



Revised SFHSS General Fund Administrative Budget FYE 2026 and 2027

Presented by

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Budget Process Overview

Phase 1 - Mayor's Budget Instructions issued in December 2024.

- SFHSS management submits a proposal in February 2025 to meet the Mayor's Phase 1 budget target while maintaining SFHSS's strategy.
- Health Service Board Budget & Finance Committee and full Board reviewed and approved the budget at the February 2025 board meeting.

Phase 2 - Mayor's Budget Adjustments

- Mayor refines budget against all other General Fund needs for submission to the Board of Supervisors (June 11, 2025).
- **Health Service Board Review Updated Budget (Today)**

Phase 3 - Board of Supervisors Review and Approval:

- Budget & Finance Committee Hearing (June 11)
- Full Board of Supervisors Passage (July)

Summary of Changes to Meet the Mayor’s General Fund Budget Targets

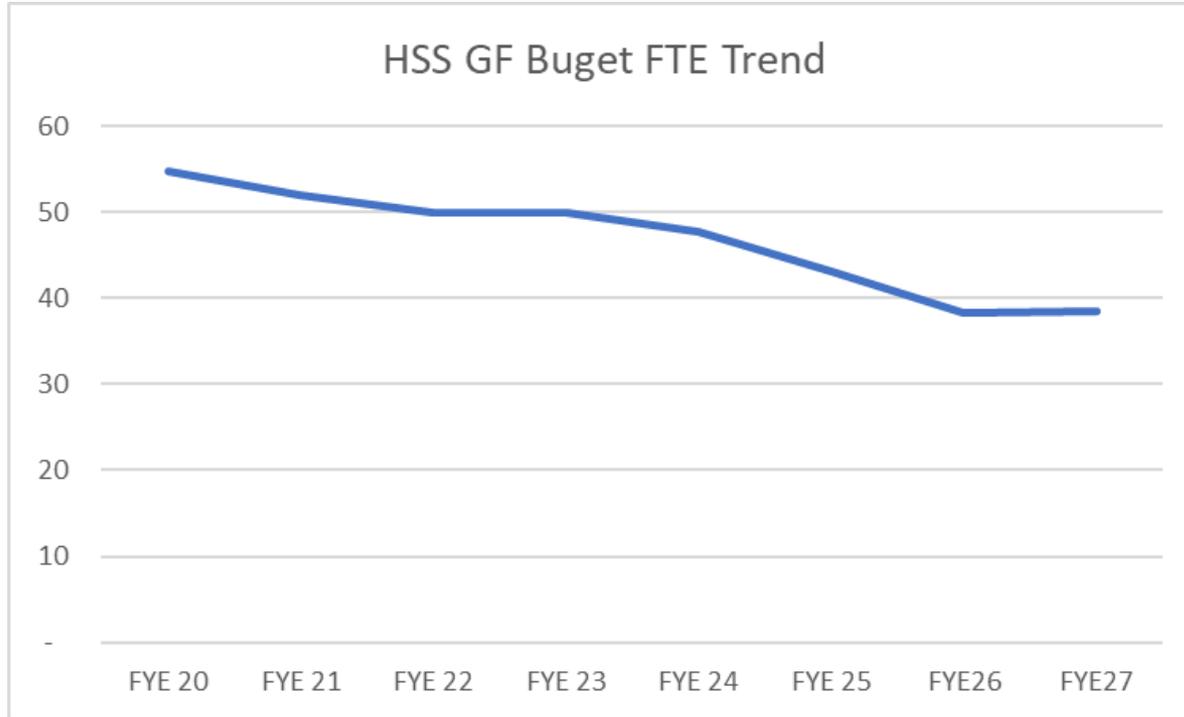
Phase 1 – Mayor’s Budget Instructions

- Net Expense reduction of 15% (\$600,000)
 - Increased attrition by 2 FTEs
 - Transferred 2 FTEs to the HSF

Phase 2 – Mayor’s Budget Adjustment

- Net Expense reductions of \$152,000, mainly consisting of:
 - AON – Transferred a portion of actuarial services to HSF
 - ComPsych – Negotiated savings through contract extension

SFHSS General Fund Budget FTE History



Historical FTE changes:

- FYE 2021 – Attrition target to meet cost reduction target
- FYE 2022 – Increase attrition by 2 FTEs to fund EAP
- FYE 2023 – No changes
- FYE 2024 – 2 FTEs reduced to meet cost reduction target
- FYE 2025 – 4 FTEs - 3 Well-Being and 1 Communications FTEs transferred to Trust
- FYE 2026 – 4 FTEs – Increased attrition by 2 FTEs and transferred 2 FTEs to Trust

Budget with Mayor's Changes (\$ in thousands)

| | FYE 25 | FYE 26 | | | FYE 27 | | |
|-------------------------------------|---------------|-----------------|---------------|---------------|-----------------|---------------|---------------|
| | FYE 25 Budget | Original Budget | Mayor's Phase | Final | Original Budget | Mayor's Phase | Final |
| Positions | | | | | | | |
| Net GF | 45.04 | 39.00 | - | 39.00 | 39.00 | - | 39.00 |
| Sources | | | | | | | |
| Other Revenues | 2,068 | 580 | | 580 | 580 | | 580 |
| Expenditure Recovery | 10,614 | 12,571 | (889) | 11,682 | 12,571 | (461) | 12,110 |
| Sources Total | 12,682 | 13,151 | (889) | 12,262 | 13,151 | (461) | 12,690 |
| Operating Expenditures | | | | | | | |
| Personnel | | | | | | | |
| Salaries | 5,821 | 5,619 | 10 | 5,629 | 5,878 | 6 | 5,884 |
| Benefits | 2,441 | 2,406 | (26) | 2,381 | 2,546 | (16) | 2,529 |
| Personnel Total | 8,262 | 8,025 | (16) | 8,010 | 8,424 | (10) | 8,414 |
| Non-Personnel Services Total | | | | | | | |
| Training and Travel | 23 | 35 | | 35 | 25 | | 25 |
| Software Licenses | 70 | 87 | | 87 | 72 | | 72 |
| Contracts | 2,202 | 2,294 | (176) | 2,118 | 2,302 | (206) | 2,096 |
| Other | 82 | 54 | | 54 | 68 | | 68 |
| Non-Personnel Services Total | 2,377 | 2,471 | (176) | 2,295 | 2,466 | (206) | 2,260 |
| Materials & Supplies | 51 | 37 | | 37 | 37 | (1) | 36 |
| Services of Other Departments | 1,992 | 1,881 | 40 | 1,921 | 1,900 | 82 | 1,981 |
| Total Expenses | 12,682 | 12,414 | (152) | 12,262 | 12,826 | (135) | 12,690 |