

SAN FRANCISCO HUMAN SERVICES NETWORK
Compilation of HSN updates sent by e-mail Mid-May through June 30, 2009

City budget and other HSN updates, 5/18/09

The news is not good this week -- but we need to keep in mind that the process is far from over, and that we have a better chance of reversing cuts if we are united and take advantage of all opportunities to speak out.

(1) HSN calendar and other budget advocacy items

Press conference against cuts to children and families: Mon., May 18, 1:45 to 2:45 pm, City Hall, Polk St. side Low and moderate-income youth and families will hold a press conference to preserve critical services such as child care, after-school programs, violence prevention, youth employment, and health services. For info, contact Coleman Advocates at 239-0161.

Health Commission: Tuesday, May 19, 2 pm Commission meeting, 4 pm budget hearing, 101 Grove St., 3rd Fl. The Commission will hold a hearing on proposed budget reductions in the FY 2009-10 budget. See below for more info.

HSN Public Policy Committee: Wed., May 27, 10 am - 12 noon, Progress Foundation, 368 Fell St. This special meeting will focus on the City budget and HSN's strategy and actions. We encourage Executive Directors and other key leadership of member agencies to attend.

Budget Justice Coalition rally: Wed., June 10, March from Hallidie Plaza to City Hall begins at 3 pm HSN and other allied advocacy organizations are holding a major rally against cuts to services for vulnerable populations. Please turn people out for this event! We will begin at Hallidie Plaza (the Powell St. cable car turnaround) at 3 pm on Wed., June 10, and march through UN Plaza and around City Hall. Please distribute [rally flier](#) to your staff, clients (where appropriate), and others.

(2) Mayor's Office

Cuts go even deeper after SEIU 1021 rejects MOU amendment: Last week, SEIU 1021 members voted against a proposed agreement that labor leaders negotiated with the City. The [contract changes](#) would have kept a 3.75 percent pay increase and delayed layoffs, but eliminated holiday pay for 11 days in 2009 and 2010 (though workers would accrue nine floating holidays). The consequences of this vote are enormous. The Mayor's Office had requested \$90 million from labor to balance the FY 2009-10 budget. The changes would have saved \$38 million, and other unions had been waiting for SEIU's vote before agreeing to concessions. Newsom and business leaders are also using the vote to oppose attempts to craft revenue solutions for the November ballot.

With labor solutions in question and the potential for another \$80-\$100 million in state cuts should Tuesday's ballot measures fail, Mayor Newsom instructed department heads to submit another \$56 million in cuts by last Friday. For the most part, specific information is not yet available, but these cuts are falling disproportionately on health and human services. The Department of Public Health (DPH), which recently saw its reduction target raised from \$100 million to \$140 million, has been asked for \$23 million in additional cuts. The Commission will discuss the first \$140 million on May 19, but is not ready with the next round.

The Mayor also announced that 1000 city workers would lose their jobs. This includes 288 workers who already received layoff notices that will now take effect on May 22, and another 700 who will receive pink slips in May and be laid off by the end of July.

(3) Board of Supervisors

Public Safety Committee: Mon., May 18, 11 am, Board Chambers, Rm. 250 The http://www.sfgov.org/site/bdsupvrs_page.asp?id=104249 agenda includes a hearing called by Supervisor Campos on the public safety impact of budget cuts proposed by various department, including Juvenile Probation, the Department of Children, Youth and their Families, and the Department of Public Health. Under the guise of efficiency, those departments have developed a new [Joint Violence Prevention/Intervention Funding Strategy](#) under which available funding will be reduced from \$16 million to \$10 million.

Land Use and Economic Development Committee: Mon., May 18, 1 pm, Rm. 263 Supervisor Daly has introduced several [controversial ordinances](#) to provide relief to tenants impacted by the economy.

Budget Committee: Items of interest this week:

Wed., May 20, 11 am, Board Chambers, Rm. 250 The [agenda](#) includes ratification of DPH health and behavioral health contract extensions through December 31, 2010. Board approval is required to extend [these contracts](#) by 18 months because of the decision to delay the mega-RFP until this fall. (Although DPH is asking the Board to extend the contracts until December 2010, they expect to award the new contracts by January 2010.)

Wed., May 20, 1:30 pm, Board Chambers, Rm. 250 The Budget Committee will begin its review of the Mayor's proposed budget for Enterprise Departments. The [5/20 agenda](#) the airport, Board of Appeals, the Port, child support services, the Children and Families Commission, and the Rent Arbitration Board.

Thurs., May 21, 1:30 pm, Board Chambers, Rm. 250 The Commission will hold a [special meeting](#) to continue review of Enterprise Department budgets for the Law Library, Public Utilities Commission, and Retirement System.

(4) City Departments

Department of Public Health: While I don't yet have information for additional cuts in other departments, the Health Commission will finally hold a hearing on the next phase of DPH budget cuts. The Commission will meet on Tuesday, May 19 at 101 Grove St., 3rd Floor. Because the Commission has [other agenda items](#) (including the California Pacific Medical Center Institutional Master Plan), the meeting will begin at 2 pm. The discussion of the FY 2009-10 contingency budget has a time certain of 4 pm.

The [budget memo](#) is available on the DPH web site. The report addresses the department's plan to meet the first \$140 million of its general fund reduction target: the \$50 million base budget cut, the \$50 million contingency cut, and the additional \$40 million requested by the Mayor's Office in late April. It does not address the new request for \$23 million, but CFO Gregg Sass will present an update to the Commission at the May 19 hearing.

The good side of the budget is a significant increase in revenues totalling \$107 million, including \$50 million of Federal Medical Assistance Percentage (FMAP) funding from the federal stimulus package. The memo also notes reductions to previous inflationary, structural budget adjustments, and new initiatives, which now require about \$16.6 million in additional funding.

Spending reductions comprise \$49.4 million, or 35% of the total \$140 million general fund target. Some changes were made to previous reduction initiatives, and there are nine new initiatives. About half of the cuts are described as non-service reductions (such as administrative changes, Laguna Honda construction cost reductions, outsourcing security, and grant and program close-outs). A cut of \$15 million to Behavioral Health is the largest component of service reductions.

Cuts to community-based service providers include:

* Behavioral Health Contractor Reductions (# F15): This previous reduction has been increased, and now totals \$5.7 million in general fund reductions (and over \$403,000 in Short-Doyle MediCal funds). It will reduce or eliminate funding to 19 CBOs serving adults with behavioral health disorders. Details are on page 40-43 of the budget memo. Thousands of clients will lose their services.

* CBHS RFP General Fund Reduction (F26, pp. 47-48): behavioral Health funding will decrease by an additional \$7 million in the upcoming RFP process. DPH plans to issue the RFP in June 2009 and award contracts to be effective January 2010. Because the reduction is effective in January, the annualized cut is \$14 million, along with unknown matching revenues. Obviously, the impact on clients is also unknown at this time.

* CBHS Vocational Services Reduction (F30, pp. 55-57): This reduction of \$1 million in general fund to five programs for persons with disabilities, partially offset by state Department of Rehabilitation funding, will affect 500 clients.

Other reduction initiatives will affect HIV benefit counseling and advocacy (F27, pp. 49-50), HIV outreach contract reductions (F28, pp. 51-52), the Drug Court (F29, pp. 53-54), and more.

(5) State budget

Last week, the Governor issued the [May revise](#) of his January proposed budget. He has put out two versions based on whether the May 20 ballot measures pass or not. For a quick summary, see the [analysis](#) prepared by the California Budget Project.

