

[Updating provisions of Chapter 10, Article I, of the Administrative Code, relating to finance, taxation, and other fiscal matters of the City.]

**Ordinance amending Chapter 10, Article I, of Part I of the San Francisco Municipal Code (Administrative Code), by amending Sections 10.03, 10.08, 10.1, 10.2, 10.2-3, 10.2-4, 10.2-5, 10.2-6, 10.2-8, 10.3, 10.3-1, 10.6-2, 10.13-1, and 10.16, and by repealing Sections 10.2-1, 10.3-2, 10.3-3, 10.4, 10.4-1, 10.4-2, 10.4-3, 10.5, 10.6-1, 10.7, 10.7-1, 10.8, 10.8-1, 10.9, and 10.19, all relating to finance, taxation, and other fiscal matters of the City and County.**

Note: Additions are *italic; Times New Roman*; deletions are ~~strikethrough italic, Times New Roman~~.  
Board amendment additions are double underlined.  
Board amendment deletions are ~~strikethrough normal~~.

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

Section 1. Chapter 10 of the San Francisco Administrative Code is hereby amended by amending Section 10.03, to read as follows:

**SEC. 10.03. EMERGENCY RESERVE FUND.**

~~The tax rate may be fixed by the Board of Supervisors so as to produce, by a specifically designated rate, as recommended by the Mayor in any proposed annual budget and the appropriation ordinance therefor, an amount necessary for an emergency reserve fund, which~~ An emergency reserve fund is hereby created, for the purposes of meeting any emergency as defined in Sections 2.107 or 3.100 of the Charter. Appropriations from such emergency reserve fund shall be made only on the recommendation of the department head concerned and the recommendation of the Mayor to the Board of Supervisors that such appropriation be made, and the vote of 3/4 of the Board of Supervisors.

1           The balance in said emergency reserve fund at the end of any fiscal year shall be  
2 maintained and carried forward in said fund. ~~The annual appropriation for said fund and the~~  
3 ~~annual tax rate therefor shall not exceed one per centum of the amount of the levy required to meet all~~  
4 ~~other expense appropriations unless and until the accumulated and unencumbered balance in said fund~~  
5 ~~shall amount to a sum not to exceed three per centum of the tax levy required to meet all other expense~~  
6 ~~appropriations in the then current fiscal year. The Board of Supervisors, on the recommendation of the~~  
7 ~~Mayor, may make appropriations to, and may levy taxes for said emergency reserve fund in excess of~~  
8 ~~said three per centum of the tax levy for all other purposes.~~

9  
10           Section 2. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
11 amending Section 10.08, to read as follows:

12 **SEC. 10.08. DISBURSEMENTS IN ADVANCE OF REVENUES.**

13           The Board of Supervisors, ~~by annual tax levy,~~ may gradually build up ~~a the~~ cash reserve  
14 fund ~~authorized and created by the provisions of Section 9.113 of the Charter.~~ Said fund shall be  
15 used exclusively:

16           (1) For the payment in any fiscal year of legally budgeted expenditures for such  
17 year in anticipation of the collection, after the close of such fiscal year, of legally collectible  
18 taxes and other revenues, as set forth in the budget and the appropriation ordinance for such  
19 fiscal year; and

20           (2) For paying that portion of the authorized expenses of the City and County for any  
21 fiscal year, which, as certified to said board by the Controller, becomes due and payable and  
22 must be paid prior to the receipt of tax payments for such fiscal year; provided, that such cash  
23 reserve fund shall not at any time exceed the estimated expenditures for the first five months  
24 of the then current fiscal year, less the amount of estimated revenues and receipts from  
25 sources other than tax rate revenues.

1 In the event that funds are not available in such a cash reserve fund to meet  
2 authorized expenditures of any fiscal year, the Treasurer, upon the recommendation of the  
3 Controller, is authorized to transfer monies to the cash reserve from any idle funds then held  
4 by the Treasurer in the pooled funds of the City and County which are legally available for  
5 such a purpose, except a pension fund. The Treasurer and the Controller shall set the terms  
6 and conditions of the transfer, taking into account the requirements and nature of the fund  
7 from which the transfer was made. All monies transferred pursuant to this Section shall  
8 accrue interest at not less than the then current rate of interest earned by the Treasurer on  
9 the pooled funds of the City and County. Any transfer of a temporarily idle balance made as  
10 hereinabove authorized shall be repaid within one year of said transfer. Such transfers shall  
11 be secured by and made solely in anticipation of the collection of taxes levied or to be levied  
12 for the year in which said transfer is made and such transfer shall be repaid solely from the  
13 proceeds of revenues which accrued during the year in which said loan or transfer was made;  
14 provided, however, that tax anticipation loans made as hereinafter in this Section authorized,  
15 shall constitute a prior lien on said taxes levied or to be levied or collected. In no event shall  
16 the Controller or the Treasurer cause any transfer of monies pursuant to this Section if said  
17 transfer would be inconsistent with the terms and conditions of any outstanding bonded  
18 indebtedness of the City and County, including any of its boards or commissions.

19 The Board of Supervisors shall have the power to borrow money by the issuance of tax  
20 anticipation notes, temporary notes, commercial paper, or any other short-term debt  
21 instruments in the manner provided by the statute of the State of California or pursuant to  
22 ordinance of the Board of Supervisors.

