

**MINUTES**  
**WAR MEMORIAL BOARD OF TRUSTEES**  
**BUDGET & FINANCE COMMITTEE / SPECIAL MEETING**

**Thursday, February 9, 2023**

The Budget & Finance Committee of the Board of Trustees of the War Memorial of San Francisco met in-person at 1:30 p.m. on Thursday, February 9, 2023, in the Trustees' Board Room, War Memorial Opera House, Vice President Lui presiding. As authorized by California Government Code Section 54953(e) and Mayor Breed's 45th Supplement to her February 25, 2020 emergency proclamation, some members of the public also attended this meeting remotely.

**ROLL CALL**

Committee Members Present: Chair Lui, President Horn, Trustee Fisher, Trustee Kopp, and Trustee Muduroglu  
*(in person)*

Committee Members Absent: Trustee Gatti

Staff Present: Rob Levin, Acting Managing Director/Executive Secretary

**War Memorial Proposed Departmental Budget for Fiscal Years 2023-24 and 2024-25:** Chair Lui opened the meeting by reminding the Committee that City ordinance requires the Board to hold two public meetings regarding the budget, no fewer than 15-days apart, and this being the second of the two meetings of the Budget and Finance Committee being held to review the Department's proposed budget, originally presented on Wednesday, January 25, 2023. Chair Lui noted that in advance of the meeting, Committee members received several items, including staff's revised budget presentation and revised summary of staff's proposed revenue and expenditures for the next two fiscal years.

Chair Lui then invited Director of Finance & Administration Donna D'Cruz to review staff's revised Departmental Budget proposal. Director D'Cruz began noting there were not many changes since the initial presentation to the Committee given on January 25, 2023.

Director D'Cruz described the projected performance and event activity, what drives the earned revenue for the Department. She reminded the Committee that, as presented in the previous meeting, the projections for the next two fiscal years are more conservative for Fiscal Year 2024 and then set to increase in Fiscal Year 2025. She stated that despite the success of the Nutcracker season, the Department is not likely to hit the projected earned revenue for the current fiscal year. She also noted that audiences currently still sit under 1,000,000, and thus the Department will be projecting 850,000 people for fiscal year 2024 and 875,000 people in fiscal year 2025.

Director D'Cruz reported on the staffing and position summary for the Department, also not changing from the previous presentation, of 5 positions being put into attrition for salary savings for fiscal year 2024. She also remarked that there are 4 positions budgeted for attrition in Fiscal Year 2025.

Director D'Cruz turned to the Revenue Summary next and focused on the changes since the January 25, 2023, meeting. She explained that the War Memorial is a special fund department and is allowed to put monies that were not used from previous years into a special fund balance and use those monies to balance the budget. She remarked that the fund balance in the previous revenue summary was \$357,000 dollars which had to be increased to \$759,000 for fiscal year 2024 and increased from \$446,000 to \$771,000 for fiscal year 2025.

Director D'Cruz stated that the expenditures for services of other City Departments has increased in fiscal year 2024, by approximately \$400,000 dollars, and to balance the budget the Department had to use more of the fund balance. She noted that Public Utilities, Rec and Park, and Real Estate (custodial services), have increased their

service rates which affects what the War Memorial pays. She stated that this amount will stay the same for fiscal year 2024-25 in anticipation of similar charges and rates.

There was further discussion about capital projects, and Director D’Cruz noted that staff will begin their negotiation about capital projects the following week, and currently do not know whether the Department will receive the \$9.6 million requested. Vice President Lui remarked that staff should double-check with contractors that the \$9.6 million dollar number is still accurate and workable. Director D’Cruz noted that because the Department will have to go through Department of Public Works, once the War Memorial finds out how much money Capital Planning allocates for the mansard roof project and Opera House elevators, then they can begin proceedings with contractors. Director D’Cruz explained that if they do not receive the \$9.6 million, she will be requesting balance funds again for next year. She noted that \$7 million was projected for the allocation for the mansard roof and \$2.3 million for the elevators. Trustee Fisher noted that if these projects are not funded now, they become more expensive over time. Vice President Lui remarked that Capital Planning should be reminded that this was a \$4 million dollar ask at the onset, which became \$9.6 million currently, and if delayed will increase even further in cost. President Horn noted that the Mayor’s Chief of Staff came to the Board and promised the funds to the War Memorial, in exchange for selling the air rights.

Director D’Cruz also addressed a question that Trustee Kopp raised at the January 25, 2023 Budget and Finance Committee meeting regarding the City’s contract with Recology. She reported that no other vendor has yet to contract with the City, and Recology remains currently the provider for waste management.

Following discussion, and on motion of Trustee Fisher, seconded by Trustee Muduroglu, the following recommendation was unanimously adopted:

RECOMMENDED, To the Board of Trustees of the War Memorial of San Francisco that it approve staff’s proposed War Memorial Departmental War Memorial Departmental Budget Requests for Fiscal Years 2023-24 and 2024-25.

### **PUBLIC COMMENT**

Public comment is an opportunity for members of the public to directly address the Committee on items within the subject matter jurisdiction of the Budget and Finance Committee, but not on the agenda.

There being no public comment, Chair Lui closed public comment.

### **ADJOURNMENT**

There being no further business to come before the Board, Chair Lui adjourned the meeting at 1:42 p.m.



Rob Levin  
Executive Secretary