City budget and other HSN updates, 5/26/09

(1) HSN and budget advocacy calendar

It's true that the news seems to get worse every day, but the budget process is far from over, and we have many opportunities to advocate against cutting safety net services in a time of economic crisis, and in favor of new revenue solutions and budget reform. The [HSN calendar](#) has been updated with major June events and meeting dates. Key dates include the HSN Public Policy Committee meeting on 5/27, the Budget Justice march and rally on 6/10, the Board of Supervisors Beilenson Hearing tentatively set for 6/16, the HSN member meeting on 6/19, and the Board's budget hearing on health and human service departments on 6/22.

HSN Public Policy Committee: Wed., May 27, 10 am - 12 noon, Progress Foundation, 368 Fell St. This special meeting will focus on the City budget and HSN's strategy and actions. We encourage Executive Directors and other key leadership of member agencies to attend.

Aging and Disability Budget Coalition: Wed., May 27, 3 to 5 pm, Bayanihan Community Center, 1010 Mission (x-6th St.) The coalition will discuss its strategy to advocate for community funding and fight the proposed cuts.

Budget Justice Coalition rally: Wed., June 10, March from Hallidie Plaza to City Hall begins at 3 pm HSN and other allied advocacy organizations are holding a major rally against cuts to services for vulnerable populations. Please turn people out for this event! We will begin at Hallidie Plaza (the Powell St. cable car turnaround) at 3 pm on Wed., June 10, and march through UN Plaza and around City Hall. Please distribute the [rally flier](#) to your staff, clients (where appropriate), and others. The rally calls for protection for health and human services, alternative cuts, new revenues, and budget reform.

(2) Controller's Office

Monthly economic barometer: The Controller has released its [monthly report](#) of economic indicators through March 2009. The data vividly demonstrates the rising need for social services in San Francisco. For example, the County Adult Assistance Program caseload grew 5.2% in March to 7,176, and the unemployment rate almost doubled in one year and rose another 0.5% in March to 9.0% (40,800 unemployed). Most real estate, tourism and retail figures declined in March.

(3) Mayor's Office

Mayor's proposed budget: The Mayor must submit his proposed general fund budget to the Board of Supervisors by Monday, June 1. In the past few weeks, the Mayor has requested additional cut proposals from city departments in response to the deteriorating state budget and to SEIU member's rejection of amendments to their Memorandum of Understanding. It has been very difficult to get information on the new budget reduction targets for departments, as they seem to change almost daily. It appears that most of the cuts beyond those already approved by Commissions consist of city employee layoffs. A renegotiated MOU will go to SEIU members for a vote in early June, which reportedly would save the city \$31 million through unpaid holidays, commit the city to placing revenue proposals on the November ballot, and cancel or delay new layoffs that will be included in the Mayor's budget.

At last word, DPH's reduction target was \$163 million. The Health Commission held hearings on \$140 million of this reduction, and will hear a report on the rest (as well as what cuts the Mayor accepted) at their June 2 meeting. The Human Services Agency target, originally about \$22 million, has increased, but the final amount isn't clear. Reported figures range from \$33 to \$44 million. The Human Services Commission should get an update at their meeting on Thursday morning, 5/28, 9:30 am at Bjorn Auditorium, 170 Otis. DCYF had an original target of \$6.6 million in discretionary general fund money (as well as a \$4 million cut to the Children's Fund); I don't know their current target. The Dept. on the Status of Women originally submitted cuts of 25% to their Violence Against Women grants, though it's not clear whether the Mayor will take the full amount of this cut. The department has been asked to propose additional cuts to their staff.

(4) Board of Supervisors

Meetings: The regular Board meeting and Budget Committee meetings are cancelled this week due to the Memorial Day holiday. However, the Board will hold a [special meeting](#) on Wed. 5/27 at 12 noon in Board Chambers, Rm. 250, to again consider rejecting the Municipal Transportation Authority budget. The Government Audits and Oversight Committee will meet on Thursday, 5/28 at 1 pm in Board Chambers. [their agenda](#) includes a proposal for mandatory recycling and composting, and continued consideration of several controversial proposals to increase tenant protections under the rent ordinance.

Budget reform: Last Tuesday, members of the Board introduced [a number of proposed Charter Amendments](#) for the November ballot that would reform the city's budget process. Some of these measures are consistent with the [recommendations of the Community Budget Reform Council](#), which includes HSN and other advocacy organizations. The proposals include a multi-year budget process. The CBRC supports a multi-year budget, but only if other provisions are adopted, such as Board of Supervisors participation in any mid-year (or mid-cycle) budget cuts.

The Charter Amendments introduced on May 19 include:

* Instituting a 2-year budget, a five-year financial planning process, and a labor MOU timeline aligned with the budget process. This proposed measure is derived from the [recent findings of the Budget Improvement Project workgroup](#), led by the Controller. (Introduced by Mayor Newsom, Chiu, Avalos, Campos, Mirkarimi) * Giving the Board the authority to mandate that the Mayor spend dollars appropriated for certain services. (Daly) * Creating an Office of Budget and Management to serve both the Mayor and the Board. (Dufty) * Other proposals would increase the minimum work week for firefighters from 48.7 to 52 hours (Avalos), change the composition of the MTA Board (Avalos), remove the requirement that the base wage for MUNI drivers be based on the second highest salary in the

country (Elsbernd), prohibit the sale of taxi medallions (Daly), and create a Community Development Commission (Daly).

The Board has yet to act on several previously-introduced Charter Amendments as well:

* Requiring the use of one-time revenues for one-time uses (Elsbernd); * Increasing the permissible amount of funding withdrawn from the Rainy Day fund in bad years (Daly); * Requiring annual appropriations to the Election Campaign Fund (Daly); and * Reforming set-asides (Mirkarimi, Chiu, Elsbernd). (HSN has signed on to an [alternative set-aside reform proposal](#) by Coleman Advocates.)

Budget snapshots: The Office of the Legislative Analyst has prepared a [report](#) that reviews the budgets of the city's eight largest departments from FY 2004-05 through FY 2008-09. The report includes Public Health, the Human Services Agency, Fire, Police, Sheriff, Rec and Park, Public Works and the Library.

(5) City Departments

Department of Public Health: On May 19, the Health Commission reviewed the Department's plan to meet the \$140 million general fund reduction target and address another \$15 million in projected inflationary and structural cost increases. Revenues include \$107 million of this total. Another \$23 million worth of items are listed as non-service reductions (Laguna Honda construction cost reductions, outsourcing security, administrative cuts, grant and project close-outs).

This left about \$26.5 million in actual service cuts, the largest of which is a \$15 million reduction to 19 Behavioral Health contractors. The cuts also include a \$7 million reduction in the Behavioral Health RFP, which won't take effect until January 2010 -- and is therefore an annualized cut of \$14 million. This budget reduction mechanism removes the specifics of the cut from the usual public and legislative process. The Commission expressed concern and promised to conduct a public process on the RFP.

DPH also received an additional \$23 million target which the department was not ready to present but will report on at the June 2 Commission meeting. It is likely to include about 400 layoffs and/or job reclassifications. DPH currently has about 6800 positions. The Commission will also learn about which cuts the Mayor incorporated into his final proposed budget.

These figures demonstrate the disproportionate impact of the budget on both public health and on community-based services. The \$163 million target comprises 37% of the projected \$438 million deficit, most of the actual service cuts in the first \$140 million fall on CBOs, and DPH's new \$23 million target represents 41% of the Mayor's new request for \$56 million in cuts.

While the budget process is going on, the current contracts for FY 2009-10 are going through the certification process. Because of the delay in the RFP, these contracts had to be approved for extension by the Civil Service Commission and the Board. The Civil Service Commission delayed approval for a month due to Local 21 concerns about health educator positions, but approved them on May 18. (HSN has spoken twice at the Commission this year about the impacts of late certification on service providers.) The Board Budget Committee supported the extension at their May 20 meeting.

