

EXETER CITY COUNCIL ACTION MINUTES**May 28, 2019**

A closed session of the City Council, City of Exeter was held on Tuesday, May 28, 2019, at 6:30 p.m., in the Exeter City Council Chambers, 137 North F Street.

COUNCIL PRESENT: Mary Waterman-Philpot, Barbara Sally, Frankie Alves, Jeremy Petty

COUNCIL ABSENT: None

STAFF PRESENT: Adam Ennis, Nancy Jenner, Shonna Oneal, Daymon Qualls

A. CALL TO ORDER CLOSED SESSION

Mayor Waterman-Philpot called the closed session to order at 6:30 p.m.

B. PUBLIC COMMENTS REGARDING CLOSED SESSION MATTERS – Mayor Waterman-Philpot requested those who wish to speak on matters listed on the Closed Session Agenda to do so at this time.

There were no public comments presented.

C. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION(S):

Mayor Waterman-Philpot adjourned to closed session at 6:30 p.m. for matters as stated by Assistant City Attorney Nancy Jenner. Closed session adjourned at 7:00 p.m. until the end of Regular Session.

1. 54956.9(d)(2) Conference with Legal Counsel – Significant Exposure to Litigation: One Case: 3/5/19 letter from Quall-Cardot, LLP regarding RTC Claim.
2. 54956.8(b) Conference with Real Property Negotiators
Property: 125 S. B Street, Exeter, CA 93221
Under Negotiation: Terms of Lease Agreement
Negotiating parties: Adam Ennis
3. 54957.6 Conference with Labor Negotiators Re: Unrepresented Employees
Agency Negotiator: Adam Ennis
Position: City Clerk, Financial Analyst

A regular session of the City Council, City of Exeter was held on Tuesday, May 28, 2019, at 7:00 p.m., in the Exeter City Council Chambers, 137 North F Street.

COUNCIL PRESENT: Mary Waterman-Philpot, Barbara Sally, Frankie Alves, Jeremy Petty

COUNCIL ABSENT: None

STAFF PRESENT: Adam Ennis, Nancy Jenner, Daymon Qualls, John Hall, Chris Tavarez, Shonna Oneal, Lisa Wallis Dutra

D. CALL TO ORDER REGULAR SESSION AND REPORT ON CLOSED SESSION ITEMS (if any)

Mayor Waterman-Philpot called the regular session to order at 7:00 p.m. Assistant City Attorney Nancy Jenner advised there were no reportable action items from the Closed Session.

E. PLEDGE OF ALLEGIANCE AND INVOCATION

Council Member Petty led the Pledge of Allegiance and an invocation was given by Chaplain Mandy Nevarez.

F. SPECIAL PRESENTATIONS (if any): None**G. PUBLIC COMMENTS:**

Mayor Waterman-Philpot requested those who wish to speak on matters that are not on the agenda that are within the jurisdiction of the Exeter Council, or to address or request a matter be pulled from the consent calendar to do so at this time. She also stated comments related to Individual Business or Public Hearing items that are listed on the agenda will be heard at the time that matter is addressed on the agenda.

There were no public comments presented.

**ACTION MINUTES
EXETER CITY COUNCIL
Page 2, MAY 28, 2019**

H. CONSENT CALENDAR:

It was moved by Council Member Alves, seconded by Mayor Pro Tem Sally and unanimously carried that the items on the Consent Calendar be approved as presented.

1. **Approve minutes of May 14, 2019**
2. **Payment of the Bills**
3. **Payroll: May 3, 2019 and May 17, 2019**
4. **Treasurer's Report: April 2019**
5. **Authorization for City Staff to extend the current Police Department Information Services contract with Valley Expetec of Visalia for an additional 3 years, at the same approximate cost of \$82,665 annually.**
6. **Authorize the City Administrator to execute a one-year agreement with Tulare County to provide dispatch services for \$87,075.00.**

