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

Human Services Agency FY14-15 & FY15-16 Budgets

Community Budget Meeting January 29, 2014
HSA FY13-14 Original Budget By Sources
$737.9M

- Federal: $237.3M (32%)
- State: $72.3M (10%)
- Realignment 1: $69.3M (9%)
- Realignment 2: $63.9M (9%)
- Federal/State Grants: $36.5M (5%)
- Community Living Fund: $2.5M (0%)
- General Fund - Aid: $94.6M (13%)
- Human Services Care Fund: $13.7M (2%)
- General Fund - Operating: $113.6M (15%)
- Work Order Recovery: $34.2M (5%)
HSA FY13-14 Original Budget By Program
$737.9M

- Adult Services $181.8M (25%)
- Program Support $90.9M (12%)
- Childcare $45.7M (6%)
- CalWORKs $46.2M (6%)
- Welfare-to-Work $32M (4%)
- Homeless Services $106.1M (15%)
- Medi-Cal $30.7M (4%)
- Public Assistance / CAAP $50.2M (7%)
- CalFresh $24.6M (3%)
- Family & Children's Services $129.7M (18%)
HSA FY13-14 Original Budget: Operating vs Aid:
$737.9M

- Operating - Total $497.4M 67%
- Aid - Total $240.5M 33%
Mayor’s FY14-15 & FY15-16 Budget Projections

Revenue outlook favorable; no assumptions included for labor contract negotiations

<table>
<thead>
<tr>
<th>Citywide Projected Shortfall (in millions)</th>
<th>FY14-15 (vs. Adopted)</th>
<th>FY15-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>63.1</td>
<td>133.2</td>
</tr>
<tr>
<td>Total Expenditures (Salary &amp; Benefits: 100.5 / 16.3, Citywide Uses: 63.3 / 134.5)</td>
<td>(163.8)</td>
<td>(150.8)</td>
</tr>
<tr>
<td>Incremental Shortfall</td>
<td>(100.7)</td>
<td>(17.6)</td>
</tr>
<tr>
<td>Cumulative Shortfall</td>
<td>(100.7)</td>
<td>(118.3)</td>
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</table>
Budget Uncertainties

- Economy
- Benefit costs
- Open Labor Contracts
- Additional State or Federal impacts including the Affordable Care Act
- Current year overspending or supplemental appropriations
Mayor’s Budget Instructions
FY14-15 & FY15-16

• Reduce General Fund by 2.5% over two years
  – FY 14-15: Propose ongoing reductions and revenues equal to 1.5% of adjusted GF support
  – FY15-16: Propose ongoing reductions and revenues equal to additional 1% of adjusted GF support
• Propose additional contingency reduction for FY15-16 equal to 1% of adjusted GF support
• Citywide, 1.5% generates $21.5M annually

Value of Target: FY14-15 $21.5M
                FY15-16 $28.6M
## HSA Reduction Target

<table>
<thead>
<tr>
<th></th>
<th>FY 14-15 (1.5% GF)</th>
<th>FY15-16 (1.0% GF)</th>
<th>Cumulative Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing Reduction</td>
<td>1,854,097</td>
<td>1,236,065</td>
<td>3,090,162</td>
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<tr>
<td>Contingency</td>
<td></td>
<td>1,236,065</td>
<td>1,236,065</td>
</tr>
<tr>
<td>Total</td>
<td>1,854,097</td>
<td>2,472,130</td>
<td>4,326,227</td>
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</table>
HSA Budget Strategies

- Leverage Agency-wide revenue
- Achieve administrative efficiencies across the agency
- Hold the line on agency cost increases
HSA FY13-14 Supplemental Proposal (Highlights)

CalWORKs

- Targeted investments in early engagement, family stabilization, and barrier removal
- SSI advocacy services
- Expanded subsidized employment opportunities
- Expanded child care slots for homeless families
HSA FY13-14 Supplemental Proposal (Highlights)

CalFresh
• Enhanced eligibility & outreach efforts to underserved populations

IHSS
• Staff enhancements to ensure timely assessments and intakes within state mandated timeframes
• Technology upgrades to maximize staff time in the field
HSA FY13-14 Supplemental Proposal (Highlights)

Family & Children’s Services

- Expanded mental health access, assessments, and services for youth meeting Katie A. criteria
- Child Protective Services Receiving Center
- Expansion of foster youth employment opportunities for non-minor dependent youth
- Technology upgrades to maximize staff time in the field
HSA FY14-15 & FY15-16
Budget Timeline

- Dec 19  Mayor’s Budget Instructions Released
- Jan 29  HSA Budget Meeting with CBO partners
- Feb 5   Aging & Adult Svcs Commission – 1st budget meeting
- Feb 12  Human Services Commission – 1st budget meeting
- Feb 21  Agency Proposed Budget due to Mayor
          (HSA to submit tentative budget pending DAAS/HSC 2nd meeting)
- Feb 26  Aging & Adult Svcs Commission – 2nd budget meeting
- Feb 27  Human Services Commission – 2nd budget meeting
- June 2  Mayor submits budget proposals to Board
- June   Board of Supervisors Budget Committee Hearings
- July   Budget Considered by Board of Supervisors