



SAN FRANCISCO HUMAN SERVICES AGENCY

**Department of Disability
and Aging Services**

City Budgeting Process and the Dignity Fund

Dignity Fund Oversight and Advisory Committee
May 20, 2024



Budget Process – From Feb 7, 2024 Commission Presentation

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



DAS Reduction Plan for City General Funds – Feb 7, 2024

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	

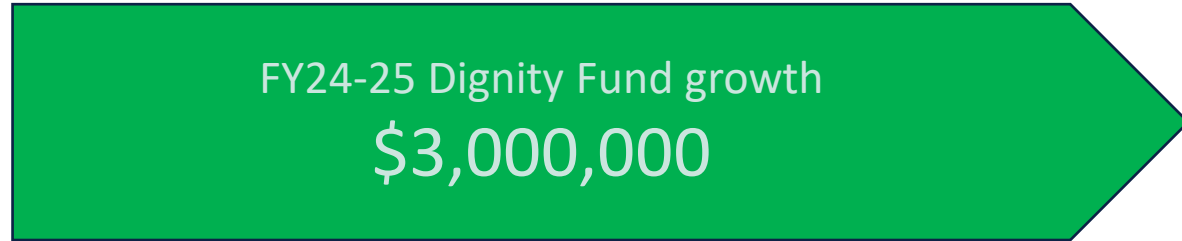
- The department's 5% contingency reduction would entail absorbing \$1.7 M in estimated CODB expense through further reductions to CBO contracts





Pieces to the budget puzzle

As of May 20, 2024



What's Next? Budget Process Timeline

- Mayor releases proposed budget June 1, 2024
- Board of Supervisors reviews budget during month of June
- DAS appears before Board of Supervisors for budget presentation – 2 appearances. First is scheduled for Wednesday June 12.
- Annual budget finalized July 1 – this is where we will have final understanding of impacts on DAS and Dignity Fund budget moving forward.



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Thank You

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