



CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

Meeting Agenda

Citizens Advisory Charter Review Committee

Thursday, August 22, 2019

6:00 PM

Council Chamber, 2nd Floor, Merced Civic
Center, 678 W. 18th Street, Merced, CA 95340

NOTICE TO PUBLIC

WELCOME

At least 72 hours prior to each regular Board/Commission meeting, a complete agenda packet is available for review on the City's website at www.cityofmerced.org or at the City Clerk's Office, 678 W. 18th Street, Merced, CA 95340. All public records relation to an open session item that are distributed to a majority of the Commission will be available for public inspection at the City Clerk's Office during regular business hours.

PUBLIC COMMENT: OBTAIN SPEAKER CARD FROM THE BOARD/COMMISSION CLERK

Members of the audience who wish to address the Commission are requested to complete a speaker card available at the podium against the right-hand side of the Council Chamber. Please submit the completed card to the Board/Commission Clerk before the item is called, preferably before the meeting begins.

INDIVIDUALS WITH DISABILITIES

Accommodation for individuals with disabilities may be arranged by contacting the City Clerk at (209) 388-8650. Assisted hearing devices are available for meetings held in the Council Chamber.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. PUBLIC COMMENT

Members of the public who wish to speak on any matter not listed on the agenda may speak during this portion of the meeting and will be allotted 3 minutes. State law prohibits the Board/Commission from acting at this meeting on any matter raised during the public comment period. Members of the public who wish to speak on a matter that is listed on the agenda will be called upon to speak during discussion of that item.

E. CONSENT CALENDAR

Adoption of the Consent Calendar may be made by one motion of the Board/Commission, provided that any Member, individual, or organization may request removal of an item from the Consent Calendar for separate consideration. If a request for removal of an item from the Consent Calendar has been received, the item will be discussed and voted on separately.

[19-479](#)

SUBJECT: Citizens Advisory Charter Review Minutes of August 15, 2019

REPORT IN BRIEF

Approval of previously held meeting minutes for filing.

RECOMMENDATION

Citizens Advisory Charter Review Committee - adopt a motion approving and filing the meeting minutes of August 15, 2019

F. BUSINESS

[19-492](#)

SUBJECT: Review of Draft Language Regarding Charter Section 604 - Finance Officer Specifically Section B, for the Citizens Advisory Charter Review Committee Discussion, Consideration and Potential Modification

REPORT IN BRIEF

Considers proposed revisions to City Charter Section 604 regarding the Finance Officer.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a Motion:

- A. Approving the language as submitted; or,
- B. Providing staff with direction on any suggested changes to the proposed language for Section 604; or,
- C. Take no action.

[19-493](#)

SUBJECT: Review, Discussion, and Consideration on the Form, Content and Other Matters Related to the Citizens Advisory Charter Review Committee Final Report to be Presented at the September 3, 2019 City Council Meeting

REPORT IN BRIEF

Allows for discussion on the form and content and other related matters for the final report that will be presented to the Merced City Council.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a Motion:

A. Adopting the Final Report as drafted for submission to City Council and authorizing the Chair and Vice Chair to represent the Committee at the September 3, 2019 City Council Meeting; or,

B. Adopting the Final Report as amended by the Committee for submission to the City Council and authorizing the Chair and Vice Chair to represent the Committee at the September 3, 2019 City Council Meeting; or,

C. Continue this item to a future meeting.

G. ADJOURNMENT



CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

ADMINISTRATIVE REPORT

File #: 19-479

Meeting Date: 8/22/2019

SUBJECT: Citizens Advisory Charter Review Minutes of August 15, 2019

REPORT IN BRIEF

Approval of previously held meeting minutes for filing.

RECOMMENDATION

Citizens Advisory Charter Review Committee - adopt a motion approving and filing the meeting minutes of August 15, 2019

ATTACHMENTS

1. Minutes of 8-15-2019



CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

Minutes Citizens Advisory Charter Review Committee

Thursday, August 15, 2019

6:00 PM

A. CALL TO ORDER

Chair SMITH called the meeting to order at 6:03 PM.

B. PLEDGE OF ALLEGIANCE

Vice Chair HILL led the Pledge of Allegiance.