23  
24 Section 3. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
25 amending Section 10.1, to read as follows:

1 **SEC. 10.1. ANNUAL ECONOMIC STATEMENT - CITY-FUNDED ORGANIZATIONS.**

2 Every nonprofit corporation, organization or other legal entity, receiving funding from or  
3 through the City and County to provide direct services to the public (except local, State or  
4 federal governmental entities), shall file with the *Department of Administrative Services Clerk of*  
5 ~~*the Board of Supervisors*~~ an annual economic statement, on a form to be provided by the  
6 *Department Clerk of the Board*, on or before April 1st of each year setting forth the following  
7 information:

8 (a) Name of the chief executive officer, employee, or other person possessing daily  
9 managerial responsibilities;

10 (b) Name of all officers or directors and the names of all other boards of directors  
11 on which they serve; and

12 (c) Total expenditures during calendar or fiscal year, whichever is applicable; and  
13 budget for current calendar or fiscal year, whichever is applicable, setting forth the source of  
14 all monies received or budgeted and a program-by-program description of all monies  
15 expended or budgeted.

16 All entities applying for or receiving monies from the City and County who do not have  
17 on file a current annual economic statement shall file a statement in the same manner and  
18 form as the statement described above before any public monies shall be approved.

19  
20 Section 4. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
21 amending Section 10.2, to read as follows:

22 **SEC. 10.2. AUTHORIZATION FOR THE ASSESSOR-RECORDER, CONTROLLER AND**  
23 **TAX COLLECTOR TO PERFORM CERTAIN ACTS.**

24 In accordance with Section 4804 of the Revenue and Taxation Code of the State of  
25 California, the Board of Supervisors of the City and County of San Francisco, hereby

1 authorizes the Assessor-Recorder, the Controller and the Tax Collector of the City and County  
2 of San Francisco to perform on its behalf any act required or authorized to be performed by  
3 the Board of Supervisors of the County of San Francisco for the City and County of San  
4 Francisco under the following sections of the Revenue and Taxation Code regardless of  
5 amount of taxes involved:

- 6 (a) Sections 166, 270, 271;
- 7 (b) Sections 4831 through 4842, both inclusive;
- 8 (c) Sections 4985 through ~~4986 4986.1~~, both inclusive;
- 9 (d) Sections 5026 through 5029, both inclusive;
- 10 (e) Sections 5061 through 5064, both inclusive;
- 11 (f) Sections 5071 through 5073, both inclusive;
- 12 (g) Sections 5096 through 5097, both inclusive;
- 13 (h) Sections 480 through 485, both inclusive;

14 Provided, however, that the Controller of the City and County of San Francisco is  
15 hereby required to record each act performed under this authorization; and provided further,  
16 that the Assessor-Recorder shall make periodic reports, not less frequently than quarterly, to  
17 the Board of Supervisors of any and all acts performed under this authorization.

18 Any act performed by the Assessor-Recorder under this authorization shall comply with  
19 the following administrative rules and procedures:

20 1. If such act will increase the amount of taxes due, the Assessor-Recorder shall give  
21 the Assessee opportunity for a hearing after at least five days' notice at which the Assessee  
22 may present objections to the change. The decision of the Assessor-Recorder in the matter is  
23 final.

24 2. Any such act performed by the Assessor-Recorder under this authorization shall be  
25 performed pursuant to a statement of findings reciting the facts found by the Assessor-

1 Recorder and further reciting the section or sections of the Revenue and Taxation Code  
2 pursuant to which such act was performed.

3 In accordance with the request heretofore made by the City Attorney of the City and  
4 County of San Francisco under Section 4804 of the Revenue and Taxation Code of the State  
5 of California, there is hereby granted a waiver of the requirement for written consent of the  
6 County Legal Advisor in any act performed under the provisions hereof.

7 The Controller may perform such acts in reliance upon action of the Assessor-Recorder  
8 as provided herein as though such action was performed by the Board of Supervisors.

9  
10 Section 5. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
11 repealing Section 10.2-1.

12 ~~**SEC. 10.2-1. CLAIMS FOR PROPERTY TAX AND EXEMPTION IN ACCORDANCE WITH**~~  
13 ~~**SECTION 273 OF REVENUE AND TAXATION CODE.**~~

14 ~~*(a) Any person making a claim for 80 percent of the homeowners' property tax exemption*~~  
15 ~~*pursuant to the provisions of Section 273 of the Revenue and Taxation Code of the State of California,*~~  
16 ~~*shall, in addition to the affidavit required for said homeowners' property tax exemption, file with the*~~  
17 ~~*Assessor within the time prescribed by law on forms prescribed by the Assessor a declaration under*~~  
18 ~~*penalty of perjury stating the reasons why such person's failure to timely file said affidavit was due to*~~  
19 ~~*reasonable cause and not due to willful neglect.*~~

20 ~~*(b) The declaration herein required shall be retained by the Assessor for investigation and*~~  
21 ~~*report to the Board of Supervisors for its action pursuant to Section 273 of the Revenue and Taxation*~~  
22 ~~*Code. The Assessor thereafter shall notify the claimant in writing of the action of the Board of*~~  
23 ~~*Supervisors.*~~

1 Section 6. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
2 amending Section 10.2-3, to read as follows:

3 **SEC. 10.2-3. ASSESSOR-RECORDER AUTHORIZED TO ACCEPT APPLICATIONS FOR**  
4 **REDUCTIONS IN ASSESSMENTS.**

5 Pursuant to the provisions of the Revenue and Taxation Code of the State, the  
6 Assessor-Recorder of the City and County and such members of his *or her* official staff as may  
7 be designated by *the Assessor-Recorder him* are hereby authorized and directed to accept, for  
8 and on behalf of the Board of Supervisors sitting as a County Board of Equalization, verified  
9 written applications for reduction of assessments appearing in the assessment roll.

