



SAN FRANCISCO
HUMAN SERVICES AGENCY

HSA/DBFS FY22-23 & FY23-24 Budgets

Human Services Agency

Department of Benefits and Family Support

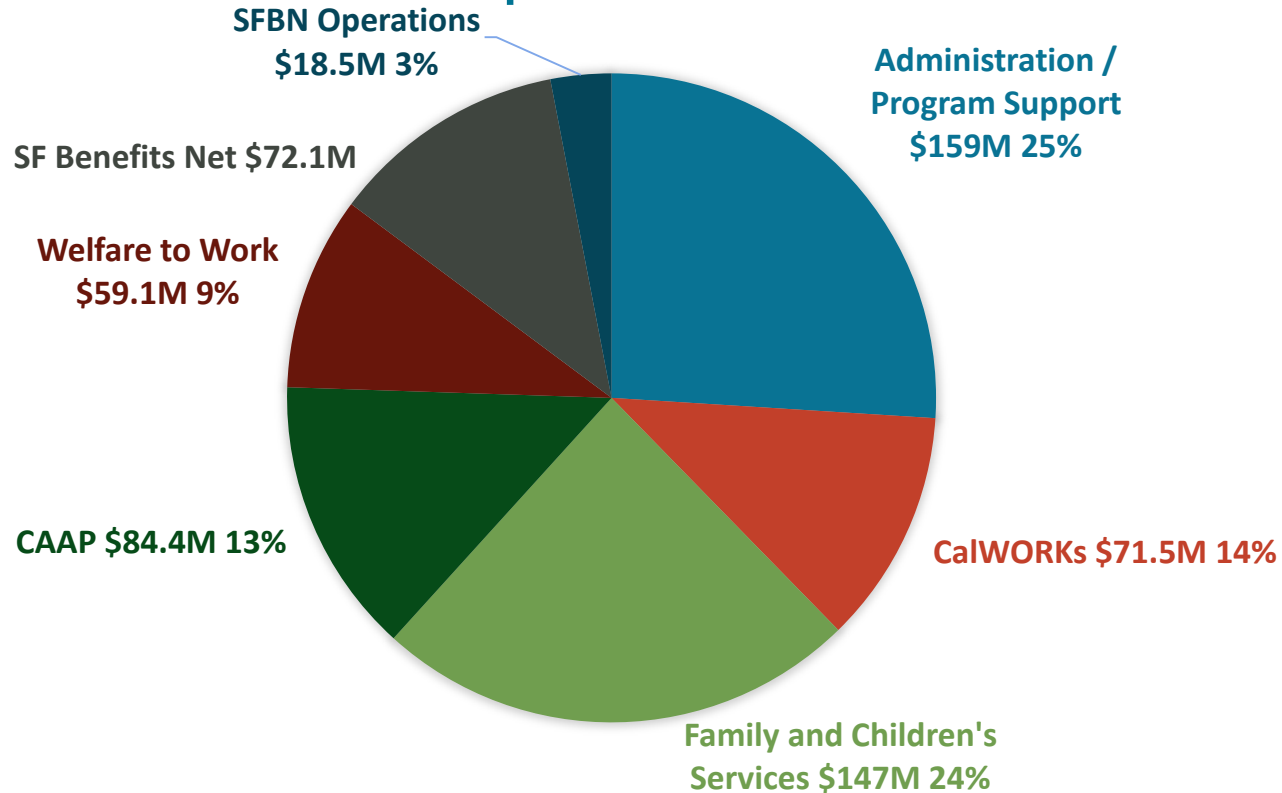
Commission Meeting

January 27, 2022



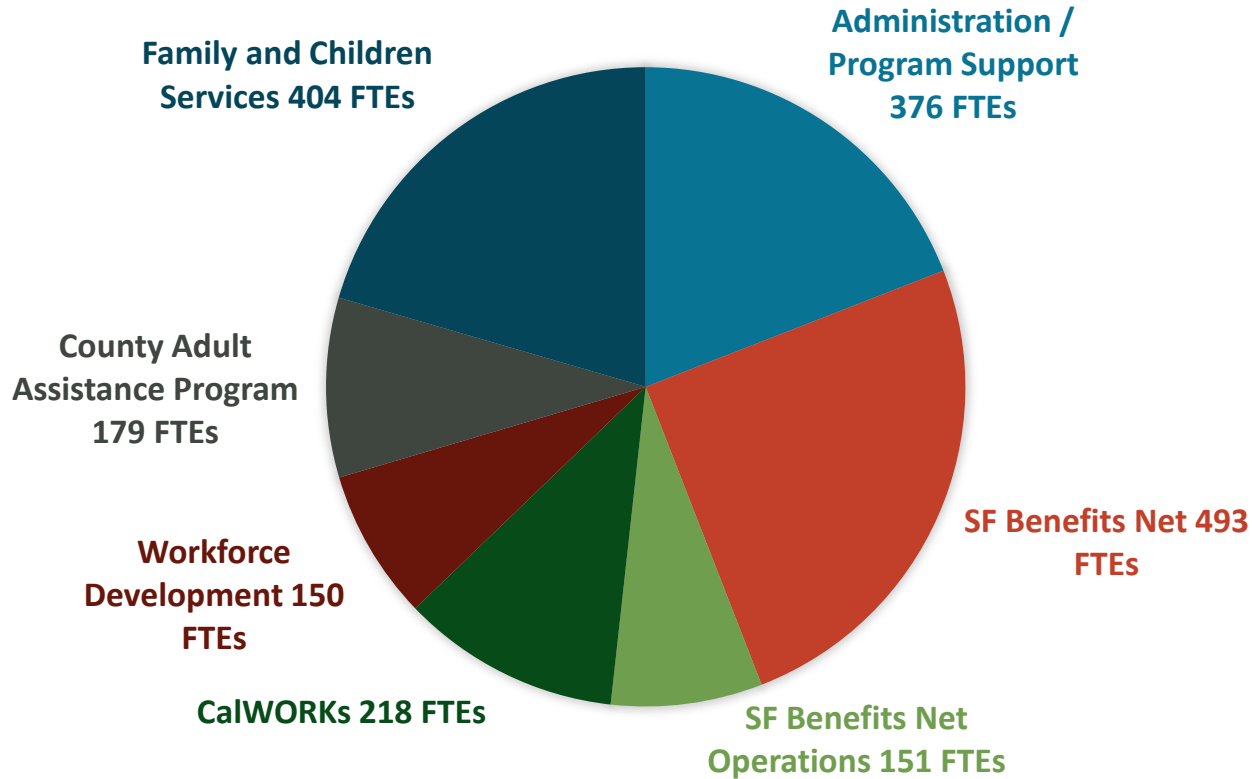
HSA/DBFS FY21-22 Original Budget by Program

