

# San Francisco Health Service System Proposed FY 2020-21 and FY 2021-22 General Fund Administration Budget

February 13, 2020

# Mayor's Budget Instructions

- Submit “Sustainability and Efficiency Proposals” that reduce the General Fund budget by 3.50% from the base funding level. The reduction targets are \$ 126,227 in FY 2020-21 and \$ 252,455 in FY 2021-22
- No new positions can be proposed
- Once budget proposals are submitted to the Mayor's Office, discussions can occur on new positions and discretionary spending which align with the Mayor's priorities

# Summary

Summary							
	FY 2019-20 Original Budget	FY 2019-20 Revised Budget	FY 2019-20 Projection *	FY 2020-21 Base Budget	FY 2020-21 Proposed Budget	FY 2021-22 Base Budget	FY 2021-22 Proposed Budget
<b>Revenues</b>							
Non-Operating (Forfeitures)	\$ 624,637	\$ 624,637	\$ 389,959	\$ 623,637	\$ 624,297	\$ 624,876	\$ 625,958
Operating	9,131	9,131	9,131	9,131	9,131	9,131	9,131
Carryforward		325,045	325,045				
Recoveries	11,454,136	11,454,136	11,430,366	12,054,140	11,928,253	12,297,133	12,043,596
<b>Total</b>	<b>\$ 12,087,904</b>	<b>\$ 12,412,949</b>	<b>\$ 12,154,501</b>	<b>\$ 12,686,908</b>	<b>\$ 12,561,681</b>	<b>\$ 12,931,140</b>	<b>\$ 12,678,685</b>
<b>Expenditures</b>	<b>\$ 12,087,904</b>	<b>\$ 12,412,949</b>	<b>\$ 12,154,501</b>	<b>\$ 12,687,908</b>	<b>\$ 12,561,681</b>	<b>\$ 12,931,140</b>	<b>\$ 12,678,685</b>
<i>Change (Budget to Budget)</i>		\$ 325,045	\$ (258,448)	\$ 600,004	\$ (126,227)	\$ 243,232	\$ (252,455)
* Projection based on 5 months of actuals including the carryforward funding from FY 2018-19							

# Positions

Positions (FTE)			
	FY 2019-20 Original Budget	FY 2020-21 Proposed Budget	FY 2021-22 Proposed Budget
<b>General Fund</b>			
SFHSS Administration	45.65	45.65	45.65
Well-Being and Employee Assistance Program (EAP)	6.51	6.74	6.74
Temporary Positions	0.11	0.10	0.10
<b>Total General Fund</b>	<b>52.27</b>	<b>52.49</b>	<b>52.49</b>
<i>Change</i>		0.22	0.00
<b>Attrition</b>	<b>-2.58</b>	<b>-2.66</b>	<b>-2.66</b>
<b>Funded Positions - General Fund</b>	<b>49.69</b>	<b>49.83</b>	<b>49.83</b>
<i>Change</i>		0.14	0.00
<b>Health Care Sustainability Fund Budget Annual Salary Ordinance</b>			
Annual Salary Ordinance	3.61	3.61	3.61
Project Based Positions	3.08	4.00	4.00
<b>Total Health Care Sustainability Fund</b>	<b>6.69</b>	<b>7.61</b>	<b>7.61</b>
<i>Change</i>		0.92	0.00
<b>Total Positions</b>	<b>56.38</b>	<b>57.44</b>	<b>57.44</b>
<i>Change</i>		1.06	0.00

# Summary of Expenditures to Meet the Reduction Targets

Expenditures							
	FY 2019-20 Original Budget	FY 2019-20 Revised Budget	FY 2019-20 Projection *	FY 2020-21 Base Budget	FY 2020-21 Proposed Budget	FY 2021-22 Base Budget	FY 2021-22 Proposed Budget
<b>Personnel</b>	\$ 8,094,990	\$ 8,094,990	\$ 7,936,542	\$ 8,540,367	\$ 8,582,867	\$ 8,783,599	\$ 8,826,099
<i>Change Per Controller's Office</i>		\$ -	\$ (158,448)	\$ 445,377	\$ 42,500	\$ 243,232	\$ 42,500
<b>Non-Personnel</b>							
Training	\$ 30,640	\$ 30,640	\$ 30,640	\$ 23,266	\$ 33,582	\$ 23,266	\$ 25,822
Software Licenses	19,355	19,355	20,129	19,355	14,035	19,355	14,035
Contracts	1,284,487	1,493,165	1,493,165	1,327,633	1,322,658	1,327,633	1,330,487
Onsite Activities	195,693	205,453	205,453	195,693	205,453	195,693	142,637
Well-Being Grants	161,759	-	-	161,759	70,073	161,759	-
Credit Card Fees	65,000	65,000	62,269	65,000	20,000	65,000	20,000
Other Current Expenses	47,324	49,893	51,850	48,398	45,081	48,398	45,081
<b>Total Non-Personnel</b>	\$ 1,804,258	\$ 1,863,506	\$ 1,863,506	\$ 1,841,104	\$ 1,710,882	\$ 1,841,104	\$ 1,578,062
<i>Change</i>		\$ 59,248	\$ -	\$ 36,846	\$ (130,222)	\$ -	\$ (263,042)
<b>Materials and Supplies</b>	\$ 45,130	\$ 55,035	\$ 55,035	\$ 45,130	\$ 49,125	\$ 45,130	\$ 55,717
<i>Change</i>		\$ 9,905	\$ -	\$ -	\$ 3,995	\$ -	\$ 10,587
<b>Work Orders</b>	\$ 2,143,526	\$ 2,399,418	\$ 2,299,418	\$ 2,261,307	\$ 2,218,807	\$ 2,261,307	\$ 2,218,807
<i>Change</i>		\$ 255,892	\$ (100,000)	\$ 117,781	\$ (42,500)	\$ -	\$ (42,500)
<b>Grand Total</b>	\$ 12,087,904	\$ 12,412,949	\$ 12,154,501	\$ 12,687,908	\$ 12,561,681	\$ 12,931,140	\$ 12,678,685
<i>Change</i>		\$ 325,045	\$ (258,448)	\$ 600,004	\$ (126,227)	\$ 243,232	\$ (252,455)
* Projection based on 5 months of actuals including the carryforward funding from FY 2018-19							

