promotes well-being and self-sufficiency among individuals, families and communities

Department of Human Services Programs

Community Meeting on the Budget FY 2009-10   December 17, 2008
Budget Forum Objectives

• Discuss local and state budget forecasts

• Work with DHS stakeholders and partners to develop budget priorities and strategies to reduce Department costs while maintaining delivery of core services to our clients
HSA Budget History
($ in Millions)

HSA FY 08-09
Original Budget
$682M

DHS $433.5M
64%

DAAS $163.7M
24%

Program Support $84.8M
12%

CITY & COUNTY OF SAN FRANCISCO
HUMAN SERVICES AGENCY
DHS FY 08-09 Original Budget by Program
(Does not include Program Support)
$433.5M

Family & Childrens' Services $137M 31%
CalWorks $54.6M 13%
Childcare $46.1M 11%
Public Assistance / CAAP $50.1M 12%
Homeless Services $86.7M 19%
Medi-Cal $24M 6%
Food Stamps $12.9M 3%
Workforce Development $22.1M 5%
DHS FY 08-09 Original Budget by Character
(Includes Program Support)
$518.3M

- Aid Payments: $131.1M (26%)
- Contract Services: $115.7M (22%)
- Aid Support: $43.5M (8%)
- Professional Services: $24.9M (5%)
- Fringe Benefits: $46.1M (9%)
- Salaries: $114.3M (23%)
- Work Order Services: $37.7M (7%)
- Materials & Supplies: $2.4M (0%)
- Working Families Credit: $1.4M (0%)
- Capital Maintenance: $1.3M (0%)
DHS FY 08-09 Original Budget by Source
$518.3M

Federal
$210.2M
41%

State $90M
17%

General Fund
$102.4M
20%

Grant
$26.3M
5%

HSC Fund
$13.6M
3%

Realignment
$63.9M
12%

Work Order Recoveries
$12M
2%
State & Local Budget Projections
## City Budget Forecast

**General Fund Sources and Uses**

($ in millions)

<table>
<thead>
<tr>
<th>Sources</th>
<th>FY 2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Loss of One-Time Sources</td>
<td>-77.4</td>
</tr>
<tr>
<td>Revenue Growth</td>
<td>-188.4</td>
</tr>
<tr>
<td>Sources Subtotal</td>
<td>-265.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Costs</td>
<td>-230.8</td>
</tr>
<tr>
<td>Voter Approved Baselines</td>
<td>-7.0</td>
</tr>
<tr>
<td>Uses Subtotal</td>
<td>-$237.8</td>
</tr>
</tbody>
</table>

Estimated State Cuts              -72.0

**Shortfall Projection**          $575.6

Estimated FY09-10 Savings from FY08-09 Reductions 115.2

**Projecting Shortfall with Mid-Year Reductions**  $460.4
Budget Shortfall Assumptions

- Status quo on staffing levels and programs
- No new expenditure shortfalls
- Health benefit costs grow by 10%
- Ongoing savings from mid-year reductions
State Budget Forecast

State budget shortfall projected at $40 billion

Services vulnerable to cuts:

<table>
<thead>
<tr>
<th>Service</th>
<th>FY08-09 GF Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-12 Education</td>
<td>$41.6 billion</td>
</tr>
<tr>
<td>Higher Education</td>
<td>$12.1 billion</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>$31.1 billion</td>
</tr>
</tbody>
</table>

Source: California Department of Finance
Agency Strategy & Actions

- Maintain Core Services
- Restructure Programs and Services
- Reduce Staff
- Reduce Contractual Services
- Reduce Projects
- Create Efficiencies
- Leverage Revenues
## HSA FY 2008-09
### Mid-Year Reduction Plan – Non Salary

<table>
<thead>
<tr>
<th>#</th>
<th>Non Salary</th>
<th>FTEs</th>
<th>FY08-09 GF Share of Reduction</th>
<th>FY09-10 GF Share of Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Supportive Housing Facilities - Start-up Savings</td>
<td>-</td>
<td>$921,436</td>
<td>$311,000</td>
</tr>
<tr>
<td>2</td>
<td>DAAS Forensic Center - CY &amp; BY Reduction</td>
<td>-</td>
<td>$160,932</td>
<td>$321,864</td>
</tr>
<tr>
<td>3</td>
<td>Increase State &amp; Federal Revenues</td>
<td>-</td>
<td>$325,000</td>
<td>$325,000</td>
</tr>
<tr>
<td>4</td>
<td>Suspend Start-up of New Programs</td>
<td>-</td>
<td>$86,000</td>
<td>$106,000</td>
</tr>
<tr>
<td>5</td>
<td>Foster Care Aid Rate Enhancement - BOS Addback</td>
<td></td>
<td>$1,687,543</td>
<td>$1,687,543</td>
</tr>
<tr>
<td>6</td>
<td>CBO Contract Savings</td>
<td>-</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total Non Salary</strong></td>
<td>-</td>
<td><strong>$4,180,911</strong></td>
<td><strong>$3,751,407</strong></td>
</tr>
</tbody>
</table>
## HSA FY 2008-09
### Mid-Year Reduction Plan – Personnel

