

1 [Administrative Code - Treasury Oversight Committee]

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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

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

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ARTICLE IX:

18

TREASURY OVERSIGHT COMMITTEE

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

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(a) **Establishment.** A Treasury Oversight Committee (*“Committee”*) for the City and
22 County of San Francisco (*referred to hereafter in this Chapter as “Committee”*)(*“City”*) is hereby
23 established as an advisory body to the Treasurer. The Committee shall consist of ~~five~~ seven
24 members, appointed as provided in Section 5.9-3. ~~The members of the Committee shall be nominated
25 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.

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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., tThe 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 tThe 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 tThe 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 mMembers 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.

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18 **SEC. ~~10.80-4~~ 5.9-4. ~~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. 180171 shall continue until their expiration.

1 **SEC. ~~10.80-5-5.9-5.~~ 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.

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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.

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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.

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

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

6 By: _____
7 JON GIVNER
8 Deputy City Attorney

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