

File No. 180171

Committee Item No. 7

Board Item No. 21

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: RULES
Board of Supervisors Meeting

Date: May 1, 2018
Date: _____

Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
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Prepared by: John Carroll
Prepared by: Alisa Somera

Date: April 20, 2018
Date: April 26, 2018

1 [Administrative Code - Treasury Oversight Committee]

2
3 **Ordinance amending the Administrative Code to modify the composition of the**
4 **Treasury Oversight Committee.**

5 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
6 **Additions to Codes** are in *single-underline italics Times New Roman font*.
7 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
8 **Board amendment additions** are in double-underlined Arial font.
9 **Board amendment deletions** are in ~~strikethrough Arial font~~.
10 **Asterisks (* * * *)** indicate the omission of unchanged Code
11 subsections or parts of tables.

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

13 Section 1. The Administrative Code is hereby amended by renumbering Sections
14 10.80-1 through 10.80-5 as Sections 5.9-1 through 5.9-5 respectively in Chapter 5, Article IX,
15 and revising those Sections, and adding Section 5.9-6, to read as follows:

16 **ARTICLE IX:**

17 **TREASURY OVERSIGHT COMMITTEE**

18 **SEC. ~~10.80-1~~ 5.9-1. ESTABLISHMENT AND PURPOSE – TREASURY OVERSIGHT**
19 **COMMITTEE.**

20 (a) **Establishment.** A Treasury Oversight Committee (*"Committee"*) for the City and
21 County of San Francisco (*referred to hereafter in this Chapter as "Committee"*) (*"City"*) is hereby
22 established as an advisory body to the Treasurer. The Committee shall consist of *five seven*
23 *members, appointed as provided in Section 5.9-3. The members of the Committee shall be nominated*
24 *by the Treasurer and confirmed by and serve at the pleasure of the Board of Supervisors.*

1 (b) **Purpose.** The Committee is established to involve depositors of funds into the City
2 ~~and County~~ Treasury in reviewing the policies for investment of surplus funds that guide the
3 management of their funds and to enhance the security and investment return on those funds
4 by providing a more stable and predictable balance for investment by establishing criteria for
5 the withdrawal of funds.

6 (c) **Limitation.** Nothing in this Article IX shall be construed to allow the Committee to direct
7 individual decisions, select individual investment advisors, brokers, or dealers, or impinge on the day-
8 to-day operations of the Treasurer.

9
10 **SEC. ~~10.80-2.5.9-2.~~ TREASURY OVERSIGHT COMMITTEE – DUTIES.**

11 The duties of the Committee shall be the following:

12 (a) Review and monitor the investment policy described in California Government
13 Code Section 27133 and annually prepared by the ~~County~~ Treasurer; and

14 (b) Cause an annual audit to be conducted to determine the Treasurer's compliance
15 with California Government Code Article 6 including Sections 27130 through 27137 and with
16 the provisions of Article XIII of Chapter 10 of the Administrative Code ~~this ordinance~~. The audit may
17 examine the structure of the investment portfolio and risk;

18 (c) ~~Nothing herein shall be construed to allow the Committee to direct individual decisions,~~
19 ~~select individual investment advisors, brokers, or dealers, or impinge on the day-to-day operations of~~
20 ~~the Treasurer.~~

21 (c) The Committee shall meet at least once every four months.

1 **SEC. 10.80-3-5.9-3. TREASURY OVERSIGHT COMMITTEE – COMPOSITION.**

2 **(a) Composition of Committee.** Consistent with California Government Code Sections
3 27130 et seq., the Committee shall consist of the following members, each of whom shall be
4 nominated by the Treasurer and confirmed by the Board of Supervisors. drawn from the following:

5 (1) ~~The County Treasurer;~~

6 ~~(21) The County Seat 1 shall be held by the Controller or the Controller's designee.;~~

7 ~~(3) A representative appointed by the Board of Supervisors;~~

8 (42) Seat 2 shall be held by the County Superintendent of Schools or his/her the
9 Superintendent's designee. If at any time the Superintendent declines to serve on the Committee or to
10 designate a person to serve, and the seat remains vacant for 60 days or longer, the Treasurer may
11 nominate and the Board of Supervisors may appoint a new member to fill the seat.;

12 (53) Seat 3 shall be held by the Chancellor of the Community College District or
13 his/her the Chancellor's designee. If at any time the Chancellor declines to serve on the Committee
14 or to designate a person to serve, and the seat remains vacant for 60 days or longer, the Treasurer may
15 nominate and the Board of Supervisors may appoint a new member to fill the seat.;

16 (4) Seats 4 and 5 shall be held by employees of City departments or local agencies
17 that participate in the City's pooled fund under California Government Code Sections 53630 et seq., as
18 those sections may be amended in the future.

