



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

July 27, 2016

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco, CA 94102-4689

RE: File 160381 – Charter amendment creating a Street Tree Maintenance Fund (fourth draft)

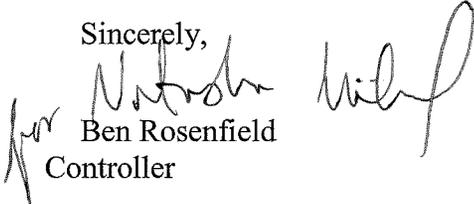
Dear Ms. Calvillo,

Should the proposed charter amendment be approved by the voters, in my opinion, it would significantly increase the cost of government.

The proposed amendment would require general fund contribution to a newly created fund, the Street Tree Maintenance Fund, of \$19 million beginning in fiscal year (FY) 2017-18. This fund would be used to pay for City services to maintain street trees as of July 1, 2017.

In subsequent years, contributions to the fund would be adjusted by the aggregate change in the City's overall discretionary revenue. The City would be able to temporarily suspend the required budget increases in any year in which a general fund deficit of \$200 million or more was forecast.

This proposed amendment is not in compliance with a non-binding, voter-adopted city policy regarding set-asides. The policy seeks to limit set-asides which reduce General Fund dollars that could otherwise be allocated by the Mayor and the Board of Supervisors in the annual budget process.

Sincerely,

for Ben Rosenfield
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.