\$625.7M

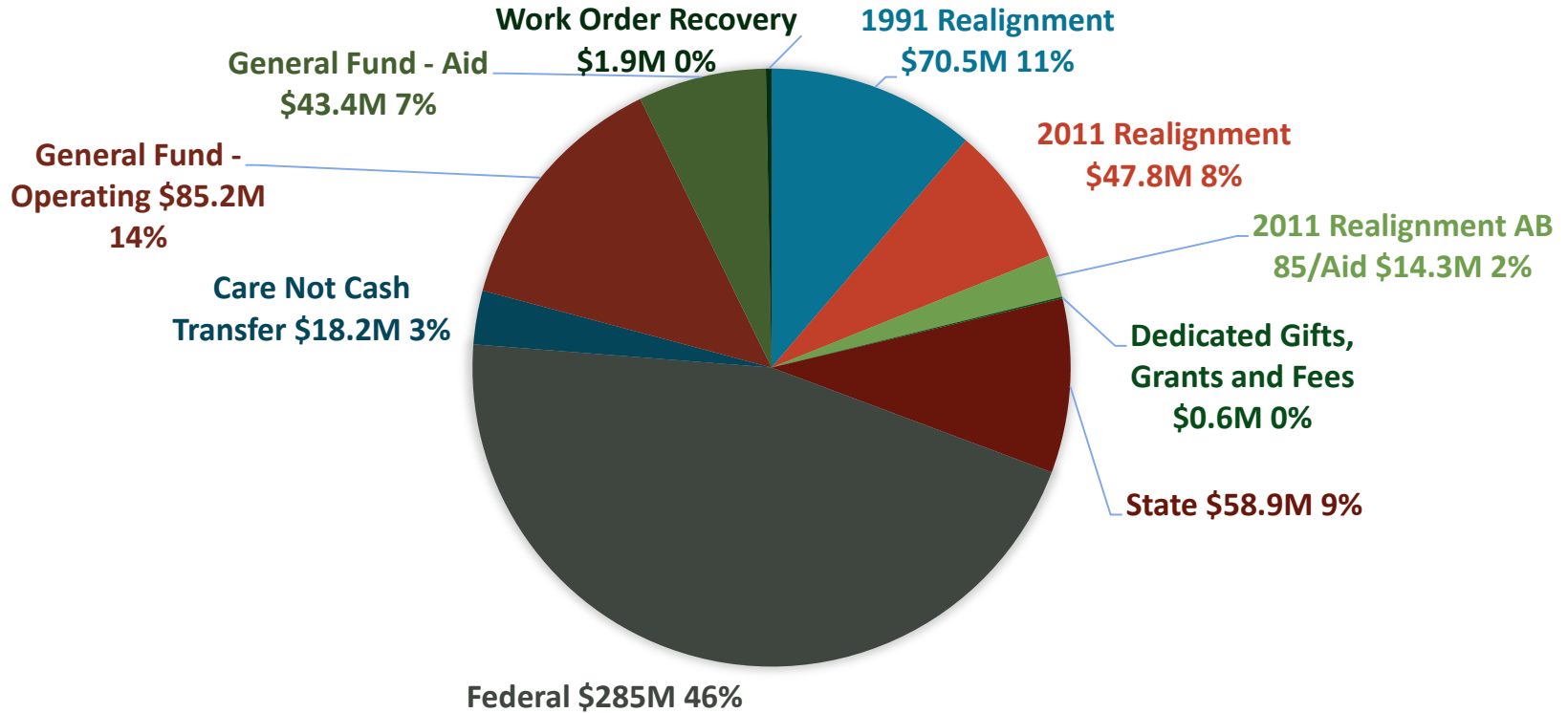


HSA/DBFS FY21-22 FTEs by Program

1,971 FTEs

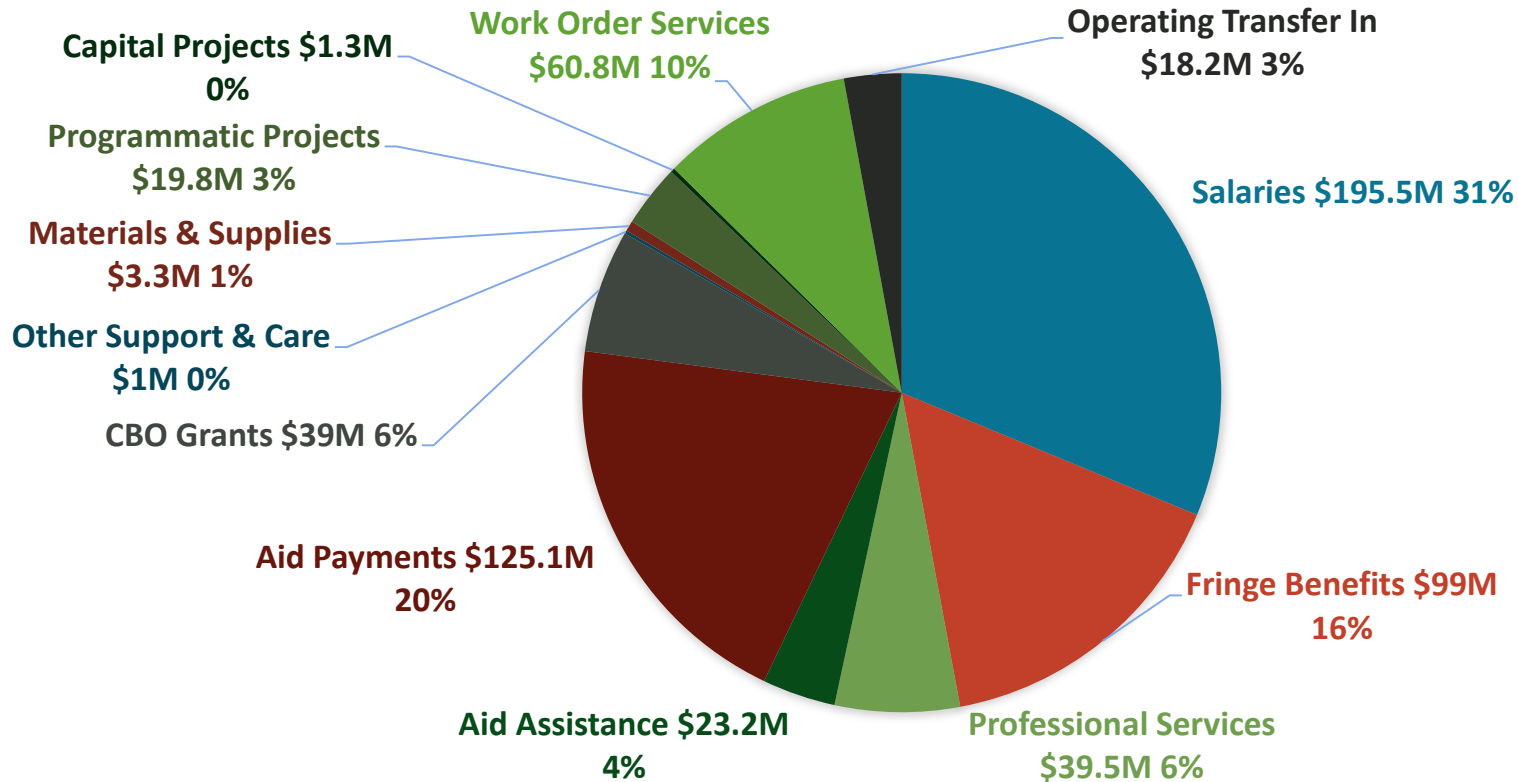


HSA/DBFS FY21-22 Original Budget by Source \$625.7M



HSA/DBFS FY21-22 Original Budget by Category

\$625.7M



Mayor's FY22-23 & FY23-24 Budget Projections

Citywide Projected Surplus (in Millions)	FY22-23	FY23-24
Total Revenue Increase	40.1	323.4
Total Expenditures	(13.9)	(241.5)
Salary & Benefits:	(57.8)	(81.7)
Baselines & Reserves:	(112.9)	(202.7)
Departmental Costs:	24.0	(15.5)
Citywide Uses*:	132.9	58.4
Cumulative Surplus	26.2	81.9
<p>*Citywide Uses include: general operating increases (e.g. minimum wage, utility rates, and debt service), and capital/equipment/IT investments.</p>		



Mayor's Budget Drivers

- Strong pension returns reduce payments required in the budget and beyond, reducing the deficit in out-years
- Improved revenue picture
