

SPECIAL MEETING OF THE MADERA CITY COUNCIL

205 W. 4th Street, Madera, California 93637

NOTICE AND AGENDA

Wednesday, June 30, 2021
6:00 p.m.

Council Chambers
City Hall

This meeting will be conducted pursuant to the provisions of the Governor's Executive Order which suspends certain requirements of the Ralph M. Brown Act. The City Council meeting will be live streamed on the City's website at www.madera.gov/live. Members of the public may participate in the meeting remotely through an electronic meeting via phone by dialing (669) 900-6833 enter ID: 949 6327 9573# followed by *9 on your phone to speak. Comments will also be accepted via email at citycouncilpubliccomment@madera.gov or by regular mail at 205 W. 4th Street, Madera, CA 93637.

CALL TO ORDER

ROLL CALL: Mayor Santos Garcia
Mayor Pro Tem Artemio Villegas, District 6
Councilmember Cece Gallegos, District 1
Councilmember Jose Rodriguez, District 2
Councilmember Steve Montes, District 3
Councilmember Anita Evans, District 4
Vacant, District 5

INVOCATION:

PLEDGE OF ALLEGIANCE:

APPROVAL OF AGENDA:

PUBLIC COMMENT:

Members of the public shall have an opportunity to address the City Council regarding matters on this Agenda at the time the agenda item is called. Speakers should limit their comments to three (3) minutes.

A. PETITIONS, BIDS, RESOLUTIONS, ORDINANCES, AND AGREEMENTS:

A-1 Conduct Workshop and Adopt a Resolution Continuing Expenditures and Revenues in Accordance with the 2020/2021 City Budget Pending Further Review and Adoption of Fiscal Year 2021/2022

Recommendation: Adopt a Resolution Continuing Expenditures and Revenues Pending Further Review and Adoption of Fiscal Year (FY) 2021/2022 Budget (Report by Roger Sanchez)

A-2 Memorandum of Understanding with the Mid Management Employee Group (MM)

Recommendation: Adopt a Minute Order

- 1) Approving the MOU between the City of Madera and MM effective July 1, 2021 through June 30, 2025;
- 2) Authorizing the City Manager to sign the MOU; and
- 3) Authorizing the Director of Financial Services to designate and classify reserves from the general fund unassigned fund balance into the assigned classification for the portion of the health insurance increase and the one-time annual employee payouts related to the four-year MOU (Report by Wendy Silva)

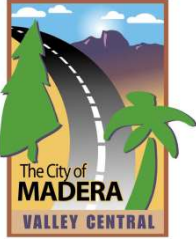
ADJOURNMENT – Next regular meeting July 7, 2021

- Please silence or turn off cell phones and electronic devices while the meeting is in session.
 - Regular meetings of the Madera City Council are held the 1st and 3rd Wednesday of each month at 6:00 p.m. in the Council Chambers at City Hall.
 - Any writing related to an agenda item for the open session of this meeting distributed to the City Council less than 72 hours before this meeting is available for inspection at the City of Madera Office of the City Clerk, 205 W. 4th Street, Madera, California 93637 during normal business hours.
 - The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Request for additional accommodations for the disabled, signers, assistive listening devices, or translators needed to assist participation in this public meeting should be made at least seventy-two (72) hours prior to the meeting. Please call the Human Resources Office at (559) 661-5401. Those who are hearing impaired may call 711 or 1-800-735-2929 for TTY Relay Service.
 - Questions regarding the meeting agenda or conduct of the meeting, please contact the City Clerk's office at (559) 661-5405.
 - Para asistencia en español sobre este aviso, por favor llame al (559) 661-5405.
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I, Alicia Gonzales, City Clerk for the City of Madera, declare under penalty of perjury that I posted the above agenda for the Special Meeting of the Madera City Council for June 30, 2021, near the front entrances of City Hall and on the City's website www.madera.gov at 5:00 p.m. on June 25, 2021.




