

**SAN FRANCISCO
HEALTH SERVICE SYSTEM**

Affordable, Quality Benefits & Well-Being

MEMORANDUM

DATE: February 9, 2022
TO: Mary Hao, Chair and Members of the Health Service Board Finance and Budget Committee
FROM: Iftikhar Hussain, Chief Financial Officer
RE: SAN FRANCISCO HEALTH SERVICE SYSTEM FISCAL YEAR 2022-23 AND FISCAL YEAR 2023-2024 PROPOSED GENERAL FUND ADMINISTRATIVE BUDGET

This memo has the recommendation and supplemental schedules for the General Fund Budget. The highlights and Commentary are in the PowerPoint presentation.

The General Fund Administrative Budget is the biannual administrative budget guided by the Mayor's budget instructions and priorities. Unlike prior year, the current year targets do not have reductions but also do not allow increases in expenses beyond inflation. We have had discussions with the Mayor's office about new needs. Based on that discussion, these needs are listed separately from the budget in this presentation. The Mayor's office is considering these needs along with other requests and the final decision will be made by June.

The recommendation to the Board:

- APPROVE SAN FRANCISCO HEALTH SERVICE SYSTEM FISCAL YEAR 2022-23 AND FISCAL YEAR 2023-2024 PROPOSED GENERAL FUND ADMINISTRATIVE BUDGET
- Approve HSS budget requests to Mayor's office. Any items approved by the Mayor's office will become part of the HSS budget.

Supplemental Schedules

| Table I. SFHSS Propose General Fund Administrative Budget - Achieving Mayor's Target Budget Reductions | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2021-2022 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
|--|---|---|------------------------------------|---|---|
| Approved FTEs | 56.59 | 0.00 | 56.83 | 56.83 | 0.00 |
| Non-Operating Positions (cap/other) | -9.40 | 0.00 | -9.61 | -9.61 | 0.00 |
| Net Operating Positions | 47.19 | 0.00 | 47.22 | 47.22 | 0.00 |
| Sources | | | | | |
| Charges for Services | 9,131 | 0 | 9,131 | 9,131 | 0 |
| Other Revenues | 450,000 | -175,958 | 625,958 | 445,000 | (180,958) |
| Expenditure Recovery | 12,347,820 | 74,104 | 12,273,716 | 12,388,596 | 114,880 |
| General Fund Support | | 0 | | | |
| Sources Total | 12,806,951 | -101,854 | 12,908,805 | 12,842,727 | -66,078 |
| Uses - Operating Expenditures | | | | | |
| Personnel | | | | | |
| Salaries | 5,859,750 | 15,009 | 6,004,095 | 6,019,471 | 15,376 |
| Mandatory Fringe Benefits | 2,642,267 | 5,709 | 2,512,980 | 2,518,316 | 5,336 |
| | 8,502,017 | 20,718 | 8,517,075 | 8,537,787 | 20,712 |
| Training & Travel | 23,481 | 0 | 23,481 | 23,481 | 0 |
| Software License | 177,035 | 0 | 177,035 | 177,035 | 0 |
| Contracts | 2,037,917 | 0 | 2,037,917 | 2,027,565 | -10,352 |
| Other | 46,717 | -20,125 | 66,842 | 40,792 | -26,050 |
| Non-Personnel Services | 2,285,150 | -20,125 | 2,305,275 | 2,268,873 | -36,402 |
| Materials & Supplies | 61,362 | -10,000 | 71,362 | 68,481 | -2,881 |
| Services Of Other Depts | 1,958,422 | 9,407 | 1,949,015 | 1,967,586 | 18,571 |
| Uses Total | 12,806,951 | 0 | 12,842,727 | 12,842,727 | 0 |

| Table II. SFHSS Propose General Fund Administrative Budget - FTE's, Salary & Mandatory Fringe Benefits | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
|--|------------------------------------|---|---|------------------------------------|---|---|
| Approved FTEs | 56.59 | 56.59 | 0.00 | 56.83 | 56.83 | 0.00 |
| Non-Operating Positions (cap/other) | -9.40 | -9.40 | 0.00 | -9.61 | -9.61 | 0.00 |
| Net Operating Positions | 47.19 | 47.19 | 0.00 | 47.22 | 47.22 | 0.00 |
| Personnel | | | | | | |
| Salaries | 5,844,741 | 5,859,750 | 15,009 | 6,004,095 | 6,019,471 | 15,376 |
| Mandatory Fringe Benefits | 2,636,558 | 2,642,267 | 5,709 | 2,512,980 | 2,518,316 | 5,336 |
| | 8,481,299 | 8,502,017 | 20,718 | 8,517,075 | 8,537,787 | 20,712 |

