



SAN FRANCISCO
HUMAN SERVICES AGENCY

DAS FY25-26 & FY26-27 Budgets

Human Services Agency

Department of Disability and Aging Services Commission

February 5, 2025



Budget Process

Mayor's Budget

- Due to projected citywide budget deficits of almost \$876 M in the next 2 years, departments have been directed to reduce discretionary General Fund budgets by 15% in both years of the biennium
- City revenues are falling short of what was anticipated for FY 25-26, then growing slower than expected in FY 26-27; expenditures outpacing revenue
- Expenditure on salaries and benefits expected to grow \$350 M in next 2 years
- The City will update its budget projections again in March

State Budget

- Governor's budget currently assumes a very modest surplus in the biennium, mainly due to better-than-expected economic activity
- Despite federal support for at least six months of costs incurred, Southern California wildfires present significant risk to the state's financial position

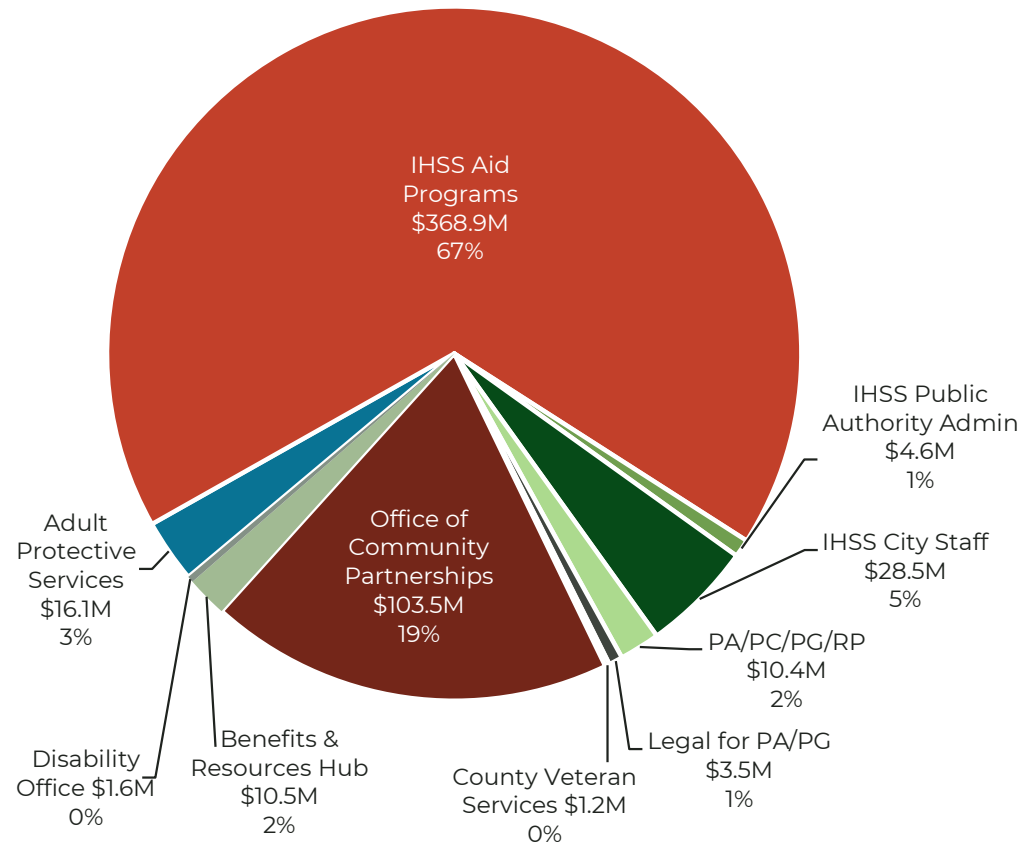
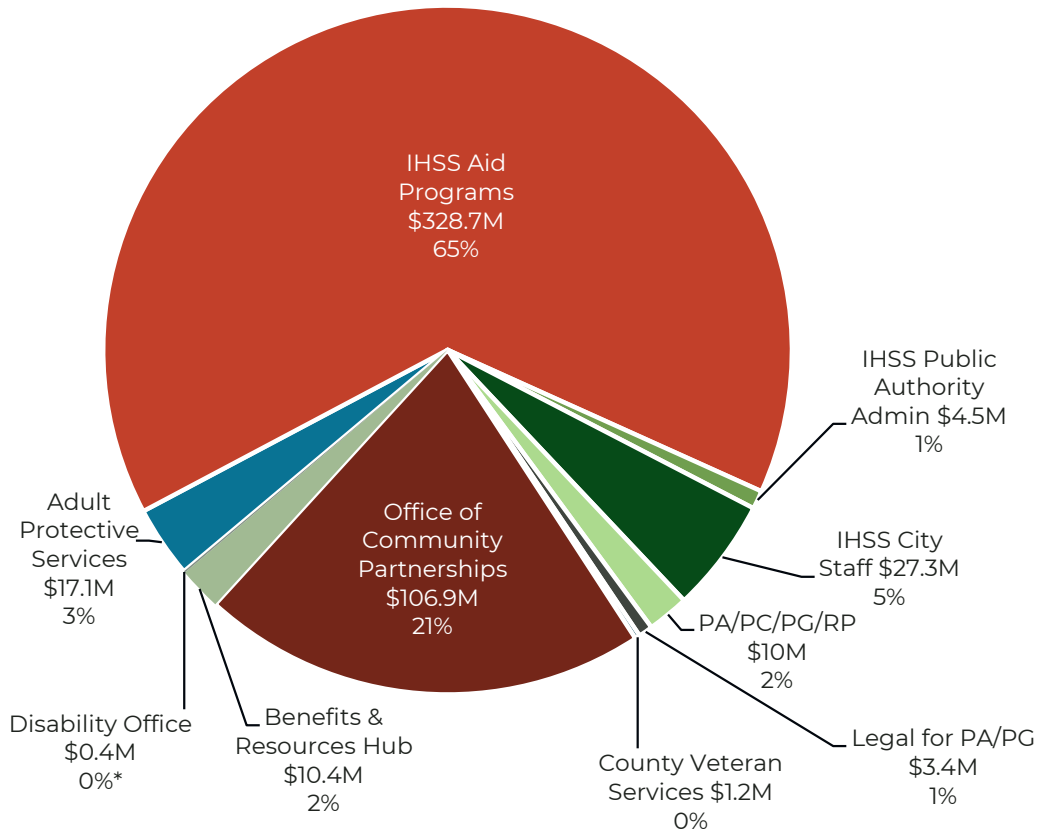
Budget Reductions Impacting HSA & DAS