10  
11 Section 7. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
12 amending Section 10.2-4, to read as follows:

13 **SEC. 10.2-4. PAYMENT OF TAXES IN INSTALLMENTS.**

14 (a) Pursuant to ~~Sections 534.5 and~~ Section 4837.5 of the Revenue and Taxation  
15 Code, taxes levied on an escape assessment, made under the authority of Article 4, Chapter  
16 3 of Part 2 of Division 1 of the Revenue and Taxation Code or taxes increased by reason of  
17 the discovery of an error, pursuant to Article 1 of Chapter 2 of Part 9 of Division 1 of the  
18 Revenue and Taxation Code may be paid in installments if:

19 1. A verified, written request for installment payment is filed by the Assessee with the  
20 Tax Collector prior to date of delinquency of payment of such taxes.

21 2. Such request shall establish that an error of the Assessee was not the cause of the  
22 tax or tax increase and that the payment of the full tax in the year of billing would constitute a  
23 hardship on the Assessee.

24 3. Such request shall contain the covenant and agreement of the Assessee that, if the  
25 request is granted, interest will be paid as hereinafter provided.

1           The deferred portion of taxes paid in installments shall bear interest at the rate of ½ of  
2 one percent a month or fractional part thereof payable in installments concurrently with  
3 installments of taxes.

4           (b)     A copy of the installment request shall be transmitted by the Tax Collector to the  
5 Assessor-Recorder. The Assessor-Recorder shall within 10 days after such transmittal file a  
6 verified statement with the Tax Collector stating whether in the Assessor-Recorder's opinion  
7 the tax or tax increase was caused by an error of the Assessee. When a tax increase,  
8 pursuant to Section 4832 of the Revenue and Taxation Code is involved, the reference in this  
9 Section to the Assessor-Recorder shall be deemed to be a reference to the Controller.

10          (c)     Based upon the request of the Assessee and the statement from the Assessor-  
11 Recorder or Controller, the Tax Collector shall determine whether the request shall be allowed  
12 or denied. The Tax Collector shall notify the Assessee of the decision by written notice to the  
13 Assessee's last known address. If the request is granted, the notice shall set forth the  
14 installment payment schedule and the consequences for failure to meet the requirements of  
15 the payment plan as set forth in this Section.

16          (d)     If payment is authorized to be made in installments, one-quarter of said tax shall  
17 be paid within 30 days after the date that notice is mailed by the Tax Collector to the  
18 Assessee notifying the Assessee that installment payments will be allowed. One-quarter of  
19 said tax shall be paid on the first, second, and third yearly anniversary of the date that notice  
20 authorizing installment payments is mailed by the Tax Collector to the Assessee.

21          (e)     If taxes are authorized to be paid in installments, no penalties shall be charged  
22 so long as installment payments are made when due. If any installment is not paid when due,  
23 or if the property on the secured roll becomes tax deeded, or if the taxes due on the  
24 unsecured roll are not paid on or before August 31st, the entire tax shall immediately become  
25 due and payable and no further installment payments shall be authorized under the



1 provisions of this Section. Interest, penalties, costs and redemption penalties and fees, if  
2 applicable, shall be charged on the total tax as if no payment had been received. There shall  
3 be credited on the amount payable the total amount of any installments paid under this plan.

4 (f) If payment is not authorized in installments, the original amount of taxes due  
5 shall be payable within 30 days of the mailing of the notice to the taxpayer if the original  
6 delinquency date has passed.

7 (g) The Tax Collector shall maintain a separate record listing the current status of  
8 all such installment accounts authorized under this Section.

9 (h) It is not the intent of this Section to in any way stay the enforcement of any of  
10 the other provisions of the Revenue and Taxation Code.

11  
12 Section 8. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
13 amending Section 10.2-5, to read as follows:

14 **SEC. 10.2-5. REASSESSMENT OF PROPERTY DUE TO MISFORTUNE OR CALAMITY.**

15 (a) Any person who, at 12:01 a.m. on the March 1st immediately preceding the  
16 fiscal year commencing July 1, 1977, or who, at 12:01 a.m. on the March 1st immediately  
17 preceding any subsequent fiscal year, was the owner of, or had in his or her possession, or  
18 under his or her control, any taxable property, or who acquired such property after such date  
19 and is liable for taxes thereon for the fiscal year commencing the immediately following July  
20 1st, which property was thereafter damaged or destroyed, without his or her fault, by a  
21 misfortune or calamity, may, not later than the last day of the fiscal year in which said  
22 property was so damaged or destroyed, apply for reassessment of such property by  
23 delivering to the Assessor-Recorder a written application showing the condition and value, if  
24 any, of the property immediately after the damage or destruction, which damage must be  
25

1 shown therein to be in excess of \$5,000. The application shall be executed under penalty of  
2 perjury, or if executed outside the State of California, verified by affidavit.

