

## **ARTICLE XIX BUDGET AND FISCAL AFFAIRS: FISCAL AUTHORITY**

### **SECTION 1900. Powers.**

The City of Stockton shall have the power to make and enforce all ordinances and regulations in respect to the conduct of the fiscal affairs of the City, subject only to the restrictions and limitations provided in this Charter, the Constitution of the State of California, and the Constitution of the United States.

(Repealed and Added Election 03/07/2000 Effective 01/01/2001; Repealed and added Election 11/8/94 effective 5/22/95; Added Election 10/9/73 effective 1/17/74)

### **SECTION 1901. Fiscal Year.**

The fiscal year of the City of Stockton shall commence upon the first day of July of each year or such other time as may be fixed by ordinance.

(Repealed and Added Election 03/07/2000 Effective 01/01/2001; Repealed and added Election 11/8/94 effective 5/22/95; Added Election 10/9/73 effective 1/17/74)

### **SECTION 1902. Taxes.**

The City shall, by ordinance, provide a system for the assessment, levy and collection of all City taxes.

(Repealed and added Election 11/8/94 effective 5/22/95; Added Election 10/9/73 effective 1/17/74)

### **SECTION 1903. Capital Improvement Program.**

At least ninety (90) days prior to the beginning of each fiscal year, or at such earlier time as the Council may specify, the City Manager shall prepare and shall submit to the Council a Capital Improvement Program for the five (5) fiscal years immediately following the fiscal year within which such Program is submitted to the Council. On or before the day that he or she submits such Program to the Council, the City Manager shall also file a copy of the Program with the Planning Commission of the City. Such Capital Improvement Program shall include:

- (a) A clear summary of its contents;
- (b) A list of all capital improvements which are proposed to be undertaken during the five fiscal years immediately following the fiscal year within which such Program is submitted to the Council with appropriate supporting information as to the necessity of such improvements;
- (c) Cost estimates, methods of financing and recommended time schedules for each such improvement; and

- (d) Such other information as the City Manager may deem desirable.

(Repealed and Added Election 03/07/2000 Effective 01/01/2001; Repealed and added Election 11/8/94 effective 5/22/95; Added Election 10/9/73 effective 1/17/74)

**SECTION 1904. Action on Capital Improvement Program.**

Upon receipt of the copy of the Capital Improvement Program prepared by the City Manager, the Planning Commission shall consider the Program and, within thirty (30) days from and after the date a copy of such Program was filed with the Commission, shall submit to the Council a written report setting forth its findings of consistency or inconsistency of the Program with the General Plan of the City.

The Council shall hold a public hearing on the Capital Improvement Program as submitted by the City Manager within thirty (30) days of the receipt of the Planning Commission's report. Copies of the Capital Improvement Program as submitted by the City Manager, and copies of such reports as may have been submitted by the Commission, shall be filed and available for inspection by the public in the office of the City Clerk for at least ten (10) days prior to said public hearing. The notice of public hearing shall state the time and place of hearing and the times and place when and where copies of the Capital Improvement Program as submitted by the City Manager and the report of the Planning Commission will be available for inspection by the public. At the time and place so advertised or at any time or place to which such public hearing shall from time to time be adjourned, the Council shall hold a public hearing on the Capital Improvement Program as submitted by the City Manager at which time interested persons desiring to be heard shall be given reasonable opportunity to be heard.

Upon conclusion of such hearing, the Council shall adopt a Capital Improvement Program for the five (5) fiscal years covered by the City Manager's proposed Capital Improvement Program with such amendments as it may deem desirable. Upon its adoption and until adoption of a new budget and a new five (5) year Capital Improvement Program, such Capital Improvement Program, as adopted by the Council, shall serve as a general guide to the Council and to the City administration in the planning and scheduling of capital improvements. From time to time, however, the Council may authorize such departures therefrom as it may deem necessary or desirable.

(Repealed and Added Election 03/07/2000 Effective 01/01/2001; Repealed and added Election 11/8/94 effective 5/22/95; Added Election 10/9/73 effective 1/17/74)

**SECTION 1905. Economic Forecasts and Mayor's Budget Message.**

Each Council Appointee shall, on or before December 15 of each year, submit to the Mayor and to the Council a five (5) year economic forecast of expenditures and revenues for each City department, office or agency under his or her administration.

The Mayor shall, on or before January 15 of each year, prepare and deliver to the Council the Mayor's Proposed Budget Priorities and Direction.

Each Council Appointee shall, on or before February 1 of each year, prepare and deliver to the Mayor and to the Council a Capital and Operating Mid-Year Report for each City department, office or agency under his or her administration.

The Mayor shall, on or before February 15 of each year prepare and deliver to the Council the Mayor's Budget Message which shall include:

(a) A statement of the fiscal priorities which the City should adopt for the ensuing fiscal year; and

(b) Which City services, departments, offices or agencies the Mayor proposes to be expanded or reduced.

The Council shall hold a public hearing to consider the Mayor's Budget Message and to make any additions or revisions the Council deems advisable.

Upon close of the public hearing, the Council shall approve the Mayor's Budget Message as presented, or as revised.

(Repealed and Added Election 03/07/2000 Effective 01/01/2001; Repealed and added Election 11/8/94 effective 5/22/95; Added Election 10/9/73 effective 1/17/74)

#### **SECTION 1906. Draft Budget.**

At least forty-five (45) days prior to the beginning of each fiscal year, or at such earlier time as the Council may specify, the City Manager shall submit to the Mayor and to the Council a draft budget for the ensuing fiscal year, together with an accompanying report.

