



FY 2017-18 and FY 2018-19 Budget

July 2017



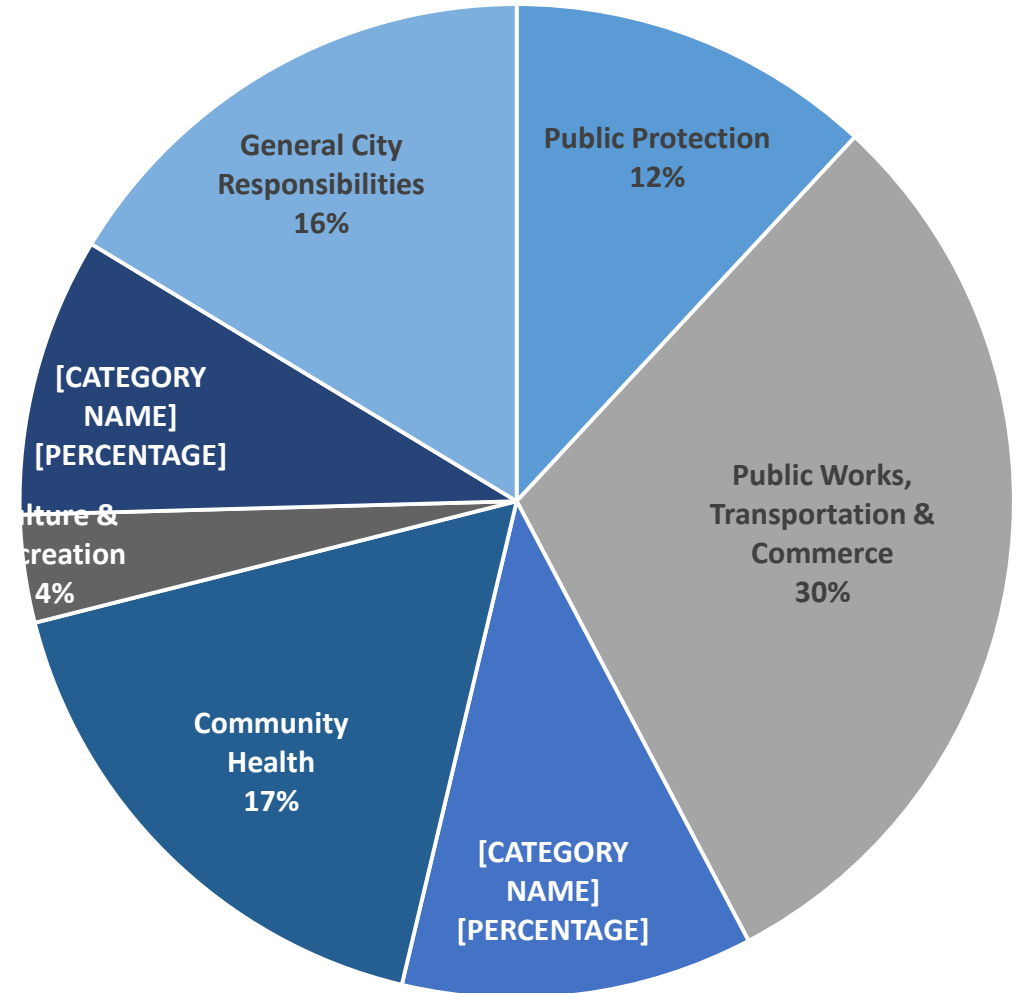
Outline

- Budget Overview
- Budget Balancing
- Highlights from the Budget
- Looking Forward



Budget Overview

- Budget \$10 billion in each year FY 2017-18 & FY 2018-19
- \$5 billion General Fund (GF) / \$5 billion Non-GF
- \$2.8 billion non-discretionary GF
- \$2.2 billion discretionary GF





Budget Overview

- Key Themes / areas of focus in the preparation of the budget:
 - Added service for the public over the past 6 years
 - Uncertainty over State and Federal budgets
 - Need to sustain service we've added and be prepared for the future
 - Two new reserves added to the budget - \$60 million
 - Affordable Care Act reserve
 - State and Federal Impacts reserve
 - Strategic New GF Investments of \$35 million annually mostly for homelessness and behavioral health to address the situation on our streets



Budget Balancing - Solutions

- Revenue
 - Senate Bill 1 for Road Repaving
 - 9 Month Report
 - Overall revenue picture
- Constraining departmental cost growth
 - No new FTE
 - Absorb cost increases to preserve discretionary revenue choices
 - Departments meet target



