

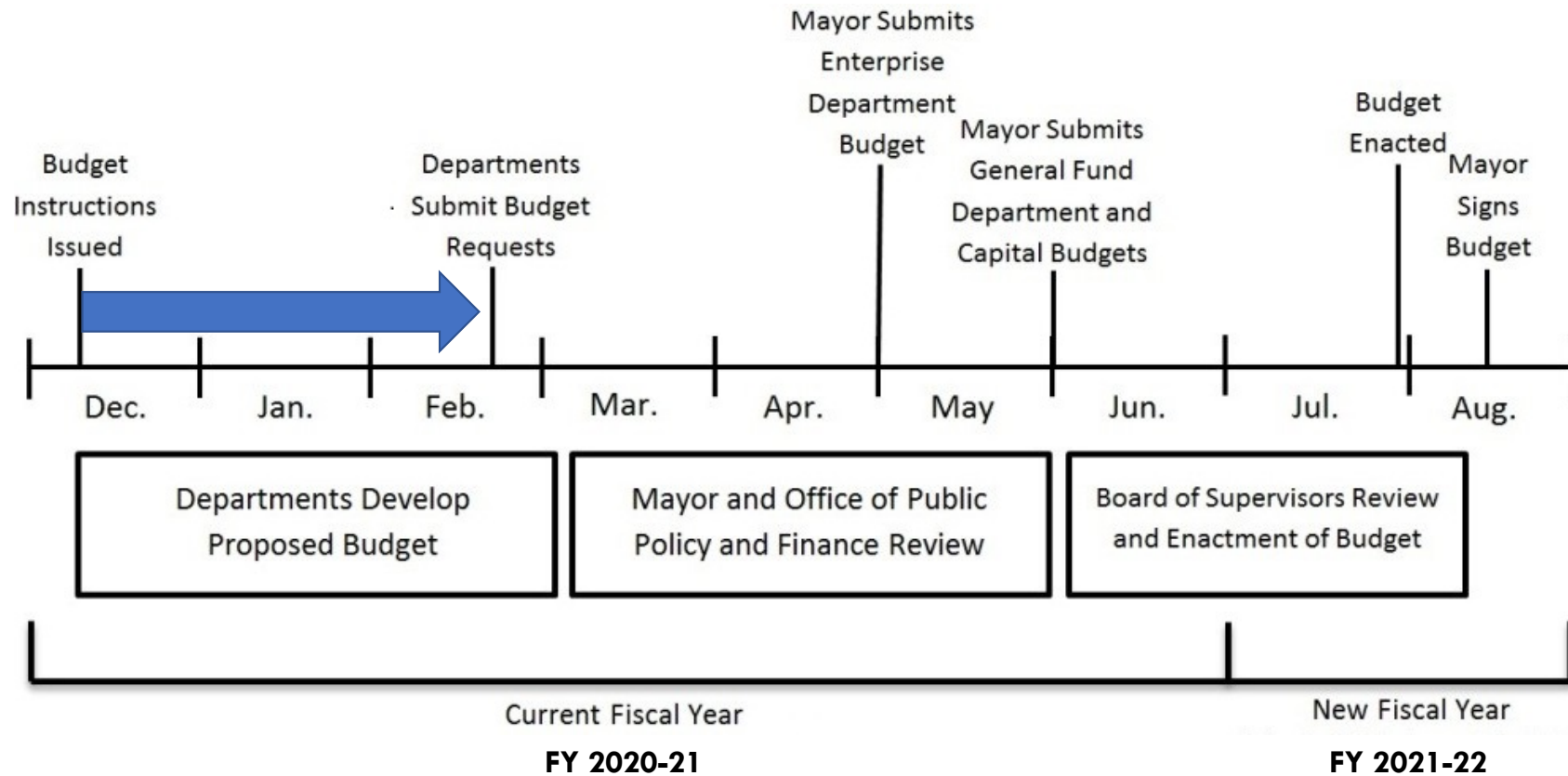


Oversight Advisory Committee FY 2021-22 & 2022-23 Budget

February 16, 2021

San Francisco Department of Children, Youth & Their Families

Budget Timeline (FY 2021-22 & FY2022-23)



