Disability and Aging Services
FY20-21 and FY21-22 Budget

Supporting the well-being, safety and independence of adults with disabilities, older people, and veterans

DAS Finance Committee
January 15, 2020
DAS FY19-20 Original Budget by Sources

$379.3M

- Federal $85.9M (23%)
- State $68.2M (18%)
- 2011 Realignment $5.3M (1%)
- 1991 Realignment $54.7M (15%)
- General Fund $80.5M (21%)
- Dignity Fund $50.1M (13%)
- Community Living Fund $7.6M (2%)
- Gifts and Grants $6.7M (2%)
- Work Order Recovery $20.1M (5%)
DAS FY19-20 Original Budget by Program

$379.3M

- **Office of Community Partnerships**: $77.6M (21%)
- **IHSS Public Authority (Health and Dental)**: $72.3M (19%)
- **IHSS Maintenance of Effort**: $143.2M (38%)
- **Integrated Intake**: $3.6M (1%)
- **Community Living Fund**: $8.7M (2%)
- **Adult Protective Services**: $10.3M (3%)
- **IHSS Contract Mode**: $27.7M (7%)
- **PG/PA/PC/RP**: $9.2M (2%)
- **IHSS Services and County Staff**: $22.4M (6%)
- **IHSS Public Authority (Admin)**: $3.4M (1%)
- **County Veteran Services**: $0.9M (0%)
DAS FY19-20 Original Budget by Category
$379.3M

- Aid Payments $246.6M (65%)
- CBO Grants $68M (18%)
- Salaries $34.6M (9%)
- Fringe Benefits $14.9M (4%)
- Materials & Supplies $0.5M (0%)
- Work Order Services $6.9M (2%)
- Software, Consulting and Other Professional Services $6.2M (2%)
- Ancillary Client Support $1.5M (0%)
# Mayor’s FY20-21 & FY21-22 Budget Projections

*Rising expenses outpace slowing revenue growth.*

<table>
<thead>
<tr>
<th>Citywide Projected Shortfall (in millions)</th>
<th>FY20-21</th>
<th>FY21-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue Increase</td>
<td>89.0</td>
<td>346.0</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>(284.3)</td>
<td>(570.1)</td>
</tr>
<tr>
<td>Salary &amp; Benefits:</td>
<td>(167.9)</td>
<td>(269.6)</td>
</tr>
<tr>
<td>Baselines &amp; Reserves:</td>
<td>(45.5)</td>
<td>(54.0)</td>
</tr>
<tr>
<td>Departmental Costs:</td>
<td>(3.9)</td>
<td>(78.8)</td>
</tr>
<tr>
<td>Citywide Uses*:</td>
<td>(66.9)</td>
<td>(167.8)</td>
</tr>
<tr>
<td>Cumulative Shortfall</td>
<td>(195.4)</td>
<td>(224.1)</td>
</tr>
</tbody>
</table>

*Citywide Uses include: general operating increases (e.g., minimum wage, utility rates, and debt service), and capital/equipment/IT investments.*
Mayor’s Budget Drivers

- Slowing growth rate for business tax and interest earnings
- Rising costs significantly outpacing revenue
- Growing employee costs: wages, pension and health
- Large ongoing cost commitments: IHSS, Free City College, Minimum Compensation Ordinance
- Reliance on one-time “fund balance” to balance annual budgets
- Large number of baselines and set-asides
Mayor’s Budget Instructions

• Departments must reduce ongoing General Fund budgets by 3.5% in FY20-21, as well as an additional 3.5% in FY21-22

• For HSA this translates into reductions of:
  • $2,200,219 in FY20-21
  • $4,400,439 in FY21-22

• Departments should not grow their FTE counts

• Prioritize core functions, minimize service impacts, and avoid layoffs

• Mayor will target expansions and new funding to core priorities: homelessness, mental health and clean streets
Federal and State Budget Context

