



# NEW LEAF

SERVICES FOR OUR COMMUNITY

July 2010

To Our Community,

In the year that I've served New Leaf as the interim Executive Director, I've been privileged to be a partner in your support of the agency. So many of you donate not only your time and energy but also your impassioned dedication to the cause of providing high-quality services to the LGBT community. In the spirit of that partnership, I want to speak candidly to all of you about our current financial situation and our plans for the future.

In New Leaf's thirty-five years experience as one of San Francisco's premiere social services agencies, we are facing one of the most significant financial challenges in our history. Our budget has been sharply cut as a result of the economic downturn in general and the San Francisco budget shortfall in particular. Last year, New Leaf's contracts from the city were reduced by approximately \$200,000, representing 8.0% of the budget. This year's reductions represent 13% of the agency's budget, the biggest cut ever in the agency's history.

In addition to this challenge, we are experiencing a critical cash flow as we wait for the city's customary advance on contracts already awarded. New Leaf operates with no cash reserve and does not have access to a line of credit to address seasonal cash flow issues. This, in addition to tighter credit availability as a result of the economic recession, has contributed to a major cash flow shortage.

The management team is making hard choices to ensure the agency's viability and its future growth. We are downsizing part-time employees into fewer full-time positions. We are paying all staff and managers the San Francisco minimum wage until expected city contract funds are made available. We will continue to freeze spending and look for savings in rent. We are working with the San Francisco Board of Supervisors, the Mayor's Office, and the Employee's Union SEIU 1021 until funding is restored.

With all of these measures, we hope to stabilize the agency today and build a far more secure financial future tomorrow. One of our key strategies in this effort is make a dedicated effort to increase private funding. We are proud to report that in this past year we have already demonstrated considerable success at achieving this goal. We are confident that we will continue to inspire support as we build on our base of loyal donors.

At this time of unprecedented crisis, we look to our dedicated supporters help provide the support we need to ride out the current crisis and face the future with confidence. We have a long road ahead, but when we look back we can be inspired of what we've built. New Leaf has thirty-five years of experience. We are an anchor institution in the LGBT community. There is no other agency that provides the range of mental health services that we provide. We are proud of the fact that we serve 1300 clients in 25,000 therapy sessions a year, including 500 seniors, 400 youth, and 200 in the HIV mental health and substance abuse services program.

Despite our financial challenges, New Leaf continues to be recognized for the quality of the services delivered by its employees. The agency recently gained top ratings from the Community Behavioral Health Services for its Youth Substance Abuse programs, as well as other key city and state agencies. At

a time when government audits are more exacting and often unannounced, New Leaf has been commended for its outstanding delivery of services.

I am calling on each one of you to do your part in securing our future. Call your supervisors immediately to advocate for the restoration of funds. Encourage your friends to participate in our fundraisers. Consider expanding your financial commitment. We not only need your practical support, but also your confidence in us as an irreplaceable agency. With your leadership, together we can ensure that New Leaf will serve the LGBT community for another thirty-five years.

Sincerely,  
Thom Lynch  
Interim Executive Director

**Donate:** <http://tinyurl.com/newleaf-donate>

**Volunteer:** <http://tinyurl.com/newleaf-volunteers>

**Call your Supervisor:** <http://www.sfbos.org>