- Due to the structure of the DAS budget, discretionary General Fund is concentrated in services delivered through Community Based Organizations (CBOs)

| Budget Reduction (\$ millions) | FY25-26 | FY26-27 |
|--|--|---------|
| Mayor's Reduction Target <u>\$8.2 M</u> | | |
| 15% Ongoing Reduction for HSA | -\$8.2 | -\$8.2 |
| DAS Budget Reductions to Meet Agencywide Target <u>\$2 M</u> | | |
| Pausing new CBO services | -\$2.0 per year (ongoing reduction) | |
| Right-sizing CBO contract budgets | | |
| Various CBO contract adjustments (non-core; wind-down; etc.) | | |
| Total BFS/HSA Reductions to Meet Agency Target <u>\$6.2 M</u> | -\$6.2 | -\$6.2 |

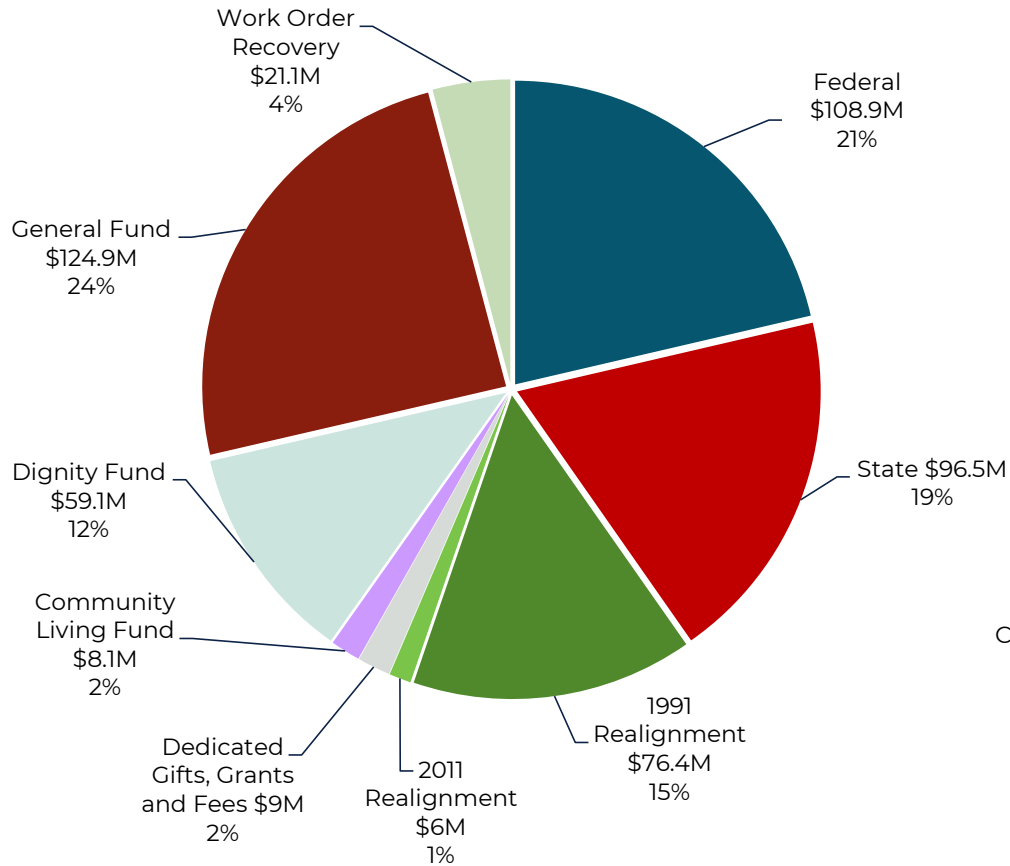
DAS FY24-25 Original Budget by Program \$509.8M