Key Dates

Dec 16	Budget Outlook & Instructions issued
Early Jan	Budget system opens to departments / CON budget system trainings
Jan 15	Proposed Five-Year Financial Plan FY21-22 through FY25-26 published
Jan 22	COIT and Capital budget requests due
Early Feb	Controller's 6-Month Report
Feb 22	Budget Department Phase submissions due
May	Controller's 9-Month Report Governor's May Revise
Jun 1	Mayor proposes balanced budget to Board of Supervisors
June	Budget and Finance Committee hearings
July	Budget considered at Board of Supervisors



Recap

City's Fiscal Outlook

- FY2021-22 and FY2022-23 deficit projection: \$653.2M over two years due to revenue declines, unbudgeted labor costs and ongoing COVID expenses

Mayor's Priorities

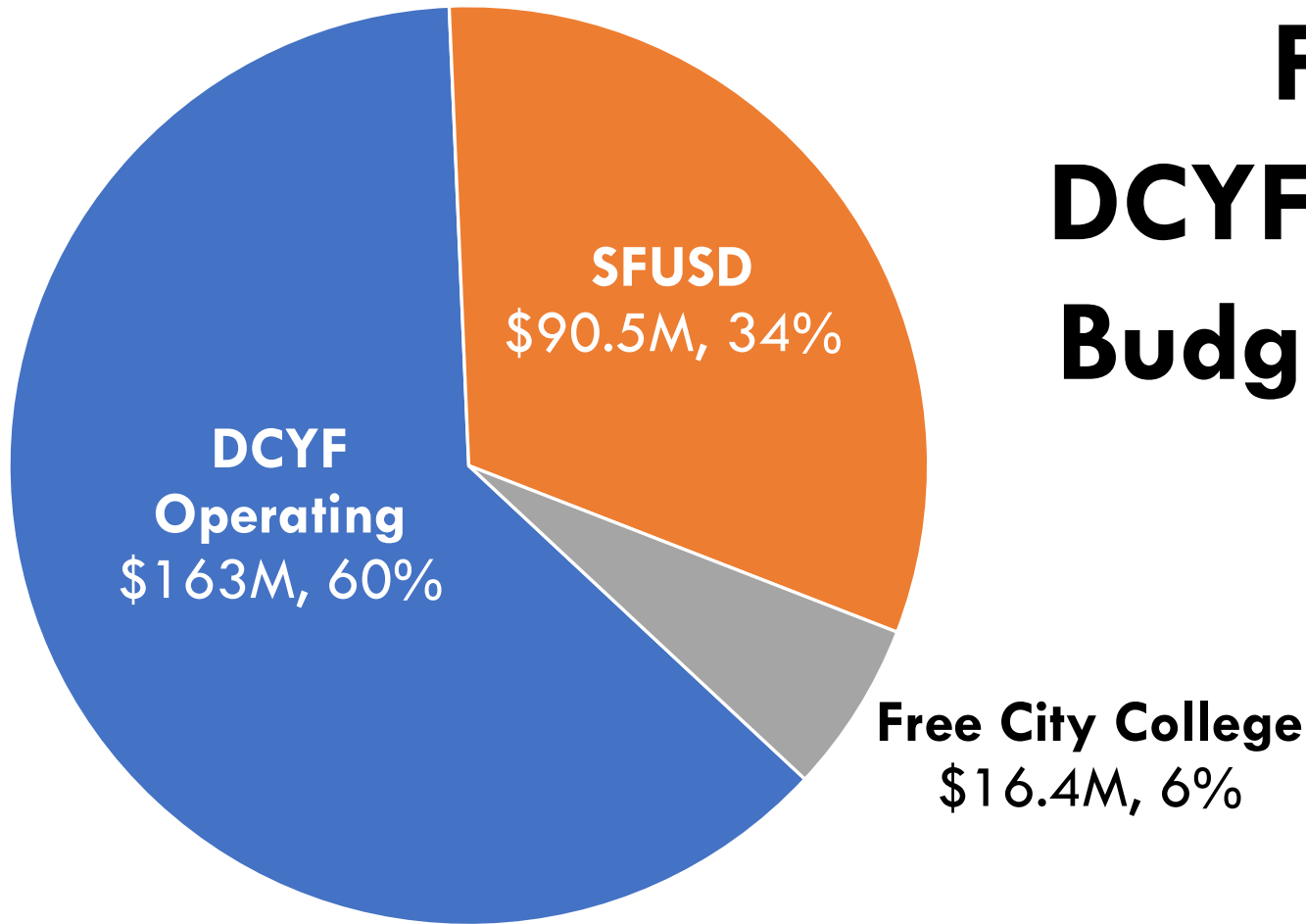
- Support small business and economic recovery
- Equity focused
- Homelessness and mental health programming
- Ongoing COVID response

