



San Francisco Ethics Commission

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Date: February 9, 2026
To: Members of the Ethics Commission
From: Patrick Ford, Executive Director
Subject: **Agenda Item 12: Presentation, public hearing, and possible action on Ethics Commission budget proposal for the Fiscal Year 2026-27 and Fiscal Year 2027-28**

Summary and Action Requested

This item provides an opportunity for the Commission to be briefed and receive public comment on the department's budget proposal for Fiscal Years 2026-27 (FY27) and 2027-28 (FY28). No action is required at this public hearing. This item has been noticed for both discussion and possible action should the Commission wish to take action related to its budget priorities or strategy at this meeting.

Background Information

Departmental budget submissions for the two-year period that begins July 1, 2026 and ends June 30, 2028 must be submitted to the Mayor's Office by Friday, February 20th. As part of the annual budget submission process, departments are required to hold two hearings to receive public input on their budget priorities and budget proposals, respectively. The Commission held its first public hearing to receive feedback on the Commission's budget priorities on Friday, January 9th, in which staff provided a [memo](#) and a [detailed presentation](#) regarding the Commission's funding overview, organizational structure, budgetary priorities, and Mayor's budget instructions to City departments.

The Commission has scheduled a second public hearing for the department's FY27-FY28 budget proposal at its regular monthly meeting on Friday, February 13, 2026. The information provided in this meeting must include a description of the agency's divisions; budget totals and major changes including new or reduced initiatives and staffing changes; changes in service levels; projected salary savings; and how the agency is meeting budget instruction targets.

Mayor's Budget Instructions for Fiscal Years 2026-27 (FY27) and 2027-28 (FY28)

Mayor Lurie issued annual budget instructions to City departments for FY27 and FY28 on December 12, 2025. The City is projecting a General Fund deficit of \$936 million, growing to \$1.2 billion by FY 2029-30. Therefore, City departments as a whole are required to make a total of \$400 million in permanent spending reductions starting in FY2026-27.



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Unlike in prior years, Mayor Lurie's office has not issued blanket instructions for a fixed percentage cut that applies across all departments. Instead, the Mayor's Office has expressed a desire to work with each department to find savings while protecting their core programs.

On Friday, January 23, the Mayor's Budget Office issued follow-up instructions requesting that the Ethics Commission submit a budget with a 10% cut.

Citywide, to achieve these savings, the Mayor's Office has issued a set of instructions identifying areas that Departments should look to for savings:

- Eliminate discretionary programs.
- Restructure departments around current staffing levels and eliminate vacancies.
- Review all contracted services and non-personnel expenditures.
- Reduce all citywide work-orders (for services provided between City departments) by 10%.
- Identify redundancy and shared administrative needs.
- Identify investment opportunities to reduce long-term costs.

The Mayor's budget instructions also mentioned the following priorities.

- Effective, common-sense government.
- Making the city more affordable and livable for families, strengthening our social safety net.
- Ensuring safe and clean streets.
- Stabilizing reliable public transit.
- Transforming our health and homelessness systems.
- Delivering excellent core city services with modern systems and structures.
- Strengthening the city's economy, art, and culture.

Mayor Lurie's Office has also maintained its hiring freeze since January 9, 2025, and is expected to continue that policy during the current budget deficit. The Mayor's Office has proven willing to work with Commission staff to grant case-by-case approval for filling vacancies based on departmental needs. The commission currently has two vacancies:

- Senior Program Administrator 1823 (Engagement & Compliance)
- Information Systems Analyst 1052 (Electronic Disclosure & Data Analysis)



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Following submission of the budget proposals, the Mayor's Budget Office will evaluate the requests and develop the Mayor's proposed balanced budget to submit to the Board by June 1st. The Board of Supervisors will then consider the budget and must send a balanced budget back to the Mayor for signature by August 1st.

Department's Budget Proposal

The Ethics Commission's draft budget proposal for FY26 and FY27 is detailed in Attachment I which outlines changes to programs, staffing, organization structure, and budget totals; projected savings; and approaches to meet the target cuts. An overview of the Commission's divisions also appears in Attachment II.

We look forward to receiving feedback from the Commission and public as part of finalizing our budget submission. Written comment on the Commission's budget proposal may be submitted to ethics.commission@sfgov.org.

Attachments

- Divisions Overview
- Budget Presentation