



**SOUTH GATE CITY COUNCIL/ SOUTH GATE HOUSING
AUTHORITY/ SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE
SPECIAL JOINT BUDGET MEETING AGENDA**

Tuesday, June 20, 2023 at 5:30 p.m.

**SOUTH GATE COUNCIL CHAMBERS
8650 CALIFORNIA AVE
SOUTH GATE, CA 90280**

**DIAL-IN-NUMBER: 1 (669) 900-6833
MEETING ID: 833 3267 9040
[HTTPS://US02WEB.ZOOM.US/J/83332679040](https://us02web.zoom.us/j/83332679040)**

**TO ADDRESS THE CITY COUNCIL PRESS *9 TO RAISE YOUR
HAND THEN *6 TO UNMUTE YOURSELF WHEN INSTRUCTED.**

Call to Order/Roll Call With Invocation & Pledge

CALL TO ORDER: Maria del Pilar Avalos, Mayor

ROLL CALL: Yodit Glaze, City Clerk

City Officials

MAYOR/CHAIRPERSON

Maria del Pilar Avalos

CITY CLERK

Yodit Glaze

VICE MAYOR/VICE CHAIRPERSON

Gil Hurtado

CITY TREASURER

Jose De La Paz

**COUNCIL/AUTHORITY/AGENCY
MEMBERS**

Maria Davila

**CITY MANAGER/
EXECUTIVE DIRECTOR**

Chris Jeffers

Josh Barron
Al Rios

**CITY ATTORNEY/
AUTHORITY COUNSEL**
Raul F. Salinas

Meeting Schedule

The regular meetings of the City Council are held on the second and fourth Tuesday of each month, closed session business will usually commence at 5:30 p.m., when scheduled, and general business session will commence at 6:30 p.m.

Brown Act

Agendas are drafted to accurately state what the legislative body is being asked to consider. The legislative body can take action on "all items" listed on the agenda and be in compliance with the open meeting laws. Under the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The governing body may direct staff to investigate and/or schedule certain matters for consideration at a future meeting.

City's Vision Statement

We envision a thriving, safe and inclusive community where everyone has the opportunity to access exceptional services, education and support to be resilient and live full, vibrant lives.

Public Communications

Public Comments on agenda items are limited to three (3) minutes. All comments are to be addressed directly to the Agency Members not to the members of the public.

Meeting Compensation Disclosure

Pursuant to Government Code Section 54952.3: Disclosure of compensation for meeting attendance by City Council Members is \$790 monthly regardless of the amount of meetings.

Reports, Recommendations And Requests

1. Resolutions Adopting Fiscal Year 2023-2024 Municipal Budgets and 5-Year Capital Improvement Program for the City of South Gate; South Gate Housing Authority and the Successor Agency to the Community Development Commission of the City of South Gate

The City Council, South Gate Housing Authority and the Successor Agency to the Community Development Commission of the City of South Gate will consider:

- a. Hearing the various presentations on the Proposed Fiscal Year 2023-24 Municipal Budget and 5-Year Capital Improvement Program for the various entities;
- b. Approving a **Resolution** adopting the Municipal Budget for Fiscal Year 2023-24 with the changes stipulated in Exhibit A and B for a total of \$156,497,819 for all funds along with any additions or deletions the Legislative Bodies may enact;

- c. Approving the budget modifications for Fiscal Year 2022-23 as described in Attachment C; and
- d. Approving a **Resolution** adopting the annual Gann Appropriations Limit for Fiscal Year 2023-24.

Documents:

[Item 1 Report 2023-06-20.pdf](#)

Adjournment

I, Yodit Glaze, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted on June 15, 2023, at 2:30 p.m., as required by law.

Yodit Glaze
City Clerk

GENERAL NOTICE TO THE PUBLIC

The City Council adopted new rules relating to the conduct of the public meetings, proceedings, and business in the City of South Gate on July 12, 2022, (Resolution 2022-38-CC) and go into effect on August 1, 2022. Resolution #2022-38-CC is available at the City Clerk's Office.

