

July 28, 2014

Members, Ballot Simplification Committee
Department of Elections
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94102

Dear Members of the Ballot Simplification Committee:

I respectfully submit the attached proposed edits to the draft digest for the "Children's Fund; Public Education and Enrichment Fund; Children and Families Council; Rainy Day Reserve" which the Ballot Simplification Committee will be considering tomorrow.

The proposed edits were a collaborative effort of the Department of Children, Youth and Their Families, the San Francisco Unified School District, the Mayor's Office, and Supervisors Norman Yee and Jane Kim. The proposed edits are meant to clarify various aspects of the measure. We look forward to discussing the proposed edits with you at the hearing and will be available to answer any questions which you may have regarding the measure or our proposed edits.

Thank you for your consideration of our proposed edits.

Best regards,

Maria Su

Ballot Simplification Committee - DRAFT for Consideration on Tuesday, July 29, 2014
Children's Fund; Public Education and Enrichment Fund; Children and Families Council;
Rainy Day Reserve *(working title only, subject to change)*

THE WAY IT IS NOW:

The City funds services for children, youth, and their families through various ways, including the Children's Fund, Public Education Enrichment Fund (the "PEEF"), and Rainy Day Reserve (the "Reserve").

Children's Fund

In 1991, San Francisco voters created the Children's Fund, which receives a dedicated portion of the property tax that the City collects each year. The current amount of the set-aside is 3¢ for each \$100 of assessed property value. The City uses the Children's Fund to provide services for children under 18 years of age, including child care, health services, job training, social services, educational programs, recreational and cultural programs, and delinquency prevention services. For fiscal year 2013-14, the City will deposit approximately \$49.1 million into the Children's Fund.

The Children's Fund is set to expire on June 30, 2016.

Public Education Enrichment Fund

In 2004, San Francisco voters created ~~a Public Education Enrichment Fund (the "PEEF")~~. The Charter requires the City to contribute a certain amount to the PEEF each year, based on the City's General Fund revenues. For fiscal year 2013-14, that amount was \$77.1 million.

The Charter requires the City annually to disburse money from the PEEF as follows:

- One-third to the San Francisco Unified School District (the "School District") for arts, music, sports, and library programs;
- One-third to the City's Children and Families Commission for universal pre-school programs for four year-olds; and
- One-third to the School District for general education purposes.

The PEEF is set to expire on June 30, 2015.

Rainy Day Reserve

The City has a Rainy Day Reserve (the "Reserve"). In any year the City collects over 5% more money than it collected in the previous year, the City deposits half of this additional collection in the Reserve. The City may only take money out of the Reserve for its own operations when it collects less money than it did in the previous year. The City may also give up to one-quarter of the money in the Reserve to the School District when the School District collects less money per student than in the previous year and plans significant layoffs.

THE PROPOSAL:

Proposition _____ is a Charter Amendment which would make changes to the manner in which the City funds and structures services provided to children, youth, and their families. More

specifically, Proposition ____ would extend the Children's Fund for 25 years and increase its funding, extend the PEEF for 26 years, create an Our Children, Our Families Council, require preparation of an Our Children, Our Families Plan to align and coordinate services, and make changes to the City's Rainy Day Reserve.

Children's Fund

Proposition ____ would extend the Children's Fund and the property tax set-aside for 25 years, until June 30, 2041. Proposition ____ would increase the property tax set-aside to 4¢ for each \$100 of assessed property value incrementally over four years. The Proposal would not increase or otherwise change property taxes; it would only affect the amount of property tax revenues set aside for the Fund.

In addition to its current uses, Proposition ____ would also allow the City to use the Children's Fund to provide services to youth age 18 through 24 years old. ~~who are homeless or in danger of homelessness, have dropped out of high school, have a disability or other special needs, are low-income parents, are undocumented, are new immigrants and/or English Learners, are lesbian, gay, bisexual, transgender, queer, or questioning, and/or are transitioning from the foster care, juvenile justice, criminal justice or special education systems.~~

Public Education Enrichment Fund

Proposition ____ would extend the PEEF for 26 years, until June 30, 2041. so the City can continued to provide funding to the School District for arts, music, sports, and library programs, as well as pre-school programs.

Proposition ____ would change the current allocation for universal preschool for four year-olds to an allocation for universal early education for three to five year-olds, but would still give priority to four year-olds. The City could also use this portion of the PEEF to develop services for children from birth to three years old.

Children and Families Council

Proposition ____ would create an "Our Children, Our Families" Council (the "Council") to advise the City and School District on the needs of children and families in San Francisco and on priorities, goals, and best practices for addressing those needs.

Every five years, the Council would adopt an "Our ~~Our~~ Children, Our and Families Plan (the "Plan") to assess and recommend new City policies and programs for children and families in San Francisco. The purpose of the Plan is to create an aligned and connected system of programs and services, with the specific goals of promoting coordination and enhancing overall effectiveness. The Plan which would include a comprehensive assessment of City policies and programs, both public and private, addressing the needs of children and families and a set of proposed Citywide outcomes for services provided.

Rainy Day Reserve

Proposition ____ would divide the existing Rainy Day Reserve into a City Rainy Day Reserve (the "City Reserve") and a School Rainy Day Reserve (the "School Reserve").

In any year the City collects over 5% more money than it collected in the previous year, the City would deposit half of this additional collection in the two reserves, with three-quarters of that amount going to the City Reserve and one-quarter going to the School Reserve.

Under Proposition ____, the School District could withdraw up to half the money in the School Reserve in years when the School District expects to collect less money per student than in the previous fiscal year and would otherwise have to layoff a significant number of employees to balance its budget. The School Board could, by a two-thirds' vote, override those limits and withdraw any amount in the School Reserve in any year.

A “YES” VOTE MEANS: If you vote "yes," you want the City to amend the Charter to extend the Children’s Fund for 25 years and increase ~~its funding, the set-aside from 3¢ to 4¢ for each \$100 of assessed property value;~~ extend the Public Education Enrichment Fund for 26 years; create a Children and Families Council and require it to prepare of an n Our Children and Our Families Plan; and ~~make changes to the create a City’s~~ Rainy Day Reserve ~~and a School Rainy Day Reserve out of the existing Rainy Day Reserve~~ in order to provide services to children, youth, and their families.

A “NO” VOTE MEANS: If you vote “no,” you do not want the City to make these changes.
word count: 835 [suggested word limit: 300]