I. INDIVIDUAL BUSINESS ITEMS

1. **Review, consideration and direction on proposed budget amendments for fiscal year 2019-20 in preparation for the public hearing and budget approval at the June Council meetings** Finance Director Chris Tavarez provided a PowerPoint presentation highlighting the proposed budget amendments for fiscal year 2019-20. Police Chief Hall provided a PowerPoint presentation highlighting the Exeter Police Department proposed budget amendments for fiscal year 2019-20. City Administrator Adam Ennis provided additional information regarding the proposed budget and recommendations moving forward. Following discussion, no action was requested or taken.
2. **Discussion and direction to re-appoint, appoint a new candidate, or solicit applications for the City of Exeter's representative on the Measure R Citizen's Oversight Committee for a 2-year term beginning July 1, 2019.** City Administrator Adam Ennis provided a report for Council's review and consideration. Following discussion it was moved by Mayor Pro Tem Sally, seconded by Council Member Petty and unanimously carried to re-appoint Robyn Stearns to the Measure R Citizen's Oversight Committee for a 2-year term beginning July 1, 2019.
3. **Consideration of providing a letter of support to Tulare County Association of Governments for the Rocky Hill Bicycle/Pedestrian Trail project to move forward and give staff direction on any conditions, if any, associated with the support** City Administrator Adam Ennis provided a report for Council's review and consideration. Following discussion it was moved by Council Member Alves, seconded by Mayor Pro Tem Sally unanimously carried to provide a letter of support to Tulare County Association of Governments for the Rocky Hill Bicycle/Pedestrian Trail with a request to review the design process and that the City of Exeter cannot maintain the project.

J. CITY COUNCIL ITEMS OF INTEREST

Council Member Alves, Mayor Pro Tem Sally and Mayor Waterman-Philpot reported on recent events they have attended.

K. CITY ADMINISTRATOR/DEPARTMENT COMMENTS

City Administrator Adam Ennis reported on recent events he has attended.

L. ADJOURN TO CLOSED SESSION

Mayor Waterman-Philpot adjourned to closed session at 8:42 p.m. for items previously noted.

M. RECONVENE CLOSED SESSION AND CLOSED SESSION REPORT (IF ANY)

Mayor Waterman-Philpot reconvened from closed session at 9:39 p.m. and advised there was no reportable action.

N. ADJOURN REGULAR MEETING

Mayor Waterman-Philpot adjourned the regular meeting at 9:40 p.m.

Shonna Oneal City Clerk

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ACS/XEROX FINANCIAL SYSTEM CITY OF EXETER
5/16/2019 15:19:52 Payments for Publication GL335R-V08.08 PAGE