MEETING SCHEDULE

Regular meetings of the City Council are held on the second and fourth Tuesday of each month, closed session meetings will commence at 5:30 p.m. unless posted otherwise on its agenda. The regular City Council meetings will commence at 6:30 p.m. Agendas are available at the following locations: City Clerk Office, Public Notice Boards at City Hall, and on the City's web page at <https://www.cityofsouthgate.org>

The Public can sign up to receive automatic notices of postings of agendas for the City Council or any other Commission or Board of the City of South Gate. Visit the City webpage and click on the Agenda & Minutes icon. That will take you the page where an individual can enter their email in the "Email Updates" box to register.

PUBLIC COMMENT/PARTICIPATION

Any person may request to address a legislative body during a public meeting. The Presiding Officer will call upon those present in the Council Chambers first. After all speakers in the Chambers have spoken, the Presiding Officer will call upon those participating via zoom or teleconference.

Speakers are limited to three (3) minutes on any item listed on the agenda, including public hearings. Under Comments from the Audience portion, speakers are also limited to a single three (3) minutes time limit. Comments from the Audience is initially limited to 45 minutes at each meeting. Any speaker still wishing to speak, that did not speak, will have an addition Comments from the Audience opportunity after the last business item is finished. The Presiding Officer may extend the time limit as long as there is no objection from the City Council as a body.

To ensure that the public is able to participate, the City provides the opportunity to submit their

comments in person, virtually, email, phone call, mail and any other method which may become available. Methods of participation may be subject to change during other such times when a State of Emergency, Health Order or State Executive Order limits in-person participation.

CURFEW

In absence of a motion duly adopted by majority vote of the City Council, the Presiding Officer may adjourn the City Council meetings at 10:30 p.m. The Presiding Officer may ask the City Council if any agenda items listed should be continued or dealt with during the meeting. For those items to be continued, the City Council can direct the item be placed on the next City Council agenda or the current meeting may be adjourned to a time certain at which time the meeting shall be reconvened as an Adjourned Regular Meeting of the City Council and action upon the published agenda continued.

STAFF REPORTS

As a general rule, staff reports, or other written documentation are prepared/organized with respect to each item of business listed on the agenda. Meeting agendas and staff reports are available at least 72-hours prior to the scheduled regular City Council meeting and a minimum of 24-hours prior to a Special City Council meeting. There are times when the City Council receives written material. revised material after the posting of agendas, these materials are become a public record and will be available for public view within 72-hours after the meeting in which they were received. Those materials and any other public document can be inspected in the City Clerk's Office located at 8650 California Avenue, South Gate.

SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS

In compliance with the American with Disabilities Act, if you need special assistance to participate in the City Council Meetings, please contact the Office of the City Clerk. Notification 48 hours prior to the City Council Meeting will enable the City to make reasonable arrangements to assure accessibility. For further information, please contact the Office of the City Clerk at (323) 563-9510 or via email at yglaze@sogate.org.

JUN 15 2023

11:45 am


City of South Gate
**CITY COUNCIL; SOUTH GATE HOUSING AUTHORITY;
AND SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT COMMISSION OF
THE CITY OF SOUTH GATE**
AGENDA BILL

For the Special Meeting of: **June 20, 2023**
Originating Department: **Administrative Services**

Department Director: _____


Kristopher Ryan

City Manager: _____


Chris Jeffers

SUBJECT: RESOLUTIONS ADOPTING FISCAL YEAR 2023-2024 MUNICIPAL BUDGETS AND 5-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SOUTH GATE; SOUTH GATE HOUSING AUTHORITY AND THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE

PURPOSE: To hear budget presentations from staff and review the Proposed Fiscal Year 2023-24 Municipal Budget for these various entities and consider the adoption of the proposed spending plan(s) as indicated in the Resolution attached for consideration.