C. ROLL CALL

Clerk's Note: Committee Member NAVA arrived at 6:08 PM and
Committee Member SPENCE arrived at 6:18 PM.

Ex Officio Members in attendance: Mayor Mike MURPHY and Mayor Pro
Tempore Anthony MARTINEZ.

Present: 9 - Shane Smith, Tim O'Neill, Robert Haden, Ryan Heller, Sara Hill, Liliana Prado
Nava, Loretta Spence, Sarah Boyle and Stephanie Butticci

Absent: 0

D. PUBLIC COMMENT

There was no public comment.

E. CONSENT CALENDAR

SUBJECT: Citizens Advisory Charter Review Minutes of July 25, 2019

REPORT IN BRIEF

Approval of previously held meeting minutes for filing.

RECOMMENDATION

Citizens Advisory Charter Review Committee - adopt a motion
approving and filing the meeting minutes of July 25, 2019

**A motion was made by Member Haden, seconded by Member O'Neill, that this
agenda item be approved. The motion carried by the following vote:**

Aye: 7 - Member Smith
Member O'Neill
Member Haden
Member Heller
Member Hill
Member Boyle
Member Butticci

No: 0

Absent: 2 - Member Prado Nava
Member Spence

F. BUSINESS

SUBJECT: Review of Draft Language Regarding Charter Section 402-Compensation of the Mayor and City Council for Citizens Advisory Charter Review Committee Discussion, Consideration and Potential Modification

REPORT IN BRIEF

Considers proposed revisions to City Charter Section 402 regarding compensation for the Mayor and City Council Members.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a Motion:

- A. Approving the language as submitted; or,
- B. Providing staff with direction on any suggested changes to the proposed language for Section 402; or,
- C. Take no action; or,
- D. Continue the matter to the next regular meeting.

The Committee discussed City Council compensation and were generally in favor of using a Compensation Committee to set the dollar amount and review it at set intervals. They agreed the Compensation Committee should be selected by district. The Committee addressed various typos and substituting the word stipend for salary.

A motion was made by Member Haden, seconded by Member Hill, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Member Smith
Member Haden
Member Heller
Member Hill
Member Prado Nava
Member Boyle
Member Butticci

No: 1 - Member O'Neill

Absent: 1 - Member Spence

SUBJECT: Review of Draft Language Regarding Charter Section 400-Number and term of the Mayor and City Council for Citizens Advisory Charter Review Committee Discussion, Consideration and Potential Modification

REPORT IN BRIEF

Considers proposed revisions to City Charter Section 400 regarding number and term for the City Council and Mayor.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a Motion:

- A. Approving the language as submitted; or,
- B. Providing staff with direction on any suggested changes to proposed language for Section 400; or,
- C. Take no action; or,
- D. Continue the matter to the next regular meeting.

The Committee briefly discussed changing the Mayoral term to 4 years and were in general agreement.

Clerk's Note: Subsequent to the vote, the Committee discussed the idea of a provision that would allow more than 2 terms provided there were a certain number of years between terms. The Committee declined to make any changes.

A motion was made by Member O'Neill, seconded by Member Prado Nava, to recommend a change to the Mayoral term from 2 to 4 years . The motion carried by the following vote:

Aye: 7 - Member Smith
Member O'Neill
Member Heller
Member Hill
Member Prado Nava
Member Boyle
Member Butticci

No: 1 - Member Haden

Absent: 1 - Member Spence

SUBJECT: Review of Draft Language Regarding New Charter Section - Tax Transparency Commission for Citizens Advisory Charter Review Committee Discussion, Consideration and Potential Modification

REPORT IN BRIEF

Allows for Committee review and discussion of draft language for new Charter Section "Tax Transparency Commission" as requested by the Charter Review Committee

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a motion:

- A. Approving language as recommended by Staff;
- B. Providing staff direction on any suggested changes to proposed language for new Charter Section "Tax Transparency Commission"; or,
- C. Take no action; or,
- D. Continue to a future meeting.

The Committee discussed the need for adding a new Tax Transparency Commission to review current and future tax measure funding. They suggested edits to the language regarding quarterly meetings and language to clarify filling vacant district seats with qualified electors at-large.

