

1 [General Obligation Bond Accountability Reports.]

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3 **Ordinance amending Chapter 2, Article VIII of the Administrative Code of the City and**
4 **County of San Francisco to provide additional further requirements for the expenditure**
5 **of general obligation bond proceeds.**

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

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

10 Section 1. The San Francisco Administrative Code is hereby amended by amending
11 Sections 2.70, 2.71, 2.72, 2.73 and 2.74, to read as follows:

12 SEC. 2.70. DEFINITIONS.

13 For the purposes of this Article, the following terms shall have the meanings
14 given below:

15 (a) The term "accountability report" shall mean any report pertaining to the
16 expenditure of general obligation bond proceeds required by this Article.

17 (b) The term "authorized officer" shall mean the director of the governmental entity
18 for which bonds were issued.

19 ~~(b)(c)~~ The term "Board" shall mean the Board of Supervisors of the City.

20 ~~(e)(d)~~ The term "bonds" shall mean general obligation bonds.

21 ~~(d)(e)~~ The term "bond proceeds" shall be determined in accordance with the
22 legislation authorizing the sale and issuance of particular general obligation bonds.

23 ~~(e)(f)~~ The term "Budget Analyst" shall mean the budget analyst for the Board or
24 any successor to that position.

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1 ~~(f)~~(g) The term "Charter" shall mean the Charter of the City.

2 ~~(g)~~(h) The term "City" shall mean the City and County of San Francisco.

3 ~~(h)~~(i) The term "Clerk" shall mean the Clerk of the Board of Supervisors of the
4 City.

5 ~~(i)~~(j) The term "Controller" shall mean the Controller of the City.

6 ~~(j)~~(k) The term "Director of Public Finance" shall mean the Director of the
7 Mayor's Office of Public Finance or any successor to that position.

8 ~~(k)~~(l) The term "expended" shall mean an actual current outlay of cash for the
9 project ~~which shall not include~~ or the appropriation of bond proceeds or contractual
10 encumbrances of bond proceeds.

11 ~~(l)~~(m) The term "governmental entity" shall mean any department of the City,
12 public district, corporation, public agency or public authority ~~which has received proceeds of~~
13 ~~bonds by appropriation of the Board~~ on whose behalf bonds have been issued by the City.

14 ~~(m)~~(n) The term "project" shall mean the objects and purposes specified in the
15 general obligation bond proposition pursuant to which the bonds were issued.

16 ~~(n)~~(o) The term "project line item" shall mean any portion of the project
17 identified by line item in any accountability report or proposed expenditure report.

18 ~~(o)~~(p) The term "proposed expenditure report" shall mean any estimate or
19 projection for the expenditure of bond proceeds prepared by a governmental entity prior to the
20 issuance of the bonds and/or the appropriation of bond proceeds.

21 ~~(p)~~(q) The term "Treasurer" shall mean the Treasurer of the City.

22 SEC. 2.71. CONDITIONS FOR SUBMISSION OF BOND ACCOUNTABILITY
23 REPORT.

24 (a) Each governmental entity ~~to~~ which requests the appropriation of bond
25 proceeds ~~were appropriated~~ by the Board shall ~~be required to~~ submit a report in the form

1 required by Section 2.72 to the Clerk of the Board, the Controller, the Treasurer, the Director of
2 Public Finance and the Budget Analyst ~~within~~ sixty (60) days ~~prior to~~ after the date ~~that all of any~~
3 such ~~appropriated appropriation bond proceeds have been expended.~~ A governmental entity which is
4 not part of the City shall be required, prior to the appropriation of bond proceeds, by the City to submit
5 all such required reports. Multiple appropriations may be combined into a single accountability
6 report.

7 (b) ~~— If no report has been filed pursuant to paragraph (a) by the date which is three~~
8 ~~(3) years after the issuance of any general obligation bonds, the Controller shall request that any~~
9 ~~governmental entity to which such bond proceeds were appropriated submit a report in the form~~
10 ~~required by Section 2.72 within 60 days from the date of the request. Any accountability report filed~~
11 ~~pursuant to this paragraph (b) shall be in addition to the accountability report required pursuant to~~
12 ~~paragraph (a).~~

13 (e)(b) If any ~~portion of the~~ bonds authorized for a project have been issued, the
14 governmental entity to which such bond proceeds were appropriated shall submit a report in
15 the form required by Section 2.72 to the Clerk of the Board, the Controller, the Treasurer, the
16 Director of Public Finance and the Budget Analyst sixty (60) days prior to approval by the Board of
17 the sale of any subsequent series of bonds for the same project. Any report filed pursuant to
18 this paragraph (e)(b) shall be in addition to the reports required pursuant to paragraphs (a) ~~and~~
19 (b).

20 (c) The Budget Analyst shall, upon receipt of an accountability report, prepare and
21 submit to the Clerk of the Board an analysis of said accountability report detailing whether or not the
22 bond proceeds (i) in the case of an accountability report submitted prior to the issuance of the first
23 series of bonds, can be expended in accordance with the appropriation or (ii) in the case of an
24 accountability report for any bonds which meet the requirements of paragraph (b) above, were
25 expended in accordance with the appropriation.

1 (d) Any accountability report shall be subject to the reallocation provisions of
2 federal tax law relating to the bonds.

3 (e) The Board may waive the requirement for any accountability report by
4 resolution.

5 SEC. 2.72. CONTENTS OF BOND ACCOUNTABILITY REPORT.

6 Each report required to be submitted pursuant to this Article ~~shall be submitted to~~
7 ~~the Treasurer, the Controller, the Clerk of the Board, the Budget Analyst and the Director of Public~~
8 ~~Finance and generally shall~~ contain the following information:

9 (a) A certification from an authorized officer of the governmental entity that
10 the information contained in the accountability report is true and correct.

11 (b) The cumulative amount of bond proceeds expended on the project and
12 the cumulative amount of bond proceeds available for the project.

13 (c) A brief description of each project line item for which bond proceeds have
14 been expended. Project line items shall be described in the same manner as in any proposed
15 expenditure report or, if no proposed expenditure report was made, in as much detail as
16 practicable.

17 (d) The amount of bond proceeds expended on each project line item. If
18 applicable, such report shall also include an estimate of the amount of bond proceeds
19 remaining to be spent on each project line item.

20 (e) Identification of completed and uncompleted project line items.

21 (f) The status of each uncompleted project line item.

22 (g) Identification of any project line item not included in a proposed
23 expenditure report.

24 (h) Identification of any project line item included in a proposed expenditure
25 report for which bond proceeds will not be used.

1 (i) Certification that each project identified is in conformity with the voter
2 authorization.

3 ~~(i)~~(j) An explanation for project line items identified in paragraphs (f) and (g).

4 SEC. 2.73. VALIDITY OF THE BONDS.

5 The validity of the authorization and issuance of any bonds is not dependent on
6 and shall not be affected in any way by any failure by the City to require, or any failure by a
7 governmental entity to file, any accountability report required by this Article.

8 SEC. 2.74. CONSTRUCTION.

9 The powers conferred by the provisions of this Article are in addition to and
10 supplemental to the powers conferred by the Charter or any other ordinance or law.

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

14
15 By: _____
16 THERESA ALVAREZ
17 Deputy City Attorney