

Young, Victor

From: Google Forms <sfbdsvprs@gmail.com>
Sent: Wednesday, April 26, 2017 1:57 PM
To: SOTF, (BOS)
Subject: New Response Complaint Form

Your form has a new entry.

Here are the results.

**Complaint against
which Department
or Commission**

San Francisco Public Finance Authority

**Name of individual
contacted at
Department or
Commission**

There is none to contact. It hasn't been meeting.

Alleged Violation

Public Records
Public Meeting

**Date of public
meeting (if checked)**

It did not hold any since 1994

**Please describe
alleged violation**

The Public Finance Authority was the successor agency to the Educational Finance Authority originally established in 1991 and re-established in 1993 as the Public Finance Authority. Since 1994's Hoogasian vs. Board of Education decision, the Public Finance Authority thought it was the Educational Finance Authority referred to in the decision. Several years had gone by before Hoogasian was fully appealed, and everyone thought it would be overturned so by the time it was upheld. Everyone's minds were clouded about how the situation was addressed in 1993 by establishing as successor agency, especially since some of the key officials were involved in the "shrimpscam" scandal at the time and were dealing with their own headaches with the FBI's public corruption unit. That said, the ballot language in the 1993 voter guide is also misleading because it refers to a "tax we have already been collecting" instead of an illegal tax that should not have been collected; with that in mind, my view is the successor tax should be declared illegal as well because it was approved after false/misleading information was provided to the voters, even by the relatively lax standards of the time.

Because the Educational Finance Authority's sole purpose was to collect a Transactions and Use Tax declared illegal under Hoogasian, the Public Finance Authority stopped meeting and nobody cared or noticed. The Board of Equalization still continued to collect the 1993 Transactions and Use Tax for the (in its eyes) legally valid Public Finance Authority. In 1995, unwinding the mess, the legislature added a section to the Revenue and Taxation code (section 7267e - also, that was the year of the divided legislature, so the legislative intent of shaming San

Francisco for trying to pass illegal taxes explains the unusually strong legal text), and the Controller processed payments from the Board of Equalization intended for the Public Finance Authority as if they were intended for the Educational Finance Authority under section 7267e, when instead it should have sent them back and told the Public Finance Authority cronies, "hey, you need to get a bank account and have public meetings and budgets like an agency that exists." The Community college and School District didn't complain because they were still receiving the money they expected to, albeit from the controller because of the June 1993 fix, and it was one less meeting for their executives to go to or worry about. This continued for over two decades. In subsequent years, the controller failed to make material disclosures regarding the Public Finance Authority and provided the public false and misleading information in ballot handbooks (along with the Ballot Simplification Committee's statements regarding what sales taxes are collected in San Francisco) and financial statements because it failed to reconcile the BOE's local district tax allocation reports to the City's financial accounts. Due to the opacity of all of this, I'm not sure whether these funds show up as restricted or unrestricted in the city's CAFR, but in any case, I find it incredulous we have a law such as 7267e that gives legal force to an allocation formula of the Educational Finance Authority (not the Public Finance Authority!) requiring citizens to try to find 25 year old board minutes of a disbanded public body. If that's not unconstitutionally vague, I don't know what is.

Date 04/24/17
Name Thomas Busse
Address 584 Castro Street #388
City San Francisco
Zip 94114
Telephone 4152445072
Email tjbussesf@gmail.com

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This email was sent via the [Google Forms Add-on](#).

Young, Victor

From: Thomas Busse <tjbussef@gmail.com>
Sent: Saturday, April 29, 2017 11:23 PM
To: SOTF, (BOS)
Cc: Calvillo, Angela (BOS)
Subject: Re: SOTF - Confirmation of receipt of Complaint/Correspondence

Follow Up Flag: Follow up
Flag Status: Flagged

Thank you Ms. Wolfe:

I have formally appealed to the City Attorney to force the Controller to Respond to my immediate Disclosure Request to produce the financial statements of the San Francisco Public Finance Authority with a bona-fide reason he cannot produce the documents. Because the San Francisco Public Finance Authority is a City Blended Agency of the county sharing four board members including the treasurer as ex-officio, any reasonable person should expect the Controller to be able to produce current financial statements. Per the Sunshine Ordinance's Supervisor of Records provisions, I formally requested the City Attorney to use all powers vested in him, including referral to the District Attorney or the Sheriff, to force the Controller to release this information or give a reason it is not available.

I have also given the City Attorney an Immediate Disclosure Request for the Ordinances of the San Francisco Public Finance Authority. They and the board minutes of this authority are not in the records of the SFPL's Government Information Center; however, in a June 1993 special election, the City Attorney overrode the Ballot Simplification Committee and substituted his own ballot summary. Therefore, The proposed ordinance must be in the files of the City Attorney's Office (I have written confirmation from the Department of Elections the Department does not have copies of the text of the proposed ordinance (which passed).

The Board of Equalization claims to be following this Ordinance; however, they have also missed the deadline for my formal request under the California Public Records Act for a copy of this Ordinance.

I have two questions:

- 1) Does the San Francisco Public Finance Authority Exist
- 2) Is there a cover-up regarding the legal authority underpinning the 1993 sales tax, which continues to be collected?

I also have reason to believe the City Attorney's office may have a conflict of interest in this matter due to circumstantial evidence suggesting the City Attorney's office in 1993 conspired with other public officials to knowingly pass an illegal tax and cover it up until it met the short statute of limitations placed on tax measures. Further city legislative analysts have then buried the illegal pass through and knowingly and willfully made material misrepresentations to the City Auditor and State Controller, and established secret budget process, knowingly violating California law requiring the annual meetings of joint powers authorities.

The current City Attorney was also a friend of the then-mayor and advised him off the record. It is possible, the Current City Attorney may be aware of illegal acts that took place in 1993 and therefore take action to prevent their disclosure or destroy them. I appeal to the Sunshine Ordinance Task Force to consider and advise me how to proceed with my requests for disclosure under these circumstances.

Thomas J. Busse

On Fri, Apr 28, 2017 at 5:39 PM, SOTF, (BOS) <sotf@sfgov.org> wrote:

Dear Mr. Busse:

The Sunshine Ordinance Task Force (SOTF) is in receipt of your complaint and correspondence. Your question is currently being reviewed by SOTF Chair Bruce Wolfe and will respond shortly.

Thank you.

Victor Young [415-554-7724](tel:415-554-7724)

Administrator, Sunshine Ordinance Task Force

From: Google Forms [<mailto:sfbdsupvrs@gmail.com>]

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Please describe alleged violation

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Date

04/24/17

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Address 584 Castro Street #388
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Zip 94114
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Email tjbussef@gmail.com

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DENNIS J. HERRERA
City Attorney

NICHOLAS COLLA
Deputy City Attorney

Direct Dial: (415) 554-3819
Email: nicholas.colla@sfgov.org

MEMORANDUM

TO: Sunshine Ordinance Task Force
FROM: Nicholas Colla
Deputy City Attorney
DATE: May 19, 2017
RE: Complaint No. 17039 – Busse v. San Francisco Public Finance Authority

COMPLAINT

Complainant Thomas Busse (“Complainant”) alleges that the San Francisco Public Finance Authority (“SFPFA”) violated provisions of the Sunshine Ordinance by failing to exist.

COMPLAINANT FILES THIS COMPLAINT

On April 26, 2017, Complainant filed this complainant with the Task Force regarding his questions about SFPFA.

JURISDICTION

SFPFA was created pursuant to State Business and Tax Regulation Code Section 7281.1, which reads as follows:

7286.1. Authorization to levy; San Francisco City and County. (a)
Upon the adoption of a resolution as specified by Section 7286.2 by the governing boards of the San Francisco Unified School District and the San Francisco Community College District, there shall be established in the City and County of San Francisco an educational financing authority in accordance with that resolution. Any authority so established may adopt an ordinance imposing for the authority's general purpose a transactions and use tax at a rate of 0.25 percent, if all of the following requirements are met:

- (1) The ordinance proposing that tax is approved by a two-thirds vote of the board of directors of the authority and by a majority of the qualified voters of the county voting on the measure, or any otherwise applicable voter requirement.
- (2) The ordinance requires that the tax conform with Part 1.6 (commencing with Section 7251).
- (3) The ordinance provides, upon the approval of a majority the qualified voters of the city and county voting on the approval of the ordinance, for an increase in the appropriations limit established pursuant to Article XIII B of the California Constitution for each school district within the city and

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county in an amount equal to, or greater than, the revenues derived from any transactions and use tax imposed pursuant to the ordinance that are allocated and received by that entity each fiscal year.

(4) The ordinance provides that the increases in appropriations limits shall terminate no later than four years after the effective date of the ordinance, and may be continued for successive periods not to exceed four years each upon the approval of a majority of the qualified voters of the school district voting on each continuation.

(b) With respect to the approval by the voters of an ordinance specified in subdivision (a), the city and county shall, if the ordinance so requests, call a special election for that purpose, to be held on a date specified by the ordinance, not less than 60 nor more than 103 days after the ordinance is adopted by the governing board of the educational finance authority.

(c) If any provision of this section or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

Because the SFPFA was established by a joint resolution between the San Francisco Unified School District ("SFUSD") and the San Francisco Community College District ("SFCCD"), the same jurisdictional analysis used for SFUSD and SFCCD should be applied to SFPFA.

SFUSD is a government entity created under state law and is a separate jurisdiction from the City and County of San Francisco. See *Berkeley Unified School District of Alameda County v. James I. Barnes Const. Co.* (N.D. Cal. 1953) 112 F.Supp. 396; *Town of Atherton v. Sup. Ct.* (1958) 159 Cal.App.2d 417. Article 9 of California Constitution provides for the establishment of school districts as separate political entities from City and Counties. In addition, the Constitution allows a City charter to prescribe only "the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards." Therefore, SFUSD is not subject to the requirements of the Sunshine Ordinance, which is an initiative ordinance passed to govern the City and County of San Francisco.

However, SFUSD's Board of Trustees is a legislative body of a local agency under the Brown Act, and thus subject to the requirements of that law. *Kavanaugh v. West Sonoma County Union High School Dist.* (2003) 29 Cal.4th 911. Likewise, the California Public Records Act ("PRA") explicitly includes "school district" among the entities subject to its requirements. See Gov't Code § 6252(a). Section 67.30(c) of the Sunshine Ordinance provides in part that the Task Force "shall make referrals to a municipal office with enforcement power under this ordinance or under the California Public Records Act and the Brown Act whenever it concludes that any person has violated any provisions of this ordinance or the Acts." Nevertheless, this cannot be read to provide valid authority for the Task Force to hear and adjudicate a complaint that raises *only* a violation of the PRA and/or Brown Act, which are both state laws. Both the PRA and the

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Brown Act provide their own enforcement mechanisms and do not contemplate adjudication of violations of their provisions by local government entities. Rather, Section 67.30(c) should be read to apply where a complainant establishes a violation of *both* the Sunshine Ordinance *and* the Brown Act or PRA. This reading both avoids violating the state law preemption and makes logical sense, as the Ordinance incorporates by reference the minimum requirements of those two state laws where it does not otherwise set stricter requirements.

While complainant alleges a violation of the Sunshine Ordinance, state law preempts application of the Sunshine Ordinance to SFUSD, and therefore SFPFA as well. Although complainant also alleges a violation of the PRA, the Task Force lacks jurisdiction to hear only these allegations.

APPLICABLE STATUTORY SECTION(S)**Section 67 of the San Francisco Administrative Code:**

- Section 67.21 governs responses to requests for public records.
- Section 67.25 governs immediacy of response.

Section 6250 et seq. of the Cal. Gov't Code ("CPRA")

- Section 6253 governs the release of public records and the timing of responses.

APPLICABLE CASE LAW

- none

BACKGROUND

On April 26, 2017, Complainant filed this complaint with the Task Force in which he alleged as follows:

The Public Finance Authority was the successor agency to the Educational Finance Authority originally established in 1991 and re-established in 1993 as the Public Finance Authority. Since 1994's Hoogasian vs. Board of Education decision, the Public Finance Authority thought it was the Educational Finance Authority referred to in the decision. Several years had gone by before Hoogasian was fully appealed, and everyone thought it would be overturned so by the time it was upheld. Everyone's minds were clouded about how the situation was addressed in 1993 by establishing as successor agency, especially since some of the key officials were involved in the "shrimpscam" scandal at the time and were dealing with their own headaches with the FBI's public corruption unit. That said, the ballot language in the 1993 voter guide is also misleading because it refers to a "tax we have already been collecting" instead of an illegal tax that should not have been collected; with that in mind, my view is the successor tax should be declared illegal as well because it was approved after false/misleading information was provided to the voters, even by the relatively lax standards of the time.

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QUESTIONS THAT MIGHT ASSIST IN DETERMINING FACTS

- Has Complainant requested information from a City department or policy body regarding the SFPFA?
- Has Complainant considered making a CPRA request to the Board of Equalization regarding the SFPFA tax at issue?

LEGAL ISSUES/LEGAL DETERMINATIONS

- Does the Task Force have jurisdiction to hear this complaint?
- If so, did any violations of the Sunshine Ordinance take place that the Task Force has jurisdiction to take action on?

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CONCLUSION

THE TASK FORCE FINDS THE FOLLOWING FACTS TO BE TRUE:

THE TASK FORCE FINDS THE ALLEGED VIOLATIONS TO BE **TRUE OR NOT TRUE.**

* * *

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TO: Sunshine Ordinance Task Force
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CHAPTER 67, SAN FRANCISCO ADMINISTRATIVE CODE (SUNSHINE ORDINANCE)**SEC. 67.21. PROCESS FOR GAINING ACCESS TO PUBLIC RECORDS; ADMINISTRATIVE APPEALS.**

(a) Every person having custody of any public record or public information, as defined herein, (hereinafter referred to as a custodian of a public record) shall, at normal times and during normal and reasonable hours of operation, without unreasonable delay, and without requiring an appointment, permit the public record, or any segregable portion of a record, to be inspected and examined by any person and shall furnish one copy thereof upon payment of a reasonable copying charge, not to exceed the lesser of the actual cost or ten cents per page.

(b) A custodian of a public record shall, as soon as possible and within ten days following receipt of a request for inspection or copy of a public record, comply with such request. Such request may be delivered to the office of the custodian by the requester orally or in writing by fax, postal delivery, or e-mail. If the custodian believes the record or information requested is not a public record or is exempt, the custodian shall justify withholding any record by demonstrating, in writing as soon as possible and within ten days following receipt of a request, that the record in question is exempt under express provisions of this ordinance.

(c) A custodian of a public record shall assist a requester in identifying the existence, form, and nature of any records or information maintained by, available to, or in the custody of the custodian; whether or not the contents of those records are exempt from disclosure and shall, when requested to do so, provide in writing within seven days following receipt of a request, a statement as to the existence, quantity, form and nature of records relating to a particular subject or questions with enough specificity to enable a requester to identify records in order to make a request under (b). A custodian of any public record, when not in possession of the record requested, shall assist a requester in directing a request to the proper office or staff person.

(d) If the custodian refuses, fails to comply, or incompletely complies with a request described in (b), the person making the request may petition the supervisor of records for a determination whether the record requested is public. The supervisor of records shall inform the petitioner, as soon as possible and within 10 days, of its determination whether the record requested, or any part of the record requested, is public. Where requested by the petition, and where otherwise desirable, this determination shall be in writing. Upon the determination by the supervisor of records that the record is public, the supervisor of records shall immediately order the custodian of the public record to comply with the person's request. If the custodian refuses or fails to comply with any such order within 5 days, the supervisor of records shall notify the district attorney or the attorney general who shall take whatever measures she or he deems necessary and appropriate to insure compliance with the provisions of this ordinance.

SEC. 67.25. IMMEDIACY OF RESPONSE

(a) Notwithstanding the 10-day period for response to a request permitted in Government Code Section 6256 and in this Article, *a written request for information described in any category of non-exempt public information shall be satisfied no later than the close of business on the day following the day of the request.* This deadline shall apply only if the words "Immediate

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Disclosure Request" are placed across the top of the request and on the envelope, subject line, or cover sheet in which the request is transmitted. Maximum deadlines provided in this article are appropriate for more extensive or demanding requests, but shall not be used to delay fulfilling a simple, routine or otherwise readily answerable request.

(b) If the voluminous nature of the information requested, its location in a remote storage facility or the need to consult with another interested department warrants an extension of 10 days as provided in Government Code Section 6456.1, the requester shall be notified as required by the close of business on the business day following the request.

(c) The person seeking the information need not state his or her reason for making the request or the use to which the information will be put, and requesters shall not be routinely asked to make such a disclosure. Where a record being requested contains information most of which is exempt from disclosure under the California Public Records Act and this article, however, the City Attorney or custodian of the record may inform the requester of the nature and extent of the non-exempt information and inquire as to the requester's purpose for seeking it, in order to suggest alternative sources for the information which may involve less redaction or to otherwise prepare a response to the request.

(d) Notwithstanding any provisions of California Law or this ordinance, in response to a request for information describing any category of non-exempt public information, when so requested, the City and County shall produce any and all responsive public records as soon as reasonably possible on an incremental or "rolling" basis such that responsive records are produced as soon as possible by the end of the same business day that they are reviewed and collected. This section is intended to prohibit the withholding of public records that are responsive to a records request until all potentially responsive documents have been reviewed and collected. Failure to comply with this provision is a violation of this Article.

CAL. PUBLIC RECORDS ACT (GOVT. CODE §§ 6250, ET SEQ.)

SEC. 6253

(c) Each agency, upon a request for a copy of records, shall, *within 10 days from receipt of the request, determine whether the request, in whole or in part, seeks copies of disclosable public records in the possession of the agency and shall promptly notify the person making the request* of the determination and the reasons therefor. In unusual circumstances, the time limit prescribed in this section may be extended by written notice by the head of the agency or his or her designee to the person making the request, setting forth the reasons for the extension and the date on which a determination is expected to be dispatched. No notice shall specify a date that would result in an extension for more than 14 days. When the agency dispatches the determination, and if the agency determines that the request seeks disclosable public records, the agency shall state the estimated date and time when the records will be made available. As used in this section, "unusual circumstances" means the following, but only to the extent reasonably necessary to the proper processing of the particular request:

- (1) The need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request.
- (2) The need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records that are demanded in a single request.

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(3) The need for consultation, which shall be conducted with all practicable speed, with another agency having substantial interest in the determination of the request or among two or more components of the agency having substantial subject matter interest therein.

**Sunshine Ordinance Task Force
Complaint Summary**

File No. 17039

Thomas Busse V. San Francisco Public Finance Authority

Date filed with SOTF: 04/28/17

Contacts information (Complainant information listed first):

tjbussesf@gmail.com (Complainant)

No contact information available for the Respondent.

File No. 17039: Complaint filed by Thomas Busse against the San Francisco Public Finance Authority for allegedly violating Administrative Code (Sunshine Ordinance), Chapter 67, by failing to notice and conduct public hearings and failing to respond to request for public records.

Notes provided by Chair Bruce Wolfe:

~~~~~  
**SF Educational Financing Authority** was created by state law with approval by resolution of both SFUSD and SFCCD. The governing law is found at the BOE but under Revenue and Tax Code, CHAPTER 2.5. LOCAL EDUCATION FINANCE, SECTION 7286.1.  
<http://www.boe.ca.gov/lawguides/business/current/btlg/vol1/alt/additional-local-taxes-ch2-5-all.html>

Section 7286.2 describes the procedure for creating SFEFA.

As follows,

**"7286.2. Resolution provisions.** (a) A resolution establishing an educational financing authority pursuant to Section 7286.1 shall provide for the establishment of an educational finance authority for the general purpose of providing financial assistance to each school district within the city and county. The resolution shall require that the authority be governed by a board of directors. The board of directors of the authority shall consist of the members of the governing boards of the unified school district and the community college district. The resolution shall designate the president of the unified school district governing board as the chairperson of the board of directors."

**SF Public Finance Authority** was created by state law by virtue of intent as it has a multi-membership consisting of the Board of Supervisors and school districts (herein, SFUSD & SFCCD). The governing law is found in Revenue and Tax Code Section 7288 et al:

[https://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?lawCode=RTC&division=2.&title=&part=1.7.&chapter=3.5.&article=](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=RTC&division=2.&title=&part=1.7.&chapter=3.5.&article=)

"7288.1. A local public finance authority shall be established for the purpose of financing drug abuse prevention, crime prevention, health care services, and public education in any county if either, or both, of the following occur:

(a) The county board of supervisors adopts a resolution declaring its intent to propose an increase in the transactions and use tax in the county pursuant to this chapter.

(b) The county superintendent of schools receives resolutions from a majority of the governing boards of the school districts in the county declaring their intent to propose an increase in the transactions and use tax in the county pursuant to this chapter."

"7288.2.

The local public finance authority shall be governed by a board of directors. The board of directors shall consist of the following members:

(a) Five members of the county boards of supervisors.

(b) Five members of governing boards of school districts in the county.

(1) Governing board members shall be selected in a manner determined by the county board of education, provided that:

(A) If there are five or more school districts in the county, no school district shall have more than one member on the board of directors.

(B) If there are fewer than five school districts in the county, each school district shall have at least one member on the board of directors.

(2) For purposes of this subdivision, the county office of education shall be deemed to be a school district."

~~~~~

The best I can ascertain from the above is both the SFEFA & SFPFA are local agencies under the jurisdiction of the Sunshine Ordinance. The sticky part is while both the C&CSF and SFUSD/SFCCD are to comply with CPRA and Brown Act, only C&CSF is bound by the Sunshine Ordinance. But, in my opinion, since the imposition of a tax would be on the residents of the C&CSF and the administration and burden of the ballot initiative also under the jurisdiction of C&CSF (thus, the taxpayers) there appears to be a preponderance and gravity towards the C&CSF that more weight be given in the best interest of the public for these bodies to come under compliance of the Sunshine Ordinance.

This case does bring up some interesting anomalies, nonetheless, with regards to Mr. Brusse's inference on when and where these meetings had taken place but, moreso, it may behoove SOTF to inquire and have them adopt the Sunshine Ordinance for complete compliance with CPRA and Brown Act; and in the interest of the People of C&CSF as the school districts do no other business with regards to taxation outside the bounds of San Francisco proper.

Additional research: There seems to have been both bodies in existence in the early 90's. There was a case Hoogasian v CA BOE & SF Educational Financing Authority but nothing in any general caselaw search results for the SF Board of Education against this plaintiff.

There was also a ballot initiative in 1993, Prop A - School Sales Tax.

The San Francisco Educational Financing Authority and San Francisco County Public Finance Authority still exists today as in state law and was named as recently in a ballot initiative in the last election of November 8, 2016, as follows in two examples:

It is also mentioned in chaptered and codified state law, Revenue and Tax Code Section 7267(e)

:

"

(e) In the case of any claim for refund of the transactions and use tax imposed by the San Francisco Educational Financing Authority, which was determined to be unconstitutional by the court in *Hoogasian Flowers, Inc. v. State Bd. of Equalization*, 23 Cal. App. 4th 1264, payment of any of those claims for refund shall be made from the revenues derived from the unconstitutional transactions and use tax collected by and in the possession of the board. When those funds and any other revenues derived from the unconstitutional tax still in the possession of the San Francisco Educational Financing Authority, the City and County of San Francisco, the San Francisco Unified School District, or the San Francisco Community College District are exhausted, any remaining payments of those claims for refund shall be paid from funds of the San Francisco Unified School District and the San Francisco Community College District which benefited from the illegal tax. The remaining payments shall be based on the method by which the San Francisco Educational Financing Authority distributed the proceeds of the tax to the San Francisco Unified School District and the San Francisco Community College District.

(Added by Stats. 1995, Ch. 495, Sec. 1. Effective January 1, 1996.)"

http://www.leginfo.ca.gov/pub/95-96/bill/sen/sb_0601-0650/sb_612_bill_951003_chaptered.html

<http://voterguide.sfelections.org/en/general-sales-tax>

K

General Sales Tax

Shall the City increase its sales tax by 0.75%, for a total tax of 9.25%?

Digest by the Ballot Simplification Committee

The Way It Is Now: San Francisco has an 8.75% sales tax, with two parts:

- 7.5% in State taxes, of which the City receives 1.25%; and
- 1.25% in local sales taxes that fund the Bay Area Rapid Transit District (BART), the San Francisco County Transportation Authority and the San Francisco County Public Finance Authority.

The main litmus is, are these two bodies local City & County of SF agencies or State of CA agencies? That will decide jurisdiction by the Complaint Committee. Nonetheless, whether state CPRA/Brown or local Sunshine applies the outcome appears to be the same as just the CPRA/Brown Act can be easily applied without the extensions of the Sunshine Ordinance.

If the former is found then the matter shall be scheduled for a hearing by the Complaint Committee.

If the latter is found and Mr. Brusse refuses to believe it not be within jurisdiction of the Sunshine Ordinance with regards to City/County bodies *et al* he will have his answer and proceed on his way.

So, here is the research as best as I can find. This code block below appears to be only within the jurisdiction of the BOE. It is unusual that while it is in sequence in the main taxonomy of Rev&Tax Code it is not found here nor in its usual place in the California Codes of Regulations.

Complaint Attached.

FILE NO. 125-931

RESOLUTION NO. 48-93

1 [LOCAL PUBLIC FINANCE AUTHORITY]

2 DECLARING THE INTENT OF THE BOARD OF SUPERVISORS OF THE CITY AND
3 COUNTY OF SAN FRANCISCO TO PROPOSE AN INCREASE IN THE TRANSACTIONS
4 AND USE TAX IN THE CITY AND COUNTY PURSUANT TO CHAPTER 3.5 OF THE
5 REVENUE AND TAXATION CODE, AND ESTABLISHING THE SAN FRANCISCO COUNTY
6 PUBLIC FINANCE AUTHORITY.

7 WHEREAS, Due to cutbacks in state funds and other sources of
8 revenue to the City and County of San Francisco, the ability to
9 maintain public services and programs has been greatly hampered; and

10 WHEREAS, The California Legislature has recognized the need
11 for local governments and school districts to address the budgetary
12 problems and meet the needs for health, crime prevention, and
13 educational services in their communities by enacting Assembly Bill
14 1930, 1991; and

15 WHEREAS, Assembly Bill 1930 allows for the creation of a local
16 public finance authority for the purpose of financing drug abuse
17 prevention, crime prevention, health services, and public education,
18 and to authorize said Authority, upon voter approval, to impose a
19 transactions and use tax rate of .25% or 0.5% for the Authority's
20 general purposes; and

21 WHEREAS, The Board of Supervisors of the City and County of
22 San Francisco finds that it is critical to continue the provision of
23 health and crime prevention services and that revenues generated by
24 an additional tax are necessary; now, therefore, be it

25 / / /

SUPERVISOR MIGDEN, BIERMAN, ALIOTO
4452g

PAGE NO. 1
01/19/93

BOARD OF SUPERVISORS

1 RESOLVED, The Board of Supervisors of the City and County of
2 San Francisco declares its intent to propose an increase in the
3 transactions and use tax in the City and County pursuant to Chapter
4 3.5 (commencing with Section 7288.1) of Part 1.7 of Division 2 of
5 the California Revenue and Taxation Code; and, be it

6 FURTHER RESOLVED, That upon adoption of this resolution by the
7 Board of Supervisors of the City and County of San Francisco, the
8 San Francisco County Public Finance Authority is hereby established
9 pursuant to California Revenue and Taxation Code Section 7288.1 for
10 the general purposes of financing drug abuse prevention, crime
11 prevention, health services, and public education; and, be it

12 FURTHER RESOLVED, That said Authority shall be governed by a
13 board of directors which shall consist of five members of the San
14 Francisco Board of Supervisors and five members of the governing
15 boards of school districts in the City and County as provided in
16 Revenue and Taxation Code, Section 7288.2; and, be it

17 FURTHER RESOLVED, That the President of the Board of
18 Supervisors shall appoint five members of that body to serve on the
19 board of directors of the San Francisco County Public Finance
20 Authority; and, be it

21 FURTHER RESOLVED, That in the event said transactions and use
22 tax is imposed, said Authority may exercise all powers necessary to
23 perform the collection, administration and allocation duties with
24 respect to said tax in a manner consistent with Part 1.6 of the
25 California Revenue and Taxation Code (commencing with Section 7251);
and, be it

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FURTHER RESOLVED, That the Board of Supervisors, in approving this measure, expresses its strong view that the Authority shall not approve any sales tax measure that would place the composite sales tax rate above the current rate of 8.5%.

SUPERVISORS MIGDEN, BIERMAN, ALIOTO
BOARD OF SUPERVISORS

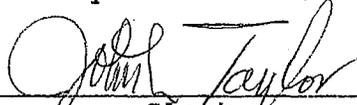
Adopted - Board of Supervisors, San Francisco February 1, 1993

Ayes: Supervisors Achtenberg Alioto Bierman Conroy Hallinan Kaufman
Migden Shelley

Noes: Supervisors Hsieh Maher

Absent: Supervisor Kennedy

I hereby certify that the foregoing resolution
was adopted by the Board of Supervisors
of the City and County of San Francisco



Clerk


Mayor

File No.
175-93-1

FEB 11 1993
Date Approved

Part I

**Boards, Commissions and Committees to which Members of the
Board of Supervisors are Appointed or Serve Ex Officio**

FAMILY VIOLENCE COUNCIL

Authority: Ordinance No. 170-95. Amended by Ord. Nos. 192-99 and 217-07. Administrative Code Chapter 5 Section 5.190 et seq.

Contact: **Emily Murase, Ph.D.**

(415) 252-2570

**Dept. on the Status of Women
25 Van Ness Avenue, Suite 130
San Francisco, CA 94102**

completed and request the Board of Supervisors to abolish the Council.

SAN FRANCISCO COUNTY PUBLIC FINANCE AUTHORITY

Authority: Resolution No. 48-93; Revenue and Taxation Code 7288.1 et seq.

Contact:

Qualifications: The San Francisco County Public Finance Authority is governed by a Board of Directors that consists of a total of ten members, five of whom are members of the Board of Supervisors and appointed by the President of the Board of Supervisors. The composition of the other members are as follows: five members of the governing boards of school districts in the City and County of San Francisco as provided for in California Revenue and Taxation Code Section 7288.2. In the event said transactions and use tax is imposed, said Authority may exercise all powers necessary to perform the collection, administration and allocation duties with respect to said tax in a manner consistent with Part 1.6 of the California Revenue and Taxation Code.

A local public finance authority's purpose is to finance drug abuse prevention, crime prevention, health care services, and public education in any county if either or both of the following occur: (a) the county Board of Supervisors adopts a resolution declaring its intent to propose an increase in the transactions and use tax in the county pursuant to this chapter; (b) the county Superintendent of Schools receives resolutions from a majority of the governing boards of the school districts in the county declaring their intent to propose an increase in the transactions and use tax in the county. The Local Public Finance Authority may exercise all powers necessary to perform the collection, administration, and allocation duties with respect to the transactions and use tax in a manner consistent with Part 1.6 (commencing with Section 7251). The Board of Supervisors proposed an increase in the transactions and use tax in San Francisco pursuant to Chapter 3.5 of the Revenue and Taxation Code.

Reports: None Referenced

Sunset Date: None Referenced

Young, Victor

From: Thomas Busse <tjbussef@gmail.com>
Sent: Monday, May 08, 2017 9:51 PM
To: Records, Supervisor (CAT)
Cc: SOTF, (BOS)
Subject: Re: Petition to the City Attorney's Office

Thank you for getting back to me, Brad.