 - Strong property and transfer tax; continued weakness in hotel, sales, and business taxes
 - But new local taxes and State and Federal stimulus/relief measures have improved the picture
- Salary and Benefits – assumes CPI-based (3.25% in FY 22-23, 2.83% in FY 23-24) wage increases in future years; non-police and fire unions will be in negotiation this spring
- High-degree of uncertainty remains, but overall picture is positive



Mayor's Budget Instructions & HSA Approach

- There is no General Fund reduction target; departments should submit budgets within their base General Fund
- Budgets should reflect the Mayor's priorities, which include:
 - Continuing the historic recent investments in homelessness, mental health, and anti-poverty programs
 - Restoring the vibrancy of the City, including improving public safety and street conditions;
 - Focusing on economic recovery;
 - Delivering on accountability and equity in City spending.
- HSA expects some limited opportunities for growth and new investment, given a stronger local, State and Federal budget picture, balanced against less demand than anticipated for some HSA safety net services which leads to revenues declines



Federal And State Budget Context

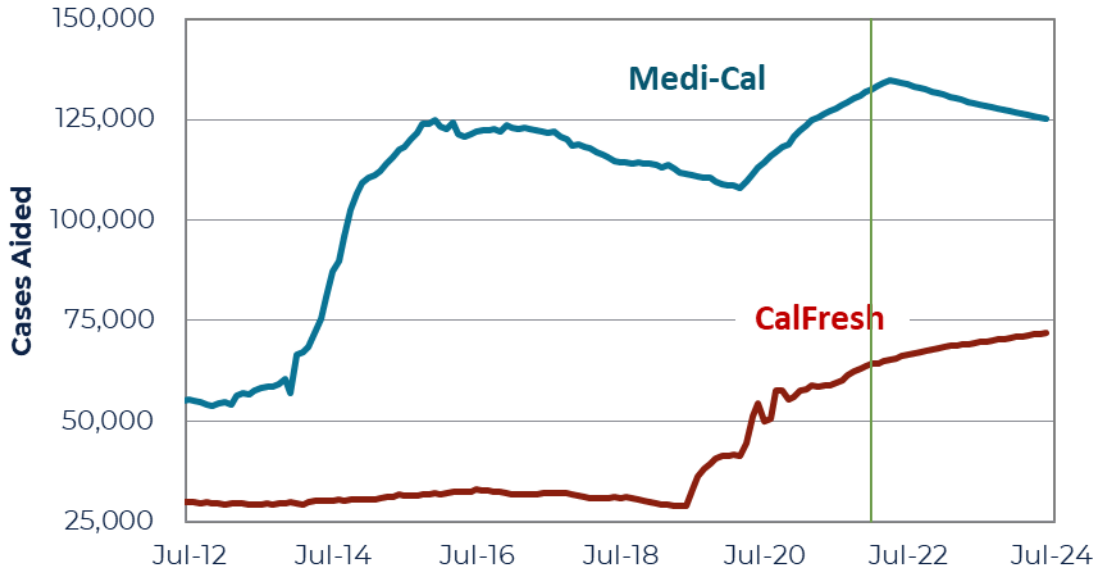
- State revenues better in FY 21-22 than forecasted
 - Robust income tax from high-wage earners
 - Strong sales tax is leading to strong Realignment revenues
 - Strong stock market
- State made major investments in housing and homeless programs in FY21-22 and the Governor proposes to continue these into FY22-23
- Allocations for major programs remain solid, in line with projected caseloads
 - Governor's budget for FY22-23 does not propose major new investments in social services, but does make major investments in health and housing that will impact our clients