(6) State budget

New revised budget proposal: In light of last week's special election, the Governor is expected to release a revised "May revise" budget as early as today that will include an additional \$6 billion in budget reductions. The revision should be posted on the [California Department of Finance](#) website. It may have devastating implications for San Francisco's budget, including the Governor's threat to borrow up to \$2 billion from counties' share of property taxes, and possible federal permission allowing the state to reduce its share of cost for local IHSS wages (which would mean a city backfill of about \$15-16 million). The city could lose as much as \$179 million.

(7) Other announcements

Institute on Aging: Free monthly professional trainings: June 4 - Late Life Depression: A Treatable Illness. July 9 - Working with People Who Suffer: Helping Them and Ourselves. Time: 3 to 4:30 pm. Location: IOA's Adult Day Health Center at 3600 Geary Blvd. (Palm Street entrance). Continuing education units available. See the [IOA website](#) for details. RSVP to <mailto:education@ioaging.org> or call (415) 750-4180 x-223.

Orgspaces.org: I've had several calls lately from nonprofits looking to relocate or share space. It's therefore very timely that [Orgspaces](#), a project of the Northern California Community Loan Fund, has just rebuilt its website. Orgspaces was formed during the dot.com office space crunch in 2000, and is set up to connect nonprofits to real estate resources. Their services include free facility matchmaking (including office space, meeting and event space, and other property types); sample documents and resources, financial resource listings, consultant listings (such as real estate brokers, designers and contractors) and more.

Stand up for the right to marry: This morning, the California Supreme Court upheld Proposition 8, ruling that a majority of voters could eliminate the right of same-sex couples to marry. Our members voted for HSN to oppose Prop 8, so I would like to remind you that the fight will continue and there are things everybody can do to help. See the [Equality California website](#) to stay informed and take action.

The Mayor's budget is out, & other HSN updates, 6/1/09

(1) HSN news and dates

Budget Justice Coalition rally: Wed., June 10, March from Hallidie Plaza to City Hall begins at 3 pm

The Budget Justice Coalition is calling for a large march and rally to support services for vulnerable populations, alternative cuts, budget reform and revenue solutions. The rally theme is "Real Deal or No Deal: Invest in Us!". The march begins at Hallidie Plaza (near the Market and Powell St. cable car turnaround) at 3 pm on Wed., June 10. You can also join the march as we move through UN Plaza, Civil Center Plaza and around City Hall. Please post the [rally flier](#) and distribute it widely to your staff, clients (where appropriate), and others. Bring signs and organizational banners. The Budget Justice Coalition includes HSN, Senior Action Network, Coleman Advocates, the Council of Community Housing Organizations, the Coalition on Homelessness, Housing Justice, SEIU 1021, OPEIU 3 and others.

To endorse the June 10 action, please copy the following into a new email and send it to budgetjusticenow@yahoo.com.

We, the undersigned, endorse the June 10th event to protect vulnerable populations in San Francisco against budget cuts.

Name: _____

Organization: _____

Address: _____

E-Mail: _____ Phone _____

Individual Endorsement Organization Endorsement

HSN membership dues:

Lately, I've often felt like the bearer of bad news, but please don't shoot the messenger! HSN needs your support. If your organization hasn't paid your membership dues for 2009 (or if you read this email every week but have not yet joined), please go to our website for a [dues form](#). Dues are sliding scale suggested minimums based on your annual budget. Personal contributions are also always welcome, and can now be made by check or via credit card through the website of our fiscal sponsor, [Community Initiatives](#). Make checks out to "S.F. Human Services Network, a project of Community Initiatives", and send to HSN at 3310 Geary Blvd, SF 94118.

(2) Mayor's Office

Mayor's proposed budget: At 11:45 am today, the Mayor made his budget presentation to City officials in City Hall Rm. 200. http://sfgov.org/site/sfgtv_index.asp?id=11463 SFGTV broadcast the speech live, and will show it again at 5pm and 8pm today. (It should also be available soon through SFGTV Video on Demand). The [proposed budget](#) has been posted to the Mayor's website. (Note -- it's a 436-page document, and the downloading rate is glacial at the moment.) The following is a summary of some of the Mayor's remarks today, but are not based on the actual document.

The speech provided an overview, but the real work will be in determining which of the departments' cuts were adopted and which were not. I'll work to get that information out as it becomes available.

The Mayor presented a budget that he said is balanced without new taxes or borrowing, and that gets us there "without devastation". The overall budget remains at \$6.6 billion (up 1.1%), but the general fund is down about \$190 million, from \$3 billion to \$2.8 billion. He spoke briefly about the implementation of some solutions proposed by the various task forces he created in December (which included CBO reform, public safety, departmental efficiencies, civil service reform, budget reform, and revenues), but provided little detail. His revenue focus was on increasing collections of unpaid taxes.

Including the FY 2008-09 mid-year cuts, new layoffs, and elimination of vacant positions, the city workforce will be reduced by 1603 people to just over 26,000, a reduction of 5.8%. There are no layoffs to police, fire, or teachers. HSA avoided an additional 200 layoffs by making most of their workers part-time at 37.5 hours/week, and some layoffs may be averted this way at other departments as the budget process continues. The budget also includes controversial proposals to contract out city work (jail health, museum guards and others), some of which have been previously reversed by the Board.

The Mayor says he did not balance the budget on the backs of health and human services. He reduced the combined budgets of DPH and HSA to \$2.1 billion, a general fund cut of \$70.6 million (3.3%) - or \$43.4 million at DPH and \$27.2 million at HSA. He rejected a combined \$43.9 million in proposed DPH and HSA cuts, and did not take the full 25% from HSA, or the full 12.5% from DPH. He also indicated a willingness to work with the Board on restoring some of the cuts.

He mentioned a few specifics: Community Living Fund - continue to provide \$3 million Mental health and substance abuse - rejected \$7.5 million in proposed cuts HIV/AIDS - rejected some of the proposed cuts Substance abuse - protect residential and methadone DPH - focus on primary care, increase Healthy San Francisco enrollment Drop-in centers, senior centers and paratransit - said they were not cut substantially (though today's Chronicle reports that the Tenderloin Self Help Center is on the cut list)

Obviously, the devil is in the details, and the lack of new revenues is troubling. We'll learn a lot more as we analyze the budget and move into the Board's process. But the Mayor went on to say that the state budget creates great uncertainty for the current proposal. The Governor's original May revise budget created \$175 million in new cuts to San Francisco. After the special election measures failed, the Governor introduced two more rounds of cuts whose impact on the city has not yet been fully calculated.

(3) Board of Supervisors

Meetings: The [Budget Committee](#) will complete its review of enterprise department budgets on Wed., 6/3 at 1:30 pm in Rm. 250.

The [Rules Committee](#) will meet on Thursday, June 4 at 10 am in Rm. 263. Their agenda includes a proposed Charter Amendment for the November ballot that would limit the use of one-time revenues to one-time uses, unless the Board of Supervisors waives the limitation for a specific expenditure by a two-thirds vote. This principal may sound appealing to some on the surface, but makes no sense in the health and human service world, where fundraising never stops and reliance on one-time funds is the only way to maintain crucial services.

June budget calendar: The Board has posted [their schedule](#) for review of general fund departments. As usual, they will hold two hearings on each department a week apart, beginning at 11 am each day.

