



HEALTH SERVICE BOARD
CITY & COUNTY OF SAN FRANCISCO

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HEALTH SERVICE BOARD MEETING:
FINANCE AND BUDGET COMMITTEE

MINUTES

Thursday February 14, 2019, 11:00 a.m.
Retirement Board Conference Room, 6th Floor
1145 Market Street
San Francisco, CA 94103

1. **CALL TO ORDER:** 11:40 a.m.
2. **ROLE CALL**

Committee Chair, Wilfred Lim – Present
Committee Member, Stephen Follansbee – Present

3. **APPROVAL OF SAN FRANCISCO HEALTH SERVICE SYSTEM FISCAL YEAR 2019-2020 and FISCAL YEAR 2020-2021 PROPOSED GENERAL FUND ADMINISTRATION BUDGET: (Action)**

DOCUMENTS ATTACHED: Please find the Proposed General Fund Administration Budget on the SFHSS website at:

http://sfhss.prod.acquiasites.com/sites/default/files/201902/RM_02142019_General%20Fund%20Budget%20Memo%202.pdf

Ms. Pamela Levin, Chief Financial Officer, presented the General Fund Budget to the Finance and Budget Committee members. Ms. Levin presented the three main components of the overall budget, these include: “Base Budget,” the 2018-2019 projections, and the Budget Instructions from the Mayor’s Office. Ms. Levin described the summarize proposed budgets for FY 2019-2020 and FY 2020-2021 that meet the Mayor’s budget instructions. The projected revenues and expenditures for FY 2018-19 are based on the first six (6) months of actuals without the one-time funding from FY 2017-2018 carryforward. The FY 2019-2020 base budget is compared to the FY 2018-19 projection to illustrate the growth between the fiscal years.

In addition, both the proposed FY 2019-2020 and FY 2020-2021 budgets are compared to the base budgets for each year to illustrate the reductions required to meet the Mayor's budget instructions.

Ms. Levin also shared that SFHSS funds personnel through both the General Fund and the Health Care Sustainability Fund budgets. Overall, the General Fund Budget will fund salaries and fringes and will increase by 4.6% in FY 2019-20 and 3.6% in FY 2020-2021. This increase is based on assumptions used by the Controller and Mayor's Office reflect projected increases in wages, employer pension contributions, and health benefit contributions.

Ms. Levin further stated that the proposed General Fund budget reflects an increase in Training, Software Licenses, Other Non-Personal Services, Materials and Supplies, and Work Orders. However, to meet the Mayor's budget instructions, and to submit a budget that reflects a total of 4% savings over the two fiscal years, contracts are substantially reduced. Additionally, SFHSS will be funding a new project for the Employee Self Service portal and a new Credit Card Payment Processing system. In addition to these projects, the General Fund Budget will also fund the SFHSS Materials and Supplies line item, increase funds for the EAP training materials, including Leadership training packets, and Crisis Prevention Institute.

Ms. Levin also explained that SFHSS is expanding their partnership with the Department of SF Park and Recreation so that there can be more fitness and exercise classes available to our members. Ms. Levin also shared that this funding will allow the Park and Recreation department to hire a staff person who will work with the Well-Being team directly- scheduling classes, recruiting and managing class instructors.

Committee Member Follansbee asked whether or not this newly funded staff person would be managed by SFHSS. Executive Director Yant explained that this new staff person would be employed by SF Park and Recreation, however, their work would be directly connected to the Well-Being department within SFHSS. This role would serve to ensure more SFHSS members have access to the Well-Being programs and fitness classes.

PUBLIC COMMENT: There were no public comments.

Action Taken: The Finance and Budget Committee unanimously approved the proposed General Fund Administration Budget for FY 2019-2020 and FY 2020-2021.

Ayes: Lim and Follansbee Nays: (none)

4. APPROVAL OF SAN FRANCISCO HEALTH SERVICE SYSTEM FISCAL YEAR 2019-2020 and FISCAL YEAR 2020-2021 BUDGET FOR THE HEALTHCARE SUSTAINABILITY FUND: (Action)

DOCUMENTS ATTACHED: Please find the Proposed Healthcare Sustainability Fund Budget on the SFHSS website at: <http://sfhss.prod.acquia->

Ms. Pamela Levin, Chief Financial Officer, presented the Healthcare Sustainability Fund Budget to the Finance and Budget Committee members. Ms. Levin explained that the Healthcare Sustainability Budget continues to increase. Ms. Levin stated that SFHSS has built up fund balance so that it can fund large, one-time projects. Some of the projects include Strategic Plan initiatives such as the Communications Plan, as well as the Operations projects. Some of the projects include the SFHSS phone system upgrade to a VOIP system and the eBenefits implementation. Ms. Levin noted that the FY 2019-2020 and FY 2020-2021 Proposed Budgets will significantly draw down the current fund balance. Ms. Levin explained that the revenues are expected to increase by 1.5 percent between FY 2019-20 and FY 2020-21.