The Controller's response (below) is wholly unsatisfactory for the following reasons (among others not listed here):

1. I had contacted Ms. Madhavan on 4/22, and her response (also below) was to contact the Controller. I have issued a follow-up request to Ms. Madhavan and a new one to Mr. Gerhard via certified mail subsequent to the Controller's Response (both are CPRA requests) and have heard nothing. As to the Controller's gratuitous and insulting response I learn how to use "ctrl+F" and search for "Sales Tax," I had actually done so prior to contacting Ms. Madhavan on both the SFUSD and SFCCD financials (as my message to her indicates), and I had also perused the minutes of both bodies - ruling out the blended annual meeting of the SFCCD's Finance Corporation as being what I was searching for. As the response from Ms. Madhavan (who did not write back when I asked follow up questions) regarding where the Sales Tax revenues are disclosed in the financials, as she states, they don't segment "sales tax," and her link to page 87 indicates it is mixed in with unrestricted "other local revenue" and not segmented as a sales tax. Technically, it's not sales tax, it's a local transactions and use tax, and I searched for that term as well.
2. Publication BOE 105 page 6 (April 2017) is the very thing that caused me to start asking what the San Francisco Public Finance Authority was in the first place. The very first contact I made in this regard was Angela Whittaker as well as the general e-mail of the Office of Public Finance (also below). That was on April 18th, and I received no response from her or them.
3. The Controller's own Citywide Sales and Use Tax Revenue Manual describes the San Francisco Public Finance Authority on page 2 (incidentally, the pie chart on the right doesn't add up to the table on the left and the pie slices don't match the percentages, which might actually be the city's manual).
4. The San Francisco Public Finance Authority was established by Board of Supervisors Resolution 48-93 adopted on 2/1/93. It specifies it is governed by a board of ten members consisting of five members of the BOS appointed by the President and give members of some combination of the governing boards of the SFUSD and CCSFD. In 1993, the Chairperson was Carol Migden. A very similar entity with taxing authority created through board resolution is the County Transportation Authority, and the Controller properly discloses and treats the SFCTA as a blended entity in the CCSF CAFR. These facts establish the SF Public Finance Authority as subject to the Sunshine Ordinance.
5. The Controller, City Attorneys office, and Supervisor Scott Wiener communicated with the Dept. of Elections in reference to November 2016's Proposition K regarding a General Sales Tax, and the San Francisco Public Finance Authority is referenced on documents signed by these individuals, such as this one and the actual published ordinance including the Controller's Statement. Any Reasonable Controller would check that statement for accuracy in the context of the simplified ballot language, and given a deputy city attorney sits on the ballot simplification committee, the city attorney's communication to me below that the SF Public Finance Authority does not exist is baffling. Deputy City Attorney Tom Lakey counseled the Board of Supervisors about the Public Finance Authority in a fascinating set of parliamentary maneuvers in the minutes of March 15, 1993.

6. Under California Government Code section 26909, the Auditor (in our case, the Controller) is required to make an annual audit of or ensure an annual audit is made of every special district in his/her county. Per the City Charter, Section 3.105, the Controller shall "have the power and duties of a County Auditor." I requested the audited financial statements. He did not provide them. Making sure they exist is his most basic job. Failure of the Controller to faithfully execute the duties of his office is grounds for removal for cause. His willful obfuscation evidences a fundamental disregard and lack of concern for the transparency demanded by the voters in enacting the Sunshine Ordinance - a CYA culture I find repugnant.

To be clear: although I think there may be legitimate cause for action to void the sales tax, *my* only goals are transparency and measures of funding effectiveness. Once again I repeat my constructive suggestion to fix this: accrue the BOE's remits to an escrow account and place the Controller, SFUSD, The SF Public Finance Authority, and the CCSFD on the State Auditor's Local Government High Risk Program. Allow the State Auditor to draw from escrow to complete her work, and release the funds on the condition the SF Public Finance Authority adopt her recommendations. The simple fact is, this could be a really great thing because, by reactivating the SFPFA's board, the BOS President can use her governance influence to structure the supplemental funding (even if allocated between the two districts on the basis of attendance) around program objectives such as the initiative for "free" city college, pre-kindergarten, cultural equity programs, etc. The Public Finance Authority could, for example, pay CCSFD scholarships directly and structure them around underserved communities or build student or teacher housing directly, and it's a great PR move because you can put up big signs, "paid for by San Francisco's Supplemental Education Sales Tax." Several of these are being backfilled from the imbalanced general fund. It also forces members of the BOS and education boards to work together, which will improve city service coordination. There are clauses in R&T Code Chapter 3.5, enabling resolution 48-93, and the 1993 School Sales Tax Ordinance (which took me three weeks to find and the City Attorney says doesn't exist), allowing these funds to be used for health, drug abuse, and crime prevention services when these services fall within the general educational purposes of the school and community college districts. I have a suspicion some folks in city hall have already beat me to this reasoning, and I'm totally cool with it just as long as everyone's honest and transparent. Lying to me (as the Controller has done) loses all confidence.

Cordially,
Thomas J. Busse

----Forwarded Info----

Dear Mr. Busse,

Based on the specific information you requested, we respectfully refer you to contact Reeta Madhavan, the CFO at the SF Unified School District (SFUSD, (415) 241-6542 x1617, MadhavanR@sfusd.edu) and Ron Gerhart, the Vice Chancellor of Finance & Administration at the San Francisco Community College District (SFCCD, (415) 241-2229, rgerhard@ccsf.edu), as they oversee the budget, accounting and audit records related to all sources and uses of funds accruing to their respective districts. For helpful immediate reference, please find their budget, audit and financial statement links below, along with the California BOE Sales Tax allocation link:

- 1) the California Board of Equalization's (BOE) tracking and apportionment of sales tax allocations by taxing entity, for the City and County of San Francisco at <http://www.boe.ca.gov/pdf/boe105.pdf> on page 6.

2) SFUSD's budget, audit and financial documents [available here](#) as well as the SFCCD's [available here](#). By keyword searching these documents you can find where Sales Tax accrues and is budgeted, for example, by using CTRL-F and typing in "sales tax".

We hope this is of help to you.

Best,

Office of the Controller

From: CON, Controller (CON)
Sent: Wednesday, April 26, 2017 2:38 PM
To: Thomas Busse <tjbussesf@gmail.com>
Cc: CON, Controller (CON) <controller.con@sfgov.org>
Subject: Sunshine Request - SF Public Finance Authority

Dear Mr. Busse,

Thank you for contacting the Controller's Office. This email is in response to your public information request; we are researching your inquiry and are working to provide you with a response as soon as possible. Please direct any follow-up materials you may have to this email address.

Best,

Office of the Controller

Hello Mr. Busse,

The school district receives our share of the sales tax revenue directly from the city's Controller's Office. You will need to contact the city's Controller's Office for the financial audit of sales tax revenue.

This revenue is included on page 87 of the school district's 2015-16 audit report in the \$52,614,948 total of "Local Revenue" in the Unrestricted General Fund column. You are correct in that the audit report does not provide a breakdown of all our revenue sources, and I will discuss this with our auditors if it is feasible to include that level of detail without making the report overly lengthy (to give you a sense of what this would entail, the district receives funding from over 100 different federal, state and local sources and it could get unmanageable to list them all in detail. The detailed revenue breakdown is included in our Unaudited Actuals report that is submitted to the state annually and forms the basis of our audited financials. This report is posted on our district web site [here](#).

Please let me know if you have any additional questions.

Thank you,

Reeta

From: Cityattorney <CityAttorney@sfgov.org>
Date: May 1, 2017 at 3:46:49 PM PDT
To: tjbussesf@gmail.com
Subject: Re: Records Request

Mr. Thomas J. Busse,

Thank for your request dated April 28, 2017 concerning the "San Francisco County Public Finance Authority" and the "S those entities do not actually exist. Perhaps you are thinking of the California Public Finance Authority, the Office of Pu District. If you wish to request public records from any those entities you should contact them directly.

Best,

Andrea Guzman
Responding for cityattorney@sfgov.org

to Angela Whittak.



Dear Ms. Whittaker:

I was perousing the district tax breakdown in the records of the Board of Equalization, and it noted San Francisco has a permanent .25% sales tax for a special district called the "San Francisco County Public Finance Authority" approved by the voters in 1993. Is that the same as your department, the Office of Public Finance? I would assume the special district would float sales tax bonds, but what is unclear to me is why it is set up as a special district (and how it was set up, given San Francisco did not have a Local Agency Forming Commission in 1993). I would like to read its charter.

Yours truly,
Thomas J. Busse

On Mon, May 8, 2017 at 3:56 PM, Supervisor Records <Supervisor.Records@sfgov.org> wrote:
Mr. Busse -

I write in response to your petition below. I apologize for the delay; I was out of the office. It is my understanding that the Controller's Office has responded to your records request. Please let me know if their response resolved your issues. Thank you.

Best,

Brad Russi
Deputy City Attorney

Office of San Francisco City Attorney Dennis J. Herrera
Supervisor of Records: General Government Team

-----Forwarded by Cityattorney/CTYATT on 04/28/2017 09:21AM -----

To: info@sfcityattorney.org
From: Thomas Busse <tjbussesf@gmail.com>
Date: 04/27/2017 08:56PM
Subject: Petition to the City Attorney's Office

Petition to the City Attorney:

Pursuant to The San Francisco Sunshine Ordinance, On April 26 2017 at 12:35 PM I submitted an Immediate

Disclosure Request to the Controller for the most recent Financial Statements, 2016 Board Minutes, and bylaws of the San Francisco Public Finance Authority. My Immediate Disclosure Request asked for the name of the Public Finance Authority's "Director of Fiscal Services" who was issued a warrant from the State Board of Equalization on April 12, 2017 for \$3,201,400, but most importantly an answer to this question, "Does the San Francisco Public Finance Authority Exist?" This followed up on a Disclosure request the previous morning asking the same thing.

I received a response later on April 26 that they were working on my request, but 24 hours has passed by and I have not seen any documents.

Departments have the discretion to extend an Immediate Disclosure Request if records are voluminous, in off-site storage, etc; however, there is no appropriate reason for the Controller to not be able to produce the Financial Statements of a County Blended Entity. In fact, the Controller is constitutionally obligated to publish these statements. Therefore, I believe the Controller is in violation of the Sunshine Ordinance's Section 67.25(a) because no reasonable person could consider the information requested for immediate disclosure to not be readily available from any competent County Controller.

As recently as November 2016, the Ballot Simplification Committee's statement on the proposed Proposition K mentioned a 1/4 cent sales tax is collected in the County on behalf of the San Francisco County Public Finance Authority. It is Special District 051 in the Board of Equalization's accounts, legally constituted under section 6500 of the California Government Code as a Joint Powers Authority. Therefore, I have every reason to believe I am asking for Immediate Disclosure of Documents. Sadly, I cannot find the San Francisco Public Finance Authority referenced in any of the San Francisco Legal Codes published by the American Legal Publishing Corporation. The City Attorney may have better research tools. My hope was to start learning about the San Francisco Public Finance Authority's decision making structure by reading the bylaws. After all, I could find them of the Transbay Joint Powers Authority with The Google. My Public Purpose was to determine if the City/County could fund tuition remission at the Community College by asserting its JPA votes to reallocate the Special District Tax the voters already pay to supplement education, thus reducing pressure on the city's general fund. Sadly, the City's Institutions do not seem to welcome my ideas.

As you are the designated "Supervisor of Records," I appeal to you to adjudicate this withholding of information by the Controller. A transparent accounting of taxation and expenditure is essential to any functioning democracy and an informed electorate.

Very truly yours,
Thomas J. Busse
415-244-5072
584 Castro Street #388
San Francisco, CA 94114

On Mon, May 8, 2017 at 3:56 PM, Supervisor Records <Supervisor.Records@sfgov.org> wrote:
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Brad Russi
Deputy City Attorney

Office of San Francisco City Attorney Dennis J. Herrera
Supervisor of Records: General Government Team

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Very truly yours,
Thomas J. Busse
[415-244-5072](tel:415-244-5072)

584 Castro Street #388
San Francisco, CA 94114

Young, Victor

From: SOTF, (BOS)
Sent: Monday, May 08, 2017 2:41 PM
To: 'dratler@sonic.net'; Lediju, Tonia (CON); Wiggins, Matthew (CON); 'James Russel'; Brask, Anne (CPC); Silva, Christine (CPC); Ionin, Jonas (CPC); 'atreboux10@aol.com'; Nicco, Mark (SHF); San Francisco Sheriff's Department (SHF); 'Greg Berlin'; Lew, Debra (TTX)
Cc: Calvillo, Angela (BOS)
Subject: SOTF - Notice of Hearing - Complaint Committee: May 23, 2017, 5:30 p.m.

Good Afternoon:

Notice is hereby given that the Complaint Committee (Committee) of the Sunshine Ordinance Task Force (Task Force) shall hold hearings on complaints listed below to: 1) determine if the Task Force has jurisdiction; 2) review the merits of the complaints; and/or 3) issue a report and/or recommendation to the Task Force.

Date: May 23, 2017

Location: City Hall, Room 408

Time: 5:30 p.m.

Complainants: Your attendance is required for this meeting/hearing.

Respondents/Departments: Pursuant to Section 67.21 (e) of the Ordinance, the custodian of records or a representative of your department, who can speak to the matter, is required at the meeting/hearing.

Complaints:

File No. 17016: Complaint filed by Jerry Dratler against Ben Rosenfield and the Office of the Controller for allegedly violating Administrative Code (Sunshine Ordinance), Section 67.21, by failing to respond to a request for public records in a timely and/or complete manner.

File No. 17027: Complaint filed by the Anonymous against Anne Brask, Christine Silva, John Rahaim and the Planning Department for allegedly violating Administrative Code (Sunshine Ordinance), Sections 67.21 and 67.25, by failure to respond to an Immediate Disclosure Request in a timely and/or complete manner.

File No. 17031: Complaint filed by Ann Treboux against the Sheriff's Department for allegedly violating Administrative Code (Sunshine Ordinance), Section 67.25, by failing to respond to an Immediate Disclosure Request in a timely and complete manner.

File No. 17038: Complaint filed by Gregory Berlin, Aqua Terra Aeris Law Group, against the Office of the Treasurer and Tax Collector, for allegedly violating Administrative Code (Sunshine Ordinance), Sections 67.21 and 67.26, by failing to respond to public records request in a complete manner and failing to keep withholding of records to a minimum.

File No. 17039: Complaint filed by Thomas Busse against the San Francisco Public Finance Authority for allegedly violating Administrative Code (Sunshine Ordinance), Chapter 67, by failing to notice and conduct public hearings and failing to respond to request for public records.

Documentation (evidence supporting/disputing complaint)

For a document to be considered, it must be received at least five (5) working days before the hearing. For inclusion into the agenda packet, supplemental/supporting documents must be received by 5:00 pm, **March 16, 2017**.

Victor Young
Administrator

Sunshine Ordinance Task Force

1 Dr. Carlton B. Goodlett Place, City Hall., Room 244

San Francisco CA 94102

phone 415-554-7724 | fax 415-554-5163

victor.young@sfgov.org | www.sfbos.org



Click [here](#) to complete a Board of Supervisors Customer Service Satisfaction form.

The [Legislative Research Center](#) provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.

K**General Sales Tax**

Shall the City increase its sales tax by 0.75%, for a total tax of 9.25%?

YES ←

NO ←

Digest by the Ballot Simplification Committee

The Way It Is Now: San Francisco has an 8.75% sales tax, with two parts:

- 75% in State taxes, of which the City receives 1.25%; and
- 1.25% in local sales taxes that fund the Bay Area Rapid Transit District (BART), the San Francisco County Transportation Authority and the San Francisco County Public Finance Authority.

After December 31, 2016, the overall sales tax in San Francisco will be reduced to 8.5%.

State law allows the City to increase the local sales tax up to an additional 0.75%, with voter approval.

State law limits the amount of revenue, including tax revenue, the City can spend each year. Under State law, San Francisco voters can approve increases to this limit for a maximum of four years.

The Proposal: Proposition K is an ordinance that would increase the sales tax in San Francisco by 0.75%, for a total tax of 9.25%. This 0.75% increase would go into the General Fund.

If voters approve this proposition, the increase would start on April 1, 2017. The sales tax increase would expire after 25 years.

Proposition K would also increase the State's limit on the City's annual tax revenue spending by the amount of additional taxes collected under the proposed rate increase. The increased limit would last for four years.

A "YES" Vote Means: If you vote "yes," you want the City to increase its sales tax by 0.75%, for a total tax of 9.25%.

A "NO" Vote Means: If you vote "no," you do not want to make this change.

Controller's Statement on "K"

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition K:

Should this ordinance be approved, in my opinion, it would result in an annual tax revenue increase to the City of an estimated \$37.5 million in fiscal year (FY) 2016–2017 and \$155.1 million in FY 2017–18. The tax is a general tax and proceeds would be deposited into the General Fund.

The measure would amend the City's Business Tax and Regulations Code to increase the local sales tax rate by 0.75% (three-quarters of one percent) as of April 2017, for a period of twenty-five years.

How "K" Got on the Ballot

On July 26, 2016, the Board of Supervisors voted 8 to 3 to place Proposition K on the ballot. The Supervisors voted as follows:

Yes: Avalos, Breed, Campos, Cohen, Farrell, Mar, Tang, Wiener.

No: Kim, Peskin, Yee.

This measure requires 50%+1 affirmative votes to pass.

The above statement is an impartial analysis of this measure. Arguments for and against this measure immediately follow. The full text begins on page 274. Some of the words used in the ballot digest are explained starting on page 58.

Member, Board of Supervisors
District 8



City and County of San Francisco

SCOTT WIENER
威善高

August 8, 2016.

Barbara Carr
Voter Information Division, Publications
Department of Elections, City and County of San Francisco
City Hall Room 48
1 Dr. Carlton B Goodlett Place
San Francisco, CA 94102

Re: Suggested Edits to the General Sales Tax Measure

Dear Ms. Carr,

After reviewing the digest for the General Sales Tax ballot measure, I am submitting the following requested edits highlighted in yellow:

The Way It Is Now: San Francisco has an 8.75% sales tax rate, with two parts:

- 7.5% in State taxes, of which the City receives 1.25%; and
- 1.25% in local sales taxes that fund the Bay Area Rapid Transit District (BART), the San Francisco County Transportation Authority, and the San Francisco County Public Finance Authority.

State law allows the City to increase its share of the sales tax up to an additional 0.75%, with voter approval.

0.25% of the 7.5% State tax rate will expire on December 31, 2016, reducing the overall tax rate in San Francisco to 8.5%.

State law limits the amount of tax revenue the City can spend each year. State law authorizes San Francisco voters to approve increases to this limit for a maximum of four years.

WHAT?



MEMORANDUM

TO: Victor Young, Assistant Clerk of the Board
FROM: Ed Harrington *E. Harrington*
DATE: November 20, 2002
SUBJECT: San Francisco Public Finance Authority

RECEIVED
SAN FRANCISCO
2002 NOV 20 PM 3: 24
BY _____

On October 30, 2002 you sent me a notification requesting information on the makeup of the San Francisco Public Finance Authority.

First, I'm not sure why I am listed as the contact because I have never been involved with this agency. Please correct the contact listing.

Second, my read of the State Law under which this Authority was formed (copy attached) indicates it needed to be in existence to allow the City to impose a .25 % transactions and use tax for the School District which we have done. It's not clear to me that it needs to continue. You may want to check with the City Attorney on this matter.

If it needs to continue, the appointments would need to be made by the President of the Board and the some combination of the Unified School District and Community College Boards.

District Taxes, Rates, and Effective Dates

Tax Area	District Name and Acronym	Rate	Effective Date	End Date
Riverside County	Riverside County Transportation Commission (RCTC)	0.50%	07-01-89	
Cathedral City (City)	City of Cathedral City Transactions and Use Tax (CCGT)	1.00%	10-01-10	
Coachella (City)	City of Coachella Transactions and Use Tax (COAC)	1.00%	04-01-15	
Hemet (City)	City of Hemet Transactions and Use Tax (HMGT)	1.00%	04-01-17	
Indio (City)	City of Indio Transactions and Use Tax (INGT)	1.00%	04-01-17	
La Quinta (City)	City of La Quinta Transactions and Use Tax (LQUG)	1.00%	04-01-17	
Menifee (City)	City of Menifee Transactions and Use Tax (MENG)	1.00%	04-01-17	
Palm Springs (City)	City of Palm Springs Transactions and Use Tax (PSGT)	1.00%	04-01-12	
Riverside (City)	City of Riverside Transactions and Use Tax (RIVG)	1.00%	04-01-17	
Temecula (City)	City of Temecula Transactions and Use Tax (TEMG)	1.00%	04-01-17	
Sacramento County	Sacramento Transportation Authority (STAT)	0.50%	04-01-89	
Galt (City)	City of Galt Public Safety Transactions and Use Tax (GLTS)	0.50%	04-01-09	
Isleton (City)	City of Isleton General Transactions and Use Tax (ISGT)	0.50%	04-01-17	
Isleton (City)	City of Isleton Special Transactions and Use Tax (ISLS)	0.50%	10-01-16	
Rancho Cordova (City)	City of Rancho Cordova Transactions and Use Tax (RHCG)	0.50%	04-01-15	
Sacramento (City)	City of Sacramento Transactions and Use Tax (SACG)	0.50%	04-01-13	
San Benito County				
Hollister (City)	City of Hollister Transactions and Use Tax (HLST)	1.00%	04-01-08	
San Juan Bautista (City)	City of San Juan Bautista Transactions and Use Tax (SJBG)	0.75%	04-01-05	
San Bernardino County	San Bernardino County Transportation Authority (SBER)	0.50%	04-01-90	
Montclair (City)	City of Montclair Transactions and Use Tax (MTGR)	0.25%	04-01-05	
San Bernardino (City)	City of San Bernardino Transactions and Use Tax (SBRN)	0.25%	04-01-07	
Yucca Valley (Town)	Town of Yucca Valley Essential Services Transactions and Use Tax (YUCG)	0.50%	04-01-17	
Yucca Valley (Town)	Town of Yucca Valley Sewer Improvement & Assessment Transactions and Use Tax (YCST)	0.50%	04-01-17	
San Diego County	San Diego County Regional Transportation Commission (SDTC)	0.50%	04-01-88	
Chula Vista (City)	City of Chula Vista Temporary Transactions and Use Tax (CVGT)	0.50%	04-01-17	
Del Mar (City)	City of Del Mar Transactions and Use Tax (DELG)	1.00%	04-01-17	
El Cajon (City)	City of El Cajon Public Safety Facilities Transactions and Use Tax (ECPS)	0.50%	04-01-05	03-31-15
El Cajon (City)	City of El Cajon Service Preservation Transactions and Use Tax (ECGF)	0.50%	04-01-09	
La Mesa (City)	City of La Mesa Transactions and Use Tax (LMSA)	0.75%	04-01-09	
National City (City)	City of National City Transactions and Use Tax (NCGT)	1.00%	10-01-06	
Vista (City)	City of Vista Transactions and Use Tax (VSTA)	0.50%	04-01-07	
San Francisco City and County	Bay Area Rapid Transit District (BART)	0.50%	04-01-70	
	San Francisco County Public Finance Authority (SFPF)	0.25%	10-01-93	
	San Francisco County Transportation Authority (SFTA)	0.50%	04-01-90	



Thomas Busse <tjbussesf@gmail.com>

Question regarding Office of Public Finance

1 message

Thomas Busse <tjbussesf@gmail.com>
To: Angela.Whittaker@sfgov.org

Tue, Apr 18, 2017 at 2:13 PM

Dear Ms. Whittaker:

I was perousing the district tax breakdwn in the records of the Board of Equalization, and it noted San Francisco has a permanent .25% sales tax for a special district called the "San Francisco County Public Finance Authority" approved by the voters in 1993. Is that the same as your department, the Office of Public Finance? I would assume the special district would float sales tax bonds, but what is unclear to me is why it is set up as a special district (and how it was set up, given San Francisco did not have a Local Agency Forming Commission in 1993). I would like to read its charter.

Yours truly,
Thomas J. Busse

No response :(

**ALPHABETICAL LISTING OF JURISDICTION CODES NEEDED TO VIEW SPECIFIC
PAYMENTS ON THE LOCAL JURISDICTION STATEMENT OF TAX DISTRIBUTION**

<u>JURISDICTION CODES</u>	<u>DISTRICT ADD-ON TAXES (3 Digits)</u>
213	OXNARD (CITY) VITAL SERVICES TRANSACTIONS & USE TAX
184	PACIFIC GROVE (CITY) TRANSACTIONS & USE TAX
274	PALM SPRINGS (CITY) TRANSACTIONS & USE TAX
381	PARADISE (TOWN) TEMPORARY TRANSACTIONS & USE TAX
325	PASO ROBLES (CITY) TRANSACTIONS & USE TAX
201	PICO RIVERA (CITY) TRANSACTIONS & USE TAX
140	PINOLE (CITY) TRANSACTIONS & USE TAX
384	PINOLE (CITY) 2015 TRANSACTIONS & USE TAX
185	PISMO BEACH (CITY) TRANSACTIONS & USE TAX
287	PITTSBURG (CITY) TRANSACTIONS & USE TAX
070	PLACERVILLE (CITY) PUBLIC SAFETY TRANSACTIONS & USE TAX
245	PLACERVILLE (CITY) SPECIAL TRANSACTIONS & USE TAX
085	POINT ARENA (CITY) TRANSACTIONS & USE TAX
214	PORT HUENEME (CITY) TRANSACTIONS & USE TAX
132	PORTERVILLE (CITY) PUBLIC SAFETY, POLICE & FIRE PROT T&U TAX
417	RANCHO CORDOVA (CITY) TRANSACTIONS & USE TAX
424	RED BLUFF (CITY) 2014 TRANSACTIONS & USE TAX
176	REEDLEY (CITY) PUBLIC SAFETY TRANSACTIONS & USE TAX
095	RICHMOND (CITY) TRANSACTIONS & USE TAX
386	RICHMOND (CITY) 2014 TRANSACTIONS & USE TAX
291	RIDGECREST (CITY) TRANSACTIONS & USE TAX
390	RIO DELL (CITY) TRANSACTIONS & USE TAX
338	RIO VISTA (CITY) GENERAL TRANSACTIONS & USE TAX
026	RIVERSIDE COUNTY TRANSPORTATION COMMISSION
233	ROHNERT PARK (CITY) TRANSACTIONS AND USE TAX
023	SACRAMENTO TRANSPORTATION AUTHORITY
321	SACRAMENTO (CITY) TRANSACTIONS AND USE TAX
128	SALINAS (CITY) TEMPORARY TRANSACTIONS & USE TAX
405	SALINAS (CITY) MEASURE G TRANSACTIONS & USE TAX
357	SAN ANSELMO (TOWN) TRANSACTIONS & USE TAX
053	SAN BENITO COUNTY GEN FUND AUGMENTATION
015	SAN BENITO COUNTY TRANSPORTATION AUTHORITY
148	SAN BERNARDINO (CITY) TRANSACTIONS & USE TAX
031	SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
013	SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
347	SAN FERNANDO (CITY) TEMPORARY TRANSACTIONS & USE TAX
→051	SAN FRANCISCO COUNTY PUBLIC FINANCE AUTHORITY
027	SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY
038	SAN JOAQUIN COUNTY TRANSPORTATION AUTHORITY
444	SAN JOSE (CITY) TRANSACTIONS & USE TAX

(Do not use the jurisdiction codes listed in this file to complete your Sales and Use Tax return or for any other purpose.)

Effective 4/1/16

Local Jurisdiction Statement of Tax Distribution

051 Date: For the periods shown below
04/12/2017

Payee: SF COUNTY PUBLIC FINANCE AUTH/DIRECTOR OF FISCAL SERVICES

← WHO?

Current Advance	Feb 2017	3,201,400.00
Prior Credits		0.00

Total Payment (by EFT)	3,201,400.00
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If you have questions regarding this statement, please contact
BOE-Local Revenue and Allocation Unit at 916-324-3000.

[Back to Query Page \(/boewebservices/localJur.jsp\)](#)

FUWRP6M1
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STATE BOARD OF EQUALIZATION
FUND DISTRIBUTION SUBSYSTEM
QUARTERLY DISTRIBUTION OF ADD-ON TAX
ALLOCATION PERIOD: Fourth Quarter 2016

03/04/2017
PAGE 1

ADD-ON	GROSS	ADM. COST	NET AMOUNT
002	22,661,606.82	231,470.00	22,430,136.82
003	56,526,210.58	637,040.00	55,889,170.58
004	5,295,667.57	59,580.00	5,236,087.57
005	210,659,143.38	2,297,640.00	208,361,503.38
006	237.00	0.00	237.00
008	66,978,247.88	739,390.00	66,238,857.88
009	22,325,861.00	246,470.00	22,079,391.00
010	1,376.39	0.00	1,376.39
012	18,309,352.35	216,520.00	18,092,832.35
013	76,476,071.79	825,250.00	75,650,821.79
014	592,836.98	5,460.00	587,376.98
015	59.03	0.00	59.03
016	0.00	0.00	0.00
018	22,660,971.63	231,410.00	22,429,561.63
020	0.00	0.00	0.00
021	0.00	0.00	0.00
022	0.00	0.00	0.00
023	30,613,614.61	339,880.00	30,273,734.61
024	23,311,688.99	254,570.00	23,057,118.99
026	46,654,551.24	507,340.00	46,147,211.24
027	27,737,986.81	313,320.00	27,424,666.81
029	3,876,164.16	31,500.00	3,844,664.16
030	9,906,567.07	107,840.00	9,798,727.07
031	42,874,616.95	500,740.00	42,373,876.95
032	0.00	0.00	0.00
034	268.93	0.00	268.93
035	210,665,499.13	2,297,400.00	208,368,099.13
037	81,870,661.94	903,150.00	80,967,511.94
038	14,607,175.16	162,140.00	14,445,035.16
039	11,262.29	0.00	11,262.29
040	645.36	0.00	645.36
043	0.00	0.00	0.00
045	166.75	0.00	166.75
047	0.00	0.00	0.00
048	0.00	0.00	0.00
051	13,869,808.69	313,300.00	13,556,508.69
053	0.00	0.00	0.00
058	247,177.27	2,990.00	244,187.27
059	2,815,253.93	121,910.00	2,693,343.93
060	3.87	0.00	3.87
061	2,646,865.16	59,620.00	2,587,245.16
063	9,456.73	0.00	9,456.73
065	4,948,096.45	54,360.00	4,893,736.45
066	2,347,228.48	105,620.00	2,241,608.48
067	513,605.95	23,280.00	490,325.95
068	606,801.42	6,770.00	600,031.42
070	277,925.23	5,290.00	272,635.23

P49

PAYMENTS TO SPECIAL DISTRICTS FROM
THE TRANSACTIONS (SALES) AND USE TAX

	Prior year	Year-to date	Yr to Yr % chg	DISTRIBUTED JULY 2007	DISTRIBUTED AUG 2007	DISTRIBUTED SEP 2007	DISTRIBUTED OCT 2007	DISTRIBUTED NOV 2007	DISTRIBUTED DEC 2007
051 SFPF San Francisco County Public Finance Authority	37,763,441.38	39,361,130.40	4.23	2,520,700.00	3,360,900.00	3,905,036.19	2,620,600.00	3,494,100.00	3,935,070.18

P 50

PAYMENTS TO SPECIAL DISTRICTS FROM
THE TRANSACTIONS (SALES) AND USE TAX

	Prior year	Year-to-date	Yr to Yr % chg	DISTRIBUTED JAN 2008	DISTRIBUTED FEB 2008	DISTRIBUTED MAR 2008	DISTRIBUTED APR 2008	DISTRIBUTED MAY 2008	DISTRIBUTED JUN 2008
051 SFPF San Francisco County Public Finance Authority	37,763,441.38	39,361,130.40	4.23	2,891,600.00	3,855,500.00	3,282,887.01	2,415,200.00	3,220,200.00	3,859,337.02

A lot of \$

P51

A

School Sales Tax

PROPOSITION A

Shall an ordinance of the San Francisco County Public Finance Authority be adopted so as to 1) approve a transactions and use tax of one quarter of one percent for the general purpose of providing financial assistance to the San Francisco Unified School District and the San Francisco Community College District; 2) approve an increase in the California Constitution Article XIII B appropriations limit for said districts in an amount equal to the revenues derived by each district from the transactions and use tax for the same fiscal year?

