

CITY & COUNTY OF SAN FRANCISCO
HUMAN SERVICES AGENCY

*promotes well-being and self-sufficiency
among individuals, families and communities*

DHS FY20-21 & FY21-22 Budgets



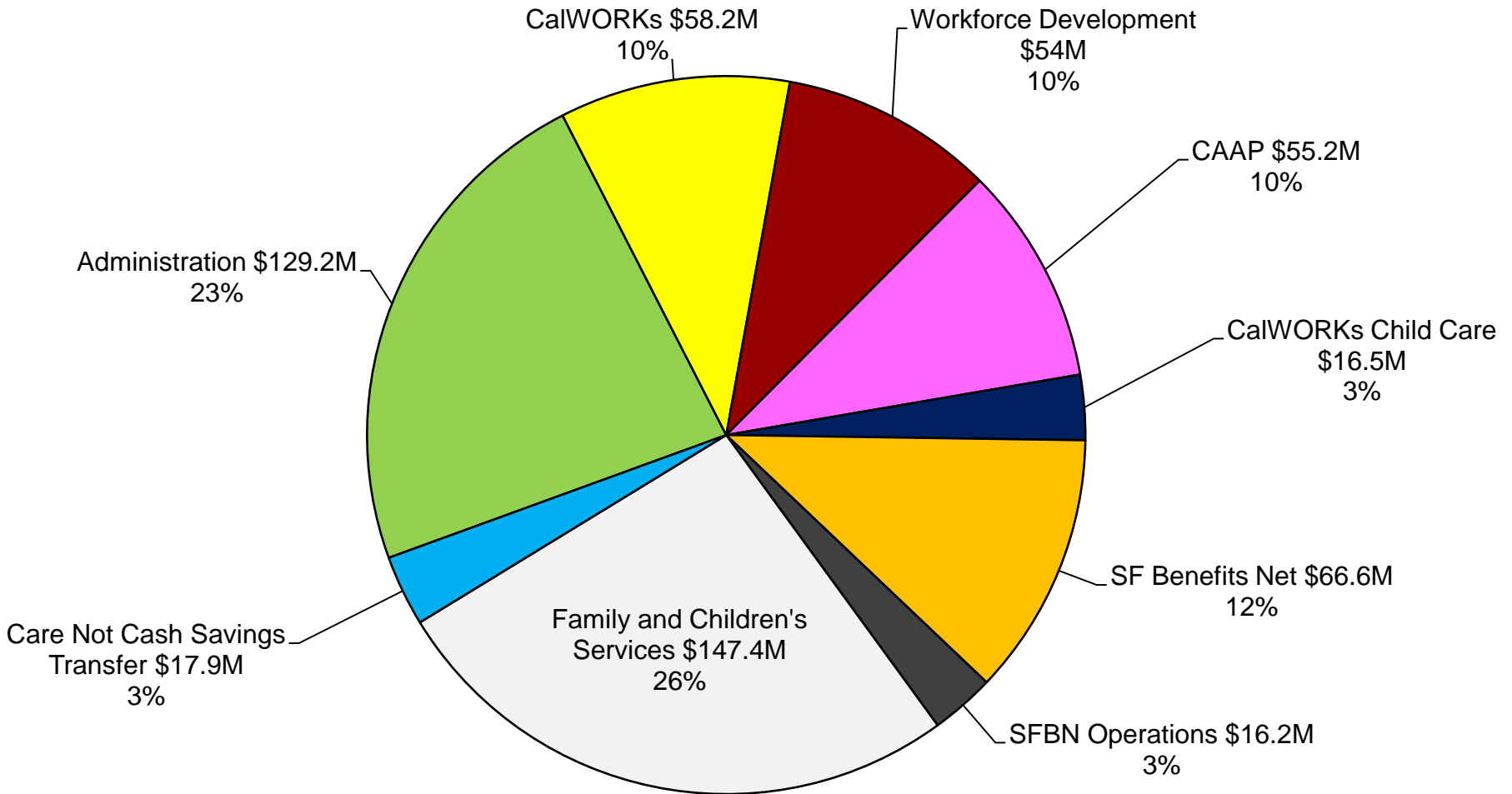
**Human Services Commission Meeting
January 23, 2020**