3 (b) Upon receiving a proper application, the Assessor-Recorder shall reassess the  
4 property according to its full cash value immediately after the damage or destruction. The  
5 Assessor-Recorder shall notify the applicant in writing of the amount of the proposed  
6 reassessment. The notice shall state that the applicant may appeal the proposed  
7 reassessment to the Assessment Appeals Board within 14 days of the date of mailing the  
8 notice. If an appeal is requested within the 14-day period, the board shall hear and decide the  
9 matter as if the proposed reassessment had been entered on the roll as an assessment  
10 made outside the regular assessment period. The decision of the board regarding the  
11 damaged value of the property shall be final; provided, that a decision of the Assessment  
12 Appeals Board regarding any reassessment made pursuant to this Section shall create no  
13 presumption as regards the value of the affected property subsequent to the date of the  
14 damage.

15 (c) If the damaged full cash value of the property as determined above is not at  
16 least \$5,000 less than the full cash value shown on the assessment roll for the year in  
17 question, no adjustment shall be made to said roll and no taxes shall be canceled or  
18 refunded. Those reassessed values resulting from reductions in full cash value of at least  
19 \$5,000, as determined above, shall be forwarded to the Controller by the Assessor-Recorder  
20 or the Clerk of the Assessment Appeals Board, as the case may be. The Controller shall  
21 enter the reassessed values on the roll. After being entered on the roll, said reassessed  
22 values shall not be subject to review except by a court of competent jurisdiction.

23 (d) If no such application is made and the Assessor-Recorder determines that the  
24 full cash value of such property for the assessment year is reduced from the full cash value of  
25 such property for the immediately preceding assessment year by more than \$5,000 due to the

1 damage or destruction caused by the misfortune or calamity, the Assessor-Recorder shall  
2 notify the property owner that the property will be reassessed. The Assessor-Recorder shall  
3 assess the property, or reassess it if it has already been assessed, according to the condition  
4 and value immediately after the damage or destruction, and the Assessor-Recorder, if he or  
5 she reassesses the property, shall transmit to the Assessment Appeals Board a description of  
6 the property so reassessed, the name of the person making application in connection with the  
7 property, if any, or the name of the property owner notified of the reassessment and the value  
8 of the property as so reassessed. Upon such notice as it may find to be proper, the  
9 Assessment Appeals Board shall equalize any such assessment or reassessment.

10 (e) As used in this Section, "damage" includes property which has diminished in  
11 value as a result of restricted access to the property where such diminution in value was  
12 caused by the misfortune or calamity.

13 (f) The tax rate fixed for property on the roll on which the property so reassessed  
14 appeared at the time of its original assessment shall be applied to the amount of the  
15 reassessment determined in accordance with this Section. In the event that the resulting  
16 figure is less than the tax theretofore computed, the tax shall be determined as follows:

17 1. With respect to property on the secured roll a prorated portion of the tax due on  
18 the property as originally assessed at the rate established for property on the secured roll for  
19 the current fiscal year, such proration to be determined on the basis of the number of months  
20 in the year during which the property was in an undamaged condition plus a proration of the  
21 tax due on the property as reassessed in its damaged or destroyed condition at the rate  
22 established for property on the secured roll for such fiscal year, such proration to be  
23 determined on the basis of the number of months in the year in which the property was in a  
24 damaged condition, including the month in which the damage was incurred.

1           2.       With respect to property on the unsecured roll, he or she shall be liable for a  
2 prorated portion of the tax computed on the original assessment of the property and a  
3 prorated portion of the tax computed on the reassessment of the property as determined in  
4 the preceding paragraph.

5           (g)     Any tax paid in excess of the total tax due shall be refunded to the taxpayer  
6 pursuant to Chapter 5 (commencing with Section 5096) of Part 9 of Division 1 of the Revenue  
7 and Taxation Code of the State of California, as an erroneously collected tax.

8  
9           Section 9. Chapter 10 of the San Francisco Administrative Code is hereby amended by  
10 amending Section 10.2-6, to read as follows:

11 **SEC. 10.2-6. ANNUAL ASSESSMENT ROLL TO BE OPEN TO INSPECTION.**

12           Annually, upon completion and constructive delivery of the annual assessment roll to  
13 the Clerk of the Board of Supervisors, the roll shall remain in the *Assessor-Recorder's* office  
14 for the inspection of all persons interested.

15  
16           Section 10. Chapter 10 of the San Francisco Administrative Code is hereby amended  
17 by amending Section 10.2-8, to read as follows:

18 **SEC. 10.2-8. EXEMPTION FROM PROPERTY TAXATION OF LOW-VALUE PERSONAL**  
19 **PROPERTY.**

20           (a)     Findings and Intent.

