



SAN FRANCISCO
HUMAN SERVICES AGENCY

DAS FY24-25 & FY25-26 Budgets

Human Services Agency

Department of Disability and Aging Services Commission

February 7, 2024



Budget Process

Mayor's Budget

- Due to projected citywide budget deficits of almost \$800 M in the next two years, departments have been directed to trim discretionary budgets by 10% in both years of the biennium & to propose ongoing 5% contingency reductions (vis-a-vis the City's adopted FY 23-24 / 24-25 budget)
- City revenues falling in largest tax bases – property, business, transfer
- Expenditure on salaries and benefits expected to grow \$500 M in 2 yrs
 - Labor negotiations currently underway may increase this cost
- The City will update its budget projections again in March

State Budget

- Governor's budget assumes a \$38 B shortfall in FY 24-25 mainly due to lower-than-expected state tax revenues
 - A handful of significant reductions will affect HSA programs

Budget Reductions Impacting HSA

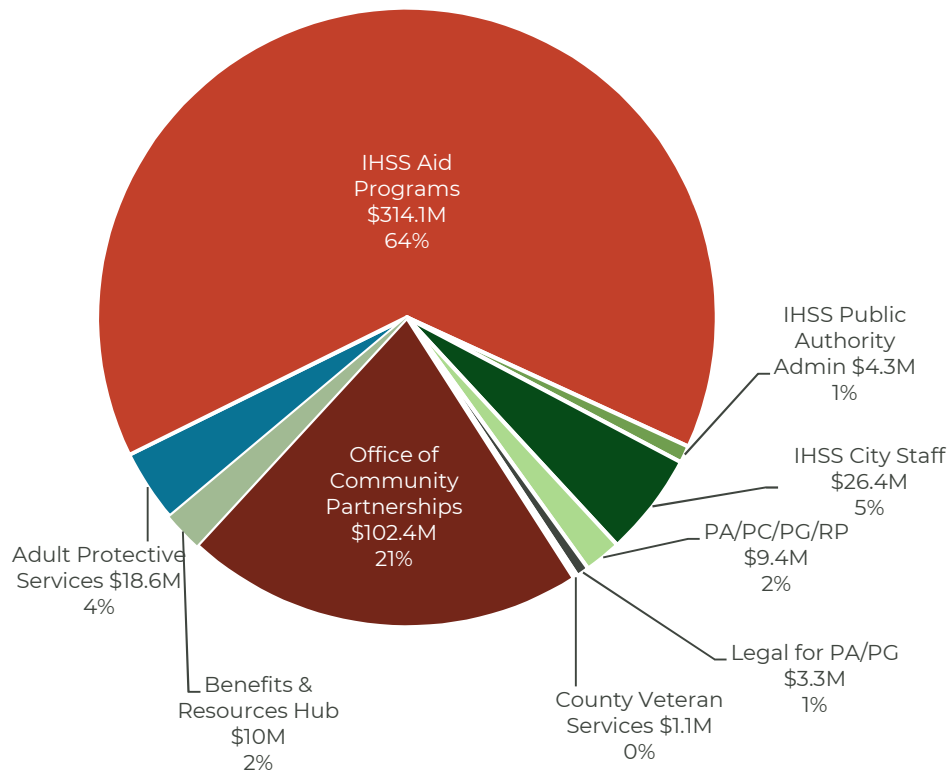
Budget Reduction (\$ millions)	FY23-24	FY24-25	FY25-26
MBO Reduction Targets			
10% Budget Reduction Target		-6.5	-6.5
5% Contingency Reduction Target		-3.2	-3.2
Governor’s Budget Proposed Reversions & Reductions			
CalWORKs Allocations – Single, Family Stabilization, & Expanded Subsidized Employment	-12.0	-16.8	-16.8
CDSS Housing Allocation Delays – Bringing Families Home, Housing & Disability Advocacy and Home Safe		-6.9	
Family Urgent Response System		-0.5	-0.5
Housing Navigation for emancipating & former foster youth		-0.3	-0.3
Total Estimated Local and State Reductions	-12.0	-34.2	-27.3