Analysis

← NOT NORMAL

by the City Attorney (with recommendations by the Ballot Simplification Committee)

THE WAY IT IS NOW: There is an 8½ percent sales tax in San Francisco. This includes a supplemental ½ percent sales tax imposed by the state and a temporary local ¼ percent school district sales tax. Both taxes are scheduled to expire on June 30, 1993. This would make the sales tax in San Francisco 7¾ percent.

Current state law allows school districts and boards of supervisors to form a county public finance authority and submit an ordinance to the voters imposing a new sales tax to assist school districts when the state supplemental tax of ½ percent expires on June 30, 1993. The legislature is considering a change in the law to extend the state supplemental tax and still allow the new local sales tax to take effect.

THE PROPOSAL: Proposition A is an ordinance that would continue the funding of the San Francisco Unified School District and the San Francisco Community College District

through a permanent ¼ percent local sales tax. If this Proposition is adopted and state law is not changed, the total overall sales tax in San Francisco will become 8 percent. If this Proposition is adopted and state law is changed to authorize both this tax and the extension of the state supplemental tax of ½ percent, the overall sales tax in San Francisco will remain 8½ percent.

Proposition A also would increase the spending limits of the districts each year in an amount equal to the revenues received by each district from the sales tax for that year.

A "YES" VOTE MEANS: If you vote yes, you want to authorize this tax to continue to assist the public schools and the Community College.

A "NO" VOTE MEANS: If you vote no, you do not want to authorize this tax to continue to assist the public schools and the Community College.

Controller's Statement on "A"

"City Controller Edward Harrington has issued the following statement on the fiscal impact of Proposition A:

Should the proposed ordinance be adopted and implemented, in my opinion, revenues for the Community College and Unified School Districts would increase by approximately \$15.9 million in fiscal year 1993-94 and \$21.2

million in fiscal year 1994-95, increasing thereafter with the rate of inflation until expiration of the tax. The Ordinance also permits an increase in the Appropriations Limits of the Districts established pursuant to Article XIII B of the State Constitution (Gann Limit) in order to spend the increased tax revenues."

I thought he wasn't "involved"

FILE NO. 175-931

RESOLUTION NO. 48-93

1 [LOCAL PUBLIC FINANCE AUTHORITY]

2 DECLARING THE INTENT OF THE BOARD OF SUPERVISORS OF THE CITY AND
3 COUNTY OF SAN FRANCISCO TO PROPOSE AN INCREASE IN THE TRANSACTIONS
4 AND USE TAX IN THE CITY AND COUNTY PURSUANT TO CHAPTER 3.5 OF THE
5 REVENUE AND TAXATION CODE, AND ESTABLISHING THE SAN FRANCISCO COUNTY
6 PUBLIC FINANCE AUTHORITY.

7 WHEREAS, Due to cutbacks in state funds and other sources of
8 revenue to the City and County of San Francisco, the ability to
9 maintain public services and programs has been greatly hampered; and

10 WHEREAS, The California Legislature has recognized the need
11 for local governments and school districts to address the budgetary
12 problems and meet the needs for health, crime prevention, and
13 educational services in their communities by enacting Assembly Bill
14 1930, 1991; and

WHY NOT AB 14?

15 WHEREAS, Assembly Bill 1930 allows for the creation of a local
16 public finance authority for the purpose of financing drug abuse
17 prevention, crime prevention, health services, and public education,
18 and to authorize said Authority, upon voter approval, to impose a
19 transactions and use tax rate of .25% or 0.5% for the Authority's
20 general purposes; and

21 WHEREAS, The Board of Supervisors of the City and County of
22 San Francisco finds that it is critical to continue the provision of
23 health and crime prevention services and that revenues generated by
24 an additional tax are necessary; now, therefore, be it

25 / / /

SUPERVISOR MIGDEN, BIERMAN, ALIOTO
4452g

PAGE NO. 1
01/19/93

1 RESOLVED, The Board of Supervisors of the City and County of
2 San Francisco declares its intent to propose an increase in the
3 transactions and use tax in the City and County pursuant to Chapter
4 3.5 (commencing with Section 7288.1) of Part 1.7 of Division 2 of
5 the California Revenue and Taxation Code; and, be it

6 FURTHER RESOLVED, That upon adoption of this resolution by the
7 Board of Supervisors of the City and County of San Francisco, the
8 San Francisco County Public Finance Authority is hereby established
9 pursuant to California Revenue and Taxation Code Section 7288.1 for
10 the general purposes of financing drug abuse prevention, crime
11 prevention, health services, and public education; and, be it

12 FURTHER RESOLVED, That said Authority shall be governed by a
13 board of directors which shall consist of five members of the San
14 Francisco Board of Supervisors and five members of the governing
15 boards of school districts in the City and County as provided in
16 Revenue and Taxation Code, Section 7288.2; and, be it

17 FURTHER RESOLVED, That the President of the Board of
18 Supervisors shall appoint five members of that body to serve on the
19 board of directors of the San Francisco County Public Finance
20 Authority; and, be it

21 FURTHER RESOLVED, That in the event said transactions and use
22 tax is imposed, said Authority may exercise all powers necessary to
23 perform the collection, administration and allocation duties with
24 respect to said tax in a manner consistent with Part 1.6 of the
25 California Revenue and Taxation Code (commencing with Section 7251);
and, be it

SUPERVISOR MIGDEN
BOARD OF SUPERVISORS
4452g

← what about Bierman, Alioto?

PAGE NO. 2
01/19/93

1/93 1

jp

FURTHER RESOLVED, That the Board of Supervisors, in
approving this measure, expresses its strong view that the Authority
shall not approve any sales tax measure that would place the
composite sales tax rate above the current rate of 8.5%.

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SUPERVISORS MIGDEN, BIERMAN, ALIOTO
BOARD OF SUPERVISORS

Pg 4+5?

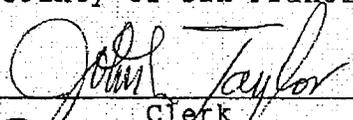
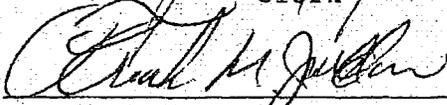
Adopted - Board of Supervisors, San Francisco February 1, 1993

Ayes: Supervisors Achtenberg Alioto Bierman Conroy Hallinan Kaufman Migden Shelley

Noes: Supervisors Hsieh Maier → missed 3/15 Mtg

Absent: Supervisor Kennedy

I hereby certify that the foregoing resolution was adopted by the Board of Supervisors of the City and County of San Francisco


Clerk

Mayor

File No.
175-93-1

FEB 11 1993

Date Approved

CITY AND COUNTY OF SAN FRANCISCO

SF CAFR

Notes to Basic Financial Statements

June 30, 2016

2016

(Dollars in Thousands)

(1) THE FINANCIAL REPORTING ENTITY

San Francisco is a city and county chartered by the State of California and as such can exercise the powers as both a city and a county under state law. As required by generally accepted accounting principles, the accompanying financial statements present the City and County of San Francisco (the City or primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operations or financial relationships with the City.

As a government agency, the City is exempt from both federal income taxes and California State franchise taxes.

Blended Component Units

Following is a description of those legally separate component units for which the City is financially accountable that are blended with the primary government because of their individual governance or financial relationships to the City.

San Francisco County Transportation Authority (Transportation Authority) – The voters of the City created the Transportation Authority in 1989 to impose voter-approved sales and use tax of one-half of one percent, for a period not to exceed 20 years, to fund essential traffic and transportation projects. In 2003, the voters approved Proposition K, extending the city-wide one-half of one percent sales tax with a new 30-year plan. A board consisting of the eleven members of the City's Board of Supervisors serving ex officio governs the Transportation Authority. The Transportation Authority is reported in a special revenue fund in the City's basic financial statements. Financial statements for the Transportation Authority can be obtained from their finance and administrative offices at 1455 Market Street, 22nd Floor, San Francisco, CA 94103.

This is how the SFPFA should appear

San Francisco City and County Finance Corporation (Finance Corporation) – The Finance Corporation was created in 1990 by a vote of the electorate to allow the City to lease-purchase \$20 million (plus 5% per year growth) of equipment using tax-exempt obligations. Although legally separate from the City, the Finance Corporation is reported as if it were part of the primary government because its sole purpose is to provide lease financing to the City. The Finance Corporation is governed by a three-member board of directors approved by the Mayor and the Board of Supervisors. The Finance Corporation is reported as an internal service fund. Financial statements for the Finance Corporation can be obtained from their administrative offices at City Hall, Room 336, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

NO →

San Francisco Parking Authority (The Parking Authority) – The Parking Authority was created in October 1949 to provide services exclusively to the City. In accordance with Proposition D authorized by the City's electorate in November 1988, a City Charter amendment created the Parking and Traffic Commission (PTC). The PTC consists of five commissioners appointed by the Mayor. Upon creation of the PTC, the responsibility to oversee the City's off-street parking operations was transferred from the Parking Authority to the PTC. The staff and fiscal operations of the Parking Authority were also incorporated into the PTC. Beginning on July 1, 2002, the responsibility for overseeing the operations of the PTC became the responsibility of the Municipal Transportation Agency (SFMTA) pursuant to Proposition E, which was passed by the voters in November 1999. Separate financial statements are not prepared for the Parking Authority. Further information about the Parking Authority can be obtained from the SFMTA Chief Financial Officer at 1 South Van Ness Avenue, 8th Floor, San Francisco, CA 94102.

If dissolved, it should appear like this

SFCAFR

2016

CITY AND COUNTY OF SAN FRANCISCO
Notes to Basic Financial Statements (Continued)
June 30, 2016
(Dollars in Thousands)

Discretely Presented Component Unit

Treasure Island Development Authority (The TIDA) – The TIDA is a nonprofit public benefit corporation. The TIDA was authorized in accordance with the Treasure Island Conversion Act of 1997. Seven commissioners who are appointed by the Mayor, subject to confirmation by the City's Board of Supervisors, govern the TIDA. The specific purpose of the TIDA is to promote the planning, redevelopment, reconstruction, rehabilitation, reuse, and conversion of the property known as Naval Station Treasure Island for the public interest, convenience, welfare, and common benefit of the inhabitants of the City. The TIDA has adopted as its mission the creation of affordable housing and economic development opportunities on Treasure Island.

The TIDA's governing body is not substantively the same as that of the City and does not provide services entirely or almost entirely to the City. The TIDA is reported in a separate column to emphasize that it is legally separate from the City. The City is financially accountable for the TIDA through the appointment of the TIDA's Board and the ability of the City to approve the TIDA's budget. Disclosures related to the TIDA, where significant, are separately identified throughout these notes. Separate financial statements are not prepared for TIDA. Further information about TIDA can be obtained from their administrative offices at 1 Avenue of the Palms, Suite 241, Treasure Island, San Francisco, CA 94130.

Fiduciary Component Unit

Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency) – The Successor Agency was created on February 1, 2012 to serve as a custodian for the assets and to wind down the affairs of the former San Francisco Redevelopment Agency pursuant to California Redevelopment Dissolution Law. The Successor Agency is governed by the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure, and is a separate public entity from the City. The Commission has five members, which serve at the pleasure of the City's Mayor and are subject to confirmation by the Board of Supervisors. The City is financially accountable for the Successor Agency through the appointment of the Commission and a requirement that the Board of Supervisors approve the Successor Agency's annual budget.

The financial statements present the Successor Agency and its component units, entities for which the Successor Agency is considered to be financially accountable. The City and County of San Francisco Redevelopment Financing Authority (Financing Authority) is a joint powers authority formed between the former Agency and the City to facilitate the long-term financing of the former Agency activities. The Financing Authority is included as a blended component unit in the Successor Agency's financial statements because the Financing Authority provides services entirely to the Successor Agency.

Per the Redevelopment Dissolution Law, certain actions of the Successor Agency are also subject to the direction of an Oversight Board. The Oversight Board is comprised of seven-member representatives from local government bodies: four City representatives appointed by the Mayor of the City subject to confirmation by the Board of Supervisors of the City; the Vice Chancellor of the San Francisco Community College District; the Board member of the Bay Area Rapid Transit District; and the Executive Director of Policy and Operations of the San Francisco Unified School District.

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, the Successor Agency will only be allocated revenues in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. Based upon the nature of the Successor Agency's custodial role, the Successor Agency is reported in a fiduciary fund (private-purpose trust fund). Complete financial statements can be obtained from the Successor Agency's finance department at 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103.

IF not in CAFR
have to mention

CITY AND COUNTY OF SAN FRANCISCO

Notes to Basic Financial Statements (Continued)

June 30, 2016

(Dollars in Thousands)

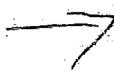
SF CAFR

2016

Here

Non-Disclosed Organizations

There are other governmental agencies that provide services within the City. These entities have independent governing boards and the City is not financially accountable for them. The City's basic financial statements, except for certain cash held by the City as an agent, do not reflect operations of the San Francisco Airport Improvement Corporation, San Francisco Health Authority, San Francisco Housing Authority, San Francisco Unified School District and San Francisco Community College District. The City is represented in two regional agencies, the Bay Area Rapid Transit District and the Bay Area Air Quality Management District, both of which are also excluded from the City's reporting entity.



(NB - Also missing Peninsula
CORRIDOR IPA)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The basic financial statements include certain prior year summarized comparative information. This information is presented only to facilitate financial analysis, and is not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

(b) Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, report only assets and liabilities and cannot be said to have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The

SFUSD CAFR 2016
(Not here either)

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The San Francisco Unified School District (the District) was established as the San Francisco School System in 1851 under the laws of the State of California. The District and County Office of Education (COE) operate under a locally-elected seven-member Board form of government and provides educational services to grades K - 12 as mandated by State and Federal agencies. The District and COE provide child care and elementary and secondary education in the City and County of San Francisco, California. The District also administers the COE fund (County School Service Fund). For financial reporting purposes, the District includes all funds, account groups, agencies, and authorities that are controlled by or are dependent on the District's executive or legislative branches. Control by or dependence on the District was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the District, obligations of the District to finance any deficits that may occur, or receipt of significant subsidies from the District. The District operates 64 elementary schools, 13 middle schools, and 19 high schools including 4 continuation schools, 12 early childhood education centers and an independent study alternative school. The District sponsors 13 Charter Schools.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. This includes general operations, food service and student related activities of the District and the COE.

Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. For financial reporting purposes, the component unit has a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and thus is included in the financial statements using the blended presentation method as if it were part of the District's operations because the governing board of the component unit is the same as the governing board of the District and because its purpose is to finance the acquisition and improvement of a new administration building to be used for the direct benefit of the District.

The San Francisco Unified School District Financing Corporation's (the Corporation) financial activity is presented in the financial statements as a fund of the Special Reserve Fund - Capital Outlay. Certificates of participation issued by the Corporation are included as long-term liabilities in the government-wide financial statements. Individual financial statements are not prepared for the Corporation.

What ABOUT THE AUTHORITY?

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2016

FACTORS BEARING ON THE DISTRICT'S FUTURE

The District's staff continues to use assessments to measure and re-evaluate ways to invest in sound, educational, and programmatic activities while ensuring financial solvency. The District achieved its required reserve target of 2% for fiscal year 2015-16, and currently projects that it will maintain its minimum reserve in both fiscal year 2016-17 and fiscal year 2017-18.

In addition to the Local Control Funding Formula income source, the District also received approximately \$243.8 million of other program funding from Federal, State, and local sources. In June 2008, Proposition A, the Quality Teacher & Education Act was passed by the voters of San Francisco, bringing \$30+ million per year for the next twenty years to the District beginning in fiscal year 2008-09. These resources assist in recruiting and retaining effective teachers, increasing accountability, and improving the District's technology infrastructure.

Another local revenue source that has been greatly beneficial to SFUSD is the Public Education Enrichment Fund (PEEF), a ballot initiative that was approved by the voters of San Francisco in March, 2004, and established as law in the City Charter, Section 16.123.1-10. Originally set to expire on June 30, 2015, Proposition C, the "Children and Families First" initiative passed in November, 2014, extended the PEEF funding through 2041, and ensured a sustained and guaranteed investment in our children's future. PEEF funds have been critical in allowing the district to maintain, and in most cases, expand, programs during the economic downturn. The district receives approximately \$64 million or two-thirds of the annual PEEF allocation from the City (the remaining one-third going to the City's Department of Early Care and Education for support to preschool). The district's portion of PEEF is used to support sports, libraries, the arts and music (SLAM) as well as programs such as Wellness Centers, Student Support Professionals, Translation Services, STEAM curriculum, and Peer Resources, to name a few.

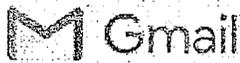
NO 93 SALES TAX?

As it relates to future State Budgets, the District's ability to predict what actions will be taken in the future by the State Legislature and Governor to address the State's current or future budget and cash management practices is limited. Future State budgets will be affected by national and State economic conditions and other factors over which the District has no control. However, in a welcome departure from the past several years, prospects for State funding are brighter due to a sustained improvement in California's economy and the implementation of the Local Control Funding Formula which has provided increased funds to K-14 education under the Governor's budget.

The District's Superintendent and senior staff members will continue to work very closely with the Board of Education to monitor revenues and manage expenditures. SFUSD is totally committed to take whatever measures are necessary to maintain a strong and stable financial position. At the same time, the District will also continue its dedicated mission to ensure improvement in academic achievement, closing achievement gaps, improving its facilities, and meeting the priorities of the Board of Education and the San Francisco community. It is the District's goal to ensure that all children receive a quality education and a positive foundation necessary for them to achieve academic success.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to assist interested parties in understanding the District's sources and uses of resources. If you have questions about this report or need additional financial information, please contact Reeta Madhavan, Chief Financial Officer of the San Francisco Unified School District, 135 Van Ness Avenue, San Francisco, California, 94102 or (415) 241-6542.



Thomas Busse <tjbussesf@gmail.com>

Re: Consolidated Annual Financial Statements for the San Francisco Finance Authority

1 message

Madhavan, Reeta <madhavanr@sfusd.edu>
To: Thomas Busse <tjbussesf@gmail.com>
Cc: Thu Cung <cungth@sfusd.edu>

Mon, Apr 24, 2017 at 10:18 AM

Hello Mr. Busse,

The school district receives our share of the sales tax revenue directly from the city's Controller's Office. You will need to contact the city's Controller's Office for the financial audit of sales tax revenue.

This revenue is included on page 87 of the school district's 2015-16 audit report in the \$52,614,948 total of "Local Revenue" in the Unrestricted General Fund column. You are correct in that the audit report does not provide a breakdown of all our revenue sources, and I will discuss this with our auditors if it is feasible to include that level of detail without making the report overly lengthy (to give you a sense of what this would entail, the district receives funding from over 100 different federal, state and local sources and it could get unmanageable to list them all in detail).

The detailed revenue breakdown is included in our Unaudited Actuals report that is submitted to the state annually and forms the basis of our audited financials. This report is posted on our district web site here.

Please let me know if you have any additional questions.

Thank you,
Reeta

I Did - no response



WWW.SFUSD.EDU

Reeta Madhavan
Chief Financial Officer
San Francisco Unified School District
135 Van Ness Avenue, Room 315
San Francisco, CA 94102
T 415-241-6542
F 415-241-6482
madhavanr@sfusd.edu

On Sat, Apr 22, 2017 at 9:42 PM, Thomas Busse <tjbussesf@gmail.com> wrote:
Dear Ms Madhavan:

I recently became aware of the existence of the San Francisco Finance Authority as a separate special district for the receivership of the 1993 1/4 cent Proposition A sales tax, however I have been unable to locate any financials, governing documents, or board minutes for this special district. I was specifically concerned about its allocation formula or whether it was used to back sales tax revenue bonds, in which case I was interested in the oversight process.

Because of the existence of a permanent sales tax revenue source to support both the school district and the community college district, I felt it was misleading in your Consolidated Annual Financial Report's Statement of Financial Activities to not include a line for local sales tax revenue. I wasn't sure whether this was included in "state and federal support" because it's local revenue, or whether it was part of the big ambiguous "other revenue" line.

5/8/2017

Gmail - Re: Consolidated Annual Financial Statements for the San Francisco Finance Authority

Any clarification on this would be most welcome, but I do have a legal right, at a minimum, to request the most recent audited financials of this Special District. I will be happy to pay any reasonable copying fee if these are not available electronically.

Many thanks,
Thomas Busse
584 Castro Street #388
San Francisco, CA 94114
415-244-5072



Thomas Busse <tjbussesf@gmail.com>

Re: Consolidated Annual Financial Statements for the San Francisco Finance Authority

1 message

Thomas Busse <tjbussesf@gmail.com>

Mon, Apr 24, 2017 at 8:52 PM

To: "Madhavan, Reeta" <madhavanr@sfusd.edu>

Cc: Thu Cung <cungt@sfusd.edu>, rafaelmandelman@yahoo.com, ted.egan@sfgov.org

I am very concerned here because the 93 Measure A sales tax is collected pursuant to an ordinance of the "San Francisco Public Finance Authority," not through an ordinance of the City and County of San Francisco. This ordinance authorizing the sales tax does not appear in the existing San Francisco Municipal Code.

The San Francisco CAFR notes the existence of a "San Francisco Finance Corporation;" however, this is a separate blended entity, and a review of their financial statements indicates it is used for capital leases. The CAFR does not recognize the existence of a San Francisco Public Finance Authority. Reviewing the City/County CAFR, the only sales tax revenue going to a restricted fund is the Proposition K tax going to the San Francisco County Transit Authority. In other words, if residents of the City/County pay a 1/4 cent Transactions and Use tax to support both the School District and Community College district, the CAFR should show it either as a blended entity or as a governmental fund. I have asked the City/County Controller, the State Controller, and the Board of Equalization for more information about the San Francisco Public Finance Authority and it has been over a week and I have heard nothing, so I am unsure how to review, as you suggest, the Controller's audit of the sales tax revenue when I have gone through numerous audits on their site in vain.

A fundamental principle of disclosure required by GASB Statement 34 is a discussion of what is within management's control and what is not. Presumably, because there is an allocation between the Community College District and the Unified School District (or County Office of Education), management needs to discuss its role in governance of a related entity. Does it have a say in how it shares the sales tax revenue (which I hope would shift with enrollment patterns, state funding formula changes, and changing wishes of the electorate such as a desire for free City College Tuition)? Because both the School District and the Community College District have significant unfunded pension liabilities and a truly alarming unrestricted net asset deficiency, basic questions of fiscal solvency beg a discussion of how you are going to dig your way out of that hole or if you can dig your way out of that hole (consider Orange County, Stockton, and Vallejo).

To that end, you include an entire section on "Factors Bearing on the District's Future" on page 12, where you discuss at length the School District's income that is supplemental to the Local Control Funding Formula. These include the Public Education Enrichment Fund from 2004 and the 2008 Proposition A: a 20-year supplementary fund. Shouldn't the 1993 supplementary sales tax be included in this discussion? I would then have a discussion of comparative benchmarks to determine to which extent the supplementary funding yields supplementary effort and effectiveness.

A clear breakdown of tax by type will give the reader of the financial statements a picture of the volatility of the School District's funding and its ability to meet its liabilities. Although year-over-year revenue is relatively protected by Proposition 98, a local sales tax can shrink with the economy, and as a "supplemental" fund, should be built into the budget conservatively (and I would even recommend issuing sales tax bonds against it so it is used for capital budgeting as a means to protect it against unsustainable CBA concessions). If I were an auditor, I would test to which extent local funding decisions impact the Local Control Funding Formula: is it possible the passage of a local sales tax prior to ERAF has the effect of *reducing* the funding provided by the State, as is the case with the lottery?

But more seriously, please consider this possibility: the ordinances of the San Francisco Public Finance Authority, including the one to adopt a 1/4 cent sales tax, are no longer legally in force and its board members have not been meeting or adopting budgets. Imagine that the the BOE has been mailing a check payable to a special district and the City/County Treasurer has been illegally cashing it. Meanwhile, the School District and Community College Districts have been proposing general obligation bonds and parcel taxes without a full and candid disclosure of the full extent to which local voters have agreed to tax themselves to supplement education already and how they do so.

As a taxpayer and concerned citizen, I hope that I have been able to demonstrate a competence with understanding and scrutinizing financials as well as significant factors of your operating model and that my concerns about transparency and accountability are justified.

Yours sincerely,

Thomas J. Busse
584 Castro Street #388
San Francisco, CA 94114
415-244-5072

On Mon, Apr 24, 2017 at 10:18 AM, Madhavan, Reeta <madhavanr@sfusd.edu> wrote:

Hello Mr. Busse,

The school district receives our share of the sales tax revenue directly from the city's Controller's Office. You will need to contact the city's Controller's Office for the financial audit of sales tax revenue.

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Please let me know if you have any additional questions.

Thank you,
Reeta



WWW.SFUSD.EDU

Reeta Madhavan
Chief Financial Officer
San Francisco Unified School District
135 Van Ness Avenue, Room 315
San Francisco, CA 94102
T 415-241-6542
F 415-241-6482
madhavanr@sfusd.edu

UNAUDITED ACTUAL FINANCIAL REPORT:

To the County Superintendent of Schools:

2015-16 UNAUDITED ACTUAL FINANCIAL REPORT. This report was prepared in accordance with Education Code Section 41010 and is hereby approved and filed by the governing board of the school district pursuant to Education Code Section 42100.

Signed *Myong Gish*
Clerk/Secretary of the Governing Board
(Original signature required)

Date of Meeting: 10/11/16

To the Superintendent of Public Instruction:

2015-16 UNAUDITED ACTUAL FINANCIAL REPORT. This report has been verified for accuracy by the County Superintendent of Schools pursuant to Education Code Section 42100.

Signed *Myong Gish*
County Superintendent/Designee
(Original signature required)

Date: 10/4/16

For additional information on the unaudited actual reports, please contact:

For County Office of Education:

Reeta Madhavan
Name
Chief Financial Officer
Title
415-241-6542
Telephone
madhavanr@sfusd.edu
E-mail Address

For School District:

Reeta Madhavan
Name
Chief Financial Officer
Title
415-241-6542
Telephone
madhavanr@sfusd.edu
E-mail Address

Description	Resource Codes	Object Codes	2015-16 Unaudited Actuals			2016-17 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
LCFF SOURCES									
Principal Apportionment									
State Aid - Current Year		8011	122,765,792.04	0.00	122,765,792.04	134,268,372.80	0.00	134,268,372.80	9.4%
Education Protection Account State Aid - Current Year		8012	10,223,534.00	0.00	10,223,534.00	10,300,000.00	0.00	10,300,000.00	0.7%
State Aid - Prior Years		8019	(744.00)	0.00	(744.00)	0.00	0.00	0.00	-100.0%
Tax Relief Subventions									
Homeowners' Exemptions		8021	512,215.00	0.00	512,215.00	497,373.00	0.00	497,373.00	-2.9%
Timber Yield Tax		8022	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Subventions/In-Lieu Taxes		8029	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
County & District Taxes									
Secured Roll Taxes		8041	130,949,556.00	0.00	130,949,556.00	133,239,316.00	0.00	133,239,316.00	1.7%
Unsecured Roll Taxes		8042	8,256,312.00	0.00	8,256,312.00	7,975,814.00	0.00	7,975,814.00	-3.4%
Prior Years' Taxes		8043	51,533.00	0.00	51,533.00	52,999.00	0.00	52,999.00	2.8%
Supplemental Taxes		8044	5,780,327.00	0.00	5,780,327.00	4,680,117.00	0.00	4,680,117.00	-19.0%
Education Revenue Augmentation Fund (ERAF)		8045	230,524,568.00	0.00	230,524,568.00	221,218,271.00	0.00	221,218,271.00	-4.0%
Community Redevelopment Funds (SB 617/699/1992)		8047	4,847,274.69	0.00	4,847,274.69	2,166,544.00	0.00	2,166,544.00	-55.3%
Penalties and interest from Delinquent Taxes		8048	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Miscellaneous Funds (EC 41604)									
Royalties and Bonuses		8081	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other In-Lieu Taxes		8082	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Less: Non-LCFF (50%) Adjustment		8089	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Subtotal, LCFF Sources			513,910,369.73	0.00	513,910,369.73	514,398,806.80	0.00	514,398,806.80	0.1%
LCFF Transfers									
Unrestricted LCFF Transfers - Current Year	0000	8091	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other LCFF Transfers - Current Year	All Other	8091	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers to Charter Schools in Lieu of Property Taxes		8096	(37,977,985.00)	0.00	(37,977,985.00)	(24,389,597.00)	0.00	(24,389,597.00)	-35.8%
Property Taxes Transfers		8097	0.00	0.00	0.00	0.00	0.00	0.00	0.0%

If here, has effect of reducing state aid →

General Fund
Unrestricted and Restricted
Expenditures by Object

Description	Resource Codes	Object Codes	2015-16 Unaudited Actuals			2016-17 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
OTHER LOCAL REVENUE									
Other Local Revenue									
County and District Taxes									
Other Restricted Levies									
Secured Roll		8615	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Unsecured Roll		8616	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Prior Years' Taxes		8617	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Supplemental Taxes		8618	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Non-Ad Valorem Taxes									
Parcel Taxes		8621	0.00	37,957,241.98	37,957,241.98	0.00	37,870,041.55	37,870,041.55	-0.2%
Other	Prob. here →	8622	34,755,338.08	0.00	34,755,338.08	33,403,809.00	0.00	33,403,809.00	-3.9%
Community Redevelopment Funds Not Subject to LCFF Deduction									
	NO indication	8625	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Penalties and Interest from Delinquent Non-LCFF Taxes									
	SALES tax	8629	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Sales									
Sale of Equipmen/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	9,326,554.13	0.00	9,326,554.13	9,029,977.00	0.00	9,029,977.00	-3.2%
Interest		8660	3,746,777.26	0.00	3,746,777.26	3,510,111.00	0.00	3,510,111.00	-6.3%
Net Increase (Decrease) in the Fair Value of Investments									
		8662	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts									
Adult Education Fees		8671	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Non-Resident Students		8672	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transportation Fees From Individuals		8675	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Mitigation/Developer Fees		8681	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Other Local Revenue Plus: Misc Funds Non-LCFF									

P68

General Fund
Unrestricted and Restricted
Expenditures by Object

Description	Resource Codes	Object Codes	2015-16 Unaudited Actuals			2016-17 Budget			% Diff Column C & F
			Unrestricted (A)	Restricted (B)	Total Fund col. A + B (C)	Unrestricted (D)	Restricted (E)	Total Fund col. D + E (F)	
(50%) Adjustment		8691	26,892.18	0.00	26,892.18	11,000.00	0.00	11,000.00	-59.1%
Pass-Through Revenues From Local Sources		8697	0.00	1,122,917.79	1,122,917.79	0.00	1,152,272.00	1,152,272.00	2.6%
All Other Local Revenue	MAYBE HERE →	8699	4,759,385.55	97,654,522.73	102,413,908.28	1,209,000.00	85,161,554.28	86,370,554.28	-15.7%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In		8781-8783	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Apportionments									
Special Education SELPA Transfers									
From Districts or Charter Schools	6500	8791		0.00	0.00		0.00	0.00	0.0%
From County Offices	6500	8792		0.00	0.00		0.00	0.00	0.0%
From JPAs	6500	8793		0.00	0.00		0.00	0.00	0.0%
ROC/P Transfers									
From Districts or Charter Schools	6360	8791		0.00	0.00		0.00	0.00	0.0%
From County Offices	6360	8792		0.00	0.00		0.00	0.00	0.0%
From JPAs	6360	8793		0.00	0.00		0.00	0.00	0.0%
Other Transfers of Apportionments									
From Districts or Charter Schools	All Other	8791	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			52,614,947.20	136,734,682.50	189,349,629.70	47,163,897.00	124,183,867.83	171,347,764.83	-9.5%
TOTAL REVENUES			566,405,645.97	203,905,026.98	770,310,672.95	556,530,214.80	187,590,697.98	746,120,912.78	-3.1%

P 69



Thomas Busse <tjbussesf@gmail.com>

SF311 Service Request 7072776

1 message

311.Prodmail@sfgov.org <311.Prodmail@sfgov.org>
To: tjbussesf@gmail.com

Mon, Apr 24, 2017 at 8:59 AM

PLEASE DO NOT RESPOND TO THIS EMAIL. INSTRUCTIONS ARE PROVIDED BELOW FOR CONTACTING SF311.

