



SAN FRANCISCO
HUMAN SERVICES AGENCY

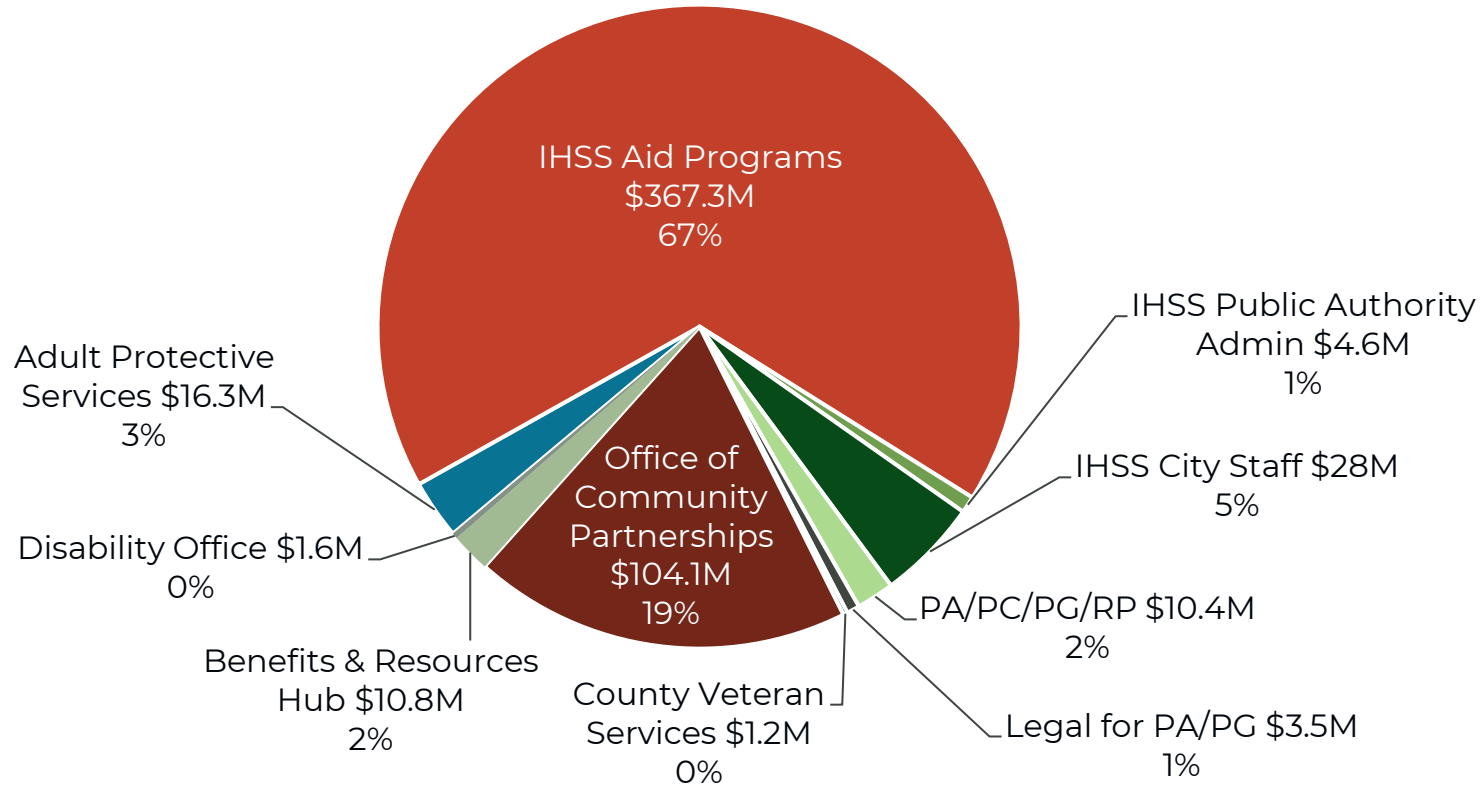
DAS FY26-27 & FY27-28 Budgets

Human Services Agency
Department of Disability and Aging Services
Presentation to the DAS Commission