Approved on 5/16/2019 for Payments Through 5/16/2019

Vendor Name	Description	Amount
BEN-E-LECT INC.	JUNE CLAIMS	15,865.00

** Final Totals... 15,865.00

Approved on 5/23/2019 for Payments Through 5/23/2019

Vendor Name	Description	Amount
AETNA HEALTH OF CALIFORNIA INC	JUNE PREMIUMS	27,101.43
AMERICAN BUSINESS MACHINES	5/13 TO 6/12/19 BASE RAT	5.12
BASIC	MAY COBRA ADMIN FEE	30.00
BUZZ KILL PEST CONTROL	PEST CONTROL @ PD	163.00
CALIFORNIA BUSINESS MACHINES	ADMIN-5/8/19-6/7/19	47.21
CCP INDUSTRIES INC.	BATH TISSUE/TOWEL-CH	384.32
CENTRAL CAL WATERWORKS, INC	EMERGENCY-E CLARIFIER	2,275.00
CHADS AUTO GLASS	14 FORD FUSION-WINDSHIEL	344.12
CITY OF VISALIA	APR 2019 ANIMAL SERVICE	12,633.34
CLIFFORD A FUKUSHIMA OD, INC	5/1/19 CORREA, GABRIEL	677.00
COLLEGE OF THE SEQUOIAS	CLASS PHELPS/ROMERO RIFL	413.00
CONSOLIDATED ELECTRICAL DISTRI	WIRE STRIPPER/CUTTER	35.72
DEPT OF JUSTICE	APR BLOOD ALCOHOL ANALYI	140.00
DIGITAL ALLY, INC	CHEST CAMERA 11" KIT	2,729.45
ELBERTS DISTRIBUTING INC	EXTENDED LIFE MOA	68.54
EMD NETWORKING SERVICES, INC.	JUNE MONTHLY BILLING	1,441.25
EPIC PRINT AND PROMO, INC.	3 BANNER-SOCCER	68.36
EWING IRRIGATION PRODUCTS INC	GLENDVIEW ESTATES-HUNTER	393.37
FASTENAL COMPANY	210 BENCH CHAIN VISE	448.46
FOOTHILLS SUN-GAZETTE	5/1/19 PN-RM-3 TO RM 1.5	390.50
FRONTIER CALIFORNIA INC.	5714/5-4 TO 6/3/19	645.64
GHD INC	VISALIA RD IMPROV PROJEC	3,636.53
GIANT CHEVROLET CO.	2019 CHEVROLET TAHOE	37,587.64
GOPHER GETTER	APR GOPHER SERVICE	450.00
HAAKER EQUIP CO	MAIN BROOM 60"	1,332.12
HIGH SIERRA LUMBER CO.	2X8X16 DF SB-YARD GATE	190.76
IBARRA/ MARLENE	MILEAGE/LUNCH-CALPERS	92.02
INTERSTATE BATTERIES, DBA	C65-XHD	144.25
JACK GRIGGS INC	APR 2019 GAS	7,686.14
KIMBALL-MIDWEST	WHEEL/TOWEL/PAINT/DISC	565.77
LADY BUG PEST CONTROL	SPRAY HOMEPLATE-DOBSON	100.00
LAWRENCE TRACTOR CO	HYDRAULIC/SCREEN/FILTER	527.91
LEAF CAPITAL FUNDING LLC	TA2552CI KYOCERA-PW	103.93
MCCORMICK KABOT JENNER & LEW	APR LEGAL SERVICES	7,410.50
MIDTOWN SPORTS, INC.	PADRES/DODGERS CAP	5,511.67
MIRWALD/ PHIL	2" PVC VENT SCREEN-W#12	38.98
MOONLIGHT MAINTENANCE	MAY RESTROOMS CLEANING	3,382.00
OFFICE DEPOT	LETTER OPENER-CH	1.61
PPG ARCHITECTURAL FINISHES	ACETONE-PAINT TRAILER	59.06
QUAD KNOFF ENGINEERING	E150079 VISALIA RD	11,702.31
RTC CONSTRUCTION MANAGEMENT	WTR LINE REPLACE PYMT 5	18,415.55
SCOTT L HENRIKSEN, DDS	4/22/19 TAVAREZ, GABRIEL	160.00
SELF-HELP ENTERPRISES	APR LOAN PORTFOLIO-189	1,526.25
SEQUOIA VALLEY DENTAL GROUP	5/6/19 HALL, JOHN	114.00
SHIRT AND HAT GUYS	FLEXFIT SHIRTS-BLACK	156.24
SHRED-IT USA LLC	MAY SHREDDING AT PD	104.77
SILVER & WRIGHT LLP	FEB 2019 508 LENOX	19,816.33
SOUTHERN CALIFORNIA EDISON	9109A/4-10 TO 5/10/19	7,681.04

Approved on 5/23/2019 for Payments Through 5/23/2019

Vendor Name	Description	Amount
SOUTHERN CALIFORNIA GAS CO.	7144/4-1 TO 5/1/19	170.68
SUBURBAN PIPE & STEEL	2X2 REC TUBE-UTILITY TRK	19.04
TU CO ENVIRONMENTAL HEALTH	WELL E6W PALM & G ST	1,165.00
UNIVAR USA, INC.	WELL #6 SOD HYPO	350.65
USA BLUEBOOK	WIKA 2 1/2 PRESSURE GAUG	254.89
VALLEY EXPETEC	MAY MONTHLY AGREEMENT	4,479.49
VERIZON WIRELESS	3/29/19-4/28/19	1,358.04
4CREEKS, INC	BELMONT BIKE PATH PHASE1	16,431.22
Final Totals...		203,161.22

**

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PAYROLL.....S BI-WEEKLY RUN-05/30/2019 11.41.22 PAGE 1
 CHECK FORM..CHEK CHECK REGISTER PR311R-V14.08 Paymate

PERIOD 1 DATING 5/13/2019- 5/26/2019 CHECK DATE 5/31/2019
 DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ	
43278	63.69	CA STATE DISBURSEMENT UN 2		1	VENDOR CHECK
43279	2,053.16	PHELPS/KEVIN M	429	1	
43280	246.85	ALBANEZ-TUMBER/AYDAN	552	1	
43281	44.32	DAVIDSON/KAYTEE	567	1	
43282	212.26	GARVER/ELIJAH MORGAN	507	1	