Dear Mr. Busse,

Thank you for contacting the San Francisco 311 Customer Service Center.

Your question related to the Treasurer-Tax Collector's Office has been received and reviewed. Due to the complexity of the matter, your request has been forwarded to a Treasurer Tax Collector specialist. You should expect to hear from a Treasurer Tax Collector Representative within 3 business days.

Please note, The City and County of San Francisco, San Francisco 311 and The Office of the Treasurer and Tax Collector can only provide general information. We do not advise customers on detailed tax matters including ordinance interpretations, manual calculation of tax obligations and fees or give tax advice for a customer's specific tax situation. If you have any questions regarding the information in this e-mail please consult with a tax professional

You may submit any additional requests by visiting (<http://sftreasurer.org/contact-us>). You will receive a response from our office same day if your request is submitted by 7:00PM PST, and by the next business day if submitted after 7:00PM PST. You may also call 3-1-1 in San Francisco 7 days a week, 24 hours a day. For 24 x 7 assistance outside of San Francisco, please dial (415) 701-2311. For TTY, dial (415) 701-2323. Please note: taxpayers who come to City Hall for in-person assistance or call 311 may experience long wait/hold times.

Sincerely,

Steve M
San Francisco 311 Customer Service Center
City Services Simplified

How do I...

Access services on 311's NEW mobile app? sf311.org/mobile

Access services on the web? sf311.org

Provide feedback on 311 services? sf311.org/survey

Note: This email and its attachments (if any) may be confidential and is/are intended solely for the use of the individual to whom it is addressed. If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you copy or show them to anyone.

Please call 311/TTY: (415) 701-2323 if you believe you have received this email in error.

5/9/2017

Gmail - SF311 Service Request -1



Thomas Busse <tjbussesf@gmail.com>

SF311 Service Request -1

1 message

311.Prodmail@sfgov.org <311.Prodmail@sfgov.org>
To: tjbussesf@gmail.com

Wed, Apr 26, 2017 at 9:30 AM

PLEASE DO NOT RESPOND TO THIS EMAIL. INSTRUCTIONS ARE PROVIDED BELOW FOR CONTACTING SF311.

Dear Customer,

Thank you for contacting the San Francisco 311 Customer Service Center. Our Agency has been assigned to respond to Service Request 7072776. Below is the information you requested:

Please contact the Controller's Office at 415-554-7500.

You may submit any additional requests or obtain information at <http://www.sf311.org> or call 3-1-1 in San Francisco 7 days a week, 24 hours a day. For 24 x 7 assistance outside of San Francisco, please dial (415) 701-2311. For TTY, dial (415) 701-2323.

Sincerely,

pc

City and County of San Francisco

How do I....

Access services on 311's NEW mobile app? sf311.org/mobile

Access services on the web? sf311.org

Provide feedback on 311 services? sf311.org/survey

Note: This email and its attachments (if any) may be confidential and is/are intended solely for the use of the individual to whom it is addressed. If you are not the intended recipient of this email and its attachment, you must take no action based upon them, nor must you copy or show them to anyone.

Please call 3-1-1/TTY (415) 701-2323 if you believe you have received this email in error.

This site is out of date and no longer maintained. Please refer to official sources for the up to date legal code.

San Francisco

DECODED

III EXECUTIVE BRANCH – OFFICE OF MAYOR

§ 3.105. CONTROLLER; CITY SERVICES AUDITOR

§ 3.105.

CONTROLLER; CITY SERVICES AUDITOR

a.

The Mayor shall appoint or reappoint a Controller for a ten-year term, subject to confirmation by the Board of Supervisors. The Controller may only be removed by the Mayor for cause, with the concurrence of the Board of Supervisors by a two-thirds vote.

(/III/3.105/#a)

b.

The Controller shall be responsible for the timely accounting, disbursement or other disposition of monies of the City and County in accordance with sound financial practices applicable to municipalities and counties. The Controller shall have the power and duties of a County auditor, except as otherwise provided in this Charter. The Controller shall have authority to audit the accounts and operations of all boards, commissions, officers and departments to evaluate their effectiveness and efficiency. The Controller shall have access to, and authority to, examine all documents, records, books and other property of any board, commission, officer or department.

(/III/3.105/#b)

c.

4/26/2017



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Gmail

Busse <tjbussesf@gmail.com>

MAURA LANE
EXECUTIVE ASSISTANT TO BEN ROSENFELD, CONTROLLER

Follow Up on Meeting To

1 message

Thomas Busse <tjbussesf@gmail.com>
To: maura.lane@sfgov.org

CITY HALL, ROOM 316
1 DR. CARLTON B. GOODLETT PLACE
SAN FRANCISCO, CA 94102-4694

TEL: (415) 554-7502
FAX: (415) 554-7466
maura.lane@sfgov.org

Tue, Apr 25, 2017 at 6:31 PM

Dear Ms Lane:

It was a pleasure meeting you today, and I thank you for taking the time to follow up on my request to inspect the most recent audited financial statements of the San Francisco Public Finance Authority. This visit followed up on e-mails to Angela Whittaker in the Office of Public Finance on 4/18 and to the Controller's e-mail on 4/22, both of which were unanswered.

In the notes to the City/County CAFR, pg. 41, the Public Finance Authority is not listed as a non-disclosed organization excluded from the city's reporting entity. Based on the accounting treatment of the local Transactions and Use Tax to support the County Transportation Authority, I had expected the CAFR to have a similar presentation in relation to the Transactions and Use Tax regarding the Public Finance Authority. The CAFR does contain a blended component for the San Francisco Finance Corporation; however, this is a different entity that does not receive sales tax revenue and is instead a vehicle for servicing capital leases. The 1993 ballot proposition of an ordinance of the Public Finance Authority asking the voters to approve the local Transactions and Use tax was placed on the ballot by the Board of Supervisors; therefore, I expected your office to be the one where I could obtain financial statements for the Public Finance Authority. I had previously asked the California State Controller for the finances on 4/23, which are needed to compile the State of California's CAFR. This agency does not appear on the State Controller's exhaustive list of California public bodies.

I presented documentation from the Board of Equalization that the Public Finance Authority receives regular payments of allocated district sales and use tax. I also voiced my concerns that the San Francisco Public Finance Authority is a special district that **does not exist**. I can find no public records related to it including the "Public Finance Authority Code" under which the BOE asserts a legal authority to collect local Transactions and Use Tax, budgets evidencing an appropriation of taxes, Board Minutes, or a charter or other governing document. As recently as last year, the Ballot Simplification Committee in regard to November 2016's Proposition K listed the Public Finance Authority as an entity receiving sales tax in the county, but no description of the entity was given.

I tried to check my concerns with the CFO of the Unified School District and was told their allocation of sales tax revenue came from your office and I would have to check your "audit of the City's Sales tax Revenue." The CFO did not know how the Public Finance Authority's Transactions and Use Tax revenue was allocated between the Community College District and the Unified School District, which I view as a material deficiency in management and disclosure. Because both entities have a substantial (and alarming) unrestricted net asset deficiency, largely due to unfunded pension liabilities, GASB requires a discussion of management's ability to restore financial balance, which would include a discussion of its control (or lack of control) of significant revenue sources.

In regard to your office, it is a material deficiency in disclosure.

A well-informed citizenry requires transparent and honest public financial statements so it may make informed choices. In recent years, the voters have been asked to approve parcel taxes and general obligation bonds to supplement funding for the Community College District and the Unified School District. Currently, there is no transparency in regard to the extent voters already provide supplementary funding to these agencies and to what extent supplementary funding yields supplementary results. This is assuming they receive supplementary sales tax revenue at all, as the financial statements I have been able to locate strongly hint at fund or even funds diversion and possibly fraud.

I hope that I have demonstrated a competency in reading and scrutinizing public finances, and with that in mind, the thought that for twenty four years a \$13M/year tax has been illegally collected and diverted should not be crossing my mind. I urge you and your department to take this matter seriously.

Cordially,
Thomas J. Busse
415-244-5072
584 Castro Street #388
San Francisco, CA 94114



Thomas Busse <tjbussesf@gmail.com>

RE: Sunshine Request - SF Public Finance Authority

1 message

CON, Controller (CON) <controller.con@sfgov.org>
To: Thomas Busse <tjbussesf@gmail.com>
Cc: "CON, Controller (CON)" <controller.con@sfgov.org>

Wed, May 3, 2017 at 10:31 AM

Dear Mr. Busse,

Based on the specific information you requested, we respectfully refer you to contact Reeta Madhavan, the CFO at the SF Unified School District (SFUSD, (415) 241-6542 x1617, MadhavanR@sfusd.edu) and Ron Gerhart, the Vice Chancellor of Finance & Administration at the San Francisco Community College District (SFCCD, (415) 241-2229, rgerhard@ccsf.edu), as they oversee the budget, accounting and audit records related to all sources and uses of funds accruing to their respective districts. For helpful immediate reference, please find their budget, audit and financial statement links below, along with the California BOE Sales Tax allocation link:

- 1) the California Board of Equalization's (BOE) tracking and apportionment of sales tax allocations by taxing entity, for the City and County of San Francisco at <http://www.boe.ca.gov/pdf/boe105.pdf> on page 6.
- 2) SFUSD's budget, audit and financial documents available here as well as the SFCCD's available here. By keyword searching these documents you can find where Sales Tax accrues and is budgeted, for example, by using CTRL-F and typing in "sales tax".

We hope this is of help to you.

Best,

Office of the Controller

From: CON, Controller (CON)
Sent: Wednesday, April 26, 2017 2:38 PM
To: Thomas Busse <tjbussesf@gmail.com>
Cc: CON, Controller (CON) <controller.con@sfgov.org>
Subject: Sunshine Request - SF Public Finance Authority

Dear Mr. Busse,

Thank you for contacting the Controller's Office. This email is in response to your public information request; we are researching your inquiry and are working to provide you with a response as soon as possible. Please direct any follow-up materials you may have to this email address.

Best,

Office of the Controller

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 For delivery information visit our website at www.usps.com

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or PO Box No.

City, State, ZIP+4

33 Gough Street
 San Francisco, CA 94103

Thomas J. Busse
 584 Castro Street #388
 San Francisco, CA 94114
 415-244-5072
 tjbussef@gmail.com

FAX: 415-241-2344

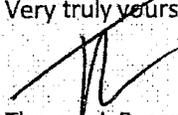
Public Records Request

Dear Mr. Gerhard:

Pursuant to the California Public Records Act, I request disclosure of the following:

- Most current financial statements of the San Francisco Public Finance Authority
- Board Minutes of the San Francisco Public Finance Authority from 2004 to the present
- Current amended bylaws of the San Francisco Public Finance Authority.
- CCSF Average Daily Attendance workpapers for calculation of the 1993 SFPFA Sales Tax from 2011 to the Present.
- Interagency Communications between your office and the CFO Office of the SF Unified School District from 2015 to the present regarding transactions and use taxes.
- Interagency Communications between your office and members of the SF County Dept. of Elections Ballot Simplification Committee in both 2011 and 2016 (especially Ann Jorgensen and the City Attorney appointee).
- Reconciliation Reports of CCSF sales tax income from 2014 to the present.

Please feel free to call me at the number above to discuss this request. Scans via e-mail would be preferable, but if you can only provide hard copies, I would prefer to inspect the documents in person and select which I may wish to copy. If that is not possible, you may post them to my address above, or I would be happy to pick them up, as I live not far away.

Very truly yours,

 Thomas J. Busse

MANDATE STATEMENT/ BACKGROUND

Mandate Statement

In accordance with the City's Business and Tax Regulations Code Sections 1202-1204 and California Revenue and Taxation Code Section 7285.5, the California State Board of Equalization currently collects a one percent local Transaction and Use Tax (Sales Taxes) that is then transferred to the City and County of San Francisco's General Fund as well as various "special district use taxes" that benefit regional transportation and schools (see Table 1 below). In accordance with California Revenue and Taxation Code Section 7285.5, local Sales Taxes can be increased by multiples of one-quarter of one percent, not to exceed two percent, if approved by ordinance by two-thirds of the Board of Supervisors and subsequently approved by a two-thirds vote of the San Francisco electorate. This ordinance includes an expenditure plan describing how the proposed Sales Tax revenues would be expended.

Background

In 2009, the State Legislature imposed a temporary one percent increase in the State Sales Tax increasing it from 6.25 percent to 7.25 percent effective April 1, 2009 through June 30, 2011. The revenues from this one percent increase were dedicated to the State's General Fund. On July 1, 2011, because of the expiration of the temporary one percent increase in the State Sales Tax, the total Sales Tax in San Francisco decreased from 9.5 percent to 8.5 percent. Table 1 below shows the percentage allocation of revenues from both the previous 9.5 percent and current 8.5 percent Sales Tax for San Francisco:

Table 1: Sales and Use Tax

	6/30/2011	7/1/2011
State Sales Tax	7.25%	6.25%
State General Fund	6.00%	5.00%
Fiscal Recovery Act (+)	0.25%	0.25%
Local Revenue Fund	0.50%	0.50%
Public Safety Fund	0.50%	0.50%
Local Sales Tax	1.00%	1.00%
Local Sales Tax (General Fund)	1.00%	1.00%
Fiscal Recovery Act (-)	-0.25%	-0.25%
Local Transportation Tax (TDA)	0.25%	0.25%
Special District Use Tax	1.25%	1.25%
SF County Transportation Authority	0.50%	0.50%
Bay Area Rapid Transit (BART)	0.50%	0.50%
SF Public Financing Authority (Schools)	0.25%	0.25%
Total Sales Tax Rate for San Francisco	9.50%	8.50%

City and County of San Francisco

Office of the Controller - Office of Economic Analysis

0.5% Sales Tax for Public Safety, Seniors, and Children: Economic Impact Report

File #110749



July 19, 2011

San Francisco's Sales Tax Rate

State Sales Tax	6.25%
State General Fund	6.00%
Fiscal Recovery Act (Triple Flip)	0.25%
Local Revenue Fund (to counties for health & welfare) Public Safety Fund (to counties & cities)	0.50%
Local Sales Tax	1.00%
Local Sales Tax (to General Fund)	0.75%
Local Transportation Tax (TDA)	0.25%
Special District Sales Tax	1.25%
SF County Transportation Authority	0.50%
Bay Area Rapid Transit (BART)	0.50%
SF Public Financing Authority (Schools)	0.25%
Total Sales Tax Rate	8.50%

File 11-0749



File 11-0749
(July 2011)

authority, schools and BART.⁴ Various exemptions have been granted that remove the tax liability for certain business, such as nonprofit organizations, various types of property, and certain food and medical services.⁵ A more detailed breakdown of San Francisco's Sales Tax Rate can be seen in the Table 2.

TABLE 1		San Francisco's Sales Tax Rate	
State Sales Tax			6.25%
State General Fund			6.00%
Fiscal Recovery Act (Triple Flip)			0.25%
Local Revenue Fund (to counties for health & welfare)			0.50%
Public Safety Fund (to counties & cities)			
Local Sales Tax			1.00%
Local Sales Tax (to General Fund)			0.75%
Local Transportation Tax (TDA)			0.25%
Special District Sales Tax			1.25%
SF County Transportation Authority			0.50%
Bay Area Rapid Transit (BART)			0.50%
SF Public Financing Authority (Schools)			0.25%
Total Sales Tax Rate			8.50%

What's Being Taxed

Sales and use tax revenues are generated from six major business groups, plus a County and State Pool category that captures select countywide activity.⁶ The bulk of Sales tax revenues come from restaurants which contribute 27% of sales tax revenue. Apparel Stores make up 10% of sales tax revenue, department stores contribute 7%, and other retail stores combine to contribute 20% of sales tax revenue (FIGURE 1).

A wider tax base means more goods and services are subject to the sales tax, which would translate into a wider revenue base. In California, state lawmakers can define the tax base by deciding which goods and services are subject to a sales tax. Since the sales tax is administered at the state-level, cities and counties that choose to impose their own sales tax must conform to the set of goods and services set by the state.

⁴ SB 566 was signed into law by Governor Davis on October 8, 2003, which authorized a combined city and county transactions and use tax rate of up to 2.0%—i.e. Special District taxes. Currently, San Francisco has 1.25% in Special District Sales Taxes leaving an unused authorization of 0.75%. Jurisdictions are only allowed to impose Special District Sales Tax in multiples of .25%.

⁵ Any local sales tax must conform to the rules and exemptions set by the Board of Equalization for the state. The only power City's have to modify the tax are amount and purpose.

⁶ County poll sales activity includes sale of used cars between private parties as well as large or specialized equipment purchased from an out-of-area manufacturer, but which is put into 'use' in San Francisco.

FILE
11-0749

INTRODUCTION

Proposed Legislation and Passage Requirements

On June 14, 2011 the Mayor introduced an ordinance to increase the sales and use tax by 0.50% for 10 years in order to fund public safety programs and services to children and seniors. This increase would put the effective sales tax rate in San Francisco at 9.0%. In order to be placed on the November ballot, the ordinance would require the approval of two-thirds of the Board of Supervisors. The measure would then need the approval of two-thirds of voters before it can become law.² If approved, the half-percent sales tax would be effective on April 1, 2012.

The legislation contains a mechanism to void the tax increase if the State restores its 1% sales tax. This means, that if this proposed tax increase is approved, San Francisco residents will face four potential outcomes, depending on what the State does or does not do:

1. If the State does not increase its sales tax rate, the City's rate will remain at 9.0% until 2021.
2. If the State raises its sales tax by less than 1% at any time, the City's rate will be 9% plus the State's increase.
3. If the State renews a full 1% sales tax before January 1, 2013, this sales tax increase will be voided, and the City's rate will remain at 9.5%.
4. If the 1% sales tax is renewed after January 1, 2013, this sales tax will remain in effect, and San Franciscans will face 10% sales tax.

How the Sales Tax Currently Works in San Francisco

On July 1, 2011, the state of California allowed a 1% sales tax to expire, which lowered San Francisco's sales tax rate from 9.5% to 8.5%. The statewide sales and use tax rate is 6.25%, but the rate in a given jurisdiction may be higher depending on Special District taxes. The portion of the tax rate that is currently allocated towards the state is 6.25%, a statewide uniform tax rate of 1% goes back to the jurisdiction³, and 1.25% goes towards the transportation

² Proposition 218 was passed by voters in November of 1996, which changed the requirements for local governments to raise revenue. The intent for proposition 218 is to ensure that all taxes and most charges on property owners are subject to voter approval. Because this sales tax is for the purpose of funding public safety programs and services to children and seniors, it is considered a "special tax." Under Proposition 218, any "special tax" must be approved by a two-third majority.

³ In 1955 the California Legislature passed the Bradley-Burns Uniform Local Sales and Use Tax Law. This law laid the groundwork for a sales tax system that authorizes the State Board of Equalization to collect all sales and use taxes and distribute the 1.0% local share to cities and counties.

File
11-0749

authority, schools and BART.⁴ Various exemptions have been granted that remove the tax liability for certain business, such as nonprofit organizations, various types of property, and certain food and medical services.⁵ A more detailed breakdown of San Francisco's Sales Tax Rate can be seen in the Table 2.

TABLE 1		San Francisco's Sales Tax Rate	
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Local Sales Tax			1.00%
Local Sales Tax (to General Fund)			0.75%
Local Transportation Tax (TDA)			0.25%
Special District Sales Tax			1.25%
SF County Transportation Authority			0.50%
Bay Area Rapid Transit (BART)			0.50%
SF Public Financing Authority (Schools)			0.25%
Total Sales Tax Rate			8.50%

What's Being Taxed

Sales and use tax revenues are generated from six major business groups, plus a County and State Pool category that captures select countywide activity.⁶ The bulk of Sales tax revenues come from restaurants which contribute 27% of sales tax revenue. Apparel Stores make up 10% of sales tax revenue, department stores contribute 7%, and other retail stores combine to contribute 20% of sales tax revenue (FIGURE 1).

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5/8/2017

Gmail - Information Request: Tracking No. 7115896



Thomas Busse <tjbussesf@gmail.com>

Information Request: Tracking No. 7115896

1 message

Ng, Wilson (BOS) <wilson.l.ng@sfgov.org>
To: "tjbussesf@gmail.com" <tjbussesf@gmail.com>
Cc: "SOTF, (BOS)" <sotf@sfgov.org>

Fri, May 5, 2017 at 3:17 PM

Dear Mr. Busse,

On behalf of the Office of the Clerk of the Board, I am confirming receipt of your request attached. Our office was not able to identify records responsive to your request, as we were unable to identify the secretary or any meeting minutes for the San Francisco Public Finance Authority. Unfortunately, based on the limited information available, we are not able to confirm whether the body convened.

Sincerely,

—
Wilson L. Ng

Records and Project Manager

San Francisco Board of Supervisors

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

Phone: (415) 554-7725

Web: www.sfbos.org



Click here to complete a Board of Supervisors Customer Service Satisfaction form

Disclosures: Personal information that is provided in communications to the Clerk of the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.



T. Busse Info Request.pdf
107K

5/10/2017

Gmail - Re: Petition to the City Attorney's Office

Gmail

Thomas Busse <tbusse@gmail.com>

Re: Petition to the City Attorney's Office

1 message

Supervisor Records <SupervisorRecords@sfgov.org>
To: tbusse1@gmail.com

Wed, May 10, 2017 at 5:38 PM

Hi, Busse,

I have confirmed with the Controller's Office that they have no records responsive to your request. Under the Sunshine Ordinance (Section 67.216) of the Administrative Code, the Supervisor of Records is responsible for determining whether a City department has withheld a record, or any part of a record, without a lawful basis for doing so - for determining whether the record requested, or any part of the record requested, is public. Here, the department has not withheld or redacted any records. Therefore, there is no issue for the Supervisor of Records to address, and we consider this petition closed. Thank you.

Best,

Brad Russ
Deputy City Attorney

Office of San Francisco City Attorney Dennis J. Herrera
Supervisor of Records: General Government Team

From: Thomas Busse <tbusse@gmail.com>
To: Supervisor Records <SupervisorRecords@sfgov.org>
Cc: TERRY BOYD <tboyd@sfgov.org>
Date: 05/09/17 04:51 PM
Subject: Re: Petition to the City Attorney's Office

Thank you for getting back to me, Brad.

The Controller's response (below) is wholly unsatisfactory for the following reasons (among others not listed here):

1. I had contacted Ms. Madhavan on 4/22, and her response (also below) was to contact the Controller. I have issued a follow-up request to Ms. Madhavan and a new one to Mr. Gerhardt via certified mail (subsequent to the Controller's Response (both are CPRA requests) and have heard nothing. As to the Controller's gratuitous and insulting response I lean how to use "ctrl+F" and search for "Sales Tax." I had actually done so prior to contacting Ms. Madhavan on both the SFUSD and SFCCD financials (as my message to her indicates), and I had also perused the minutes of both bodies - ruing out the blended annual meeting of the SFCCD's Finance Corporation as being what I was searching for. As the response from Ms. Madhavan (who did not write back when I asked follow up questions) regarding where the Sales Tax revenues are disclosed in the financials, she states, they don't segment "sales tax," and her link to page 67 indicates it is mixed in with unrestricted "other local revenue" and not segmented as a sales tax. Technically, it's not sales tax, it's a local transactions and use tax, and I searched for that term as well.
2. Publication BOE 105 page 6 (April 2017) is the very thing that caused me to start asking what the San Francisco Public Finance Authority was in the first place. The very first contact I made in this regard was Angela Whittaker as well as the general e-mail of the Office of Public Finance (also below). That was on April 18th, and I received no response from her or them.
3. The Controller's own Citywide Sales and Use Tax Revenue Manual, describes the San Francisco Public Finance Authority on page 2 (incidentally, the pie chart on the right doesn't add up to the table on the left and the pie slices don't match the percentages, which might actually be the city's manual).
4. The San Francisco Public Finance Authority was established by Board of Supervisors Resolution 48-83 adopted on 2/1/93. It specifies it is governed by a board of ten members consisting of five members of the BOS appointed by the President and five members of some combination of the governing boards of the SFUSD and CCSFD. In 1993, the Chairperson was Carol Migden. A very similar entity with taxing authority created through board resolution is the County Transportation Authority, and the Controller properly discloses and treats the SFCTA as a blended entity in the CCSF CAFR. These facts establish the SF Public Finance Authority as subject to the Sunshine Ordinance.
5. The Controller, City Attorney's office, and Supervisor Scott Wiener communicated with the Dept. of Elections in reference to November 2016's Proposition K regarding a General Sales Tax, and the San Francisco Public Finance Authority is referenced on documents signed by these individuals, such as this one and the actual published ordinance including the Controller's Statement. Any Reasonable Controller would check that statement for accuracy in the context of the simplified ballot language, and given a deputy city attorney sits on the ballot simplification committee, the city attorney's communication to me below that the SF Public Finance Authority does not exist is baffling. Deputy City Attorney Tom Lakey counseled the Board of Supervisors about the Public Finance Authority in a fascinating set of parliamentary maneuvers in the minutes of March 15, 1993.
6. Under California Government Code section 26909, the Auditor (in our case, the Controller) is required to make an annual audit of or ensure an annual audit is made of every special district in his/her county. Per the City Charter, Section 3.105, the Controller shall "have the power and duties of a County Auditor." I requested the audited financial statements. He did not provide them. Making sure they exist is his most basic job. Failure of the Controller to faithfully execute the duties of his office is grounds for removal for cause. His willful obfuscation evidences a fundamental disregard and lack of concern for the transparency demanded by the voters in enacting the Sunshine Ordinance - a CYA culture I find repugnant.

To be clear: although I think there may be legitimate cause for action to void the sales tax, my only goals are transparency and measures of funding effectiveness. Once again I repeat my constructive suggestion to fix this: accrue the BOE's remits to an escrow account, and place the Controller, SFUSD, the SF Public Finance Authority, and the CCSFD on the State Auditor's Local Government High Risk Program. Allow the State Auditor to draw from escrow to complete her work, and release the funds on the condition the SF Public Finance Authority adopt her recommendations. The simple fact is, this could be a really great thing because, by reactivating the SFPFA's board, the BOS President can use her governance influence to structure the supplemental funding (even if allocated between the two districts on the basis of attendance) around program objectives such as the initiative for "free" city college, pre-kindergarten, cultural equity programs, etc. The Public Finance Authority could, for example, pay CCSFD scholarships directly and structure them around underserved communities or build student or teacher housing directly, and it's a great PR move because you can put up big signs, "paid for by San Francisco's Supplemental Education Sales Tax." Several of these are being backfilled from the unbalanced general fund. It also forces members of the BOS and education boards to work together, which will improve city service coordination. There are clauses in RET Code Chapter 3.5, enabling resolution 48-83, and the 1993 School Sales Tax Ordinance (which took me three weeks to find and the City Attorney says doesn't exist), allowing these funds to be used for health, drug abuse, and crime prevention services when these services fall within the general educational purposes of the school and community college districts. I have a suspicion some folks in city hall have already beat me to this reasoning, and I'm totally cool with it just as long as everyone's honest and transparent. Lying to me (as the Controller has done) loses all confidence.

Cordially,
Thomas J. Busse

----- Forwarded Info -----

Dear Mr. Busse:

Based on the specific information you requested, we respectfully refer you to certified Florida Madhavan, the CFO of the SF Unified School District (SFUSD) (415) 241-5432-1817, Madhavan@sfusd.net and Ron Gerhardt, the Vice Chancellor of Finance & Administration at the San Francisco Community College District (SFCCD) (415) 241-2225, rgerhardt@sfccd.edu, as they oversee the budget, accounting and audit records related to all sources and uses of funds accruing to their respective districts. For helpful immediate reference, please find their budget, audit and financial statement links below, along with the California BOE Sales Tax Allocation link:

- 1) the California Board of Equalization's (BOE) tracking and appointment of sales tax processors by taxing entity, for the City and County of San Francisco at <http://www.boe.ca.gov/html/fin0305.htm> on page 6.
- 2) SFUSD's budget, audit and financial documents available here as well as the SFCCD's [public page](#). By keyword searching these documents you can find where sales tax accrues and is budgeted, for example, by using CTRL-F and typing in "sales tax".

We hope this is of help to you;

Best,
Office of the Controller

From: CCN, Controller (CCN)
Sent: Wednesday, April 26, 2017 2:36 PM
To: Thomas Busse <tbusse@gmail.com>
Cc: CCN, Controller (CCN) <ccn@treasurer.ccn.sfgov.org>
Subject: Sunshine Request - SF Public Finance Authority

Dear Mr. Busse,

Thank you for contacting the Controller's Office. This email is in response to your public information request, we are researching your inquiry and are working to provide you with a response as soon as possible. Please direct any follow-up materials you may have to this email address.

Best,

Office of the Controller

Melissa Busse,
The SFUSD district receives our share of the sales tax revenue directly from the city's Controller's Office. You will need to contact the city's Controller's Office for the financial audit of sales tax revenue. This revenue is included on page 87 of the school dist's 2015-16 audit report in the \$52,614,948 total of "Local Revenue" in the Unrestricted General Fund column. You are correct in that the audit report does not provide a breakdown of all our revenue sources, and I will discuss this with our auditors if it is feasible to include that level of detail without making the report overly lengthy (to give you a sense of what this would entail, the district receives funding from over 300 different federal, state and local sources and it could get unmanageable to list them all in detail). The detailed revenue breakdown is included in our Unaudited Public report that is submitted to the state annually and forms the basis of our audited financials. This report is posted on our district web site [here](#). Please let me know if you have any additional questions.