21           (1)     Section 155.20 of the California Revenue and Taxation Code permits county  
22 boards of supervisors to exempt from property tax property with a total full value so low that, if  
23 not exempt, the total taxes, special assessments, and applicable subventions on the property  
24 would amount to less than the cost of assessing and collecting them. The exemption is limited  
25 to property with a total full value of ~~\$5,000~~ ~~\$4,000~~ or less. In enacting this ordinance, the Board

1 of Supervisors intends to exercise the authority granted to it pursuant to Revenue and  
2 Taxation Code Section 155.20, as amended from time to time, with respect to personal  
3 property on the unsecured roll with a total full value of \$4,000 or less.

4 (2) The Board of Supervisors of the City and County of San Francisco has  
5 determined that the costs of assessing and collecting the taxes, assessments, and  
6 subventions on personal property on the unsecured roll with a total full value of \$4,000 or  
7 less, exceeds the proceeds to be collected.

8 (b) Exemption. Beginning with the 1998-99 assessment year, all personal property,  
9 as defined in Section 106 of the Revenue and Taxation Code as amended from time to time,  
10 with a total full cash value of \$4,000 or less, shall be exempt from property taxation and shall  
11 not be entered on the unsecured property tax roll, as provided in Revenue and Taxation Code  
12 Section 155.20, as amended from time to time. This exemption shall apply only when the  
13 aggregate value of all personal property owned, possessed or controlled by any one owner or  
14 taxpayer does not exceed \$4,000 on any given lien date.

15  
16 Section 11. Chapter 10 of the San Francisco Administrative Code is hereby amended  
17 by amending Section 10.3, to read as follows:

18 **SEC. 10.3. COLLECTION OF UNSECURED PROPERTY TAXES.**

19 The duty of collecting unsecured property taxes shall be transferred from the  
20 Assessor-Recorder to the Tax Collector as of the effective date of this amendment and  
21 annually hereafter shall be transferred from the Assessor-Recorder to the Tax Collector on the  
22 first Monday of March of each year. The Tax Collector shall continue to collect such taxes  
23 from and after the first Monday of March of each year hereafter until and unless ordered to  
24 discontinue the collection thereafter by a 4/5 vote of the Board of Supervisors.  
25

1 Section 12. Chapter 10 of the San Francisco Administrative Code is hereby amended  
2 by amending Section 10.3-1, to read as follows:

3 **SEC. 10.3-1. COLLECTION OF SECURED PERSONAL PROPERTY TAXES.**

4 The provisions of Chapter 2.1, Sections 2700 to 2707, of the Revenue and Taxation  
5 Code of the State are hereby made applicable to the City and County. The Assessor-  
6 Recorder, the Tax Collector and the Controller are hereby directed to proceed in the collection  
7 of secured personal property taxes in accordance with the provisions of such chapter.

8  
9 Section 13. Chapter 10 of the San Francisco Administrative Code is hereby amended  
10 by repealing Section 10.3-2.

11 ~~**SEC. 10.3-2. REPORTS OF EXPENDITURES, ETC., FOR STREET AND ROAD PURPOSES.**~~

12 ~~—The Controller shall be the officer to prepare the report of the expenditures and receipts for~~  
13 ~~street or road purposes and shall transmit the same to the State Controller. The Controller shall file a~~  
14 ~~copy of the report with the Clerk of the Board of Supervisors, the County Road Commissioner and the~~  
15 ~~Director of Public Works.~~

16  
17 Section 14. Chapter 10 of the San Francisco Administrative Code is hereby amended  
18 by repealing Section 10.3-3.

19 ~~**SEC. 10.3-3. AGREEMENT WITH BAY AREA RAPID TRANSIT DISTRICT AS TO PAYMENTS**~~  
20 ~~**TO CITY BY DISTRICT UNDER STATE LAW.**~~

21 ~~—The President and Clerk of the Board of Supervisors are hereby authorized and directed to~~  
22 ~~execute, for and on behalf of the City and County, with the San Francisco Bay Area Rapid Transit~~  
23 ~~District, an agreement as set forth in this Section.~~

24 ~~—The Board of Supervisors of the City and County and the Board of Directors of the San~~  
25 ~~Francisco Bay Area Rapid Transit District agree that the compensation to be charged by and paid to~~

1 ~~the City and County by such district for the performance of services under Chapter 7 of Part 2 of~~  
2 ~~Division 10 of the Public Utilities Code of the State shall be ½ of one percent of all money collected for~~  
3 ~~such district in the City and County pursuant to such chapter. Such compensation shall be deducted~~  
4 ~~from the money before the money is paid to the district. The City and County shall have the right to~~  
5 ~~revoke this agreement by delivery of written notice to the secretary of the district. The district shall~~  
6 ~~have the right to revoke this agreement by delivery of written notice to the Clerk of the Board of~~  
7 ~~Supervisors of the City and County. No notice of revocation shall take effect as to taxes levied by the~~  
8 ~~district in the year the notice is delivered unless delivered prior to May 1st of that year. This agreement~~  
9 ~~shall become effective as soon as executed by both parties. It shall expire June 1, 1963.~~

10  
11 Section 15. Chapter 10 of the San Francisco Administrative Code is hereby amended  
12 by repealing Section 10.4.