TOTALS FOR CHECK FORM: CHEK		COUNTS
NEGOTIABLE CHECKS		
2,556.59	*EMPLOYEE CHECKS	4
63.69	*VENDOR CHECKS	1
0.00	*BANK CHECKS	0
2,620.28	**TOTAL NEGOTIABLE CHECKS	5

OTHER CHECKS		
0.00	*MANUAL CHECKS	0
0.00	*CANCELLED CHECKS	0
2,620.28	**TOTAL FOR CHECK FORM	

NON-NEGOTIABLE CHECKS		
0.00	*DIRECT DEPOSIT STUBS	0
0.00	*VENDOR DIR DEP STUBS	0

PAYROLL.....S BI-WEEKLY RUN-05/30/2019 11.41.22 PAGE 2
 CHECK FORM..STUB CHECK REGISTER PR311R-V14.08 Paymate

PERIOD 1 DATING 5/13/2019- 5/26/2019 CHECK DATE 5/31/2019
 DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ
46747	234.00	CLOCEA	4	1 VENDOR STUB ONLY
46748	432.00	EXETER POLICE OFFICER AS	3	1 VENDOR STUB ONLY
46749	251.04	EXETER POLICE OFFICER AS	3A	1 VENDOR STUB ONLY
46750	4,450.75	ENNIS/ADAM	206	1 STUB ONLY
46751	2,250.53	ONEAL/SHONNA N	203	1 STUB ONLY
46752	510.78	ALDRIDGE/SHAWNA	305	1 STUB ONLY
46753	1,250.51	HERNANDEZ/XOCHITL	306	1 STUB ONLY
46754	2,263.04	IBARRA/MARLENE	302	1 STUB ONLY
46755	3,265.16	TAVAREZ/CHRISTOPHER	309	1 STUB ONLY
46756	1,317.08	SEE/EEKHONG	304	1 STUB ONLY
46757	35.09	CANALES/MICHAEL W	430	1 STUB ONLY
46758	1,099.89	CARRETERO/VANESSA	402	1 STUB ONLY
46759	1,629.08	CORREA/GABRIEL JR	436	1 STUB ONLY
46760	1,371.57	CULLUM/TRENT	444	1 STUB ONLY
46761	2,479.92	DURKEE/MARK	404	1 STUB ONLY
46762	1,429.74	ECHEVARRIA/TYLER J	443	1 STUB ONLY
46763	2,348.84	FERNANDEZ/CESAR	434	1 STUB ONLY
46764	1,991.23	FRICK/JOCELYNN LEANN	433	1 STUB ONLY
46765	2,764.13	GIEFER/MICHAEL DAVID	438	1 STUB ONLY
46766	1,591.46	GUZMAN/TIMOTHY CHARLES	410	1 STUB ONLY
46767	2,945.42	HALL/JOHN T	406	1 STUB ONLY
46768	2,893.53	INGLEHART/BRETT A	411	1 STUB ONLY
46769	1,836.72	KNOX/MARK	442	1 STUB ONLY
46770	1,576.88	LOPEZ/ESTEBAN	445	1 STUB ONLY
46771	1,578.81	MACLEAN/JANET L	413	1 STUB ONLY
46772	1,561.15	SALINAS/ALEXANDER	419	1 STUB ONLY
46773	1,879.59	WALKER/PAUL	425	1 STUB ONLY
46774	2,387.10	YARBER/ISABEL	422	1 STUB ONLY
46775	891.00	ALDRIDGE/GARY	618	1 STUB ONLY
46776	1,408.95	ARROYO/MARIE	623	1 STUB ONLY
46777	1,816.87	ESPINOLA/DANIEL M	602	1 STUB ONLY
46778	1,387.97	HUGGINS/KYLE AARON	621	1 STUB ONLY
46779	2,801.76	QUALLS/DAYMON	607	1 STUB ONLY
46780	1,010.04	RABOIN/CHRISTOPHER	627	1 STUB ONLY
46781	1,513.21	RAMIREZ/JUAN	608	1 STUB ONLY
46782	545.81	WENDT/EDDIE	626	1 STUB ONLY
46783	468.22	WHITTENBURG/ALLEN	612	1 STUB ONLY
46784	1,246.73	CARTER/AMY JO	502	1 STUB ONLY
46785	1,456.47	MILLAN/MARCUS	622	1 STUB ONLY
46786	819.37	MILLER/JAMES	624	1 STUB ONLY
46787	719.85	MILLER/JAMES	624	2 STUB ONLY
46788	690.34	MIRWALD/PHILIP	625	1 STUB ONLY
46789	1,164.14	QUIROZ/PATRICK P	512	1 STUB ONLY
46790	1,743.66	HAYES/CURTIS W	437	1 STUB ONLY