Thank you,
Reeta

From: City Attorney <CityAttorney@sfgov.org>
Date: May 1, 2017 at 3:46:43 PM PDT
To: tbusse1@gmail.com
Subject: Re: Records Request

Hi, Thomas J. Busse,

Thank for your request dated April 28, 2017 concerning the "San Francisco County Public Finance Authority" and the "San Francisco County Educational Finance Authority." We have no responsive documents and we believe those entities do not actually exist. Perhaps you are thinking of the California Public Finance Authority, the Office of Public Finance within the Controller's Office here in San Francisco, and/or the San Francisco Unified School District. If you wish to request public records from any those entities you should contact them directly.

Best,

Andrea Ozmen
Responding for tbusse1@gmail.com

to Angela Whittaker,

Dear Ms. Whittaker,
I was perusing the district tax breakdown in the reports of the Board of Equalization, and I noted San Francisco has a permanent .25% sales tax for a special district called the "San Francisco County Public Finance Authority" approved by the voters in 1993. Is that the same as your department, the Office of Public Finance? I would assume the special district would root sales tax bonds, but what is unclear to me is why it is set up as a special district (and how it was set up, given San Francisco did not have a Local Agency Funding Commission in 1993.) I would like to read that charter.

Yours truly,
Thomas J. Busse

On Mon, May 8, 2017 at 3:56 PM, Supervisor Records <SupervisorRecords@sfgov.org> wrote:
Mr. Busse -

I write in response to your petition below. I apologize for the delay; I was out of the office. It is my understanding that the Controller's Office has responded to your records request. Please let me know if their response resolved your issues. Thank you.

<https://mail.google.com/mail/u/0/?ui=2&ik=04b5b6c999&view=pt&search=inbox&th=15bf4efaf02d5f8c&siml=15bf4efaf02d5f8c>

5/10/2017

Gmail - Re: Petition to the City Attorney's Office

Best,
Brad Russi
Deputy City Attorney
Office of San Francisco City Attorney Dennis J. Herrera
Supervisor of Records, General Government Team

-----Forwarded by CityAttorneyCTYATT on 04/28/2017 09:21AM-----
To: info@sfcityattorney.org
From: Thomas Busse <tbussef@gmail.com>
Date: 04/27/2017 08:56PM
Subject: Petition to the City Attorney's Office

Petition to the City Attorney:

Pursuant to The San Francisco Sunshine Ordinance, On April 25 2017 at 12:35 PM I submitted an Immediate Disclosure Request to the Controller for the most recent Financial Statements, 2016 Board Minutes, and bylaws of the San Francisco Public Finance Authority. My Immediate Disclosure Request asked for the name of the Public Finance Authority's "Director of Fiscal Services" who was issued a warrant from the State Board of Equalization on April 12, 2017 for \$3,201,400, but most importantly an answer to this question, "Does the San Francisco Public Finance Authority Exist?" This followed up on a Disclosure request the previous morning asking the same thing.

I received a response letter on April 26 that they were working on my request, but 24 hours has passed by and I have not seen any documents.

Departments have the discretion to extend an Immediate Disclosure Request if records are voluminous, in off-site storage, etc; however, there is no appropriate reason for the Controller to not be able to produce the Financial Statements of a County Blended Entity, in fact, the Controller is constitutionally obligated to publish these statements. Therefore, I believe the Controller is in violation of the Sunshine Ordinance's Section 67.25(a) because no reasonable person could consider the information requested for immediate disclosure to not be readily available from any competent County Controller.

As recently as November 2016, the Ballot Simplification Committee's statement on the proposed Proposition K mentioned a 1/4 cent sales tax is collected in the County on behalf of the San Francisco County Public Finance Authority. It is Special District 051 in the Board of Equalization's accounts, legally constituted under section 6500 of the California Government Code as a Joint Powers Authority. Therefore, I have every reason to believe I am asking for Immediate Disclosure of Documents. Sadly, I cannot find the San Francisco Public Finance Authority referenced in any of the San Francisco Legal Codes published by the American Legal Publishing Corporation. The City Attorney may have better research tools. My hope was to start learning about the San Francisco Public Finance Authority's decision making structure by reading the bylaws. After all, I could find them of the Transbay Joint Powers Authority with The Google. My Public Purpose was to determine if the City/County could fund tuition remission at the Community College by assenting its JPA votes to reallocate the Special District Tax the voters already pay to supplement education, thus reducing pressure on the city's general fund. Sadly, the City's Institutions do not seem to welcome my ideas.

As you are the designated "Supervisor of Records," I appeal to you to adjudicate this withholding of information by the Controller. A transparent accounting of taxation and expenditure is essential to any functioning democracy and an informed electorate.

Very truly yours,
Thomas J. Busse
415-244-5072
584 Castro Street #388
San Francisco, CA 94114

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Hi, Busse -

I write in response to your petition below. I apologize for the delay; I was out of the office. It is my understanding that the Controller's Office has responded to your records request. Please let me know if their response resolved your issues. Thank you.

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Brad Russi
Deputy City Attorney
Office of San Francisco City Attorney Dennis J. Herrera
Supervisor of Records, General Government Team

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Very truly yours,
Thomas J. Busse
415-244-5072
584 Castro Street #388
San Francisco, CA 94114

P

Thomas J. Busse
584 Castro Street #388
San Francisco, CA 94114
tjbussef@gmail.com
415-244-5072

May 7, 2017

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Certified Mail		

Paulette Terrell
Director of Fiscal Services
San Francisco Public Finance Authority
135 Van Ness Avenue, Room 300
San Francisco, CA 94102

Reeta Madhavan
Chief Financial Officer
135 Van Ness Avenue, Room 300
San Francisco, CA 94102

Dear Ms. Terrell:

This extends my California Public Records Act request emailed to you on 5/2/17. Several of these items were requested from Ms. Madhavan on April 22, 2017. The California Government Code Section 26909 requires an audit of all special districts. As the financial statements mandated by law, your district should have this readily available for public inspection. This unreasonable delay and lack of transparency harms the honor of your profession, and I sincerely hope to avoid the necessity of seeking injunctive and declaratory relief.

I request the following Documents:

1. All Notifications to the San Francisco Public Finance Authority from the State Board of Equalization
2. The most recent audited financial statements of the San Francisco Public Finance Authority
3. All Letters of Designation of the San Francisco Public Finance Authority.
4. All Average Daily Attendance calculations of the San Francisco Public Finance Authority for the past five years including internal worksheets and reconciliation to allocation formulas.
5. All Board Minutes of the San Francisco Public Finance Authority from 1993 to the present day including resolutions, especially between 5/1/93 and 6/30/93.
6. The Current Amended Bylaws of the San Francisco Public Finance Authority and the comprehensive ordinances of the San Francisco Public Finance Authority.
7. The most recent unaudited Financial Statements of the San Francisco Public Finance Authority
8. All Communications between the San Francisco Public Finance Authority and the City Attorney's Office from 1993 to the Present with especial focus on Mr. Dave Fox and Mr. Ted Lakey.
9. Management Representation Letters between the San Francisco Public Finance Authority and its Auditors.

2

Communications between the California State Controller and the San Francisco Public Finance Authority

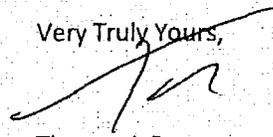
List of Current Board Members of the San Francisco Public Finance Authority.

13. All Budgets of the San Francisco Public Finance Authority from 2010 to the present

14. All Communications between Carol Migden and yourself, Reeta Madhavan, Robert Golton, Esther Cuseo, or Joseph Grazioli from 1991 to the present.

15. All Interagency contracts with the San Francisco Public Finance Authority, including articles of dissolution or succession.

Very Truly Yours,



Thomas J. Busse



Thomas Busse <tjbussesf@gmail.com>

RE: Public Records Act Request

1 message

Rick Chivaro <rchivaro@sco.ca.gov>
To: Thomas Busse <tjbussesf@gmail.com>

Mon, May 8, 2017 at 4:49 PM

Dear Mr. Busse:

With respect to Public Records Act requests made to the State Controller's Office, I am the person responsible for responding to all such requests. Moreover, your gratuitous comments notwithstanding, I reiterate my prior response to your initial request as though fully restated herein. Consequently, in light of the fact that this office is not in possession of any writings responsive to your request, no further action will be taken by this office in that regard.

Sincerely,

Richard J. Chivaro | Chief Counsel

Office of State Controller Betty T. Yee

Legal Office

300 Capitol Mall, Suite 1850

Sacramento, CA 95814 | (916) 445-6854

From: Thomas Busse [mailto:tjbussesf@gmail.com]**Sent:** Monday, May 8, 2017 1:57 PM**To:** Rick Chivaro <rchivaro@sco.ca.gov>**Cc:** marshb@gtlaw.com**Subject:** Re: Public Records Act Request

Dear Mr. Chivaro:

The Chief Counsel is usually not the one to respond to a routine CPRA request.

I have a document signed by Carol Migden acting as Chairperson of the San Francisco Public Finance Authority dating from a time when your boss, State Controller Betty Yee, was Ms. Migden's protege.

I also have affidavits denying the existence of the San Francisco Public Finance Authority from the current City and County Controller, Ben Rosenfeld, and from the San Francisco City Attorney's office, yet, I have obtained internal documents from both their departments dating from 2008 and 2011 cc'd to both officials referring to the San Francisco

5/8/2017

Gmail - RE: Public Records Act Request

Public Finance Authority as a Special District coterminous with the City and County and their current operations, and I have spoken to a former official of that Special District who has informed me of the operations.

I also have a 2016 internal document signed by sitting State Senator Scott Wiener (who now holds Migden's seat) referring to the current operations of the San Francisco Public Finance Authority and its status as a Special District.

I am in possession of the resolution proposed by Senator Migden to establish the Special District, and *Rider v. San Diego (1991) 1 Cal 4th 1* and *Hoogasian Flowers v. State Board of Equalization (1994)* make it inarguable that the entity meets the legal definition of Special District. With that in mind, I call your attention to Section 26909 of the Government Code regarding the responsibilities of a county auditor-controller in enforcing audit requirements of special districts in his/her county and to your boss's duties to oversee that special districts adhere to minimum reporting guidelines. I also have an informant within the Board of Equalization who tells me the money is going to the County's general fund, not the Special District.

With that in mind, I repeat my CPRA request for the financial statements, audited or unaudited, of the San Francisco Public Finance Authority, a special district established in January 1993 under the second version section 7288 of Revenue & Taxation Code, and recognized as operative per BOE Publication 105 (April 2017), a state agency of which your boss is also a member. If you do not provide this information or a *bona fide* reason it is not in your office's possession, I have standing through over a dozen Brown Act violations (among other things) to pursue options for injunctive and declaratory relief, which, under the circumstances, may be retrospective. This could be considerably damaging to the *alma mater* your boss holds dear. I really don't want to have to write messages like this, and had our officials valued transparency in the first place, this all could have been avoided - it dishonors my profession as an accountant. As a courtesy to Ms. Yee, I offer this advice: trying to cover up an embarrassing mistake or lack of oversight only makes it worse. In such an incestuous and nontransparent environment, it too easy to stumble across the invisible divider of criminal conspiracy.

In my view, the best curative and corrective action (and one that protects your boss) is to refer the matter to the State Auditor, placing the SFUSD, SF Community College District, and the SF Controller on the High-Risk Local Government Program. Remits from the Board of Equalization for Special District 051 should be placed into escrow, and the State Auditor should draw on those funds to complete her work, with release of those funds contingent on the adoption of her recommendations.

Yours Sincerely,

Thomas J. Busse
584 Castro Street #388

San Francisco, CA 94114

tjbussesf@gmail.com

415-244-5072

On Tue, May 2, 2017 at 10:10 AM, Rick Chivaro <rchivaro@sco.ca.gov> wrote:

Thomas J. Busse
584 Castro Street #388
San Francisco, CA 94114

Dear Mr. Busse:

5/8/2017

Gmail - RE: Public Records Act Request

This is in response to your request pursuant to the Public Records Act for financial statements of the California Special District, "The San Francisco County Public Finance Authority," (BOE Special Jurisdiction add on code 051) regularly receiving warrants of payment from the State Board of Equalization.

After researching our records, it appears that the State Controller's Office is not in possession of any Financial Transaction Reports from San Francisco County Public Finance Authority. In fact, we do not have any information on it in our database. We also contacted the Secretary of State and were told that the Secretary of State does not have any JPA documents on the entity referenced. Consequently, in light of the fact that we are not in possession of the records you seek, we are unable to comply with your request.

Sincerely,

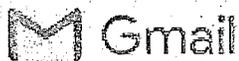
Richard J. Chivaro | Chief Counsel

Office of State Controller Betty T. Yee

Legal Office

300 Capitol Mall, Suite 1850

Sacramento, CA 95814 | (916) 445-6854



Thomas Busse <tjbussesf@gmail.com>

Response to Request for Public Records (IDR)

1 message

Slocum, Gregory (REG) <gregory.slocum@sfgov.org>
To: "tjbussesf@gmail.com" <tjbussesf@gmail.com>

Fri, Apr 28, 2017 at 3:07 PM

Good Afternoon Mr. Busse,

I am writing in response to your request for information dated 4/28/17 in which you asked to view the following:

1. "TEXT OF PROPOSED ORDINANCE, PROP A JUNE 1993 SPECIAL ELECTION"
2. "ALL DOCUMENTS RELATING TO THE BALLOT SIMPLIFICATIONS COMMITTEE'S FINDING RE PROP K 2016 A TAX IS COLLECTED TO FUND THE SF PUBLIC FINANCE AUTHORITY"
3. "TEXT OF PROPOSED ORDINANCE, PROP A DECEMBER 1991"

Pursuant to our earlier phone conversation:

1. There are no documents responsive to this request.
2. All documents responsive to this request are available for viewing on our website:
<http://sfgov.org/elections/ballot-simplification-committee-november-2016>
The measure you are interested in is located towards the bottom of this page, it is known as "General Sales Tax".
3. There are no documents responsive to this request.

Please do not hesitate to contact me directly if you have any additional questions or concerns,

Gregory P. Slocum
Campaign Services
San Francisco Department of Elections
1 Dr. Carlton B. Goodlett Place
City Hall, Room 48
San Francisco, CA 94102
(415) 554-4331
TTY (415) 554-4386

5/8/2017

Gmail - SF County Public Finance Authority



Thomas Busse <tjbussesf@gmail.com>

SF County Public Finance Authority

1 message

Information, Government (LIB) <Governmentinfo@sfpl.org>
To: "tjbussesf@gmail.com" <tjbussesf@gmail.com>

Mon, May 1, 2017 at 9:53 AM

Good morning-

I've spoken with a colleague regarding your request for meeting minutes, and he has also been unable to locate them. Some colleagues who will be here tomorrow may be able to assist. I will get back to you after I've spoken with them.

In the meantime, do you know if this authority is part of the Unified School District (USD)? If this is the case, then we would not have received documents from them because we do not receive any documents from the USD.

Best,

Government Information Center/BA

CORRY, Megan "The Evolution of Crisis at City College of SF"
Dr. diss 2016 SFSU

70

"implement the program review process", which "plays a role in future directions of instructional programs and provides data for planning appropriate utilization of personnel, facilities, and resources for the overall benefit of the community served" (ACCJC, 1988).

The SFCCD struggled to match revenue with expenditures and implement a budget based on prioritizing scarce resources. In the early 1990's it was placed on the state watch list twice by the State Chancellor's office (ACCJC, 1994; ECMAT 2012). Between 1989-1993 a "pattern of deficit spending developed, reflecting the growing structural imbalance between revenues and expenditures" (KH, 1993, p. 4). The spending pattern was described as a "drawdown of hidden surpluses" to fund mostly long term and fixed costs associated with personnel, which by 1993 constituted over 90% of the overall budget. An operational report described this spending pattern as "the core of the current crisis" in 1993. By 1997, this crisis was averted through wage freezes and limitations on hiring, plus an improvement in the state's economy. Unfortunately this spending pattern and subsequent financial crisis would return a decade later despite a warning in the 2000 ACCJC report that "in light of past difficulties, due diligence must be exercised".

In general, the period between 1994-2003 marked a period of economic stability and growth in the State and during that time the college enrollment grew as did the course and program offerings. Between 1994 and 2008, student headcount in credit

Therefore, Mr. Oppenheim indicates that CSAC policy is that the State Revenue and Taxation Code needs to be amended for counties to have any clear authority to increase a Sales Tax rate locally.

Ms. Angela Karikas of the City Attorney's Office has indicated that a two-thirds majority of the voters would be required to increase the Sales Tax rate for the specific purpose of public education, drug abuse prevention and health care services.

11. According to Mr. Oppenheim, there is current State legislation which is being discussed which would clarify the requirements for increasing a local Sales Tax rate. Mr. Oppenheim adds that most counties in California are not considering increasing the Sales Tax rate until these legislative ambiguities are clarified. Based upon inquiries to the Regional County Offices of the State Board of Equalization, neither Marin, San Mateo, Alameda nor Santa Clara counties are proposing to increase their local Sales Tax rate at this time. Therefore, if the Sales Tax rate is increased by 0.5 percent for San Francisco, the Sales Tax rate for San Francisco will be the highest of the adjoining counties in the Bay area.

12. According to Ms. Sue Lee of the San Francisco Chamber of Commerce, the Chamber of Commerce has not yet developed an official position on the proposed Sales Tax rate increase, or determined the impact on businesses if the Sales Tax rate is increased by 0.5 percent. However, Ms. Lee notes that the Chamber of Commerce had previously remained neutral on the 0.25 percent Sales Tax rate for the San Francisco Unified School District and the Community College District.

13. Based upon the revenue projections for FY 1993-94 included in the "Joint Report on the Anticipated Revenue Shortfall for the Fiscal Year 1993-94 Budget" by the Controller, the Mayor's Co-Budget Directors and the Budget Analyst, dated January 15, 1993, a revenue shortfall of \$184 million is projected for FY 1993-94. This revenue shortfall is based upon the most recent revenue data, the Governor's State budget proposal (which includes an estimated \$72 million in reductions for San Francisco) and preliminary estimates of the City's expenditure requirements for FY 1993-94.

14. As noted above, in order to hold a special election, an 88 day notice is required beginning from the date the special election is called for by the Board of Supervisors. In addition, AB 1930 requires 90 days before the increased Sales Tax rate can be imposed. The additional revenues which are anticipated to be generated from increasing the local Sales Tax rate by one half cent (0.5 percent) are an estimated \$45,320,000 annually, based on the FY 1993-94 revenue projections contained in the Controller's, the Mayor's Co-Budget Directors' and the Budget Analyst's joint report. However, given the requirements of the special election and a 90 day State requirement before these revenues could be imposed, estimated revenues for FY 1993-94 would amount to \$33,990,000 (effective 10/1/93) if the special election were held no later than June, 1993, and an estimated \$11,330,000 (effective 4/1/94) if the special election was held in November, 1993. In addition, it is possible that actual revenues received in FY 1993-94 could be reduced if consumers travel to other areas to purchase goods and services, given the difference between the Sales Tax rate in San Francisco and the Sales Tax rate in surrounding

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Budget Committee
January 27, 1993

counties. According to Mr. Ed Harrington, the Controller, San Francisco could request that the State adopt legislation which would expedite the 90 day State requirement in order to begin imposing a new Sales Tax in July, 1993, rather than having an effective date in October, 1993, which has been done with previous local Sales Tax increases.

Recommendation

Approval of the proposed resolution, which would declare the intent of the Board of Supervisors to propose an increase in the transactions and use tax (Sales Tax) rate and establish the San Francisco County Public Finance Authority, is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

[Equipment Lease]

Ordinance providing for the approval and execution and delivery by Officers of the City and County of San Francisco of an Equipment Lease Supplement No. 2 between the City and County of San Francisco Finance Corporation, as lessor and the City and County of San Francisco, as lessee with respect to equipment to be used for City purposes and the related certificate of approval; providing for reimbursement to the City of certain City expenditures prior to the issuance of lease revenue bonds and approving the issuance of Lease Revenue Bonds by said nonprofit corporation; and providing that said bonds shall be subject to the certification of the Controller of the City and County of San Francisco prior to the sale of said bonds; and providing for the execution of documents in connection therewith and ratifying previous actions taken in connection therewith. (Chief Administrative Officer)

File 170-93-1, Ordinance No.

Passed for second reading by the following vote:

Ayes: Supervisors Achtenberg, Alioto, Bierman, Conroy, Hallinan, Hsieh, Kaufman, Maher, Migden, Shelley - 10.

Absent: Supervisor Kennedy - 1.

Adopted

[Airport Administration]

Resolution approving the Controller's action of increasing the Airports Commission project budget from \$150,000 to \$500,000 for Airport Contract No. 3200, emergency environmental services at Road 18 and Road 9, San Francisco International Airport. (Airports Commission)

File 28-92-11.1, Resolution No. 82-93

Adopted by the following vote:

Ayes: Supervisors Achtenberg, Alioto, Bierman, Conroy, Hallinan, Hsieh, Kaufman, Maher, Migden, Shelley - 10.

Absent: Supervisor Kennedy - 1.

Adopted as Amended

(Supervisor Hsieh dissenting in Committee.)

[Local Public Finance Authority]

Resolution declaring the intent of the Board of Supervisors of the City and County of San Francisco to propose an increase in the Transactions and Use Tax in the City and County pursuant to Chapter 3.5 of the Revenue and Taxation Code, and establishing the San Francisco County Public Finance Authority. (Supervisors Migden, Bierman, Alioto)

File 175-93-1, Resolution No. 48-93

Supervisor Kaufman, seconded by Supervisor Maher, moved to amend by adding a further resolved clause as follows: "FURTHER RESOLVED, That the Board of Supervisors, in approving this measure, expresses its strong view that the Authority shall not approve any sales tax measure that would place the composite sales tax rate above the current rate of 8.5 percent".

Motion to amend adopted by the following vote:

Ayes: Supervisors Alioto, Bierman, Conroy, Hallinan, Kaufman, Maher, Migden, Shelley - 8.

Noes: Supervisor Hsieh - 1.

Absent: Supervisors Achtenberg, Kennedy - 2.

Adopted as amended by the following vote:

Ayes: Supervisors Achtenberg, Alioto, Bierman, Conroy, Hallinan, Kaufman, Migden, Shelley - 8.

Noes: Supervisors Hsieh, Maher - 2.

Absent: Supervisor Kennedy - 1.

Jury Duty

In connection with the above item, Supervisor Alioto requested to be added as co-sponsor.

Recommendations of Health and Public Safety Committee

Adopted as Amended

[911 Supervision]

Resolution urging the Mayor to urge the Police Commission to consider the civilianization of the supervisory positions in the Police Department Communications Center; providing for quarterly reports. (Supervisors Shelley, Bierman, Migden, Kennedy)

File 207-92-11.2, Resolution No. 80-93

Supervisor Hsieh, seconded by Supervisor Shelley, moved to amend title, line four, by inserting "; providing for quarterly reports"; and amend page two, line six by adding the following resolved clause: "FURTHER RESOLVED, That the Board of Supervisors requests that the Police Commission provide a written quarterly report to the Board of Supervisors on the first days of May, August and November of 1993, and February, May and August of 1994. Each report shall describe the progress of the Police Department in addressing the issue which is the subject of this resolution".

Motion to amend adopted by the following vote:

P 06

Office of the Mayor
SAN FRANCISCO



FRANK M. JORDAN

February 11, 1993

Honorable Angela Alioto, President
San Francisco Board of Supervisors
Room 235 - City Hall
San Francisco, CA 94102

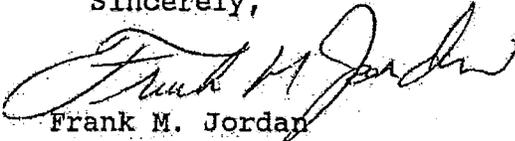
Dear Supervisor Alioto:

I am returning File No. 175-93-1 (Local Public Finance Authority) with my signature. This legislation declares the intent of the Board of Supervisors to propose an increase in the transactions and use tax (i.e. Sales Tax) and establishes the San Francisco County Public Finance Authority.

As you know, the Public Finance Authority would be governed by a 10-member Board of Directors consisting of five members of the Board of Supervisors and a total of five members from both the Unified School District and the Community College District. The resolution specifies that the San Francisco Board of Supervisors would elect five of its eleven members to serve on the Board of Directors.

Because San Francisco is the only City and County in the State and the only Board of Supervisors with eleven members, we have the odd situation of a minority of the Board of Supervisors joining School Board Members in a decision to place a tax measure on the ballot. I would respectfully suggest that the Authority seek full Board approval by resolution of any ordinance proposed for the ballot by the San Francisco County Public Finance Authority. By copy of this letter, I am requesting the City Attorney to draft a policy resolution on this subject.

Sincerely,


Frank M. Jordan
Mayor

cc: Members, San Francisco Board of Supervisors
City Attorney, Louise Renne



Thomas Busse <tjbussesf@gmail.com>

Re: Records Request

1 message

Cityattorney <CityAttorney@sfgov.org>
To: tjbussesf@gmail.com

Mon, May 1, 2017 at 3:46 PM

Mr. Thomas J. Busse,

Thank for your request dated April 28, 2017 concerning the "San Francisco County Public Finance Authority" and the "San Francisco County Educational Finance Authority." We have no responsive documents and we believe those entities do not actually exist. Perhaps you are thinking of the California Public Finance Authority; the Office of Public Finance within the Controller's Office here in San Francisco, and/or the San Francisco Unified School District. If you wish to request public records from any those entities you should contact them directly.

Best,

Andrea Guzman
Responding for cityattorney@sfgov.org

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Court will settle issue of PUC chief

Supervisors vote to let judge say whether Yu's job with state puts her in conflict

By Rachel Gordon
OF THE EXAMINER STAFF

3/16/93

The political battle over Kay Yu's appointment to the Public Utilities Commission may move out of City Hall, with a divided Board of Supervisors requesting that a court decide the issue.

Monday's vote came after Supervisor Terence Hallinan argued that Yu should be disqualified from serving on the commission because she is employed as a deputy attorney general for the state of California, a position he says could pose a conflict of interest with her duties as a PUC commissioner.

The board voted 7-2 to pass a resolution urging City Attorney Louise Renne to file a lawsuit to have the appropriateness of Yu's appointment determined in Superior Court.

The City Attorney's office, in agreement with Hallinan, had issued an opinion stating that "a deputy attorney general may not serve as a commissioner on the PUC."

Mayor Jordan appointed Yu as PUC president in January, despite the city attorney's warning. The PUC oversees such operations as the Municipal Railway and The City's water system.

Yu, in a six-page letter to the board, said she disagrees with the city attorney's position and requested that no action be taken pending a review by the state attorney general, who is expected to issue an opinion soon.

"Contrary to the city attorney's opinion, disqualification from office requires more than a theoretical or occasional conflicts of interest," Yu stated.

The City Attorney's office has estimated that Yu would have to abstain from between 15 percent and 20 percent of the votes taken by the PUC because they directly involve state matters.

"Are we going to obey the Charter? Are we going to respect the advice of the city attorney?" Hallinan asked in urging his colleagues to proceed with court intervention.

Supervisors Tom Hsieh and Annemarie Conroy voted in dissent, saying the lawsuit was premature and they wanted to delay action until the attorney general renders an opinion.

Supervisors Roberta Achtenberg and Bill Maher were absent.

The matter now goes to Mayor Jordan, who can veto the resolution or approve it. Jordan's office is keeping mum on what he will do, but the mayor has made it clear that he supports Yu, Maher's estranged wife.

In other action, the board delayed until Wednesday a decision on calling a special election so voters can decide whether to extend a quarter-cent sales tax that aids local schools.

Hsieh and Conroy asked for the delay, saying they wanted more time to study the matter.

Their opposition set off nearly an hour of often acrimonious debate, primarily between Hsieh and Supervisor Carole Migden, who is sponsoring the legislation and had hoped to push the measure through as emergency legislation, which would have required unanimous support.

Hsieh's insistence on voting no prevented the issue from going forward. The board will take up the issue again Wednesday in a special session. At that time, the proposal can pass with a mere majority because it will not be considered as emergency legislation.

The proposal for the tax extension was approved Thursday by the Joint Finance Authority, which is made up of representatives from the Board of Supervisors, the San Francisco Unified School District Board of Education and the Board of Trustees for City College of San Francisco.

The supervisors are required under the Charter to approve the special election. The only discretion the supervisors have is the timing. If the board acts this week, the proposal would be on the June 15 ballot and the tax could be collected starting in October.

Any delay in declaring a special election, even by a week, may mean the tax wouldn't be implemented until January because of state notification requirements. The school districts will pay for the special election, which will cost a projected \$600,000.

The quarter-cent sales tax, which brings in an estimated \$22 million, is set to expire June 30.

Other matters brought up at the board meeting Monday included:

► A request from Conroy to finance 10 new dispatchers for the police department's 911 emergency line.

► A request by Supervisor Barbara Kaufman for a report on how much money The City spends on programs and services for state parolees, and to what extent. The City is reimbursed.

► Supervisor Angela Alioto's request for an explanation on why the Main Library in the Civic Center area is closed on Fridays.

/s/Frank M. Jordan
Frank M. Jordan
Mayor

File 60-93-2

Supervisor Alioto, seconded by Supervisor Kennedy, moved an amendment of the whole to the main motion bearing same title as above.

Amendment of the whole adopted by the following vote:

Ayes: Supervisors Alioto, Bierman, Conroy, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 9.

Absent: Supervisors Achtenberg, Maher - 2.

Adopted as amended by the following vote:

Ayes: Supervisors Alioto, Bierman, Conroy, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 9.

Absent: Supervisors Achtenberg, Maher - 2.

IMMEDIATE ADOPTION CALENDAR

These resolutions are being introduced at this meeting. An "Aye" vote is (a) a vote to find that the need to take action arose after the agenda was published (if the resolution title is not printed on the agenda) and (b) a vote to adopt the resolution. A unanimous vote is required for adoption today. Any Supervisor may require any of these resolutions to go to committee.

Severed from Immediate Adoption Calendar

Supervisor Hsieh requested that the following measure be severed from the Immediate Adoption Calendar and considered separately.

Refused Adoption; Rescinded;
Refused Adoption; Rescinded;
Consideration Continued

[Election]

Motion calling a Special Election to be held on June 15, 1993, for the purpose of submitting to the voters of the City and County of San Francisco a proposed ordinance by the San Francisco County Public Finance Authority imposing a one quarter of one percent transactions and use tax and for other purposes, conditioned upon the Public Finance Authority voting again, by May 6, 1993, to place this proposition before the voters, or the Board of Supervisors shall cancel the June 15, 1993 Special Election, and agreeing that the San Francisco Unified School District and the City College of San Francisco shall pay to the City and County of San Francisco by May 6, 1993 the estimated costs for the conduct of the June 15, 1993 Special Election.

Supervisor Migden presented for immediate adoption.

Supervisor Migden, seconded by Supervisor Hallinan, moved that the need to take action arose subsequent to the publication of the calendar.

Motion adopted by the following vote:

Ayes: Supervisors Alioto, Bierman, Conroy, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 9.

Absent: Supervisors Achtenberg, Maher - 2.

Supervisor Hsieh requested this matter be referred to Committee.

In response to the Supervisor's inquiry, Deputy City Attorney Ted Lakey stated the Local Public Finance Authority is asking the Board of Supervisors to place this matter before the voters.

