

# **BLUE FOLDER ITEM**

*Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.*

## **CITY COUNCIL MEETING SEPTEMBER 3, 2024**

P.1 DISCUSSION AND POSSIBLE ACTION REGARDING A CHARTER AMENDMENT PERTAINING TO THE DUTIES OF THE CITY TREASURER AND DIRECTION TO STAFF TO PREPARE A BALLOT MEASURE FOR THE MARCH 4, 2025 ELECTION REFLECTING THE PROPOSED AMENDMENT

- **SAMPLE MUNICIPAL ORDINANCE DELEGATION OF FINANCIAL DUTIES**
- **POWERPOINT PRESENTATION**



# APPENDIX A: SAMPLE CHARTERS AND MUNICIPAL CODES

## MANHATTAN BEACH<sup>8</sup>

### MUNICIPAL CODE

#### **2.16.010 - Office of Director of Finance established.**

In order to establish a central area for the uniform processing and development of all fiscal and budgetary functions there is hereby established the office of Director of Finance.

#### **2.16.020 - Duties of Director of Finance.**

The Director of Finance shall be the head of the Finance Department of the City and shall be vested and charged with the following duties and responsibilities:

- A. Have charge of the administration of the financial affairs of the City under the direction of the City Manager;
- B. Compile the budget expense and income estimates for the City Manager;
- C. Maintain a general accounting system for the City government and each of its offices, departments, and agencies;
- D. Supervise and be responsible for the disbursement of all moneys and have control of all expenditures to insure that budget appropriations are not exceeded; audit all purchase orders before issuance; audit and approve before payment all bills, invoices, payrolls, demands or charges against the City government and, with the advice of the City Attorney, when necessary, determine the regularity, legality and correctness of such claims, demands or charges;
- E. Submit to the Council, through the City Manager, a monthly statement of all receipt and disbursements in sufficient detail to show the exact financial condition of the City; and, as of the end of each fiscal year, submit a complete financial statement and report;
- F. Supervise the keeping of current inventories of all property of the City by all City departments, offices and agencies;
- G. Perform all the financial and accounting duties heretofore imposed upon the City Clerk, relieving the City Clerk of such duties, including all duties imposed upon the City Clerk by Article 1 of Chapter 4, Part 2, Division 3, Title 4, and by Sections 40802 through 40805 of the Government Code of the State; and
- H. Perform such other duties as may be imposed upon him by law and as the City Manager may direct from time to time.

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<sup>8</sup> Manhattan Beach is a general law city, and therefore does not have a City Charter.



### **2.16.030 - Duties of the Finance Department.**

The Finance Department shall perform such additional duties and functions as may be hereafter prescribed or required by the Council or the City Manager.

### **2.16.040 - Delegation of powers.**

The Director of Finance shall be directed by the City Manager and shall be the chief finance official of the City. With the approval of the City Manager the Director of Finance may delegate any of the powers and duties conferred upon him as such officer under this chapter to any other officer or employee of the City. The Director of Finance shall:

- A. Supervise the Finance Department under the direction and control of the City Manager; and
- B. Cooperate with the City Treasurer and all other officials of the City in establishing and maintaining sufficient and satisfactory procedures and controls over municipal revenues and expenditures in all departments, divisions and services of the City in accordance with modern municipal finance administration practice.

### **2.16.050 - Transfer of City Clerk's duties.**

In accordance with the provisions of Section 40804.5 of the Government Code of the State, the financial and accounting duties imposed upon the City Clerk under Sections 40802 through 40805 of the Government Code are hereby transferred to the Director of Finance.

### **2.16.080 - Transfer of Mayor's duties.**

In accordance with the provisions of Section 40602 (a) of the Government Code of the State (as amended, Stats. 1955), all warrants drawn on the City Treasurer shall be signed by the Director of Finance or his authorized deputy.

## **SANTA MONICA**

### **CITY CHARTER**

#### **707. City Clerk. Powers and duties.**

The City Clerk shall have power and be required to:

- A. Attend all meetings of the City Council and record and maintain a full and true record of all of the proceedings of the City Council in books that shall bear appropriate titles and be devoted to such purposes. Such books shall have a general index sufficiently comprehensive to enable a person readily to ascertain matters contained therein;
- B. Maintain ordinance and resolution books into which shall be recorded all City ordinances and resolutions with the certificate of the Clerk annexed to each thereof stating the same to be a correct copy, giving the number of said ordinance or resolution and, as to an ordinance requiring publication, stating that the same has been published or posted in accordance with this Charter.