<table>
<thead>
<tr>
<th>Personnel Reductions</th>
<th>FTEs</th>
<th>FY08-09 GF Share</th>
<th>FY09-10 GF Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 CAAP Eligibility Workers and Employment Specialists</td>
<td>11.0</td>
<td>$375,627</td>
<td>$914,648</td>
</tr>
<tr>
<td>9 CalWORKs Staff</td>
<td>10.0</td>
<td>346,304</td>
<td>841,718</td>
</tr>
<tr>
<td>10 Investigations Staff</td>
<td>10.0</td>
<td>239,953</td>
<td>584,121</td>
</tr>
<tr>
<td>11 Food Stamps Staff</td>
<td>4.0</td>
<td>87,140</td>
<td>212,179</td>
</tr>
<tr>
<td>12 Foster Care Eligibility Staff</td>
<td>10.0</td>
<td>215,852</td>
<td>525,571</td>
</tr>
<tr>
<td>13 Workforce Development Staff</td>
<td>8.0</td>
<td>182,116</td>
<td>443,458</td>
</tr>
</tbody>
</table>
### HSA FY 2008-09
Mid-Year Reduction Plan – Personnel (Continued)

<table>
<thead>
<tr>
<th>Position and Description</th>
<th>Reduction</th>
<th>Cost Savings</th>
<th>Savings %</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Family and Children's Services Protective Services Staff</td>
<td>10.0</td>
<td>$269,790</td>
<td></td>
</tr>
<tr>
<td>15 Administrative HR Staff Reorganization</td>
<td>2.0</td>
<td>63,995</td>
<td></td>
</tr>
<tr>
<td>16 IHSS Nurse</td>
<td>1.0</td>
<td>39,755</td>
<td></td>
</tr>
<tr>
<td>17 Public Guardian/Administrator Staff</td>
<td>4.0</td>
<td>97,397</td>
<td></td>
</tr>
<tr>
<td>18 Homeless Sr. Admin Analyst</td>
<td>1.00</td>
<td>31,024</td>
<td></td>
</tr>
<tr>
<td>19 Vacant Positions/Salary Savings</td>
<td>--</td>
<td>400,000</td>
<td></td>
</tr>
<tr>
<td>Total Personnel</td>
<td>71.00</td>
<td>$2,348,952</td>
<td>$4,835,094</td>
</tr>
<tr>
<td>TOTAL ALL ITEMS</td>
<td></td>
<td>$6,529,863</td>
<td>$8,586,501</td>
</tr>
</tbody>
</table>

**CITY & COUNTY OF SAN FRANCISCO**

**HUMAN SERVICES AGENCY**
Mayor’s Budget Instructions

In the Next Year

• Reduce General Fund Spending by 12.5%

• Submit “contingency” reductions of 12.5%

• Seek and prioritize solutions such as:
  • Administrative efficiencies
  • Consolidation of programs and functions
  • Restructuring service delivery
  • Revenue options
Mayor’s Budget Instructions

The Mayor’s instructions direct the Agency to cut $21.7 million or 25% in General Fund support from the Agency’s $86.8 million discretionary General Fund budget.

12.5% GF Reduction $10,857,791
12.5% GF Contingency Reduction $10,857,791

Total $21,715,582
Budget Timeline of Events

Community Meeting: DAAS
16th
December

Community Meeting: DHS
17th
December

Budget Presented to DHS Commission
Tentative - January 14th
Tentative - January 29th

Budget Presented to DAAS Commission
Tentative - February 4th
Tentative - February 18th

Agency Budget Submitted to Controller’s Office
February 20th
Public Comment

Today’s Presentation can be found at: http://www.sfhsa.org

Please provide additional comments, input, and feedback to Derek Chu at derek.chu@sfgov.org