

[Requiring that one-time revenues be spent only for one-time uses, unless otherwise authorized by the Board of Supervisors.]

CHARTER AMENDMENT

PROPOSITION ____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by adding Section 9.119 to limit the expenditure of one-time revenues to one-time uses, unless the Board of Supervisors waives the limitation for a specific expenditure by a two-thirds' vote, and setting an operative date and an expiration date.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on June 2, 2009, a proposal to amend the Charter of the City and County by adding Section 9.119 to read as follows:

Note: Additions are *single-underline italics Times New Roman*.
Deletions are ~~*strikethrough italics Times New Roman*~~.

Section 1. The San Francisco Charter is hereby amended by adding Section 9.119, to read as follows:

SEC. 9.119. ONE-TIME REVENUES AND EXPENDITURES.

(a) Definition. For purposes of this Section, "one-time revenues" are revenues earned or accrued after the effective date of this Section and attributable to "extraordinary items" or "special items," as those terms are used under generally accepted accounting principles applicable to state and local governmental entities. "Surplus collections," which are fee and tax revenues that significantly and unexpectedly exceed estimates contained in the budget and that are not estimated to recur in subsequent year, are one-time revenues for purposes of this Section. Prior year fund balances, reserves, or proceeds from the sale of bonds are not one-time revenues.

(b) **Use of One-Time Revenues.** As part of the certification of revenue estimates under Section 9.102, the Controller shall identify all one-time revenues contained in the annual proposed budget. The Controller's determination shall be conclusive for purposes of this Section.

The City may appropriate and expend one-time revenues only if the Controller certifies that the proposed appropriation is for a one-time use, except where the Board of Supervisors by a two-thirds' vote appropriates all or part of the one-time revenues for specific ongoing or operational expenses.

If the City receives one-time revenues during the year in excess of those estimated in the budget, the Controller shall set those revenues aside to be used only for one-time purposes.

(c) **Limitations.** Nothing in this Section shall be construed to prevent the deposit of one-time revenues in the Rainy Day Reserve or other reserves, or to limit the City's ability to accept or comply with the terms of a grant. This Section shall not apply to the enterprise funds of the Port, Airport, Public Utilities Commission, and Municipal Transportation Agency.

(d) **Operative Date; Expiration Date.** This Section shall become operative on July 1, 2010, and shall expire by operation of law on June 30, 2020, unless the Board of Supervisors by resolution extends the operation of this Section for any period that may not extend beyond June 30, 2025.

Section 2. This Section shall expire no later than June 30, 2025. Thereafter, the City Attorney shall cause the Section to be deleted from future editions of the Charter.

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

By: _____
THOMAS J. OWEN
Deputy City Attorney