City of Exeter Agenda Item Transmittal

Meeting Date: June 11, 2019

Agenda Item Number: H4

Wording for Agenda: Authorize a sole source award and authorize the City Administrator to execute a professional services agreement with FG Solutions, LLC up to \$25,570 and appropriate said funding for review of Water and Sewer Funds revenue and rate analysis.

Submitting Department: Finance
Contact Name: Chris Tavaréz
Phone Number: 592-2755
Email: ctavaréz@exetercityhall.com

Department Recommendation:

Authorize a sole source award and authorize the City Administrator to execute a professional services agreement with FG Solutions, LLC up to \$25,570 and appropriate said funding.

Summary:

The City is completing a Water Master Plan Update and analysis of operations and maintenance items for the Water and Sewer Enterprises, which is providing key information needed to conduct Utility Rate Analyses. FG Solutions, LLC (FG) has been involved in discussion with the City since early 2018 and has provided guidance to the City. FG has an in-depth knowledge base on utility system analysis and has consulted for many cities in conducting research needed to develop sustainable utility rates for water and sewer systems.

Due to specific experience FG has in verifying appropriate utility rates and ability to conduct this in a timely manner with information provided by the City (by July 2019), staff recommends that City Council authorize a sole source and authorize the City Administrator to execute a professional services agreement of up to \$25,570 with the firm. Staff anticipates the actual costs to be lower than this maximum as staff will be conducting much of the analysis and compilation of information. These costs will be covered by the Water and Sewer Funds.

Background:

FG staff have completed rate studies and/or utility financial plans in 12 states across the country and the Pacific Rim, for water, wastewater, stormwater, and solid waste utilities. Clients include California cities El Monte, Fontana, Rialto, San Bernardino, Palm Springs and Visalia. What is proposed for the City is a Revenue Requirement Analysis, that will take a look at existing rates and in conjunction with staff develop a recommendation for City Council to consider that will support a reliable utility system for all customers.

With information provided by City staff, FG develops multi-year projections of revenues and expenses for their clients. These projections determine the overall change in utility revenues needed to pay for continued operations, pay debt service and to implement capital programs. The core of a Revenue Requirement Analysis is a financial calculation, but there are numerous policy and service decisions that must be made to complete a Revenue Requirement Analysis. The firm's task will be to guide the City through level of service decisions, capital

For action by:

☒ City Council

Regular Session:

☒ Consent Calendar
☐ Regular Item
☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



program decisions, and policy decisions (such as capital reserve levels, debt coverage levels, and debt issuance planning).

Table 1, Water Rate Study and Optional Tasks

	Art Griffith, Principal/ Proj. Manager	Debi Fortin, Principal/ Sr. Consultant	Total Hours	Total Labor and Expenses
Water Rate Study, Tasks 1 and 2				
Hourly Rate ==>	\$200	\$150		
Water Rate Study: Tasks 1 and 2				
1 Revenue Requirement/Across The Board Rate Increases	14	47	61	\$9,850
2 Meetings	<u>24</u>	<u>8</u>	<u>32</u>	\$8,120
Total Estimated Hours	38	55	93	
Labor Costs	\$7,600	\$8,250	\$15,850	
Total Labor				\$15,850
Total Expenses				<u>\$2,120</u>
Total Labor and Expenses, Tasks 1 and 2				\$17,970
Optional Tasks				
Hourly Rate ==>	\$200	\$150		
Water Rate Study: Optional Task 3				
3 Water Cost-of-Service Evaluation and Rate Structure Analysis	<u>18</u>	<u>44</u>	<u>62</u>	\$10,200
Total Estimated Hours	18	44	62	
Labor Costs	\$3,600	\$6,600	\$10,200	
Total Labor				\$10,200
Total Expenses				<u>\$0</u>
Total Labor and Expenses, Optional Task 3				\$10,200
Sewer Rate Study: Optional Task 4				
4 Revenue Requirement/Across The Board Rate Increases	<u>14</u>	<u>32</u>	<u>46</u>	\$7,600
Total Estimated Hours	14	32	46	
Labor Costs	\$2,800	\$4,800	\$7,600	
Total Labor				\$7,600
Total Expenses				<u>\$0</u>
Total Labor and Expenses, Optional Task 4				\$7,600
Not Included in this Fee Estimate:				
- Optional Tasks 5 and 6, pending clarification on scope and schedule from the City.				
- Additional meetings associated with Sewer and Sanitation Rate Studies, pending schedule clarification from the City.				