In response to further inquiries from the Supervisors, Deputy City Attorney indicated that state law gives the Local Public Finance Authority the power to adopt an ordinance ordering submission of an transaction and tax ordinance to the voters and to request the Board of Supervisors to call a special meeting for this purpose. The State Revenue and Taxation Code states the county shall call a special election for this purpose.

Refused Adoption

After a period of debate the roll was called on the pending legislation and it was refused adoption by the following vote:

Ayes: Supervisors Alioto, Bierman, Hallinan, Kaufman, Kennedy, Migden, Shelley - 7.

Noes: Supervisors Conroy, Hsieh - 2.

Absent: Supervisors Achtenberg, Maher - 2.

Motion to Rescind

Supervisor Kennedy, seconded by Supervisor Bierman, moved to rescind the previous vote:

Motion to rescind the previous vote adopted by the following vote:

Ayes: Supervisors Alioto, Conroy, Bierman, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 9.

Absent: Supervisors Achtenberg, Maher - 2.

*City Atty
knows about
it*

*MAHER OPPOSED - Mig
chosen because wife's PUC
issue
made
him
absent*

P100

Refused Adoption

After a period of debate, the roll was called on the pending legislation and it was refused adoption by the following vote:

Ayes: Supervisors Alioto, Bierman, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 8.

Noes: Supervisor Hsieh - 1.

Absent: Supervisors Achtenberg, Maher - 2.

*Conroy?
could she
abstain?*

Motion to Rescind

Supervisor Kennedy, seconded by Supervisor Migden, moved to rescind the previous vote.

Motion to rescind the previous vote adopted by the following vote:

Ayes: Supervisors Alioto, Conroy, Bierman, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 9.

Absent: Supervisors Achtenberg, Maher - 2.

In response to the Supervisors inquiries, Deputy City Attorney stated that if the Board is interested in scheduling the special election for June 15, this matter could be recessed until a date later this week. The Board could act and still meet the June 15 deadline. Next Monday will be too late.

LATE

Supervisor Kennedy, seconded by Supervisor Bierman, moved to continue this matter to a recessed meeting on Wednesday, March 17, 1993, at 3:00 p.m.

More than 24 hours

Motion to continue to recessed meeting adopted by the following vote:

Ayes: Supervisors Alioto, Conroy, Bierman, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley - 9.

Absent: Supervisors Achtenberg, Maher - 2.

The Board resumed its consideration of the following items on the Immediate Adoption Calendar.

Immediate Adoption Calendar

Adopted.

[Leaves of Absence]
Resolution granting leaves of absence to various city and county officers with permission to leave the state. (Clerk of the Board)

File 1-93-11, Resolution No. 184-93

(Roberta Achtenberg, member, Board of Supervisors, March 15 - 17; Carole Migden, member, Board of Supervisors, March 18 - 23; Raymond Baxter, Director of Health, March 9; Sidney Chan, member, Recreation and Park Commission, April 13 - 23; Marilyn Chow, member, Social Services Commission, March 4 - 7 and 11 - 14; John E. Cribbs, Director of Public Works, March 11 - 22; Kenneth Dowlin, City Librarian, April 25 - 28; Keith Eickman, member, Recreation and Park Commission, March 6 - 13; Michael Huerta, Executive Director, Port, March 4; Patrick McGrew, member, Landmarks Board, March 2 - 12; Patrick Murphy, President, Airports Commission, March 4, 5 and 12; John E. Newlin, Executive Director, Parking and Traffic, March 19 - 23; Trent W. Orr, President, Recreation and Park Commission, April 22 - May 13; Anthony D. Ribera, Chief of Police, March 19 - 22 and March 28 - April 2; Roselyne C. Swig, member, Library Commission, March 20 - 23; Mason Wong, member, Retirement Board, February 26 - March 8, 1993.)

Adopted.

(The Immediate Adoption Calendar includes the following additional resolutions submitted after preparation of the calendar.)

[Commendations]
Resolution congratulating Sherry Davis and commending the San Francisco Giants.

File 6-93-8, Resolution No. 189-93

Supervisor Alioto presented for immediate adoption.

Adopted.

[Commendations]
Resolution expressing the gratitude of the City and County of San Francisco to Barbara Johnson for her generous donation of two-thirds of the J. Porter Shaw Library dealing with whaling in San Francisco and commending those institutions who pursued the acquisition of this collection and declaring March 26, 1993 SAN FRANCISCO WHALES AND WHALING DAY.

File 6-93-9, Resolution No. 188-93

Supervisor Bierman presented for immediate adoption.

Adopted.

[Commendations]
Resolution commending Margaret Brady on her 75th birthday on March 20, 1993.

P101

JOURNAL OF PROCEEDINGS

BOARD OF SUPERVISORS

Wednesday, March 17, 1993 - 3:00 p.m.

ends 3:12

Health, San Francisco General Hospital, Community Mental Health Services, Police Department, Sheriff's Department, Municipal and Superior Courts, District Attorney, and the Public Defender to ascertain an estimate of the cost of services provided to parolees from the State Prison System; and that a letter of inquiry be sent to the Controller requesting data on the extent to which the City is reimbursed by the State for such costs through the SB 90 claim process or any other available mechanism.

By Supervisor Kennedy, that City Attorney prepare resolution to urge the Mayor to request the Art Commission to enter into serious negotiations with representatives of the San Francisco Muslim Community for the purpose of securing a long term lease for the Muslim Community to operate a Museum, Book Store, Gift Shop and School at property located at Turk and Fillmore Streets.

By Supervisor Kennedy, that City Attorney draft legislation to amend the Rent Ordinance to reduce the 5 percent paid on tenants security deposits by landlords to be more in line with the 1.5 percent that is now being paid on said security deposits by the banks.

By Supervisor Kennedy, that an urgent letter be sent to Mr. Henry G. Cisneros, Secretary of the US Department of Housing and Urban Development regarding the conditions that exist at the HUD managed Geneva Towers and Jackie Robinson Home as a result of tenant complaints of deplorable conditions as well as inhumane treatment from HUD and property management officials.

By Supervisor Shelley, that City Attorney amend the Base Closure legislation to include Treasure Island.

By Supervisor Alioto, that letter of inquiry be sent to the City Librarian regarding the reasons for closure of the main library on Fridays.

Motion to Recess

Supervisor Kennedy, seconded by Supervisor Hsieh, moved that the Board recess to reconvene at 3:00 p.m. Wednesday, March 17, 1993.

Motion to recess adopted by the following vote:

Ayes: Supervisors Alioto, Bierman, Conroy, Hallinan, Hsieh, Kaufman, Kennedy, Migden, Shelley, - 9.

Absent: Supervisors Achtenberg, Maher - 2.

RECESS

The Board, at the hour of 5:21 p.m., recessed to reconvene on Wednesday, March 17, 1993 at 3:00 p.m.

Jean Lum, Acting Clerk

The Board of Supervisors of the City and County of San Francisco met in recessed session on the above date with President Angela Alioto presiding.

The meeting was called to order at 3:04 p.m. On call of the roll, the following Supervisors were noted present:

Supervisors Alioto, Bierman, Hsieh, Kaufman, Migden, Shelley - 6. Hallinan, Kennedy

Noted absent at first roll call:

Supervisors Achtenberg, Conroy, Hallinan, Kennedy, Maher - 5.

Quorum present.

Supervisor Hallinan was noted present at 3:07 p.m.

Supervisor Kennedy was noted present at 3:06 p.m.

Consideration Resumed; Adopted

[Election]

Motion calling a Special Election to be held on June 15, 1993, for the purpose of submitting to the voters of the City and County of San Francisco a proposed ordinance by the San Francisco County Public Finance Authority imposing a one quarter of one percent transactions and use tax and for other purposes, conditioned upon the Public Finance Authority voting again, by May 6, 1993, to place this proposition before the voters, or the Board of Supervisors shall cancel the June 15, 1993 Special Election, and agreeing that the San Francisco Unified School District and the City College of San Francisco shall pay to the City and County of San Francisco by May 6, 1993 the estimated costs for the conduct of the June 15, 1993 Special Election. (Supervisor Migden presented.)

File 60-93-2

Achtenberg, Maher not part of first Mtg. What happened to Conroy?

Hsieh changes mind, was opposed in Jan. Gets rent law change (see next mtg) = Pay for Play

P102

File 147-93-5, Resolution No. 225-93

Adopted.

[Grant - Federal Funds]
Resolution authorizing the Public Library to apply for \$35,000 in grant funds from the United States Department of Education Library Services and Construction Act (LSCA) for the purchase of foreign language materials for the fiscal year 1993/94; with indirect costs not included in this budget. (Public Library)

File 147-93-6, Resolution No. 226-93

Adopted.

The foregoing items on the Consent Calendar were acted upon by the following vote:

Ayes: Supervisors Achtenberg, Alioto, Bierman, Hallinan, Kaufman, Kennedy, Maher, Shelley - 8.

Absent: Supervisors Conroy, Hsieh, Migden - 3.

REGULAR CALENDAR

UNFINISHED BUSINESS

From Budget Committee
with Recommendation "Do Pass"

Passed for Second Reading

[Repeal - Giants Candlestick Lease Amendment Ordinance]
Ordinance repealing Ordinance 365-92, the Giants Candlestick Park lease amendment ordinance which approved a lease amendment entered into by the Recreation and Park Commission and the San Francisco Giants, which reduces the City's revenue from the agreement by approximately \$925,000 per year (amount will vary with attendance) through the year 1997, and assigns the right to further revenues in the amount of approximately \$440,000 per year from the agreement to furnish scoreboard to the Giants during the term of the lease, by which ordinance the City further assumed the obligations for utilities and maintenance of the playing field at a cost of approximately \$250,000 per season, added a provision requiring the San Francisco Giants to provide complimentary tickets, and specified the effective date of the ordinance.

File 65-92-15.1, Ordinance No.

Passed for second reading by the following vote:

Ayes: Supervisors Achtenberg, Alioto, Bierman, Hallinan, Kaufman, Kennedy, Maher, Shelley - 8.

Absent: Supervisors Conroy, Hsieh, Migden - 3.

From Budget Committee
with Recommendation "Do Not Pass"

Tabled

[Referendum Submission - Giants Lease Amendments]
Motion ordering submitted Ordinance 365-92, the Giants Candlestick Park Lease Amendment Ordinance, for approval or disapproval at the Municipal Election to be held on November 2, 1993. (Clerk of the Board)

File 60-93-1

Supervisor Hallinan, seconded by Supervisor Bierman, moved to table.

Tabled by the following vote:

Ayes: Supervisors Achtenberg, Alioto, Bierman, Hallinan, Kaufman, Kennedy, Maher, Shelley - 8.

Absent: Supervisors Conroy, Hsieh, Migden - 3.

Recommendations of Housing and Land Use Committee

Referred to Committee

[Rent Ordinance]
Ordinance amending Administrative Code, to provide that petitions for capital improvements, rehabilitation, and energy conservation measures must be filed no later than seven years after the work has been completed, to limit the amount hearing officers may refund to tenants for null and void rent increases, to limit the amount tenants may recover in civil actions for null and void rent increases, except in cases of rent overpayments being made in bad faith by the landlord, and to change the title of Executive Secretary to Executive Director. (Residential Rent Stabilization and Arbitration Board)

File 109-93-1, Ordinance No.

(Amends Sections 37.4, 37.7, 37.8 and 37.11A.)

Supervisor Maher, seconded by Supervisor Kennedy, moved to rerefer to Committee.

SALES TAX Exchanged for CAP IMPROVEMENT
PASS THRU

The retailers paid the tax and filed claims for refund with SBE on the ground that the tax was unconstitutional under Proposition 13, which requires that special taxes by special districts be approved by two-thirds of the qualified electors voting on the measure. SBE denied the claims on the ground that "Article III, Section 3.5 fn. 4 of the California [] Constitution prohibits [SBE] from declaring a statute unconstitutional, or refusing to enforce a statute, on the grounds that it is unconstitutional unless an appellate court has declared the statute unconstitutional."

In October 1992, the retailers filed a complaint for refund of the taxes, naming SBE as defendant. (§ 6933.) SBE demurred on the ground that the real party in interest (EFA) was not named as a defendant. The trial court overruled the demurrer. In March 1993, EFA intervened in the action as a defendant, pursuant to stipulation of the parties and approval by the court.

In April 1993, the retailers moved for summary judgment on the ground the tax was invalid because Proposition 13's supermajority requirement applies to EFA, which is a "special district" within the meaning of California Constitution article XIII A, section 4, because it was created and is controlled by two "special districts," i.e., the San Francisco Unified School District and the San Francisco Community College District. EFA argued inter alia that school districts are not "special districts" within the meaning of California Constitution article XIII A, section 4. fn. 5

The trial court granted the retailers' motion for summary judgment and entered judgment in favor of the retailers, awarding refunds of \$1,126 to Hoogasian Flowers, Inc., \$167 to Ace Pharmacy, \$186 to Diane O., and \$183 to Surf Pharmacy. The trial court also awarded the retailers interest and costs of suit but retained jurisdiction to decide the question of attorney fees until after conclusion of this appeal. [23 Cal. App. 4th 1270]

Discussion

I. SBE's Contentions fn. ***

II. EFA's Contentions

A. Standard of Review

[1] "The power of the Legislature in the area of taxation is paramount ... any constitutional restriction on that power must be strictly construed against the

If this happened in April, why vote "yes" between 5/1 - 5/6? How did this miss the ballot pamphlet?

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S.F. Schools Tax Invalid, Judge Says - \$22 million could be refunded, if tentative ruling holds up

Hide Details

San Francisco Chronicle (CA) (Published as THE SAN FRANCISCO CHRONICLE) - April 30, 1993 Browse Issues

Author/Byline: Nanette Asimov, Chronicle Staff Writer Edition: FINAL Section: NEWS Page: A21

Readability: 11-12 grade level (Lexile: 1280)

The quarter-cent sales tax that raised \$22 million for San Francisco schools is invalid, a Sacramento judge said in a tentative ruling yesterday.

If the judge finalizes his ruling today and if it is upheld on appeal, local retailers or consumers or both could be entitled to refunds.

School officials credit the tax with saving San Francisco schools from having to make massive cuts this year by raising \$15 million for the district and about \$7 million for City College.

In his ruling, Superior Court Judge Joe Gray called the tax "an attempt to circumvent Proposition 13," which requires such tax increases to pass by a two-thirds majority. Voters approved the measure in 1991 by a simple majority. Gray is expected to make his final ruling at a hearing in Sacramento today.

"We argued all along that the school district should have put this money in escrow, and they sure didn't. Now they might pay the price," said attorney Jonathan Coupal of the Howard Jarvis Taxpayer Association, which is representing four San Francisco retailers who sued to invalidate the tax.

Lawyers for San Francisco schools and City College said they have not given up hope that the judge will reverse his decision. If he does not, school officials will immediately appeal, said attorney David Goodwin.

"I have a strong feeling that the Court of Appeal will not agree" with yesterday's decision, Goodwin said.

The 17-month, quarter-cent sales tax expires June 30. When school officials decided to spend the money rather than place it in escrow, they took a gamble that no court would force schools to pay it to consumers and retailers after it had been spent on children.

Because of the tax, class sizes in public schools increased by about one student per class rather than by four students. Fiscal director Bob Golton estimated that the jobs of hundreds of teachers were saved with the extra money.

In addition, the money paid for custodians and noon monitors at elementary schools, maintained the sixth period in high schools, bought equipment, and more.

Educators are hoping that even if the district loses its case, the only retailers who will try to recoup the tax will be the four who brought the suit: Hoogasian Flowers, Surf Pharmacy, Ace Pharmacy, and Diane O. Fashions. Their lawsuit seeks only \$2,700 in refunds.

An extension of the quarter-cent sales tax for schools will be the subject of a special election June 15 in San Francisco, and local educators have been lobbying hard to persuade the public to pass it.

"We absolutely need two-thirds approval this time," said Superintendent Bill Rojas. "Without it, we will lose hundreds of teachers, materials, supplies and equipment."

Index terms: Joe Gray; City College of San Francisco; SF; SCHOOLS; COLLEGES; FINANCE; COURTS; RULING; SALES TAX

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April 30

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BILL TEXT

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PASSED THE SENATE SEPTEMBER 8, 1995
PASSED THE ASSEMBLY SEPTEMBER 1, 1995
AMENDED IN ASSEMBLY AUGUST 29, 1995
AMENDED IN ASSEMBLY JULY 13, 1995
AMENDED IN SENATE APRIL 18, 1995

INTRODUCED BY Senator Lewis
(Principal coauthor: Senator Kopp)

FEBRUARY 22, 1995

An act to amend Section 7270 of, and to add Sections 7267 and 7270.5 to, the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 612, Lewis. Transactions and use taxes: constitutional challenge: refunds.

The Transactions and Use Tax Law permits districts, as specified, to impose a tax for the privilege of selling at retail, or the storage, use, or other consumption in the district of, tangible personal property. That law requires a district to contract with the State Board of Equalization for the administration and operation of the local tax. It requires that the contract provide that the district reimburse the board for and hold the board harmless from any and all costs, losses, or refunds of any kind, when a transactions and use tax is held unconstitutional or otherwise invalid. Existing law also prescribes procedures for the refund of any tax revenues derived from an unconstitutional tax imposed pursuant to that law when the unconstitutionality of the tax has been determined in a final and nonappealable court decision and the revenues have been paid to the State Board of Equalization and are held in an impound account.

This bill would provide that any action or proceeding filed on a basis that the local tax ordinance is unconstitutional, or otherwise invalid, shall be commenced as specified, and that there shall be no recovery from the state for the imposition of any illegal district tax, except as specified. It would specify that the state shall not be made a party to any refund action. The bill would require the State Board of Equalization to transmit revenue from an unconstitutional or otherwise invalid tax to the local district, except as specified. The bill would require that if a final and nonappealable decision of a court determines that a district transactions and use tax is unconstitutional, the revenue be transferred to the State Board of Equalization for administration of refunds, as provided. The bill would require, in the case of the tax imposed by the San Francisco Educational Financing Authority that was determined unconstitutional in a specified court case, that refunds be paid as specified. The bill would require that specified provisions related to placement of revenue in an escrow account be included in each contract with the State Board of Equalization for the administration and operation of any transactions and use tax. The bill would specify a district's right to indemnity.

This bill would make specified legislative findings and declarations related to refunds from, and remedies in the case of, invalid transactions and use taxes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 7267 is added to the Revenue and Taxation Code, to read:

7267. (a) Except as provided in Chapter 4 (commencing with Section 7275), there shall be no recovery from the state for the imposition of any unconstitutional or otherwise invalid tax that is levied in conformity with this part.

(b) If a final and nonappealable decision of a court of competent jurisdiction determines that a district transactions and use tax is unconstitutional or otherwise invalid, the district, the county, or the city, as the case may be, shall transfer to the board the revenues derived from the unconstitutional or invalid transactions and use taxes necessary to reimburse claimants for the unconstitutional or invalid transactions and use taxes paid, including interest allowed under Section 6907. The board shall deposit these revenues in a segregated impound account in the Retail Sales Tax Fund, as described in Section 7275, and shall administer any refunds necessitated by the court's decision in accordance with the guidelines set forth in Chapter 4 (commencing with Section 7275) to the extent feasible and practical.

(c) After the refund process described in subdivision (b) is completed, any revenue from an unconstitutional or otherwise invalid tax described in subdivision (a) that is paid to the board shall be transmitted by the board to the district or its successor in accordance with Section 7271. However, unless the ordinance specifies otherwise, if at the time the board is making those transmittals the district that imposed the tax has no successor, or has disbanded, dissolved, or is otherwise no longer functioning, the board shall transmit those revenues in the following manner:

(1) If the tax levied by the district was imposed on a countywide basis, the revenues shall be transmitted to the county's general fund.

(2) If the tax levied by the district was imposed on a citywide basis, the revenues shall be transmitted to the city's general fund.

(3) If the tax levied by the district was imposed on a basis other than in paragraph (1) or (2), the revenues shall be transmitted to the general fund of each taxing jurisdiction located wholly within the district, based on each taxing jurisdiction's proportionate share of revenue from taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law allocated during the prior calendar year.

(d) The district, or any entity that participated in the formation of the district, shall reimburse the board for and hold the board harmless from any and all costs, losses, or refunds of any kind whatsoever, including preparatory costs incurred prior to implementation of the tax.

(e) In the case of any claim for refund of the transactions and use tax imposed by the San Francisco Educational Financing Authority, which was determined to be unconstitutional by the court in *Hoogasian Flowers, Inc. v. State Bd. of Equalization*, 23 Cal. App. 4th 1264, payment of any of those claims for refund shall be made from the revenues derived from the unconstitutional transactions and use tax collected by and in the possession of the board. When those funds and any other revenues derived from the unconstitutional tax still in the possession of the San Francisco Educational Financing Authority, the City and County of San Francisco, the San Francisco Unified School District, or the San Francisco Community College District are exhausted, any remaining payments of those claims for refund shall be paid from funds of the San Francisco Unified School District and the San Francisco Community College District which benefited from the illegal tax. The remaining payments shall be based on the method by which the San Francisco Educational Financing Authority distributed the proceeds of the tax to the San Francisco

Unified School District and the San Francisco Community College District.

SEC. 2. Section 7270 of the Revenue and Taxation Code is amended to read:

7270. (a) Prior to the operative date of any ordinance imposing a transactions and use tax pursuant to this part, the district shall contract with the board to perform all functions incident to the administration and operation of the ordinance. If the district has not contracted with the board prior to the operative date of its ordinance, it shall nevertheless so contract and, in that case, the operative date shall be the first day of the first calendar quarter following the execution of the contract.

(b) The contract shall contain a provision that the district shall reimburse the board for and hold the board harmless from any and all costs, losses, or refunds of any kind whatsoever.

(c) The contract shall also contain a provision that, in the event that a legal action is commenced challenging the validity of the tax in its entirety, as opposed to its application to an individual taxpayer, the district shall place the tax proceeds into an interest-bearing escrow account until the legality of the tax is finally resolved by a final and nonappealable decision rendered by a court of competent jurisdiction. That provision shall be enforceable by any interested person in a proceeding for a writ of mandate.

(d) The district shall be entitled to indemnity for any and all costs, losses, or refunds from any entity, except the state, that participated in the imposition of the tax. For the purposes of this part, "participated" means any involvement in procuring the legislation that authorized the tax, or in enacting or administering the ordinance imposing the tax. Any organization that is a member of the legislative body of the district imposing the tax has participated in the imposition of the tax within the meaning of this section.

SEC. 3. Section 7270.5 is added to the Revenue and Taxation Code, to read:

7270.5. Any action or proceeding filed on the basis that a tax ordinance provided for in this part or Part 1.7 (commencing with Section 7280) or the issuance of any bonds thereunder or any of the proceedings in relation thereto is contested, questioned, or denied on the basis that the tax ordinance is unconstitutional or otherwise invalid and filed for the sole purpose of contesting the validity of the district transactions and use tax, shall be commenced pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure. The state shall not be made a party to the action or proceeding. That action shall not be filed more than 60 days after the approval of the enabling ordinance by the voters unless the authorizing legislation specifies a longer period. If no action is filed within that period, the tax, the bonds, and all proceedings in relation thereto, including the adoption and approval of the ordinance, shall be held to be valid and in every respect legal and uncontestable.

SEC. 4. The Legislature finds and declares that since transactions and use taxes are imposed by the taxing districts and not the state, the state has no interest in, and should not be a party in, any action to determine the validity of such a tax. It is the intent of the Legislature that the state not be made a party to those actions. However, where a refund claimant is contesting the application of sales or use taxes in general to a particular transaction, the claim should be filed with the State Board of Equalization under the normal refund rules, notwithstanding the fact one of the taxes the application of which is contested is a transactions or use tax which is alleged to be invalid.

SEC. 5. (a) It is the intent of the Legislature that this act be applied retroactively to the fullest extent permitted by the federal and state Constitutions.

(b) The Legislature finds and declares that when it enacted the

second paragraph of Section 7270 (designated by this act as subdivision (b) of Section 7270) of the Revenue and Taxation Code, it intended to prevent the State of California from being made liable for refunds of any transactions and use tax which is declared to be unconstitutional or otherwise invalid. The language of that provision as enacted can, however, be interpreted as having the state assume primary liability for those refunds with the district reimbursing the state. It is the intent of the Legislature in enacting subdivision (a) of Section 7267 of the Revenue and Taxation Code to implement its original intent in this matter and clarify existing law that there shall be no recovery from the state for the imposition of any illegal tax except as specifically otherwise provided by statute. It is intended that the district which levied the illegal tax shall be solely liable for such refunds.

(c) (1) The Legislature enacted Chapter 1060 of the Statutes of 1993 in order to provide a remedy to persons who bore the economic burden of an illegal district tax in the situation where the revenues derived therefrom had been collected by the State Board of Equalization and distributed to the taxing district but had been retained by the district pending the outcome of the litigation over the validity of the latter's tax. The Legislature finds and declares that current law does not require the district to retain those revenues during the litigation and where the district does not do so there is no effective remedy for either taxpayers or those who bore the economic burden of the tax.

(2) The United States Supreme Court, in the case of *McKesson v. Division of Alc. Bev.*, 110 L. Ed 2d 17, declared that the due process clause of the Fourteenth Amendment to the United States Constitution requires that a taxpayer who may only challenge the validity of a tax through a postpayment refund action must be provided meaningful retrospective relief for taxes already paid pursuant to a tax scheme ultimately found unconstitutional. It is the intent of the Legislature in adding subdivision (c) to Section 7270 of the Revenue and Taxation Code to ensure that effective relief is available, notwithstanding the provisions of Section 6931 of the Revenue and Taxation Code.

Memo to Budget Committee
January 27, 1993

6. Based on information provided by the State Board of Equalization, on July 15, 1991, a Sales Tax increase became effective which increased the total State-allocated Sales Tax by 1.25 percent, from the 4.75 percent base rate to 6.0 percent. The Governor's FY 1993-94 budget indicates that the 0.5 percent temporary surtax noted above in the 6.0 percent portion of the Sales Tax allocated to the State of California would not be extended past its June 30, 1993 sunset date. The Governor's proposal is preliminary, and subsequent State legislation, if approved, may extend the 0.5 percent temporary sales tax. As noted above, the current 0.25 percent surtax for the San Francisco Unified School District and the San Francisco Community College District also expires on June 30, 1993. Therefore, depending upon the State Legislature, and depending on the approval of this proposed resolution and the approval of the San Francisco electorate, the following scenarios could result:

a) 8.25 percent. This Sales Tax rate would result if the proposed resolution is adopted which would enable the Public Finance Authority, with the approval of the voters, to increase the sales tax by up to 0.5 percent, and the Governor's proposed elimination of the State 0.5 percent surtax is approved by the State legislature (local 0.25 percent rate for schools expires).

b) 7.75 percent. This Sales Tax rate would result if the Governor's proposed elimination of the State's 0.5 percent surtax is approved by the State Legislature, and the San Francisco voters do not approve the increase in the Sales Tax rate by 0.5 percent (local 0.25 percent rate for schools expires).

7. Mr. Greg Ridenour of the Registrar of Voters reports that a special election would require a notice of 88 days after the Board of Supervisors calls for the special election. Mr. Ridenour estimates that a special election could cost the City up to \$1 million, depending on the number of initiatives which are placed on the ballot. AB 1930 specifies that the any increase in the Sales Tax rate must be approved by a majority of the qualified voters of that county. However, the City Attorney's Office states a two-thirds voter approval is required (see Comment No. 10). AB 1930 also indicates that the costs of a special election could be reimbursed from the proceeds generated from the Sales Tax rate increase. Therefore, if the voters do not approve the increase in the Sales Tax rate, an additional cost of up to \$1 million would be incurred by the City. However, if the special election is called as part of the November, 1993 ballot, the additional costs incurred would only be the minimal costs associated with additional voter pamphlet mailing and printing costs.

\$ 1 M estimate

(Where was Germaine?)

**BOARD OF SUPERVISORS
BUDGET ANALYST**

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S.F. Schools, City College Act on Sales Tax Funds

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San Francisco Chronicle (CA) (Published as THE SAN FRANCISCO CHRONICLE) - June 23, 1992 [Browse Issues](#)

Author/Byline: Nanette Asimov, Chronicle Staff Writer Edition: FINAL Section: NEWS Page: A11

Readability: 11-12 grade level (Lexile: 1250)

Millions of dollars from San Francisco's new county sales tax inched their way toward local classrooms yesterday when the governing boards of the public schools and City College withdrew the money from escrow and deposited it in their own bank accounts.

Within the next two weeks, both boards will consider whether to take the risky step of budgeting the money for the coming school year.

The tax for cash-strapped San Francisco schools and City College had been frozen since collection began on February 1, because of a lawsuit by the Howard Jarvis Taxpayers Association to nullify it. On Friday, a Sacramento judge dismissed the suit on a technicality. But the group has threatened additional legal actions to stop the tax.

Voters had passed the temporary tax December 10, boosting the local sales tax a quarter cent to 8.5 percent for 17 months. The schools expect to collect about \$17.5 million, and City College about \$8.5 million.

The Howard Jarvis Taxpayers Association, led by Senator Quentin Kopp, a San Francisco independent, said the tax violates Proposition 13 because it was passed by fewer than two-thirds of those voting. If the tax is nullified, schools would have to return the money.

Yesterday, the school boards unanimously agreed to withdraw the money from escrow, the first step toward making it available for budgeting. Both boards have until July 1 to approve new budgets.

The public schools anticipate layoffs, program cuts and higher class size due to a projected \$23 million shortage. With the tax money, the shortage could drop to \$5.3 million, said fiscal director Bob Golton, although the actual figure depends on the state budget, which is being debated now.

City College probably would use its share to repair aging buildings and update the computer system, said Robert Varni of the City College board.

Jon Coupal, attorney for the tax opponents, warned the boards that he will appeal the judge's ruling and pursue other legal avenues to nullify the tax. He said the school boards would be "absolutely stupid" to budget the money.

Varni said: "I don't see any vulnerability at this point. But I am going to wait and see if any information comes up that would cause me to change my position."

School board President JoAnne Miller favors budgeting the money. "It's not risky at all," she said.

The City College board will have a public meeting to talk about plans to spend the tax money at 7 p.m. Thursday in the Pierre Coste building at 50 Phelan Avenue in San Francisco.

The school district's meeting will be at 7 tonight, in the auditorium of Everett Middle School, 450 Church Street.