# Reductions in Contracts to Meet Reduction Targets

Contracts						
	FY 2019-20 Budget	FY 2019-20 Projection *	FY 2020-21 Base Budget	FY 2020-21 Proposed Budget	FY 2021-22 Base Budget	FY 2021-22 Proposed Budget
Actuarial, Benefit Administration, FSA and COBRA Administration, Audit Services, EAP Interpreter, Behavioral Health: EAP Mental Health, Historical Analysis: Well-Being	\$ 1,284,487	\$ 1,493,165	\$ 1,327,633	\$ 1,322,658	\$ 1,327,633	\$ 1,330,487
<i>Change</i>		\$ 208,678	\$ 43,146	\$ (4,975)	\$ 4,975	\$ 2,854
Well-Being Grants**	\$ 161,759	\$ -	\$ 161,759	\$ 70,073	\$ 161,759	\$ -
<i>Change</i>		\$ (161,759)	\$ -	\$ (91,686)	\$ 91,686	\$ (161,759)
Onsite Well-Being Activities	\$ 195,693	\$ 205,453	\$ 195,693	\$ 205,453	\$ 195,693	\$ 142,637
<i>Change</i>		\$ 9,760	\$ -	\$ 9,760	\$ (9,760)	\$ (53,056)
<b>Total</b>	<b>\$ 1,641,939</b>	<b>\$ 1,698,618</b>	<b>\$ 1,685,085</b>	<b>\$ 1,598,184</b>	<b>\$ 1,685,085</b>	<b>\$ 1,473,124</b>
<i>Change</i>		\$ 56,679	\$ 43,146	\$ (86,901)	\$ 86,901	\$ (211,961)
* Projection based on 5 months of actuals including the carryforward funding from FY 2018-19						
** In FY 2019-20 Projection, Grants are distributed to department via workorder						

# Impact of Budget Reductions on Contractual Obligations

Contract Requirements				
	FY 2020-21 Funding Requirement Based on Current Utilization	FY 2020-21 Proposed Budget	FY 2021-22 Funding Requirement Based on Current Utilization	FY 2021-22 Proposed Budget
Actuarial, Benefit Administration, FSA and COBRA Administration, Audit Services, EAP Interpreter	\$ 1,322,658	\$ 1,322,658	\$ 1,363,450	\$ 1,330,437
<i>Change</i>		-		\$ (33,013)
Well-Being Grants	\$ 161,759	\$ 70,073	\$ 161,759	\$ -
<i>Change</i>		\$ (91,686)		\$ (161,759)
Onsite Well-Being Activities	\$ 205,453	\$ 205,453	\$ 205,453	\$ 142,637
<i>Change</i>		\$ -		\$ (62,816)
<b>Total</b>	<b>\$ 1,689,870</b>	<b>\$ 1,598,184</b>	<b>\$ 1,730,662</b>	<b>\$ 1,473,074</b>
<i>Change</i>		\$ (91,686)		\$ (257,588)

# Requests to be Submitted to Mayor’s Office for Additional Funding

Request for Funding		
FY 2020-21	FY 2021-22	Justification
\$ -	\$ 33,013	To meet the budget targets, the full requirement for the contract for administration of Flexible Spending Accounts is not reflected in the FY 2020-21 proposed budget. On an annual basis, the average number of accounts administered annually increases by 10% and the cost of the contract increases 8%. The request is to fully fund the shortfall in FY 2021-22.
91,686	161,759	To meet the budget targets each year, funding for the Well-Being Grants was reduced. These grants assist departments in creating a workplace culture that supports the Well-Being and meets their employee's needs. In FY 2018-19 \$159,955 in grants were provided to departments. Table Ten outlines the wide range of initiatives for which the departments have received grants in FY 2019-20. Reducing the grants in FY 2020-21 by 57% and totally eliminating the funding in FY 2021-22 will severely hamper the ability for departments to directly improve the well-being of their employees. Restoration of the Well-Being Grants to the FY 2019-20 funding level is requested for both FY 2020-21 and FY 2021-22.
-	62,816	Apart from underfunding the existing multi-year not-to-exceed amounts for critical contracts, the remaining reduction is for the group exercise classes that are provided in partnership with the Recreation and Parks Department. In calendar year 2019, approximately 125 group exercise classes per month at 24 worksite locations were provided. In addition, there were 224 onsite activities offered at various worksite locations. The request is to fully fund the on-site activities at the current level of \$205,453.
<b>\$ 91,686</b>	<b>\$ 257,588</b>	