AMENDED IN COMMITTEE

FILE NO. 180171
4/25/2018
ORDINANCE NO. 119-18

1 [Administrative Code - Treasury Oversight Committee]

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

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

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

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

ARTICLE IX:

TREASURY OVERSIGHT COMMITTEE

SEC. 10.80-1.9-1. ESTABLISHMENT AND PURPOSE – TREASURY OVERSIGHT COMMITTEE.

(a) Establishment. A Treasury Oversight Committee ("Committee") for the City and County of San Francisco (referred to hereafter in this Chapter as "Committee") ("City") is hereby established as an advisory body to the Treasurer. The Committee shall consist of five seven members, appointed as provided in Section 5.9-3. The members of the Committee shall be nominated by the Treasurer and confirmed by and serve at the pleasure of the Board of Supervisors:
(b) **Purpose.** The Committee is established to involve depositors of funds into the City and County Treasury in reviewing the policies for investment of surplus funds that guide the management of their funds and to enhance the security and investment return on those funds by providing a more stable and predictable balance for investment by establishing criteria for the withdrawal of funds.

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

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

The duties of the Committee shall be the following:

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

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

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

(c) The Committee shall meet at least once every four months.
SEC. 10.80-3.5.9-3. TREASURY OVERSIGHT COMMITTEE – COMPOSITION.

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

1. The County Treasurer;
2. The County Seat 1 shall be held by the Controller or the Controller’s designee;
3. A representative appointed by the Board of Supervisors;
4. Seat 2 shall be held by the County Superintendent of Schools or his/her the Superintendent’s designee. If at any time the Superintendent declines to serve on the Committee or to designate a person to serve, and the seat remains vacant for 60 days or longer, the Treasurer may nominate and the Board of Supervisors may appoint a new member to fill the seat;
5. Seat 3 shall be held by the Chancellor of the Community College District or his/her the Chancellor’s designee. If at any time the Chancellor declines to serve on the Committee or to designate a person to serve, and the seat remains vacant for 60 days or longer, the Treasurer may nominate and the Board of Supervisors may appoint a new member to fill the seat;
6. Seats 4 and 5 shall be held by employees of City departments or local agencies that participate in the City’s pooled fund under California Government Code Sections 53630 et seq., as those sections may be amended in the future.
7. Seats 6 and 7 shall be held by members of the public who:
   A majority of which shall have expertise in, or an academic background in, public finance, and are economically diverse and bipartisan in political registration nominated by the Treasurer and appointed by the Board of Supervisors;
   The combination of whom shall be economically diverse and bipartisan in political registration.

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

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

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

(c) Meeting Attendance.

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

SEC. 10.80.4.5.9-4. COUNTY TREASURY OVERSIGHT COMMITTEE – TERM OF OFFICE.

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

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

(c) The terms of members serving on the Committee on the effective date of the ordinance in Board File No. 180171 shall continue until their expiration.
SEC. 40.80-5.9-5. COUNTY TREASURY OVERSIGHT COMMITTEE – COSTS AND
ADMINISTRATIVE SUPPORT.

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

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

SEC. 5.9-6. TREASURY OVERSIGHT COMMITTEE – TERM.
Notwithstanding Rule 2.21 of the Board of Supervisors Rules of Order, which provides
that advisory bodies created by the Board should sunset within three years, the Board intends
the Committee to exist indefinitely unless terminated by ordinance.

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

Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
Code that are explicitly shown in this ordinance as additions, deletions, Board amendment.
additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

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

By: [Signature]
JON GIVNER
Deputy City Attorney
Ordinance amending the Administrative Code to modify the composition of the Treasury Oversight Committee.

April 11, 2018 Rules Committee - CONTINUED TO CALL OF THE CHAIR

April 25, 2018 Rules Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

April 25, 2018 Rules Committee - RECOMMENDED AS AMENDED

May 01, 2018 Board of Supervisors - PASSED ON FIRST READING
Ayes: 11 - Breed, Cohen, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Stefani, Tang and Yee

May 08, 2018 Board of Supervisors - FINALLY PASSED
Ayes: 11 - Breed, Cohen, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Stefani, Tang and Yee

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 5/8/2018 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mark E. Farrell
Mayor

Date Approved 5/17/18