| Table III. SFHSS Propose General Fund Administrative Budget - Non-Personnel Expenditures | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
|--|---|--|--|---|--|--|
| Training & Travel | 23,481 | 23,481 | 0 | 23,481 | 23,481 | 0 |
| Software License | 177,035 | 177,035 | 0 | 177,035 | 177,035 | 0 |
| Contracts | 2,037,917 | 2,037,917 | 0 | 2,037,917 | 2,027,565 | -10,352 |
| Other | 66,842 | 46,717 | -20,125 | 66,842 | 40,792 | -26,050 |
| Non-Personnel Services | | | | | | |
| Table III.A Non-Personnel: Training & Travel | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
| Administrative/Operations | 3,000 | 3,000 | 0 | 3,000 | 3,000 | 0 |
| Departmentwide Safety | 4,231 | 4,231 | 0 | 4,231 | 4,231 | 0 |
| Enterprise Systems and Analytics Technol | 1,000 | 1,000 | 0 | 1,000 | 1,000 | 0 |
| Health Service Board | 10,000 | 10,000 | 0 | 10,000 | 10,000 | 0 |
| EAP and Well-Being Certification | 5,250 | 5,250 | 0 | 5,250 | 5,250 | 0 |
| Sources Total | 23,481 | 23,481 | 0 | 23,481 | 23,481 | 0 |
| Table III.B Non-Personnel: Software Licenses | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
| General Software Licenses | 2,405 | 2,405 | 0 | 2,405 | 2,405 | 0 |
| Employee Assistance Program Software | 174,630 | 174,630 | 0 | 174,630 | 174,630 | 0 |
| Sources Total | 177,035 | 177,035 | 0 | 177,035 | 177,035 | 0 |
| Table III.C Non-Personnel: Contracts/Professional Services | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
| Administrative/Operations: Actuarial, Benefit Administration, FSA and COBRA Administration, Audit Services | 1,319,867 | 1,319,867 | 0 | 1,319,867 | 1,314,867 | (5,000) |
| EAP Program: 24/7 EAP Program - ComPsych EAP Interpreter | 488,050 | 488,050 | 0 | 488,050 | 488,050 | - |
| Wellbeing Onsite Activities | 130,408 | 130,408 | 0 | 130,408 | 130,408 | - |
| Wellbeing Grants - Department Well-Being Targeted Interventions | 99,592 | 99,592 | 0 | 99,592 | 94,240 | (5,352) |
| Sources Total | 2,037,917 | 2,037,917 | 0 | 2,037,917 | 2,027,565 | -10,352 |
| Table III.D Non-Personnel: Other | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
| Memberships | 3,400 | 3,400 | 0 | 3,400 | 3,400 | - |
| Credit Card Fees | 20,000 | 9,375 | -10,625 | 20,000 | 5,000 | (15,000) |
| Copy Machine | 31,861 | 22,861 | -9,000 | 31,861 | 22,861 | (9,000) |
| Other Equipment Maintenance | 1,550 | 1,550 | 0 | 1,550 | - | (1,550) |
| Miscellaneous Facilities Rental | 5,731 | 5,731 | 0 | 5,731 | 5,731 | - |
| Printing - Administrative, EAP, & Well-Being | 2,300 | 2,300 | 0 | 2,300 | 2,300 | - |
| Subscriptions | 0 | 0 | 0 | 0 | 0 | - |
| Other Current Expenses | 2,000 | 1,500 | -500 | 2,000 | 1,500 | (500) |
| Sources Total | 66,842 | 46,717 | -20,125 | 66,842 | 40,792 | |

| Table IV. Materials & Supplies | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
|--|------------------------------------|---|---|------------------------------------|---|---|
| General Office Supplies | 30,342 | 30,342 | 0 | 30,342 | 30,342 | 0 |
| Employee Assistance Program Training Materials | 28,750 | 28,750 | 0 | 28,750 | 25,869 | -2,881 |
| Employee Assistance Program Training Materials | 12,270 | 2,270 | -10,000 | 12,270 | 12,270 | 0 |
| Sources Total | 71,362 | 61,362 | -10,000 | 71,362 | 68,481 | -2,881 |
| | | | | | | |
| Table V. Interdepartmental Services (Work Orders) | 2022-2023 Revised Base Budget (GF) | 2022-2023 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2020-2021 | 2023-2024 Revised Base Budget (GF) | 2023-2024 Budget Proposal Per MYR Target (GF) | Change From Requested to Revised/Target 2022-2023 |
| Wellbeing Grants | - | - | - | | | |
| Department Of Technology-Projects | 18,836 | 18,836 | - | 18,836 | 18,836 | - |
| Risk Management | 3,296 | 3,296 | - | 3,296 | 3,296 | - |
| Department Of Technology-Infrastructure | 151,395 | 151,395 | - | 151,395 | 151,395 | - |
| Controller-Info Systems | 51,452 | 51,452 | - | 51,452 | 51,452 | - |
| City Attorney Work Order | 125,000 | 125,000 | - | 125,000 | 125,000 | - |
| Department Of Technology-Sfgovtv | 21,043 | 21,043 | - | 21,043 | 21,043 | - |
| Department Of Technology-Enterprise Tech Contracts | 28,128 | 28,128 | - | 28,128 | 28,128 | - |
| Department Of Technology-Telecomm | 25,659 | 25,659 | - | 25,659 | 25,659 | - |
| Human Resources Department-Mgmt Training | 2,500 | 2,500 | - | 2,500 | 2,500 | - |
| Workers' Compensation Claims | 69,219 | 69,219 | - | 69,219 | 69,219 | - |
| Human Resources Department-Client Svs/Recruit | 293,051 | 302,458 | 9,407 | 293,051 | 311,622 | 18,571 |
| Human Resourcesv Modernization | 2,620 | 2,620 | | 2,620 | 2,620 | |
| Diversity Equity Inclusion | 1,094 | 1,094 | 5,000 | 6,094 | 6,094 | |
| GF-HE-Equal Emplymnt Opportuni | 18,535 | 18,535 | | 18,535 | 18,535 | |
| Rent | 1,072,242 | 1,072,242 | - | 1,072,242 | 1,072,242 | - |
| Reproduction | 25,423 | 25,423 | - | 25,423 | 25,423 | - |
| Recreation And Park Department | 39,522 | 39,522 | (5,000) | 34,522 | 34,522 | - |
| Sources Total | 1,949,015 | 1,958,422 | 9,407 | 1,949,015 | 1,967,586 | |