19 (65) Seats 6 and 7 shall be held by members of the public who:

20 ~~(A) A majority of which shall have expertise in, or an academic~~
21 background in, public finance, and are economically diverse and bipartisan in political registration,
22 nominated by the Treasurer and appointed by the Board of Supervisors.

23 ~~(B) The combination of whom shall be economically diverse and bipartisan in~~
24 political registration.

25 **(b) Conditions for Membership.**

1 (1) A Committee member *of the Committee* may not be employed by an entity that
2 had contributed to ~~a reelection~~ an election campaign of the Treasurer or a member of the Board
3 of Supervisors in the previous three years.

4 (2) A Committee member may not directly or indirectly raise money for the
5 *County* Treasurer or a member of the Board of Supervisors while a member of the Committee.

6 (3) A Committee member may not secure employment with bond underwriters,
7 bond counsel, security brokerages or dealers, or with financial services firms for three years
8 after leaving the Committee.

9 (c) Meeting Attendance.

10 The Committee shall monitor the attendance of Committee members. In the event that
11 any Committee member misses three regularly scheduled Committee meetings in a twelve-
12 month period without the express approval of the Committee at or before the missed
13 meetings, the member shall be deemed to have resigned from the Committee ten days after
14 the third unapproved absence. The Committee shall notify the Treasurer and the Clerk of the
15 Board of Supervisors and any nominating authority and request the nomination and
16 appointment of a new member.

17
18 **SEC. 10.80-45.9-4. COUNTY TREASURY OVERSIGHT COMMITTEE – TERM OF**
19 **OFFICE.**

20 (a) Each member of the Committee shall serve for a term of four years.

21 (b) Members nominated by the Treasurer and appointed by the Board of Supervisors may be
22 removed by the Board of Supervisors with the written concurrence of the Treasurer at any time.

23 (c) The terms of members serving on the Committee on the effective date of the ordinance in
24 Board File No. _____ shall continue until their expiration.

1 **SEC. 10.80-5.9-5. COUNTY TREASURY OVERSIGHT COMMITTEE – COSTS AND**
2 **ADMINISTRATIVE SUPPORT.**

3 (a) The cost of complying with the requirements of this ~~ordinance~~Article IX, including
4 the cost of establishing and maintaining the Committee and of the audit shall be County
5 charges and may be included with those charges enumerated under California Government
6 Code Section 27013.

7 (b) The Treasurer-Tax Collector and the Controller shall provide administrative
8 support for the Committee.

9
10 **SEC. 5.9-6. TREASURY OVERSIGHT COMMITTEE – TERM.**

11 Notwithstanding Rule 2.21 of the Board of Supervisors Rules of Order, which provides
12 that advisory bodies created by the Board should sunset within three years, the Board intends
13 the Committee to exist indefinitely unless terminated by ordinance.

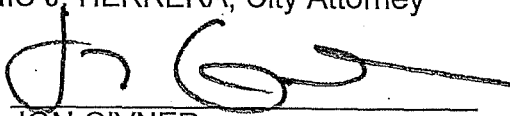
14
15 Section 2. Effective Date. This ordinance shall become effective 30 days after
16 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
17 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
18 of Supervisors overrides the Mayor's veto of the ordinance.

19
20 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
21 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
22 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
23 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
24
25

1 additions, and Board amendment deletions in accordance with the "Note" that appears under
2 the official title of the ordinance.

3
4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA, City Attorney

6 By:



7 JON GIVNER
8 Deputy City Attorney

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REVISED LEGISLATIVE DIGEST

(4/25/18, Amended in Committee)

[Administrative Code - Treasury Oversight Committee]

Ordinance amending the Administrative Code to modify the composition of the Treasury Oversight Committee.