- C. Be the custodian of the seal of the City;
- D. Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of its official records;
- E. Appoint and remove all assistants and other persons as are authorized to be employed in the office by the City Council, with the position of the Assistant City Clerk not being in the Classified Service of the City, unless the City Council by resolution determines otherwise. All other positions in the City Clerk's office shall not be in the Classified Service of the City unless the City Council by resolution determines otherwise; and
- F. Perform such other tasks as the City Council shall direct by ordinance or resolution.

#### **709. City Controller. Powers and duties.**

The City Controller shall have charge of the administration of the financial affairs of the City and shall have the power and be required to:

- A. Compile the budget expense and capital estimates for the City Manager;
- B. Supervise and be responsible for the disbursement of all monies and have control over all expenditures to insure that budget appropriations are not exceeded;
- C. Maintain a general accounting system for the City government and each of its offices, departments and agencies; keep books for and prescribe the financial forms to be used by each office, department and agency;
- D. Require and supervise the keeping of, current inventories of all property, real and personal, by the respective officers in charge thereof and periodically to audit the same;
- E. Submit to the City Council, through the City Manager, a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City; and, as of the end of each fiscal year, submit a complete financial statement and report; and
- F. Audit and approve before payment all bills, invoices, payrolls, demands or charges against the City government and, with the advice of the City Attorney, determine the regularity, legality and correctness of such claims, demands or charges.

#### **711. City Treasurer. Powers and duties.**

The City Treasurer shall be the custodian of all public funds belonging to or under control of the City, or of any office, department or agency thereof, and shall have power and be required to:

- A. Receive and have custody of all moneys receivable by the City from any source;
- B. Deposit all moneys received in such depositories as may be designated by resolution of the City Council or, if no resolution be adopted, by the City Manager, and in compliance with all of the provisions of the State Constitution and laws of the State governing the handling, depositing and securing of public funds.
- C. Disburse moneys on demands properly audited in the manner provided for in this Charter; and



- D. Prepare and submit to the City Controller monthly written reports of all receipts, disbursements and fund balances, copies of which reports shall be filed with the City Manager.

## MUNICIPAL CODE

### **2.12.250 Finance Department.**

Pursuant to Section 702 of the City Charter, there is hereby created a department in the City government to be known as the Finance Department. Within the Finance Department shall be the City Controller, the City Treasurer, and the Purchasing Division.

### **2.12.260 Department head and duties.**

- A. The head of the Finance Department shall be the Director of Finance who shall be appointed by the City Manager. The Director of Finance, who shall also be the City Controller, shall coordinate and supervise all activities of the Finance Department. The Director of Finance shall have the authority to settle tax, fee or other accounts payable disputes by reducing or waiving amounts due or establishing payment plans, if such payment plans, reduction or waiver serves to promote the City's fiscal welfare by expeditious payment, enhancing revenue, or otherwise.
- B. The Director of Finance is authorized to waive tax, fee or debt principal owed to the City only when such tax, fee or debt is deemed uncollectable consistent with the following provisions:
  - 1) All reasonable efforts have been made to collect the tax, fee or debt.
  - 2) The waiver is in the public's interest and will not cause undue harm to the City's fiscal welfare.
  - 3) The amount to be waived does not exceed fifty thousand dollars per account.
  - 4) The waiver of any tax, fee or debt principal is not for the purpose of settling a legal dispute, except where collection is clearly foreclosed by statute of limitations as determined by the City Attorney.
- C. The Finance Director may publish and make available as a matter of public record a list of the largest tax delinquencies and their associated taxpayers, where all of the following apply:
  - 1) The tax delinquency is in excess of five thousand dollars.
  - 2) The tax has been delinquent for more than ninety days.
  - 3) The taxpayer is not on an approved payment plan or filed for such payment plan which is under review.
  - 4) The Finance Director may publish and make available as a matter of public record a list of the businesses that are operating without a license and have failed to apply for or renew a business license.



### **2.12.270 City Clerk title and responsibilities.**

- A. The City Clerk shall at all times be referred to as the Director of Records and Election Services. For purposes of this Code, the titles are interchangeable and the Director of Records and Election Services shall have the same duties as the City Clerk.
- B. In addition to the duties set forth in Charter Section 707, the City Clerk shall have power and be required to:
  - 1) Direct, plan and manage the activities of the Records and Election Services Department;
  - 2) Maintain the City's legislative history of action taken by the City Council, the Housing Authority, the Parking Authority, the Redevelopment Agency and the Public Finance Authority;
  - 3) Administer municipal elections in accordance with Section 11.04.055;
  - 4) Ensure compliance with the Political Reform Act in accordance with Section 11.04.055;
  - 5) Prepare the City Council agendas and minutes;
  - 6) Direct the operation of the City's Mail Room and Print Shop;
  - 7) Administer the City's Record Management Program;
  - 8) Attest to the execution by the City Manager of all conveyances, contracts and agreements executed by the City Manager pursuant to the provisions of Section 2.32.030;
  - 9) Have charge of the City Seal in accordance with Section 2.32.020(b).