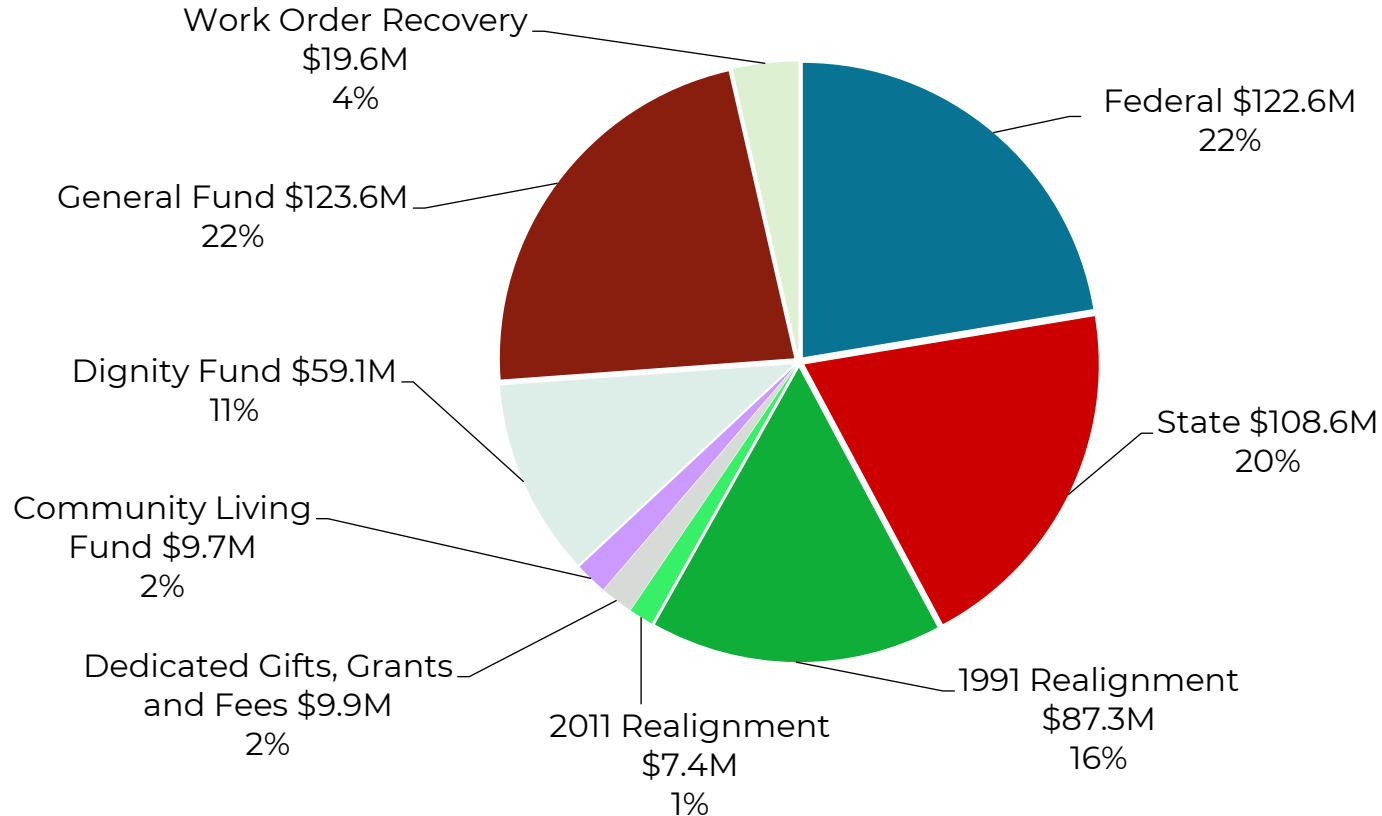
January 7, 2026



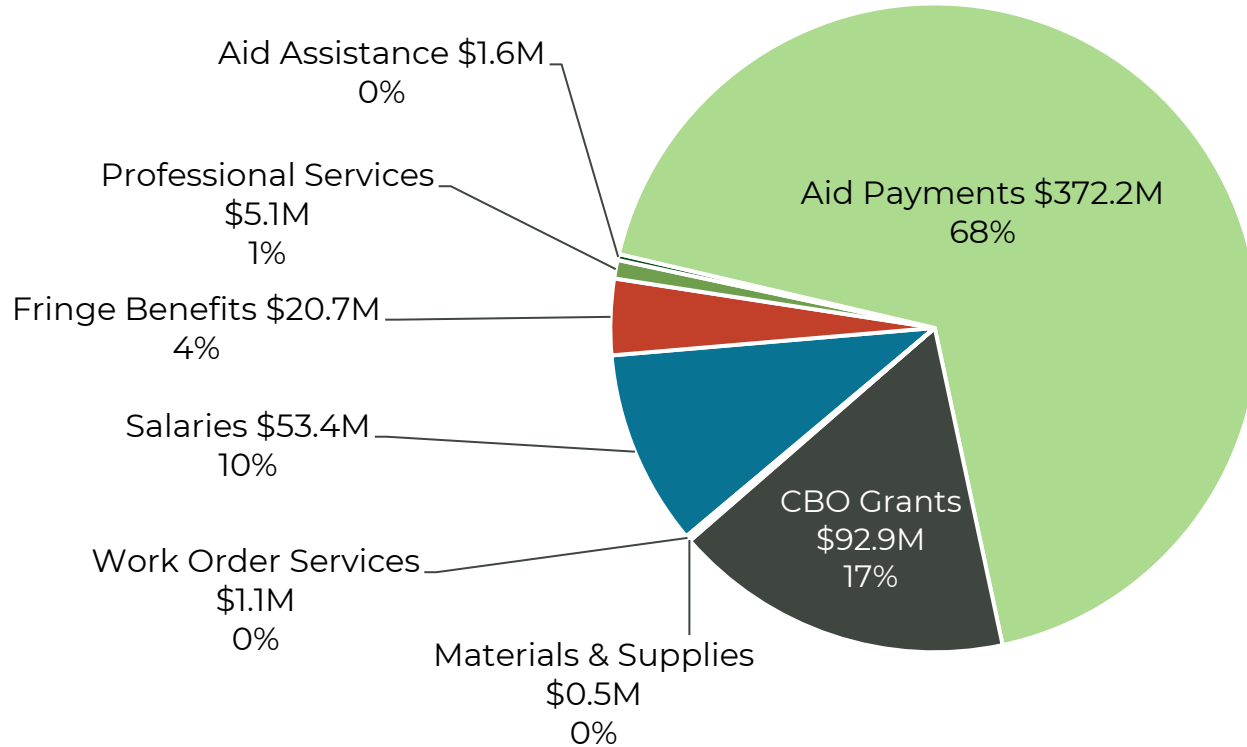
DAS FY25-26 Original Budget by Program \$547.8M



DAS FY25-26 Original Budget by Source \$547.8M



DAS FY25-26 Original Budget by Category \$547.8M



Mayor's FY26-27 & FY27-28 Budget Projections

Citywide Projected Shortfall (Millions) from City's 5-Year Financial Plan	FY26-27	FY27-28
Total Revenue - Increase / (Decrease)	252.4	697.7
Baselines & Reserves:	(118.8)	(220.2)
Salary & Benefits:	(216.5)	(551.5)
Citywide Operating Budget Costs*:	(50.4)	(179.5)
Departmental Costs:	<u>(78.5)</u>	<u>(165.1)</u>
Total Expenditures – Decrease / (Increase)	(464.2)	(1,116.2)
<i>State & Federal Policy Impacts (estimated lost revenue from H.R. 1)</i>	(84.5)	(221.8)
Total Deficit	(296.3)	(640.3)
Two-Year Deficit (936.6)		
*Citywide Uses include: general operating increases (e.g. minimum wage, utility rates, and debt service)		



Mayor's Budget Drivers

- City projects \$936 M budget deficit over the next two fiscal years, growing thereafter
- Strong business tax growth + modest growth in other local tax revenues
 - Mayor's projections do not assume a recession
- Estimated revenue loss from Federal H.R. 1 bill = \$300 M over 2 years
- Increased costs related to salaries & benefits for City staff represent the most significant cost increases during the biennium
 - CPI growth assumed on open labor contracts; 9% health rate cost growth
- Projections include fully funding of the City's 10-year Capital and Information & Communication Technology (ICT) plans
- Adds 3% CODB to the budget in the second year (FY 27-28)