RECOMMENDED ACTIONS: The City Council, South Gate Housing Authority and the Successor Agency to the Community Development Commission of the City of South Gate will consider:

- a. Hearing the various presentations on the Proposed Fiscal Year 2023-24 Municipal Budget and 5-Year Capital Improvement Program for the various entities;
- b. Approving a Resolution adopting the Municipal Budget for Fiscal Year 2023-24 with the changes stipulated in Exhibit A and B for a total of \$156,497,819 for all funds along with any additions or deletions the Legislative Bodies may enact;
- c. Approving the budget modifications for Fiscal Year 2022-23 as described in Attachment C; and
- d. Approving a Resolution adopting the annual Gann Appropriations Limit for Fiscal Year 2023-24.

FISCAL IMPACT: The Proposed Budget for Fiscal Year 2023-24, to include all funds and entities, as amended is \$156,497,819. This amount includes transfers in and out of various funds. The General Fund accounts for \$70,480,452 including transfers out. The Proposed Budget for the Successor Agency is \$5,052,861 and the Housing Authority is \$5,211,434. The total revenue estimated for all entities and

funds is \$158,113,026. The differences are covered by the reserves and/or one or more funds that have accumulated for various proposed expenditures (primarily Capital Improvement Projects).

ANALYSIS: At tonight's meeting, which is the first of two scheduled meetings, staff will provide a general overview of the Proposed Budget for Fiscal Year 2023-24. In addition, several departments will begin providing presentations on their requested funding allocations for the new fiscal year. The meeting will be continued to June 21, 2023, where the Legislative Bodies will hear from the remaining departments on their requested funding allocations and will consider approving a Resolution adopting the Proposed Budget for Fiscal Year 2023-24 along with any adjustments discussed during these hearings. All these budget meetings are open to the public to observe and participate through the public comment section of the meeting.

The Proposed Budget was placed on the City's webpage for access and review by members of the public on May 30, 2022. Since then, several adjustments have been identified that need to be made to the Proposed Budget following reviews by staff and the City Council. These adjustments to the Budget are outlined in Exhibit A of the attached resolution. The General Fund proposed expenditure budget increased by \$246,790 while other special revenue and capital funds proposed expenditure budgets increased by \$1,334,909. The net change to the proposed budget pursuant to these adjustments total \$1,581,698. The total FY 2023-24 Proposed Budget, to include all funds and entities, with these adjustments is \$156,497,819. The Proposed Budget may be further adjusted with any additions or deletions the Legislative Bodies may enact during the budget meetings.

Additionally, staff has identified modifications to the existing FY 2022-23 Budget due to occurrences after the Mid-Year report that need to be updated prior to the start of the annual audit. These modifications do not change the estimated ending fund balance in the Fund Balance Summary. All the budget modifications are listed in Attachment C.

It is important to note that a budget is a plan that is fluid. Typically, reports on the budget are made periodically during the fiscal year. At a minimum, a mid-year budget will be conducted where staff will report on the budget for the current fiscal year and request consideration of any adjustments that may be needed. At the same time, it allows staff to begin to solicit budget themes for the upcoming fiscal year that the City Council may wish to explore when the proposed budget is presented.

BACKGROUND: A municipal budget addresses city policies, city operations and communicates the anticipated financial activities to both the public and Legislative Bodies of the impacted entities. This is the first of two scheduled meetings to review the various proposed spending requests. The second meeting will be on June 21, 2023, where the City Council will consider approving a Resolution to adopt the Proposed Budget for Fiscal Year 2023-24.

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. Staff anticipates that the Proposed Budget for Fiscal Year 2023-24 will be adopted on June 21, 2023, which is within the time frame of submitting the budget to the county auditor.