## **PASADENA**

### **CITY CHARTER**

#### **Section 604. - Powers and Duties of City Manager.**

The administrative and executive functions, powers, and duties provided in this Section, in addition to others specified in this Charter, hereby are delegated to and vested in the City Manager. He or she shall have the power and it shall be his or her duty:

- A. To supervise, coordinate and administer the various functions of the City;
- B. To see that the provisions of this Charter and all laws and ordinances of the City are enforced;
- C. To appoint, promote, discipline and terminate the employment of all officers and employees of the City in accordance with the personnel system created pursuant to this Charter except those officers appointed by the City Council, which officers shall have the power to appoint their respective staffs;



- D. To exercise supervision and control over all departments, divisions, and offices of the City except the City Attorney, City Prosecutor, and City Clerk, and their respective staffs;
- E. Except when his or her removal is under discussion, to attend all meetings of the City Council, but he or she shall have no power to vote as a member thereof;
- F. To recommend to the City Council for adoption such measures and ordinances as he or she shall deem necessary or expedient;
- G. To see that all terms and conditions imposed in favor of the City or its inhabitants in any contract or in any franchise are faithfully kept and performed, and upon knowledge of any violation thereof to call the same to the attention of the City Attorney, whose duty it shall be to take such steps as are necessary to protect and enforce such terms and conditions;
- H. To prepare and submit to the City Council the annual budget;
- I. To keep the City Council at all times fully advised as to the financial condition and needs of the City; and
- J. It shall be competent for the City Council to instruct the City Manager in all matters of policy, and any action, determination or omission of the City Manager shall be subject to review by the City Council, but no such action, determination or omission shall be overruled or modified by a vote of less than five members thereof, nor shall any otherwise valid contract previously made by the City Manager be subject to review.

#### **Section 902. - Preparation of Budget.**

No later than February of each year, the Mayor shall present a thematic budget message for the upcoming fiscal year to the City Council. The City Council shall establish procedures whereby public suggestions and comments on the Mayor's budget proposals may be received and considered prior to the preparation and submission of budget estimates by the Departments to the City Manager.

On or before the third Monday in May of each year, the City Manager shall submit to the City Council a preliminary budget of probable expenditures and revenues of the City for the succeeding fiscal year, giving the amounts required to meet the interest and sinking funds for all outstanding funded debts, the amounts required for salaries and the needs of all departments and programs of the municipal government in detail, showing specifically the amount necessary to be apportioned to each fund in the treasury, and giving the estimated income and revenue to be obtained from all sources, indicating the revenue separately for each source.

#### **Section 904. - Adoption of the Budget After Hearing.**

After the conclusion of the public hearing, the City Council shall consider the proposed budget and make any revisions that it may deem advisable. The City Council shall annually, on or before the thirtieth day of June, adopt a budget of the amounts estimated to be required to pay the expenses of conducting the public business of the City for the fiscal year. The budget shall be prepared in such detail as to the aggregate sum and the items or programs thereof allowed to each department, office, agency, board, commission or committee as the City Council may determine. The budget may include an "unappropriated balance" which shall be appropriated during the fiscal year to meet contingencies and



needs as they arise. A copy of the budget, certified by the City Clerk as having been adopted by the City Council, shall be placed on file in the office of the City Clerk and shall be available for public inspection. Another copy, likewise certified, shall be filed with the Director of Finance. Copies of the budget shall be made available for the use of each department, office, agency, board, commission and committee of the City.

## MUNICIPAL CODE

### **2.35.010 - Created—Direction.**

There is created, pursuant to the Charter, a functional unit of city government known as the city clerk's department which shall be under the direction and control of the city clerk.

### **2.35.020 - City clerk—Functions, powers and duties.**

The city clerk shall:

- A. Attend all meetings of the city council and shall prepare the minutes of such proceedings;
- B. Have custody of and be responsible for the city seal and all books, records, papers and archives belonging to the city committed to the clerk's custody;
- C. Prepare and maintain an index of all records in the clerk's custody;
- D. Administer and supervise the city's records management program;
- E. Administer and supervise all municipal elections;
- F. Administer all oaths and take affidavits in matters relating to city business;
- G. Administer and supervise the publication of legal notices and ordinances of the city;
- H. Attest the signatures of city officers on documents that have been executed as authorized by resolution, ordinance or statute;
- I. Perform such other duties relating to the office as shall be required of him/her by law, ordinance or the city council.

### **2.275.010 - Created—Direction.**

There is created a functional unit of city government known as the finance department, under the general administration of the city manager, which shall be under the direction and control of the director of finance.

