



**STAFF REPORT**  
**6/29/2022**

**TO:** Honorable Mayor and City Council Members

**FROM:** Dr. Gabriel Martin, City Manager

**SUBJECT:** Fiscal Year 2022-23 Continuing Resolution No. 2022-66

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**SUMMARY**

A Continuing Resolution allows the City to make routine and monthly payments for personnel, supplies, services and miscellaneous maintenance costs as necessary to continue day-to-day operations of the City in providing services to Coachella citizens.

**STAFF RECOMMENDATION:**

Staff recommends that the City Council adopt Resolution No. 2022-66 in order to authorize the City Manager to continue City operations, including payroll and purchases of necessity in order to keep the City in operations consistent with expenditures and commitments approved in the fiscal 2021-22 adopted budget for an additional period of 32 days (until July 31, 2022) prior to the approval of the adoption of the Annual Budget for FY 2022-23.

**BACKGROUND/ANALYSIS:**

On June 22, 2022 the City of Coachella's proposed budget was brought for adoption and direction was sought by staff from City Council. After discussion and various questions, the proposed budget was not approved. In order to maintain City services for the citizens, authorization must be approved to fund routine and needed services past June 30, 2022.

A budget addresses city policies, city operations and communicates the anticipated financial activities to both the public and rating agencies. If a budget is not ultimately adopted, it would likely require disclosures to rating agencies and in future financial reports; and, it provides no direction to staff or the public as to what the City's activities would be for the applicable year.

**DISCUSSIONS:**

California Government Code Section 53901 requires each local agency to file its budget with the County Auditor within 60 days after the beginning of its fiscal year. If an agency does not have a "formal budget," it must file a listing of its anticipated revenues together with its expenditures for the fiscal year in progress.

In the aftermath of the COVID-19 pandemic and current economic uncertainty due to talks of a recession, the fiscal picture is unclear and Council is concerned about the revenue uncertainty and having funding available to fund the current level of services. A continuing resolution will allow the City of Coachella to continue to provide essential services to the community and to pay its employees for a period of six months until the

**FISCAL IMPACT**

Yes. This Resolution will provide a funding mechanism for a limited timeframe allowing the City to continue operations and pay costs related to its daily services and operations. Without this continuing resolution, there is no legal authorization to spend funds or incur any liability or debt.

**ATTACHMENT:**

Resolution No. 2022-66 – A resolution of the City Council of the City of Coachella, California, approving interim expenditures prior to adoption of the budget for fiscal year 2022-23.