A motion was made by Member Haden, seconded by Member O'Neill, that this agenda item be approved as amended. The motion carried by the following vote:

Aye: 9 - Member Smith
Member O'Neill
Member Haden
Member Heller
Member Hill
Member Prado Nava
Member Spence
Member Boyle
Member Butticci

No: 0

Absent: 0

SUBJECT: Review of Draft Language Regarding Charter Sections 707 and Section 711 to Modify Planning Commission and Recreation and Parks Commission Appointments by District for Citizens Advisory Charter Review Committee Discussion, Consideration and Potential Modification

REPORT IN BRIEF

Allows for Committee review and discussion of draft language for Charter Section 707 and 711 as requested by the Charter Review Committee

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a motion:

- A. Approving language as recommended by Staff;
- B. Providing staff direction on any suggested changes to proposed language for Charter Section 707 and 711; or,
- C. Take no action; or,
- D. Continue to a future meeting.

The Committee generally agreed that both the Planning Commission and Recreation and Parks Commission should be appointed by district. They added clarifying language giving Council flexibility in regards to appointing at-large members when district seats could not be filled in a timely manner.

A motion was made by Member Boyle, seconded by Member Hill, that this agenda item be approved as amended. The motion carried by the following vote:

Aye: 9 - Member Smith
Member O'Neill
Member Haden
Member Heller
Member Hill
Member Prado Nava
Member Spence
Member Boyle
Member Butticci

No: 0

Absent: 0

SUBJECT: Continued Review, Discussion, and Recommendation on Charter Sections 501, 604 and 605 Regarding Officers and Employees Including, but not Limited to, Eliminating Certain Financial Responsibilities from the Powers and Duties of the City Manager and Vesting them in the Finance Officer and Limiting the Contract of Outside Firms as Charter Officers to a One-Year Term

REPORT IN BRIEF

Allows for Committee discussion on Charter Sections 501, 604, and 605 as requested by Committee Member Heller.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a motion:

A. Providing staff direction on any suggested changes to Charter Sections 501, 604 and 605; or,

B. Take no action; or,

C. Continue to a future meeting.

The Committee discussed Member HELLER's suggested changes to Charter Sections 501, 604 and 605. They discussed the balance of power and the current structure of the City Manager and Finance Officer in how they report to Council.

A motion was made by Member HADEN to make no changes to Section 501, 604, and 605. The motion failed for lack of a second.

Kenra BRAGGONIER, Merced - spoke on the previous Charter Review Committee experience and discussed the original Charter Officers.

After further discussion, the Committee agreed that no changes were

needed in Section 501.

The Committee requested staff draft language for Section 604 and return to the next meeting.

After a continued discussion on contracting Charter Officers, Chair SMITH entertained a motion on the Section 605.

A motion was made by Member O'Neill, seconded by Member Butticci, to make no changes to Charter Section 605. The motion carried by the following vote:

Aye: 6 - Member O'Neill
Member Haden
Member Hill
Member Prado Nava
Member Boyle
Member Butticci

No: 3 - Member Smith
Member Heller
Member Spence

Absent: 0

SUBJECT: Final Citizens Advisory Charter Review Committee Initiated Request to Review Charter Sections

REPORT IN BRIEF

Allows for review requests to be initiated by individual committee members.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a motion directing staff to add a Charter Section (specify section in motion) for full committee discussion and review at the next regular meeting.

There were no requests.

SUBJECT: Initial Discussion on the Form, Content and Other Matters Related to the Citizens Advisory Charter Review Committee Final Report to be Presented at the September 3, 2019 City Council Meeting

REPORT IN BRIEF

Allows for initial discussion on the form and content and other related matters for the final report that will be presented to the Merced City Council

RECOMMENDATION

Citizens Advisory Charter Review Committee - Provide staff direction as needed regarding the draft final report.

The Committee discussed the format of the final report to be given to Council. They directed staff to bring a draft document to the next regular meeting for review and discussion.

G. ADJOURNMENT

Clerk's Note: The meeting adjourned at 7:20 PM.

