

CITY & COUNTY OF SAN FRANCISCO  
HUMAN SERVICES AGENCY

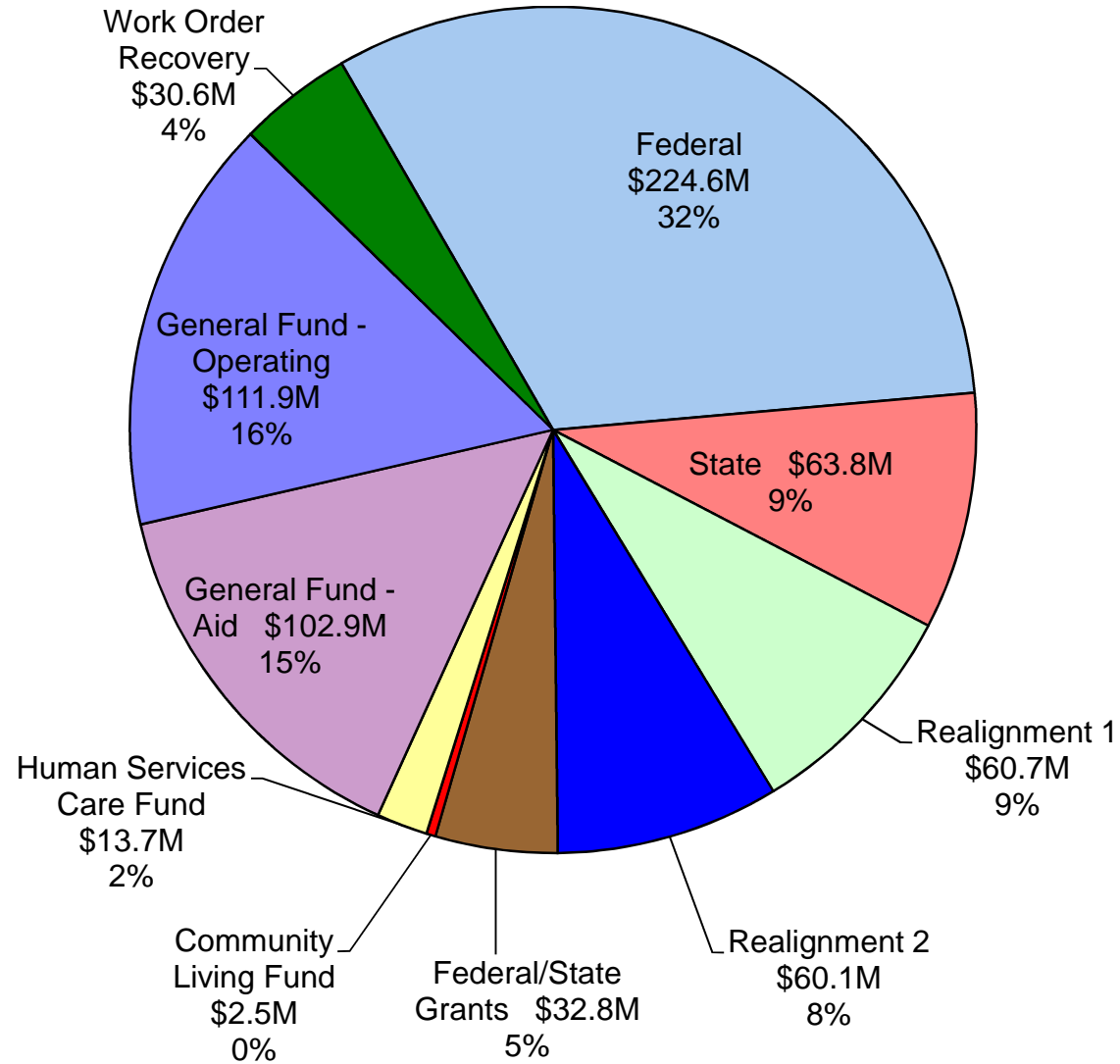
*promotes well-being and self-sufficiency  
among individuals, families and communities*

