

SPECIAL MEETING OF THE MADERA CITY COUNCIL

205 West 4th Street, Madera, California 93637

NOTICE AND AGENDA

Wednesday June 12, 2019
6:00 p.m.

Council Chambers
City Hall

CALL TO ORDER

ROLL CALL: Mayor Andrew J. Medellin
Mayor Pro Tem Steve Montes, District 3
Council Member Cece Gallegos, District 1
Council Member Jose Rodriguez, District 2
Council Member Derek O. Robinson Sr., District 4
Council Member Santos Garcia, District 5
Council Member Donald E. Holley, District 6

INVOCATION:

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENT:

The first fifteen minutes of the meeting are reserved for members of the public to address the Council on items which are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Mayor has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Council is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Council does not respond to public comment at this time.

A. WORKSHOP

A-1 Workshop on the Preliminary Special Revenue Funds and Internal Service Funds for Fiscal Year 2019/2020

B. HEARINGS, PETITIONS, BIDS, RESOLUTIONS, ORDINANCES, AND AGREEMENTS

- B-1 Consideration of a Resolution of the City Council of the City of Madera, California Approving a New Schedule "A" Agreement with the California Department of Forestry and Fire Protection (CAL FIRE) from July 1, 2019 to June 30, 2020 for Fire Service Operations and Authorizing the Mayor to Sign the Agreement on Behalf of the City of Madera. (Report by Matt Watson)

C. COUNCIL REPORTS

D. CLOSED SESSION

- D-1 Closed Session Announcement – City Attorney
- D-2 PUBLIC EMPLOYEE APPOINTMENT - Pursuant to Government Code Section 54957(b)(1) Title: City Clerk and City Attorney
- D-3 Closed Session Report – City Attorney

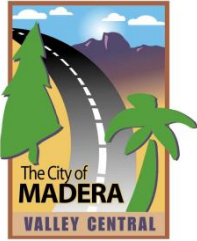
ADJOURNMENT – Next regular meeting June 19, 2019

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- 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 West 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, Claudia Mendoza, Interim 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 12, 2019, near the front entrances of City Hall at 6:15 p.m. on June 6, 2019.



Claudia Mendoza, Interim City Clerk



REPORT TO CITY COUNCIL

Approved by:

Arnoldo Rodriguez

 Department Director

Arnoldo Rodriguez

 Arnoldo Rodriguez, City Manager

Council Meeting of: June 12, 2019

Agenda Number: A-1

SUBJECT: Workshop on the Preliminary Special Revenue Funds and Internal Service Funds for Fiscal Year 2019/2020

RECOMMENDATION:

Staff recommends that the City Council (Council) provide staff direction on the proposed Fiscal Year 2019/2020 Special Revenue and Internal Service Fund Budgets.

PURPOSE:

The Council may recall that previous workshops included the Capital Improvement Plan (CIP) on April 9th and General and Enterprise Fund workshop on May 23rd. This serves as the 3rd workshop of the budget preparation process.

DISCUSSION:

To conform with Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB), local governments group revenues and expenses into three main fund categories (1) Governmental, (2) Proprietary, and (3) Fiduciary.

Each of the three main fund categories is further broken down into subgroups. Table 1 provides a breakdown of each subgroup.

<i>Table 1: Main Fund Category subgroups (1)</i>		
<i>Governmental Funds</i>	<i>Proprietary Funds</i>	<i>Fiduciary Funds</i>
General Fund	Enterprise Funds	Established for situations where the agency acts as a 3 rd party agent (such as a trust fund) and are not part of the budgeting process.
<i>Special Revenues Funds</i>	<i>Internal Service Funds</i>	
Capital Project Funds		
Debt Service Funds		

(1) *Italics* identify the funds to be discussed as part of this workshop.

The purpose of this workshop is to present the preliminary budgets for Special Revenue Funds and Internal Service Funds. Worth noting is that for some accounts, the City is provided the funding on the onset of the project whereas in others, the City must perform the work and is reimbursed. In the descriptions that follow, staff notes where the latter occurs.