Index terms: PROPOSITION 13; S.F. Board of Education; S.F. City College; Howard Jarvis Taxpayers Association; Quentin Kopp;

SCHOOLS; COLLEGES; SF; SALES TAX; FINANCE; EDUCATION; VIOLATIONS; LAW; CA; COURTS; LAWSUITS

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S.F. Sales Tax Ruled Invalid - \$23 million collected for schools Hide Details
San Francisco Chronicle (CA) (Published as THE SAN FRANCISCO CHRONICLE) - March 29, 1994. Browse Issues
Author/Byline: Ken Hoover, Chronicle Staff Writer Edition: FINAL Section: NEWS Page: A18

A state appeal court ruled yesterday that a quarter-cent sales tax passed by San Francisco voters for schools in December 1991 was invalid because it did not receive two-thirds of the vote as required by Proposition 13.
Jonathan Coupal, the attorney who brought suit over the tax on behalf of four merchants, said the businesses he represents will be entitled to refunds totaling about \$2.700.
But he added that it is probably all but impossible to recover the \$23 million collected citywide from the special tax that was in effect for 17 months.
No one from the San Francisco Unified School District could be reached for comment on the ruling last night.
Teresa Serata, the city's budget chief, said that last year the voters passed an extension of the schools sales tax, which still stands at 8.5 percent, but this time they did it with more than two-thirds of the vote, so it is not likely to be legally challenged.
She said she could not immediately comment on the effect of yesterday's court decision.
Four San Francisco retailers -- a flower shop, a clothing boutique and two pharmacies -- had sued in Sacramento, challenging imposition of the tax.
Last May, a Superior Court judge found the tax invalid, a ruling upheld yesterday on a 3-to-0 decision by a state appeal court.
In an opinion by Justice Richard Sims, the appellate court said the tax agency controlled by the San Francisco Unified School District and the community college board was covered by the two-thirds vote requirement of Proposition 13, the 1978 property-tax slashing measure.

The ruling is the third by an appeal court since the state Supreme Court ruled in a San Diego case that local taxes must be approved by a two-thirds vote of the people. The ruling in the San Diego case came a week after San Francisco voters passed the sales tax in December 1991, with 55 percent of the vote.
Sims said it did not matter that the San Francisco tax was passed a week before the Supreme Court ruling.
Proposition A on the Dec. 10, 1991, ballot raised the city sales tax from 8.25 percent to 8.5 percent. The San Francisco Unified School District received about \$15 million from the tax, and about \$8 million went to City College of San Francisco.
Even though the tax was the subject of legal challenge, the school district board and the community college board decided to spend the money anyway to prevent the layoff of hundreds of teachers and other employees in the face of a cash shortage.

Coupal, the attorney for the Howard Jarvis Taxpayers Association, which represented the four merchants, was unsuccessful in obtaining a court order that would have blocked imposition of the tax.
"It's very difficult in the area of local sales tax to prevent local government from successfully breaking the law -- that's exactly what happened here," Coupal said.
Coupal said he is studying ways to hold the school boards financially accountable.
He said he suspects that other businesses may file claims for refunds of the sales tax, to which they are legally entitled.
"Customers think of themselves as paying the tax because retailers generally pass the tax along," Coupal said. "But technically, it's the retailers who are responsible for the tax and who are required to fill out quarterly reports."

Index terms: Proposition 13; Proposition A; SF; SALES TAX; RULING; COURTS; EDUCATION; FINANCE; VIOLATIONS; ELECTIONS 1991
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Rider v. County of San Diego (1991)

[No. S017917. Dec 19, 1991.]

RICHARD J. RIDER et al., Plaintiffs and Respondents, v. COUNTY OF SAN DIEGO et al., Defendants and Appellants.

(Superior Court of Riverside County, No. 194690, Gordon R. Burkhart, Judge.)

(Opinion by Lucas, C. J., with Arabian, Baxter and George, JJ., concurring. Separate concurring opinion by George, J., with Panelli, J., concurring. Separate dissenting opinions by Mosk and Kennard, JJ.)

COUNSEL

Lloyd M. Harmon, Jr., County Counsel, Daniel J. Wallace and Diane Bardsley, Chief Deputy County Counsel, Bruce D. MacLeish and Andrew J. Freeman, Deputy County Counsel, McDougal, Love, Eckis, Grindle & O'Connor, Lynn R. McDougal and Tamara A. Smith for Defendants and Appellants.

John K. Van de Kamp and Daniel E. Lungren, Attorneys General, Jack T. Kerry and Edmond B. Mamer, Deputy Attorneys General, Kelvin H. Booty, Jr., County Counsel (Alameda), James F. May, Assistant County Counsel, Susan Minasian, County Counsel (Butte), Max E. Robinson, County Counsel (Fresno), John E. Slutter, Deputy County Counsel, James P. Lough, County Counsel (Humboldt), Thomas M. Fries, County Counsel (Imperial), Kevin E. Ready, Deputy County Counsel, Bernard C. Barmann, County Counsel (Kern), Stephen D. Schuett, Assistant County Counsel, Cameron L. Reeves, County Counsel (Lake), De Witt W. Clinton, County Counsel (Los Angeles), David L. Muir, Deputy County Counsel, Jeffrey L. Kuhn, County Counsel (Madera), Douglas J. Maloney, County Counsel (Marin), Allen A. Haim, Deputy County Counsel, James S. Reed, County Counsel (Mono), Ralph R. Kuchler, County Counsel (Monterey), Leroy W. Blankenship, Deputy County Counsel, James A. Curtis, County Counsel (Nevada), Robert Shulman, County Counsel (Plumas), William C. Katzenstein, County

That's A lot of attorneys ↗

now § 93, subd. (a); *Carman v. Alvord* (1982) 31 Cal. 3d 318, 331 [182 Cal. Rptr. 506, 644 P.2d 192].) In other words, as a practical matter, the proposed extension of Richmond to all districts, whenever created, which lack property tax power would read section 4's reference to "special districts" out of existence as applied to districts formed after 1978.

As the plurality opinion in Richmond explained, section 4 of Proposition 13 was intended to restrict the ability of local governments to impose new taxes to replace property tax revenues lost under the other provisions of that measure. (See 31 Cal.3d at p. 206.) This intent would be frustrated if cities and counties were nonetheless permitted to arrange for the formation of local taxing districts to finance municipal functions without securing the requisite two-thirds voter approval.

Thus, we hold that "special district" would include any local taxing agency created to raise funds for city or county purposes to replace revenues lost by reason of the restrictions of Proposition 13.

In the present case, the evidence that the Agency was created to raise funds for county purposes and thereby circumvent Proposition 13 is strong. [3] In future cases, however, marshalling such evidence of intentional circumvention may be difficult. Thus, we believe that courts may infer such intent whenever the plaintiff has proved the new tax agency is essentially controlled by one or more cities or counties that otherwise would have had to comply with the supermajority provision of section 4. In determining [1 Cal. 4th 12] whether such control exists, a variety of considerations may be relevant, including the presence or absence of (1) substantial municipal control over agency operations, revenues or expenditures, (2) municipal ownership or control over agency property or facilities, (3) coterminous physical boundaries, (4) common or overlapping governing boards, (5) municipal involvement in the creation or formation of the agency, and (6) agency performance of functions customarily or historically performed by municipalities and financed through levies of property taxes.

The "essential control" standard posited above is not necessarily the functional equivalent of the "alter ego" theory used to "pierce the corporate veil" for purposes of imposing liability on the individual shareholders. (See, e.g., *Mesler v. Bragg Management Co.* (1985) 39 Cal. 3d 290, 300-301 [216 Cal. Rptr. 443, 702 P.2d 601].) Rather than attempting to demonstrate that the subject agency and county are identical entities, application of the "essential control" test simply affords ground for reasonably inferring an intent to circumvent Proposition 13.

Vanoni v. County of Sonoma (1974) 40 Cal. App. 3d 743, 748-751 [115 Cal. Rptr. 485], serves as an instructive analogous precedent. There, the appellate court considered whether a water district should be deemed the alter ego of a county for purposes of applying the constitutional debt limitation applicable to cities, counties and school districts, but not to water districts. (Cal. Const., former art. XIII, § 40; see *id.*, art. XVI, § 18.) The court observed that although the county and water district shared common boundaries, governing boards, citizens and taxable property, and the district was performing functions traditionally performed by counties (40 Cal.App.3d at pp. 748-749), the district remained a separate legal entity not subject to the debt limitation in the absence of a showing "the entity subject to the limitation [i.e., the county] controlled the decision to incur the debt or levy the tax." (*Id.* at p. 750, italics added.)

As *Vanoni* concluded, "Although the Sonoma Water District may be performing functions traditionally performed by counties, appellants have offered no evidence, beyond the fact that the same individuals sit on the governing boards of both the county and the water district, that Sonoma County exercises actual control over the actions of the district. The fact that the same individuals are members of both boards is not sufficient to establish that control. [Citation.]" (*Vanoni v. County of Sonoma*, *supra*, 40 Cal.App.3d at pp. 750-751, italics added.) We agree with *Vanoni* that common governing boards do not invariably indicate county control, but certainly that fact is relevant to the inquiry. The determination whether a city or county essentially controls a taxing agency is one that necessarily must be made on a case-by-case basis, using the criteria suggested above. [1 Cal. 4th 13]

We are unconvinced that application of the "essential control" standard would necessarily jeopardize all taxing agencies created since 1978. As plaintiffs observe, the statutes establishing such agencies and providing for the adoption of tax ordinances typically contain strict time limitations governing commencement of litigation challenging their validity. (See, e.g., Gov. Code, § 26282 [pertaining to the San Diego County agency involved herein]; Code Civ. Proc., §§ 860 [in rem validation procedure], 863 [60-day statute of limitations for challenging validity of agency action].) Unlike curative acts, which generally are unable to cure constitutional defects (see *Hoffman v. City of Red Bluff* (1965) 63 Cal. 2d 584, 592 [47 Cal. Rptr. 553, 407 P.2d 857]; *Aughenbaugh v. Board of Supervisors* (1983) 139 Cal. App. 3d 83, 90-91 [188 Cal. Rptr. 523]), such statutes of limitations are deemed within legislative power to provide a prompt validating procedure for asserting such challenges (see *Rand v. Bossen* (1945) 27 Cal. 2d 61, 64-67 [162 P.2d 457]; *Graydon v. Pasadena Redevelopment Agency*

Member
Board of Supervisors
City and County of San Francisco



*Continued to
Wed @ 3:00
3/17*

March 15, 1993

TO: Hon. Members of the Board
FR: Supervisor Carole Migden
RE: Immediate Adoption Item
Declaring a June 15, 1993 Special Election

On Roll Call today, I will ask that the attached motion be approved on the Immediate Adoption Calendar. The motion would declare a Special Election to be held on June 15, 1993.

You will recall that the Board authorized creation of a Joint Finance Authority to determine whether San Francisco voters should be asked to extend all or some portion of one half-cent of sales tax should it expire as scheduled on June 30.

The Authority has decided that the voters should be asked to extend one-quarter cent of the sales tax to fund the School District and Community College District. This extension would have the effect of replacing the one-quarter cent sales tax currently collected by the Schools which also expires on June 30.

The earliest date on which a Special Election can now be called is June 15, 1993. That date would be secured by our action today declaring the election, pursuant to the action of the Joint Finance Authority. The cost of the election will be approximately \$600,000. The entire cost will be paid by the School District and Community College District, as made clear in the motion declaring the election.

Please contact my office if you have any questions in advance of today's Board meeting.

Thank you for your consideration.

*\$ 600,000
Estimate*

60-93-2

FILE NO. 101-92-66.2

ORDINANCE NO. 152-93

(Government Funding)

RO# 92246 SA# 118

1 APPROPRIATING 120,000 FOR PROGRAM PROJECT BUDGET (SPECIAL ELECTION
2 FUND), REGISTRAR OF VOTERS FOR FISCAL YEAR 1992 - 93.

3
4 Be it ordained by the people of the City and County of San Francisco:

5 Section 1. FUNDS ARE HEREBY APPROPRIATED FOR FY 1992-93 AS FOLLOWS:

Department and Number	Source of Funds and Purpose of Appropriation	Amount	
		Debit	Credit
01 - 001	General Fund		
99 - 00 - 00	General Fund Unallocated		
GL 155 (119990)	Interfund Receivable		
Subsidiary 000078	SFUSD - Special Election Advance	\$120,000	
80 - 00 - 00	Registrar of Voters		
Project 037 - 01	Special Election Fund		
20-2010 (430025)	Program Project Budget		\$120,000

18 APPROVED AS TO FORM:
19 LOUISE H. RENNE, CITY ATTORNEY

FUNDS AVAILABLE:

20 BY: Louise H. Renne
21 DEPUTY CITY ATTORNEY

John Whiddell
CONTROLLER

only \$ 120,000
Appropriated

Monday, May 10, 1993

[Metered Yellow Zone, Downtown Core]

Resolution urging the Mayor to urge the Parking and Traffic Commission to expand metered yellow zones in the Downtown Core to Van Ness and South of Market and to urge the Parking and Traffic Commission and the Police Commission vigorously to cite non-commercial vehicles illegally parked in yellow zones as well as commercial vehicles parked illegally in yellow zones all day. (Supervisor Maher presented.) Referred to Housing and Land Use Committee with request it be considered at the May 20, 1993 meeting.

File 190-93-4

[Manual Traffic Control]

Resolution declaring the policy of the City and County that it is essential to San Francisco's transit plan to have manual traffic control in the City's busiest intersections in the Downtown Core of the City during periods of peak evening traffic. (Supervisor Maher presented.) Referred to Housing and Land Use Committee with request it be considered at the May 20, 1993 meeting.

File 190-93-5

[Manual Traffic Control Staff]

Resolution urging the Mayor to urge the Parking and Traffic Commission to take all steps necessary to hire twenty-four to thirty-six additional parking control officers whose primary function would be the control of traffic in heavily used intersections in the city during periods of peak evening traffic. (Supervisor Maher presented.) Referred to Housing and Land Use Committee with request it be considered at the May 20, 1993 meeting.

File 190-93-5.1

[Double Parking Bail, Increase to \$100]

Resolution urging the Municipal Court to increase the bail for double parking violations from \$43 and \$50 to \$100 and urging the Parking and Traffic Commission and the Police Commission to place a high priority on vigorously citing violators of double parking prohibitions, especially during periods of peak evening traffic. (Supervisor Maher presented.) Referred to Housing and Land Use Committee with request it be considered at the May 20, 1993 meeting.

File 237-93-2

[Ballot Measure]

Charter amendment (First Draft) amending Section 7.309 relating to financing construction or improvement of capital facilities or purchase of equipment. (Supervisor Hsieh presented.) Referred to Rules Committee.

File 240-93-1

Monday, May 10, 1993

[Ballot Measure]

Charter amendment (Rough Draft) amending Section 3.543 relating to Deputy Chiefs, Fire Department, to allow the Fire Chief to appoint two Deputy Chiefs from uniformed officers holding rank of Battalion Chief or Assistant Chief. (Supervisor Hsieh presented.) Referred to Rules Committee.

File 241-93-1

[Ballot Measure]

Charter amendment (First Draft) amending Section 6.203 to require the mayor to transmit to the board of supervisors the proposed budget for the ensuing fiscal year by the first day of May of each year. (Supervisor Migden presented.) Referred to Rules Committee.

File 242-93-1

[Ballot Measure]

Charter amendment (First Draft) amending Section 7.309 relating to the financing of the acquisition of equipment by increasing the obligations or evidence of indebtedness from \$20 to \$40 million. (Supervisor Shelley presented.) Referred to Rules Committee.

File 243-93-1

[Ballot Measure]

Charter amendment (Rough Draft) amending Section 3.670 relating to the composition of the Retirement Board of the City and County Employees' Retirement System by adding a retired person to the Board. (Supervisor Shelley presented.) Referred to Rules Committee.

File 245-93-1

Referred to Board

[Request]

Report by Registrar of Voters on the proposed cuts in the 1993-94 budget eliminating or restricting the availability of absentee ballots and budget cuts affecting access to polling places. (Supervisor Conroy presented.) At the direction of the President, scheduled for consideration by the Board on May 17, 1993.

File 100-93-7

Requests for Hearings:

File 30-93-9, By Supervisor Shelley: To consider the issue of electro magnetic fields and potential impacts to residents living near such fields. Referred to Health, Public Safety and Environment Committee.

Ordinance appropriating \$120,000, Registrar of Voters, for program project budget (Special Election Fund). (Supervisor Migden presented.) Referred to Budget Committee with request it be considered at the May 5, 1993 meeting.

File 101-92-66.2

[Surplus Property] Ordinance repealing Ordinance No. 100-93 which authorized and directed the sale of surplus city-owned property known as a portion of Water Department Parcel 55 located at Lake Merced Boulevard and John Muir Drive, which property is currently being leased to the Olympic Club. (Supervisor Hallinan presented.) Referred to Budget Committee.

File 96-93-1.1

why 92?
Reduces School Support by Amt.
Circumvent AB 8 -

[Property Tax Allocation] Ordinance amending Administrative Code by adding Sections 10.7-2 through 10.7-2.3 to require the Controller to allocate property taxes collected in the City and County in accordance with the laws governing apportionment during fiscal year 1992-93. (Supervisor Shelley presented.) Referred to Budget Committee.

File 97-93-25

[Rent Fee] Ordinance amending Administrative Code by amending Section 37A.2(d) to increase the Residential Rent Stabilization and Arbitration Fee from eight to ten dollars. (Supervisor Migden presented.) Referred to Budget Committee.

File 97-93-26

[Cafe Tables and Chairs] Ordinance amending Public Works Code, Article 5.2, by deleting Sections 176 through 182 inclusive, by adding new Sections 176 through 185 thereto, authorizing the Director of the Department of Public Works to issue cafe tables and chairs permits; requiring owners or operators of business establishments seeking to occupy a portion of a public sidewalk, court, alley or street with cafe tables and chairs to obtain a cafe tables and chairs permit; authorizing the Director of the Department of Public Works to establish guidelines for cafe tables and chairs; requiring permit applicants to post notice of intent on the business premises; establishing process for protest and appeal of denial of permit; setting conditions and restrictions on permits; providing for suspension or revocation of permits; establishing penalties and remedies for failure to comply with said Article. (Supervisor Alioto presented.) Referred to Housing and Land Use Committee with request it be considered at the May 6, 1993 meeting.

File 123-93-1.

[Illegal Dumping Fine] Substitute resolution urging the Municipal Court to increase the bail for illegal dumping of refuse from \$30 to \$300. (Supervisor Shelley presented.) Referred to Health and Public Safety Committee.

File 237-93-1

Referred to Board

[Proclamation] Resolution commending Chancellor Julius R. Krevans, MD, on his retirement for his outstanding contribution to the people of the City and County of San Francisco for over two decades and urging his Honor, the Mayor, to declare May 19, 1993 as "Julius R. Krevans, MD Day" in San Francisco. (Supervisor Maher presented.) Referred to Board May 10, 1993 For Adoption Without Committee. Reference Calendar.

File 4-93-18

Called from Committee

[Water Department] Resolution urging the Mayor to urge the Public Utilities Commission to eliminate all of the temporary positions added to the Water Department for the drought. Called from Budget Committee by Supervisor Hallinan; scheduled for consideration by the Board on May 10, 1993.

File 188-93-2

Requests for Hearings:

File 207-93-5.2, By Supervisor Conroy: To consider the increase in crimes committed by youth. Referred to Health and Public Safety Committee.

File 207-93-18, By Supervisor Shelley: To consider the issues of public safety and enforcement, graffiti and litter problems and adequate youth activities in the Sunset District. Referred to Health and Public Safety Committee.

Motions

Referred to Board

[Needle Exchange] Motion concurring in the determination of the Mayor for the continued need for the declaration of emergency in connection with the Needle Exchange Program. (Supervisor Alioto presented.) Referred to Board May 10, 1993 For Adoption Without Committee Reference Calendar.

File 30-93-5.4

LEGISLATIVE HISTORY SHEET

1 File No. 100-93-7.

Ordinance, Resolution, etc. Request

Subject:

[Request]

Report by Registrar of Voters on the proposed cuts in the 1993-94 budget eliminating or restricting the availability of absentee ballots and budget cuts affecting access to polling places.

=====

(1) Initially introduced by or received from: Supervisor Conroy in Bd.
Date: 5/10/93

(2) Referred by President to Committee on: _____
Date: _____

(3) Other Disposition:
On Board Immediate Adoption Calendar of _____
On Board Emergency Calendar of _____
Scheduled for public hearing on _____

=====

Record of Board and Committee Actions:

May 10, 1993 - At the direction of the President, scheduled for consideration by the Board on May 17, 1993.

MAY 17 1993 FILED Hearing called.

(No Report in BOS Files)

ACCESS FOR THE DISABLED VOTER

by the Ballot Simplification Committee

BEFORE ELECTION DAY:

VOTE-BY-MAIL — Absentee ballots for the June 15, 1993 election will be mailed between May 17 and June 7. Ballots are mailed within 3 days after receipt of each request. If you do not receive your ballot within 10 days after you have sent in your request, please call the Registrar of Voters at 554-4375.

Voters with specific disabilities may apply for Permanent Absentee Voter status. See Page 15 for information. If you are a Permanent Absentee Voter, an absentee ballot will be mailed to you automatically for all future elections, unless you move, or re-register. Then you would need to re-apply to be a Permanent Absentee Voter.

TAPE RECORDINGS — The San Francisco Public Library for the Blind and Print Handicapped at 3150 Sacramento Street produces and distributes tape-recorded copies of the Voter Information Pamphlet for use by visually impaired voters. The telephone number is 292-2022.

T.D.D. (TELECOMMUNICATIONS DEVICE FOR THE DEAF) — Hearing-impaired or speech-impaired voters who have a TDD may communicate with the San Francisco Registrar of Voters' office by calling 554-4386.

ON ELECTION DAY:

ASSISTANCE — Voters unable to mark their ballot may bring one or two persons with them into the voting booth to assist them, or they may ask poll workers to provide needed assistance.

CURBSIDE VOTING — If architectural barriers prevent a voter from entering the polling place, poll workers will bring the necessary voting materials to the voter in front of the polling place.

PARKING — If their polling place is in a residential garage, elderly and handicapped voters may park in the driveway while voting, provided they do not block traffic.

READING TOOLS — Every polling place has large-print instructions on how to vote and special sheets to magnify the type on the ballot.

SEATED VOTING — Every polling place has at least one voting booth which allows voters to vote while sitting in a chair or a wheelchair.

VOTING TOOLS — Every polling place has an easy-grip pen for signing the roster and an easy-grip tool for punching the ballot.

IMPORTANT NOTICE

There are many polling place changes for this election. Please check the polling place address on the label on the back cover of your voter handbook. You may find it more convenient to vote by mail (see page 15) or to vote at City Hall between May 17 and June 15. Voting hours in City Hall are 8:30 a.m. to 4:00 p.m., Monday through Friday. On Saturday and Sunday, June 12 and 13, you may vote in City Hall between 10 a.m. and 3 p.m. On Election Day you may vote in City Hall between 7:00 a.m. and 8:00 p.m.

If you desire a copy of the proposed ordinance for Proposition A,
please call the Registrar's Office at (415) 554-4375 and a
copy will be mailed at no cost to you.

NOT
USUAL



Bulk rate =
up to 3 weeks

OFFICE OF THE REGISTRAR OF VOTERS
City and County of San Francisco
Room 158 - City Hall
400 Van Ness Avenue
San Francisco, CA 94102-4691
(415) 554 - 4375

Mail drop is after
5/17/93

BULK RATE
U.S. POSTAGE
PAID
San Francisco,
California
Permit No. 2750
CAR-RT SORT

Voter, please bring this entire back page with you to the polling place. The location of your polling place is shown on the label below. Please DO NOT remove the label from the application below.
選民，往投票站時請帶同此封底頁全頁。你投票的地方印在下面標籤上。請勿移開下面申請表上的郵寄標籤。

你投票的地方
LOCATION OF YOUR POLLING PLACE
郵寄地址
MAILING ADDRESS

YES or NO 
Is Poll Location Handicapped Accessible?
投票地點是否有方便殘障人士設施

缺席選票(郵寄投票)申請表—1993年6月15日特別選舉請在此申請表簽名並在1993年6月8日前交回選民註冊官。
ABSENTEE BALLOT (Vote-By-Mail) APPLICATION - June 15, 1993 Special Election
Sign this application and return it. Registrar must receive application by June 8, 1993.

<p>Check One: 請于其中一項作/號:</p> <p><input type="checkbox"/> Send my ballot to the address on the label above. 請把我的選票寄到上面標籤所示地址。</p> <p><input type="checkbox"/> I want my ballot sent to the address printed below. 請把我的選票寄到下址。</p>		<p>Check Here If Appropriate: 如有必要請在此作/號:</p> <p><input type="checkbox"/> I have moved since I last registered to vote. My new address is printed below. (Residence Address ONLY.) 自上次註冊投票之後我已遷址。我的新址請寫在下面。(只可填寫住宅地址。)</p>	
<p>P.O. Box or Street Address 郵箱或街道門牌</p> <p>City 市 State 州 Zip Code 郵區號碼</p>		<p>Number and Street Name 門牌和街名 公寓房號 Apt. No.</p> <p>SAN FRANCISCO, CA 9 4 1 加州舊金山 Zip Code 郵區號碼</p>	
<p>Check below all that apply, then sign your name: 請在下面有關條目作/號並簽名:</p> <p><input type="checkbox"/> I apply for an Absentee Ballot for June 15, 1993; I have not and will not apply for an absentee ballot by any other means. 我申請1993年6月15日選舉的缺席選票; 我沒有也不會以任何其他手段申請缺席選票。</p> <p><input type="checkbox"/> I apply to be a PERMANENT ABSENTEE VOTER; I meet the qualifications explained on page 15. 我申請為永久缺席選民; 我符合刊在第15頁的永久缺席選民資格。</p>			

You MUST SIGN here, to receive a ballot. 要收到選票你必須在此簽名。


Your signature - **DO NOT PRINT** 你的簽名—不要機印 Date Signed 簽名日期 Day Time Phone 日間電話 Evening Phone 晚間電話

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Previous Article 12 of 426 Results

Stunning Victory of Prop. A Has Implications Beyond S.F.

Hide Details

San Francisco Chronicle (CA) (Published as THE SAN FRANCISCO CHRONICLE) - June 19, 1993 Browse Issues
Author/Byline: JERRY ROBERTS Edition: FINAL Section: NEWS Page: A4 Column: JERRY ROBERTS ON POLITICS
Readability: >12 grade level (Lexile: 1340)

For John Whitehurst, the amazing spectacle wherein San Francisco voters overwhelmingly volunteered this week to raise their own taxes forever was a matter of elegant tactics and simple strategy.

"We created a very select universe of voters," said veteran local campaign consultant Whitehurst. "Then we just pounded the p--- out of them."

Amid record low turnout, San Franciscans on Tuesday passed Proposition A, a permanent extension of a "temporary" one-quarter cent sales tax earmarked for schools.

The pro-taxers won 74 percent, a stunning result with statewide policy and political reverberations.

As a matter of strategy, the \$150,000 pro-Proposition A effort was a case study of how to win a high-impact, low-profile, special interest election.

File 101-92-66.2

"We stayed under the radar," the victorious Whitehurst said. "But by Tuesday, we could tell you almost by first name who was going to come out and vote."

Among the key elements of the campaign:

DEFINING THE UNIVERSE

Off-year special elections always have very low turnouts, and this one buried the needle. Drawing just 20 percent of voters, it beat the previous modern low of 25 percent for a ho-hum 1981 city race.

On that playing field, the campaign identified a universe of potential supporters consisting of 75,000 voters with a direct, personal stake: district teachers; administrators and maintenance workers; public school parents and City College of San Francisco instructors and students.

From where?

Matching that group to computerized lists of people who voted in recent elections, Whitehurst threw out 10,000 names of likely nonvoters, then aimed and fired the campaign at the remaining 65,000. The bottom line, pending final, certified figures: more than 58,000 of about 80,000 people who bothered to vote Tuesday favored the tax.

Republicans

EXPANDING THE BASE

The front committee of the winning campaign was financed and dominated by key labor unions that directly benefit from the tax: the United Educators of San Francisco, a local amalgam of the California Teachers Association and American Federation of Teachers; Local 2121 of the American Federation of Teachers, which represents City College instructors, and Local 790, representing janitors and other nonclassroom workers.

But the campaign also garnered early, important endorsements on the opposite end of the spectrum, like Supervisors Annemarie Conroy and Tom Hsieh and the city's Apartment Owners Association. This provided cover for conservatives and isolated a few vocal critics, such as state Senator Quentin Kopp and the GOP Central Committee.

ABSENTEE-VOTE MANIA

Registrar Germaine Wong said the Proposition A campaign broke the city's previous record for absentee ballots cast as a percentage of turnout -- 40 percent compared to the previous high of 38 percent in a 1987 special election won by Representative Nancy Pelosi.

Absolute # was same, poll turnout low: "cutback in polling stations"

A huge majority of those voters favored the sales tax, as an aggressive absentee-vote effort by Proposition A forces put 23,000 ballots in the bank before election day.

- File 100-93-7

MIXED MEDIA

The campaign melded traditional tactics with state-of-the-art communications techniques. A well-staffed phone bank and round operation identified and delivered to the polls 18,000 known supporters.

Added to the absentee votes, this strong base meant the campaign had to win less than 40 percent of all remaining votes cast. When the deal went down, they got more than half of the balance, yielding the extraordinarily big victory.

The Proposition A forces also blanketed potential backers with more modern salesmanship: prerecorded, targeted taped

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5/10 - election called
Pamphlet goes out bulk, not on cardstock; ord. text not in pamphlet.
6/8 - absentee deadline
Absence ballot budget ran out. They didn't print enough. Enough time?

The tapes were programmed to deliver a 30-second spiel even if contact was made only with a phone answering machine, as many targeted voters repeatedly discovered upon checking their messages after getting home from work.

"It wasn't brain surgery," Whitehurst modestly said of his textbook campaign. "It wasn't too shabby, either."

In a broader sense, the result was key because the budget brouhaha between state and local governments over extending a separate, temporary half-cent sales tax means voters throughout California face similar choices in November.

The 74 percent of pro-tax voters in San Francisco easily surpassed the normally tough-to-win two-thirds vote that will likely be required for many of those local increases.

Coupled with unexpected pro-tax sentiment in local elections around the state -- voters in conservative San Bernardino County, for example, narrowly missed the two-thirds hurdle for a special tax this month -- it could haringer an important swing in public opinion.

"The conventional wisdom has always been that in a low-turnout election, tax measures will go down to horrible defeats," said California Poll director Mervin Field.

"But after all the state budget crises and local scare stories, they are beginning to believe that a lot of the fat in government has been fried out."

Index terms: Proposition A; SF; ELECTIONS 1993; SALES TAX; SCHOOLS .Record: 11754
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What about the resolution to call the election? →

Resolution No. 1

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(San Francisco Public Finance Authority)

AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE SAN FRANCISCO PUBLIC FINANCE AUTHORITY AND THE STATE BOARD OF EQUALIZATION FOR PREPARATION TO ADMINISTER AND OPERATE THE AUTHORITY'S TRANSACTIONS AND USE TAX ORDINANCE.

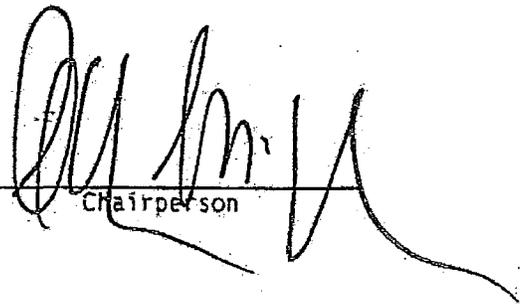
RESOLVED, That the San Francisco Public Finance Authority authorizes the execution of an agreement with the State Board of Equalization to implement the provisions of Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code, for the purpose of preparing to administer and operate the San Francisco Public Finance Authority transactions and use tax ordinance; and therefore be it

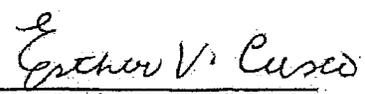
FURTHER RESOLVED, That this agreement shall continue in effect until the preparatory work necessary to administer the Authority's transactions and use tax ordinance has been completed and the State Board of Equalization has received all payments due from the Authority; and therefore be it

FURTHER RESOLVED, That the Superintendent of the San Francisco Unified School District and the Chancellor of the San Francisco Community College District are hereby authorized to enter into and sign the agreement for the Authority.

