

CITY & COUNTY OF SAN FRANCISCO

HUMAN SERVICES AGENCY

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

Human Services Agency – FY10-11 Budget Presentation

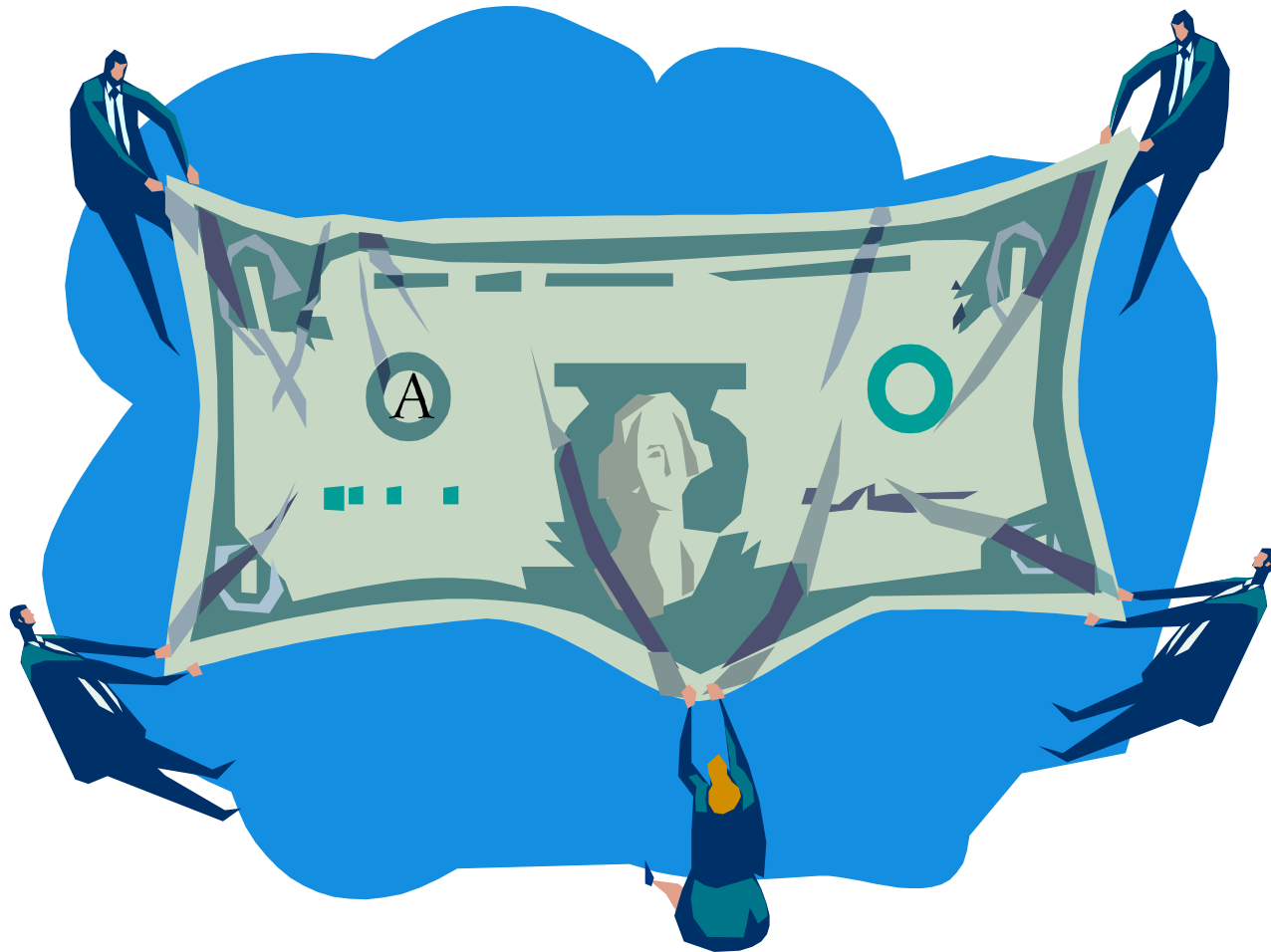


CITY & COUNTY OF SAN FRANCISCO

Agenda

- Provide overview of Agency budget
- Present local and state budget forecasts
- Discuss Mayor's Office budget instructions and budget reduction target
- Provide outline of budget reduction plan

