



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

July 5, 2016

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco, CA 94102-4689

RE: File 160585 Charter amend (3rd Draft) establishing a fund for seniors & adults with disabilities

Dear Ms. Calvillo,


Should the proposed charter amendment be approved by the voters, in my opinion, it would have a significant impact on the cost of government. The amendment would create an annual baseline for services for seniors and adults with disabilities at a required level of \$38 million beginning in fiscal year (FY) 2016-17 and increasing over time. In fiscal year 2015-16, the City's general fund budget for these services was approximately \$32 million.

The proposed charter amendment would establish a new fund (the Dignity Fund) to support seniors and adults with disabilities. The Dignity Fund would be used exclusively for services to seniors and adults with disabilities, such as home and community-based long term care, food programs, caregiver programs, community centers, advocacy programs and wellness programs.

Under the proposed amendment, the City would be required to create a \$38 million baseline for the Dignity Fund in FY 2016-17. In FY 2017-18, the City would increase the Dignity Fund by \$6 million, and beginning in FY 2018-19 increase that amount by \$3 million per year for nine years, reaching an annual budget amount of \$71 million in fiscal year 2026-27. For the subsequent ten year period to fiscal year 2036-37, the budget would be adjusted by the aggregate change in the City's overall discretionary revenues. The City would be able to temporarily suspend the required budget increases in any year beginning in FY 2017-18 in which a general fund deficit of \$200 million or more was forecast.

The amendment would modify the powers and duties of the Commission that advises the City on services for seniors and adults with disabilities and would create a new eleven member Oversight and Advisory Committee to make recommendations regarding the planning, evaluation, reporting and other aspects of administering the Dignity Fund. The proposed amendment specifies a four year planning cycle that requires community consultation, equity analysis and working with service providers on how to allocate Dignity Fund dollars, among other requirements.

The proposed amendment is not in compliance with a non-binding, voter-adopted city policy regarding set-asides. The policy seeks to limit set-asides which reduce General Fund dollars that could otherwise be allocated by the Mayor and the Board of Supervisors in the annual budget process.

Sincerely,

for Ben Rosenfield
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.