Additionally, each year the City must adopt an appropriation limit called the Gann limit. The Gann limit is designed to limit the amount of revenue that can be appropriated in a fiscal year. The appropriations subject to the limit are those that expend proceeds of taxes (e.g., Property Tax, Sales Tax, and Transient Occupancy Tax) less any exclusion for qualified capital outlay, debt service, and

federal mandates. The finance staff has calculated the Gann Limit for FY 2023-24 to be \$97,283,328, leaving the City with an appropriations balance under the limit of \$51,321,558.

ATTACHMENTS: A. Resolution adopting FY 2023-24 Municipal Budget
B. Resolution adopting FY 2023-24 Gann Appropriations Limit
C. Modifications to the FY 2022-23 Budget

RESOLUTION NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
SOUTH GATE HOUSING AUTHORITY AND SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE,
CALIFORNIA, ADOPTING THE MUNICIPAL BUDGET FOR FISCAL YEAR 2023-24**

WHEREAS, duly noticed special meetings to consider the proposed Fiscal Year ("FY") 2023/24 Municipal Budget were held on June 20, and June 21, 2023;

WHEREAS, the City Manager has submitted to the City Council, Housing Authority and Successor Agency a Proposed Operating Budget for FY 2023-24 with total expenditures for all funds totaling \$156,497,819 and

WHEREAS, the City Council has held budget study sessions, heard presentations, reviewed, discussed, and considered said budget during the regularly scheduled City Council meetings conducted on June 20, 2023, and June 21, 2023.

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby adopts the Municipal Budget for FY 2023-24, with the changes stipulated in Exhibit A and Exhibit B of this Resolution, for a total of \$156,138,319 for all funds and entities along with any additions or deletions the Legislative Bodies may enact.

SECTION 2. The City Council will reserve the right to make further adjustments to the Municipal Budget throughout the year at any publicly agendized meeting of the City Council/Housing Authority/Successor Agency.

SECTION 3. The City Council hereby authorizes the City Manager to make administrative budget adjustments to transfer appropriations from one line item to another within a fund at the overall departmental budget level as prescribed in the South Gate Municipal Code.

[Remainder of page left blank intentionally]

SECTION 4. The City Clerk shall certify the adoption of this Resolution, which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this **21st** day of **June 2023**.

CITY OF SOUTH GATE:

By: _____
Maria del Pilar Avalos, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas City Attorney

DRAFT

City of South Gate
Adjustments to the Proposed Budget
Approved at Special Joint Budget Meeting on 6/21/2023

EXHIBIT A

Description	Account #	Fund 100 General	Fund 212 Gas Tax	Fund 215 Road Repair (SB1)	Fund 246 Emergency Housing	Fund 271 Park Enhancement	Fund 411 Water	TOTAL
Estimated Ending Fund Balance @ 6/30/2023		285,755	2,750,660	226,834	222,813	330,836	17,291,071	
Hydro Excavation Truck for Water Division	411-731-71-9003						729,524	729,524
Citywide Residential Resurfacing Phase IV	311-790-31-9598			130,385				130,385
SEAACCA Contract Amendment FY 2023-24	100-501-21-6104	75,232						75,232
Sidewalk Grinding	212-713-31-6101		100,000					100,000
Temporary Sidewalk Asphalt Ramping	212-713-31-6101		100,000					100,000
Training Budget for City Clerk and City Treasurer	100-140-11-6340 100-160-11-6340	11,275						11,275
Community Service Officer (FT) - Parking Enforcement	100-505-21-5101	78,329						78,329
Reduce Part-Time Salaries in Police	100-506-21-5108	(12,546)						(12,546)
Update Parks Master Plan	271-490-61-6101					75,000		75,000
Planning Commission Expense and Training	100-603-41-6311	7,500						7,500
Training Budget for Planners	100-603-41-6340	2,000						2,000
Code Enforcement Promotional Items	100-604-29-6308	5,000						5,000
Christmas Decorations for Hollydale Area	100-900-12-6202	80,000						80,000
Housing Assistance Payments	246-637-43-6601				200,000			200,000
								-
Net Increase / (Decrease) to Expenditure Budget		246,790	200,000	130,385	200,000	75,000	729,524	1,581,698
Estimated Ending Fund Balance @ 6/30/2023 after Adjustments		38,965	2,550,660	96,449	22,813	255,836	16,561,547	

