

## **Impartial Analysis of Measure G**

### **Prepared by Sacramento City Attorney**

Measure G has been placed on the ballot by a petition signed by the requisite number of voters. Approval of Measure G would amend the Sacramento City Charter so that for 12 years 2.5% of the city's unrestricted revenues would be placed in a newly-established Sacramento Children's Fund, to be spent only on qualifying youth and child services. Disapproval of the Measure G would mean the Sacramento City Charter would not be amended.

#### *The measure's effect on existing law*

The Sacramento City Charter currently requires the city manager to prepare and present to the city council budget recommendations each fiscal year. After a public hearing, the city council adopts a budget. The city council may amend the budget at any time.

The city's revenues can be unrestricted or restricted. Restricted revenues are those that can only be expended for specific purposes. Examples include special taxes, parking meter revenue, and federal grants. These revenues are kept in special funds, because they are distinct from the unrestricted revenues in the city's "general fund." Money in the general fund can be spent for any lawful purpose.

Measure G would take some of the city manager's current budget-development authority and give it to a new Sacramento Children's Fund Planning and Oversight Commission, which would be responsible for preparing expenditure plans for the Sacramento Children's Fund.

Measure G would affect the city council's budget-decision authority. The council could no longer allocate all general fund expenditures for any lawful purpose, but would be required to allocate some expenditures for the purposes described in Measure G. Although the council could still amend the budget at any time during the year, it could not amend it so as to diminish the 2.5% set-aside or the Sacramento Children's Fund balance.

#### *Operation of the measure*

For 12 years, starting July 2021, 2.5% of the city's "audited total actual unrestricted revenues" would be placed in a Sacramento Children's Fund. Pursuant to a plan and funding package prepared by a new Sacramento Children's Fund Planning and Oversight Commission, the city council must appropriate at least 90% of the fund money for youth and child services, as those are described in the measure.

The measure establishes a Sacramento Children's Fund Planning and Oversight

Commission, a 17-member body appointed by the mayor and councilmembers. 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, and submitting funding recommendations to the city council.

The measure provides that the money in the Sacramento Children's Fund must supplement the amount of unrestricted revenue that the city expended for "eligible children and youth services" in the 2019-2020 fiscal year.

By Measure G's 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.

Measure G will take effect only if a majority of the voters voting on the measure approve it. A "yes" vote is in favor of approving the charter amendment. A "no" vote is against approving the charter amendment.

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