



**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**

Monday, June 10, 2024 at 5:30 p.m.

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

**VIEW MEETING LIVE ONLINE AT:
[HTTPS://YOUTUBE.COM/@SOUTHGATECA90280](https://youtube.com/@SouthGateCA90280)**

City Officials

MAYOR/CHAIRPERSON, Gil Hurtado	CITY CLERK, Yodit Glaze
VICE MAYOR/VICE CHAIRPERSON, Maria Davila	CITY TREASURER, Jose De La Paz
COUNCIL/AUTHORITY/AGENCY MEMBER, Maria del Pilar Avalos	CITY MANAGER/EXECUTIVE DIRECTOR, Rob Houston
COUNCIL/AUTHORITY/AGENCY MEMBER, Joshua Barron	CITY ATTORNEY/AUTHORITY COUNSEL, Raul F. Salinas
COUNCIL/AUTHORITY/AGENCY MEMBER, Al Rios	

If you would like to participate in this meeting, you can participate via the following options:

1. VIEW THE MEETING ONLINE AT: <https://youtube.com/@SouthGateCA90280>

Please allow up to 24 hours after the meeting for the archive to be available.

2. PARTICIPATE BEFORE THE MEETING by emailing the City Clerk at: yglaze@sogate.org no later than 4:00 p.m. on the day of the meeting. Please write "Public Comment" in the subject line.

3. ATTEND THE MEETING IN PERSON

*The disruption in service of any alternative method does not preclude the City Council or other legislative body from taking further action and moving forward on the agenda.

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.

Call to Order/Roll Call

CALL TO ORDER: Gil Hurtado, Mayor/Chairperson

ROLL CALL: Yodit Glaze, City Clerk

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. Presentation of the Fiscal Year 2024-2025 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

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

- a. Hearing the various presentations on the Proposed Fiscal Year 2024-25 Municipal Budget and 5-Year Capital Improvement Program for the various entities;
- b. Approving a Resolution adopting the Municipal Budget for Fiscal Year 2024-25 with the changes stipulated in Exhibit A and B for a total of \$174,195,754 for all funds along with any additions or deletions the Legislative Bodies may enact; and

c. Authorizing the reprogramming for FY 2023-24 ARPA funds in the amount of \$3,350,000; and

d. Approving a Resolution adopting the annual Gann Appropriations Limit for Fiscal Year 2024-25.

Documents:

[Item 1 Report 06102024.pdf](#)

Adjournment

I, Yodit Glaze, City Clerk, certify that a true and correct copy of the foregoing Meeting Agenda was posted on June 6, 2024, at 9:11 a.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 - 5 2024

FILED 5:32PM

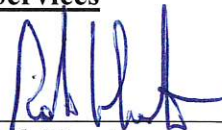
City of South Gate
CITY COUNCIL; SOUTH GATE HOUSING AUTHORITY;
AND SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT COMMISSION OF
THE CITY OF SOUTH GATE
AGENDA BILL

For the Special Meeting of: **June 10, 2024**
Originating Department: **Administrative Services**

Department Director: _____


Wendy O'Kelly

City Manager: _____


Rob Houston

SUBJECT: RESOLUTIONS ADOPTING FISCAL YEAR 2024-2025 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 2024-25 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 2024-25 Municipal Budget and 5-Year Capital Improvement Program for the various entities;
- b. Approving a Resolution adopting the Municipal Budget for Fiscal Year 2024-25 with the changes stipulated in Exhibit A and B for a total of \$174,195,754 for all funds along with any additions or deletions the Legislative Bodies may enact; and
- c. Authorizing the reprogramming for FY 2023-24 ARPA funds in the amount of \$3,350,000; and
- d. Approving a Resolution adopting the annual Gann Appropriations Limit for Fiscal Year 2024-25.

FISCAL IMPACT: The Proposed Budget for Fiscal Year 2024-25, to include all funds and entities, as amended is \$174,195,754. This amount includes transfers in and out of various funds. The General Fund accounts for \$69,155,106 including transfers out. The Proposed Budget for the Successor Agency is \$3,241,701 and the Housing Authority is \$5,882,600. The total revenue estimated for all entities and

funds is \$173,949,385. 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 2024-25. 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 11, 2024, 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 2024-25 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 June 3, 2024. 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 proposed expenditure budget for capital funds budgets increased by \$246,369. The total FY 2024-25 Proposed Budget, to include all funds and entities, with these adjustments is \$174,195,754. The Proposed Budget may be further adjusted with any additions or deletions the Legislative Bodies may enact during the budget meetings.

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 11, 2024, where the City Council will consider approving a Resolution to adopt the Proposed Budget for Fiscal Year 2024-25.

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 2024-25 will be adopted on June 11, 2024, 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 2024-25 to be \$102,450,823, leaving the City with an appropriations balance under the limit of \$53,121,243.

ATTACHMENTS: A. Resolution adopting FY 2024-25 Municipal Budget
B. Resolution adopting FY 2024-25 Gann Appropriations Limit
C. Modifications to FY 2024-25 Proposed 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 2024-25**

WHEREAS, the City Manager has submitted to the City Council, South Gate Housing Authority and Successor Agency to the Community Development Commission (“Adopting Agencies”) a Proposed Operating Budget for FY 2024-25 with total expenditures for all funds totaling \$174,195,754;

WHEREAS, a duly noticed special City Council meetings of the Adopting Agencies to consider the proposed Fiscal Year (“FY”) 2024/25 Municipal Budget was held on June 10, 2024, and, a duly notice regular City Council meeting was held on June 11, 2024 to consider the same; 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 10, 2024, and June 11, 2024.