SPECIAL REVENUE FUNDS:

Special Revenue Funds are established to track and report monies that must be expended for specified purposes. The City currently has many special revenue funds that are grouped as follows:

Table 2: Special Revenue Fund Accounts

	2018/2019 Projected Revenue	2019/2020 Projected Revenue
Special Taxes	6,492,539	4,730,598
Transportation	1,335,887	2,086,568
Parks	134,000	-
Development Impact Fees (DIF)	2,054,451	2,258,162
Special Districts (1)	1,173,011	195,725
Federal Aid	1,088,852	627,000
Housing	293,080	552,836
Law Enforcement	169,921	168,704
Total	12,741,741	10,619,593

(1) Landscape Maintenance Zones (LMZ) budgets are not included for 2019/2020 Projected Revenue.

The following is a summary of the various accounts that collectively make up the Special Revenue Funds. Note that funded projects are identified in parenthesis and additional detail on each may be found by project number in the CIP presented to the Council on April 9, 2019.

Special Taxes:

- *Special Gas Tax – Street Maintenance:* Gas tax revenues for streets and roads from multiple sources received monthly from the State Controller’s Office. Funds are transferred to the Streets Department through the annual budget process to support the streets operations and projects.
- *Regional Surface Transportation Program (RSTP) Exchange:* This fund provides flexible funding for projects to preserve and improve Federal-Aid highway, bridge, and tunnel projects on public roads, pedestrian and bicycle infrastructure, and intercity passenger projects. Currently, there are several CIP projects that are being funded through this program (R-000010, R-000032, R-000046, and R-000057). Funds are received as reimbursement for costs incurred.
- *State Transportation Improvement Program (STIP):* A multi-year capital improvement program of transportation projects on and off the State Highway System. Funds are programmed within the Madera County region to prioritize regional projects. There are currently no projects scheduled to receive STIP funds.

- *Proposition 1B SLPP*: State Program created by the Road Repair and Accountability Act of 2017 (Senate Bill (SB) 1) to provide funding to local and regional transportation agencies that have sought and received voter approved taxes (i.e. Measure T) and enacted fees for Road Maintenance and Rehabilitation (RMRA) projects. Projects require a 50 percent local match. Funds are received as reimbursement for costs incurred. Currently one project is being funded through this program (R-000065).
- *Road Maintenance & Rehabilitation Account (RMRA)*: Utilized to address road maintenance, rehabilitation, and critical safety projects, this fund was created by the Road Repair and Accountability Act of 2017, SB 1. These funds are received monthly from the State. The City is currently funding three CIP projects with said account (R-000074, R-000075, and R-000076).
- *Measure A*: A ½ cent sales tax for local transportation projects collected from 1990 to 2005. The remaining fund balance has been designated for a specific project.
- *Measure T*: Current ½ cent sales tax for local transportation projects and programs. It is a 20-year program that sunsets in 2027 that funds highway and road capital projects designed to improve traffic safety; relieve congestion; and leverage other State and Federal funds. Funds are received quarterly from Madera County. This program is currently funding seven CIP projects (R-000010, R-000046, R-000065, R-000070, R-000073, Aly-0002, and R-000062).
- *San Joaquin Valley Air Pollution Control District (SJVAPCD) REMOVE II Grant*: This grant provides funding for projects consistent with the goals of the SJVAPCD. This grant is currently funding one CIP project (TS-00022). Funds are received as reimbursement for costs incurred.

Transportation:

- *Prop 1B Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA)*: This program is aimed at transit modernization and improvement and service enhancement. This program is currently being used to fund a portion of the transit facility. Funds are received as reimbursement for costs incurred.
- *Low Carbon Transit Operations Program (LCTOP)*: This program provides funding to be used by transit operators to reduce greenhouse emissions. The City has utilized these funds to improve transit stop amenities.
- *Local Transportation Fund (LTF)*: This program is to fund Public Transportation including planning and program activities, pedestrian and bicycle facilities, community transit services, and bus and rail projects. Additionally, LTF may be used for construction and maintenance of local streets and roads. It is a component of the Transportation Development Act (TDA). Currently, this program funds multiple roads, parks and transit projects in the CIP program. Funds are received as reimbursement for costs incurred.
- *Sustainable Communities Grant*: Grant program created to maintain and integrate multi-modal transportation, also from the Road Repair and Accountability Act of 2017, SB 1. This grant is currently funding one CIP project (TRANS-09). Funds are received as reimbursement for costs incurred.