Table 1, Water Rate Study and Optional Tasks, shows the maximum amount of the agreement to be executed with Tasks 1, 2 and 4 being of importance to the City. There are several types of rate analysis that could be conducted, however, based on information available to the City, staff believes a Revenue Requirement analysis is the best option for the City at this time to provide customers a similar type of fee structure.

Staff anticipates on presenting to City Council more information in July/August 2019 on the Water and Sewer Utility systems and an outlook on potential rate changes (if needed).

Fiscal Impact: The Revenue Requirement Analysis proposed will verify the necessary rates needed in order to sustain Water and Sewer Operations, Capital needs and debt service needs. Staff anticipates this agreement to be below the proposed not to exceed amount of \$25,570 by staff conducting much of the analysis and presentation of material.

Prior Council/Board Actions: In prior meetings City Council has directed staff to complete a Rate Analysis for Water and Sewer Funds.

Attachments: None

Recommended motion to be made by Council: I motion to authorize a sole source award and authorize the City Administrator to execute a professional services agreement with FG Solutions, LLC for up to \$25,570 for a Water (up to \$17,970) and Sewer (\$7,600) Revenue Requirement analysis and appropriate said funding to the Water and Sewer funds as presented.

City of Exeter Agenda Item Transmittal

Meeting Date: June 11, 2019

Agenda Item Number: 11

Wording for Agenda: Public Hearing to adopt Resolution 2019-12 establishing a FY 2019-2020 General Fund appropriation limit of \$8,760,441.

Submitting Department: Finance
Contact Name: Chris Tavarez, Finance Director
Phone Number: 592-2755
Email: ctavarez@exetercityhall.com

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☐ Regular Item

☒ Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that Council adopt Resolution 2019-12 establishing a FY 2019-2020 General Fund appropriation limit of \$8,760,441.

Summary/Background

In 1979, California voters approved Proposition 4, informally known as the "GANN Initiative", which provides limits to the amount of tax proceeds state and local governments spend each year. Annually City Council is required to establish an appropriation limit for the City of Exeter to comply with this legislation. The California Revenue and Taxation Code, Section 2227, mandates that the State Department of Finance transmit an estimate of the percentage change in population at the beginning of the year to local governments which is the basis for this calculation.

The State of California provides the population and California per capita personal income change data for local jurisdictions to calculate their appropriations limit. Each local jurisdiction must use the percentage change in population factor from January 1, 2019 in conjunction with a change in the cost of living or cost factor, to calculate their appropriations limit for fiscal year 2019-2020. The percentage change of personal income per capita over the prior year was 3.85. The population percent change for Exeter was .16 percent. Based on this information the 2019-2020 General Fund appropriation limit for the City of Exeter is \$8,760,441 as shown in Table 1.

Actual appropriations to be approved by City Council are below this amount based on the 2018-19 and 2019-20 Budget. The General Fund appropriation proposed in the mid cycle budget revision for 2019-20 is under \$4.4 million which is well below the limit established by this action. The GANN limit increases based on population and inflation, tax revenues have not kept pace with those increases.

The General Fund is the only fund subject to the appropriation limit mandated by the State. Any challenge must be brought within 45 days from the effective date of the resolution.

**Gann Appropriations Limit
FY 2019-20**

Prior Council/Board Actions: In previous years the Council has adopted Resolutions establishing General Fund appropriations limits.

Recommended motion to be made by Council/Board: I move to adopt Resolution 2019-12 as presented.

RESOLUTION NO. 2019-12

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EXETER
ESTABLISHING THE 2019-20 APPROPRIATIONS LIMIT**

WHEREAS, IN 1979, California voters approved Proposition 4 (Article XIII-B of the California State Constitution), informally known as the “GANN Initiative”, which provides limits to the amount of tax proceeds state and local governments spend each year; and

WHEREAS, in 1980, the State Legislature added Section 9170 of the Government Code stating that the governing body of each City must establish by resolution, an appropriation limit for the following year. The limit for any fiscal year is equal to the previous year’s limit, adjusted for population changes and the change in the U.S. Consumer Price Index (or California per capita personal income, if smaller). The information is provided by the California Department of Finance.