Mandatory reduction proposals of 7.5% (\$3.4M) in adjusted General Fund support, with an additional 2.5% (\$1.1M) contingency should fiscal conditions worsen

- \$4.5M reduction in FY2021-22 and FY2022-23



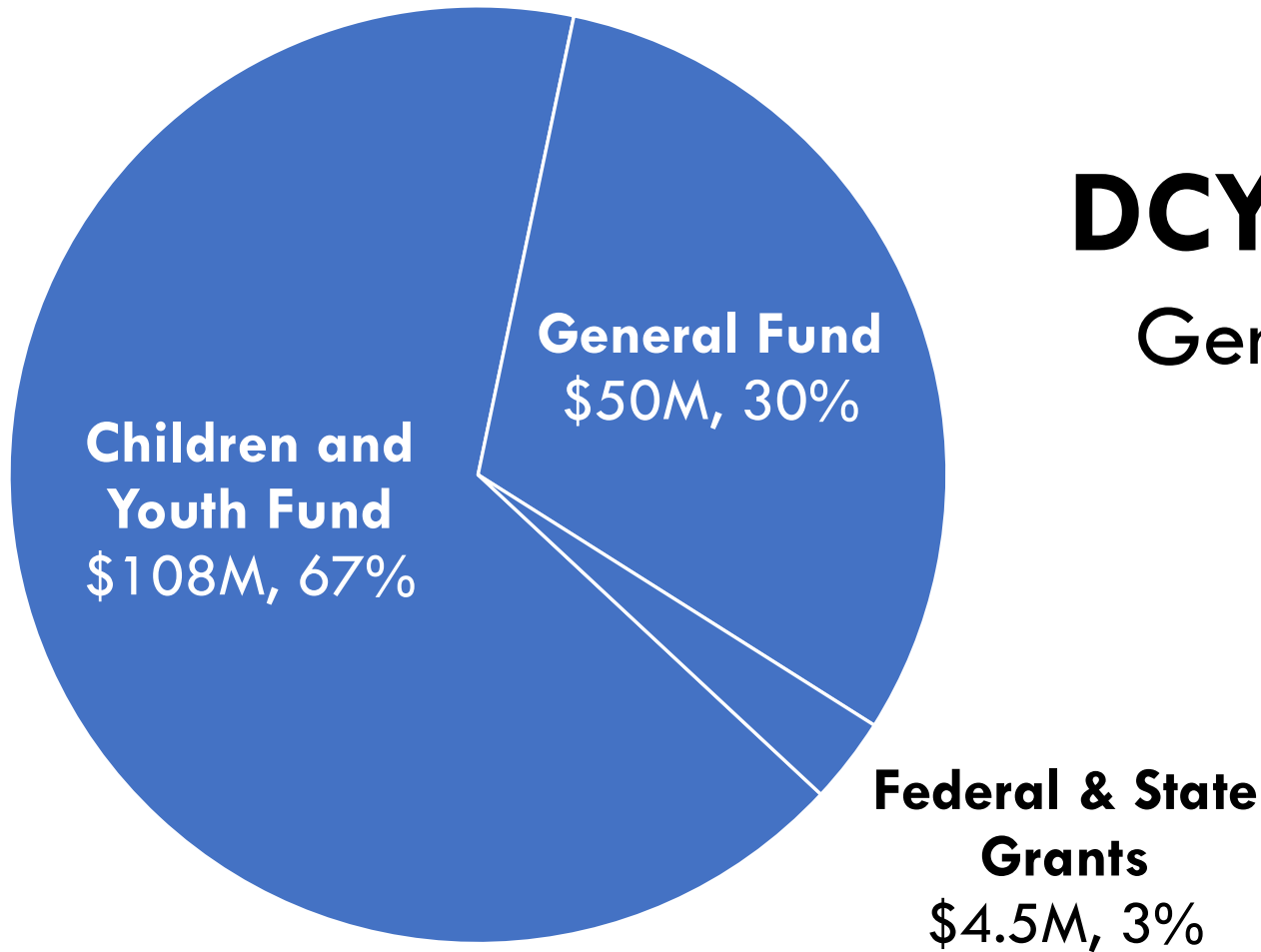
FY 2021-22 DCYF Operating Budget vs Other Programs