Existing Law

The Treasury Oversight Committee is a five-member body required by California law to review the City's investments and annually audit the City's compliance with State law regarding investments. The five members nominated by the Treasurer and appointed by the Board of Supervisors. Currently, the five members must be selected from the following categories: the Treasurer, the Controller, a member of the Board of Supervisors, the Superintendent of Schools (or a designee), the Chancellor of the Community College District (or a designee), and members of the public with qualifications specified in California law.

Amendments to Current Law

The proposed ordinance would change the composition of the Committee so it has seven members, all nominated by the Treasurer and appointed by the Board of Supervisors. The members will be the Controller (or a designee), the Superintendent of Schools (or a designee), the Chancellor of the Community College District (or a designee), two employees of City departments or local agencies, and two members of the public. The ordinance would also make clarifying changes to the Administrative Code.

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MEMORANDUM

Date: April 6, 2018
To: The Honorable Members, Board of Supervisors
From: *ACC* Angela Calvillo, Clerk of the Board
Subject: Treasury Oversight Committee

Board of Supervisors Rules of Order 2.21 establishes certain criteria that must be included in legislation creating and establishing, or reauthorizing, new bodies (boards/commissions/task forces/advisory bodies) and requires the Clerk of the Board to advise the Board on certain matters. In order to fulfill these requirements, the following is provided:

File No. 180171 Administrative Code - Treasury Oversight Committee

This Ordinance changes the composition of the existing Treasury Oversight Committee, and other clarifying changes.

- Does a current body address the same or similar subject matter?

No, there are no other bodies that address the same or similar subject matter.

- Language requiring the body to meet at least once every four months

There is no language requiring the body to meet at least once every four months.

- Language indicating members serve at the pleasure of the appointing authority

The members of the Committee are nominated by the Treasurer and confirmed by, and serve at the pleasure of, the Board of Supervisors.



- Language establishing attendance requirements

There is no language establishing attendance requirements for these members.

- Number of seats and qualifications

There are currently five members that are nominated by the Treasurer and confirmed by, and serve at the pleasure of, the Board of Supervisors. The members are drawn from the following:

- County Treasurer;
- County Controller;
- Representative appointed by the Board of Supervisors;
- County Superintendent of Schools or his/her designee;
- Chancellor of the Community College District or his/her designee; or
- Members of the public.

All members must have expertise in, or an academic background in, public finance and a combination of whom shall be economically diverse and bipartisan in political registration.

If passed, this Ordinance would establish two additional seats on the Committee for employees of City departments or local agencies that participate in the City's pooled fund.

The membership will be:

- Seat 1: Controller or designee;
- Seat 2: County Superintendent of Schools or designee;
- Seat 3: Chancellor of the Community College District designee;
- Seats 4 & 5: Employees of City departments or local agencies that participate in the City's pooled fund; and
- Seats 6 & 7: Members of the public who have expertise in, or an academic background in, public finance and are economically diverse and bipartisan in political registration.

- Term limits (i.e., commencement date? staggered terms?)

Each member shall serve a term of four years.

- Administering department

The Committee was established as an advisory body to the Treasurer.



- Reporting requirements

The Committee causes an annual audit to be conducted to determine the Treasurer's compliance and examine the structure of the investment portfolio and risk.

- Sunset date

There is no sunset date for this body.


BOARD of SUPERVISORS



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

MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller
Steve Bruckman, General Counsel, SF Community College District

FROM:  Alisa Somera, Legislative Deputy Director
Rules Committee

DATE: March 6, 2018

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by the Office of the Treasurer & Tax Collector on February 27, 2018:

File No. 180171

Ordinance amending the Administrative Code to modify the composition of the Treasury Oversight Committee.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: alisa.somera@sfgov.org.

c: Todd Rydstrom, Office of the Controller
Ronald Gerhard, SF Community College District

Office of the Treasurer & Tax Collector
City and County of San Francisco



José Cisneros, Treasurer

February 12, 2018

Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Dear Ms. Calvillo:

Attached please find an original and one copy of proposed ordinance for Board of Supervisors approval, which amends the Administrative Code to modify the composition of the Treasury Oversight Committee.

If you have any questions on this matter, please contact me at (415) 554-0889, or Amanda.fried@sfgov.org.

Thank you,

Amanda Fried

Amanda Kahn Fried

Policy and Communications Manager

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