Budget Projections



City Budget Forecast (GF in Millions)

Sources	<u>FY 2010-11</u>
Property and Payroll Tax Decreases	-111.8
Net Loss of One-Time Sources	-146.8
Estimated State Budget Reductions	-40.0
Other	-22.5
Revenue Growth	<u>30.3</u>
Sources Subtotal	-290.8
Uses	
Expiration of Labor Givebacks, MOU's	-41.3
Health & Retirement Increases	-63.3
Loss of One-time Savings	-57.5
Other Expenditures	<u>-69.4</u>
Uses Subtotal	-\$231.5
Est FY10-11 Savings from FY09-10 Reductions	56.3
Projected Shortfall with Mid-Year Reductions	<u>-\$466.0</u>

State Budget Forecast

State budget shortfall projected at \$20 billion

The largest areas of state spending are:

<u>Service</u>	<u>FY09-10 GF Spending</u>
K-12 Education	\$35.0 billion
Health and Human Services	\$24.9 billion
Higher Education	\$10.6 billion
Corrections	\$8.2 billion

Source: California Department of Finance

Mayor's Budget Instructions

- Reduce General Fund spending by 20%
- Submit “contingency” reductions of 10%
- 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 30% in General Fund support.

20% GF Reduction	\$18,958,729
10% GF Contingency Reduction	<u>\$ 9,479,364</u>
Total	\$ 28,438,093

DAAS Budget Principles

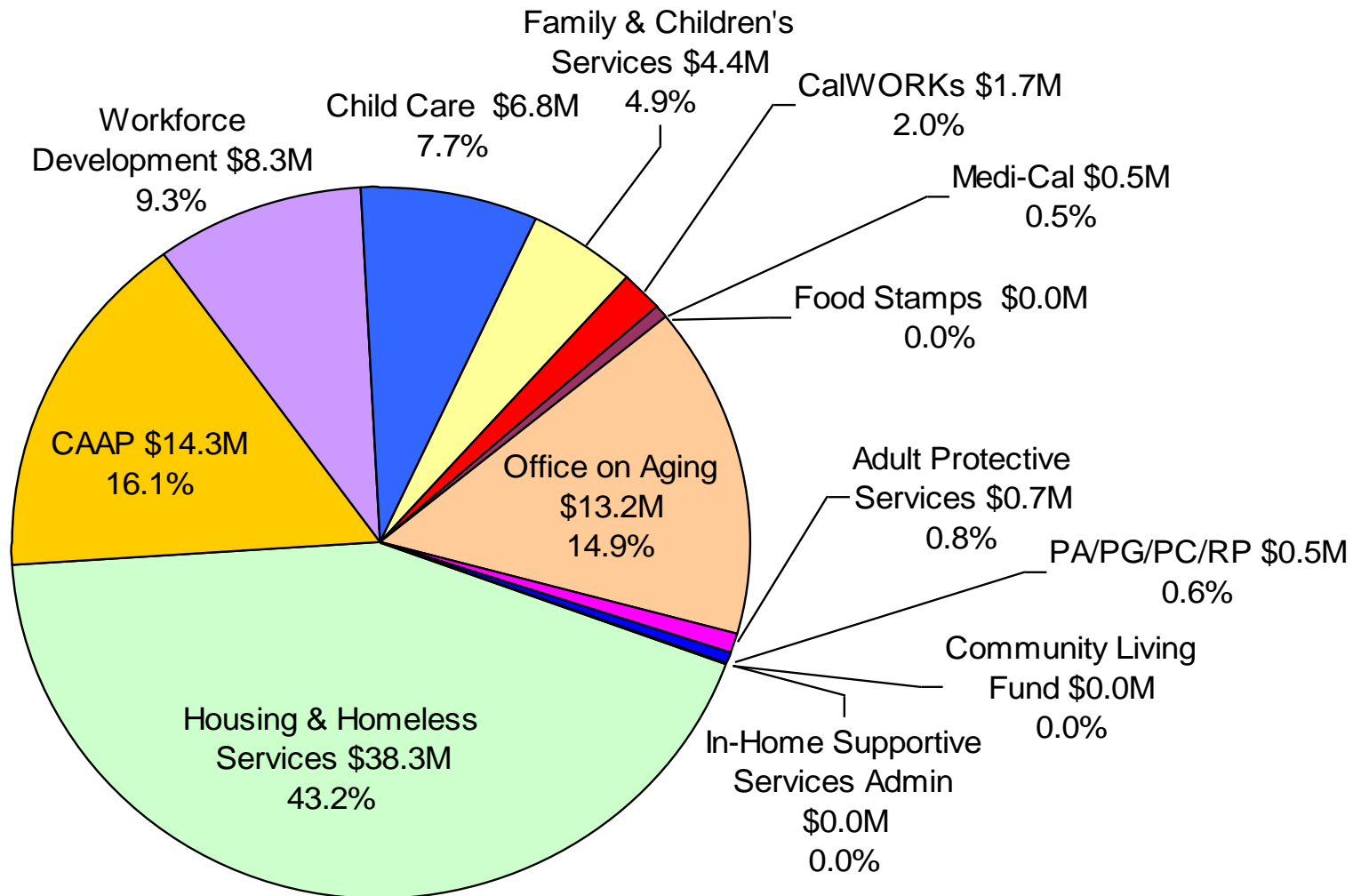
- Serve the most vulnerable consumers, including those who are isolated, in need of protective services, and those who are living in poverty.
- Maintain access to information and services.
- Utilize a targeted rather than across-the-board approach to budget reduction.
- Maintain and improve internal communication among DAAS staff as well as external communication with community-based organizations.
- Continue to seek out other financial/revenue streams.
- Encourage and reward collaborative ventures between CBOs and City and County Departments.