DAS Reduction Plan for City General Funds

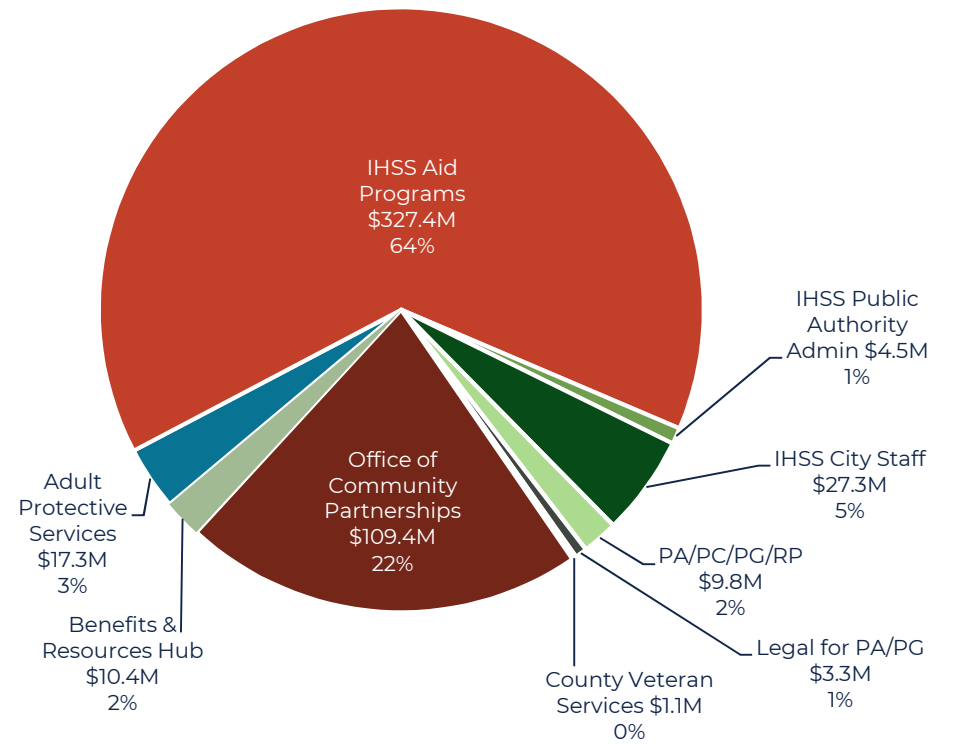
DAS Budget Item	Amount (\$ millions)	Notes
Mid-Year Reductions		<i>Assume mid-year reductions continue</i>
IHSS revenue	1.1	<i>Higher than anticipated IHSS admin allocation in FY23-24 projected to continue</i>
BOS Addbacks	0.26	<i>Enhancements paused prior to launch</i>
Personnel Attrition	0.36	<i>GF savings through assuming higher rate of vacancies in DAS</i>
Proposed New Reductions		
CBO contracts	1.1	<i>Right-size contracts in line with historic spending</i>
Fee revenue	0.4	<i>Assume higher fee revenue in PA/PG</i>
DAS Total	3.22	

- The department's 5% contingency reduction would entail absorbing \$1.7 M in estimated CODB expense through further reductions to CBO contracts

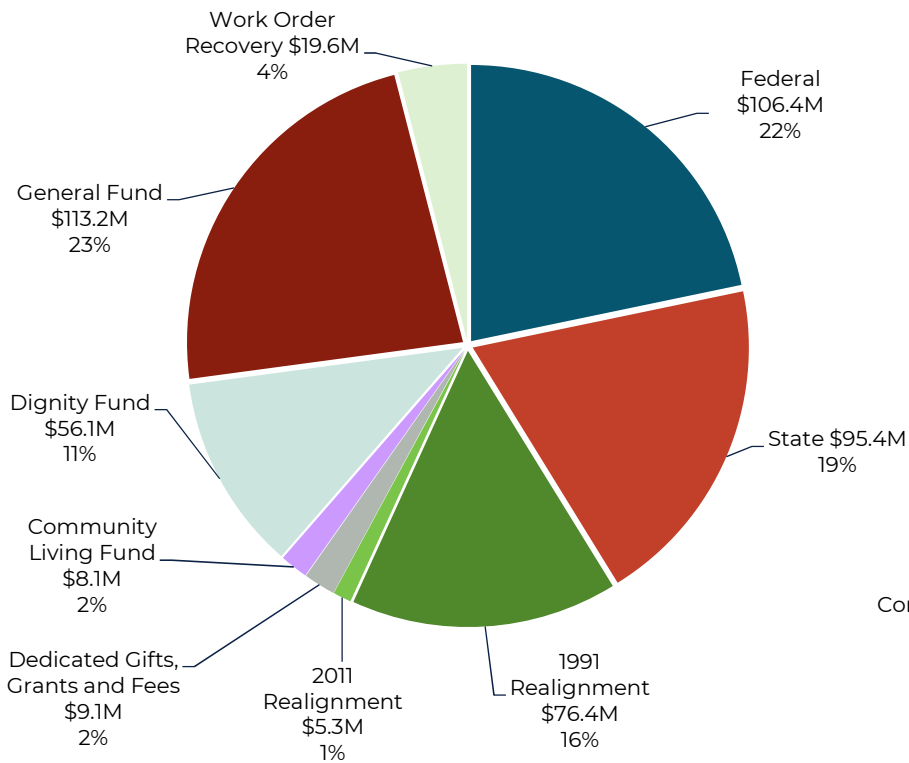
DAS FY23-24 Original Budget by Program \$489.5M