Ms. Levin shared that the Healthcare Sustainability Budget funds various positions, and in the FY 2019-2020 there are additional positions opening up. Ms. Levin shared the following positions will be funded through the Healthcare Sustainability Fund: Communications Director, Communications Manager, Graphic Artist, Contracts Analyst, Senior Benefits Analyst, Senior Health Program Planner, Well-Being Manager, Well-Being Intern.

Ms. Levin stated that the Communications budget lines are relatively similar to previous Fiscal Years. Ms. Levin shared that the Operations Department will spend 87% of their expenditures on the multi-year printing and mailing agreements for the Open Enrollment process. The Well-Being budget is expanding into Financial Well-Being with a newly developed partnership with the Treasure and Tax Collector. This partnership will offer a service called Smart Money Coaching, a one-on-one financial advisement service for our members, with no cost to them. Ms. Levin also stated that the Well-Being has budgeted The Diabetes Prevention Program for both fiscal years as part of Targeted Health Interventions. An RFP will be issued in FY 2019-20 with the goal of reducing program costs, increasing access to data to inform Well-Being program decisions.

Ms. Levin stated that the Operations Department is replacing the current telephone system with support and coordination of the Department of Technology. The expenditures for the project will continue through FY 2019-20. Additional funding is budgeted for the server hardware software required to support the telephony system and connection of the telephony system to the existing CRM. Ms. Levin noted that the Operations Department is moving to the next step for eBenefits. SFHSS is now working on the implementation of the "new hire and qualifying event system" capabilities in eBenefits. Ms. Levin also shared that the Credit Card payment system is expected to be completed in FY 2019-20.

Ms. Levin concluded her presentation sharing that the aggregate projected balances of the Healthcare Sustainability Fund, throughout the next two fiscal years, will have a fund balance of \$687,142 at the end of FY 2019-20 and \$332,498 at the end of FY 2020-21.

PUBLIC COMMENT: There were no public comments.

Action Taken: The Finance and Budget Committee unanimously approved the proposed Healthcare Sustainability Fund Budget for FY 2019-2020 and FY 2020-2021.

Ayes: Lim and Follansbee Nays: (none)

5. OPPORTUNITY FOR THE PUBLIC TO COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION: (Discussion)

PUBLIC COMMENT: There were no public comments

6. OPPORTUNITY TO PLACE ITEMS WITHIN THE BOARD'S JURISDICTION ON FUTURE AGENDAS: (Discussion)

PUBLIC COMMENT: There were no public comments.

7. ADJOURNMENT: 12:05 p.m.

Summary of Health Service Board Rules Regarding Public Comment

- Speakers are urged to fill out a speaker card in advance but may remain anonymous if so desired.
- A member of the public has up to three (3) minutes to make pertinent public comments before action is taken on any agenda item.
- A member may comment on any matter within the Board's jurisdiction as designated on the agenda.

Health Service Board and Health Service System Web Site: <http://www.sfhss.org>

Disability Access

Regular Health Service Board meetings are held at City Hall, 1 Dr. Carlton B. Goodlett Place, in Hearing Room 416 at 1:00 PM on the second Thursday of each month. The closest accessible BART Station is Civic Center, three blocks from City Hall. Accessible MUNI lines serving this location are: #42 Downtown Loop, and the #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call (415) 923-6142. There is accessible parking in the vicinity of City Hall at Civic Center Plaza adjacent to Davies Hall and the War Memorial Complex.

Accessible seating for persons with disabilities (including those using wheelchairs) will be available.

In order to assist the City's effort to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Knowing Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County of San Francisco exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, visit the Sunshine Ordinance Task Force website at <http://www.sfgov.org/sunshine>.

Lobbyist Registration and Reporting Requirements

Individuals and entities influencing or attempting to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code § 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site www.sfgov.org/ethics.

Summary of Health Service Board Rules Regarding Cell Phones and Pagers

- The ringing and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at Health Service Board and committee meetings.
- The Chair of the meeting may order the removal of any person(s) in violation of this rule from the meeting room.
- The Chair of the meeting may allow an expelled person to return to the meeting following an agreement to comply with this rule.

The complete rules are set forth in Chapter 67A of the San Francisco Administrative Code.

If any materials related to an item on this agenda have been distributed to the Health Service Board after distribution of the agenda packet, those materials are available for public inspection at the Health Service System during normal office hours. For more information, please contact Natalie Ekberg at (415) 554-1727 or email Natalie.Ekberg@sfgov.org.

The following email has been established to contact all members of the Health Service Board: health.service.board@sfgov.org.

Health Service Board telephone number: (415) 554-1727.