

## DIGNITY FUND OVERSIGHT AND ADVISORY COMMITTEE

April 27, 2026; 3:00 p.m. to 5:00 p.m.

2 Gough Street, 3<sup>rd</sup> floor,

Wisdom Conference Room

Public attendance via Teams

Minutes Draft

Members Present: Chair Vince Crisostomo, Vice-Chair Jennifer Walsh, Marcy Adelman, Martha Knutzen, Ramona Davies, Wanda Jung

Excused: Sandy Mori, Diane Lawrence

Unexcused: Allen Cooper

Welcome and Call to Order: Chair Vince Crisostomo called the meeting to order at 3:05 pm.

Roll Call: Cindy Kauffman called roll.

Approval of the Agenda: Members approved the DF OAC meeting agenda for April 27, 2026

General Public Comment: None.

Approval of the Minutes: A correction will be made to count Allen Cooper's presence in Roll Call for March 16, 2026, meeting minutes.

### Upcoming Changes to Dignity Fund Growth

Starting FY 2028, the Dignity Fund will grow or shrink as determined by the city's aggregate discretionary revenues (ADRs) rather than by a set amount determined by the city's deficit (as currently defined). Presenters shared possible options and projections based on the new formula. Staff reported meeting with other departments with similar formulas who shared lessons learned from their experiences. Since the fund is determined by a percentage of revenue growth from the previous year, it can be somewhat volatile. Other departments strongly suggested a reserve fund account to provide some stability.

### Discussion:

The OAC asked many clarifying questions regarding ADRs that included: how they are calculated; the potential for shrinkage as well as growth for the DF baseline; confirmation that the Controller's office updates ADRs, along with total revenue, three times a year; the frequency with which ADRs go up and down; and confirmation that the ADR formula was written into the legislation.

Additional questions and discussion also included projections. Staff confirmed that the Controller's office does a 5-year projection. They also shared that other departments create a reserve in order to smooth out the volatility. There was a robust discussion regarding forecasting

and impacts on the baseline amount. DAS referenced the Controller's Five-Year Financial Plan Report to follow ADR's.

There was a question as to how the DF Community Needs Assessment (CNA) is incorporated into this new funding formula. Staff assured the OAC that the CNA identifies the current needs of the population DAS serves which then informs the Services and Allocation Plan (SAP). The CNA and SAP are the drivers for how DAS allocates dollars. There was concern that emerging needs will not be addressed. Staff explained that there will also be opportunities for funding growth to address needs. It was acknowledged that this is a new approach for DAS who will continue to learn from other departments and take a conservative approach as we learn the new system.

Next steps are right sizing the reserve, looking back at average ADR growth/contraction paired with average Cost of Doing Business (CODB) and learning more from other departments.

DAS will also present this info at the May Commission and share learnings with DF OAC on June 22<sup>nd</sup>.

#### Service Providers Working Group (SPWG) – Fiona Hinze:

Two weeks ago, SPWG had a hearing with the Budget Director and Mayoral department staff, including DAS. The community turnout was great and there was a lot of media coverage. SPWG hopes to meet with Supervisors before final budget decision in June. SPWG will give DF OAC a recommendation regarding discussion during meeting. Lastly, SPWG hopes to continue advocating for less cuts and appreciates the presentation from today's agenda.

#### Meeting schedule – Cindy Kauffman

So far, the OAC met in March and twice in April. The next meeting is proposed on June 22<sup>nd</sup> and will include the data and eval report by DAS Planning unit and the new budget allocation formula. Another meeting will be scheduled for September 21 and the last one of the year November 16<sup>th</sup> where Budget team will present DF FY 2026 Year-End Budget report.

#### Public Comment:

Public comment included questions regarding CODB, Dignity Fund compared to other special funds, and ADR calculations. Comments also spoke on disappointment that growth in ADR has no relationship to the population growth of older adults and people with disabilities.

OAC members asked about DF legislation and if the complete legislation is on the website or if it is a summary. The complete legislation is on the website, but it does not include detail of how ADRs are calculated. The ADR presentation will also be posted on the website.

#### Announcements:

- A member announced the death of Tony Fazio who was a key figure in getting DF legislation in place.

- Today in the State Capitol the LGBTQ+ Caucus is holding hearings on LGBTQ+ aging and HIV and aging. The hearing will bring together the CA Department of Aging, the Office of AIDS and will have a segment on transgender health. It will be televised and online testimonies are permitted. More information will be provided to Executive Secretary Murphy.

Adjournment: 4:30 pm

Next meeting: June 22, 2026, 3:00 pm