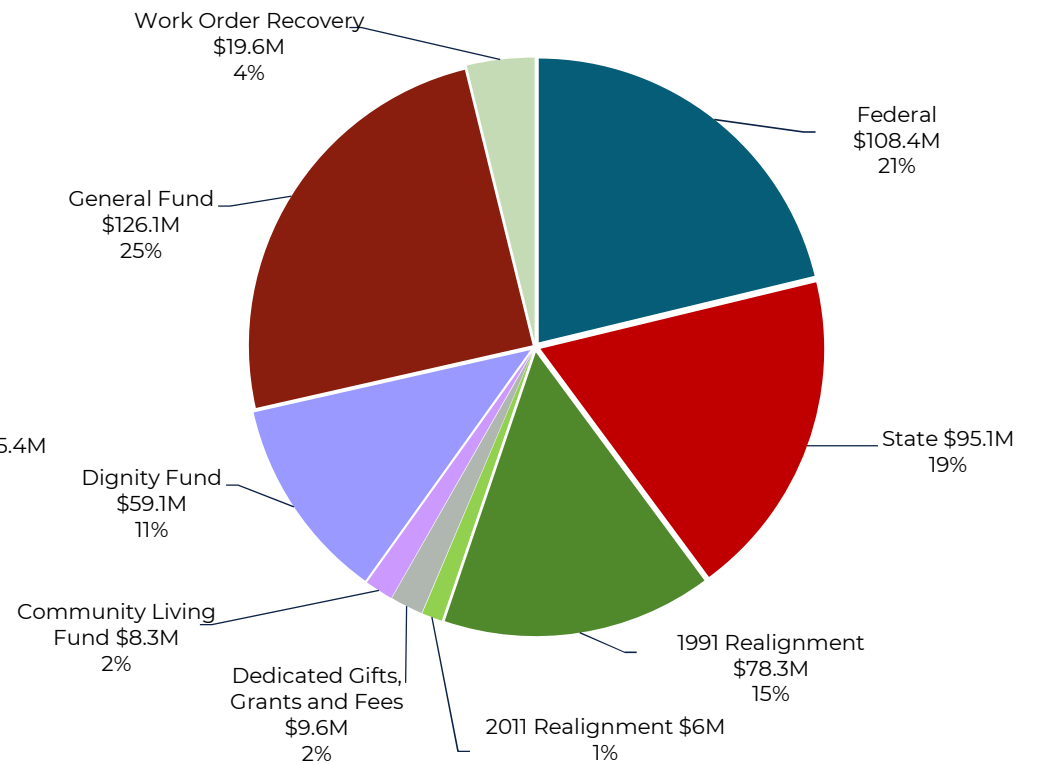
DAS FY24-25 Proposed Budget by Program \$510.6M



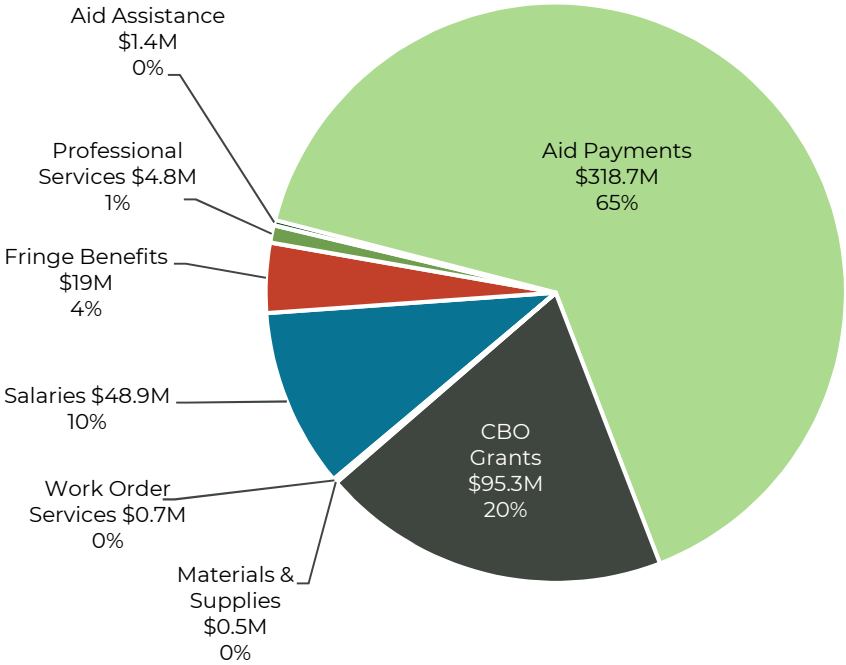
DAS FY23-24 Original Budget By Sources \$489.5M