SUMMARY	General Fund	All Funds
Total Budget	65,164,884	158,113,026
Add: Net Budget Adjustments	-	-
TOTAL REVENUE BUDGET	65,164,884	158,113,026

SUMMARY	General Fund	All Funds
Total Budget	67,333,662	154,916,121
Add: Net Budget Adjustments	246,790	1,581,698
TOTAL EXPENDITURE BUDGET	67,580,452	156,497,819

**City of South Gate
Financial Summary
Fiscal Year 2023/24**

Available Fund Balances Summary										
		Estimated							Estimated	
Fund		Beginning Fund	FY 2023/24	FY 2023/24	Net Surplus /	Fund	Capital	Proposed	Proposed	Estimated
No.	Fund Name	Balances	Proposed	Proposed	Net Surplus /	Balance	Projects	Transfers In	Transfers Out	Ending
		(7/1/2023)	Revenues	Expenditures	(Shortfall)	Coverage				Fund Balances
										(6/30/2024)
General Fund: Unassigned										
100	General Fund: FB Unassigned	\$6,571,877	\$64,914,884	\$67,580,452	(\$2,665,568)	(\$1,217,344)	\$0	\$250,000	\$2,900,000	\$38,965
	General Fund Unassigned Totals	\$6,571,877	\$64,914,884	\$67,580,452	(\$2,665,568)	(\$1,217,344)	\$0	\$250,000	\$2,900,000	\$38,965
General Fund: Committed Reserves										
100	General Fund: FB Emergency Reserve	\$13,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,000,000
100	General Fund: Budget Stabilization	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000,000
100	General Fund: PERS/OPEB Reserves	\$1,730,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,730,000
100	General Fund: Non-Spendable	\$2,076,194	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,076,194
100	General Fund: Restricted	\$450,082	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$450,082
100	General Fund: FB Capital Projects	\$4,852,023	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,852,023
	General Fund Committed Totals	\$28,108,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,108,299
Special Revenue Funds:										
212	Gas Tax	\$2,200,354	\$2,656,150	\$2,305,844	\$350,306	\$0	\$0	\$0	\$0	\$2,550,660
214	Street Sweeping	\$542,386	\$705,900	\$789,584	(\$83,684)	\$0	\$0	\$0	\$0	\$458,702
215	Road Repair & Accountability (SB1)	\$20,649	\$2,381,185	\$0	\$2,381,185	\$0	\$0	\$0	\$2,305,385	\$96,449
216	CASp Certification & Training	\$92,606	\$14,600	\$0	\$14,600	\$0	\$0	\$0	\$0	\$107,206
217	Measure W Stormwater	(\$416,671)	\$1,007,700	\$578,523	\$429,177	\$0	\$0	\$0	\$0	\$12,506
218	Used Oil Recycling Program	\$844	\$14,400	\$14,367	\$33	\$0	\$0	\$0	\$0	\$877
219	Beverage Container Recycling	\$42,111	\$24,500	\$23,935	\$565	\$0	\$0	\$0	\$0	\$42,676
220	Road Mitigation Fee	\$726,770	\$80,300	\$0	\$80,300	\$0	\$0	\$0	\$0	\$807,070
221	Prop A Transit	\$5,270,182	\$3,182,486	\$2,260,903	\$921,583	\$0	\$0	\$0	\$3,400,000	\$2,791,765
222	Prop C Transit	\$59,900	\$2,310,468	\$810,839	\$1,499,629	\$0	\$0	\$0	\$1,436,629	\$122,900
223	SCAQMD	\$96,502	\$133,000	\$7,913	\$125,087	\$0	\$0	\$0	\$0	\$221,589
224	Measure R Transit	\$2,716	\$1,744,251	\$1,095,228	\$649,023	\$0	\$0	\$0	\$200,000	\$451,739
225	Measure M Transit	\$1,259,470	\$1,937,118	\$1,762,153	\$174,965	\$0	\$0	\$0	\$246,000	\$1,188,435
230	COPS Grant	\$44,543	\$241,838	\$270,916	(\$29,078)	\$0	\$0	\$0	\$0	\$15,465
231	Law Enforcement Grants	\$573,227	\$2,662	\$0	\$2,662	\$0	\$0	\$0	\$0	\$575,889
235	Asset Forfeiture	\$1,584,650	\$667,200	\$1,543,186	(\$875,986)	\$0	\$0	\$0	\$0	\$708,664
242	HOME Program	\$6,552,057	\$740,613	\$740,613	\$0	\$0	\$0	\$0	\$0	\$6,552,057
243	CDBG	\$0	\$1,561,055	\$1,561,055	\$0	\$0	\$0	\$0	\$0	\$0
246	Emergency Housing Voucher	\$222,813	\$51,544	\$200,000	(\$148,456)	\$0	\$0	\$0	\$0	\$74,357
251	Street Lighting & Landscaping	\$0.00	\$2,000,900	\$3,218,244	(\$1,217,344)	\$1,217,344	\$0	\$0	\$0	\$0
252	Tweedy Parking & Bus Improv Area	(\$4,276)	\$20,100	\$15,024	\$5,076	\$0	\$0	\$0	\$0	\$800
261	Federal & State Grants	\$114,407	\$5,455,371	\$0	\$5,455,371	\$0	\$0	\$0	\$5,455,371	\$114,407

