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OAKLAND

AGENDA REPORT

2013 OCT 10 PM 4:02

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Sara Bedford

SUBJECT: Senior Center Trust Funds

DATE: October 7, 2013

City Administrator
Approval

Date

10/9/13

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff requests that the City Council adopt a resolution authorizing the City Administrator to accept, appropriate, and expend revenue received for Senior Center events, activities and donations.

This report and resolution authorize the acceptance, appropriation and expenditure of the Senior Center Trust Funds raised by seniors through memberships and special events, and associated with each of the City's four Senior Centers. In prior years, Senior Center Trust Funds expenditures were approved without formal Council authorization. This resolution formalizes this policy for Fiscal Years 2012-2014 and for future years for any and all Senior Center Trust Funds, with the City of Oakland providing a fiduciary role, and expending said funds consistent with the purpose agreed upon and outlined in the Trust Fund policies.

OUTCOME

Until 2006, the funds raised by the City's senior center members were deposited in local bank accounts established by the non-profit "Friends of Oakland Seniors" organization. Having a non-profit sponsor allowed funds to be raised and spent without tax liability. The funds deposited into these accounts included the \$12 membership fees paid by senior center clients.

In late 2005, City Administrator at that time advised that the City has a fiduciary responsibility to ensure oversight of funds raised at City facilities. With input from the City Administrator's office, staff from DHS and the Finance and Management Agency met with the senior center advisory councils to develop a plan for moving the funds from the Friends of Oakland Seniors' private accounts into the City's fiduciary fund. The primary concern of the senior center members was ensuring that the fiduciary funds were separate and exclusive to Senior Center programs or activities. Eventually the following points were developed:

- A Separate Trust Fund Account would be established for each Senior Center.

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- The trust funds would only be used for activities related to the Senior Center.
- Money raised through fundraising activities, memberships, and donations would be deposited into the Trust Fund Account for each Center.
- Each trust fund would establish a petty cash fund for small purchases.
- Center Directors, in cooperation with the Advisory Councils would prepare advance Purchase Orders for scheduled items and services such as catering, music, and event-related purchases.
- The City's *Purchase Order* ("P.O.") encumbrance system will be used to pay for large items, and to fund materials and activities that are planned well in advance.

With the support of the senior center members, the Trust Funds were established in 2006 to oversee Senior Center fundraising activities without interfering in the appropriate expenditure of funds.

BACKGROUND/LEGISLATIVE HISTORY

In 1985 the Downtown Oakland Senior Center was established at the Veterans Memorial Building. This was the first senior center to be operated by the City of Oakland. In the budget adoption following establishment of the Downtown Oakland Senior Center, the Master Fee Schedule was amended to include a "Membership Qualification Fee" or membership fee of \$12 per year.

Three more senior centers joined the Downtown Oakland Senior Center during the 1992 - the East Oakland Senior Center opened in 1993, the West Oakland Senior Center in 1997, and the North Oakland Senior Center in 1998. Each of these Centers was established through the grassroots efforts of neighborhood seniors, and each has evolved to meet the specific needs of those diverse senior communities.

Each year, the members of each Oakland senior center elect an independent Advisory Council of volunteers to oversee the activities at the facility under the supervision and oversight of the Center Director. The advisory councils identify the programs and activities that will be of interest to the senior center members. In order to fund these activities, the senior center members raise money by holding events, soliciting donations and through other types of non-profit development.

In 2012, DHS developed and distributed a survey of senior center members. More than 350 valid responses provided DHS with a snapshot of the seniors who participate in senior center programs.

- The senior center members who participated in the survey self-identified as 56% African American, 27% Caucasian, and a variety of other ethnicities including Hispanic, Chinese and Pacific Islander.
- The average age of seniors who come to the senior center is between 60 to 79 years of age.
- 69% of the respondents are female and 30% are male.

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- 80% of the respondents reported living in Oakland for more than 10 years.
- 80% of SC survey participants described their health as good or excellent, and less than 2% felt they were in "poor" health.
- 56% of the SC members said that their health had improved since coming to the senior center.
- 64% of them come to the senior center two to three times a week.
- 50% of the respondents live alone and senior centers give them a space for social interaction.
- The top two reasons seniors visit the senior centers is for social interaction and a place to exercise.
- Eighty percent of senior survey respondents said they continue to drive, while 22% report that they use Para Transit (4%) and public transit (18%). The remaining responses were: driven by others - 8.3%, walking - 8.3%, and biking - 3.3%.