13 **~~SEC. 10.4. AUDIT ADVISORY COMMITTEE.~~**

14 ~~An Audit Advisory Committee is hereby created to make recommendations to the Board of~~  
15 ~~Supervisors and Controller concerning financial reporting and audit process for the City and County of~~  
16 ~~San Francisco. Among its functions would be the following:~~

17 ~~(a) Screen and select for recommendation independent auditors on the basis of specific~~  
18 ~~criteria, including qualification, experience, approach and local needs;~~

19 ~~(b) Make recommendations as to the scope of the audit;~~

20 ~~(c) Review the audit plan, the identified areas of audit concern and problems;~~

21 ~~(d) Review the audit progress; and~~

22 ~~(e) Review the results, including the financial statements and the accountants' reports.~~

23  
24 Section 16. Chapter 10 of the San Francisco Administrative Code is hereby amended  
25 by repealing Section 10.4-1.

1 ~~**SEC. 10.4 1. AUDIT ADVISORY COMMITTEE MEMBERSHIP.**~~

2 ~~*— The Audit Advisory Committee shall be composed of five members as follows: The Mayor or his*~~  
3 ~~*or her designee; the President of the Board of Supervisors or his or her designee; the Controller or his*~~  
4 ~~*or her designee; and, in addition, two public members with extensive experience in financial matters,*~~  
5 ~~*who shall have business, accounting, auditing or financial degrees and who shall be nominated by the*~~  
6 ~~*Mayor, subject to approval by the Board of Supervisors and Controller. The two public members shall*~~  
7 ~~*serve at the pleasure of the Board of Supervisors.*~~

8  
9 Section 17. Chapter 10 of the San Francisco Administrative Code is hereby amended  
10 by repealing Section 10.4-2.

11 ~~**SEC. 10.4 2. AUDIT ADVISORY COMMITTEE RECOMMENDATIONS AND REPORTS.**~~

12 ~~*— The Audit Advisory Committee shall make its written recommendations as to the selection of an*~~  
13 ~~*independent auditor not later than May 15th of each year. In addition, it shall submit written*~~  
14 ~~*recommendations and reports to the Board of Supervisors and Controller as needed.*~~

15  
16 Section 18. Chapter 10 of the San Francisco Administrative Code is hereby amended  
17 by repealing Section 10.4-3.

18 ~~**SEC. 10.4 3. AUDIT ADVISORY COMMITTEE DUTIES AND RESPONSIBILITIES OF THE**~~  
19 ~~**CONTROLLER.**~~

20 ~~*— Nothing in any of the Administrative Code sections pertaining to the Audit Advisory Committee*~~  
21 ~~*shall prohibit the Controller from carrying out his or her duties or responsibilities as set forth in the*~~  
22 ~~*Charter and Codes of the City and County of San Francisco, and Codes of the State of California.*~~

23  
24 Section 19. Chapter 10 of the San Francisco Administrative Code is hereby amended  
25 by repealing Section 10.5.



1 **~~SEC. 10.5. DEPOSIT OF INACTIVE ACCOUNTS.~~**

2 ~~— The Treasurer is hereby authorized and empowered to deposit in inactive accounts, in~~  
3 ~~accordance with the provisions of an act of the Legislature of the State of California entitled "An act to~~  
4 ~~authorize and control the deposit in banks of money belonging to or in the custody of any county, city~~  
5 ~~and county, city, town or municipality or other political subdivision within this state," approved May~~  
6 ~~24, 1927, and the acts amendatory thereof, moneys belonging to the City and County in an amount not~~  
7 ~~to exceed \$5,000,000.~~

8  
9 Section 20. Chapter 10 of the San Francisco Administrative Code is hereby amended  
10 by repealing Section 10.6-1.

11 **~~SEC. 10.6-1. CONTROLLER'S AUDIT OF VETERANS' EXEMPTION CLAIMS.~~**

12 ~~— Pursuant to the provisions of Article 3, Chapter 1, Part 2, Division 1 of the Revenue and~~  
13 ~~Taxation Code of the State of California relative to audit of veterans' exemption claims, the Board of~~  
14 ~~Supervisors of the City and County of San Francisco does hereby declare said article effective within~~  
15 ~~said City and County, to become operative on March 1, 1972.~~

16 ~~— The City Controller is hereby authorized and directed to conduct an audit of the exemptions~~  
17 ~~claimed under Section 1 1/4, Article XIII of the California Constitution. The Controller is further~~  
18 ~~authorized to conduct said audit to cover such exemptions claimed for the current tax year as well as~~  
19 ~~any prior tax years in respect to which escaped assessments would be timely pursuant to Section 532 of~~  
20 ~~the Revenue and Taxation Code of the State of California.~~

21 ~~— The Controller is further directed to file an annual report with the Board of Supervisors as to~~  
22 ~~the results of said audit at the time he or she submits his or her annual report pursuant to Section 3.302~~  
23 ~~of the Charter.~~

1 Section 21. Chapter 10 of the San Francisco Administrative Code is hereby amended  
2 by amending Section 10.6-2, to read as follows:

3 **SEC. 10.6-2. CONTROLLER'S AUDIT OF LEASES UNDER WHICH CITY IS LESSOR.**

4 *The department, board, or commission that has management and control of, or jurisdiction*  
5 *over, any leased property is responsible for ensuring that all tenants are paying the correct rent to the*  
6 *City. The Controller is hereby authorized to audit departments to ensure that they are adequately*  
7 *managing their leases. The cost of such audits shall be borne by the respective department, board, or*  
8 *commission.*

