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San Francisco Office
of Early Care & Education

Department of Early Childhood (DEC)

2022-23 & 2023-24 Budget

Second Public Budget Meeting

Review of Fiscal Years 2020-22

Over the past two years, during a time where the City's economic stability was tenuous, OECE/DEC was able to do the following:

- ❖ Maintained child enrollment with planned growth.
- ❖ Subsidy programs were kept whole.
- ❖ Ramped up existing investments in compensation for the ECE workforce.
- ❖ Quickly move to distribute Prop F funding to support new initiatives, expand services and programs, and keep existing programs operating during the pandemic.
- ❖ Start a community-led strategic planning for early childhood in the City with initial Baby Prop C funds.

Largest Investments in Early Childhood

- ❖ Added \$45 million to existing childcare funding to bolster the ECE system and to assist families returning to the workforce.
- ❖ Invested \$25 million in economic recovery funding for all licensed early care settings in the City.
- ❖ Carved out \$10 million of General Funds for 26 Family Resource Centers (FRCs) for increased family needs, such as information and referrals, basic needs, food banks, and mental health.
- ❖ Made \$35 million available in the CARES 2.0 Teacher Stipend program.

Mayor's Budget Overview and Priorities

- ❖ The City and County of San Francisco requires each department to hold two public meetings on its budget before February 14, 2022.
- ❖ The City's is projecting a \$108.1 million surplus over the next two budget years.
 - Overall growth in revenue
 - Significant ongoing savings in retirement due to record returns
 - Constrained ongoing cost growth
 - Risks and uncertainty remain
- ❖ There are no mandatory reductions but no increase to General Fund support.
- ❖ Departments need to prioritize restoring San Francisco's vibrancy, recovery, accountability, and equity.
- ❖ The Mayor is emphasizing getting "back to basics" and improve core service delivery within our existing budgets.

Utilizing the Baby Prop C System Building Blocks

ACCESS

Expand access to high-quality, free/affordable ECE, with greater support for low-to moderate-income families

BUILD CAPACITY

Finance infrastructure to build and sustain the growth needed in access/workforce.

WORKFORCE

Recruit and retain educators thru increased compensation and provide prof/educational pathways.

DEC Emerging Vision

All young children in San Francisco, and those who care for them, will be healthy, valued, thriving members of strong communities and equitable systems of care; able to reach their full potential and prepared for lifelong success.

- ❖ Increasing access to high-quality, free/affordable early care and education
- ❖ Ensuring an early childhood workforce that is valued, supported, and well-compensated
- ❖ Promoting healthy pregnancies, births, and child development and addressing concerns at earliest point possible
- ❖ Recognizing all families as key decision-makers and ensuring they have the resources and supports they need to thrive

DEC Draft Budget as of 1/20/2022

	2022-23	2023-24
Salaries & benefits	12,219,744	12,094,211
Non-personnel	3,493,228	3,321,732
Materials & supplies	96,153	96,153
Interdepartmental Services	1,227,512	1,185,012
Programmatic:		
Early Care & Education	244,349,120	245,589,593
Family Support	28,886,048	21,998,048
Child Health	7,983,283	7,983,283
Total Expenditure:	298,255,088	292,268,032

This is a combined OECE and First 5 draft budget

DEC Draft Budget – First 5 only revenues

REVENUES	2021-22	2022-23	2023-24
Prop 10 Tobacco Tax	5,562,638	5,773,267	5,736,952
Prop 10 DLL	315,639	0	0
Prop 10 IMPACT Local	800,354	580,166	320,142
Prop 10 IMPACT Regional Hub	1,095,708	1,567,649	1,095,708
QRIS Block Grant (state)	1,205,183	1,205,183	1,205,183
QRIS Block Grant (federal)	313,456	430,728	430,728
Interest (local & state)	110,000	135,000	112,000
Use of Sustainability Funds	1,936,929	4,234,660	4,362,813
DCYF Work Order Recoveries	6,026,001	6,026,001	6,026,001
DPH Work Order Recoveries	500,000	4,687,619	4,687,619
General Fund addbacks	32,496	282,496	0
HSA Work Order Recoveries	4,533,288	4,533,288	4,533,288
MOHCD Work Order Recoveries	417,500	0	0
OECE Work Order Recoveries	6,477,503	0	0
TOTAL REVENUES	29,326,695	29,456,057	28,510,434

DEC Draft Budget – First 5 only expenditures

	2021-22	2022-23	2023-24
Salaries & benefits	3,048,577	2,548,389	2,436,310
Non-personnel	869,910	841,460	781,964
Materials & supplies	85,075	37,550	37,550
Interdepartmental Services	552,625	377,129	334,629
Programmatic:			
Early Care & Education	7,466,089	3,207,726	2,476,178
Family Support	15,708,917	21,748,048	21,748,048
Child Health	1,595,502	695,755	695,755
Total Expenditure:	29,326,695	29,456,057	28,510,434

DEC Budget Timeline & Key Dates

January 20	Citizen's Advisory Committee – DEC Public budget meeting #1
January 26	First 5 Fiscal Committee – DEC Public budget meeting #2
February 2	First 5 full Commission – DEC Public budget meeting #3
February 9	Childcare Planning & Advisory Cmte – DEC Public Budget Meeting #4
February 22	Department budget submission due
May 1	Department budgets introduced
June 1	Mayor proposes balanced budget to Board of Supervisors
June	Budget and Finance Committee hearings
July	Budget considered at Board of Supervisors