

File No. 180799

Committee Item No. 7

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date September 4, 2018

Board of Supervisors Meeting

Date _____

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OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong

Date August 29, 2018

Completed by: Linda Wong

Date _____

City and County of San Francisco
LONDON BREED, *Mayor*



Department of Aging and Adult Services
SHIREEN MCSPADDEN, *Executive Director*

To: Supervisor Malia Cohen, Chair, Budget and Finance Committee
Angela Calvillo, Clerk of the Board of Supervisors

From: Shireen McSpadden, Director, Department of Aging and Adult Services *Sh Mc*

Re: Release of Dignity Fund Allocation Funds

Date: July 27, 2018

The Dignity Fund \$3million allocation for FY18/19 was placed on reserve at the Budget and Finance committee meeting on June 21, 2018.

The Department of Aging and Adult Services is formally requesting the release of this reserve. We request a hearing be opened and this be scheduled at the first available Budget and Finance committee meeting.

Thank you.

<p>Item 7 File 18-0799</p>	<p>Department: Human Services Agency (HSA)</p>
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EXECUTIVE SUMMARY

Legislative Objectives

- The Department of Aging and Adult Services is formally requesting the release of \$3,000,000 for the Dignity Fund on Budget and Finance Reserve.

Key Points

- On November 8, 2016, voters approved Proposition I to amend the Charter of the City and County of San Francisco to establish the Dignity Fund, a guaranteed General Fund set-aside to provide services and supports for older adults and adults with disabilities, to be administered by the San Francisco Department of Aging and Adult Services.
- Proposition I required a Community Needs Assessment every four years; the most recent Community Needs Assessment was completed in March 2018 and approved by the Board of Supervisors in July 2018 (File 18-0648).
- The FY 2018-19 Dignity Fund budget is \$51,747,027, including the \$3 million mandated increase. The Board of Supervisors placed the \$3,000,000 mandated increase of the Dignity Fund on Budget and Finance Reserve pending details on how these additional funds would be used.

Fiscal Impact

- The \$3 million will be used to enhance programs for intergenerational activities, expend nutrition support programs, conduct outreach to seniors and adults with disabilities on available programs and resources, mitigate social isolation, and support the caregiver network and case management programs. Approximately \$1.1 million of the \$3 million will be used for a 2.5 percent cost of living adjustment for nonprofit providers.
- Of the \$48,305,545 in the Dignity Fund FY 2017-18 budget, the Department of Aging and Adult Services has spent \$42,273,676. Of the \$3,034,869 remaining, the Department expects to encumber \$2,922,588, or \$112,281 less than the total amount, by February 2019. Surplus funds from FY 2017-18 will be reallocated to other needs through contract modifications or requests for proposals by the Department

Recommendation

- Approve the release of \$3,000,000 currently on Budget and Finance Committee Reserve for the Dignity Fund.

MANDATE STATEMENT

City Administrative Code Section 3.3(e) states that the Budget and Finance Committee of the Board of Supervisors has jurisdiction over the City's budget and may reserve proposed expenditures to be released at a later date subject to Budget and Finance Committee approval.

The City Charter Section 16.128-6(b) allows the Board of Supervisors to approve or disapprove the Community Needs Assessment performed by the Department of Aging and Adult Services for the Dignity Fund by June 1, 2018.

BACKGROUND

On November 8, 2016, voters approved Proposition I to amend the Charter of the City and County of San Francisco to establish the Dignity Fund, a guaranteed General Fund set-aside to provide services and supports for older adults and adults with disabilities, to be administered by the San Francisco Department of Aging and Adult Services. Proposition I required an annual General Fund contribution by the City to the Dignity Fund including an annual baseline amount of \$38 million, increasing by \$6 million for FY 2017-18, and increasing by \$3 million a year for the next 9 years until FY 2026-27.

Proposition I also established a planning process for expenditures from the Dignity Fund, created an Oversight and Advisory Committee, and circumscribed how the monies of the fund were allowed to be used. Proposition I required a Community Needs Assessment every four years; the most recent Community Needs Assessment was completed in March 2018 and approved by the Board of Supervisors in July 2018 (File 18-0648). Beginning in FY 2018-19, the Department of Aging and Adult Services is to prepare a service allocation plan to determine services that will receive monies from the fund for the next four fiscal years. According to Ms. Ruth Levine, Principal Budget Analyst at the Human Services Agency, the Department of Aging and Adult Services is currently working on this plan in conjunction with the Dignity Fund Oversight and Advisory Committee, and is planning to share a public draft in the spring of 2019.

The FY 2018-19 Dignity Fund budget is \$51,747,027, including the \$3 million mandated increase. The Board of Supervisors placed the \$3,000,000 mandated increase of the Dignity Fund on Budget and Finance Reserve pending details on how these additional funds would be used.

DETAILS OF PROPOSED LEGISLATION

On July 27, 2018, the Department of Aging and Adult Services sent a letter to the Budget and Finance Committee formally requesting the release of \$3,000,000 for the Dignity Fund on Budget and Finance Reserve.

FISCAL IMPACT

The budget of the requested \$3,000,000 to be released is shown in Table 1 below.

Table 1: Budget of Additional \$3,000,000

Program	Amount
Enhancing Community Services	\$345,000
Expanding Nutrition Support for Adults with Disabilities	300,000
Outreach and Awareness	300,000
Mitigating Social Isolation	200,000
Support for Caregiver Network	500,000
Assessing Case Management Needs	150,000
Case Management Language Capacity	125,000
Non-profit Cost of Living Adjustment (COLA) ¹	1,082,000
Total	\$3,002,000

The Department of Aging and Adult Services will use the \$3,002,000 to fund a variety of activities. The Department will fund enhancing community services through programming for intergenerational activities on at least four different sites. The Department will expand home-delivered meal service to support adults with disabilities, and anticipates supporting 100-125 clients. \$200,000 of the Outreach and Awareness monies will go towards public information campaigns, while \$100,000 will be to service ambassadors, both to increase community awareness of the programs and reduce ageism. Through increasing the availability of phone and web support of people who are isolated and volunteer home visits, the Department will spend \$200,000 to mitigate social isolation. Of the \$500,000 for supporting caregivers, \$275,000 will be used to expand respite support, and \$225,000 will be used for training caregiver staff at various levels. Finally, the Department will spend \$150,000 to evaluate case management needs and train case management disability resource staff in working with persons with complex needs, and another \$125,000 to enhance case management language capacity.

Thirty six percent of the total \$3,000,000 currently on reserve would be used to fund a COLA increase. The Board of Supervisors approved a 2.5 percent COLA increase for pre-existing non-profit contracts with the City in the FY 2018-19 budget. According to Ms. Levine, the Department has allocated \$1,082,000 for COLA increases, which is approximately 2.5 percent of the total FY 2018-19 estimated contract amount of approximately \$43.28 million.

Of the \$48,305,545 in the Dignity Fund FY 2017-18 budget, the Department of Aging and Adult Services has spent \$42,273,676. Of the \$3,034,869 remaining, according to Ms. Levine, the Department expects to encumber \$2,922,588, or \$112,281 less than the total amount, by February 2019. According to Ms. Levine, surplus funds from FY 2017-18 will be reallocated to other needs through contract modifications or requests for proposals by the Department.

RECOMMENDATION

Approve the release of \$3,000,000 currently on Budget and Finance Committee Reserve for the Dignity Fund.

¹ As noted in the report, the Board of Supervisors approved a 2.5 percent COLA for non-profit contractors with the City in the FY 2018-19 budget.