9 Pursuant to Section 3.105 ~~Sections 3.301 and 3.303~~ of the Charter, the Controller is  
10 authorized and directed to conduct audits, at regular intervals, of all leases of city-owned real  
11 property where rent of \$100,000 or more a year is to be paid to the City, ~~except such leases as are~~  
12 ~~made on a month to month basis for a rent of \$500 or less per month.~~ Any department, board, or  
13 commission may elect to have audits conducted of their tenants who pay less than \$100,000 a year in  
14 rent. These other audits are to be conducted or contracted to be conducted by the Controller. The  
15 cost of each such audit shall be borne by the department, board or commission that has  
16 management and control of, or jurisdiction over, the leased real property. Within 30 days after  
17 the completion of each such audit, the Controller shall file reports of the audit with the Mayor  
18 and the Board of Supervisors and shall deliver a copy of the report to the department, board  
19 or commission that has management and control of, or jurisdiction over, the leased real  
20 property. The department, board or commission shall take corrective action to comply with the  
21 audit recommendations and shall report to the Controller on the action taken within 45 days of  
22 the receipt of the audit report and at the end of each ~~six months~~ ~~quarter~~ thereafter until the  
23 matters disclosed by the audit have been resolved.

1 Section 22. Chapter 10 of the San Francisco Administrative Code is hereby amended  
2 by repealing Section 10.7.

3 ~~**SEC. 10.7. CONTROLLER'S AUDIT OF VETERANS' EXEMPTION CLAIMS—AUTHORITY**~~  
4 ~~**OF CONTROLLER TO ENTER INTO CONTRACTS FOR PURPOSES OF AUDIT.**~~

5 ~~—For the purpose of making the audits, investigations and reports provided by the Charter and in~~  
6 ~~Chapter 6 of this code, the Controller may, when necessary to make such audits, investigations and~~  
7 ~~reports, enter into contracts and contractual relations for the furnishing to him or her of the necessary~~  
8 ~~certificates of audit or reports to enable him or her to fully perform the duties as imposed by the~~  
9 ~~Charter and Chapter 6 of this Code.~~

10  
11 Section 23. Chapter 10 of the San Francisco Administrative Code is hereby amended  
12 by repealing Section 10.7-1.

13 ~~**SEC. 10.7-1. COMMENT UPON AUDIT OF BOOKS BY CONTROLLER; REPORT TO**~~  
14 ~~**CONTROLLER.**~~

15 ~~—Any officer, board or commission, or department thereof, of the City and County or any~~  
16 ~~nonprofit corporation which has been formed for the purpose of aiding and assisting the City and~~  
17 ~~County (the formation of which has been approved by resolution of the Board of Supervisors, and~~  
18 ~~whose fiscal procedures have been commented upon by the independent accounting firm which~~  
19 ~~annually audits the books of the Controller), shall receive a report of said audit; and shall, within 60~~  
20 ~~days of receipt thereof, furnish to the Controller a summary of action taken to comply with the~~  
21 ~~recommendations, if any, of the accounting firm. Within 45 days of receipt of said summary, the~~  
22 ~~Controller shall report to the Board of Supervisors as to action necessary to implement the~~  
23 ~~recommendations, if any, of the accounting firm.~~

1 Section 24. Chapter 10 of the San Francisco Administrative Code is hereby amended  
2 by repealing Section 10.8.

3 ~~**SEC. 10.8. COMMENT UPON AUDIT OF BOOKS OF CONTROLLER; CONTRACTS TO BE**~~  
4 ~~**ENTERED INTO ONLY WHEN FUNDS ARE APPROPRIATED.**~~

5 ~~— The contracts authorized by the preceding section or contractual relations shall be entered into~~  
6 ~~only when the necessary funds have been appropriated, either to the Controller or to the department for~~  
7 ~~which such audit, report or investigation is to be made.~~

8  
9 Section 25. Chapter 10 of the San Francisco Administrative Code is hereby amended  
10 by repealing Section 10.8-1.

11 ~~**SEC. 10.8-1. DESIGNATION OF CONTROLLER AUDITOR AND TREASURER OF HUNTERS**~~  
12 ~~**POINT RECLAMATION DISTRICT.**~~

13 ~~— The Controller and Treasurer are authorized and directed to act as the Controller Auditor and~~  
14 ~~Treasurer, respectively, of the Hunters Point Reclamation District and to execute any agreements if~~  
15 ~~necessary to accomplish this purpose.~~

16  
17 Section 26. Chapter 10 of the San Francisco Administrative Code is hereby amended  
18 by repealing Section 10.9.