CITY & COUNTY OF SAN FRANCISCO



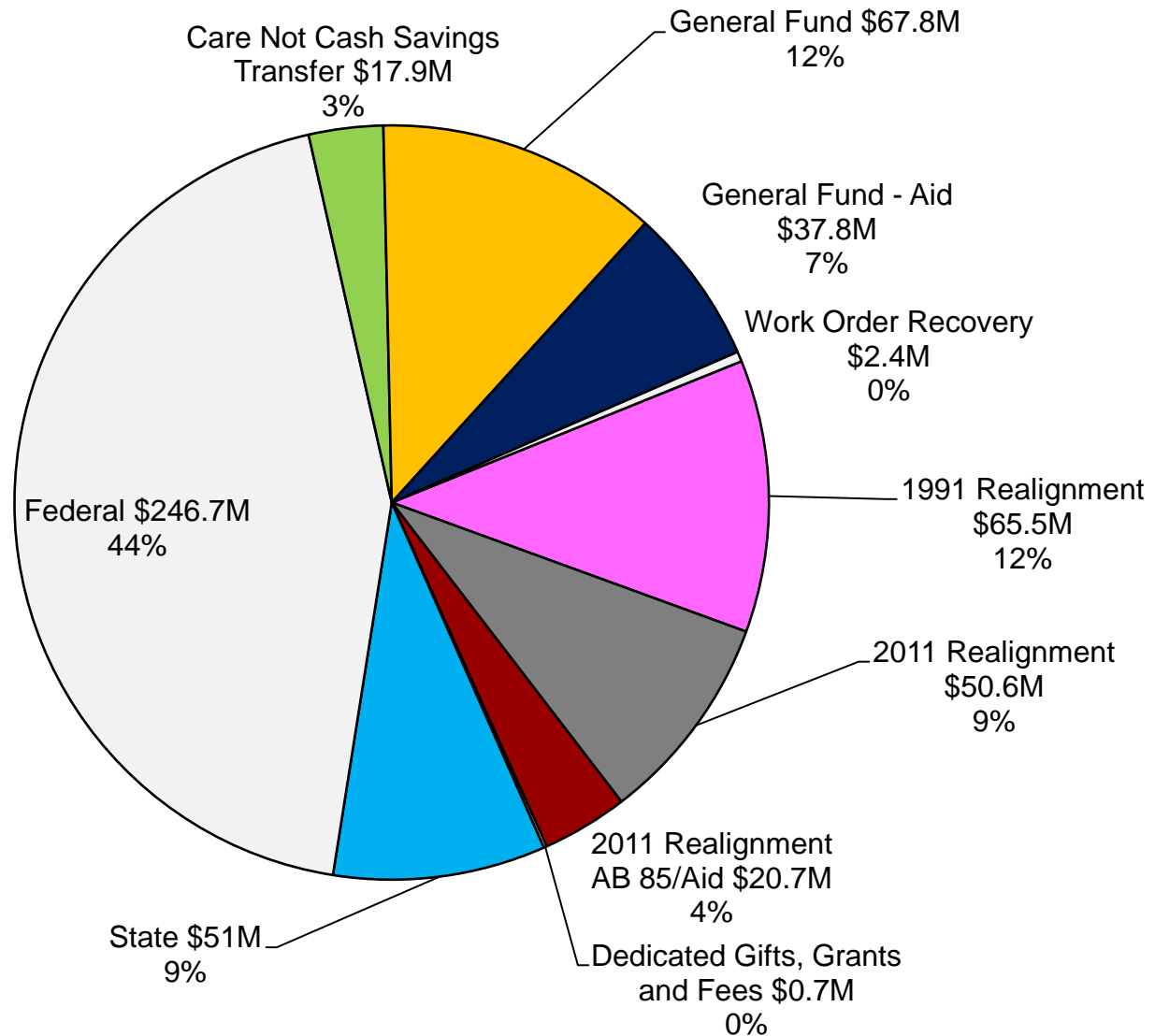
DHS FY19-20 Original Budget by Program

\$561.1M



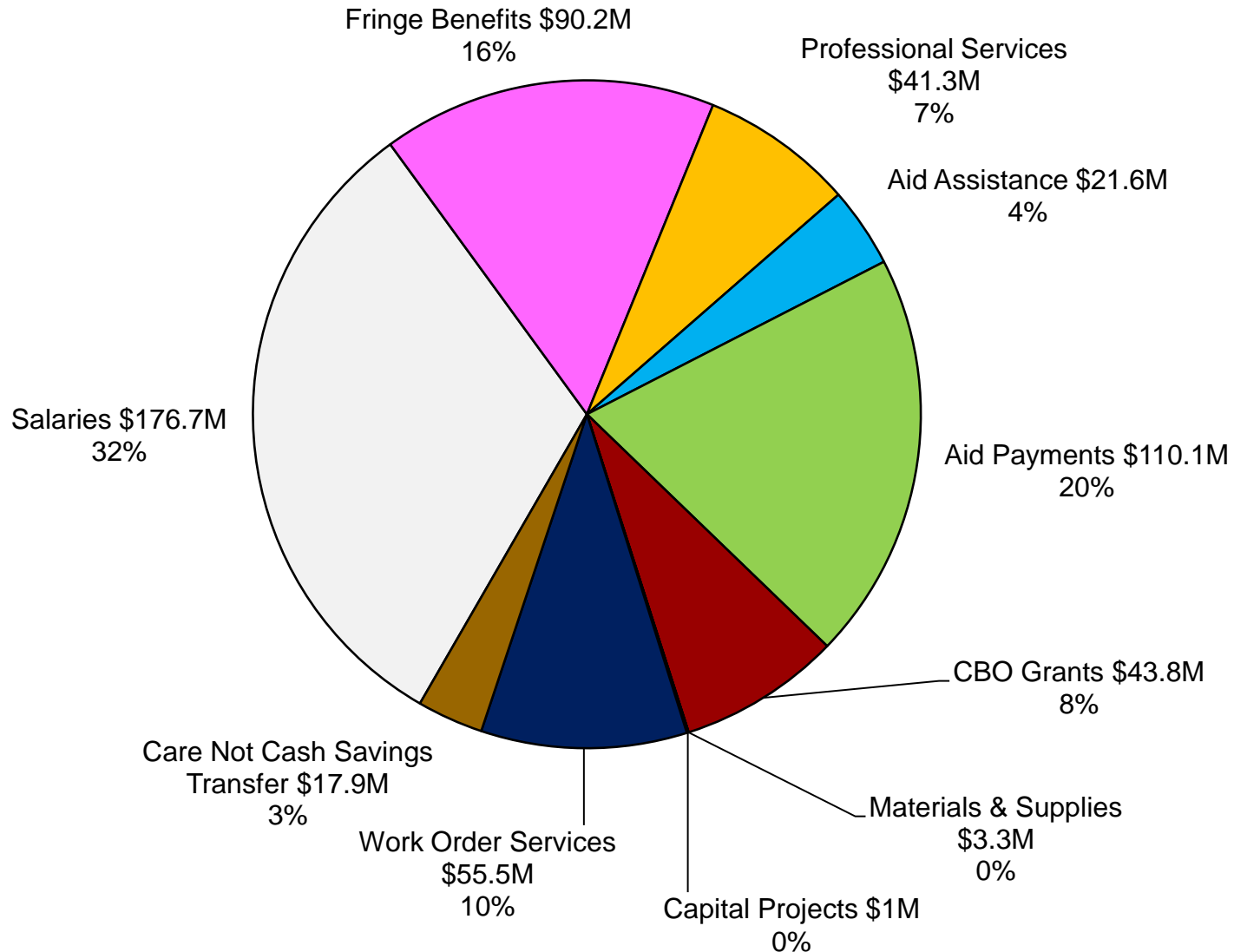
DHS FY19-20 Original Budget by Source

\$561.1M

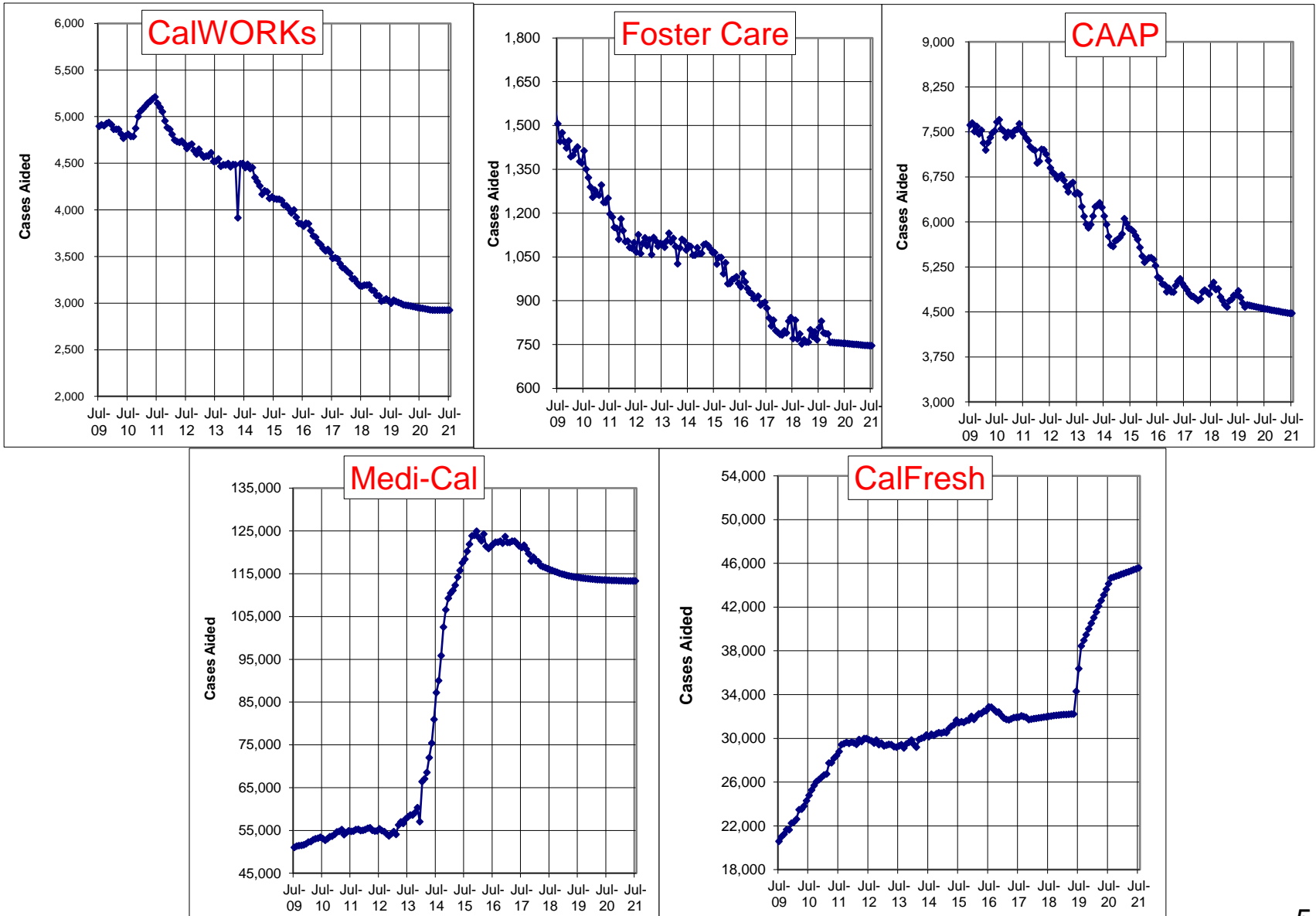


DHS FY19-20 Original Budget by Category

\$561.1M



HSA Caseload



Mayor's FY20-21 & FY21-22 Budget Projections

Rising expenses outpace slowing revenue growth.

Citywide Projected Shortfall (in millions)	FY20-21	FY21-22
Total Revenue Increase	89.0	346.0
Total Expenditures	(284.3)	(570.1)
Salary & Benefits:	(167.9)	(269.6)
Baselines & Reserves:	(45.5)	(54.0)
Departmental Costs:	(3.9)	(78.8)
Citywide Uses*:	(66.9)	(167.8)
Cumulative Shortfall	(195.4)	(224.1)

*Citywide Uses include: general operating increases (e.g. minimum wage, utility rates, and debt service), and capital/equipment/IT investments.

Mayor's Budget Drivers

- Slowing growth rate for business tax and interest earnings
- Rising costs significantly outpacing revenue
- Growing employee costs: wages, pension and health
- Large ongoing cost commitments: IHSS, Free City College, Minimum Compensation Ordinance
- Reliance on one-time “fund balance” to balance annual budgets
- Large number of baselines and set-asides

Mayor's Budget Instructions

- Departments must reduce ongoing General Fund budgets by 3.5% in FY20-21, as well as an additional 3.5% in FY21-22
- For HSA this translates into reductions of:
 - **\$2,200,219 in FY20-21**
 - **\$4,400,439 in FY21-22**
- Departments should not grow their FTE counts
- Prioritize core functions, minimize service impacts, and avoid layoffs
- Mayor will target expansions and new funding to core priorities: homelessness, mental health and clean streets