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF SOUTH GATE, CALIFORNIA, ALONG WITH THE SOUTH GATE HOUSING AUTHORITY AND THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION, JOINTLY AND SEVERALLY, HEREBY RESOLVE(S) AS FOLLOWS:

SECTION 1. The City Council hereby adopts the Municipal Budget for FY 2024-25, with the changes stipulated in Exhibit A and Exhibit B of this Resolution, for a total of \$174,195,754 for all funds and entities along with any additions or deletions the Legislative Bodies may enact.

SECTION 2. The South Gate Housing Authority and the Community Development Commission hereby respectfully adopt their respective portions of the Municipal Budget for FY 2024-25.

SECTION 3. 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 4. 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.

SECTION 5. The City Clerk shall certify the adoption of this Resolution, which shall be effective upon its adoption.

PASSED, APPROVED and ADOPTED this **11th** day of **June 2024**.

CITY OF SOUTH GATE:

By: _____
Gil Hurtado, Mayor/Chairperson

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVED AS TO FORM:

DRAFT
By: _____
Raúl F. Salinas City Attorney/Authority Counsel

RESOLUTION NO. _____

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE
APPROVING AND ADOPTING THE ANNUAL GANN APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2024/25**

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; and

WHEREAS, Article XIII B provides that the appropriations limit for Fiscal Year 2024/25 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; and

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 2024/25;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE 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.

[Remainder of page left blank intentionally]

SECTION 2. An appropriations limit in the total amount of \$102,450,823 is hereby adopted for Fiscal Year 2024/25, with an amount subject to the limit of \$53,121,243.

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

PASSED, APPROVED, and ADOPTED this 11th day of **June 2024**.

CITY OF SOUTH GATE:

By: _____
Gil Hurtado, Mayor

ATTEST:

By: _____
Yodit Glaze, City Clerk
(SEAL)

APPROVE AS TO FORM:

DRAFT

By: _____
Raúl F. Salinas, City Attorney

GANN APPROPRIATIONS LIMIT

Article XIIIB of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Appropriations Limit, was adopted by California voters in 1980 and placed a limit on the amounts that may be appropriated by state and local government from the proceeds of taxes.

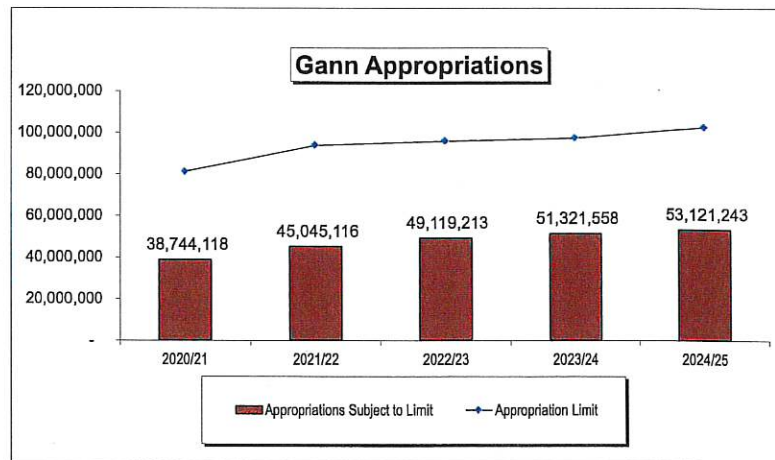
The limit is different for each agency and changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in FY 1978/79 in each agency, modified for changes in inflation and population in each subsequent year. Inflationary adjustments are, by law, based on increases in the California per capita personal income (PCPI) or the increase in non-residential assessed valuation due to new construction (NRAV-NC). Population adjustments are based on city population growth or county population growth.

For FY 2024/25, the City of South Gate's estimated tax proceeds to be received, as well as tax proceeds appropriated by the City Council will, as in prior years, continue to be under the legal limit. The appropriations limit for FY 2024/25 is \$102,450,823. This is the maximum amount of tax proceeds the City will be able to appropriate and spend in the coming fiscal year. The City's estimated proceeds of taxes is \$53,121,243 resulting in appropriations being under the limit by \$49,329,580.

Historical Information

Appropriation Limit
Appropriations Subject to Limit
Appropriations (Over) Under Limit

2020/21	2021/22	2022/23	2023/24	2024/25
81,145,742	93,797,393	95,725,216	97,283,328	102,450,823
38,744,118	45,045,116	49,119,213	51,321,558	53,121,243
42,401,624	48,752,278	46,606,004	45,961,770	49,329,580



Appropriations Limit Worksheet 2024/25

A. Last Year's Limit (Audited)

\$ 97,283,328

B. Adjustment Factors

1 Population - % change - City of South Gate

1.0003

State Department of Finance

2 Inflation - % change - net change in non-residential new construction

1.0528

County of Los Angeles

C. Total Adjustment (B1 x B2)

1.05311799

D. This Year's Limit (A x C)

\$ 102,450,823

City of South Gate
Adjustments to the Proposed Budget
Approved at Special Joint Budget Meeting on 6/11/2024

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 @ 6/30/2025				913,671				
Citywide Annual Sidewalk Grinding	311-790-39-9490			100,000				100,000
Citywide Residential Resurfacing Phase IV	311-790-31-9598			146,369				146,369
Net Increase / (Decrease) to Expenditure Budget		-	-	246,369	-	-	-	246,369
Estimated Ending Fund Balance @ 6/30/2025 after Adjustments		-	-	667,302	-	-	-	

SUMMARY	General Fund	All Funds
Total Budget		173,949,385
Add: Net Budget Adjustments	-	-
TOTAL REVENUE BUDGET	-	173,949,385

SUMMARY	General Fund	All Funds
Total Budget		173,949,385
Add: Net Budget Adjustments	-	246,369
TOTAL EXPENDITURE BUDGET	-	174,195,754