19 ~~**SEC. 10.9. DEPOSIT OF REPAID MONEYS WHICH WERE INCORRECTLY PAID.**~~

20 ~~— Any money, check, draft or other order therefor which may be paid or delivered to any officer,~~  
21 ~~employee, office or department of the City and County, which may appear to have been so paid or~~  
22 ~~delivered as reimbursement because of prior wrongful or mistaken receipt of funds or property from the~~  
23 ~~City and County, shall thereupon be deposited to the credit of the fund from which it was disbursed; or~~  
24 ~~if such fund is not known or does not exist, it shall be deposited in the General Fund.~~

1 Section 27. Chapter 10 of the San Francisco Administrative Code is hereby amended  
2 by amending Section 10.13-1, to read as follows:

3 **SEC. 10.13-1. CHARGE FOR PERSONAL CHECKS RETURNED WITHOUT PAYMENT.**

4 If any personal check offered in payment for any license, permit, fee or fine, or in  
5 payment of any obligation owing to the City and County or subdivision, department, board,  
6 commission, body or agency thereof, is returned without payment, for any reason, a  
7 reasonable charge for the returned check not to exceed *twenty-five dollars (\$25.00) \$10 for the*  
8 *first check and thirty-five dollars (\$35.00) for each subsequent check* may be imposed on the person  
9 who issued the check by the Treasurer of the City and County, *as well as any other penalties*  
10 *authorized under California Civil Code section 1719.* This charge may be added to and become  
11 part of any underlying obligation other than an obligation which constitutes a lien on real  
12 property; and a different method of payment of that payment and future payments by the  
13 person who issued the check may be prescribed by the Treasurer. Any charge imposed for a  
14 returned check by either the Treasurer or a court shall be deposited in the General Fund of  
15 the City and County.

16  
17 Section 28. Chapter 10 of the San Francisco Administrative Code is hereby amended  
18 by amending Section 10.16, to read as follows:

19 **SEC. 10.16. INAPPLICABILITY OF SECTIONS 10.10 - 10.15.**

20 Except for Section 10.13-1, the provisions of Sections 10.10 through 10.15 shall not  
21 apply to the collection and refunding procedure of the offices of the Tax Collector and  
22 Assessor-Recorder, to collections of the ~~Municipal and Superior Court Courts~~, nor to the  
23 collection of revenues of the Public Utilities Commission, which revenues are the result of  
24 utility rates fixed pursuant to the provisions of Section ~~2A.134 3-598~~ of this Code ~~the Charter~~.

1 Section 29. Chapter 10 of the San Francisco Administrative Code is hereby amended  
2 by repealing Section 10.19.

3 ~~**SEC. 10.19. EXPENDITURES FOR PROPAGATION AND CONSERVATION OF FISH AND**~~  
4 ~~**GAME.**~~

5 ~~For the purpose of carrying out the provisions of Sections 13000 et seq. of the Fish and Game~~  
6 ~~Code of the State, insofar as the provisions of such section apply to the expenditure of moneys by the~~  
7 ~~City and County for propagation and conservation of fish and game, there is hereby created a Fish and~~  
8 ~~Game Propagation Fund into which shall be paid, all and singular, the moneys to which the City and~~  
9 ~~County is entitled under and pursuant to the provisions of Sections 13000 et seq. of the Fish and Game~~  
10 ~~Code of the State.~~

11 ~~These moneys, as provided in Section 13100 of the Fish and Game Code, are to be expended for~~  
12 ~~the propagation and conservation of fish and game within or outside the City and County, or for~~  
13 ~~educational and youth activities relating to fish and game. These funds shall not be expended for the~~  
14 ~~protection or preservation of domestic livestock or poultry or for predator control unless the action is~~  
15 ~~undertaken to benefit wildlife.~~

16  
17  
18 APPROVED AS TO FORM:

19 LOUISE H. RENNE, City Attorney

20  
21  
22 By:



THOMAS J. OWEN  
Deputy City Attorney



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails Ordinance

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**File Number:** 001908

**Date Passed:**

Ordinance amending Chapter 10, Article 1, Part I of the San Francisco Municipal Code (Administrative Code), by amending Sections 10.03, 10.08, 10.1, 10.2, 10.2-3, 10.2-4, 10.2-5, 10.2-6, 10.2-8, 10.3, 10.3-1, 10.6-2, 10.13-1, and 10.16, and by repealing Sections 10.2-1, 10.3-2, 10.3-3, 10.4, 10.4-1, 10.4-2, 10.4-3, 10.5, 10.6-1, 10.7, 10.7-1, 10.8, 10.8-1, 10.9, and 10.19, all relating to finance, taxation, and other fiscal matters of the City and County.

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December 11, 2000 Board of Supervisors — PASSED, ON FIRST READING

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

December 18, 2000 Board of Supervisors — FINALLY PASSED

Ayes: 9 - Ammiano, Becerril, Bierman, Brown, Kaufman, Leno, Newsom, Yaki, Yee

Absent: 2 - Katz, Teng

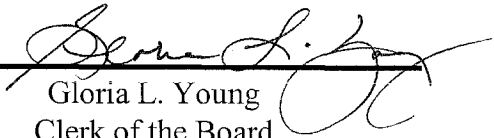
File No. 001908

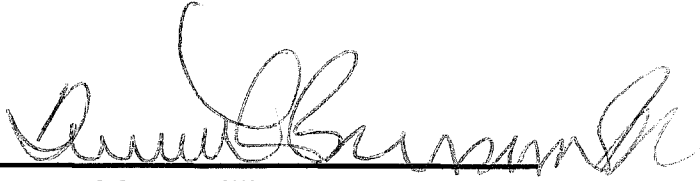
I hereby certify that the foregoing Ordinance was **FINALLY PASSED** on December 18, 2000 by the Board of Supervisors of the City and County of San Francisco.

DEC 28 2000

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Date Approved

  
Gloria L. Young  
Clerk of the Board

  
Mayor Willie L. Brown Jr.