

The City of Manford
CALIFORNIA



City Council Meeting Agenda

June 25, 2019
5:15 PM – Special Meeting
Training Room
319 N. Douty

5:00 PM CALL TO ORDER SPECIAL SESSION:

ROLL CALL BY THE CITY CLERK:

FLAG SALUTE:

PUBLIC COMMENT:

Comments from the public are limited to items listed on the agenda (GC 54954.3a). A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

GENERAL BUSINESS:

- A. Final Budget Deliberation
- B. Finance: Adopt Resolution 19-20-R, approving the Preliminary Budget for FY 2019-2020
- C. Finance: Adopt Resolution 19-22-R, establishing the Fiscal Year 2019-2020 Appropriations Limit.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

- A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATE LITIGATION
Significant exposure to litigation pursuant to Gov. Code Section 54956.9(d)(2):

1 potential case

ADJOURNMENT:

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available to public inspection in the City Clerk's Office located at 319 N. Douty Street, Hanford, California 93230, during normal business hours. Such agendas are also available at the city's website, www.cityofhanfordca.com subject to staff's ability to post the agenda before the meeting.

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's office, 559-585-2515, 319 N. Douty Street, Hanford, California 93230, at least 2 days prior to the meeting {28 CFR 35.102.35.104 ADA Title II}



**AGENDA
STAFF REPORT**

MEETING DATE: 6/25/2019

AGENDA SECTION: B

SUBJECT:

Finance: Adopt Resolution 19-20-R, approving the Preliminary Budget for FY 2019-2020

RECOMMENDATION:

The City Council, by motion, adopt Resolution 19-20-R, approving the Preliminary Budget for FY 2019-2020.

BACKGROUND:

Section 3.04.010 of the Hanford Municipal Code provides that the City Council by resolution shall adopt a preliminary and a final annual budget. The Planning Commission has found that the Five Year Capital Improvement Plan including fiscal years 2019-2020 through 2023-2024 is in conformance with the City's General Plan.

FISCAL IMPACT:

ATTACHMENTS:

FY20 Budget Resolution 19-20-R

RESOLUTION NO. 19-20-R

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING THE
FISCAL YEAR 2019-2020 BUDGET

At a regular meeting of the City Council of the City of Hanford, duly called and held on June 25, 2019 it was moved by Council Member _____, and seconded by Council Member _____, and carried that the following resolution be adopted:

WHEREAS, Section 3.04.010 of the Hanford Municipal Code provides that the City Council by resolution, shall adopt an annual budget, and

WHEREAS, the Planning Commission of the City of Hanford found that the Five Year Capital Improvement Plan including fiscal years 2019-2020 through 2023-2024, is in conformance with the City's General Plan, and

WHEREAS, the City Council of the City of Hanford has reviewed the Draft Preliminary Budget for fiscal year 2019-2020, with amendments, and the Five Year Capital Improvement Program including fiscal years 2019-2020 through 2023-2024, and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hanford hereby declares as follows:

- A) The FY 2019-2020 Budget is approved as recommended. The approximate total of appropriated expenses are:

	FY20
General Funds	32,682,710
Enterprise Funds	24,681,390
Special Revenue Funds	12,648,430
Totals	70,012,530

Passed and adopted at a regular meeting of the City Council of the City of Hanford, duly called and held on the 25th day of June, 2019 by the following vote:

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the Council of the City of Hanford at a regular meeting thereof held on _____ by the following vote:

COUNCIL MEMBERS: SORENSEN, DRAXLER, DEVINE, RAMIREZ, & BRIENO

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Sarah Martinez
CITY CLERK and Ex Officio Clerk
of the Council of the City of Hanford

APPROVED

Sue Sorensen
MAYOR of the City of Hanford

Attachment: FY20 Budget Resolution 19-20-R (FIN: FY 2020 Budget Resolution 19-20-R)



AGENDA STAFF REPORT

MEETING DATE: 6/25/2019	AGENDA SECTION: C
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SUBJECT:

Finance: Adopt Resolution 19-22-R, establishing the Fiscal Year 2019-2020 Appropriations Limit.

RECOMMENDATION:

The City Council, by motion, adopt Resolution 19-22-R, establishing the appropriation limits for the 2019-2020 fiscal year.

BACKGROUND:

Article XIII B of the California Constitution and its implementing legislation require the City Council annually to establish appropriation limits as to locally controlled revenues such as property taxes, sales tax, business license taxes, and unrestricted state subventions such as motor vehicle in-lieu, and homeowners' property tax exemption. The annual limit is increased by population growth and cost of living factors. The change in population can be based on (a) growth in the City of Hanford or (b) growth in the Kings County total population. The cost of living change can be (a) change in California per capita personal income or (b) growth in local non-residential new construction.