Wed. June 17 and 24: Includes Economic and Workforce Development, Library, and Rec and Park.
Thurs. June 18 and 25: Focus on public safety departments, include Police, Fire, Adult and Juvenile Probation. Mon. June 22 and 29: Includes health and human service departments (DPH, HSA, DCYF, DOSW).

Hold these two key dates for public testimony:

Beilensen hearing on health cuts before the full Board on Tuesday, June 16 (time not announced, usually late afternoon). Public comment on the city budget on Monday, June 22, beginning at 5pm.

(4) City Departments

Some of the details on budget cuts will come out this week as departments report to their Commissions.

Department of Aging and Adult Services: Director Anne Hinton will present a budget update to the DAAS Commission as part of their agenda on Wed., June 3, beginning at 9:30 am in City Hall, Rm. 416.

Department of Public Health: Gregg Sass will report on the DPH budget at the [Health Commission](#) hearing on Tues., June 2 at 4pm, 101 Grove St., 3rd Floor. In addition, Barbara Garcia will present the report of the Community Stakeholder Planning Process that has been taking place over the past six months.

The [Finance Committee](#) will also meet Tuesday at 3 pm, either in Rm. 302 or 220. Their agenda includes a discussion of the upcoming RFP process. The Commission promised that there would be an opportunity for public discussion of this process, especially after the proposed DPH budget included a cut of \$7 million (or \$14 million annualized) to the RFP. (It is not yet known whether or how much of this cut is in the Mayor's budget.)

(5) State budget

New revised budget proposal: After the failure of the state ballot measures, the Governor announced two new rounds of devastating proposed cuts: \$5.5 billion on May 26, and \$2.8 billion on May 29. Links to those cut lists are posted on HSN's [Budget Central](#) page. Budget details are on the [California Department of Finance](#) site. Our friends at the [California Budget Project](#) continue to provide excellent analysis on the impacts to low- and middle-income Californians.

Budget Justice Rally June 10 and other HSN updates, 6/8/09

(1) Budget Justice Rally, June 10, 3 to 5 pm: March from Hallidie Plaza to City Hall

It takes a village: to raise our children, to support our seniors, to house our neighbors, to prevent domestic violence, to give dignity to our veterans... to fight for our communities!

Join the Budget Justice Coalition march and rally this Wednesday! The San Francisco Human Services Network, Coleman Advocates, Coalition on Homelessness, Housing Justice, Council of Community Housing Organizations, Senior Action Network, Planning for Elders in the Central City and other coalitions have joined together calling on the city to:

* Protect our most vulnerable residents from budget cuts * Consider alternative cuts that share the pain among all departments, including police and fire * Support budget reform to create a more open and democratic budget process * Support progressive revenue solutions

The march begins at Hallidie Plaza (the Powell St. cable car turnaround) at 3 pm on Wed., June 10, and goes through UN and Civic Center Plazas and around City Hall, concluding with a rally on the City Hall steps (Civic Center side).

Join us to push San Francisco's government to make the right choices in hard economic times, and to invest in the future of all San Franciscans. Invest in Us!

To endorse the rally, cut and paste this form, and email to budgetjusticenow@yahoo.com:

We, the undersigned, endorse the June 10th event to protect vulnerable populations in San Francisco against budget cuts.

Name: _____

Organization: _____

Address: _____

E-Mail: _____ Phone _____

Individual Endorsement Organization Endorsement

(2) HSN calendar

HSN Steering Committee: The HSN Steering Committee will meet on Wednesday, June 10 from 10 am to 12 noon at the Progress Foundation, 368 Fell St. Steering Committee meetings are open to any HSN member that has been paid your 2009 dues and that is interested in joining the Steering Committee. An RSVP is required so that we have enough materials. debbilerman@sfhsn.org

HSN General Member Meeting: Our next meeting is Friday, June 19, 9:30 to 11:30 am at the LightHouse for the Blind and Visually Impaired, 214 Van Ness. We have two invited speakers: Dr. Sandra Hernandez of the San Francisco Foundation (not confirmed), to speak on the final report of the [Mayor's CBO Task Force](#), Partnering with Nonprofits in Tough Times; and Kimberly Wicoff of the Inter-Agency Council, which is coordinating city efforts across multiple city programs, including the Transitional Age Youth program, the Violence Prevention Plan, and HopeSF.

(3) Mayor's Office

Mayor's proposed budget: Despite the Mayor's claims last week that he did not balance the budget on the backs of health and human services, a closer look shows that the budget includes most of the cuts that City departments sent to the Mayor's office.

The Mayor accepted the Human Services Agency cuts that the Human Services Commission approved on February 12 (see [Budget Proposal](#) and [Budget Reduction Plan Memo](#)), and that the Aging and Adult Services Commission approved on February 11 (see [Budget Reduction Memo](#)). A plan to lay off full-time

staff and rehire them as part-time employees at 37.5 hours/week was reversed after SEIU members approved amendments to their MOU last week, saving the city about \$31 million.

The Mayor also accepted cuts proposed by the Department of Children, Youth and Their Families on February 25 (see [Reductions by Service Area](#) and [Reductions by Agency](#)).

The Department of Public Health prepared a [spreadsheet](#) that compares the Mayor's proposed budget to the cuts approved by the Health Commission. The Mayor made a minor reduction of \$188,000 to the original \$5.7 million cut to behavioral health contractors. He also reduced the cut to the mental health and substance abuse RFP, which was originally \$7 million (\$14 million annualized), and is now \$4 million (\$8 million annualized). The HIV prevention cut was reduced from \$357,000 to \$283,000.

The DPH budget also includes new reductions, including a \$367,000 cut to the Mobile Assistance Patrol Transportation Program, which is run by Community Awareness and Treatment Services (CATS). This program, which has been cut by 50% including mid-year cuts, transports public inebriates to sobering centers, detox, and shelters. In addition, the Department of Building Inspection has cut the last \$750,000 in funding for the SRO Collaborative, which works with SRO tenants to ensure that their housing, health, and mental health needs are met. DPH cut its \$333,000 in funding during the mid-year cuts, in reliance on DBI funding.

The Mayor's budget also incorporates the reduction in the Violence Prevention RFP from \$16 million to \$10 million (see [Joint Violence Prevention/Intervention Funding Strategy](#)).

The only area of community-based health and human services that was held harmless was the Violence Against Women grant program under the Department on the Status of Women. Those grants received a \$150,000 mid-year cut, and the Mayor rejected a 25% across-the-board cut in the FY 2009-10 proposed budget.

(4) Board of Supervisors

Budget Committee: The Budget Committee meets on Wed., June 10 at 1:30 pm in Board Chambers, Rm. 250. [This week's agenda](#) includes a hearing on the impact of the state budget on San Francisco's budget. In addition, the Controller will present his annual Revenue Letter, which reviews the Mayor's proposed budget and provides the Board with an opinion regarding the accuracy and reasonableness of economic assumptions. The letter is not yet posted, but should be available on the [Controller's Revenue Letter page](#).

Beilensen hearing: The Board will hold a Beilensen hearing before the full Board of Supervisors on Tuesday, June 16 at 3 pm in Board Chambers, Rm. 250. This is a legally-mandated hearing for public comment on cuts to health services for indigents. The DPH website has published a [Beilensen notice](#) that lists the proposed health cuts.

Budget reform: Last week, the Rules Committee held a hearing on a proposed Charter Amendment for the November ballot that would limit the use of one-time revenues to one-time uses, unless the Board of Supervisors waives the limitation for a specific expenditure by a two-thirds vote. HSN is concerned that this measure would further reduce the city's flexibility in addressing the need for services during an economic downturn. The Committee sent the legislation to the full Board without recommendation. As a Charter Amendment, it must receive six votes to go on the ballot.

