[General Obligation Bond Accountability Reports.] 

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

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

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

SEC. 2.70. DEFINITIONS.

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

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

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

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

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

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

(f) The term "Budget Analyst" shall mean the budget analyst for the Board or any successor to that position.
The term "Charter" shall mean the Charter of the City.

The term "City" shall mean the City and County of San Francisco.

The term "Clerk" shall mean the Clerk of the Board of Supervisors of the City.

The term "Controller" shall mean the Controller of the City.

The term "Director of Public Finance" shall mean the Director of the Mayor's Office of Public Finance or any successor to that position.

The term "expended" shall mean an actual current outlay of cash for the project which shall not include or the appropriation of bond proceeds or contractual encumbrances of bond proceeds.

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

The term "project" shall mean the objects and purposes specified in the general obligation bond proposition pursuant to which the bonds were issued.

The term "project line item" shall mean any portion of the project identified by line item in any accountability report or proposed expenditure report.

The term "proposed expenditure report" shall mean any estimate or projection for the expenditure of bond proceeds prepared by a governmental entity prior to the issuance of the bonds and/or the appropriation of bond proceeds.

The term "Treasurer" shall mean the Treasurer of the City.

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

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

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

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

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

(c) The Budget Analyst shall, upon receipt of an accountability report, prepare and submit to the Clerk of the Board an analysis of said accountability report detailing whether or not the bond proceeds (i) in the case of an accountability report submitted prior to the issuance of the first series of bonds, can be expended in accordance with the appropriation or (ii) in the case of an accountability report for any bonds which meet the requirements of paragraph (b) above, were expended in accordance with the appropriation.
(d) Any accountability report shall be subject to the reallocation provisions of federal tax law relating to the bonds.

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

SEC. 2.72. CONTENTS OF BOND ACCOUNTABILITY REPORT.

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

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

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

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

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

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

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

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

(h) Identification of any project line item included in a proposed expenditure report for which bond proceeds will not be used.
(i) Certification that each project identified is in conformity with the voter authorization.

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

SEC. 2.73. VALIDITY OF THE BONDS.

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

SEC. 2.74. CONSTRUCTION.

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

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: THERESA ALVAREZ
Deputy City Attorney
Ordinance amending Chapter 2, Article VIII of the Administrative Code of the City and County of San Francisco to provide additional further requirements for the expenditure of general obligation bond proceeds.

March 25, 2002 Board of Supervisors — PASSED ON FIRST READING
   Ayes: 10 - Ammiano, Daly, Gonzalez, Leno, Maxwell, McGoldrick, Newsom, Peskin, Sandoval, Yee
   Absent: 1 - Hall

April 8, 2002 Board of Supervisors — FINALLY PASSED
   Ayes: 11 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Newsom, Peskin, Sandoval, Yee
I hereby certify that the foregoing Ordinance was FINALLY PASSED on April 8, 2002 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.