The appropriation limit is \$68,831,996 and proceeds of taxes are \$26,013,683. Since the City's appropriation limit is \$42,818,313 in excess of its proceeds of taxes, it is safe to say we should not exceed our limit this year.

Schedules "A" and "B" attached to the proposed adopting resolution show how the limit was determined. The proposed resolution is attached as Exhibit "1".

The City Council must annually establish the limit and select the growth factors by resolution. The adoption of the resolution must be at a regularly scheduled meeting of the council or at a noticed special meeting. Documentation used in determining the appropriation limit must be, and was, available for public review on the State of California Department of Finance website fifteen days prior to the meeting.

FISCAL IMPACT:

Approval of the appropriation limit for fiscal year 2019-2020 has no impact on the budget.

ATTACHMENTS:

RESOLUTION 19-22-R APPROP FY20

APPROPRIATIONS LIMIT SCHEDULE A FY1920

APPROPRIATIONS LIMIT SCHEDULE B FY1920

RESOLUTION NO. 19-22-R

RESOLUTION ESTABLISHING FISCAL YEAR 2020 APPROPRIATIONS LIMIT
PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

At a special meeting of the City Council of the City of Hanford duly called and held on June 25, 2019 at 5:15 P.M. of said day, on motion of Council Member _____, seconded by Council Member _____, and duly carried, the following resolution was adopted:

WHEREAS, Article XIII B of the Constitution of the State of California imposes a limit on the annual appropriations of “proceeds of taxes” of state and local government; and,

WHEREAS, Article XIII B of the Constitution of the State of California requires each city to annually select either (a) the percentage change in California per capita personal income or (b) the percentage change due to the addition of local nonresidential new construction; and

WHEREAS, Section 7901 of the Government Code of the State of California requires each city to annually select the percentage change in population based on:

1. the change in population within its jurisdiction, or
2. the change in population within the entire county.

WHEREAS, Section 7910 of the Government Code of the State of California requires that the governing body of each local jurisdiction, by resolution, establish its “appropriation limit” each fiscal year; and

WHEREAS, the Finance Director of the City of Hanford has calculated the appropriations limit for the City of Hanford, and said calculation is based upon the provisions of Article XIII B of the Constitution of the State of California and Division 9 commencing with Section 7900 of the Government Code of the State of California.

NOW, THEREFORE, BE IT RESOLVED, that the following annual adjustment factors are selected for the City of Hanford for 2019-2020:

- the percentage change in California per capita income, and
- the percentage change in population within the City of Hanford.

NOW, BE IT FURTHER RESOLVED, that the Appropriations Limit for Appropriation of “proceeds of taxes” for the City of Hanford for fiscal year 2020 is the sum of \$68,831,996 as detailed in Schedules “A” and “B” attached hereto and by this reference incorporated herein.

Passed and adopted at a special meeting of the City Council of the City of Hanford, duly called and held on June 25, 2019 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED:

SUE SORENSEN
MAYOR of the City of Hanford

Attest:

Sarah Martinez
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, **Sarah Martinez**, City Clerk of the City of Hanford, do hereby certify the forgoing resolution was duly passed and adopted by the City Council of the City of Hanford at a special meeting held on the day of _____, 2019.

Date: _____

City Clerk

Attachment: RESOLUTION 19-22-R APPROP FY20 (FIN: FY 19/20 Appropriations Limit Reso)

Schedule "A"

CITY OF HANFORD
SCHEDULE TO ADJUST AND CALCULATE THE
FISCAL YEAR 2019-2020 APPROPRIATION LIMIT

2018-2019	Appropriation Limit	\$65,417,217
	Add Appropriations for Annexation Service Delivery Change	0
	Add Booking Fee Financial Responsibility Change	0
	Add Property Tax Administration Financial Responsibility Change	0
	Subtotal	\$65,417,217
	Apply Ratio of Change Factor (Schedule "B")	1.0522
2019-2020	Appropriation Limit	<u>\$68,831,996</u>

Attachment: APPROPRIATIONS LIMIT SCHEDULE A FY1920 (FIN: FY 19/20 Appropriations Limit Reso)

Schedule "B"

CITY OF HANFORD
 WORKSHEET FOR PERMITTED GROWTH RATE IN APPROPRIATION LIMIT
 2019-2020

2019-2020	Population Change – City of Hanford	1.32%
	Converted To A Ratio =	1.0132
	California Per Capita Income Change:	3.85%
	Converted To A Ratio =	1.0385
	Calculation of Factor for 2019-2020:	$1.0132 \times 1.0385 = 1.0522$

The ratio of change factor is applied to the prior fiscal year appropriation limit to establish the new fiscal year limit.

The population change and per capital income percentages are provided by the State Department Finance.