The forgoing Resolution was passed and adopted by the San Francisco Public Finance Authority at a meeting thereof, this 20TH day of September, 1993 by the following vote, to wit:

Ayes: EIGHT NO: ZERO
Absent: TWO


Chairperson

ATTEST: 
Acting Secretary

Artifact - Replaced

Prior
writing

AGREEMENT FOR PREPARATION TO ADMINISTER
AND OPERATE DISTRICT'S TRANSACTIONS AND USE TAX ORDINANCE

In order to prepare to administer a transactions and use tax ordinance adopted in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, the SAN FRANCISCO PUBLIC FINANCE AUTHORITY, hereinafter called "District", and the STATE BOARD OF EQUALIZATION, hereinafter called "Board", do agree as follows:

1. The Board agrees to enter into work to prepare to administer and operate a transactions and use tax in conformity with Part 1.6 of Division 2 of the Revenue and Taxation Code which has been approved by a majority of the electors of the District and whose ordinance has been adopted by the District.

2. District agrees to pay to the Board at the times and in the amounts hereinafter specified all of the Board's costs for preparatory work necessary to administer the District's transactions and use tax ordinance. The Board's costs for preparatory work include costs of developing procedures, programming for data processing, developing and adopting appropriate regulations, designing and printing forms, developing instructions for the Board's staff and for taxpayers, and other appropriate and necessary preparatory costs to administer a transactions and use tax ordinance. These costs shall include both direct and indirect costs as specified in Section 11256 of the Government Code.

3. Preparatory costs may be accounted for in a manner which conforms to the internal accounting and personnel records currently maintained by the Board. The billings for costs may be presented in summary form. Detailed records of preparatory costs will be retained for audit and verification by the District.

4. Any dispute as to the amount of preparatory costs incurred by the Board shall be referred to the State Director of Finance for resolution, and the Director's decision shall be final.

5. Preparatory costs incurred by the Board shall be billed by the Board periodically, with the final billing 30 days after the operative date of the ordinance. District shall pay to the Board the amount of such costs on or before the last day of the next succeeding month following the month when the billing is received.

6. The maximum amount to be paid by District for the Board's preparatory costs shall not exceed one hundred seventy-five thousand dollars (\$175,000) (Revenue and Taxation Code Section 7272).

7. Communications and notices may be sent by first class United States mail. Communications and notices to be sent to the Board shall be addressed to:

State Board of Equalization
P.O. Box 942879
Sacramento, California 94279-0001

Attention: Executive Director

Different
Typewriter

Communications and notices to be sent to District shall
be addressed to:

Robert Golton
San Francisco Public Finance Authority
135 Van Ness Avenue, Room 215
San Francisco, CA 94102

8. The date of this agreement is the date on which it is approved by the Department of General Services. This agreement shall continue in effect until the preparatory work necessary to administer District's transactions and use tax ordinance has been completed and the Board has received all payments due from District under the terms of this agreement.

STATE BOARD OF EQUALIZATION

By [Signature]
Executive Director

Why in middle

APPROVED
SEP 20 1993
ORIGINAL SIGNED BY
BY GARRY NESS
Asst. Chief Counsel

(District)
By [Signature]
(Signature)

WALDEMAR ROJAS EVAN S. DOBELLE
(Typed Name)

SAN FRANCISCO COUNTY SUPERINTENDENT OF SCHOOLS CHANCELLOR, SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

(Title)

Wrong year
(5/92)

Same typewriter
(ms. casco's)
As pg. 1



June 18, 1993

FINAL STATEMENT OF VOTES
SCHOOL SALES TAX SPECIAL ELECTION
June 15, 1993

This is the Final Statement of Votes for the June 15, 1993 Special Election in San Francisco.

For each precinct, there are two lines of information. The first line, with "0" registered voters is the absentee total. The second line shows the total number of voters registered in the precinct and the numbers of votes cast at the polling place. The turnout for each precinct, as a number and as a percentage, is only for the votes cast at the polling place, and does not include the absentee votes. The total turnout for each precinct can be obtained by adding the absentee and precinct turnouts.

There are two pages of summary information at the end of the precinct report. The neighborhood and district totals and percentages include both the absentee and precinct votes.

All ballots were sorted into the appropriate precinct before counting.

This information is also available on disk.

If you have any questions, please call Greg Ridenour at (415) 554-4382.

← gets election type right

← Not endorsed by
the registrar



November 10, 1993

PREFACE

Following is the Final Statement of Votes cast in the November 2, 1993 Consolidated General Election in San Francisco.

There are two lines for each precinct. The first line is the number of absentee votes and the second line is the number of polling place votes. In order to determine the total turnout for a precinct, you must add the absentee and precinct votes together. Then you can compare that number votes cast with the number of registered voters in the precinct to determine the percentage turnout for the precinct.

There are three mail-ballot precincts in this election: 3142, 3199, and 3899. These precincts have no polling place, and all voters received ballots in the mail. There are also two lines summarizing the unsorted type 1 ballots (12th Assembly District) and unsorted type 2 ballots (13th Assembly District). These are ballots which were counted, but not sorted into precincts before counting. These primarily represent absentee ballots which were turned in at polling places on election day and counted after the precinct ballots, and provisional ballots which were counted after election day.

Included in this document is a Summary Report, which follows the Statement of Votes. Also included is a list of neighborhoods and districts by precinct for this election.

For additional information regarding election results, and for copies of this report on diskette, please contact Gregory Ridenour, Administrative Manager, at (415) 554-4382.

Thank you for your interest in our election. We hope that this document is helpful to you. If you have any suggestions for improving our format for future elections, please let us know.

Germaine Q Wong
Registrar of Voters

158 CITY HALL, SAN FRANCISCO, CA 94102-4691
Voice-415-554-4375; FAX-415-554-7544; TDD-415-554-4386

← endorsed by the
registrar

No Mistakes.

**OFFICE OF THE REGISTRAR OF VOTERS
CITY AND COUNTY OF SAN FRANCISCO**

158 CITY HALL, SAN FRANCISCO, CA 94102
TDD: 415. 554. 4386

Voice: 415. 554. 4375

Germaine Q Wong, Registrar of Voters
Fax: 415. 554. 7344

Certification of Election Results

18 June 1993

Honorable Board of Supervisors
City and County of San Francisco
Room 235 City Hall
San Francisco, CA 94102

*Should be
Primary special*

I, Germaine Q Wong, Registrar of Voters of the City and County of San Francisco, hereby certify that pursuant to and in the manner required by law, I have canvassed the vote cast at the Consolidated General Election held on Tuesday, the Fifteenth day of June 1993 in said City and County.

*In 1993,
there was
No Div. 12*

I certify that I commenced the canvass of said election on Tuesday evening, June 15, 1992 and that the canvass was conducted in the manner required by Division 12 of the California Elections Code.

As a result of such official canvass and tabulation of all votes recorded, I herewith present a complete record as set forth in full in the volume entitled "Statement of Votes, Final Statement of Votes, June 15, 1993 Special Election," and that the number of ballots cast at said election was 84,786.

*← Missing stel lang. re
invalid ballots.*

I certify that the ordinance for the School Sales Tax, designated as Proposition A, received an affirmative vote of 73.8% (i.e. Yes: 59,574 and No: 21,108) of the votes cast thereon.

In witness whereof I hereby affix my hand and seal this eighteenth day of June 1992.

Not signed →

No Seal

Germaine Q Wong
Registrar of Voters

CERTIFIED TO BE A TRUE COPY OF
THE ORIGINAL ON FILE IN THE OFFICE

SEP 22 '93

REGISTRAR OF VOTERS
gm

*↑
MATCHES her initials in
other documents*

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 544-5227

July 13, 2017

Sunshine Ordinance Task Force
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
Attn: Victor Young, Administrator

Re: Sunshine Ordinance Complaint No. 17039

Dear Task Force Members:

Our office received a request to respond to SOTF Complaint No. 17039 filed by Mr. Thomas Busse (complainant) against the San Francisco Public Finance Authority (SFPF).

In response to the SOTF's request, our office made inquiries with the Office of the City Attorney and the Office of the Controller. Based upon the information provided, the SFPF does not operate or meet at this time. The SFPF fulfilled its primary functions in 1993 and delegated administrative powers to the board and executive management of the Community College District (CCSF) and the San Francisco Unified School District (SFUSD).

HISTORY

- Board of Supervisors Resolution No. 48-93 authorized the creation of the SFPF to place a sales tax measure on the ballot to increase the local sales tax to support the SFUSD and CCSF.
- Members of the SFPF governing body were listed in the voter information pamphlet which included the following members: Board of Supervisors Members Alioto, Kaufman, Kennedy, Migden and Shelly; SFUSD Board Members Ammiano, Fa and Wynns; and CCSF Board Members Varni and Monet.
- On March 11, 1993, the SFPF governing body fulfilled the body's primary function and voted 8-0 to submit a ballot measure to the voters (Proposition A, June 1993).
- The voters approved Proposition A by a vote of 73.84%.
- Proposition A required the SFPF to enter into a contract with the State Board of Equalization (BOE) before October 1, 1993, regarding the administration and operation of the tax.

- On September 20, 1993, the governing body of the SFPF met to adopt resolutions regarding execution of the agreement between the SFPF and the BOE to administer the tax; authorize the Superintendent of the SFUSD and the Chancellor of the CCSF to jointly execute all necessary documents in order to implement collection of the SFPF's tax revenue and allocation of the tax; and authorize the boards of SFUSD and CCSF to jointly approve all expenditures.
- The SFPF, having completed their key functions in 1993, had no reason to meet again as state law does not prescribe any additional function for the governing board.

The SFPF does continue to exist as a paper entity that the BOE uses to receive and distribute the portion of local sales taxes designated for SFUSD and CCSF. The BOE remits the SFPF tax proceeds to a bank account following instructions given to the BOE by staff at the SFUSD who are speaking on behalf of the SFPF. The City does not receive or account for these funds.

The Office of the Clerk of the Board does not have any additional records or information regarding the SFPF. I hope that the information provided is enlightening and helpful in your discussions.

Most Sincerely,


Angela Calvillo
Clerk of the Board



San Francisco Unified School District

LEGAL DEPARTMENT
555 Franklin Street, 3rd Floor, San Francisco, CA 94102
Telephone (415) 241-6216 Fax (415) 241-6371

Dr. Vincent Matthews
Superintendent of Schools

Danielle M. Houck
General Counsel
daniellehouck@sfusd.edu

Tammi Wong
Sr. Deputy General Counsel
wongt11@sfusd.edu

July 19, 2017

Victor Young
Administrator
Sunshine Ordinance Task Force
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102

Re: SOTF File 170-39

Dear Mr. Young:

Thank you for providing the documentation and informational update on the above referenced matter. As counsel for the San Francisco Unified School District, our position is that the Sunshine Ordinance does not apply to the San Francisco Unified School District and therefore the Task Force lacks jurisdiction.

However, in good faith, this letter is to inform the Complaints Committee that the District does not have any records that the San Francisco Public Finance Authority (SFPFA) has convened since September 30, 1993 and to clarify that the San Francisco Educational Finance Authority is a separate entity that ceased to exist by the expiration of the temporary sales tax that was in effect between February 1, 1992 to August 1, 1993.

As stated by the Clerk of the Board in its July 13, 2017 letter to the Task Force, the SFPFA completed its key functions and therefore does not convene. The SFPFA continues to exist on paper to receive and distribute the portion of the now permanent local sales taxes allocated to the San Francisco Unified School District and the San Francisco City College District.

Attached are the most recent identified records of a convening of the SFPFA that were retained by the SFPFA at the District office. As the committee will see, the SFPFA delegated the duty for State Administration of the SFPFA's transaction and use tax to the Board of Equalization. The SFPFA delegated the ability to execute necessary documents to implement the collection of the tax and to effectuate the allocation and investment of the proceeds of the tax to the San Francisco County Superintendent of Schools and the Chancellor for the San Francisco Community College District.

From: Tammi Wong
Page 2 of 2

We hope this documentation is helpful to the Complaints Committee in its discussions.

Sincerely,

A handwritten signature in black ink, consisting of several loops and a long tail, positioned below the word "Sincerely,".

Tammi Wong
Sr. Deputy General Counsel

SPECIAL MEETING

**PUBLIC FINANCE AUTHORITY
of the San Francisco Board of Supervisors
and San Francisco Board of Education**

Members:

**Supervisor Carole Migden, Chair
Supervisor Angela Alioto
Supervisor Willie B. Kennedy
Supervisor Kevin Shelley
Commissioner Tom Ammiano
Commissioner Angie Fa
Commissioner Jill Wynn
Trustee Robert Burton
Trustee Maria Monet**

**Monday, September 20, 1993
1:00 P.M.
City Hall, Room 228, San Francisco**

- 1. Resolution Authorizing the Execution of an Agreement Between the San Francisco Public Finance Authority and the State Board of Equalization for Preparation to Administer and Operate the Authority's Transaction and Use Tax Ordinance**
- 2. Resolution Authorizing the Execution of an Agreement Between the San Francisco Public Finance Authority and the State Board of Equalization for State Administration of the Authority's Transaction and Use Tax**
- 3. Resolution Authorizing the San Francisco County Superintendent of Schools and the Chancellor of the San Francisco Community College District to Jointly Execute all Necessary Documents with State and Local Agencies in Order to Implement the Collection of the Authority's Transactions and Use Taxes and to Effectuate the Allocation and Investment of the Proceeds of Said Taxes.**
- 4. Resolution Authorizing the Governing Boards of the San Francisco Unified School District and the San Francisco Community College District to Jointly Approve All Expenditures Necessary to Implement the Collection of the Authority's Transactions and Use Taxes and to Effectuate the Allocation and Investment of the Proceeds of Said Taxes**
- 5. Additional Business**
- 6. Adjournment**

1 (San Francisco Public Finance Authority)

2 AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE SAN FRANCISCO PUBLIC
3 FINANCE AUTHORITY AND THE STATE BOARD OF EQUALIZATION FOR PREPARATION TO
4 ADMINISTER AND OPERATE THE AUTHORITY'S TRANSACTIONS AND USE TAX ORDINANCE.

5 RESOLVED, That the San Francisco Public Finance Authority authorizes the
6 execution of an agreement with the State Board of Equalization to Implement
7 the provisions of Parts 1.6 and 1.7 of Division 2 of the California Revenue
8 and Taxation Code, for the purpose of preparing to administer and operate the
9 San Francisco Public Finance Authority transactions and use tax ordinance; and
10 therefore be it

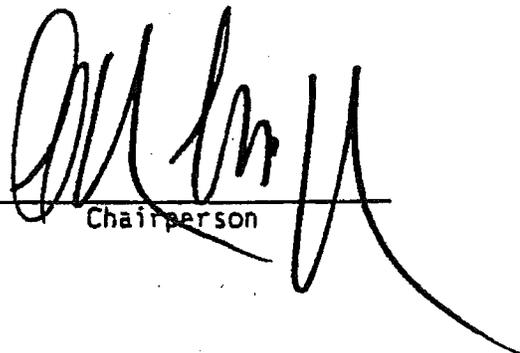
11 FURTHER RESOLVED, That this agreement shall continue in effect until the
12 preparatory work necessary to administer the Authority's transactions and use
13 tax ordinance has been completed and the State Board of Equalization has
14 received all payments due from the Authority; and therefore be it

15 FURTHER RESOLVED, That the Superintendent of the San Francisco Unified
16 School District and the Chancellor of the San Francisco Community College
17 District are hereby authorized to enter into and sign the agreement for the
18 Authority.

19 The forgoing Resolution was passed and adopted by the San Francisco
20 Public Finance Authority at a meeting thereof, this 20TH day of September, 1993
21 by the following vote, to wit:

22
23 Ayes: EIGHT NO: ZERO

24 Absent: TWO

25
26 
Chairperson

27 ATTEST: Ernest V. Casco
28 Acting Secretary

AGREEMENT FOR PREPARATION TO ADMINISTER
AND OPERATE DISTRICT'S TRANSACTIONS AND USE TAX ORDINANCE

In order to prepare to administer a transactions and use tax ordinance adopted in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, the _____, hereinafter called "District", and the STATE BOARD OF EQUALIZATION, hereinafter called "Board", do agree as follows:

1. The Board agrees to enter into work to prepare to administer and operate a transactions and use tax in conformity with Part 1.6 of Division 2 of the Revenue and Taxation Code which has been approved by a majority of the electors of the District and whose ordinance has been adopted by the District.

2. District agrees to pay to the Board at the times and in the amounts hereinafter specified all of the Board's costs for preparatory work necessary to administer the District's transactions and use tax ordinance. The Board's costs for preparatory work include costs of developing procedures, programming for data processing, developing and adopting appropriate regulations, designing and printing forms, developing instructions for the Board's staff and for taxpayers, and other appropriate and necessary preparatory costs to administer a transactions and use tax ordinance. These costs shall include both direct and indirect costs as specified in Section 11256 of the Government Code.

3. Preparatory costs may be accounted for in a manner which conforms to the internal accounting and personnel records currently maintained by the Board. The billings for costs may be presented in summary form. Detailed records of preparatory costs will be retained for audit and verification by the District.

4. Any dispute as to the amount of preparatory costs incurred by the Board shall be referred to the State Director of Finance for resolution, and the Director's decision shall be final.

5. Preparatory costs incurred by the Board shall be billed by the Board periodically, with the final billing 30 days after the operative date of the ordinance. District shall pay to the Board the amount of such costs on or before the last day of the next succeeding month following the month when the billing is received.

6. The maximum amount to be paid by District for the Board's preparatory costs shall not exceed one hundred seventy-five thousand dollars (\$175,000) (Revenue and Taxation Code Section 7272).

7. Communications and notices may be sent by first class United States mail. Communications and notices to be sent to the Board shall be addressed to:

State Board of Equalization
P.O. Box 942879
Sacramento, California 94279-0001

Attention: Executive Director

Communications and notices to be sent to District shall
be addressed to:

8. The date of this agreement is the date on which it is approved by the Department of General Services. This agreement shall continue in effect until the preparatory work necessary to administer District's transactions and use tax ordinance has been completed and the Board has received all payments due from District under the terms of this agreement.

STATE BOARD OF EQUALIZATION

By _____
Executive Director

(District)

By _____
(Signature)

(Typed Name)

(Title)

1
2 (S.F. Public Finance Authority and State Board of Equalization Agreement)
3 AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN THE SAN FRANCISCO PUBLIC
4 FINANCE AUTHORITY AND THE STATE BOARD OF EQUALIZATION FOR STATE ADMINISTRATION
5 OF AUTHORITY'S TRANSACTION AND USE TAXES.

6 RESOLVED, That the San Francisco Public Finance Authority authorizes the
7 execution of an agreement with the State Board of Equalization to implement
8 the provisions of Parts 1.6 and 1.7 of Division 2 of the California Revenue
9 and Taxation Code, for the purpose of administering and operating the San
10 Francisco Public Finance Authority transactions and use tax ordinance; and
11 therefore be it

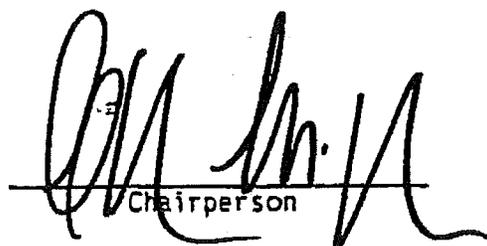
12 FURTHER RESOLVED, That this agreement shall continue in effect until all
13 the work necessary to administer the Authority's transactions and use tax
14 ordinance has been completed and the State Board of Equalization has received
15 and disbursed all payments under said ordinance; and therefore be it

16 FURTHER RESOLVED, That the Superintendent of the San Francisco Unified
17 School District and the Chancellor of the San Francisco Community College
18 District are hereby authorized to enter into and sign the agreement for the
19 Authority.

20 The foregoing Resolution was passed and adopted by the San Francisco
21 Public Finance Authority at a meeting thereof, this 20TH day of September, 1993
22 by the following vote, to wit:

23
24 Ayes: EIGHT NO: ZERO

25 Absent: TWO

26
27 
Chairperson

28 ATTEST: Escher V. Cuna P141

AGREEMENT FOR STATE ADMINISTRATION
OF DISTRICT TRANSACTIONS AND USE TAXES

To carry out Part 1.6 of Division 2 of the Revenue and Taxation Code and the Transactions and Use Tax Ordinance of the _____, hereinafter called "District", copy of which Ordinance is attached hereto, District and the STATE BOARD OF EQUALIZATION, hereinafter called the "Board", do agree as follows:

ARTICLE I

DEFINITIONS

Unless the context requires otherwise, wherever the following terms appear in this Agreement, they shall be interpreted to mean the following:

1. "District taxes" shall mean the transactions and use taxes, penalties, and interest imposed under an ordinance which complies with Part 1.6, Division 2 of the Revenue and Taxation Code.

2. "District Ordinance" shall mean the District's Transactions and Use Tax Ordinance attached hereto, as amended from time to time, or as deemed to be amended from time to time pursuant to Revenue and Taxation Code Section 7262.2.

ARTICLE II

ADMINISTRATION AND COLLECTION
OF DISTRICT TAXES

A. Administration. The Board and District agree that the Board shall perform exclusively all functions incident to the administration and operation of the District Ordinance.

B. Other applicable laws. District agrees that all provisions of law applicable to the administration and operation of the State Sales and Use Tax Law which are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code shall be applicable to the administration and operation of the District Ordinance. District agrees that money collected pursuant to the District Ordinance may be deposited in the State Treasury to the credit of the Retail Sales Tax Fund and may be drawn from that Fund for any authorized purpose, including making refunds, compensating and reimbursing the Board pursuant to Article IV of this Agreement, and of transmitting to District the amount to which District is entitled.

C. Transmittal of money. Except as otherwise provided herein, all District taxes collected under the provisions of the

District Ordinance shall be transmitted to District periodically as promptly as feasible but not less often than twice in each calendar quarter. Transmittals may be made by mail or by deposit to the account of District in a bank in Sacramento designated by District. A statement shall be furnished at least quarterly indicating the amounts withheld pursuant to Article IV of this Agreement.

D. Rules. The Board shall prescribe and adopt such rules and regulations as in its judgment are necessary or desirable for the administration and operation of the District Ordinance and the distribution of the District taxes collected thereunder.

E. Preference. Unless the payor instructs otherwise and except as otherwise provided in this Agreement, the Board shall give no preference in applying money received for state sales and use taxes, state-administered local sales and use taxes, and District transactions and use taxes owed by a taxpayer but shall apply all monies collected to the satisfaction of the claims of the State, cities, counties, cities and counties, redevelopment agencies, other districts, and District as their interests appear.

F. Security. The Board agrees that any security which it hereafter requires to be furnished by taxpayers under the State

Sales and Use Tax Law will be upon such terms that it also will be available for the payment of the claims of District for district taxes owing to it as its interest appears. The Board shall not be required to change the terms of any security now held by it and District shall not participate in any security now held by the Board.

G. Records of the Board. When requested by resolution of the board of directors of District under Section 7056 of the Revenue and Taxation Code, the Board agrees to permit authorized personnel of District to examine the records and procedures of the Board concerning taxpayers subject to the District Ordinance. Information obtained by the District from examination of the Board's records shall be used by the District only for purposes related to the collection of transactions and use taxes by the Board pursuant to this Agreement.

H. Annexation. District agrees that the Board shall not be required to give effect to an annexation, for the purpose of collecting, allocating, and distributing District transactions and use taxes, earlier than the first day of the calendar quarter which commences not less than two months after notice to the Board. The notice shall include the name of the county or counties annexed to the extended District boundary. In the event District shall annex an area, the boundaries of which are not coterminous with the boundaries of a county, or counties, the notice shall include a description of the area annexed and two maps of the District

showing the area annexed and the location address of the property nearest to the extended District boundary on each side of every street or road crossing the boundary.

ARTICLE III

ALLOCATION OF TAX

A. Allocation. In the administration of the Board's contracts with all districts which impose transactions and use taxes imposed under ordinances which comply with Part 1.6 of Division 2 of the Revenue and Taxation Code:

(1) Any payment not identified as being in payment of liability owing to a designated district or districts may be apportioned among the districts as their interests appear, or, in the discretion of the Board, to all districts with which the Board has contracted using ratios reflected by the distribution of district taxes collected from all taxpayers.

(2) All district taxes collected as a result of determinations or billings made by the Board, and all amounts refunded or credited may be distributed or charged to the respective districts in the same ratio as the taxpayer's self-declared district taxes for the period for which the determination, billing, refund, or credit applies.

B. Vehicles, Vessels, and Aircraft. For the purpose of allocating use tax with respect to vehicles, vessels, or aircraft, the address of the registered owner appearing on the application for registration or on the certificate of ownership may be used by the Board in determining the place of use.

ARTICLE IV

COMPENSATION

The District agrees to pay to the Board as the Board's cost of administering the District Ordinance such amount as is provided for by law. Such amounts shall be deducted from the taxes collected by the Board for the District.

ARTICLE V

MISCELLANEOUS PROVISIONS

A. Communications. Communications and notices may be sent by first class United States mail to the addresses listed below or to such other addresses as the parties may from time to time designate. A notification is complete when deposited in the mail.

Communications and notices to be sent to the Board shall be addressed to:

State Board of Equalization
P.O. Box 942879
Sacramento, California 94279-0001
Attention: Executive Director

Communications and notices to be sent to District shall be addressed to:

B. Term. The date of this Agreement is the date on which it is approved by the Department of General Services. The Agreement shall take effect on _____, but no earlier than the first day of the first calendar quarter commencing after such approval. This Agreement shall continue until December 31 next following the operative date of the District Ordinance, and shall thereafter be renewed automatically from year to year until the Board completes all work necessary to the administration of the District Ordinance and has received and disbursed all payments due under that Ordinance.

C. Notice of Repeal of Ordinance. District shall give Board written notice of the repeal of the District Ordinance not less than 110 days prior to the operative date of the repeal.

ARTICLE VI

REFUND OF TAXES

IF ORDINANCE IS FOUND TO BE INVALID

Should a final judgment be entered in any court of the State of California, holding that District's ordinance is invalid or void and requiring a rebate or refund to taxpayers of any taxes collected under the terms of this Agreement, the parties mutually agree that:

1. Board may retain all payments made by District to Board to prepare to administer the District Ordinance.
2. District will pay to Board and allow Board to retain Board's cost of administering the District Ordinance in the amounts set forth in Article IV of this Agreement.
3. District will pay to Board or to the State of California the amount of any taxes plus interest and penalties, if any, that Board or the State of California may be required to rebate or refund to taxpayers.

4. District will pay to Board its costs for rebating or refunding such taxes, interest, or penalties. Board's costs shall include its additional cost of developing procedures for processing the rebates or refunds, its costs of actually making these refunds, designing and printing forms, and developing instructions for Board's staff for use in making these rebates or refunds and any other costs incurred by Board which are reasonably appropriate or necessary to make those rebates or refunds. These costs shall include Board's direct and indirect costs as specified by Section 11256 of the Government Code.

5. Costs may be accounted for in a manner which conforms to the internal accounting and personnel records currently maintained by Board. The billings for such costs may be presented in summary form. Detailed records will be retained for audit and verification by District.

6. Any dispute as to the amount of costs incurred by Board in refunding taxes shall be referred to the State Director of Finance for resolution and the Director's decision shall be final.

7. Costs incurred by Board in connection with such refunds shall be billed by Board on or before the 25th day of the second month following the month in which the judgment of a court of the State of California holding District's Ordinance to be invalid or void becomes final. Thereafter Board shall bill

District on or before the 25th of each month for all costs incurred by Board for the preceding calendar month. District shall pay to Board the amount of such costs on or before the last day of the succeeding month and shall pay to Board the total amount of taxes, interest, and penalties refunded or paid to taxpayers, together with Board costs incurred in making those refunds.

STATE BOARD OF EQUALIZATION

By _____
Executive Director

(District)

By _____
(Signature)

(Typed Name)

(Title)

(5/92)

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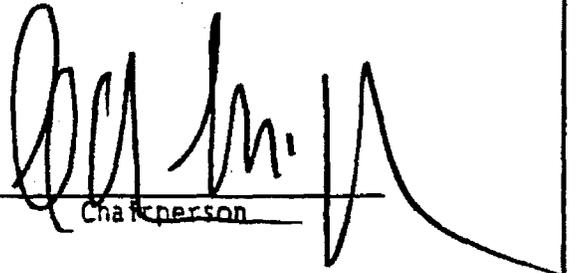
(San Francisco County Superintendent and Community College Chancellor Authorization)

AUTHORIZING THE SAN FRANCISCO COUNTY SUPERINTENDENT OF SCHOOLS AND THE CHANCELLOR FOR THE SAN FRANCISCO COMMUNITY COLLEGE DISTRICT TO JOINTLY EXECUTE ALL NECESSARY DOCUMENTS WITH STATE AND LOCAL AGENCIES IN ORDER TO IMPLEMENT THE COLLECTION OF THE AUTHORITY'S TRANSACTIONS AND USE TAXES AND TO EFFECTUATE THE ALLOCATION AND INVESTMENT OF THE PROCEEDS OF SAID TAXES.

RESOLVED, That the San Francisco Public Finance Authority authorizes the San Francisco County Superintendent of Schools and the Chancellor for the San Francisco Community College District to jointly execute all necessary documents with state and local agencies in order to implement the collection of the Authority's transactions and use taxes and to effectuate the allocation and investment of the proceeds of said taxes.

The foregoing Resolution was passed and adopted by the San Francisco Public Finance Authority at a meeting thereof, this 20TH day of September, 1993 by the following vote, to wit:

Ayes: EIGHT NO: TWO
Absent: ZERO


Chancellor

ATTEST: Esther V. Casco
Acting Secretary

6385g

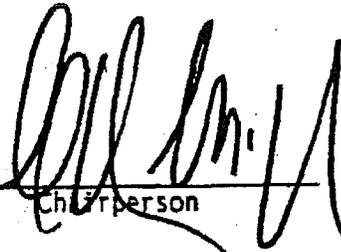
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(SFUSD and SFCCD Governing Board Approval of Expenditures)
AUTHORIZING THE GOVERNING BOARDS OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND THE SAN FRANCISCO COMMUNITY COLLEGE DISTRICT TO JOINTLY APPROVE ALL
EXPENDITURES NECESSARY TO IMPLEMENT THE COLLECTION OF THE AUTHORITY'S
TRANSACTIONS AND USE TAXES AND TO EFFECTUATE THE ALLOCATION AND INVESTMENT OF
THE PROCEEDS OF SAID TAXES.

RESOLVED, That the San Francisco Public Finance Authority authorizes the
Governing Boards of the San Francisco Unified School District and the San
Francisco Community College District to jointly approve all expenditures
necessary to implement the collection of the Authority's transactions and use
taxes and to effectuate the allocation and investment of the proceeds of said
taxes.

The foregoing Resolution was passed and adopted by the San Francisco
Public Finance Authority at a meeting thereof, this 20TH day of September,
1993 by the following vote, to wit:

Ayes: EIGHT NO: ZERO
Absent: TWO



Chairperson

ATTEST: *Esmer V. Casco*
Acting Secretary

6385g