The draft budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the Council may require or, in the absence of Council requirements, in such form as the City Manager deems desirable. It shall begin with a clear general summary of its contents; shall show in detail all estimated income, including the amount proposed to be raised by property taxation, estimated unencumbered balances of funds to be carried over from the preceding year, estimated unencumbered available reserves, and all proposed expenditures, including debt service, for the ensuing year. The total of proposed expenditures shall not exceed the total of estimated income, estimated unencumbered balances of funds to be carried over from the preceding year and unencumbered available reserves.

In addition to complying with the requirements of this section, the draft budget shall accurately reflect the recommendations and priorities specified in the Mayor's Budget Message as adopted by the Council.

The report of the City Manager accompanying the draft budget shall specify the budget allocations which implement each component included within the Mayor's Budget Message as adopted by the Council.

## **SECTION 1907. Mayor's Final Budget Modifications and Adoption of Budget.**

At least thirty (30) days prior to the new fiscal year, the Mayor shall submit to the Council the Mayor's Final Budget Modifications to the draft budget.

Following receipt of the Mayor's Final Budget Modifications, the Council shall proceed to consider the same together with the draft budget; but the Council shall not adopt a budget, either as proposed by the City Manager or as revised by the Mayor's Final Budget Modifications, until after the Council shall have held a public hearing in accordance with the provisions of this section.

Copies of the draft budget as submitted by the City Manager together with the Mayor's Final Budget Modifications and any revisions or changes as shall have been approved and recommended by the Council shall be filed and available for inspection by the public in the office of the City Clerk for at least ten (10) days prior to said hearing. The notice of hearing shall state the time and place of the hearing and the times and place where copies of the draft budget together with the Mayor's Final Budget Modifications and revisions or changes as shall have been approved and recommended by the Council will be available for public inspection.

Following the public hearing, the Council shall adopt the budget with such amendments, if any, as it may deem desirable. Such amendments may add or increase programs or amounts or may delete or decrease programs or amounts except expenditures required by law or for debt service, provided that no amendment to the budget shall increase proposed expenditures to an amount greater than the total estimated income plus unencumbered available reserves and estimated unencumbered balances of funds carried over from the preceding fiscal year.

## **SECTION 1908. Appropriations.**

After adoption of the budget, the various amounts proposed for the operation of each of the offices, departments and agencies of the City during the budget year and for other purposes or objects named in the budget shall be deemed appropriated. The budget may be amended from time to time during the fiscal year.

In the event the Council shall fail to adopt the budget by the beginning of the fiscal year, the various amounts proposed in the draft budget shall be deemed appropriated until the Council adopts a budget for the fiscal year.

No part of any appropriation shall be transferred from one fund to another fund unless authorized by the City Council.

No member of the Council, officer, department or agency of the City, during any budget year, shall expend or incur any obligation to expend money for any class or category of expenditure not authorized by or in excess of the amounts appropriated in the budget.

Except as otherwise provided in this Charter or where the Council may have, by resolution, provided for the continuance of an appropriation beyond the end of the fiscal year, all

appropriations approved by the City Council shall lapse at the end of the fiscal year to the extent they shall not have been expended or encumbered.

#### **SECTION 1909. Control of Expenditures by City Manager.**

The several items of expenditure appropriated each fiscal year being based on estimated receipts, income or revenues which may not be fully realized, it shall be incumbent upon the City Manager to establish a schedule of allotments, monthly or quarterly or as he or she may otherwise determine, under which the sums appropriated to the several departments, offices and agencies shall be expended. The City Manager shall revise revenue estimates from time to time, and may revise allotments at any time.

#### **SECTION 1910. Annual Financial Statement.**

At the conclusion of each fiscal year, a comprehensive Annual Financial Statement shall be prepared in sufficient detail to show the financial condition of the City's funds for the preceding year. Such Annual Financial Statement shall be prepared in accordance with generally accepted accounting principles.

#### **SECTION 1911. Annual Audit.**

As soon as practical after the close of the fiscal year, an Annual Audit shall be made of all accounts of the City. Such audit shall be made by a firm of certified public accountants selected by the City Council. The audit shall be made in accordance with generally accepted audit standards for audits of public agencies.

#### **SECTION 1912. Council Salary Setting Commission.**

There shall be, and there is hereby established, a Council Salary Setting Commission. The following provisions shall be applicable thereto:

(a) Membership: The Council Salary Setting Commission shall consist of five (5) members appointed by the Civil Service Commission. Members must be qualified electors of the City at all times during their term of office.

(b) Terms of Office: Except as provided herein below, the regular term of office of each member of the Council Salary Setting Commission shall be four (4) years. The initial members of the Council Salary Setting Commission shall be appointed by the Civil Service Commission during the month of June 2000. Two (2) of the members so appointed shall be appointed for a term expiring on December 31, 2002. Three (3) of the members so appointed shall be appointed for a term expiring on December 31, 2004. Commencing in December 2002, the Civil Service Commission shall, during the month of December of each even-numbered year, make appointments to fill the offices of the members whose terms are expiring at the end of such even-numbered years. Such appointments shall be for regular terms of four (4) years commencing on the first day of January of the following odd-numbered year and expiring on the thirty-first day of December of the second even-numbered year thereafter.

(c) Vacancies: The Civil Service Commission may remove a member from office at any time for misconduct, inefficiency or willful neglect in the performance of the duties of his or her office providing it first states in writing the reasons for such removal and gives such member an opportunity to be heard before the Civil Service Commission in his or her own defense. If a vacancy occurs before the expiration of a member's term, the Civil Service Commission shall appoint a qualified person to fill such vacancy for the remainder of the unexpired term of such member.

(d) Powers and Duties: The Council Salary Setting Commission shall biennially make recommendations respecting salaries for members of the Council, including the Mayor, as provided in Charter Section 410.