Alicia Gonzales, City Clerk

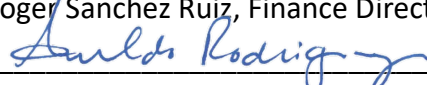


REPORT TO CITY COUNCIL

Approved by:



Roger Sanchez Ruiz, Finance Director



Arnoldo Rodriguez, City Manager

Council Meeting of: June 30, 2021

Agenda Number: A-1

SUBJECT:

Budget Workshop and Approve a Resolution Continuing Expenditures and Revenues in Accordance with the 2020/2021 City Budget Pending Further Review and Adoption of Fiscal Year 2021/2022 Budget

RECOMMENDATION:

Adopt the Resolution continuing expenditures and revenues pending further review and adoption of of Fiscal Year (FY) 2021/2021 budget

DISCUSSION:

Staff has determined that the FY 2021/2022 budget will not be distributed in a timely manner to allow Council adequate time to review it prior to considering it for adoption by June 30, 2021. Rather, staff is proposing to conduct an overview of the budget on June 30, 2021. The budget would then be considered for adoption on July 7, 2021.

The purpose of a budget is to appropriate public funds and provide legal authorization from Council as the governing body to expend funds. Adoption of the budget accomplishes both of these objectives. Without a budget, funds may not be spent. If the budget is not adopted by June 30, the Council may adopt a continuing resolution to ensure that the City meets payroll and contractual obligations and continues to provide services. Staff will present the budget document at the meeting of June 30th for discussion and review. The budget, with any recommended changes, will be presented in a timely manner for consideration of adoption on July 7, 2021. Further detail as to this alternative is provided in a memo from the City Attorney while she served as the interim City Attorney (Attachment 2).

FINANCIAL IMPACT:

Adoption of the resolution will result in no financial impact to the City of Madera.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

Approval of this item is consistent with Strategy 115 of the Vision Plan – Economic Resource Provision: Ensure sufficient economic resources to provide adequate City services and prepare for future growth.

ATTACHMENTS:

1. Resolution continuing expenditures and reserves in accordance with the 2020/2021 budget in lieu of timely 2021/2022 budget adoption
2. Memorandum from interim City Attorney Hilda Cantu Montoy to City Manager and Finance Director dated June 25, 2019

RESOLUTION NO. ____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA CONTINUING
EXPENDITURES AND REVENUES IN ACCORDANCE WITH THE 2020/2021 CITY
BUDGET PENDING FURTHER REVIEW AND ADOPTION OF 2021/2022
BUDGET ADOPTION**

WHEREAS, the City Council duly passed the Fiscal Year 2020/2021 budget; and

WHEREAS, adoption by the City Council of the Fiscal Year 2021/2022 operations budget and capital improvement budget will be delayed to allow for further review; and

WHEREAS, the Fiscal Year 2020/2021 budget ends on June 30, 2021; and

WHEREAS, the City Council deems it appropriate to continue the operation of the City services until the passage of the Fiscal Year 2021/2022 budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA HEREBY RESOLVES AS
FOLLOWS:**

1. The foregoing recitals are true and correct and incorporated herein by reference.
2. The City Council does hereby continue the Fiscal Year 2020/2021 annual budget in full force and effect through July 31, 2021.
3. Upon adoption of a resolution adopting the 2021/2022 Budget, this resolution shall have no further force and effect.

* * *

MEMORANDUM FROM INTERIM CITY ATTORNEY

Date: June 25, 2019
TO: City Manager
Finance Director
RE: Continuing Resolution In Lieu of Timely FY 2019-2020 Budget Adoption

The City Manager has advised that the City will not have the FY 2019-2020 budget distributed in a timely manner to allow the City Council to review it before considering it for adoption. The plan is to distribute the proposed budget and have it considered at a workshop in a Special Meeting of the Council this Wednesday, June 26, 2019. The budget would then be considered for adoption on July 3, 2019. Based on these facts, this office recommends the City Council adopt a Continuing Resolution.