*Human Services Agency FY13-14 & FY14-15 Budgets*

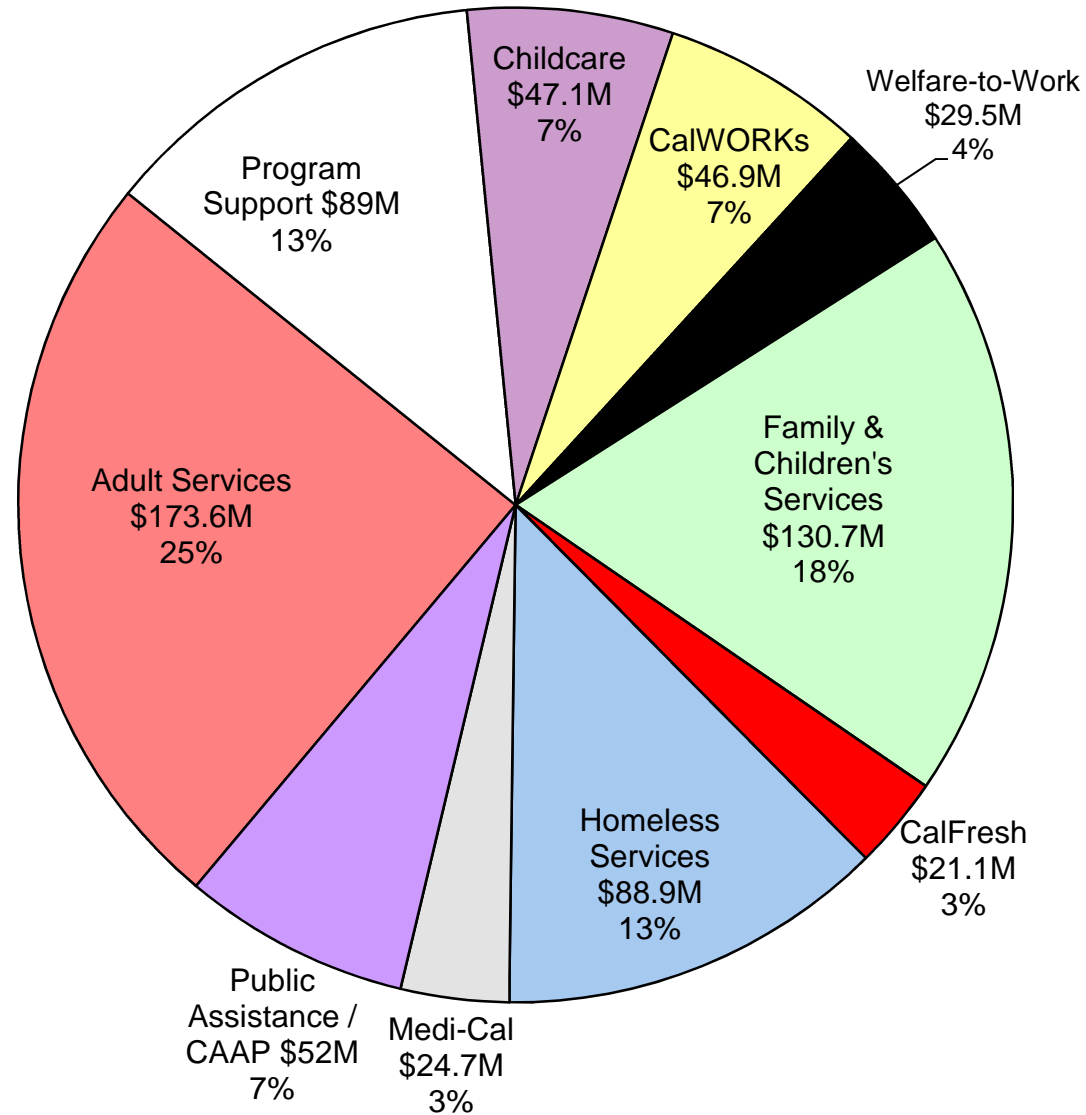


*CBO Budget Meeting December 19, 2012*

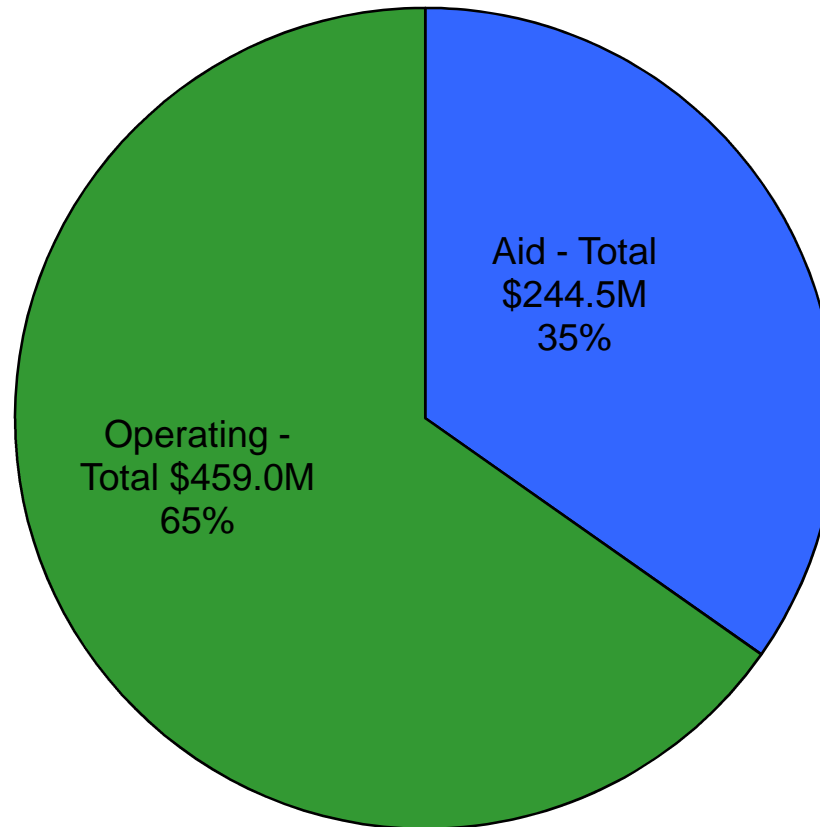
## HSA FY12-13 Original Budget By Sources \$703.5M



