

Shelter & Hygiene Liaison Meeting

Budget Deep Dive

Date of Meeting: March 21, 2024

Attendees:

| CON | HSH | OCOH |
|---|--|--|
| <ul style="list-style-type: none">• Radhika Mehlotra• Ivy Huwald | <ul style="list-style-type: none">• Gigi Whitley• Marion Sanders• Christine Rolan• Reyna McKinnon | <ul style="list-style-type: none">• Jennifer Friedenbach |

1. Welcome and Introductions

2. Fiscal Update on Shelter & Hygiene

a. Unspent OCOH Balance – Mid-Year Budget Update

The mid-year budget update showed \$6M in the projected year-end total balance (including reserves) in the Shelter & Hygiene service area.

- i. How has the March revenue update affected this balance amount?
 1. Currently the spending plan includes all programs continuing as planned. The total use plan is \$35.6M for FY24-25 and \$30.9M in FY25-26.
 2. There is a projected ongoing shortfall. \$18.9M of one-time revenue in FY24-25 that will be used to help balance shortfalls.
- ii. What portion of this balance is entirely uncommitted and available for new or expanded programs? Please delineate one-time vs. ongoing.

b. Maintain Current Programming

- i. How much funding is needed in FY24-25 and FY25-26 to **maintain** current programming? Please delineate one-time vs. ongoing.
 1. No choices to be made yet (nothing delayed). This service area is being fully implemented as the budget will allow but there are projected shortfalls that will need to be considered in the coming years.
 2. Beyond the budget years, the department is not going to be able to sustain funding for all programs that are currently supported by state funding (HHAP) by FY26-27 because there has been no information for the next round of funding. If that funding is not sustained by the state, the department will have to seek other funding sources to keep those programs operational.
- ii. Based on the March revenue update, will there be enough funding to cover the cost of maintaining current programming, including any inflationary costs?
 1. No programmatic cuts are needed currently.
 2. \$7M shortfall in the future due to lack of ongoing funds that have been supported through state funding thus far.

- iii. If not, are there any other sources available to cover the cost of maintaining current programming? If so, what are those sources (underspend from prior year years/fund balance, reserves, acquisition, or any other unearmarked/uncommitted funds)? Please indicate whether these sources are available one-time or on an ongoing basis.

c. Planned Programming – Delayed

- i. What **delayed** programs are expected to start in FY24-25 and FY25-26? What are their funding commitments (amount and nature)?
 - 1. *At this point, no.*
- ii. Based on the March revenue update, should the Committee consider choices to delay further or not move forward at all, to generate savings to maintain current programming?

d. Planned Programming – New

- i. Is there any **new programming** that is expected to start in FY24-25 and FY25-26? If so, are there any **new costs** associated with that programming?
- ii. Based on the March revenue update, will there be enough funding to cover the cost of new programming?
- iii. If not, where are the decisions points to delay new programming or make policy decisions to not move forward at all, to generate savings to maintain current programming?

e. State/Federal Funding

- i. Are there possible OCOH funds that will get supplanted by State/federal funding over the two budget years and generate savings in the fund?
 - 1. *Mission cabins are currently state funded.*
 - 2. *The department has built its spending plan with the expectation of receiving another round of the Encampment Resolution Grant received last year. Last year's funds are supporting the Mission Cabins site. The next round would support the Jerrold Cabins site, and the award is expected to be announced in May. If the department does not receive the grant funding, the only contingency option available would be to turn to philanthropic funding, but the department is not pursuing that option at this time.*