• Overall, possible slowing economic growth; current period of US economic expansion is longest since 1945

• Continued volatility in financial markets due to trade policy uncertainty

• Election year uncertainty

• IHSS Maintenance of Effort
  • Changes made in FY19-20 State budget, including lower statewide base and slower inflation rate, result in a more sustainable MOE for counties, so no major changes anticipated this year
  • Significant savings to San Francisco relative to prior MOE structure, but still continued growth in costs
IHSS

• The MCO increases provider wages ($16.50 / hr. on 7/1/19, $17.50 on 7/1/20, $18.00 on 7/1/21) and local costs

<table>
<thead>
<tr>
<th>IHSS MOE (in millions)</th>
<th>FY19-20</th>
<th>FY20-21</th>
<th>FY21-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total MOE Budgeted or projected at FY19-20 budget submission</td>
<td>$143.6</td>
<td>$156.4</td>
<td>$167.1</td>
</tr>
<tr>
<td>Current MOE projection</td>
<td>$135.7</td>
<td>$146.6</td>
<td>$155.7</td>
</tr>
<tr>
<td>Current projected year-over-year cost increases</td>
<td>$12.4</td>
<td>$10.9</td>
<td>$9.1</td>
</tr>
</tbody>
</table>
## DAS Caseloads

<table>
<thead>
<tr>
<th>Program</th>
<th>FY 18-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Protective Services</td>
<td>5,300 clients, 7,000 reports of abuse</td>
</tr>
<tr>
<td>County Veterans Service Office</td>
<td>3,400 clients</td>
</tr>
<tr>
<td>In-Home Supportive Services</td>
<td>25,300 clients</td>
</tr>
<tr>
<td>Integrated Intake and Referral (at Benefits and Resource Hub)</td>
<td>29,700 calls, 14,500 program intakes</td>
</tr>
<tr>
<td>Office of Community Partnerships</td>
<td>38,700 clients, 81,700 enrollments</td>
</tr>
<tr>
<td><strong>Congregate Meals</strong></td>
<td>17,000 clients</td>
</tr>
<tr>
<td><strong>Community Service Centers</strong></td>
<td>15,500 clients</td>
</tr>
<tr>
<td><strong>Home-Delivered Meals</strong></td>
<td>5,500 clients</td>
</tr>
</tbody>
</table>
DAS Highlights

- **Departmental Name Change**
- **In-Home Supportive Services**
  - Independent Provider Assistance Center (IPAC) moved to the Hub at 2 Gough
  - CalFresh expansion enrollments
  - Electronic Timesheets mandate and implementation
- **Adult Protective Services**
  - First year of Home Safe eviction prevention pilot
  - Pilot of decision-support system (ISO Matrix) completed
  - Financial exploitation mitigation pilot underway
- **Public Conservator**
  - Collaboration with DPH on Housing Conservatorship
- **Public Guardian**
  - PG Housing Fund
DAS Highlights

• **Office of Community Partnerships**
  – Internal reorganization brings three units under one reporting structure
  – Support over 60 CBOs via 240+ contracts, serving more than 38,000 clients per year

• **Dignity Fund**
  – Services and Allocation Plan (SAP) completed
  – FY 19-20 new funding for Case Management and Community Connection & Engagement

• **Benefits and Resources Hub**
  – Reorganization expands scope of services available

• **Age- and Disability-Friendly San Francisco**
  – 20 of 24 initiatives begun and/or completed
HSA FY20-21 & FY21-22 Budget Timeline

- Dec 16  Mayor’s Budget Outlook & Instructions Released
- Jan 15  DAS Finance Committee – 1st budget meeting
- Feb 5   DAS Commission – 2nd budget meeting
- Feb 21  HSA’s Proposed Budget due to Mayor
- June 1  Mayor submits budget to Board of Supervisors (BoS)
- June   BoS Budget & Finance Committee Hearings
- July   Budget Considered at BoS