Parks:

- *Housing Related Parks Program (HRPP) Grant:* Grant funding for the creation and renovation of parks and community recreation facilities. This grant currently funds one project (PK00066).
- *Tire Derived Products (TDP) Grant:* This grant is administered by California Department of Resources Recycling and Recovery (CalRecycle) to promote markets for recycled-content products derived from waste tires generated in California and decrease the adverse environmental impacts created by unlawful disposal and stockpiling of waste tires.
- *Chukchansi Grant:* This grant is currently funding one project in the CIP Program (PK-00013).

Development Impact Fees (DIF):

- Local Fee imposed on new development to fund the City's capital facilities. Revenues depend on development activity. Funds are collected during the permitting process and deposited into multiple assigned accounts, each having a specific purpose. Currently, 10 projects are being funded through this program (W-PSE-03, W-PSE-50, PK-00013, PK-00064, TS-00009, TS-00017, TS-00019, SS-0001, SS-0002, and SD-13-PX).

Special Districts:

- *Parking District Operations:* Established by the City, this fund supports the acquisition, construction, installation or maintenance of parking facilities, street lighting, refuse receptacles, benches, parks, or fountains in the downtown area. The City serves as the fiscal agent and participants are billed quarterly. Currently, funds are used to pay for a part-time parking enforcement officer, refuse collection, gardening services, and a portion of the crow abatement program.
- *Business Improvement District:* Established by the City, this program supports activities, and promotes events and tourism within the Business Improvement District. The City serves as the fiscal agent and participants are billed quarterly. The City remits the funds to the Madera Downtown Association quarterly, less expenses it incurs.
- *Community Facilities Districts (CFD):* CFD 2005-1 Special Tax for City Services and CFD 2006-1 Special Tax for debt service on infrastructure improvements.
- *Landscape Maintenance Districts (LMD):* Funding for landscaping in 80 defined zones within the City. Special assessments are prepared in accordance with the Streets and Highway Code.

Federal Aid:

- *Active Transportation Program (ATP):* State program that consolidates existing Federal and State transportation programs, including Transportation Alternatives Program (TAP), Bicycle Transportation Account (BTA), and State Safe Routes to School (SR2S) into a single program. Currently, this program is funding one CIP project (PK-00008). Funds are received as reimbursement for costs incurred.

- *Bridge Preventive Maintenance Program (BPMP)*: This program is intended to maintain existing inventory of bridges and is currently funding one CIP project (B-000004). Funds are received as reimbursement for costs incurred.
- *Congestion Mitigation & Air Quality Program (CMAQ)*: This program is intended to fund transportation projects that will contribute to attainment of national air quality standards. Currently funding six CIP projects (ALY-0002, R-000037, R-000057, R-000062, R-000068, and TS-00019). Funds are received as reimbursement for costs incurred.
- *Highway Safety Improvement Program (HSIP)*: Federal aid program to States for achieving a significant reduction in fatalities and serious injuries on public roads. This program currently funds two CIP projects (R-000031 and R-000066). Funds are received as reimbursement for costs incurred.

Housing:

- *Home/CalHome Down Payment Assistance and Program Income*: Grant money to assist first-time home buyers with down payment assistance. Funds recaptured from loan payments are deposited into Program Income to be used for further down payment assistance.
- *CalHome Manufactured Housing Rehabilitation and Program Income*: Grant money to assist with the rehabilitation of manufactured housing. Funds recaptured from loan payments are placed into Program Income to be used for further rehab assistance.

Law Enforcement Grants:

- *Supplemental Law Enforcement Services Fund (SLESF)*: Funds allocated to provide front-line law enforcement services.
- *Justice Assistance Grant (JAG)*: Funds allocated for the purpose of enforcing State and local laws improving the criminal justice system, with an emphasis on preventing violent crime. Grants may provide for personnel, equipment, training, technical assistance, and criminal justice information systems for the more widespread apprehension, prosecution, adjudication, detention, and rehabilitation of persons who violate criminal laws.

INTERNAL SERVICE FUNDS

Internal Service Funds are used in governmental accounting to track services provided internally to the organization. The City currently operates three internal service funds: (1) Facilities, (2) Fleet, and (3) Information Services. Each department in the organization is charged for the services provided by the internal service fund through interfund transfers.