WHEREAS, Proposition 111 modified Article XIII-B. A City may choose which annual adjustments to use. The adjustment factors include the growth in the California Per Capita Income or the growth in the non-residential assessed valuation due to construction within the City and the population growth within the City or county.

IT IS NOW THEREFORE RESOLVED THAT; the appropriations limit as defined by Propositions 4 and 111 is set at \$8,760,441 for the 2019-20 fiscal year using the personal income per capita change of 3.85 and the population percent change of 0.16 as established by the Department of Finance.

PASSED, APPROVED AND ADOPTED THIS 11TH DAY OF JUNE, 2019, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

Mayor

ATTEST:

City Clerk



May 2019

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2019, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2019-20. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2019-20 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2019.**

Please Note: The prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY BOSLER

Director

By:

Vivek Viswanathan
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2019-20 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

2019-20:

Per Capita Cost of Living Change = 3.85 percent
Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio: $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20: $1.0385 \times 1.0047 = 1.0434$

Fiscal Year 2019-20

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2018-2019	1-1-18	1-1-19	1-1-2019
Tulare				
Dinuba	1.65	24,918	25,328	25,328
Exeter	0.16	10,984	11,002	11,002
Farmersville	0.15	11,341	11,358	11,358
Lindsay	2.27	13,062	13,358	13,358
Porterville	0.05	59,961	59,988	60,260
Tulare	2.24	65,503	66,967	66,967
Visalia	1.32	136,403	138,207	138,207
Woodlake	1.26	7,793	7,891	7,891
Unincorporated	-0.25	145,026	144,667	144,741
County Total	0.79	474,991	478,766	479,112

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

City of Exeter Agenda Item Transmittal

Meeting Date: June 11, 2019

Agenda Item Number: 12

Wording for Agenda: Public Hearing to review rates and fees and adopt Resolution 2019-13 approving the City of Exeter 2019/20 Rate and Fee Schedule.

Submitting Department: Finance
Contact Name: Chris Tavaréz, Finance Director
Phone Number: 592-2755
Email: ctavarez@exetecityhall.com

Department Recommendation:

Staff recommends that City Council conduct a public hearing to review rates and fees and adopt Resolution 2019-13 approving the City's Rate and Fee Schedule for fiscal year 2019/20.

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☐ Regular Item

☒ Public Hearing

Review:

**City Administrator
(Initials Required)**



Summary/Background:

Rates and fees are generally adjusted in two different ways, 1) based on actual cost and rate studies that evaluate the actual base cost of providing the service and the rate needed to cover that cost and 2) annually to insure base costs are adjusted to keep up with inflation. This item covers the second case of inflationary cost and rate adjustments.

All rates, fees, development impact fees and business tax went through the standard inflationary review by staff and various adjustments are recommended to City Council for approval. City ordinance limits the increases on fees to annual inflationary indices and adjustments based on the rising costs of services provided. These adjustments will assist in covering inflationary costs and lessen the burden on the General Fund and Enterprise Funds to support critical services and operations. If approved, the effective date is July 1, 2019 for all rates (unless previously approved) and fees, except for Impact Fees which require a 60--day notice, thus making the effective date for these fees August 11, 2019.

Inflationary fee increases are based on cost recovery or established indexes, such as the Consumer Price Index (CPI). For this fiscal year 2019/20 Impact Fees use a building industry CPI index known as the Engineering News Record Construction Cost Index (ENRCCI). The ENRCCI for May 2018 - Apr. 2019 (Average of Los Angeles and San Francisco Indexes) is 2.05%. Business Tax rate changes requires a vote by the taxpayers to adjust the rates established, as such rates are unchanged. Staff will continue to monitor and review all rates and fees in the future to verify that at a minimum City costs are recovered.

Staff will review with City Council the rates and fee schedule at the June 11th meeting.

NEW FEES: The following is a listing of proposed new fees beginning in the upcoming fiscal year, effective July 1, 2019. All other fees and rates were previously established by City Council and reflect minor adjustments for cost recovery or CPI increases.