(5) City Departments

Department of Public Health: Since August 2008, DPH and community-based organizations have been meeting regularly through a Community Stakeholder Planning Process. Last week, that group presented [their report](#) to the Health Commission. The report includes recommendations in six areas: Integrating Primary Care and Behavioral Health, Coordinating Care, Managing Beds, Increasing Health Equity, Supporting Children Youth and Families, and Community Based Organizations.

The CBO subgroup had recommendations in four areas: (1) Restructuring to maximize service availability and quality (2) Ensuring that DPH funds high-performing, competent, fiscally strong nonprofits (3) Developing the capacity of organizations providing key services in priority neighborhoods (4) Streamlining the contracting process

The Executive Summary and report are posted on the [DPH website](#) (left-hand side under "30-day notifications") for a 30-day public comment period. If you have any questions or comments, please contact Jenny.Chacon@sfdph.org.

(6) State budget

New CBP fact sheets: The California Budget Project has put out a number of new fact sheets that are helpful to advocates fighting health and human service cuts in the proposed state budget. The documents include an [updated summary](#) of the Governor's budget and several [fact sheets](#) that analyze the county-by county impact of specific cuts to CalWORKS, SSI/SSP, the Cash Assistance Program for Immigrants, and In-Home Supportive Services. Another [new report](#) shows that while the budget proposed deep service cuts, the February 2009 budget agreement included corporate tax cuts worth at least \$2 billion a year.

Do Californians really want deep tax cuts and no new taxes? David Binder research has released the results of a poll on why Proposition 1A failed. The Governor has publicly interpreted the results of the special election as a rejection of new taxes. But Binder's research shows that voters intended to call for real solutions, not all-out spending cuts. Only 29% of voters say that the state should rely entirely on cuts with no tax increases. All others believe in balancing cuts and tax increases to address the budget shortfall.

Revenue measures supported by a strong majority of those polled include taxing alcoholic beverages and tobacco, imposing an oil extraction tax on oil companies, closing the loophole that allows corporations to avoid reassessment of the value of new property they purchase, increasing the top state income tax bracket, and prohibiting corporations from using tax credits to offset more than fifty percent of the taxes they owe.

(7) Other announcements

Worker's Comp insurance rates: Five years after California reined in skyrocketing workers' compensation insurance rates, employers are facing another round of rate increases, blamed largely on rising medical costs. Over the past two months, half a dozen insurers have notified the state of their intention to raise their workers' comp rates by 10 percent to 33.9 percent. In Sacramento today, the Workers' Compensation Insurance Rating Bureau, an advisory panel largely composed of insurance representatives, will present its case for lifting a statewide benchmark for insurance rates by 23.7 percent – the biggest jump in 30 years. For more, see "[Workers' comp insurance about to jump](#)", San Diego Union-Tribune, June 8, 2009.

Rally and Beilensen hearing 6/16, and other June 15 HSN updates, 6/17/09

We are heading into the most crucial part of the City budget process, where our input will support the work of the Board of Supervisors in their efforts to move funds and save health and human services. The wait to speak will be long, but so very necessary, and hopefully well worth it. So pack those peanut butter sandwiches or order those pizzas, bring out your troops, and we'll see you at City Hall!

(1) HSN and advocacy calendar

Press conference and rally, Board of Supervisors meeting and Beilenson hearing: Tuesday, 6/16

Press conference and rally: 12:30 pm, across the street from City Hall Fight the budget cuts! Support a balanced solution, one where we all share the pain! Press conference to oppose an all-cuts budget, and support alternative cuts and revenue solutions. After the press conference, we urge you to line up at 1 pm to fill up the room for the Board of Supervisors meeting.

Board of Supervisors Meeting: 2 pm, Board Chambers, Rm. 250 As you may have heard, the Budget Committee amended the Mayor's interim budget to move millions of dollars from the Police, Fire and Sheriff's Departments to a Health and Human Services Stabilization Reserve. Those three departments received a \$35 million general fund increase (6% each), while Health and Human Services department general funds were cut by \$120 million (24% cut in DPH and 11% cut in the Human Services Agency). The move reflects what the budget would look like if each of those departments would share the pain by taking a 7% reduction. While this is only the interim budget that covers the month of July, it will set the stage for negotiations with the Mayor over the final budget.

As Supervisor Avalos said in a letter last week, "While there is certainly a need for emergency response and enforcement services, in times of fiscal constraint and major deficits, it is a better investment to fund programs that prevent the need for Police, Sheriff's and Fire services." Again, please make an effort to arrive at City Hall early and fill the Board Chambers for the vote on this item, which will happen before the Beilenson hearing. While there is no public comment before the full Board, our presence will demonstrate our support to the Board. The firefighters, police and Sheriff have announced a major rally at City Hall at 1 pm, and we need to get into the Board Chambers before they do! By getting there early, you'll also have the opportunity to speak earlier at the Beilenson hearing.

Beilenson hearing: 3 pm, Board Chambers, Rm. 250 The full Board of Supervisors will hold a legally-required public hearing -- including public comment -- on budget reductions to health services in the DPH budget. The hearing is scheduled to begin at 3 pm. This hearing is one of our most important opportunities to speak out against proposed budget cuts! The Health Department has posted a [hearing notice](#) and list of cuts.

Public Defender rally: Thursday, June 18, 10 am, City Hall, Polk St. / Goodlett steps Nearly 28,000 adults and youth, all poor and many people of color, rely on the Public Defender's Office for legal representation and reentry programs. A strong Public Defender's Office eliminates inefficient court delays and unnecessary jail time, freeing up money for needs like health care, housing, and education. Mayor Newsom's proposed \$1.9 million budget cut will debilitate the PD's ability to represent their clients and their families.

HSN General Member Meeting: Friday, June 19, 9:30 to 11:30 am, LightHouse for the Blind and Visually Impaired, 214 Van Ness. The meeting will feature two speakers. Denny Martin, Public Health Program Officer for the San Francisco Foundation, will speak on the final report of the Mayor's CBO Task Force, [Partnering with Nonprofits in Tough Times](#), Kimberly Wicoff will speak on the Inter-Agency Council. She is the Mayor's Director for Communities of Opportunity, a city effort designed to change the way that the city, philanthropic organizations, and residents work together to transform southeast San Francisco. The Inter-Agency Council coordinates city efforts across multiple city programs, including the Transitional Age Youth program, the Violence Prevention Plan, and HopeSF. The IAC oversees the aligning of resources across departments to ensure that COO priorities are reflected in the city budget.

Board Budget Committee public comment on the city budget: Monday, June 22, 5 pm, Board Chambers, Rm. 250 The Board's Budget Committee will hold a hearing for public comment on the city budget. This is our last major opportunity to speak out about the budget cuts!

HSN Public Policy Committee: Wed., June 24, 10 am, Progress Foundation, 368 Fell St. This meeting is open to all HSN members that paid dues in 2008 or 2009. These meetings provide members with an opportunity to discuss current issues in greater depth, and to bring new issues to HSN's attention.

(2) Budget Justice Rally, June 10, March from Hallidie Plaza to City Hall

Thank you to everybody who turned out for the Budget Justice march and rally last week! We had an amazing turnout estimated at about 1000 people, inspiring speakers, colorful signs and banners, great energy, music by the Brass Liberation Orchestra, and chants that could be heard throughout City Hall! Check out the [photos on the S.F. Chronicle's website](#). A [budget cuts fact sheet](#) that was included in the rally packet is posted on the HSN Budget Central website.