**City of South Gate
Financial Summary
Fiscal Year 2023/24**

Available Fund Balances Summary										
		Estimated							Estimated	
Fund		Beginning Fund	FY 2023/24	FY 2023/24	Net Surplus /	Fund	Capital	Proposed	Proposed	Ending
No.	Fund Name	Balances	Proposed	Proposed	Shortfall	Balance	Projects	Transfers In	Transfers Out	Fund Balances
		(7/1/2023)	Revenues	Expenditures		Coverage				(6/30/2024)
262	UDAG	\$397,334	\$5,500	\$30,000	(\$24,500)	\$0	\$0	\$0	\$0	\$372,834
263	Public Access Corp.	\$74,650	\$60,500	\$18,845	\$41,655	\$0	\$0	\$0	\$0	\$116,305
265	Permanent Local Housing	\$460,784	\$0	\$74,400	(\$74,400)	\$0	\$0	\$0	\$245,858	\$140,526
266	SB2 Grant	\$54,800	\$0	\$54,800	(\$54,800)	\$0	\$0	\$0	\$0	\$0
268	American Rescue Plan Act (ARPA)	\$6,722,762	\$307,200	\$1,274,920	(\$967,720)	\$0	\$0	\$0	\$5,400,000	\$355,042
271	Park Enhancement	\$60,394	\$299,400	\$103,958	\$195,442	\$0	\$0	\$0	\$0	\$255,836
322	Low/Mod Income Housing Assets	\$3,674,518	\$61,868	\$120,544	(\$58,676)	\$0	\$0	\$0	\$0	\$3,615,842
Special Revenue Funds Totals		\$30,430,481	\$27,667,809	\$18,875,794	\$8,792,015	\$1,217,344	\$0	\$0	\$18,689,243	\$21,750,597
Capital Projects Funds:										
213	TDA Bikeway	\$216,151	\$109,111	\$0	\$109,111	\$0	\$0	\$0	\$100,000	\$225,262
311	Capital Improvement Projects-City	\$1,553,376	\$0	\$0	\$0	\$0	\$15,343,385	\$15,343,385	\$0	\$1,553,376
Capital Projects Funds Totals		\$1,769,527	\$109,111	\$0	\$109,111	\$0	\$15,343,385	\$15,343,385	\$100,000	\$1,778,638
Enterprise Funds:										
411	Water	\$21,214,737	\$19,676,799	\$20,404,989	(\$728,190)	\$0	\$3,925,000	\$0	\$0	\$16,561,547
412	Sewer	\$575,637	\$1,328,099	\$1,903,736	(\$575,637)	\$0	\$3,400,000	\$3,400,000	\$0	\$0
413	Refuse Collection	\$1,213,032	\$13,000	\$385,598	(\$372,598)	\$0	\$0	\$0	\$0	\$840,434
Enterprise Funds Totals		\$23,003,406	\$21,017,898	\$22,694,323	(\$1,676,425)	\$0	\$7,325,000	\$3,400,000	\$0	\$17,401,981
Internal Service Funds:										
511	Insurance	\$493,339	\$7,680,036	\$7,603,489	\$76,547	\$0	\$0	\$0	\$0	\$569,886
521	Fleet Management	\$160,659	\$2,032,776	\$2,099,179	(\$66,403)	\$0	\$50,000	\$0	\$0	\$44,256
522	Information Systems	\$30,278	\$1,559,429	\$1,452,545	\$106,884	\$0	\$0	\$0	\$0	\$137,162
523	Capital Asset & Equip Replacement	\$3,323,266	\$642,924	\$260,000	\$382,924	\$0	\$0	\$0	\$0	\$3,706,190
524	Building & Infrastructure Maint	\$222,819	\$7,500	\$3,500	\$4,000	\$0	\$2,450,000	\$2,450,000	\$0	\$226,819
Internal Service Funds Totals		\$4,230,361	\$11,922,665	\$11,418,713	\$503,952	\$0	\$2,500,000	\$2,450,000	\$0	\$4,684,313
Total City Funds		\$94,113,951	\$125,632,367	\$120,569,282	\$5,063,085	\$0	\$25,168,385	\$21,443,385	\$21,689,243	\$73,762,793