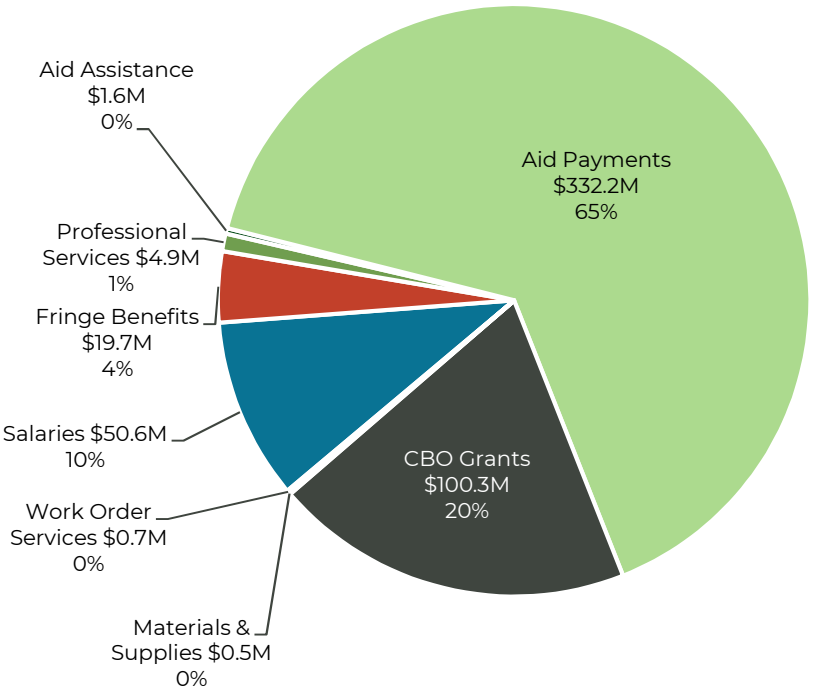
DAS FY24-25 Proposed Budget By Sources \$510.6M



FY23-24 Original DAS Budget by Category \$489.5M



FY24-25 Proposed DAS Budget by Category \$510.6M



IHSS

- The City’s MOE is projected to be \$179.6 M in FY23-24
 - Per wage increases with San Francisco providers, it will grow:
 - +\$13.3 M in FY 24-25 to \$192.9 M
 - +\$16.8 M in FY 25-26 to \$209.7 M

	July 1 2024	Jan 1 2025	July 1 2025	Jan 1 2026
IHSS Provider Wage (per hour)	\$21.50	\$22.00	\$22.50	\$23.00

Dignity Fund

- Current proposal includes \$3 M in growth funding
 - Actual inclusion in the DAS budget subject to City's March budget forecast
 - City's FY 24-25 projected deficit at December = \$244.7 M
 - Dignity Fund freeze trigger per Controller = \$252.5 M
- Should the growth remain in the final DAS budget, it would support programming in the following:
 - Access & Empowerment
 - Caregiver Support
 - Housing Support
- \$3 M in growth funding is not included in the FY 25-26 DAS budget due to projected City deficit

Senate Bill 43

- Went into effect on Jan 1 – expands the legal definition of grave disability
 - Now includes those with severe substance use disorder & inability to provide for own safety and/or medical care
- Has already increased referrals for LPS conservatorship
 - 140 new referrals through January
 - Although not all referrals will result in conservatorship, required to screen/track, placing add'l demands on limited DAS resources
 - Impacts primarily on Public Conservator and Hub at 2 Gough
- Additional resource needs must be absorbed within HSA and include:
 - Repurposing staff/personnel budget from within the agency
 - Identifying dollars to accommodate increased costs in transportation and IT systems
- Estimated ongoing increase in expenditure due to SB 43 = \$760k/yr

Other DAS Community Services

RCFE in District 1

- Budget includes \$425k/yr for development and operation of a new Residential Care Facility for the Elderly (RCFE)
- Funding required as match to a \$4.1 M capital grant through MOHCD

CalAIM collaboration with SF Health Plan

- DAS in partnership with SF Health Plan & the community is reaching out to members who may benefit by CalAIM Enhanced Care Management
 - Potential new source of ongoing revenue beginning FY 25-26

Behavior health pilots

- Advancing a Mayoral priority, the budget proposal includes one-time funding (\$200k) committed for programs implemented in DAS community service centers to address behavioral health of participants

FY 24-25 & FY 25-26 Budget Timeline

- Dec 13 Mayor's Budget Instructions Released
- Jan 10 DAS Commission – First Meeting
- Feb 7 DAS Commission – Second Meeting
- Feb 21 Agency Proposed Budget due to Mayor
- March City's Updated Budget Projection
- June 1 Mayor submits budget to Board of Supervisors
- June Board of Supervisors Budget Committee Hearings
- July Budget Considered at Board of Supervisors

