

ORDINANCE NO. 2022-17

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, REPEALING ESCONDIDO MUNICIPAL CODE CHAPTER 2 - ADMINISTRATION, ARTICLE 4B – CITY TREASURER, AND AMENDING THE ESCONDIDO MUNICIPAL CODE TO AUTHORIZE THE CITY MANAGER TO APPOINT THE CITY TREASURER

WHEREAS, in a Community Opinion Survey Summary Report prepared for the City of Escondido (“City”) and published on December 31, 2021, found that “After receiving background information about the City Treasurer position, most respondents (55%) agreed that the City should eliminate the City Treasurer position. They shouldn't pay a person \$135,000 a year to do a job they may not be qualified to do, and for which the City is outsourcing the work anyway.” and

WHEREAS, a voter initiative passed in 1984 (Proposition F), and modified in 1986 (Proposition N), has tied the City Treasurer’s compensation to that of the highest paid City department head and could result in the City paying \$500,000 for a special election to fill a City Treasurer vacancy; and

WHEREAS, the voters did not place any specific education, training, or experience requirements for a City Treasurer; and

WHEREAS, since the voters enacted the Propositions F and N, only the voters can modify the City Treasurer’s compensation and vacancy procedures; and

WHEREAS, California Government Code section 36508 authorizes the city council to submit to the electors the question whether the City Treasurer shall be appointed by the city council; and

WHEREAS, California Government Code section 36509 requires the question to be printed on a ballot to appoint a City Treasurer shall substantially be in the following form, “Shall the office of city treasurer be appointive?”; and

WHEREAS, California Government Code section 36510 authorizes, if approved by a majority of votes cast, the City Council shall appoint the City Treasurer at the expiration of the term of the officers

then in office, and on a vacancy in any such office, and the city council may by ordinance vest in the city manager its authority to appoint the City Treasurer; and

WHEREAS, the City Council believes the City Treasurer position is not a full time job; and

WHEREAS, the City of Escondido's City Treasurer receives approximately \$150,000 in total compensation; and

WHEREAS, the Director of Finance already accomplishes most of the statutory duties assigned to a City Treasurer in state law; and

WHEREAS, appointment of a City Treasurer by the City Council would ensure the person selected for the position had the education, training and experience necessary to manage the City's investment portfolio; and

WHEREAS, appointment of a City Treasurer would allow improved transparency, supervision and accountability of the City Treasurer by the City Manager and the City Council; and

WHEREAS, the merger of the City Treasurer duties with the duties of the Director of Finance would enable more efficient financial management of the City resources while allowing significant annual savings; and

WHEREAS, on May 25, 2022, the City Council directed the City Attorney to prepare a ballot measure for consideration of the voters to address appointment of the City Treasurer.

NOW, THEREFORE, subject to approval by an affirmative, simple majority vote of the people as required by law, THE PEOPLE OF THE CITY OF ESCONDIDO, CALIFORNIA, DO ORDAIN AS FOLLOWS:

SECTION 1. The Escondido Municipal Code is revised to repeal Chapter 2 - Administration, Article 4B - City Treasurer.

SECTION 2. The Escondido Municipal Code Chapter 2 – Administration, Article 2 – City Manager, Section 2-63, Power to control departments, appointive officers, employees is repealed and replaced as follows:

The city manager shall have the power to exercise control over all departments of the city and over all appointive officers and employees thereof, except the city attorney and their employees.

SECTION 3. The Escondido Municipal Code Chapter 10 – Finance, Article 2 – Director of Finance, Section 10-15, Relation to other offices, is repealed and replaced as follows:

City treasurer.

The director of finance shall be also be the city treasurer and shall have and exercise all of the powers, duties, and responsibilities of the office as described in state and local laws.

SECTION 4. ENVIRONMENTAL ANALYSIS. This Ordinance is exempt from review under the California Environmental Quality Act (California Public Resources Code sections 2100, *et. seq.*, “CEQA”) and CEQA Regulations (14 California Code of Regulations sections 1500, *et. seq.*) because it establishes rules and procedures to implement government funding mechanisms; does not have any commitment to a specific project which could result in a potentially significant physical impact on the environment; and, constitutes an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. Accordingly, this Ordinance does not constitute a “project” that requires environmental review (14 CCR section 15378(b)(4-5)).

SECTION 5. INCONSISTENT PROVISIONS. Any provisions of the Escondido Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 6. This Ordinance shall take effect immediately, upon approval by a simple majority of the voters, voting on the question at the November 8, 2022 election.