

HEALTH COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

053-85

RESOLUTION NO. _____

RESOLUTION ACCEPTING THE DEPARTMENT'S PLAN TO BALANCE THE FY 1985-86 BUDGET AND AUTHORIZING THE PRESIDENT OF THE COMMISSION TO TRANSMIT THIS PLAN TO THE MAYOR AND TO THE BOARD OF SUPERVISORS.

WHEREAS, The Department of Health's total operating budget for the 1985-86 fiscal year as approved by the Mayor and the Board of Supervisors is approximately \$304 million;

WHEREAS, The Department's estimated Medi-Cal revenues at Laguna Honda Hospital have been increased by \$6.2 million above original projections because of an upward adjustment in the daily rate which is reimbursed by the State but the revenue budget for San Francisco General Hospital is under-estimated by approximately the same amount for FY 1985-86; and

WHEREAS, In order to meet the existing level of services, the projected expenditures for this fiscal year (based on an analysis of the first quarter expenditures) will be approximately \$3.6 million over the total appropriation for the year because of underfunding in the Department's salary accounts, fringe benefits, and MIA contractual services account; and

WHEREAS, The Mayor has allowed the Department to shift General Fund revenue from Laguna Honda to San Francisco General in order to balance the revenue budget, but has requested that the Commission develop a plan to balance the Department's expenditure budget; and

WHEREAS, The Department has submitted a supplemental appropriation to the Mayor for approval to bring Laguna Honda Hospital in compliance with the State's requirements which may require the Department to use its own revenues as a source of funding; and

WHEREAS, The Department has developed a plan to balance the budget which includes increasing revenues and requesting that a supplemental appropriation be approved to increase the Department's expenditure budget using the new revenues as a source of funds; and

WHEREAS, The Finance Committee of the Board of Supervisors has requested that the Department develop a plan to reduce the existing level of General Fund appropriation by a range of 2-1/2 to 5 percent which would result in a reduction of up to \$2.3 million of General Fund revenues; and

WHEREAS, To the extent that the Department cannot generate the projected revenues, the Director of Health plans to make reductions to General Fund expenditures in accordance with the plan submitted to the Board of Supervisors; and therefore be it

RESOLVED: That the Health Commission approves an increase in the Department's revenue estimate by \$3.3 million over the originally approved amount, and authorizes the Department to prepare a supplemental appropriation of up to \$3.3 million to replace the unfunded salaries, fringe benefits, MIA contractual services and Laguna Honda Hospital improvements for approval by the Mayor and Board of Supervisors; and be it

FURTHER RESOLVED, That the Health Commission authorizes the Director of Health to implement cost reductions in General Fund expenditures as needed in order to balance the budget; and be it

FURTHER RESOLVED: That the Health Commission authorizes the President of the Commission to transmit this plan to the Mayor and to the Board of Supervisors.

*I hereby certify that the foregoing resolution was adopted by the Health Commission
at its meeting of* November 5, 1985


Secretary