**City of South Gate
Financial Summary
Fiscal Year 2023/24**

Available Fund Balances Summary										
Fund No.	Fund Name	Estimated Beginning Fund Balances (7/1/2023)	FY 2023/24 Proposed Revenues	FY 2023/24 Proposed Expenditures	Net Surplus / (Shortfall)	Fund Balance Coverage	Capital Projects	Proposed Transfers In	Proposed Transfers Out	Estimated Ending Fund Balances (6/30/2024)
Successor Agency Funds:										
321	Successor Agency	\$3,332,389	\$0	\$70,311	(\$70,311)	\$0	\$0	\$0	\$0	\$3,262,078
611	Successor Agency ROPS	(\$7,702,652)	\$5,375,551	\$4,982,550	\$393,001	\$0	\$0	\$0	\$0	(\$7,309,651)
Total Successory Agency Funds		(\$4,370,263)	\$5,375,551	\$5,052,861	\$322,690	\$0	\$0	\$0	\$0	(\$4,047,573)
Housing Authority Funds:										
240	Housing Authority Admin	\$0	\$0	\$245,858	(\$245,858)	\$0	\$0	\$245,858	\$0	\$0
241	Housing Authority - Section 8	\$111,114	\$5,546,250	\$4,965,576	\$580,674	\$0	\$0	\$0	\$0	\$691,788
Total Housing Authority Funds		\$111,114	\$5,546,250	\$5,211,434	\$334,816	\$0	\$0	\$245,858	\$0	\$691,788
Total All Funds		\$89,854,802	\$136,554,168	\$130,833,577	\$5,720,591	\$0	\$25,168,385	\$21,689,243	\$21,689,243	\$70,407,008

RESOLUTION NO. _____

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL GANN
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023/24**

WHEREAS, the voters of the State of California on November 6, 1979, added Article XIII B to the Constitution of the State of California placing various limitations on the appropriations of the state and local governments;