A motion was made by Member Heller, seconded by Member Haden, to adjourn the meeting. The motion carried by the following vote:

Aye: 9 - Member Smith
Member O'Neill
Member Haden
Member Heller
Member Hill
Member Prado Nava
Member Spence
Member Boyle
Member Butticci

No: 0

Absent: 0



ADMINISTRATIVE REPORT

File #: 19-492

Meeting Date: 8/22/2019

SUBJECT: Review of Draft Language Regarding Charter Section 604 - Finance Officer Specifically Section B, for the Citizens Advisory Charter Review Committee Discussion, Consideration and Potential Modification

REPORT IN BRIEF

Considers proposed revisions to City Charter Section 604 regarding the Finance Officer.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a Motion:

- A. Approving the language as submitted; or,
- B. Providing staff with direction on any suggested changes to the proposed language for Section 604; or,
- C. Take no action.

CITY COUNCIL PRIORITIES

Recommendations regarding Charter Amendments.

DISCUSSION

At the July 25, 2019 Citizens Advisory Charter Review Committee meeting, Committee Member Heller brought forward several items for discussion that involved various sections related to Charter Officers. The Committee discussed his proposals and continued the discussion to the subsequent meeting.

At the August 15, 2019 meeting, different duties described in Charter Section 501 - City Manager and Section 604 - Finance Officer were again discussed regarding the reporting duties to City Council. The Committee directed staff to draft language to address the cooperation required of the Charter Officers and their reporting duties to Council in Section 604 - Finance Officer subsection B.

The proposed language for Section 604(B) is as follows:

- B. Compile the budget expense and revenue estimates for the City Council, based upon the City Manager's proposed budget; and at the end of the fiscal year, prepare and submit a complete report on the finances of the City to the City Council in consultation with the City

Manager.

The matter is now before the Committee.



ADMINISTRATIVE REPORT

File #: 19-493

Meeting Date: 8/22/2019

SUBJECT: Review, Discussion, and Consideration on the Form, Content and Other Matters Related to the Citizens Advisory Charter Review Committee Final Report to be Presented at the September 3, 2019 City Council Meeting

REPORT IN BRIEF

Allows for discussion on the form and content and other related matters for the final report that will be presented to the Merced City Council.

RECOMMENDATION

Citizens Advisory Charter Review Committee - Adopt a Motion:

- A. Adopting the Final Report as drafted for submission to City Council and authorizing the Chair and Vice Chair to represent the Committee at the September 3, 2019 City Council Meeting; or,
- B. Adopting the Final Report as amended by the Committee for submission to the City Council and authorizing the Chair and Vice Chair to represent the Committee at the September 3, 2019 City Council Meeting; or,
- C. Continue this item to a future meeting.

DISCUSSION

The Merced City Council formed the Citizens Advisory Charter Review Committee to review several specific sections of the City of Merced Charter and to allow the review various sections of the Charter as the committee deemed necessary.

After several meetings and discussions on the sections recommended for review by the City Council, in addition to several Committee initiated requests for section review, the Committee completed its charge.

At the August 15, 2016 meeting, the Committee directed staff to begin a draft final report that will be submitted to the City Council at the September 3, 2019 City Council Meeting.

With the assistance of the City Attorney's Office, Clerk's Office and with input from the Committee Chair, the final report has been drafted and is now before the Committee for discussion, review, possible amendments and consideration for approval.

DISCUSSION

1. Draft Final Report



CITIZENS ADVISORY CHARTER REVIEW COMMITTEE

Chair – Shane Smith, District 6

Vice Chair – Sara Hill, District 3

Stephanie Butticci, District 1

Liliana Nava, District 2

Ryan Heller, District 4

Robert Haden, District 5

Loretta Spence, At-large

Sarah Boyle, At-large

Tim O’Neill, At-large

Final Report to City Council

September 3, 2019

I. Preamble

Our preeminent statutory document, a City Charter guides and governs the municipal process and determines what form of government will represent the people of a Charter City of California. The City of Merced’s Charter Review Committee was originally formed to update the City Charter as needed. Historically this committee has formed and met to introduce needed changes to the fundamental document empowering our municipal government to serve the citizens of Merced. This committee has been entrusted with the noble undertaking of guiding the future of this community through careful examination of the Charter in its current form, while anticipating the future needs of our Community.

II. Chair’s Introductory Message

On behalf of my Committee colleagues, I thank City Council and Staff for this opportunity to “re-imagine” aspects of how we govern ourselves as a City.