FY 2021-22

DCYF Operating

General Fund vs Self Supporting



City's Fiscal Outlook (Expenses)



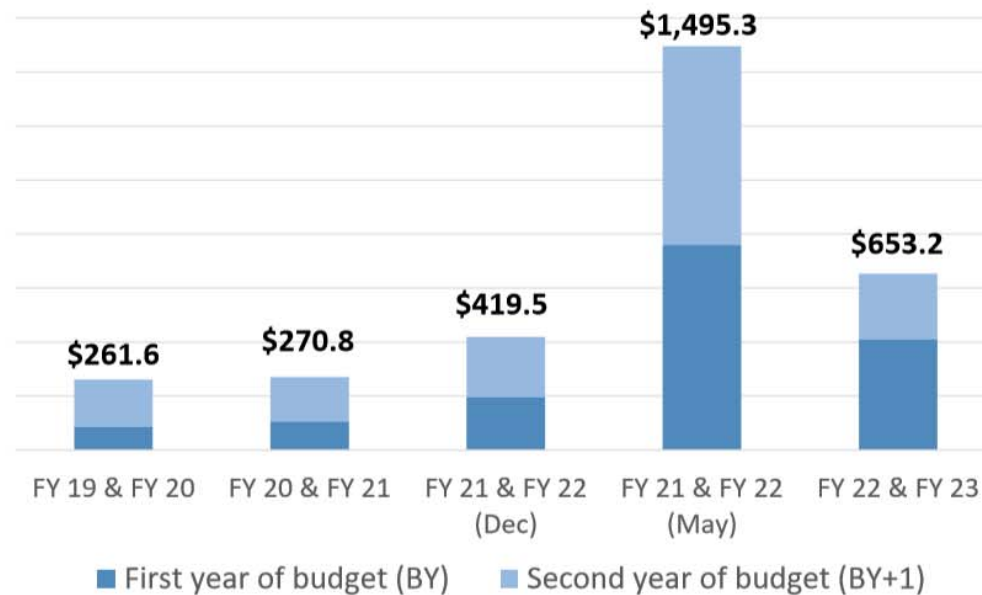
Overview: Fiscal Outlook

FY 2021-22 and FY 2022-23 deficit projection: **\$653.2 million over two years**

Key Drivers:

- Revenue declines
- Unbudgeted labor costs
- Ongoing COVID expenses

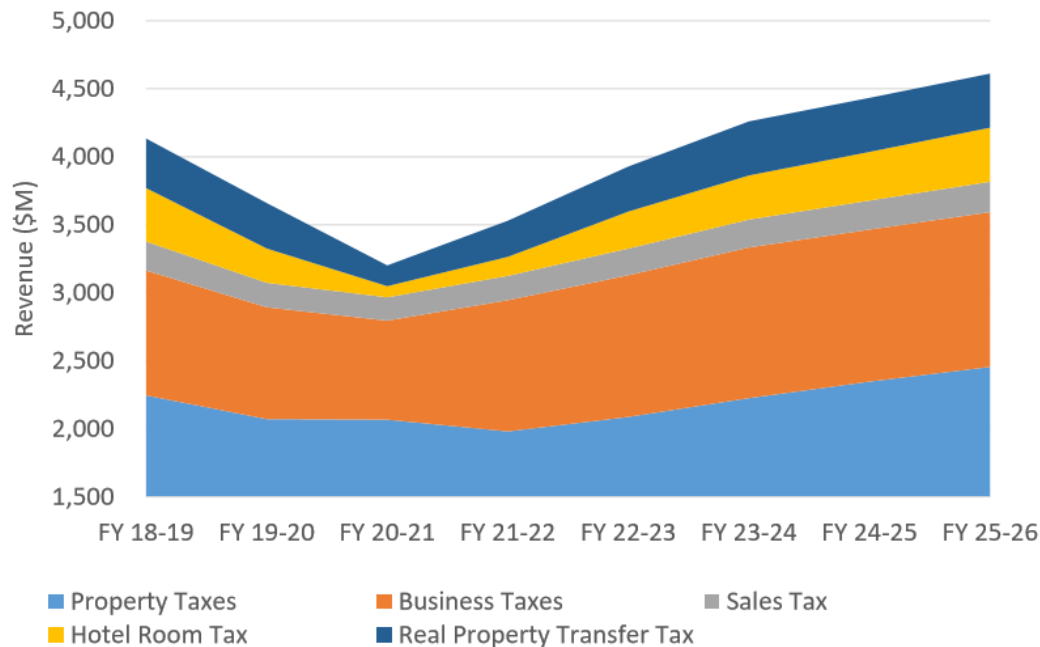
Deficit at Time of Budget Instructions (\$M)



