



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

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

November 27, 2018

RE: File 181001 – Charter amendment creating a Free City College Fund

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 funding requirement to cover education costs for City College of San Francisco students of \$15.0 million in fiscal year (FY) 2020-21 with the required amount increasing over time. In FY 2017-18, the City expended approximately \$6.0 million for this program.

The proposed amendment would establish the Free City College Fund in the Charter. A fund was previously established by ordinance in the City's Administrative Code for these purposes in 2016. The fund would provide stipends for San Francisco residents enrolled in City College to cover class fees, books and other education costs, subject to eligibility conditions. The fund would also cover the City's costs to administer the fund through the Department of Children, Youth and Families.

The fund amount would be set at \$15.0 million in FY 2020-21, \$15.7 million in FY 2021-22 and \$16.4 million in FY 2022-23. For the subsequent ten-year period to FY 2030-31, the budget would be adjusted by the aggregate change in the City's overall discretionary revenues. The City would be able to suspend the required budget increases in any year in which a general fund deficit of \$200 million or more was forecast. The fund would sunset at the end of FY 2030-31.

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,


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