DHS Budget Goals

- Preserve programs and services that meet basic human needs:
 - housing/shelter, food and nutrition, access to health care, income support, and protection/safety.
- Minimize reductions to services and programs that leverage outside revenues.
- Maintain client services that are necessary to achieve mandated outcome objectives.
- Develop business process improvements and program efficiencies in order to reduce costs.
- Consider program effectiveness when making budget reductions in specific programs or initiatives.

Operating Budget - General Fund Support

HSA Operation GF by Program \$88.67M



Operating Budget - General Fund Support

Program	Total GF ¹	% GF	Proportional Share of Bgt Target ²
DHS			
Housing & Homeless Services	38,314,047	43%	12,287,394
CAAP	14,294,513	16%	4,584,280
Workforce Development	8,251,458	9%	2,646,260
Child Care	6,792,174	8%	2,178,264
Family & Children's Services	4,368,528	5%	1,400,996
CalWORKs	1,729,464	2%	554,643
Medi-Cal	467,398	1%	149,895
Food Stamps	0	0%	0
DAAS			
Office on Aging	13,201,311	15%	4,233,688
Adult Protective Services	742,480	1%	238,115
PA/PG/PC/RP	513,118	1%	164,558
Community Living Fund	0	0%	0
In-Home Supportive Services Admin	0	0%	0
Total	88,674,491	100%	28,438,093

