

CHARTER AMENDMENT INITIATIVE TO ESTABLISH A SACRAMENTO CHILDREN'S FUND WITHIN THE CITY'S GENERAL FUND, AND TO CREATE A FUND PLANNING AND OVERSIGHT COMMISSION

This initiative measure, entitled the "Sacramento Children's Fund Act of 2020" (the "Charter Amendment" or "measure"), proposes amending the Sacramento City Charter to establish a separate "Sacramento Children's Fund" within the City of Sacramento's general fund.

The measure adds section 110.5 to the Sacramento City Charter. Its main purposes are summarized as follows:

1. **Sacramento Children's Fund.** The measure establishes the Sacramento Children's Fund. Starting July 2021, and in each subsequent year during the measure's effectiveness, 2.5% of the City of Sacramento's "audited total actual unrestricted revenues" would be placed in the fund. "Audited actual unrestricted revenues" do not include funds granted to the city by private agencies or other public agencies. Pursuant to a plan and funding package prepared by a new Sacramento Children's Fund Planning and Oversight Commission (see below), the city council must appropriate at least 90% of the fund money for youth and child services, including: mentoring, counseling, culturally-based healing practices, alcohol and drug use prevention and intervention, job training, transitional employment, and case management; summer and after-school learning, artistic, cultural, and media expression, career-based internships, and family support services; and early childhood education, parent/child play groups, and family support services.
2. **Planning and Oversight Commission.** The measure establishes a Sacramento Children's Fund Planning and Oversight Commission. The commission would have 17 members appointed by the mayor and councilmembers; eight commission members must be 24 years old or younger. The commission would be responsible for preparing Three-Year Strategic Plans for city council adoption; evaluating funding applications from non-profit organizations and public agencies; submitting funding recommendations to the city council; submitting annual evaluation reports to the city council; and receiving certain reports from the city auditor.
3. **Maintenance of effort.** The measure provides that the money in the Sacramento Children's Fund supplements, and does not supplant or reduce, the amount of unrestricted revenue that the city expends in any year below that which was expended for "eligible children and youth services" in the 2019-2020 fiscal year. The measure requires an increase in eligible service expenditures in any year following an audit that shows such expenditures were less than the 2019-2020 level.

By its own terms, the Charter Amendment expires in 2034. Any unencumbered money in the Sacramento Children's Fund at that time would revert to the city's general fund.

Susana Alcalá Wood

Sacramento City Attorney