The Committee’s deliberations were at times vigorous yet always respectful and mindful of the importance of the City Charter as a guiding document for our community. In the end, I believe we have advanced common-sense proposals that will help improve efficiency and accountability within City Government, update the nature of the City’s elected offices in step with changing times, and extend by-district selection of City leaders to Charter-level commissions.

Other substantive proposals did not earn support from a majority of our Committee. Our discussion of them nonetheless warrants Council’s attention and, perhaps, foreshadow issues that will be considered when Merced residents again convene to review their Charter a generation from now.

I look forward to presenting the Committee’s work to you at an upcoming Council meeting.

- Shane Smith (D-6)
Chair, Citizens’ Advisory Charter Review Committee

III. Committee Proposed Amendments to Sections 400, 402, 604, 707, and 711 of the City Charter and Formation of New Sections (Referred to as 7XX) and Recommended Removal of Section 1112

A. Section 400

Article IV, Section 400(B) would be amended to provide four-year terms for the Office of the Mayor:

Sec. 400. - Number and term.

- A. The City Council shall consist of a Mayor elected from the City at large and six City Council Members elected by single-member district election at the times and in the manner provided in this Charter.
- B. The Mayor shall serve a term of ~~two (2)~~ **four (4)** years and until his/her successor is elected and qualified. The Mayor shall be limited to no more than two, ~~two-year~~ **four-year** terms. For purposes of this subsection, a "term" shall be defined to include serving fifty percent plus one day of a term as Mayor, while service as Mayor for fifty percent or less of a term shall not constitute a term for purposes of term limits.

- C. Individual City Council Members shall serve a term of four (4) years and until his/her successor is elected and qualified. Individual City Council Members shall be limited to no more than two, four-year terms. For purposes of this subsection, a "term" shall be defined to include serving fifty-percent plus one day of a term as a City Council Member, while service as a City Council Member for fifty percent or less of a term shall not constitute a term for purposes of term limits.
- D. Once the Mayor or an individual City Council Member has served the maximum number of terms in that respective office, he/she shall be ineligible to be elected or appointed to that office again.
- E. District boundaries shall be drawn by ordinance.

B. Section 402

Article IV, Section 402 would be amended to provide compensation to the City Council and Mayor:

Sec. 402. – Compensation and Reimbursement.

- A. The members of the City Council, including the Mayor, shall receive ~~no compensation a~~ **monthly stipend** for their services as such, ~~but shall receive reimbursement on order of the city council for council authorized traveling and other expenses when on official duty~~ **and shall receive reimbursement for expenses incurred while performing official duties of their office.** ~~In addition, each member shall receive the sum of twenty dollars per month, which amount shall be deemed to be reimbursement of other out-of-pocket expenditures and costs imposed upon him in serving as a city councilman.~~ ~~Absence of a councilman~~ **council member, including the Mayor,** from all regular and special meetings of the council during any calendar month shall render such ~~councilman~~ **council member** ineligible to receive such stipend for such calendar month.
- B. **There shall be established a Citizens’ Stipend Setting Commission consisting of seven (7) members to be appointed by the City Council from the qualified electors of the City. Six (6) members will be appointed by district and one (1) member will be appointed at large.**
 - 1. **The Commission shall hold two (2) public hearings between March 1st and June 30th of every even-numbered year and shall recommend, by majority vote and in writing, to the Council the amount of the monthly stipend which it deems appropriate for the members of the Council for the two (2) year period beginning January 1st of the next year. The amount recommended for each council member shall be the same.**
 - 2. **The Commission shall hold two (2) public hearings between March 1st and June 30th of a Mayoral election year and shall recommend, by majority vote and in writing, to the Council the amount of the monthly stipend which it deems appropriate for the Mayor for his/her entire term beginning in January of the**

next year. The stipend recommended for the Mayor shall, at a minimum, be the same as the other council members; however, the Commission may recommend providing the Mayor with reasonable compensation beyond his/her stipend as a member of the City Council.

3. The Council shall, by resolution, adopt the stipends as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount. Stipends of the council members and Mayor may be reduced at any time by two-thirds (2/3) vote of the Council. Stipends shall remain in effect until amended by a subsequent resolution adopted pursuant to the provisions of this section.

[Placeholder for Section 604 if applicable]

C. Section 707

Article VII, Section 707 would be amended so that membership of the Planning Commission will be comprised of residents of each City district:

Sec. 707. - Planning commission.

