



MEMORANDUM

August 25, 2017

TO: Angela Calvillo, Clerk of the San Francisco Board of Supervisors
Ben Rosenfield, Controller of the City and County of San Francisco

THROUGH: Human Services Commission

FROM: Trent Rhorer, Executive Director
Emily Gibbs, Acting Budget Manager

SUBJECT: **Homelessness and Supportive Housing Fund: FY16-17 Report**

This memo is intended to notify the Board of Supervisors and the Office of the Controller that pursuant to Administrative Code Section 10.100-77(e), the Human Services Commission has approved the Human Services Agency's actual FY16-17 savings calculations for the Homelessness and Supportive Housing Fund (formerly the Human Services Care Fund).

The FY16-17 savings in homeless CAAP aid payments resulting from the implementation of *Care Not Cash* is \$15,048,538, which is approximately eighty-four thousand more than estimated at the start of the fiscal year. The savings are almost exactly equal to the budgeted amount for FY16-17 (only around fifteen hundred dollars less).

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The table below shows the detailed monthly projections made at the start of the fiscal year and compares them with the actual figures for FY16-17.

Month	Projected	Actual	Difference
Jul-16	\$1,252,437	\$1,243,681	(\$8,756)
Aug-16	\$1,252,437	\$1,249,729	(\$2,708)
Sep-16	\$1,252,437	\$1,252,330	(\$107)
Oct-16	\$1,252,437	\$1,253,180	\$743
Nov-16	\$1,252,437	\$1,256,953	\$4,516
Dec-16	\$1,252,437	\$1,257,963	\$5,526
Jan-17	\$1,241,621	\$1,256,653	\$15,031
Feb-17	\$1,241,621	\$1,259,972	\$18,351
Mar-17	\$1,241,621	\$1,257,256	\$15,634
Apr-17	\$1,241,621	\$1,252,571	\$10,950
May-17	\$1,241,621	\$1,254,126	\$12,505
Jun-17	\$1,241,621	\$1,254,124	\$12,502
Total FY16-17	\$14,964,349	\$15,048,538	\$84,189

The FY16-17 budgeted amount for the Homelessness and Supportive Housing Fund was \$15,050,019. As shown below, the actual savings for FY16-17 was only \$1,481 less than this budgeted amount.

FY16-17 Homelessness and Supportive Housing Fund Budget Comparison

Budget	\$15,050,019
Actual	\$15,048,538
Amount Over-Funded	\$1,481



MEMORANDUM

August 18, 2017

TO: President Stewart and Members of the Human Services Commission

THROUGH: Trent Rhorer, Executive Director

FROM: Emily Gibbs, Acting Budget Manager

CC: Jeff Kositsky, Director of Department of Homelessness & Supportive Housing

SUBJECT: **Homelessness and Supportive Housing Fund: FY16-17 Report**

This memo provides an analysis of the FY16-17 savings for the Homelessness and Supportive Housing Fund (formerly the Human Services Care Fund). The first section briefly describes how the fund works. The following sections describe the actual FY16-17 savings (including comparisons to projections from the start of the fiscal year and the FY16-17 budgeted amount). This memo also reports on the projected Homelessness and Supportive Housing Fund savings and budgeted amount for the current fiscal year (FY17-18).

Background

In October 2003, the City adopted the ordinance that established the Homelessness and Supportive Housing Fund, which pays for housing and services for homeless CAAP clients through savings resulting from the implementation of Proposition N (known as *Care Not Cash*). **The ordinance requires that on an annual basis the Human Services Agency report whether its projections were accurate for the year. The Commission is then to adopt findings and transmit them to the Board of Supervisors and the Office of the Controller.**

Two sources of savings are specified for Homelessness and Supportive Housing Fund. These include:

1. Savings from reductions in the homeless CAAP caseload – The ordinance establishes a baseline of 3,000 total homeless CAAP clients, and savings are generated if the number of homeless CAAP clients falls below the baseline.
2. Savings from grant reductions – The savings resulting from reduced grants for homeless CAAP recipients are also added to the fund. Grants are reduced for clients who are offered shelter (either because they refused a permanent housing unit, or are waiting to be referred to a permanent housing unit).