WHEREAS, Article XIII B provides that the appropriations limit for Fiscal Year 2023/24 shall be calculated by adjusting the appropriations limit for the prior fiscal year for changes in inflation and population, except as otherwise provided for in Article XIII B and implementing state statutes;

WHEREAS, the information necessary for making such adjustments is attached as Exhibit A, which is incorporated herein and by reference made a part hereof; and

WHEREAS, the City of South Gate has complied with the provisions of Article XIII B in determining the appropriations limit for Fiscal Year 2023/24.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City selects the percent increase in Non-Residential Assessed Valuation due to New Construction (NRAV-NC) as the inflation factor and the percent increase in the City of South Gate population growth as the population factor.

SECTION 2. An appropriations limit in the total amount of \$97,283,328 is hereby adopted for Fiscal Year 2023/24, with an amount subject to the limit of \$51,321,558.

[Remainder of page left blank intentionally]

SECTION 3. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED, and ADOPTED this 21st day of June, 2023.

CITY OF SOUTH GATE:

By: _____
Maria del Pilar Avalos, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

By: _____
Raul F. Salinas, City Attorney

DRAFT

**CITY OF SOUTH GATE
APPROPRIATIONS LIMIT CALCULATION
FY 2023/24**

Step 1: Determine % change in population. (Use the higher %)

<u>Population Change</u>	<u>City</u>	<u>County</u>
Population 1/1/22	93,259	9,861,224
Population 1/1/23	92,628	9,761,210
Increase/(Decrease)	(631)	(100,014)
% of Change	-0.68%	-1.01%

Step 2: Determine Inflation Adjustment Factor. (Use the higher factor)

Net change in California Per Capita Income (PCI)	4.44%
Net change in non-residential new construction	2.32%

Step 3: Calculate Growth Factor

	<u>% change</u>	<u>Ratio</u>
Use the higher of Step 1 & Step 2		
Step 1: Change in Population - City	-0.68%	0.9932
Step 2: Net change in non-residential new construction	2.32%	1.0232
Growth Factor for FY 2023/24		1.0163

Step 4: Calculate the Appropriation Limit

Appropriations Limit for prior fiscal year 2022-23	\$ 95,725,216
X Growth Factor for FY 2023/24 (from step 3)	1.0163
Appropriations Limit for 2023/24	<u>\$ 97,283,328</u>
Appropriations Subject to Limit:	
Proceeds of Taxes	51,321,558
Minus Exclusions	-
Appropriations Subject to Limit	<u>51,321,558</u>
Appropriations (Over) Under Limit	<u>\$ 45,961,770</u>

MODIFICATIONS TO THE FY 2022-23 BUDGET

Gas Tax Fund

1. Appropriate \$442,480 as one-time funds for the priority tree maintenance program.
2. Reprogram \$625,000 in Grant Funds to Gas Tax Funds for the Tweedy Blvd Complete Streets.

Information System Fund

1. Appropriate \$77,905 as one-time funds for ERP consulting services to assist with the solicitation selection, and implementation of a new ERP system. The contract was approved by City Council at the April 27, 2021, meeting but the budget was not carried over from last fiscal year.
2. Appropriate \$28,320 for broadband cable and telephone services. The budget for these services was inadvertently excluded in the FY 2022-23 Budget.
3. Appropriate \$30,000 to upgrade the City's email protection services with Barracuda to protect against evolving threats in spam and ransomware.

Asset Forfeiture Fund

1. Appropriate \$75,000 as one-time funds for Police Overtime Salaries to cover increased overtime due to vacancies.

Homeland Security Grant

1. Appropriate \$3,000 for a grant amendment that was approved by CalOES for the 2020 SHSP Homeland Security Grant.

Emergency Housing Voucher

1. Appropriate \$150,000 for Housing Assistance Payments under the Emergency Housing Voucher program. The budget for these payments was inadvertently excluded in the FY 2022-23 Budget but the HUD funding is available and housing assistance payments are currently being distributed.