



July 1, 2009

Chairman John Avalos
Budget & Finance Committee
Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Chairman Avalos:

As you know, the State of California has not balanced its budget for the 2009-2010 fiscal year. This creates some uncertainty for the City's budget because of our reliance on State funds.

To the extent that the Controller reports General Fund losses in excess of the \$18 million assumed in the City's adopted budget, I will issue a report to the Board of Supervisors' Budget and Finance Committee detailing my proposal to address the unanticipated State revenue reductions.

I look forward to collaborating with the Budget and Finance Committee and will work with the Board of Supervisors before taking action to address any unanticipated State budget reductions.

Sincerely,

A handwritten signature in black ink, appearing to read "Gavin Newsom", with a long horizontal line extending to the right.

Gavin Newsom

cc: Board of Supervisors
Harvey Rose
Controller