and total \$5.19M in FY18 and \$4.54M in FY19.
- As the result of a projected Citywide deficit of \$37.5M in FY18 and \$155.3M in FY19, the Mayor's budget instructions include a request for an ongoing reduction of General Fund support of 3% in FY18, and an additional ongoing general fund reduction of 3% in FY19, which is equal to \$160,086 and \$320,172 respectively for the Arts Commission.
- All of our programs, with the exception of Civic Design and Public Art, receive general fund support and could potentially be reduced in order to meet our target, which may be achieved by decreasing our expenditures or increasing alternative sources of revenue.
- The Mayor's budget instructions request departments not to increase staffing.
- The Mayor's policy instructions request departments to reflect the strategic vision (outlined below), derived from the Citywide Strategic Planning process, in budget submissions:
 - Residents and families that thrive
 - Clean, safe and livable communities
 - A diverse, equitable and inclusive City
 - Excellent City services
 - A City and region prepared for the future