## HSA FY12-13 Original Budget By Program \$703.5M



**HSA FY12-13 Original Budget: Operating vs Aid:  
\$703.5M**



# Mayor's FY13-14 & FY14-15 Budget Projections

Revenue outlook favorable; yet structural deficit persists

<b>Citywide Projected Shortfall (in millions)</b>	<b>FY13-14 (vs. Adopted)</b>	<b>FY14-15</b>
Total Revenue	15.30	65.5
Total Expenditures	(144.4)	(199.6)
<b>Incremental Shortfall</b>	<b>(129.1)</b>	<b>(134.1)</b>
<b>Cumulative Shortfall</b>	<b>(129.1)</b>	<b>(263.2)</b>

# FY13-14 & FY14-15 Projections

## Citywide Revenue Changes

Citywide Revenue Summary	FY13-14 (vs. Adopted)	FY14-15
Changes to Fund Balance	(18.7)	0
Changes to Reserves	0	(14.1)
Revenue Growth	34.0	79.6
<b>Total Revenue Changes</b>	<b>15.3</b>	<b>65.5</b>

## FY13-14 & FY14-15 Projections Citywide Expenditure Changes

Citywide Expenditure Summary		FY13-14	FY14-15
<b>Baselines &amp; Set -Asides</b>		<b>(77.4)</b>	<b>19.2</b>
<b>Citywide Uses – Salaries &amp; Benefits</b>	Prior Year COLAs & MOUs	0	(23.0)
	Health & Dental	0	(23.5)
	Lower than expected health rates	2.1	0
	Pension Costs	(5.9)	(40.1)
	All other changes	(5.0)	(3.5)
	<b>Subtotal Salary &amp; benefit changes</b>	<b>(8.8)</b>	<b>(90.0)</b>

## FY13-14 & FY14-15 Projections Citywide Expenditure Changes (continued)

Citywide Expenditure Summary		FY13-14	FY14-15
<b>Citywide Uses - Other</b>	City's Capital Plan	(28.5)	(51.4)
	CPI on Non-Personnel Costs	0	(32.7)
	All Other Citywide Uses	(11.3)	(8.2)
	<b>Subtotal Citywide - Other</b>	<b>(39.8)</b>	<b>(92.3)</b>
<b>Dept. Costs Linked to Capital Investments</b>		<b>(18.5)</b>	<b>(36.5)</b>
<b>Total Expenditure Changes</b>		<b>(144.4)</b>	<b>(199.6)</b>



# Budget Uncertainties

- Economic growth
- Additional state and federal losses
- Sequestration / Fiscal Cliff
- Managed Care / Transitional Care / Health Care Reform
- Benefit cost growth
- Labor contracts open in Year 2

## Cost of Doing Business (CODB)

- FY13-14 CODB increase (relative to the base budget) will be 0.09%
- FY12-13 and FY13-14 increase is baselined (i.e. funded on an ongoing basis)
- FY14-15 projections include a CPI increase for non-personnel costs, though this cost factors into the projected shortfall and thus is not guaranteed

# Mayor's Budget Instructions FY13-14 & FY14-15

- Reduce General Fund by 3% over two years
  - FY 13-14: Propose ongoing reductions and revenues equal to 1.5% of adjusted GF support
  - FY14-15: Propose ongoing reductions and revenues equal to additional 1.5% of adjusted GF support

- Citywide, 1.5% generates \$18.7M annually

Value of Target:	FY13-14	\$18.7M
	FY14-15	\$37.4M

# HSA Reduction Target

• FY13-14	\$1,351,071
• FY14-15	<u>\$1,621,287</u>
Total	\$2,972,358

# HSA Budget Strategies

- Leverage Agency-wide revenue
- Achieve administrative efficiencies across the agency
- Hold the line on agency cost increases

# HSA FY13-14 & FY14-15 Budget Timeline

- Dec 10 Mayor's Budget Instructions Released
- Dec 19 HSA Budget Meeting with CBO partners
- Jan 29 Aging & Adult Svcs Commission – 1<sup>st</sup> budget meeting
- Feb 6 Aging & Adult Svcs Commission – 2<sup>nd</sup> budget meeting
- Feb 7 Human Services Commission – 1<sup>st</sup> budget meeting
- Feb 21 Department Proposed Budgets due to Mayor  
(HSA to submit tentative budget pending HSC 2<sup>nd</sup> meeting)
- Feb 28 Human Services Commission – 2<sup>nd</sup> budget meeting
- June 1 Mayor submits budget proposals to Board
- June Board of Supervisors Budget Committee Hearings
- July Budget Considered by Board of Supervisors