Budget Balancing – Expenditures

- State Impacts - \$32 million over the next two years
 - In-Home Support Services Program
 - CalWORKs Program
 - Foster Youth legal advocates program
- Infrastructure Investments
 - Fully fund the Capital Plan, IT and Equipment budget at recommended levels
 - Backfill of the Road Repaving Program



Budget Balancing – Expenditures

New General Fund Investments

- Taking care of our homeless residents
 - Supportive housing & rental subsidies
 - Shelter / Navigation Center Beds
 - Housing stabilization and eviction prevention
 - Coordinated Entry
- Reducing harm on our streets
 - Harm Reduction Center / Resource Centers
 - Conservatorship Beds
 - Street Outreach
- Street Cleanliness



Other Highlights from the Budget

- CBO COLA – 2.5% in each year
- Nonprofit Sustainability Initiative - \$6 million over the next two years
- Dignity Fund
- Children’s Fund



Investments in Seniors and People with Disabilities

Item	Description	Amount
Caregiver Support	Subsidized adult day programs, innovative outreach and support for caregivers	\$750,000
Innovative Community Service Centers/ Activities	Expansion of innovative models, focused on adults with disabilities and other underserved populations/areas. Also funds transportation to participate in new community service center programming.	\$1,650,000
Housing Retention	Stabilization funding for 50 senior and disabled households.	\$500,000
Legal Services & Financial Planning	Legal support for healthcare issues, LGBT financial literacy planning and legal/life planning.	\$587,500
Nutrition & Wellness	Nutrition focused on linkage between positive nutrition and health outcomes for chronic illnesses. Technology at home and health promotion.	\$1,010,000
Support for Veterans	Supportive services to veterans in housing, plus congregate meals for service people living in veteran housing.	\$400,000
CODB	Funds 2.5% Cost of Doing Business Increase for non profit contractors funded through Dignity Fund.	\$1,102,500
Total Dignity Fund		\$6,000,000
Home delivered Meals	Delivery of nutritious meals, a daily safety check and friendly interaction to homebound seniors and adults with disabilities who cannot shop or prepare meals themselves. This funding would clear the current waitlist for home delivered meals as well as provide funding for additional clients.	\$500,000
IHSS Tiered Wages/Retention Pilot	Pilot of a tiered wages program for 100 IHSS homecare workers and 50 independent IHSS providers. The 150 workers would undergo additional training in order to earn \$1 above minimum wage by serving high need clients.	\$411,453*
Total new investments - DAAS		\$6,911,453

* \$187,000 of this is General Fund



... plus Board Addbacks (approved on Tuesday)

Citywide		
Expansion of private housing subsidies for seniors and people with disabilities	1,500,000	One time
Congregate lunch meals	200,000	Ongoing
Home delivered groceries	800,000	Ongoing
Home delivered meals	477,000	Ongoing
Group vans for seniors	200,000	One time
District Specific		
D1 Richmond senior services	80,000	Ongoing
D1 Safe streets for seniors	20,000	One time
D1 Senior Choir	10,000	One time
D1 Senior playground planning	50,000	One time
D1 Senior services expansion	25,000	Ongoing
D2 Senior and disability services/independent living	-	150,000 in FY 18-19
D6 Case managers for Filipino Veterans	50,000	Ongoing
D6 Case managers for Veterans	50,000	Ongoing
D7 Senior services programs	200,000	Ongoing
D7 Expansion of senior services in OMI	35,000	Ongoing
D9 Bernal Heights senior services	35,000	Ongoing
D10 Senior fitness	160,000	Ongoing
D11 Congregate meals	150,000	Ongoing
D11 Expansion of Senior services in OMI	35,000	Ongoing



Looking Forward

Three main areas to monitor:

- Structural budget deficits
 - Fund balance
- State and Federal budget risk
 - IHSS
 - ACA
 - Federal budget
- Timing of Economic cycle / risks

3 Financial Offices will update the forward looking projection in December 2017



Summary

- \$10 billion budget in each year
- Focus on strengthening our reserves, funding infrastructure and constraining growth to ensure sustainability of our services
- Strategic new General Fund investments towards helping homelessness and reducing harm on our streets
- Mayor and Board remain committed to sustaining services for Seniors and People with Disabilities
- Thank you!



Questions?