CONCLUSIONS

1. Among other things, a budget appropriates public funds, thereby providing the legal authorization from the City Council as the governing body to expend funds.
2. Without an appropriation, public funds may not be spent. In other words, the City may not make expenditures of any kind including, but not limited to, payroll and contractual obligations.
3. Only the City Council may make decisions to appropriate money. The City Council does this through the budget process. Adoption of the budget appropriates funds and expenditures may be made.
4. If the City Council does not adopt the budget by June 30, the City Council may adopt a Continuing Resolution to ensure that the City meets payroll and contractual obligations and continues to provide services.
5. In order to meet the August 30 deadline in Government Code section 53901, the Continuing Resolution should be limited to sixty days to allow for the continuation of services and for the expenditure of funds. Before the end of that time period the Council should adopt a budget.

ANALYSIS

A. The June 30 Deadline

Adopting a budget enables cities to plan expenditures to match anticipated revenues. The deadline of June 30 comes into play based on a state law requirement to file the budget or a listing of expenditures or revenues within sixty days after the beginning of the fiscal year.

Unlike the state, there is no express law that requires cities to adopt a budget. However, sixty days after the beginning of its fiscal year, every local agency is required to file with the county auditor a copy of its annual budget. “If a local agency ... does not have a formal budget, it shall file a listing of its anticipated revenues, together with its expenditures and expenses for the fiscal year in progress.”¹ The California Local Finance Almanac notes that such listing of revenues and expenditures “amounts to much the same thing as a budget.”²

The City of Madera utilizes a July 1 to June 30 fiscal year. Thus, the adopted budget or listing of revenues and expenditures must be filed with the county auditor by August 30, 2018.

B. Appropriating Public Money is a Legislative Act

A key concept is that only the legislative body (in this case the City Council) has the power to appropriate money.³ The term “appropriation” means an authorization by a legislative body (e.g. city council) that provides legal permission to make expenditures and incur obligations for specific purposes. An “expenditure” is the actual payment of the funds. When a legislative body fails to make an appropriation or an appropriation is challenged, a court can declare the action unlawful or unconstitutional, but cannot remedy the failing by appropriating money on behalf of the local or state legislative body.⁴

C. Continuing Resolution

A continuing resolution is an act of the City Council that allows the prior fiscal year’s appropriations to remain in effect until a budget for the new fiscal year is adopted. Since the expenditure of funds requires legislative authorization through an appropriation, and since an appropriation is for a specific and limited period of time (e.g. fiscal year), the failure of a city council to adopt a budget prior to the beginning of the fiscal year means that there is no legal authorization to spend money in the new fiscal year. Therefore, if the City Council fails either to adopt a budget or to adopt a continuing resolution (to carry forward the prior fiscal year’s appropriations), there can be no expenditure of city funds because there is no legal authorization (appropriation) to spend those funds.

Respectfully submitted,



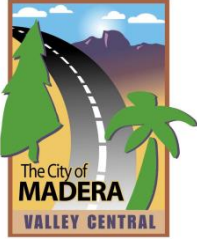
Hilda Cantú Montoy

¹ Gov’t Code §53901.

² Article in CaliforniaCityFinance.com

³ *White v. Davis* (2003) 30 Cal.4th 528.


⁴ *White v. Davis, supra*, at 535.



REPORT TO CITY COUNCIL Late Distribution Notice

DATE: June 25, 2021

TO: Honorable Mayor and City Councilmembers

FROM: Wendy Silva, Director of Human Resources 

SUBJECT: June 30, 2021 City Council Meeting
Late Distribution of Report for Item A-2

Additional time is needed to complete, review, and finalize the report for Item A-2 relative to a new Memorandum of Understanding (MOU) with the Mid Management Employee Group (MM). The group notified the City today, June 25, 2021, of their acceptance of the City's offer for a successor MOU. Pay changes in the new agreement will be effective for pay date July 9, 2021. In order to allow sufficient time for payroll processes to implement the necessary system changes, this item is being added to the June 30, 2021, City Council meeting for consideration. The report will be distributed as soon as it is available. Thank you for your understanding.