

**Ballot Simplification Committee
DRAFT for Consideration
Tuesday, July 28, 2009**

Budget Process

THE WAY IT IS NOW:

The Charter establishes procedures and deadlines the City must follow in adopting a budget, entering contracts, adopting labor agreements, and posting advance public notice of proposed City actions.

Budget and Contracts

The Charter governs the budget as follows:

- Every year, the City adopts a budget for the next fiscal year.
- Aside from the annual budget, the Charter does not require the City as a whole to have a long-term financial plan.
- The budget is not required to follow any specific financial policies.

Before the City enters a contract, the Controller must certify that funds are or will be available during that fiscal year for the contract.

Labor Agreements

Labor agreements for miscellaneous employees (most City employees) must be adopted by the Board of Supervisors ("Board") by June 30 to be effective for the City's next fiscal year, beginning July 1. Labor agreements for police, firefighters, and other safety employees may be adopted at any time during the fiscal year. If the Board adopts a safety employee labor agreement after July 1, the new agreement generally applies to that fiscal year dating back to July 1.

Public Notice

The Charter requires the Board to publish advance notice of proposed City actions in the City's official newspaper. This notice requirement applies to actions such as special meetings, reductions in service at libraries and health facilities, changes to MUNI routes and schedules, and transfer of property owned by the City. The Board is also required to publish notice of ordinances that have been passed and resolutions that have been adopted.

THE PROPOSAL:

Proposition ___ is a Charter amendment that would amend Charter provisions about the budget, contracts, labor agreements, and public notice.

Budget and Contracts

Proposition ___ would amend Charter provisions about the budget as follows:

- The City would use a rolling two-year budget cycle. Each year the City would adopt a two-year budget. The new two-year budget cycles would begin in 2010 for some departments and in 2012 for the whole City. The Mayor and the Board could by resolution establish fixed two-year cycles for some or all departments. For those departments, the two-year budget would be adopted every two years.
- The City would be required to adopt a five-year financial plan.
- The City would be required to adopt financial policies by a two-thirds vote of the Board. The City could not adopt a budget that the Controller found was inconsistent with these financial policies.

The Controller could certify that funds were available for a contract based on a determination that funds would be available during the budget cycle to make payments under the contract when they are required.

Labor Agreements

Proposition ___ would change the deadlines for submitting and adopting labor agreements, and would impose the same deadlines for agreements with miscellaneous employees and safety employees. To be effective July 1, new agreements would have to be submitted to the Board by May 10 or May 15. This deadline would be extended by 45 days if the Board rejected a proposed labor agreement. A new labor agreement submitted after the deadline would not be effective until July 1 of the following fiscal year, unless it reduced the cost to the City or imposed no new costs.

Public Notice

Proposition ___ would remove the Charter requirement that certain Board notices be published in the City's official newspaper. The Board would decide how to publish these notices and adopt an ordinance stating its chosen method or methods of publication.

A "YES" VOTE MEANS: If you vote "yes," you want to amend the Charter to establish a two-year budget cycle, require the City to adopt a five-year financial plan and financial policies, permit the Controller to certify the availability of funds if the Controller determines funds will be available when due, change the deadlines for submitting and

adopting labor agreements, and allow the Board to declare by ordinance how to publish notices.

A “NO” VOTE MEANS: If you vote “no,” you do not want to make these changes.

word count: 653 [suggested word limit: 300]