### **2.275.020 - Department functions.**

The department shall be responsible for providing the following functions:

- A. Establish and administer a centralized system of financial administration for the city, including activities relating to accounting, budgeting and auditing as required by the city manager and subject to the limitation of the Charter;





- B. Issue business licenses and permits and administer related matters;
- C. Administer the treasury of the city;
- D. Issue and collect bills for the electric, water and refuse utilities and for various other city services as required;
- E. Administer and supervise the issuance of bonds, certificates of participation, and other financial instruments of the city, community development commission, and various authorities established by the city;
- F. Administer the city's workers' compensation program;
- G. Provide safety and loss control services;
- H. Manage the city's property and liability insurance;
- I. Manage and adjust liability claims;
- J. Perform such other related duties as shall be required by law, ordinance or the city manager.

**PROPOSED CHARTER  
AMENDMENT FOR THE  
DUTIES OF REDONDO BEACH  
CITY TREASURER**



# BACKGROUND

- A 2005 City Council Budget adoption transferred personnel and their responsibilities from the City Treasurer's office to the Financial Services Department.
- This action moved the tactical functions outlined in the City Charter item(s) 11.1 A-F from City Treasurer to the City Financial Services Department.
- In 2014 the City Treasurer's office was modified by Charter Amendment, becoming a part time position however, the amendment did not address the fiduciary duties' informal assignment from the Treasurer's office to Financial Services



# BACKGROUND CONTINUED

- In 2019 Moss Adams, an independent consulting firm hired to review roles & responsibilities in several Redondo Beach departments, identified the informal delegation of the Treasurer's City Charter duties as cause for "moderate to high level of concern"
- Moss Adams recommendation was to "formally delegate authority over the Treasurer's fiduciary duties to the Financial Services department"
- The City Treasurer in coordination with the Charter Review committee is recommending a Charter Amendment to formalize this now informal delegation of duties in order to align the Charter with our tactical functions, policies and procedures.

EXHIBIT " A"

PROPOSED CHARTER AMENDMENT MEASURE \_\_

THE PEOPLE OF THE CITY OF REDONDO BEACH, CALIFORNIA, HEREBY AMEND ARTICLE XXI CITY TREASURER SECTION 11.1 OF THE CITY OF REDONDO BEACH CHARTER TO READ AS FOLLOWS:

(NOTE: New provisions or language added to the existing Charter section are shown in **BOLDFACE type**; words and figures deleted from the existing charter section are shown in ~~strikeout type~~.)

§ 11.1. City Treasurer.

The City Treasurer shall ~~be the custodian of~~ **maintain an autonomous role of oversight for** monitoring all public funds belonging to or under the control of the City, or of any office, department or agency thereof, and shall have the power and be required to:

- (a) ~~Receive and have custody of all moneys collected by the City from any source;~~ **Review** administration of all monies collected from any source as reconciled by city departments.
- (b) ~~Deposit~~ **Monitor** all moneys received from any source in such depositories as may be designated by resolution of the City Council;
- (c) ~~Disburse~~ **Monitor** moneys on demands properly audited and approved in the manner provided for in this Charter or by ordinance of the City of Redondo Beach;
- (d) ~~Prepare and submit to the City Clerk~~ **Examine** monthly written reports of all receipts, disbursements and funds balances, copies of which reports ~~shall be~~ are filed with the City Manager from city departments;
- (e) ~~Prepare and submit to the City Manager~~ **Review** monthly reports ~~as to the failure~~ of any department heads, officers and/or employees within the City ~~to promptly turn over moneys to the Treasurer as required by~~ in a manner consistent with this Charter or by ordinances of said city and have the authority to audit all moneys collected by the City from any source in order to ~~prepare~~ **monitor** these monthly reports;
- (f) ~~Collect~~ **Audit** collection of City taxes and license fees;
- (g) Invest and reinvest funds according to State law; provided, however, that the City Council may adopt investment guidelines by resolution.

The City Treasurer may appoint deputies for whose acts the City Treasurer and the City Treasurer's bond agents are responsible. The deputies shall hold office at the pleasure of the City Treasurer. ~~The effective date of this Charter Amendment shall be April 1, 1993.~~

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# COUNCIL ACTION REQUESTED

- Direction to staff for preparation of a City Charter Amendment with any suggested changes to the City Treasurer section 11.1 for presentation to voters on the March 2025 ballot
- Direction to staff for preparation of a Municipal Ordinance, should the above Charter amendment be adopted by voters, to formally delegate the Charter defined fiduciary responsibilities to the Financial Services Department
- Direction from Council on inclusion of Charter Review Committee recommendation adding specific eligibility qualifications as a separate Charter Amendment presented to voters on the March 2025 ballot