City's Fiscal Outlook (Revenues)



Local Tax Revenues



- Transfer, hotel, sales, and business taxes most impacted by COVID, while property tax remains the most stable
- New revenues assumed to offset General Fund shortfall



DCYF Proposed Budget FY21-22 & 22-23

- Estimated figures during the Proposed Department Phase and subject to change
- Excludes SFUSD and Free City College

Proposed Department Phase Revenues ^A	FY19-20 Actuals	FY20-21 Current Year ^B	FY21-22 Draft Dept Phase	FY22-23 Draft Dept Phase	Proposed Department Phase Expenditures ^A	FY19-20 Budget	FY20-21 Current Year	FY21-22 Draft Dept Phase	FY22-23 Draft Dept Phase
Property Taxes	108,837,093	107,780,000	108,000,000	113,609,000	Salaries	6,496,123	6,547,757	6,932,262	7,266,461
Interest Earned - Pooled	578,781	80,000	80,000	80,000	Mandatory Fringe Benefits	2,984,645	3,157,084	3,342,139	3,351,848
Federal Grants	1,287,456	1,592,175	1,178,168	1,178,168	Non-Personnel Services ^D	8,745,925	8,585,115	6,637,771	6,637,771
State Grants	3,696,081	3,139,178	3,139,178	3,139,178	City Grant Program ^E	102,805,925	114,053,280	102,771,496	106,103,508
Other Revenue / Private Grants	1,400,222	1,400,222	400,000	400,000	Materials & Supplies	252,649	297,649	252,649	252,649
Expense Recovery	3,552,921	3,467,104	3,496,504	3,496,504	Services Of Other Depts	40,487,059	37,529,614	37,439,092	37,439,092
Transfer Adjustments - Sources	1,406,820	0	478,329	478,329	Transfer Adjustments - Uses	6,100,000	5,060,000	5,430,000	6,140,000
Beginning Fund Balance ^C	0	3,385,862	5,788,854	1,061,468	Total	167,872,326	175,230,499	162,805,409	167,191,329
GF Support or Carryforward	47,112,952	54,385,958	40,244,376	43,748,682					
Total	167,872,326	175,230,499	162,805,409	167,191,329					
	% Change	4%	-8%	3%	% Change	4%	-8%	3%	

Notes:

- A. This may not reflect the Final Department Phase Proposed Budget due on Feb 22, 2021 as DCYF and the Mayor's Budget Office are still in negotiations at the time of this presentation.
- B. FY20-21 Revenue reflects the 3-Month updates cited in the Proposed Five-Year Financial Plan.
- C. One-time Fund Balance to offset FY21-22 & 22-23 GF target reduction, figures may change per year-end reconciliation.
- D. Meeting General Fund target reductions by reducing Non-Personnel Services and restoring with one-time Fund Balance or Carryforward.
- E. Increase to Grants in FY20-21 due to one-time Source increases. Specifically, one-time GF Support & BOS Addbacks for COVID Rapid Response.



DCYF Budget Approach

- Sustained COVID Response
 - Emergency Child & Youth Care
 - Mass Feeding at C3
 - Partnership with SFUSD and DPH
 - Community Hubs Initiative
- Emphasis on Racial Equity
- Engage in Citywide COVID-specific budget planning process
- Ongoing partnership with Mayor's Office
 - Share clear trade-offs with Contracts reductions



Questions?