Note: 1. Excludes GF for MOE and matching requirements under operating budget

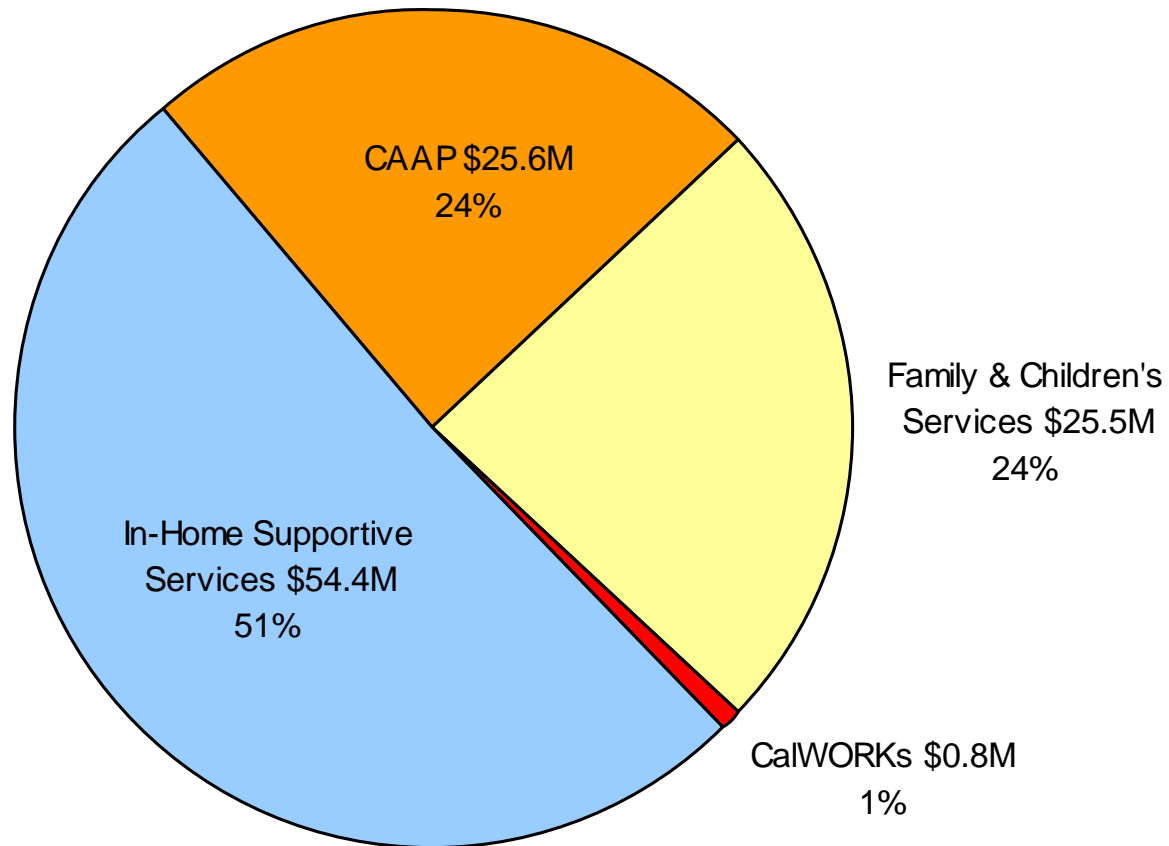
2. "Proportional Share of Budget Target" is for illustrative purposes only and not intended to demonstrate the proposed cuts in each area.