(3) Board of Supervisors

Board of Supervisors meeting: The Board will meet on Tuesday, June 16 at 2 pm in Board Chambers, Rm. 250. The [agenda](#) includes a vote on the Interim Budget (see #1 above), the Beilenson hearing (set by special order for 3 pm), and a vote on whether to place a [Charter Amendment](#) on the November ballot that would limit the use of one-time revenues to one-time uses unless the Board waives the limitation by a 2/3 vote. The ballot measure, which needs six Board votes, would further reduce the flexibility to address budget cuts.

Board Budget Committee: The Budget Committee begins its review of individual department budgets this week. They have scheduled two hearings on each department. All public comment will take place on Monday, June 22 at 5 pm. All meetings will take place in the Board Chambers, Rm. 250. For agendas, see the Board's [meeting information page](#). Also remember that you can watch a live broadcast of all hearings on-line via [SFG-TV](#).

Wed., June 17, 11 am: The Committee will review the following departments: Assessor/Recorder, Board of Supervisors, City Attorney, Controller, Civil Service Commission, Human Resources, Health Service System, Economic and Workforce Development, General City Responsibility, Mayor's Office, Elections, Human Rights, Library, Recreation and Park. The final hearing will be June 24.

Thurs., June 18, 11 am: The following departments will appear before the Committee: Treasurer/Tax Collector, Adult Probation, City Planning, Trial Courts, District Attorney, Building Inspection, Emergency Management, Environment, Ethics, Fire, Juvenile Probation, Public Defender, Police, Sheriff. The final hearing will be June 25.

Mon., June 22, 11 am: These departments will appear: Asian Art Museum, Art Commission, Children, Youth and Families, County Education Office, including Public Education Fund, Fine Arts Museum, Academy of Sciences, War Memorial, Dept. on the Status of Women, Public Health, Human Services Agency, Administrative Services, Public Works, Telecom and Info. Services, Redevelopment Agency, Treasure Island Development Agency. Public comment begins at 5 pm. The final hearing is June 29 (no public comment).

Revenue measures introduced: Supervisors have introduced several revenue measures for the November ballot that they will consider in the next few weeks. Supervisor Avalos has proposed a half-a-percent sales tax increase designated for health and human services, and for public safety. Supervisors Avalos and Mirkarimi have presented a parcel tax to fund parks. We are also likely to see a Vehicle License Fee measure that would allow the City to raise the local fee if the State passes legislation allowing counties to do so. Supervisor Avalos is also considering legislation to create an Alcohol Mitigation Fee to pay for the costs of services associated with alcohol consumption in the city.

Budget reform: Budget reform measures will also be before the Board in the next few weeks. This week, the [Rules Committee](#) will meet on Thursday, June 18 at 10 am in Rm. 263, and will hold hearings on two measures. Supervisor Daly has proposed a Charter Amendment that would allow the Board to mandate the expenditure of identified appropriations for particular programs. Supervisor Duffy proposes a Charter Amendment to create an Office of Management and Budget, provide that the Director of that office would be appointed by the Mayor and confirmed by the Board to a 10-year term, institute a two-year budget cycle, and require the City to adopt a five-year financial plan.

(4) Controller's Office

Revenue Letter: The Controller issued his annual [Revenue Letter](#), which provides an opinion regarding the accuracy of economic assumptions and revenue estimates in the Mayor's proposed budget. The Controller found the estimates to be reasonable given current information, but qualified his opinion based on uncertainties in the economy and the State's fiscal crisis, particularly the potential shortfall of over \$200 million related to actions the State may take.

The City's \$6.6 billion budget increased by \$69 million over last year, but general fund revenues are projected to decline by 4.1% due to the economy and State cutbacks, but offset by federal stimulus funding and the shift of former 911 fee revenues to the General Fund. The Controller projects that the economy will begin a slow recovery in mid-2010.

If the State carries through with its proposal to borrow from local governments, property tax revenues could be reduced by \$91 million (\$82 million general fund). If this occurs, the City may try to borrow funding to backfill this part of the shortfall, since the State would ultimately have to repay it with interest. The Mayor's budget already addresses another \$87 million in proposed State cuts (mostly due to the February state budget deal), but the Mayor could mean as much as \$125 million more in cuts to San Francisco. Most of this shortfall would result from State health and human service cuts: the elimination of CalWORKs, Healthy Families, and Cash Assistance for Immigrants Program; and reductions to the State's share of In-Home Supportive Services worker wages; AIDS drugs, HIV prevention, and other programs. The actual cost of these cuts will depend on the final State budget, and the extent to which the City backfills those cuts or incurs other costs because of those cuts.

The report also notes that voter-mandated set-asides are funded at required levels, except for Treatment on Demand. Voters approved a new substance abuse baseline in November 2008. The Controller estimates that the city is \$7-13 million below the requirement.

Finally, the Controller projects a possible shortfall exceeding \$300 million for FY 2010-11, based on net expenditure growth of \$175 million and the use of \$165 million in one-time solutions to balance the proposed FY 2009-10 budget.

Updated economic index: The Controller's Office also updated their [monthly economic barometer](#) with data from April 2009. The report shows some positive news, with the unemployment rate at 8.8% (a decrease of 0.3%), an upturn in temporary employment, and clear signs of improvement in tourism. But the County Adult Assistance Program grew by another 1.3% in April to a caseload of 7,266.

(5) City Departments

Department of Public Health: The Community Stakeholder Planning Process Executive Summary and report are now posted on the [DPH website](#) (left-hand side under 30-day notifications). They are holding a 30-day public comment period. Please send any questions or comments to Jenny Chacon at Jenny.Chacon@sfdph.org.

(6) State budget

State budget internet Town Hall tonight: Senate President Pro Tem Darrell Steinberg and Sen. Mark Leno will be taking on all comers tonight (June 15) in an internet Town Hall on the state budget. They will answer e-mailed questions in a live webcast from 6 to 7:30 pm. They have set up a <http://senweb03.senate.ca.gov/focus/townhall/> town hall website where you can submit questions (both before and during the event) and view the webcast.

(7) Other announcements

Charitable giving is down, but it still tops \$300B: The [San Francisco Business Times](#) reports that individuals, foundations and corporations gave over \$300 billion to charities in 2008. But when adjusted for inflation, giving fell by 5.7%. The greatest decline (12.7%, or 15.9% when adjusted for inflation) was to

the health and human service organizations that have seen demand skyrocket, while they face severe budget cuts from the government. Many experts believe the worst is yet to come, since the economy didn't begin to fall in earnest until the 4th quarter of 2008, and many foundations have lost more than 30% of their capital.

Health Care Security Ordinance update: On June 8, the Golden Gate Restaurant Association filed a petition with the U.S. Supreme Court, requesting that the Court rule on the legality of the employer spending requirement. While the Supreme Court considers whether to hear the case, the Ninth Circuit Court of Appeals' September 2008 decision upholding the requirement continues to be in effect for all covered businesses.

HSN member meeting and City budget action items, 6/19/09

Three urgent items below. (Otherwise, with all the budget activities, next week's HSN update will go out on Tuesday instead of Monday.)

- (1) HSN MEMBER MEETING 6/19 AND PUBLIC POLICY COMMITTEE 6/24
- (2) BOARD BUDGET COMMITTEE PUBLIC COMMENT 6/22
- (3) CALL OR EMAIL SUPERVISORS ON THE INTERIM BUDGET VOTE

(1) HSN MEMBER MEETING 6/19 AND PUBLIC POLICY COMMITTEE 6/24

We have a full agenda for the Friday, June 19 HSN member meeting, 9:30 to 11:30 at the LightHouse for the Blind and Visually Impaired, 214 Van Ness. We have two special guests:

Denny Martin, Public Health Program Officer for the San Francisco Foundation, will speak on the final report of the Mayor's CBO Task Force, [Partnering with Nonprofits in Tough Times](#). The Mayor established this Task Force on CBO reform when he issued his budget instructions last December, and plans to implement many of the recommendations this year.