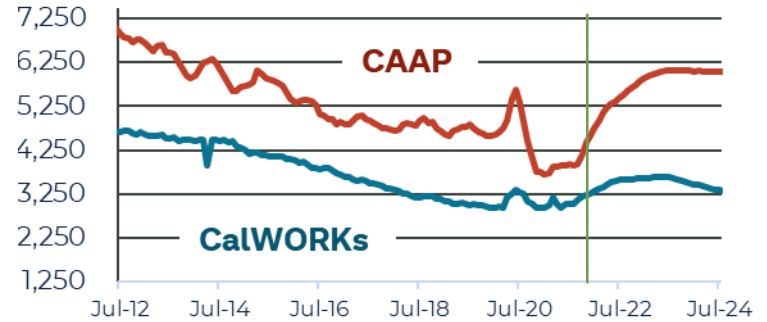
DBFS Caseloads

Actuals through Nov 2021; projections after

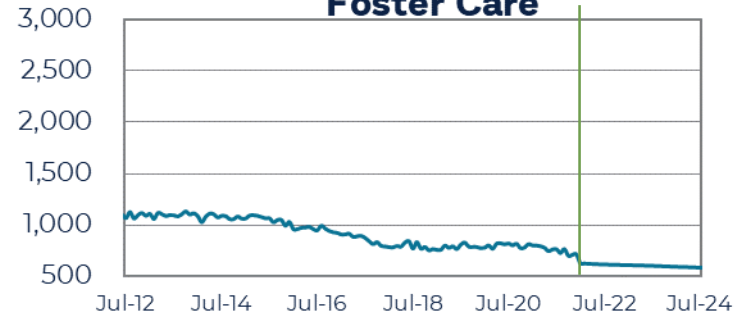
Medi-Cal and CalFresh Caseloads



CAAP and CalWORKs Caseloads



Foster Care



HSA Highlights

COVID-19 Response Effort

- Collaborating with HSH and DPH to operate non-congregate shelters:
 - Shelter-in-Place (SIP) sites for individuals at high risk of illness and Isolation and Quarantine (I&Q) sites for individuals who have tested positive for or been exposed to COVID-19
 - 3,739 served to date by SIP hotel program (program began April 2020)
 - 1,206 individuals currently housed in program
 - Commitment to transition clients to other housing options
 - Program projected to end September 2022
- Food Support programs continue to deliver meals and groceries to vulnerable populations
 - Supporting 17 CBOs in FY 21/22 with \$42 million in Citywide Food Support
 - Tens of thousands of households supplied/fed
 - Exploring food empowerment market model in line with recently passed legislation
- Collaborating with City's Cost Recovery team to maximize reimbursements



DBFS Highlights

San Francisco Benefits Net

- Substantial caseload rise in Medi-Cal (+20% since Jan 2020 or 22K cases) and CalFresh (+50% or 22K cases)
 - Expansion of full Medi-Cal coverage to undocumented immigrants aged 50+ starting in May 2022
 - Suspension of CalFresh work requirement for working-age single adults to be lifted in 2022
- Technological adjustments to operations
 - Continued utilization of staff telecommuting
 - Implemented telephonic signature
 - Federal grant for projects to enhance online delivery and receipt of CalFresh benefits
- Significant (22%) increase in CalFresh grants amounts in October resulting in \$35 more for the average case