DAS FY25-26 Proposed Budget by Program \$548.8M

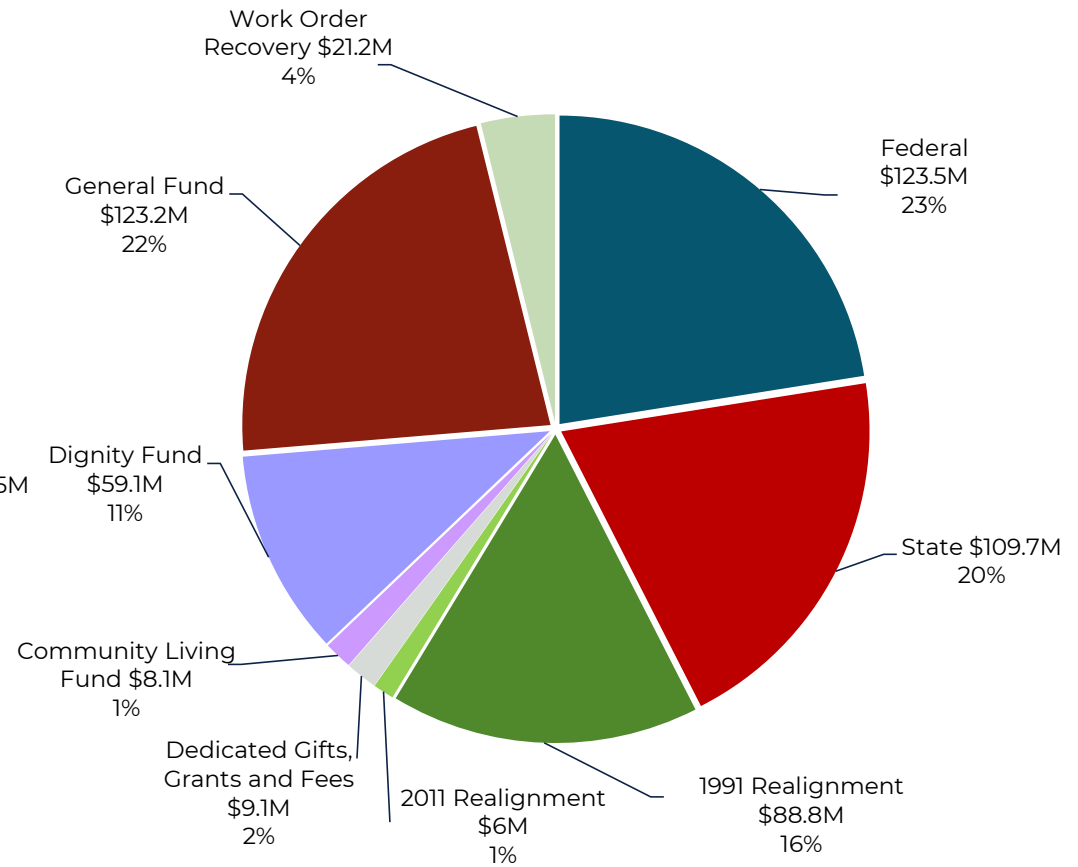


*Disability Office budget for Q4 only

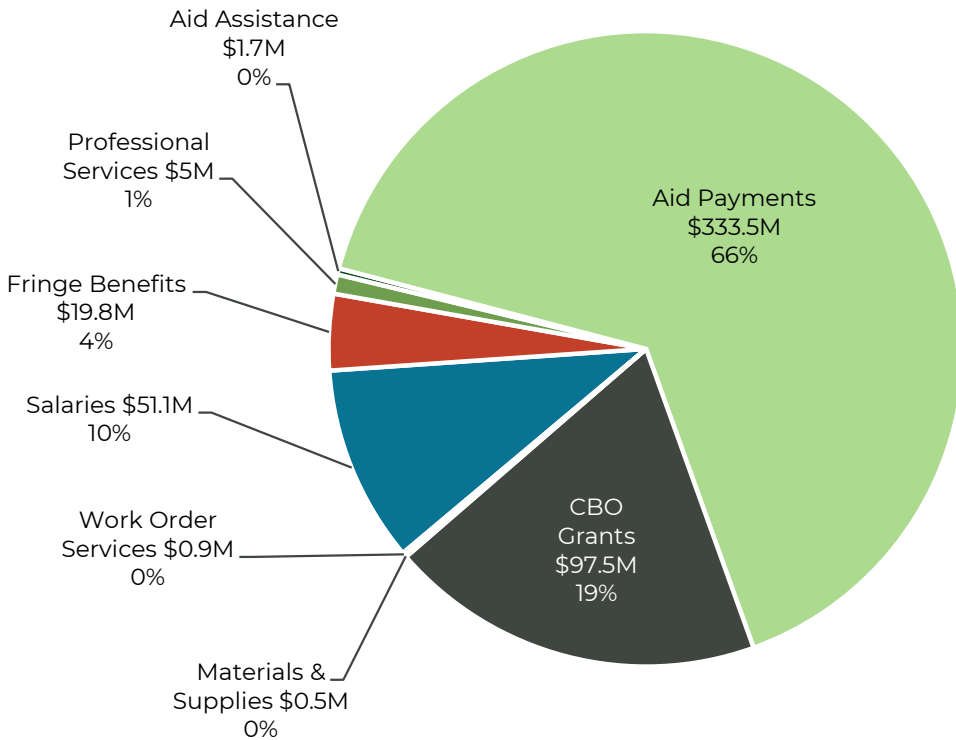
DAS FY24-25 Original Budget By Source \$509.8M