Federal and State Budget Context

- Overall, possible slowing economic growth; current period of US economic expansion is longest since 1945
- Continued volatility in financial markets due to trade policy uncertainty
- Election year uncertainty
- End of Title IV-E Waiver in FCS
 - End of waiver creates revenue shortfall in FY19-20 and FY20-21
 - Families First Preventative Services Act (FFPSA) will provide some new federal revenue for preventative services, but does not begin until FY 21-22
 - Transition funding passed in budget bill at end of Dec. 2019 will provide some relief for FY19-20 and FY20-21

Local Financial Issues

- Child Protection Center (CPC) closure
 - Supporting a foster family agency (FFA) to maintain a system of ten emergency foster homes that will handle most emergency placements (\$1.1 M in GF / yr.)
 - Supporting an innovative approach to serve four high-needs youth at a time and offer mobile response services to all caregivers (\$3.2 M in GF / yr.)
 - Combined costs of \$2.7 M in GF / yr. above current CPC costs

DHS Highlights

Self-Sufficiency: CalWORKs and Workforce Development

- Implementation of statewide CalWORKs Outcomes and Accountability Review (Cal-OAR) program management system.
 - Mandates tracking of new outcome measures, and promotes best practice sharing across California counties.
- Increased State funding for the CalWORKs Housing Support Program (HSP), which provides housing locator services as well as move-in and rental subsidies.
 - New funding enabled HSP to increase its capacity, and offer temporary rooms for families awaiting housing placement.
- Increased State funding for the Home Visiting Program (HVP), which provides home-based healthy child development and parenting support to CalWORKs families with expecting mothers and/or young children.
- Expansion of Career Pathways program from 30 to 50 slots.
 - Affords PSTs additional public sector work experience, and improves their chances of securing permanent City employment.

DHS Highlights

SF Benefits Net: Medi-Cal and CalFresh

- New ABAWD Initiatives
 - Provide ongoing ABAWD exemption screening and engagement in employment services
 - Planning policy and procedural changes needed to comply with federal ABAWD rules
- SSI Recipients
 - Newly enrolling this population into CalFresh, for which they have recently become eligible. Over 20,000 SSI recipients have been enrolled so far in FY19-20.
 - Opened new outstations in neighborhoods with a high density of SSI recipients
- Medi-Cal Outreach Navigators Project
 - Secured DHCS funding to provide Medi-Cal application assistance at community sites, navigation centers, and via mobile staff.

DHS Highlights

County Adult Assistance Programs (CAAP)

- 13% CAAP grant increase in October 2019
- Technology advancements
 - Online application portal
 - Text reminders to clients about upcoming appointments
- Continuing partnership with the Department of Homelessness & Supportive Housing
 - Housing Disability Advocacy Program
 - Connecting homeless adults to HSA benefits and the Coordinated Entry System
 - Benefits outreach at Navigation Centers
- Alignment of CAAP policies with ABAWD workfare requirements
 - Workfare hours
 - Exemptions
 - Triage database and procedures

DHS Highlights

Family & Children's Services

- Implementation of Continuum of Care Reform (AB 403):
 - Recruitment of additional foster families/homes
 - Streamlining of licensing process for all caregivers
 - Transitioning group homes to Short Term Residential Treatment Programs (STRTP)
 - Full implementation of child and family teams
- Emergency placement and support system for youth following CPC closure
- Planning underway to address the end of the Title IV-E waiver, and bridge HSA to the beginning of FFPSA.

DHS Highlights

Program Support

- Racial Equity Work Group
 - Developed and published an action plan containing strategies to address matters of racial equity within HSA
 - Hired a new manager of Diversity, Equity, and Inclusion (DEI).
- CalWIN transition to CalSAWS (Information Technology)
 - Consolidating CalWIN client benefits portal with other two California benefits portals into a single statewide system. Transition completion in 2023.
- Further program support from Planning, Communications, Innovation Office, Budget, Contracts, Finance, Facilities/Operations, Investigations, Program Support Operations, and Central Management.

HSA FY20-21 & FY21-22 Budget Timeline

- Dec 12 Mayor's Budget Instructions Released
- Jan 23 Human Services Commission – 1st budget meeting
- Feb 13 Human Services Commission – 2nd budget meeting
- Feb 21 Agency Proposed Budget due to Mayor
- June 1 Mayor submits budget to Board of Supervisors (BoS)
- June BoS Budget Committee Hearings
- July Budget Considered at BoS