DBFS Highlights

Homeless Benefits Linkages

- Outreach Eligibility Workers at SIP hotels, congregate shelter and Safe Sleep sites, since September 2020 submitted:
 - 1,901 CalFresh applications (93% approved)
 - 1,155 CAAP applications (24% approved)
 - 1,343 Medi-Cal applications (88% approved)
- Tipping Point Community's Chronic Homeless Initiative: providing legal aid to clients building SSI cases
 - 254 clients accepted for legal representation, 96 successfully awarded SSI
- Homeless Disability Advocacy Program (HDAP)
 - \$5.2 million allocated in FY 21/22 and the same amount in FY 22/23
 - 76 clients placed in permanent supportive housing and 51 clients awarded SSI



DBFS Highlights

County Adult Assistance Program (CAAP)

- Recent rapid case growth resulting in part from expiration of Federal Pandemic Unemployment Assistance on September 4th, 2021
- On October 1, the maximum CAAP grant went from \$476 to \$501 for GA clients and \$588 to \$619 for PAES / SSIP / CALM clients
- CAAP continues to connect with clients at Shelter-in-Place hotels via outreach workers
- Technological alternatives to daily operations
 - Online application portal and phone intake process
 - Texting capabilities to remind clients about upcoming appointments
 - CAAP staff trained to perform interviews by phone
 - Technological resources available on-site for clients without phones/computers
- Work with HSH to resume Care Not Cash Program that was paused with the significantly reduced access to congregate shelter



DBFS Highlights

CalWORKs

- Continuing relaxed welfare-to-work requirements via good cause
- Not counting COVID months towards lifetime benefits clock; moving from 48-month to 60-month lifetime benefits clock in May 2022
- In coming months, roll out of greatly expanded Housing Support Program (HSP):
 - Additional \$6 million in FY 21/22 and additional \$6 million in FY 22/23 to be spent by FY23/24
- Resuming normal operations as City emerges from the pandemic

Workforce Development

- Anticipating increased demand in future months as City's business activity returns to normal
- More generous wage subsidy program to private employers that hire HSA clients through JobsNow
- Added 30 additional Career Pathways opportunities
- New Digital Services Program to help workforce program clients bridge the digital divide



DBFS Highlights

Family and Children's Services (FCS)

- Continue to transition from Title IV-E Waiver to Families First Prevention Services Act (FFPSA)
 - Families First Transition Revenue along with one-time agency contributions will help FCS maintain current level of programming through FY23-24
 - In the meantime FCS is exploring ways to modify programs to maximize FFPSA revenues
- Responding to Changing Needs
 - Large cohort (127) of Non-Minor Dependents exited in January 2022 with end of pandemic extensions that allowed those turning 21 after April 2020 to stay on caseload creating a wave of clients in need of housing
 - Foster Youth Housing Program expanded to address needs utilizing state funding to assist with housing navigation and linkages to community resources
 - Augments the pre-existing 50 youth housing vouchers that provide long-term housing option



DBFS Highlights

Family and Children's Services (FCS)

- Responding to Changing Needs
 - FCS has joined in efforts alongside CWDA to address the need to support the small percentage of foster youth that have extremely complex needs, including those stemming from significant maltreatment and trauma –
 - Has resulted in the State issuing Complex Care funds to help counties strengthen the continuum of care in the child welfare system for this population
 - Increase in state funding for Bringing Families Home program (BFH)
 - Participating families had previously connected with a long-term housing voucher, which will be fully utilized by March of 2022
 - Exploring deep subsidy program to utilize state funds in lieu of the availability of housing vouchers



HSA Highlights

Program Support

- Planning, Communications, Innovation Office, Budget, Contracts, Finance, Human Resources (HR), Information Technology (IT), Facilities/Operations, Investigations, Disaster Preparedness
- Managing health and safety programs, vaccine mandates, making adjustments for increased on-site work, IT continued support of telecommuting for HSA staff
- Continued involvement in Shelter In Place Hotel coordination and Tenderloin public health emergency declaration
- Built out DEIB team to implement equity improvements within HSA
- New HSA brand rolled out; promoting ‘no wrong door’ approach in 2022
- Transition to CalSAWS client benefits portal
- Future office space planning



HSA/DBFS FY22-23 & FY23-24 Budget Timeline

- Dec 15 Mayor's Budget Instructions Released
- Jan 27 DBFS Commission – First Meeting
- Feb 14 DBFS Commission – Second Meeting
- Feb 22 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