Kimberly Wicoff will speak on the Inter-Agency Council. She is the Mayor's Director for Communities of Opportunity, a city effort designed to change the way that the city, philanthropic organizations, and residents work together to transform southeast San Francisco. The Inter-Agency Council coordinates city efforts across multiple city programs, including the Transitional Age Youth program, the Violence Prevention Plan, and HopeSF.

The agenda also includes discussion on the city budget and the Department of Public Health Community Stakeholder Engagement Process report.

The HSN Public Policy Committee's monthly meeting will take place on Wednesday, June 24, 10 am to 12 noon at the Progress Foundation, 368 Fell St. This meeting is open to all current members. These meetings provide members with an opportunity to discuss current issues in greater depth, and to bring new issues to HSN's attention.

(2) BOARD BUDGET COMMITTEE PUBLIC COMMENT 6/22

The Board Budget Committee will hold their first hearing on health and human service departments (including DPH, HSA, DCYF and DOSW) on Monday, June 22, Board Chambers, Rm. 250. At 5 pm, they will begin public comment. This is the final opportunity for the public to speak out about the budget cuts at a hearing. I've heard they will pass out numbers beginning at 4 pm!

(3) CALL OR EMAIL SUPERVISORS ON THE INTERIM BUDGET VOTE

After the Beilenson hearing on Tuesday, the Board of Supervisors approved the Interim Budget (which covers the month of July until the final budget is signed) with amendments that cut \$82 million from Police, Fire and the Sheriff, and reallocated those funds to health and human services. This is a "share the pain" approach, which constitutes a 7% across-the-board cut to public safety and health and human service departments. In contrast, the Mayor's proposed general fund budget increases the three public safety departments by 6%, and cuts DPH 24%, HSA 11%, and DCYF 17%. While the vote on the Interim Budget was symbolic, it sets the stage for budget negotiations over the next few weeks.

The seven Supervisors who supported this vote need to hear from all of us, in appreciation of their courage. We urge all of you to call or email the seven, thanking them for their support of an equitable budget that protects services for the most vulnerable San Franciscans, and recognizes the need to put people first in a time of economic crisis.

Please send your thanks to:

Supervisor John Avalos (415) 554-6975 - voice (415) 554-6979 - fax <mailto:John.Avalos@sfgov.org>
John.Avalos@sfgov.org

Supervisor David Campos (415) 554-5144 - Voice (415) 554-6255 - Fax
<mailto:David.Campos@sfgov.org> David.Campos@sfgov.org

President David Chiu (415) 554-7450 – Voice (415) 554-7454 – Fax <mailto:David.Chiu@sfgov.org>
David.Chiu@sfgov.org

Supervisor Chris Daly (415) 554-7970 – Voice (415) 554-7974 – Fax <mailto:Chris.Daly@sfgov.org>
Chris.Daly@sfgov.org

Supervisor Eric Mar (415) 554-7410 – Voice (415) 554-7415 – Fax <mailto:Eric.L.Mar@sfgov.org>
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Supervisor Sophie Maxwell (415) 554-7670 – Voice (415) 554-7674 – Fax
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Ross.Mirkarimi@sfgov.org

Budget news and HSN updates, 6/29/09

This is a big week! The Board Budget Committee plans to announce their restoration list on Wednesday. The Board will also begin its consideration of budget process reform and revenue measures for the November ballot. And the Civil Grand Jury has released a new report on nonprofits.

(1) HSN and advocacy calendar

Budget vigil and rally 5 pm at City Hall today (6/29): The Budget Justice Coalition will hold a vigil and rally on the City Hall steps at 5 pm on Monday, June 29. While the Budget Committee deliberates in the Board Chambers, nonprofits and labor will gather to reinforce the message that service cuts devastate the community, and to call for alternative cuts and revenue solutions. This is our last opportunity to support the Board's efforts to restore funding. The rally will feature speakers and performances. At about 6 pm, Budget Committee Chair John Avalos will come down to update everybody on the process, and publicize the lengthy list of budget cuts they wish to restore.

The list reportedly exceeds \$80 million, but even under the most optimistic scenario, the Board may have only \$20-30 million for restorations. They cut \$6 million from the Fire Department budget last week, and small amounts from other departments as recommended by the Board Budget Analyst.

HSN calendar: The [calendar page](#) on HSN's website has been updated for the month of July. Key dates include the member meeting on July 17 -- which will feature Supervisors David Chiu and Bevan Duffy speaking about budget process reform, and the Public Policy Committee meeting on July 29.

(2) HSN op-ed in San Francisco Chronicle

In case you missed it, the San Francisco Chronicle ran an HSN op-ed last week that calls attention to the disproportionate cut to health and human services, while fire and police departments received increases. Links to the http://www.sfhsn.org/documents/hsn_iss_budg_hsnop-ed_06-18-09.pdf original op-ed and the http://www.sfhsn.org/documents/hsn_iss_budg_hsnop-ed_06-18-09.pdf ed and the <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/06/24/EDF518CB5U.DTL> published op-ed <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/06/24/EDF518CB5U.DTL> ed are both posted on our <http://www.sfhsn.org/Budget2009-10.htm> Budget Central page.

(3) Board of Supervisors

Board Budget Analyst Recommendations: As part of the budget process, the Board's Budget Analyst prepares [recommendations](#) for each department. Each report summarizes the budget and significant changes from last year, and suggests fiscal and policy options for the Board to consider. The Board uses these reports as they question each department head, and by adopting some of the recommendations, finds funds that they can use for addbacks. These reports also provide an interesting and useful summary that sheds light on the priorities within major city departments.

Board Budget Committee: The Budget Committee has two final hearings on the FY 2009-10 budget. Public comment on the budget was closed on June 22. If you don't plan to attend, you can watch the hearings over the Internet via [SFGTV](#).

Monday, June 29, 11 am, Board Chambers, Rm. 250 The [agenda](#) includes final hearings on the remaining departments: the Art Commission, Children Youth and Families, Public Education Fund, Public Health, Human Services Agency, Administrative Services, Public Works, Department of Technology, Treasure Island Development Authority, and Police. They will then begin their deliberations on the final budget, including addbacks. (In past years, this meeting has gone into the wee hours. This year, the Committee has indicated that they may end early and reconvene on Tuesday.)

Wednesday, July 1, 11 am, Board Chambers, Rm. 250 This is the final Budget Committee meeting on the proposed budget before it moves to the full Board. The [agenda](#) includes approval of the Board's addbacks. The Board has also scheduled two proposed revenue measures for a public hearing at this meeting: a 0.5% sales tax increase for health and human services and public protection, and a local vehicle license fee.

Revenue measures: The Budget Committee will consider two revenue measures for the November ballot on July 1.

The first measure, introduced by Supervisor Avalos, would increase the sales tax by 0.5% for three years. Proceeds would be deposited in a special account exclusively for fire protection (45%), 911 emergency response services (10%), and health care services for seniors and disabled residents (45%). The San Francisco tax rate rose to 9.5% recently due to the state's February budget deal; this measure would increase it to 10%. It would require a 2/3 vote, and raise an estimated \$51 million a year.

The second measure would impose a local vehicle license fee. Currently, state law prohibits local governments from imposing a fee. The measure would authorize an increase if and when state law changes. Senator Mark Leno of San Francisco has led efforts to allow a local fee, but the Governor

vetoed it in the past. Sen. Leno has reintroduced the legislation (SB 10). It passed the Senate June 2 and is moving to the Assembly.