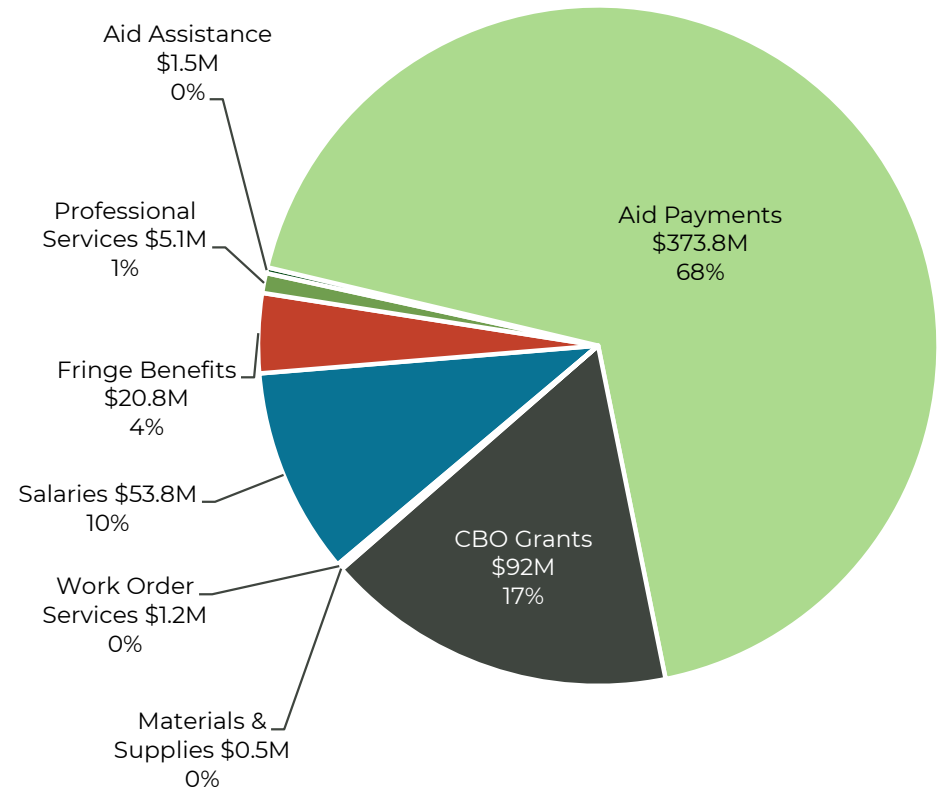
DAS FY25-26 Proposed Budget By Source \$548.8M



DAS FY24-25 Original Budget By Category \$509.8M



FY25-26 Proposed DAS Budget by Category \$548.8M



IHSS

- The City's MOE is projected to be \$191.1 M in FY 2024-25
 - Per wage increases with San Francisco providers, it will grow:
 - +\$14.7 M in FY 2025-26 to \$205.8 M
 - +\$20.6 M in FY 2026-27 to \$226.4 M

| | Jan 1 2025 | July 1 2025 | Jan 1 2026 | Sept 1 2026 |
|----------------------------------|-----------------------|------------------------|-----------------------|------------------------|
| IHSS Provider Wage (per hour) | \$22.00 | \$22.50 | \$23.00 | \$25.00 |

Dignity Fund

Proposal assumes no \$3M Dignity Fund growth allocation

- City's FY 24-25 projected deficit at December = \$253.2 M
- Dignity Fund freeze trigger per Controller = \$249.3 M
- Actual inclusion in the DAS budget subject to City's March budget forecast

Should the growth be allocated in the final budget, DAS would propose that the amount support:

- Nutrition & Wellness
- Self-Care and Safety

Other DAS Community Services

Nutrition programs

- Repurpose FY 2023-24 savings
- Meet demand and cost increases for current service levels
- Address Home-Delivered Meals waitlist

Community Needs Assessment

- Required every four years per City Charter
- Completed community needs assessment report is projected for release in Spring 2026

Opening of brick-and-mortar Disability Cultural Center

- Coincides with celebrations of Disability Pride Month in July 2025

DAS FY 25-26 & FY 26-27 Budget Timeline

- Dec 3 Mayor's Budget Instructions Released
- Jan 8 DAS Commission – First Meeting
- Feb 5 DAS Commission – Second Meeting
- Feb 21 Agency Proposed Budget due to Mayor
- June 1 Mayor submits budget to Board of Supervisors
- June Board of Supervisors Budget Committee Hearings
- July Budget Considered at Board of Supervisors