

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: August 16, 2021
Originating Department: City Manager's Office

Interim City Manager: Chris Jeffers *Interim City Manager:* Chris Jeffers

SUBJECT: CONTINUED REVIEW OF PROPOSED FISCAL YEAR 2021/22 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 continue the review of the proposed Fiscal Year 2021/22 Municipal Budget for these various entities.

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. Receiving and filing various presentations regarding the Proposed Municipal Budgets for Fiscal Year 2021/22 for these entities, and the 5-year Capital Improvement Program; and
- b. Continue this meeting to August 23, 2021, for budget review and discussion prior to the legislative bodies of these entities considering the formal adoption of the Municipal Budgets for Fiscal Year 2021/22.

FISCAL IMPACT: The Proposed Municipal Budgets for Fiscal Year 2021/22, all funds and entities, is \$195,560,581. This amount includes transfers in and out of various funds. The General Fund accounts for \$62,810,848, including transfers out. The Successor Agency's total Proposed Budget is \$5,165,581 and the Housing Authority's Proposed Budget is \$4,891,709, including transfers in. Total Revenue estimate for all entities and funds is \$180,112,773. The differences are covered by the reserves one or more funds have accumulated for various proposed expenditures, primarily Capital Improvement Program (CIP).

ANALYSIS: 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.

At the June 24, 2021 joint meeting of the City Council, Housing Authority and Successor Agency, the various legislative bodies were requested to adopt Continuing Appropriation Resolutions until August 30, 2021, or the adoption of the Fiscal Year 2021/22 Municipal Budget, whichever occurred first. Those resolutions were unanimously adopted by each entity. This initial budget hearing will be to provide an overview of the Proposed Municipal Budgets and to begin hearing some departmental presentations. At the conclusion of the meeting tonight, there will be a second meeting to be held in August with additional presentations by the operating departments. Both this meeting, and the meeting yet to be scheduled in August, are open to the public and they are certainly invited to give the City Council their thoughts on the proposed spending plan.

On July 12, 2021, the City Council held a Special City Council meeting to begin reviewing the proposed budget. Today's meeting will consist of a review of a portion of the departmental budgets and the third meeting, which will take place on August 23, 2021, will cover the remaining departmental budgets and the anticipated approval of the Fiscal Year 2021/22 Municipal Budget.

It is important to note that a budget is a plan and not an unmovable plan. Typically, reports on the budget are made periodically during the fiscal year. At a minimum, a mid-year budget should be conducted, at which time staff reports on the current budget year and consideration of any adjustments may be requested. At the same, it allows staff to begin to solicit budget themes for the upcoming new fiscal year (FY 2022-23) that the City Council may wish to explore when that 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 public meeting. No formal action is being sought at tonight's meeting.

ATTACHMENT: Proposed Fiscal Year 2021/22 Municipal Budget