There shall be a City Planning Commission consisting of seven members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government. **Six (6) members will be appointed from each of the six (6) districts and one (1) member will be appointed at large. Should a district appointment remain vacant for more than ninety (90) days, the City Council has the authority and may elect to appoint an otherwise-qualified at large member to fill the district vacancy.** The number of members to comprise the commission may be changed by Ordinance of the City Council to not less than five nor more than nine members.

The services of the City Engineer, City Attorney, Chief Building Official, Director of Development Services and other City staff shall be made available to such commission.

D. Section 711

Article VII, Section 711 would be amended to add language making it consistent with the amendment of Section 707:

Sec. 711. - Recreation and parks commission.

There shall be a recreation and parks commission consisting of seven members to be appointed by the city council from the qualified electors of the city and no member of said commission shall hold any paid office or employment in the city government. **Six (6) members will be appointed from each of the six (6) districts and one (1) member will be appointed at large. Should a district appointment remain vacant for more than ninety (90) days, the City Council has the authority and may elect to appointment an otherwise-qualified at large member to fill the district vacancy.** The number of members to comprise the commission may be changed by ordinance of the city council to not less than five nor more than nine members. In the event the city council contracts with other agencies interested in recreation

and parks for the joint exercise of any of such functions, such contract may provide for representation on the commission of otherwise qualified representatives of such agencies during the existence of such contract or extensions thereof.

E. Newly Composed Section 7XX

New, as-yet-unnumbered Sections 7XX would be added to Article VII to create and define a Tax Transparency Commission empowered to review each existing and any future special tax measures:

Sec. 7XX. – Tax Transparency Commission.

There shall be a Tax Transparency Commission consisting of not less than seven (7) nor more than nine (9) members to be appointed by the City Council from the qualified electors of the City. Six (6) members will be appointed from each of the six (6) districts and the remaining member(s) will be appointed at large, and no member of said commission shall hold any paid office or employment in the city government. Should district appointments remain vacant for more than ninety (90) days, the City Council has the authority and may elect to appoint an otherwise-qualified at large member to fill the vacancy. The Tax Transparency Commission shall meet quarterly.

Sec. 7XX. – Tax Transparency Commission—Powers and Duties.

The Tax Transparency Commission shall have authority to:

- A. Review the projected revenue and expenditures for the funds generated by each general or special tax measure.
- B. Make budget recommendations to the City Council in accordance with and to maintain compliance with each general or special tax measure.
- C. Review annual audits of each general or special tax measure and report any findings to the City Council.

F. Section 1112

Article XI would be amended by deleting the requirement for a cash basis fund:

~~Section 1112. – Cash basis fund.~~

~~The City Council shall maintain a revolving fund to be known as the "Cash Basis Fund," for the purpose of placing the payment of running expenses of the City on a cash basis. An operating reserve shall be built up in this Fund from any available sources in an amount that the City Council deems sufficient with which to meet all lawful demands against the City for the first five months, or other necessary period, of the succeeding fiscal year prior to the receipt of ad valorem tax revenues. Transfers may be made by the City Council from such Fund to any other fund or funds of such sum or sums as may be required for the purpose of placing such funds, as nearly as possible, on a cash basis.~~

~~All moneys so transferred from the Cash Basis Fund shall be returned thereto before the end of the fiscal year.~~

IV. Proposals Discussed Without Adoption

At least three Committee members voted to discuss a number of proposals that were not ultimately adopted by a majority of the full Committee. A summary of those proposals in order of the relevant Charter section is as follows:

Article IV, Section 400(D): At the July 25 meeting, Chair Smith proposed that a mayor who had served two terms in that office be given the opportunity to again serve as mayor after a “cooling-off” period. He argued that, as leadership training initiatives like Leadership Merced develop residents for governance roles earlier in their careers, the average age of council members will trend younger over time and, by likely extension, the average age of mayors will trend younger as well. The current Section 400(D) prevents someone who held the mayor’s office earlier in life from returning to serve again as mayor. By a 7-2 straw poll vote, the Committee asked the City Attorney to craft a potential revision to Section 400(D) in line with the Chair’s proposal. That language appears in the agenda for the August 15 meeting. At that meeting, however, Chair Smith withdrew support for his own proposal. He noted that, upon reflection, allowing a termed-out mayor to seek re-election cuts against a key purpose of the City’s voter-approved move to by-district Council elections, namely, developing leaders from diverse City geographies who may bring fresh perspectives and ideas to their office. Chair Smith also noted that the Committee had essentially re-affirmed that purpose when voting to recommend shifting Planning and Parks Commission membership to a by-district format. No other member of the Committee spoke in favor of bringing the proposal to a vote, and no vote was taken for want of a motion.

