

1 [Establishing the San Francisco Self-Insurance Surety Bond Fund and Setting Standards  
2 Governing Deposits into the Fund.]

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4 **Ordinance amending the San Francisco Administrative Code by adding Section 10.100-**  
5 **317, establishing the San Francisco Self-Insurance Surety Bond Fund, contributions**  
6 **thereto, and use of said Fund.**

7 Note: Additions are single-underline italics Times New Roman;  
8 deletions are ~~strikethrough italics Times New Roman~~.  
9 Board amendment additions are double underlined.  
Board amendment deletions are ~~strikethrough normal~~.

10 Be it ordained by the People of the City and County of San Francisco:

11 Section 1. The San Francisco Administrative Code is hereby amended by adding  
12 Section 10.100-317, to read as follows:

13 SECTION 10.100-317. SAN FRANCISCO SELF-INSURANCE SURETY BOND FUND.

14 (a) Establishment of Fund. The San Francisco Bonding and Financial Assistance Program is  
15 created in Section 14B.16 of the Administrative Code. That section requires City departments,  
16 consistent with the budgetary and fiscal provisions of the San Francisco Charter, to contribute to the  
17 San Francisco Bonding and Financial Assistance Program. The San Francisco Self-Insurance Surety  
18 Bond Fund is hereby created as a category eight fund as defined in Section 10.100-1 of the  
19 Administrative Code and shall receive annual contributions as determined under the provisions of  
20 subsection (c) of this Section and charged against all City capital projects appropriated after the  
21 effective date of this Section.

22 (b) Use of Fund. Subject to the budgetary and fiscal provisions of the San Francisco Charter,  
23 the City may expend the monies in said Fund only for the purpose of conducting self-insurance  
24 programs for the San Francisco Bonding and Financial Assistance Program, including Risk  
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1 Management Administration, City Attorney Claim Administration and Adjudication, and Human Rights  
2 Commission Programmatic Oversight.

3 (c) The Controller in consultation with the City's Risk Manager shall annually set a  
4 contribution rate for all City capital construction and improvement projects conducted under Chapter 6  
5 of the San Francisco Administrative Code. The Risk Manger, not less than every five years, shall  
6 procure an actuarial study of the City's loss experience for capital projects that shall provide the basis  
7 for setting of the annual contribution rate to the Fund. The Risk Manager and the Controller shall  
8 periodically review expenditures from the Fund to determine whether any department's loss rate is  
9 significantly higher or lower than the Citywide loss rate. In the event the Controller finds any  
10 significant disparities he or she is authorized to make adjustments to appropriations to eliminate such  
11 disparities.

12 (d) Initial Contribution of the Fund. Subject to the budgetary and fiscal provisions of the  
13 Charter, each participating department shall contribute their proportional share of the two (2) million  
14 dollar initial contribution to the Fund in the current fiscal year of 2008-2009. The Controller, in  
15 consultation with the Risk Manager, shall determine each department's contribution based on each  
16 department's projected participation in the program. General fund departments may delay their initial  
17 contributions to the Fund and participation in the Fund until the fiscal year of 2009 to 2010 budget  
18 appropriations, when such funds shall be budgeted as part of their capital appropriations budgets and  
19 participation in the program may commence.

20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By: \_\_\_\_\_  
23 ALICIA CABRERA  
24 Deputy City Attorney