



FOR IMMEDIATE RELEASE:

Thursday, October 20, 2011

Contact: Mayor's Office of Communications, 415-554-6131

***** PRESS RELEASE *****

MAYOR LEE FUNDS CHILDCARE & SENIOR HEALTH PROGRAMS TO PRESERVE SERVICES AS STATE CUTS BUDGETS

City to Use Portion of Reserves to Reverse State Cuts to Childcare & Senior Health Services

San Francisco, CA— Mayor Edwin M. Lee today announced his plan to provide funding for children and senior programs facing certain State budget cuts. Mayor Lee will use \$1.9 million from the City's Children's Fund Reserve to offset reductions to childcare providers across the City, and \$3.4 million from the City's Reserve for State Budget Impacts to ensure that nonprofit Adult Day Health Centers in San Francisco do not close their doors on December 1, 2011 when their funding from the State is eliminated.

"While we continue to face uncertainty regarding future State budget cuts, there comes a time to act – this is that time," said Mayor Lee. "Last year, working together with community partners and the Board of Supervisors, we included reserve dollars in our budget that we could use to protect our most vulnerable residents. Now, with the pending State reductions to childcare providers and the elimination of funding for Adult Day Health Centers, we must take action to protect the social safety net for children and seniors."

The Department of Children, Youth and Their Families, in partnership with the Human Services Agency, will allocate the \$1.9 million Children's Fund Reserve dollars through a competitive process to qualified childcare providers who serve children and families most in need. These funds will support the retention of approximately 200 childcare slots throughout San Francisco.

The Department of Aging and Adult Services will use \$3.4 million from the City's State Reserve to provide funding for Adult Day Health Centers (ADHCs), who are facing the elimination of State funding on December 1st. ADHCs provide a variety of health, therapeutic, and social services to seniors at risk of being placed in a nursing home. They serve a very fragile population and provide clinical oversight and social services that help this population remain stable and living safely in the community as opposed to more expensive and emotionally stressful institutionalized care.

The City's Fiscal Year 2011-12 budget included a \$2.6 million Children's Fund Reserve and a \$15.0 million Reserve for State Budget Impacts. Legislation authorizing the use of these reserves must be approved by the Board of Supervisors. While Mayor Lee is proposing to use part of these reserves to provide one-time bridge funding for childcare providers and Adult Day Health Centers, the Mayor is staying mindful of potential "trigger cuts" from the State later this year.

"We are certainly far from out of the woods in terms of State budget cuts hitting our City," said Mayor Lee. "We must be prudent and retain as much of our reserves as possible to protect against future cuts."

###