The following is a summary of each:

- *Facilities*: Each department is charged a facility fee. Allocations are based on the square footage of the area occupied by the department and a time study of facility personnel.
- *Fleet maintenance*: The City maintains a plethora of vehicles. Each department is charged a fee based on number and type of vehicles assigned to the department. Replacement of vehicles is

also included based on the number and type of vehicles and useful life estimates for replacement, whereas motor pool charges are based on the prior year's usage.

- *Information Services:* Computer services, provided by the City's Information Technology Department, are charged based on computer users per department taking into consideration all peripheral's, servers, and licenses required to maintain and upgrade the current technology.

Budgets for Internal Service Funds are designed to balance. The exceptions are the fleet and computer replacement funds, where money is set aside for each department in both so when vehicles and computers have reached the end of their useful life, funds are available for replacements. Some years will experience greater revenues than expenses and vice versa, which largely depends on the number of vehicles slated to be replaced in that period. Each fund tracks the balances available by department and determines when equipment should be replaced.

The following three tables list the fund accounts.

Table 3: Facilities fund account for past, current, and next fiscal years				
	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected year-end	2019/2020 Proposed
Revenue	1,589,574	1,680,965	1,681,231	1,686,264
Salaries & Benefits	1,051,979	933,029	936,659	975,473
Maintenance & Operations	631,514	730,229	669,922	691,669
Capital/Transfers Out	12,906	15,249	15,249	15,249

Table 4: Fleet fund account for past, current, and next fiscal years				
	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected year-end	2019/2020 Proposed
Maintenance and Operations of vehicles				
Revenue	1,084,201	983,256	950,756	937,825
Salaries & Benefits	547,199	453,171	451,474	455,757
Maintenance & Operations	432,966	454,344	404,842	433,001
Capital/Transfers Out	9,390	67,724	67,724	47,724
Replacement of vehicles				
Revenue	770,807	1,037,088	1,037,088	860,347
Salaries & Benefits	-	-	-	-
Maintenance & Operations	53,168	-	-	-
Capital/Transfers Out	444,948	1,449,488	1,100,000	903,800
Motor Pool (pool of vehicles that may be used by all employees)				
Revenue	-	32,549	32,549	31,759
Salaries & Benefits	-	-	-	-
Maintenance & Operations	65	32,549	31,934	31,846
Capital/Transfers Out	-	-	-	-

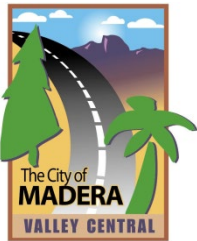
Table 5: Information Services fund account for past, current, and next fiscal years

	<i>2017/2018 Actual</i>	<i>2018/2019 Budget</i>	<i>2018/2019 Projected year-end</i>	<i>2019/2020 Proposed</i>
Revenue	1,145,471	1,294,125	1,294,125	1,312,910
Salaries & Benefits	639,481	570,250	619,921	580,380
Maintenance & Operations	356,670	393,318	393,318	389,938
Capital/Transfers Out	322,237	354,475	354,475	342,899

FINANCIAL IMPACT: The purpose of this workshop is to present the proposed Special Revenue and Internal Service fund budgets for FY 2019/2020. Staff will take direction from the Council as to any potential changes to the proposed budget and incorporate such changes into the FY 2019/2020 Budget that will be brought back for consideration of adoption.

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.

ALTERNATIVES: Direct staff to amend the proposed budget for consideration by the Council.



**CITY OF MADERA
INTEROFFICE MEMORANDUM**

RETURN TO AGENDA

DATE: June 6, 2019

TO: Honorable Mayor and City Council Members

FROM: Matt Watson, Cal Fire Assistant Chief

SUBJECT: 06/12/2019 Special City Council Meeting
Late Distribution of Report for Item B-1

Item B-1: Consideration of a Resolution of the City Council of the City of Madera, California Approving a New Schedule "A" Agreement with the California Department of Forestry and Fire Protection (CAL FIRE) from July 1, 2019 to June 30, 2020 for Fire Service Operations and Authorizing the Mayor to Sign the Agreement on Behalf of the City of Madera, will be late distribution because the report was not available at the time the agenda was finalized.