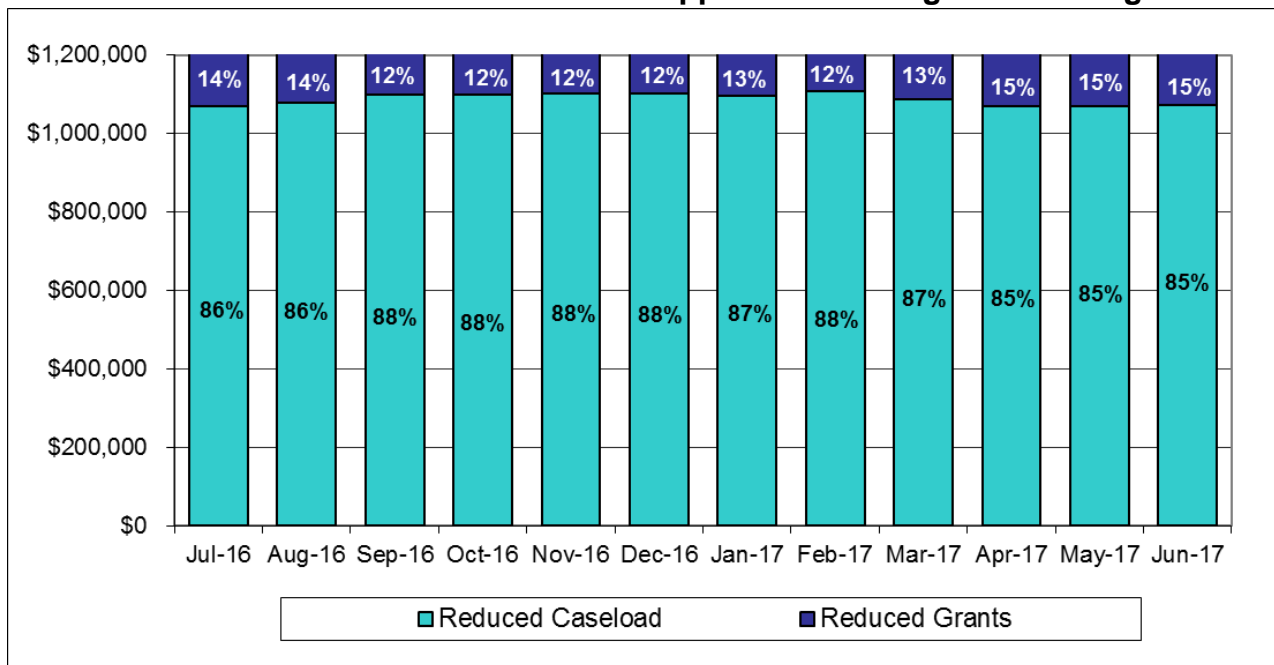
Caseload Data and Source of Fund Savings

The table below compares the actual homeless CAAP caseload during FY16-17 to projections from the beginning of the year. The actual homeless caseload was less than projected each month during the fiscal year.

Month	Projected # CAAP Homeless	Actual # CAAP Homeless	Difference (Actual - Projected)	% Variance
Jul-16	542	532	(10)	-2%
Aug-16	542	509	(33)	-6%
Sep-16	542	460	(82)	-18%
Oct-16	542	466	(76)	-16%
Nov-16	542	459	(83)	-18%
Dec-16	542	455	(87)	-19%
Jan-17	553	435	(118)	-27%
Feb-17	553	416	(137)	-33%
Mar-17	553	466	(87)	-19%
Apr-17	553	510	(43)	-8%
May-17	553	506	(47)	-9%
Jun-17	553	499	(54)	-11%

The chart below shows that the bulk of the savings continues to stem from a reduced caseload (versus reduced cash grants). During the year, reduced caseloads accounted for between 85% and 88% of the Homelessness and Supportive Housing Fund savings.

Source of Actual Homelessness and Supportive Housing Fund Savings



FY16-17 Fund Savings

The table below compares the projected savings from the beginning of the fiscal year with the actual savings. The FY16-17 actual Homelessness and Supportive Housing Fund savings are about eighty-four thousand more than was projected.

Month	Projected	Actual	Difference
Jul-16	\$1,252,437	\$1,243,681	(\$8,756)
Aug-16	\$1,252,437	\$1,249,729	(\$2,708)
Sep-16	\$1,252,437	\$1,252,330	(\$107)
Oct-16	\$1,252,437	\$1,253,180	\$743
Nov-16	\$1,252,437	\$1,256,953	\$4,516
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Apr-17	\$1,241,621	\$1,252,571	\$10,950
May-17	\$1,241,621	\$1,254,126	\$12,505
Jun-17	\$1,241,621	\$1,254,124	\$12,502
Total FY16-17	\$14,964,349	\$15,048,538	\$84,189

Fund Budget Versus Actual Savings for FY16-17

The FY16-17 budgeted amount for the Homelessness and Supportive Housing Fund was \$15,050,019. As shown below, the actual savings for FY16-17 was only around fifteen hundred less than this budgeted amount.

FY16-17 Homelessness and Supportive Housing Fund Budget Comparison

Budget	\$15,050,019
Actual	\$15,048,538
Amount Over-Funded	\$1,481

Projected FY17-18 Fund Savings

The savings for FY17-18 is currently projected at \$15,044,349. The official Homelessness and Supportive Housing Fund budget for FY17-18 is \$15,087,069 (around forty-three thousand more than the current projection).

Care Fund Projections	
Month	
Jul-17	\$1,253,696
Aug-17	\$1,253,696
Sep-17	\$1,253,696
Oct-17	\$1,253,696
Nov-17	\$1,253,696
Dec-17	\$1,253,696
Jan-18	\$1,253,696
Feb-18	\$1,253,696
Mar-18	\$1,253,696
Apr-18	\$1,253,696
May-18	\$1,253,696
Jun-18	\$1,253,696
Total FY17-18	\$15,044,349

Recommendations

HSA staff recommends that the Commission adopt the findings regarding the FY16-17 Homelessness and Supportive Housing Fund savings of \$15,048,538 and transmit the information to the Board of Supervisors and the Office of the Controller (in the form of the accompanying memo).

In July or August of 2018, HSA will present the actual savings for FY17-18 and compare the data to the budgeted amount and the projections detailed above.