Supervisors Avalos and Mirkarimi have also introduced a parcel tax to support the Recreation and Parks department. It has not yet been scheduled for a hearing.

Board Rules Committee and budget reform measures: Thursday, July 2, 9:30 am, City Hall, Rm. 263
Over the next couple of weeks, the Rules Committee will discuss several budget process reform measures for the November ballot. Because several measures have been introduced, they are expected to consider all proposals before submitting a final package to the full Board.

This week's [agenda](#) includes two measures. The Mayor and Supervisors Chiu, Avalos, Campos and Mirkarimi have introduced a Charter Amendment for the November ballot that would institute a two-year budget cycle, along with a five-year financial planning process and a June 30 deadline to approve labor MOUs that impact the new fiscal year. In addition, the full Board re-referred to the Rules Committee Supervisor Elsbernd's proposed Charter Amendment to limit the use of one-time funds to one-time expenditures, to be considered in the context of all budget reform proposals.

Last week, the Rules Committee delayed their hearings on Supervisor Daly's proposal that would allow the Board to mandate the expenditure of identified appropriations for particular programs, and on Supervisor Duffy's ballot measure to create an Office of Management and Budget to work with both the Mayor and the Board.

HSN is a member of the [Community Budget Reform Council](#), which has issued its own recommendations.

Legislation to eliminate all set-asides appears to be dead for the November ballot, though discussions may continue for long-term reform efforts. HSN has signed on to [Coleman Advocates' recommendations](#) to reform set-asides while protecting vulnerable populations.

(4) Civil Grand Jury report: Nonprofits: The Good, the Bad, the Ugly

Today, the San Francisco Civil Grand Jury released a new http://sfgov.org/site/uploadedfiles/courts/divisions/Civil_Grand_Jury/non-profits.pdf report that looks at nonprofit contracting. The report makes recommendations in four areas: the procurement process, addbacks, back office operations, and monitoring and performance measurements. The Board and departments have 60-90 days to respond to the recommendations. The Board will also schedule a public hearing on the report.

(5) DPH Community Programs Stakeholder Engagement Process

The DPH stakeholder report is no longer posted on their home page, but the [Executive Summary](#) and [full report](#) are still available on the department's website. Send any comments to Jenny Chacon at Jenny.Chacon@sfdph.org.

(6) Other announcements

Alzheimer's and Dementia Summit and Caregiver Workshops: Wed., July 8, 8:30 am to 4:15 pm, City Hall
San Francisco has the highest percentage of seniors of any California county, and the highest percentage living alone. In December, Mayor Newsom appointed a panel to help San Francisco plan for the impending growth of our aging population. The agenda includes presentation of panelist recommendations, and a dialogue to begin developing an action plan. Several workshops for caregivers are scheduled. See the [Family Caregiver Alliance website](#) for more info and for registration.

CompassPoint Nonprofit Day 2009: Thursday, August 27, 7 am to 4:30 pm, Hilton San Francisco
Registration is now open! This year's theme is Leading Change in a Shifting Landscape. Through case

studies, speakers and presentations, the conference will explore leadership and movement building in the context of today's dynamic times. The [conference web page](#) has more information and registration.

Institute on Aging educational series: The Institute on Aging invites you to join them for their informative educational series that explores various cornerstones of professional eldercare. The fourth and final program in their series, Capacity: What Is It? How Do We Assess It? What Happens When We Lose It? will take place at The Event Center at St. Mary's Cathedral (1111 Gough Street in San Francisco) on Wednesday, September 16, 2009. <http://education.ioaging.org/cornerstones/capacity.html> Register now to receive the early-bird price. Continuing education units are available for professionals.

2009 Compensation & Benefits Survey for Northern CA: This annual report from the [Center for Nonprofit Management](#) is now available for order. If you are an HSN member, use the following code in the Marketing Partner box of the [order form](#) for a \$15 discount: CBS09SFHSN. Many nonprofits use the survey to set equitable salaries and benefits, attract and retain employees, and comply with IRS regulations.

Quick budget updates, 6/30/09

* Quick budget update * Message from Sup. John Avalos * Calls needed to Mayor and Budget Committee

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**\* Quick budget update**

The Board Budget Committee will reconvene from its Monday meeting at 9 am on Wednesday to continue its deliberations. At 11 am, they will convene their scheduled Wednesday meeting, which includes their vote on the final restoration list. In the meantime, negotiations are ongoing between the Board and the Mayor's office.

The entire list of potential restorations is \$82 to \$91 million. As of yesterday's meeting, the Committee has identified \$20.1 million. They hope to cut another \$5 million from the Police Department on Wednesday, for a total of \$25 million in addback money. .

The Committee is working to pare down the addback list. Their strategy is to restore full funding for some things, and fund some other positions and programs through November, making future funding dependent on November revenue measures.

A few programs have been fully or partially restored by the Mayor in the past couple of weeks, including 95% of the funding for the Tenderloin Self-Help Center.

As I mentioned in yesterday's e-mail, there are three revenue ideas on the table: a 0.5% sales tax increase, a local vehicle license fee (to be implemented in 2010), and a parcel tax (graduated, higher for commercial properties).

Supervisor Avalos is also drafting an alcohol tax or fee, which may not need to go before the voters. A 5% fee could yield \$30 million.

(Thank you to Chelsea Boilard at Coleman Advocates for most of the information in this update!)

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*** Message from Sup. John Avalos**

(This e-mail came from Board Budget Committee Chair John Avalos late last night:)

Dear Budget Advocates:

Thank you for your continued activism and support around the budget these past 3 months as the Budget Committee has been holding public hearings and negotiations with City departments on cost savings. Unfortunately, we are not where we hoped to be at this stage. I need YOUR help in this last week to make sure we have an equitable Budget that preserves services for our City's most vulnerable.

The Budget Committee has received around \$75 million in restoration requests. Unfortunately, we will not have enough departmental savings to get anywhere near this amount.

As part of these restorations, I am currently working to prevent contracting out of City services, including custodians, security staff, and jail health services. We need real revenue to prevent the contracting out of these services.

Call on the Mayor and your Supervisor to:

- Demand more from the Police Department. A give back of 1.5% of their current salary increase (which STILL leaves them with a 0.5% wage increase) will yield \$6 million to save vital City services.

- Place revenue measures on the November ballot. We cannot balance the budget on cuts alone. We need to generate another \$100 million to support general fund services. The Mayor and Board of Supervisors are currently considering various revenue proposals, including Parcel Tax, Sales Tax, and Gross Receipts measures for the November ballot. Make sure that the Mayor and Board do not back down on revenue.

Help me demand a more equitable budget for all San Franciscans that reflects our values and supports youth, seniors, families, and those in most need of City services.

John Avalos Supervisor District 11 1 Dr. Carlton B. Goodlett Place Room 244 San Francisco, CA 94102
415-554-6975 phone 415-554-6979 fa

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**\* Calls needed to Mayor and Budget Committee**

With negotiations happening over the next couple of days, it's important for the Mayor and Budget Committee to hear from constituents that community-based safety net services need to be a priority, that the pain needs to be shared with other departments such as police and fire, and that we need new revenue measures to pay for services. Please encourage everybody you know -- including your board, staff and people that use your services -- to make calls.

\* Mayor Gavin Newsom: 554-6141, [Gavin.Newsom@sfgov.org](mailto:Gavin.Newsom@sfgov.org)

\* Sup. John Avalos: 554-6975, [John.Avalos@sfgov.org](mailto:John.Avalos@sfgov.org)

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