Article V, Section 501 and Article VI, Section 604: At the July 25 meeting, Member Heller proposed transferring certain powers currently held by the City Manager to the Finance Officer. A majority of the Committee agreed that some clean-up language in the Charter’s statement of the Finance Officer’s duties should be considered further. However, there was no majority support for further discussion of Member Heller’s proposal to transfer the power to advise the City Council on the financial condition and needs of the City from the City Manager (current Sections 501(C) and (D)) to the Finance Officer (proposed additions to Section 604(B)), nor to redirect the Finance Officer to report to City Council instead of the City Manager (current Section 604(A)). Member Heller’s proposed language appears in the agenda packet for the July 25 meeting.

Article VI, Section 605: At the July 25 meeting, Member Heller proposed eliminating the City Council’s ability to consolidate Charter officers. That proposal did not receive majority support from the Committee and so discussion of it ended without a motion. Member Heller’s proposed revisions to Section 605 appears in the agenda packet for the July 25 meeting.

Article VI, Section 605: At the July 25 meeting, Member Heller proposed limiting the duration of any contract with an external vendor for services ordinarily held by a Charter officer to one-year. He argued that the practice has been abused in other municipalities. A majority of the Committee wished to continue discussion of that proposal until the August 15 meeting. At that meeting, the proposal was amended by Member Heller upon suggestion of Chair Smith to allow a majority of Council to renew such a contract for an additional year, with no cap on the number of times a contract could be extended. Mr. Heller had argued that the time limit itself was less important than the requirement that City Council re-justify such a contract arrangement in public session at regular intervals. Nonetheless, upon motion by Member O’Neill, seconded by Member Butticci, the Committee voted 6-3 to take no action on Section 605. Member Heller’s proposed language appears in the agenda packet for the July 25 meeting.

Article VII, Section 705: At the July 9 meeting, Chair Smith suggested that members of Charter boards and commissions deserve some sort of stipend to compensate them for their time spent preparing for and contributing to the stewardship of the City. He argued that, like council members, appointed commissioners give up time that could be devoted to paying work and incur out-of-pocket expenses indirectly related to their service, such as childcare. Appointed commissioners also must deal with similar stresses related to their office. At the July 25 meeting, however, Chair Smith stated that he had chosen not to advance this idea further in order to give City Council and, perhaps, the voters a clearer path to consider the Committee's proposed amendments to Article IV, Section 402 and its system for compensating the City Council and Mayor.

Article XI, Section 1111: At the July 9 meeting, Member O'Neill proposed that the Charter impose a robust preference for local vendors in City contracting. Thereafter City Staff provided the Committee with the text of Resolution No. 2018-18 adopting a Local Business Preference Policy, and its accompanying Ordinance No. 2485, each of which had passed with the unanimous approval of the City Council. At the July 25 meeting, in view of that the Resolution and Ordinance, the Committee voted on motion of Member Haden, seconded by Member O'Neill, to recommend no changes to Section 1111.

Article XI et seq.: At the July 9 and July 25 meetings, at the suggestion of Ex-Officio Member Murphy, the Committee considered creating an Audit Subcommittee comprised of less than a quorum of City Council members. That group would be tasked with reviewing the annual independent financial audit in consultation with the City's auditors, and then presenting any irregularities or other areas of concern to the full Council in a public session. The Committee variously observed that audit committees are a common feature of non-profit organizations and favored the idea of requiring a group of council members to identify financial concerns so that they could be reviewed by City Council. In the end, however, the Committee tended to believe that each council member is responsible for the financial well-being of the City, and so the proposed Audit Subcommittee might have the unintended consequence of permitting a quorum of the City Council to pay less attention to the independent financial audit than they should. The Committee took no further action on this proposal.