CITY & COUNTY OF SAN FRANCISCO

HUMAN SERVICES AGENCY

Aid Budget - General Fund Support

HSA Aid GF by Program \$106.39M

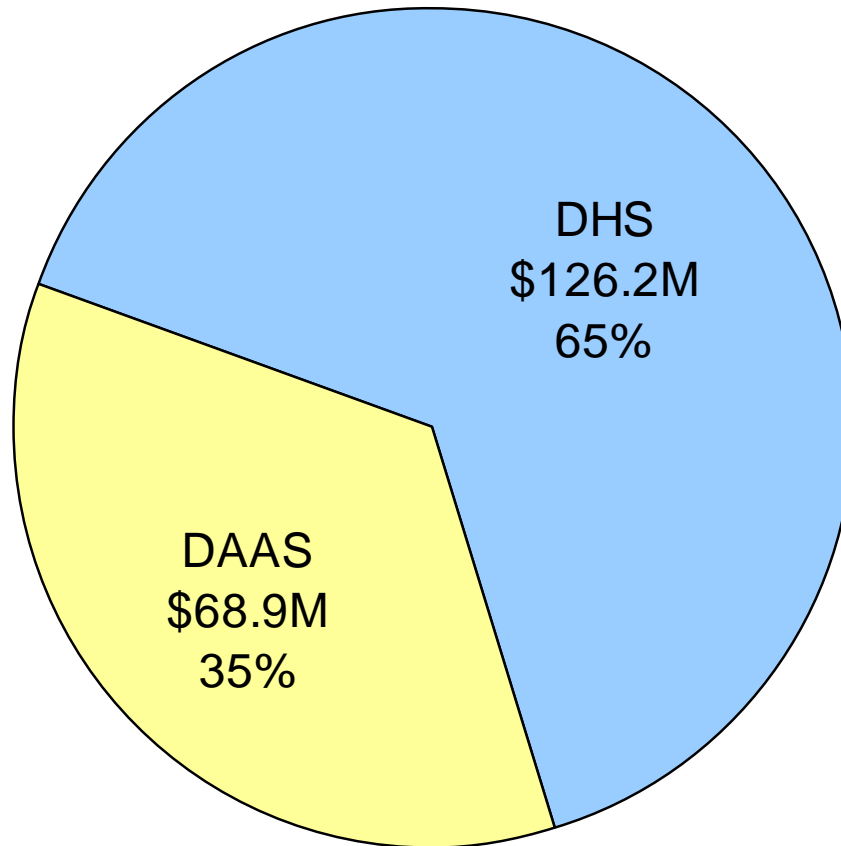


Aid Budget - General Fund Support

Program	Total GF	% GF
DHS		
CAAP	\$25,642,265	24%
Family & Children's Services	\$25,520,927	24%
CalWORKs	\$799,644	1%
DAAS		
In-Home Supportive Services	\$54,427,495	51%
Total	\$106,390,332	100%

DAAS & DHS Budget – GF Support

HSA Total GF \$195.1M



DAAS & DHS Budget – GF Support

Program	Total GF¹	% GF	Proportional Share of Bgt Target²
DHS	126,180,418	65%	18,395,580
DAAS	68,884,405	35%	10,042,513
Total	195,064,823	100%	28,438,093

Note:

“Proportional Share of Budget Target” is for illustrative purposes only and not intended to demonstrate the proposed cuts in each area.

HSA Budget Reduction Plan

- Focusing on programs with General Fund spending
- Not planning across-the-board cuts to programs
- Looking at aid and non-aid budgets
- Seeking reductions in CBO contracts
- Developing plans to increase federal and state revenues
- Searching for internal efficiencies

Budget Reductions made for HSA FY 09-10

FY09-10 GF Actual Reduction	\$	%
Agency Salaries and Benefits	\$12,241,605	28%
CBO Contracts	\$7,069,450	16%
Revenue and Other Savings	\$23,996,702	55%
Total	\$43,307,757	100%

HSA FY 09-10 Mid-Year Budget Reductions

Program	Item	Notes	FY09-10 GF Share
CalWorks	Consulting Services	Reduced spending on consultants	\$37,000
	Cal-Learn Services	Reduced contract spending	\$37,000
Children's Baseline	CWS Fiscal Analysis	Reduced consulting contracts	\$149,569
	Training services	Reduced need for additional services.	\$23,500
	Foster Care Support	Reduced spending on ancillary aid	\$160,529
	Grant Writing	Reduced need for grant writing	\$18,000
	Non-4E Eligible Services	Spending controls on non-4E eligible services.	\$99,000
	SB163 Wrap Program	Reduced spending on program	\$404,958
	Work Order	Work order encumbrance closeout.	\$1,042,481
County Adult Assistance Program	Assessments	Reduced need for assessment services	\$53,870
	Consulting Services	Reduced need for IT consultants	\$120,872

HSA FY 09-10 Mid-Year Budget Reductions (Cont.)

Program	Item	Notes	FY09-10 GF Share
Family & Children's Services	Parenting Education Services	Reduced need for additional parenting education services	\$100,000
	Work Orders	Work order encumbrance closeout	\$104,596
Homeless Services	DPH Work Orders	Admin & operational efficiencies for DPH supportive housing services	\$225,079
	Facility Maintenance	Efficiencies and deferred maintenance	\$425,904
	Work Order	Work order encumbrance closeout	\$25,701
Program Support	Contract Savings	Savings from contract negotiations	\$168,500
	Tenant Improvement	Deferred tenant improvements	\$83,504
	Work Orders	Work order encumbrance closeout	\$64,483
Welfare to Work	Boyd Workforce Center	Reduced maintenance needs	\$7,500
Total			\$3,352,045

Staffing Reductions

Since FY 08-09 - 18 Month Period

<u>Human Services Agency</u>	<u># of Positions</u>
Administration	33.5
Adult Protective Services	6
CAAP	27
CalWORKs	25
Family & Children's Services	67
Food Stamps	4
Foster Care Eligibility	5
Housing & Homelessness	3
IHSS	17
Medi-Cal	1
Public Admin/Guardian/Conservator/Rep Payee	6
Welfare to Work Services	10
Other DAAS	<u>5</u>
Total:	209.5

