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Report Log

**CITY OF SACRAMENTO
ANN LAND & BERTHA HENSCHEL
MEMORIAL FUNDS COMMISSION**

**Summary Minutes
Wednesday, May 15, 1996**

◀ **Commissioners present:** Gail Mancarti, President; Doris Chandler; Mona Mansfield; Valerie Reynoso; Frank Vitulli; Leonard Williams **Commissioners absent:** Esther Lujan

Staff Present: Careene Ezell, Tom Friery, City Treasurer and Glenn Hosokawa, Investment Officer, City Treasurer's office.

President Gail Mancarti called the meeting to order at 8:23 a.m.

I. Review of minutes--action item: Moved by Frank Vitulli, seconded by Leonard Williams that the minutes of the February 21, 1996 meeting and the retreat minutes of March 30, 1996 be approved as mailed.

II. Highlights of City Treasurer's Report. Glenn Hosokawa reviewed the March 31, 1996 quarterly report for us, highlighting some factors such as the late 1995 government shutdowns, blizzards and layoffs which skewed first quarter economic data, but that in early January things started to get back to normal. February and March showed a much stronger employment report and the perception of jobs growing and the economy showing signs of rebounding led to speculation that the feds might raise the rates, but they did not and with some economic data in the first quarter stronger than expected, it appears that the Fed may not ease rates again in the immediate future.

Glenn reviewed the strategies and objectives of the fund and indicated that while our first quarter's rate of return was ranked below the SEI Balanced Fund, it is because they are 60% growth oriented and we are income sensitive

III. Orientation and Investment Review. Treasurer Tom Friery highlighted areas of the excellent printed review provided to the commission. He started with the fact that the Ann Land Memorial and Berthan Henschel Memorial funds were initially bequeathed in 1914 and 1953 respectively and that the intent of the bequeaths was to have to principal maintained intact in perpetuity and invested for maximum return. The investment income earned (excluding capital gains) is paid out to benefit the indigent or needy citizens of the City of Sacramento. The objective is to generate earnings of \$100,000 annually for such assistance.

The Memorial Funds started with approximately \$550,000 and while the Commission has paid out \$2.92 million over the years, the principal has a market value of \$1.9 million. Prior to 1979 there was no active management by the City of the Memorial Funds. The portfolio held the same stocks and the bonds were reinvested at maturity. Since then, the City Treasurer's Office has taken over active management of the investments and the portfolio has grown in market value as well as in the amount of earnings available for Commission allocation to the poor and indigent. The average earning are about \$89-90,000 annually and with about \$40,000 in the indigent funds, it enables the Commission to have approximately \$100,000 per year to allocate.

The indigent fund was set up at the same time as the corpus for the purpose of holding the income rather than leaving it with the corpus...however, capital gains do stay with the corpus. Piper Jaffray is the broker for the Memorial Funds and they waive stock commission on 1,000 shares or less, which is a considerable cost savings for the Funds.

Tom gave us an excellent overview of investment strategies as well as how the Federal Reserve operates to try to keep the economy on a pretty even keel. The Commissioners expressed their thanks and appreciation to the City Treasurer's office for the outstanding job they do in managing the Memorial Funds.

IV. Social Services Siting Report on Neighborhood Services. Bina Lefkovitz, Director of Special Projects. She has been charged with helping to develop an ordinance to streamline the City's land use perspective for social services. How the city can revitalize neighborhoods and be better partners with schools, the county and the community has generated controversy over the years. In order to address the issue, businesses, government and social services were brought into a focus group to increase understanding of siting issues from multiple perspectives as well as provide information on laws, regulations, systems and current dispersion of services. Finally, to agree on siting policies and implementing mechanisms to develop a proposal for the City Council.

Neighborhood groups feel desperate because of crime, blight, general area decline, etc. Currently there is no framework and all social services must get special permits for siting. The social services include county services, meals/food, shelters, residential care, counseling, medical services, financial payee services, etc.

She indicated that the general consensus was

- *to recognize the need in all neighborhoods for services that serve neighborhood residents.
- * a system that is fair for clients and the area (i.e. concentration of services)
- * the need to enforce current laws
- *the need for government entities to coordinate with each other
- *to change concentration requires a need to change housing patterns
- *providers and clients must be responsible for behavior (need for good neighbor policies)

The disagreements centered on

- *what is over concentration
- *retroactive changes for existing providers
- *treat providers like businesses
- *need for services is growing

She indicated that the direction that the focus group was moving toward includes

- *good neighbor guidelines (waiting areas, smoking places, access to restrooms)
- *accountability, a two year review of special permits
- *open houses for neighbors and have neighbors on provider boards
- *keep large facilities better disbursed
- *have a moratorium on night time shelter facilities in downtown area
- *check census tract for concentration of residential care facilities

She said that the draft proposal was due on May 28 and would go to the City Council on June 4 and then out to the community for about 6 weeks and then back to Planning and the Council in September or October.