Mayor's Budget Instructions

- Departments are directed to find **\$400 million in ongoing Citywide savings** starting in FY 26-27; no official percentage cut target
- Savings are to be achieved through:
 - Eliminating discretionary programs
 - Restructuring around current staffing levels
 - Shifting duplicative or common services toward a centralized model
 - Identifying technology and procurement savings
 - Reviewing grants and contracts for measurable outcomes and financial efficiency
 - Making near-term investments for long-term cost savings



Mayor's Budget Instructions

Budgets should continue to reflect the Mayoral priorities:

- Keep streets safe and clean
- Improve health and wellbeing outcomes for San Franciscans
- Revitalize the local economy, including the downtown corridor
- Make the city more affordable and livable for families
- Strengthen city arts and cultural activity
- Improve government effectiveness through investments in systems modernization, data analytics, technology and workforce talent



State Budget & HSA approach

- LAO Estimates \$18 billion State shortfall for FY26-27, and \$35 billion for FY27-28
 - Includes impacts of H.R. 1
 - Expected to limit capacity for new commitments unless significant budgetary solutions are adopted
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- HSA's budget priorities are:
 - Maintain core services
 - Pursue cost-saving strategies that minimize negative impacts on clients, staff, and operational efficiency
 - Look for opportunities to repurpose existing position vacancies and funds to meet new needs
 - Maximize revenue opportunities with state and federal partners

IHSS

- The City's MOE is projected to be \$202.3 M in FY 2025-26
 - Per a negotiated IHSS IP wage increase in FY 2026-27, and a projected wage increase based on the Consumer Price Index in FY 2027-28, it will grow:
 - +\$20.3 M in FY 2026-27 to \$222.6 M
 - +\$21.8 M in FY 2027-28 to \$244.5 M

	Jan 1 2026	Sept 1 2026	Jan 1 2027	July 1 2027 (projected)
IHSS Provider Wage (per hour)	\$23.00	\$25.00	\$25.50	\$26.10



DAS Caseloads

Program	FY 2024-25
Adult Protective Services	Clients: 7,181 Reports of abuse: 9,855
County Veterans Service Office	Clients: 2,951
In-Home Supportive Services (All unique clients served during the fiscal year)	Clients: 32,119
Integrated Intake and Referral (at Benefits and Resource Hub)	Program Intakes: 18,269
Office of Community Partnerships	Clients: 55,514 Enrollments: 135,727
<i>Congregate Meals</i>	Clients: 20,125
<i>Community Service Centers</i>	Clients: 25,314
<i>Home-Delivered Meals</i>	Clients: 7,032



DAS Highlights

- **In-Home Supportive Services**

- Relaunch of telehealth reassessments – potential to improve management of ever-expanding caseloads via timelier contact with recipients
- Compliance with 12-month reassessment requirement for CFCO recipients

- **Adult Protective Services**

- \$3 M one-time state allocation to continue Home Safe through FY 27-28

- **Public Conservator**

- Now two years since Senate Bill 43 expanded definition of grave disability
 - Conservatorship caseload up 4%, petitions for conservatorship up 15%
 - Referrals entail considerable work for DAS staff, exacerbating pre-existing issues around capacity, retention and morale



DAS Highlights

- **Benefits and Resource Hub**

- First phase of Online Resource Directory to go public early 2026
- Expanded outreach in historically underserved neighborhoods
- County Veterans Service Office to develop Peer Navigator program

- **Office of Community Partnerships**

- Disability Cultural Center brick-and-mortar opening
- Focus on funding for Nutrition programs
- Community Needs Assessment underway

- **Office on Disability and Accessibility**

- Grievance tracking evaluation with DPW, HSH, and RPD
- Hallidie Plaza renovation, SOMARTS Center elevator project, public safety improvements at Sunset Dunes, City Hall lift replacement
- Small business accessibility initiative, “Access for All” legislation, Safe Streets Directive



DAS FY26-27 & FY 27-28 Budget Timeline

- Dec 12 Mayor's Budget Instructions Released
- Jan 7 DAS Commission – First Meeting
- Feb 4 DAS Commission – Second Meeting
- Feb 23 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