The survey demonstrates the importance of senior centers in the community.

ANALYSIS

The fiduciary funds for the senior centers were established in 2006 and have been used to support senior center programs without any reported or identified abuse or performance issues.

COORDINATION

The City Attorney's Office, Budget Office and DHS fiscal were consulted in the preparation of this report and resolution.

The senior center coordinator for DHS, Tracy Jensen, worked with the senior center members to address their questions and ensure that the funds raised at each senior center were made available for use by the center. The plan that was put into place was voted on by the Senior Center's elected advisory councils, and approved by the Mayor's Commission on Aging.

COST SUMMARY/IMPLICATIONS

This report and resolution is a mechanism for clarifying City Council approval for the acceptance and appropriation of all Senior Center Trust Funds for the exclusive benefit of the Senior Centers. The City of Oakland plays a fiduciary role only and all funds raised by seniors are placed in these trust accounts, carry forward from year to year, and are exclusively available to be expended for the benefit of the Senior Centers and with the consent of the Senior Center Advisory Council.

1. SOURCE OF FUNDING: Senior center membership fees, donations, and fundraising.
2. FISCAL IMPACT: Funding will be appropriated to Downtown/North/West/East Oakland Senior Center Fund (7901/7902/7903/7904), DHS Administration (75631), Empowering Senior and People with Disabilities Program (YS14), Downtown/North/West/East Oakland Senior Center Project (G45710/G45720/G45730/G45740). There are no matching funds required.

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SUSTAINABLE OPPORTUNITIES

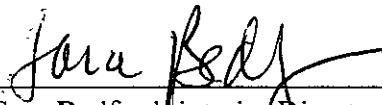
Economic: The funds will be used for items and services that are primarily provided to Oakland residents (Senior Centers). The Senior Centers add to the economic vitality of the community and funds raised are reinvested in the Senior Centers.

Environmental: The Oakland senior centers provide seniors with a healthy meal. The Oakland senior centers are environmentally responsible facilities in compliance with all city, state and local environmental and waste reduction requirements.

Social Equity: The Oakland senior centers provide services which improve the quality of life for older Oakland residents, especially low income seniors, allowing them to remain active and in the community.

For questions regarding this report, please contact Jeff Weiss, Acting Aging and Adult Services Manager, at (510) 238-6137.

Respectfully submitted,



Sara Bedford, interim Director
Department of Human Services

DHS/AGING & ADULT SERVICES DIVISION

Reviewed by: Jeff Weiss, Acting Manager

Prepared by: Tracy Jensen, Program Analyst

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DRAFT

City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT, APPROPRIATE, AND EXPEND REVENUE RECEIVED FOR SENIOR CENTER EVENTS, ACTIVITIES AND DONATIONS

WHEREAS, the City of Oakland established the first Senior Center at the Veterans' Memorial Building at 200 Grand Avenue in 1985; and

WHEREAS, since that time three more senior centers have been established by grass roots efforts of seniors to meet the unique needs of Oakland's older residents; and

WHEREAS, the senior centers receive funds from the City of Oakland General Purpose Fund (GPF) for staff, facilities and operations; and

WHEREAS, there is no City GPF appropriation for senior center activities, trips, celebrations or special events; and

WHEREAS, all funds for senior center events and activities are raised by the senior members at the senior center; and

WHEREAS, until 2006 the funds raised by the senior centers were maintained in private accounts; and

WHEREAS, in 2006 with the input and support of the senior center members and in cooperation with the City Administrator the Department of Human Services established fiduciary trust fund accounts for the funds raised at each senior center; now, therefore, be it

RESOLVED: That the City Administrator is hereby authorized to establish trust accounts for the Oakland Senior Centers to be used to collect, appropriate, and expend funds generated by membership dues, donations, and other fundraising activities for the benefit of Senior Center activities for FY 2013-14; and be it

FURTHER RESOLVED: That the Senior Center trust funds shall be separate from city general funds and exclusively available for Senior Center programs and activities, as determined by the Senior Center Advisory Council; and be it

FURTHER RESOLVED: That the Office of the City Attorney has approved this resolution as to form and legality and a copy will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California