She said that the City wants to focus on decentralizing services and consider providing space in community centers. Oak Park is an example. Providers co-locate services. There is a need to get clients to services and to incorporate a good neighbor policy when siting is approved.

V. Area of Needs in Neighborhoods.

Area 1 was represented by Janet Baker, Administrative Analyst. The area is central city and

East Sacramento to College Greens. She said that they were bringing city service representatives to neighborhood group meetings to solve specific problems. She also indicated that there is a large number of social services sited in her area.

Area 2, Gary Little. The neighborhood center will be at 24th and Florin and area 2 goes south of W and X streets to North Laguna. They have teams which include police, code enforcement, traffic etc. The unmet needs in his area include the Broadway corridor where there is a need for housing and food services. They have homeless there sleeping in Land Park and under the freeway. He said they are planning an Area II summit in September.

Area 3. No representative but the neighborhood center is at Coloma and the area is southeast Oak Park to Glen Elder.

Area 4. Kelly Montgomery. The administration for the area is at 920 Del Paso and the area is north of the American River. She said there is a great need for youth activities and employment and english as a second language classes.

Note: area directors asked us to send the funding application form to them as well and they will encourage providers in their areas to apply.

VI. Other Business

Grant High School Cadet Corps...Leonard Williams.

Leonard shared information about this group. The students learn about community history and then volunteer time with agencies. He will keep us updated on this project.

Salvation Army contract update...Gail Mancarti

Careen set a letter and 5 copies of the new contract to the Salvation Army on February 6. About the end of March she called them and asked them to send the signed copies to her. Careen sent the contracts from the other agencies to the City Clerk and most were recorded April 8, but she still had not received the signed contracts from Salvation Army. She finally got one copy back signed and called to tell Darrel she needed all 5 copies. He said he couldn't track them down but finally Careen got 2 more copies (a total of 3) and the contract was recorded on April 26. Additionally, it was noted that they submitted their first 1996 quarterly report late and on the wrong form.

M/Doris Chandler, S/Frank Vitulli and carried that the Commission notify the Salvation Army by certified letter of their delinquencies: (a) Failure to follow instructions on the submittal of the 1996 agreement (incorrect number of copies signed and returned, as well as a very late submittal of the documents). (b) Failure to use the correct quarterly report form as well as late submittal. The agency is to be advised that the Ann Land Bertha Henschel Memorial Funds contract provides that such delinquencies can result in contract termination.

Other quarterly report issues. Centro Guadalupe indicated more AL/BH funds expended than received during the first quarter. **Esther Lujan** will address the issue during her site visit.

Mutual Assistance Network report indicated funds spent on craft supplies. **Mona Mansfield** will check contract to verify the specific services that were funded and will address the issue with the agency during the site visit and report back to the Commission at the August meeting.

VII. Announcements.

Mona indicated that she will not be at the August meeting and Gail indicated she would have someone take the minutes.

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Status of vacancy. As a result of Dick Cutting's resignation, one application from District 3, Esther Green, was received and interviews with City Council are set for June 12, 1996.

Subcommittee reports The Fund Raising and Publicity subcommittees had met (Valerie, Doris and Frank). Valerie reported that they suggest doing a simple brochure as an education and marketing tool. She will develop it with Careen's help on computer layout and will have a draft at the August meeting. Planned giving is also a possibility and suggested we may want a planned giving expert to meet with us at the next meeting.

Wreath laying events. Suggest having decendants there and have the Mayor proclaim the AL/BH Spirit of Giving day. It was agreed that we consider starting a publicized wreath laying with Ann Land anniversary in December

Do a basic article for the City Employee Newsletter about AL/BH and focus on one of the funded agencies.

Broaden our application process and send out news releases

The subcommittee was commended for generating a lot of good ideas and plans at their first meeting.

Other items: Careen reported that Lutheran Social Services returned the unexpended funds from last year's contract.

Gait suggested that we encourage other funders to attend meetings of SACBO (Sacramento Association of Community Based Organizations).

Meeting aduourned at 11:20 a.m.

Respectfully Submitted,

Mona Mansfield
Secretary