Main HSA Program Areas Under Review

Administration

- Managerial and admin restructuring
- Support staff restructuring
- Fees and revenues

Child Care

- HSA contract restructuring and efficiencies

Main HSA Program Areas Under Review

Housing & Homelessness

- Family Supportive Housing
- Single Adult Supportive Housing contract restructuring
- Non-permanent housing

Family and Children's Services

- Non-core services
- Family Unification Program

Main HSA Program Areas Under Review

DAAS Program Areas

- Revenue / Timestudying Increases:
 - Case Management
 - Community Services
 - Health Promotion
 - Legal Services
 - Transportation
 - Application for Federal Grants
- Lead Agency Model being explored for some Office on Aging programs
- Exploring Cost Sharing Proposal with the State for FY 10/11

HSA Budget Reduction Plan

Revenue & Savings	24,804,614
Reductions in Program Funding	<u>3,642,333</u>
Total	28,446,948

Revenue and Savings	FY09-10 GF Share	FY10-11 GF Share	Total GF
Federal and State Aid Savings			
FMAP - IHSS IP Wages	-	5,928,891	5,928,891
FMAP - IHSS Contract	-	570,618	570,618
FMAP - IHSS Public Authority	-	2,083,519	2,083,519
FMAP - Foster Care and AAP	-	1,000,000	1,000,000
State IHSS Wages	6,700,000	-	6,700,000
Total	6,700,000	9,583,028	16,283,028

HSA Budget Reduction Plan

Revenue and Savings	FY 09-10 GF Share	FY 10-11 GF Share	Total GF
DAAS Items (For Explanation Only, Not For DHS Commission Approval)			
Aid & Contract Savings	-	400,000	400,000
IHSS Consortium Savings	400,000	-	400,000
Legal Services	-	100,000	100,000
Elder Abuse Prevention	70,000	30,000	100,000
Public Conservator Revenues	250,000	250,000	500,000
Case Management Revenues	300,000	600,000	900,000
IHSS PA Health Copay	-	891,789	891,789
Total	1,020,000	2,271,789	3,291,789

Revenue and Savings	FY 09-10 GF Share	FY 10-11 GF Share	Total GF
DHS Items (For DHS Commission Approval)			
Admin Services	161,933	161,933	323,866
Admin Fee Reimbursement	275,000	275,000	550,000
Admin Flex Class Downgrades	-	411,146	411,146
Admin Program Staff	-	426,785	426,785
Child Care – Stage 1	500,000	815,000	1,315,000
Foster Care Eligibility Timestudying	70,000	140,000	210,000
FCS Case Management Timestudying	-	205,000	205,000
Foster Care SB163 Revenue	250,000	250,000	500,000
Family Unification Program	65,000	400,000	465,000
Family Resource Centers	-	400,000	400,000
Rep Payee Program - Conard	-	260,000	260,000
150 Otis Shelter	-	163,000	163,000
Total	1,321,933	3,907,864	5,229,797

HSA Budget Reduction Plan

Reductions in Program Funding	FY 09-10 GF Share	FY 10-11 GF Share	Total GF
DHS Items (For DHS Commission Approval)			
CAAP Grant Program Sanctions (5/1/10)	83,333	500,000	583,333
HL Family Supportive Services	-	495,000	495,000
HL SASH Single Adult Supportive Housing	-	400,000	400,000
Rental Subsidy Program	400,000	264,000	664,000
Working Family Credit	600,000	900,000	1,500,000
TOTAL	1,083,333	2,559,000	3,642,333

Budget Timeline of Events

Mayor Releases Budget Instructions & Targets	Dec 11 th
Community Meetings: DHS / DAAS	Jan 12 th & 14 th
Reduction Plan Presented to DAAS Finance	Jan 26 th
Reduction Plan Presented to DHS Commission	Jan 28 th
Budget Presented to DAAS Commission	Feb 3 rd
Budget Submitted to Controller's Office	Feb 22 nd
Budget Presented to DHS Commission	Feb 25 th
Budget Submitted to Mayor's Office	Mar 1 st

Information

- To access this presentation online, please go to <http://www.sfhsa.org/1600.htm>
- Any questions or comments, please email Derek Chu at derek.chu@sfgov.org