Planning and Development

- Development Agreement: (\$1,600) To offset the costs to the City for the development and execution of an agreement for a development project in the City
- General Plan Amendment (Complex): (\$1,875) For complex General Plan Amendments that require significant Planning and Engineering staff effort
- Appeal (Site Plan Review or Planning Commission Action): (\$250) cost to file an appeal of a Site Plan Review or Planning Commission Action to City Council
- Engineering Special Services: (\$180 hr.) establish rate for special services
- Planning Special Services: (\$80 hr.) establish rate for special services

Earlier this year, a refuse collection/disposal cost and rate analysis were conducted. Based on this analysis refuse rate increases were implemented through a Proposition 218 process for rate increases. Staff is currently completing similar analyses for the water and sewer enterprises and will be returning to Council soon to discuss costs and rates for these funds and any potential rate adjustments.

Fiscal Impact: Proposed increases of various City rates and fees will help the City recover costs and lessen the impact on the General Fund and other funds.

Prior Council/Board Actions: Council approval of Rate and Fee Schedules in past years.

Attachments:

DRAFT 2019/20 City of Exeter Rate and Fee Schedule
Resolution 2019-13

Recommended motion to be made by Council/Board: I move to adopt Resolution 2019-13 as presented.
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CITY OF EXETER
RATE AND FEE SCHEDULE

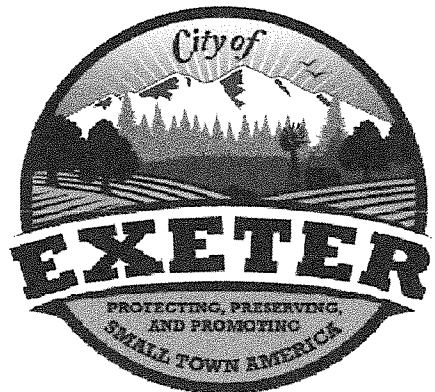


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Adopted June 11, 2019
Effective July 1, 2019, Impact Fees August 11, 2019

CITY OF EXETER FEE SCHEDULE

POLICE

<u>Fee Description</u>		<u>2019/20</u>
Bicycle License		\$ 5
Clearance Letter		\$ 30
Accident Report		\$ 25
Crime Report		\$ 25
Live Scan Fingerprints (plus DOJ fees)		\$ 25
Photographs		\$ 25
Vehicle Release		\$ 85
DUI Vehicle Release		\$ 145
Impound 30 Day - 14602.6 CVC		\$ 145
Repossession		\$ 15
Non EPD Ticket Sign Off		\$ 10

CITY OF EXETER FEE SCHEDULE

Administration and Finance

<u>Fee Description</u>		<u>2019/20</u>
Business License Fees		
Business License < \$30,000 gross income		\$ 60
Business License > \$30,000 gross income		\$ 80
Home Occupancy		\$ 30
Application (one time per license)		\$ 10
Delinquent		10%
State Casp Fee		\$ 4
Other Fees		
NSF Fee		\$ 25
8 1/2 x 11 Copies per page		\$ 0.10
Fireworks (plus \$100 deposit)		\$ 150
Street Closure Request		\$ 50

**CITY OF EXETER
FEE SCHEDULE**

RECREATION AND COMMUNITY SERVICE FEES

<u>Fee Description</u>		<u>2018/19</u>	<u>2019/20</u>
Youth Programs			
	Unit		
Basketball	participant	\$ 50	\$ 55
Soccer	participant	\$ 55	\$ 60
Baseball/Softball	participant	\$ 50	\$ 55
Babe Ruth	participant	\$ 75	\$ 80
Flag Football	participant	\$ 45	\$ 50
Volleyball	participant	\$ 45	\$ 50
Adult Programs			
Men's Softball	per team	\$ 350	\$ 350
Special Events			
Horseshoes	participant	\$ 25	\$ 25
10k/2m Event	participant	\$ 25	\$ 25
Animal Services			
Dog License (altered)	each	\$ 10	\$ 10
Dog License (unaltered)	each	\$ 25	\$ 25
Other Services charged by City of Visalia Animal Control/Shelter			
Other Services			
Yard Sale Permit	each	\$ 10	\$ 10
Weed Abatement	incident	cost recovery	cost recovery
Graffiti Abatement	location	cost recovery	cost recovery
Facility Fees			
Lions Club Arbor	day	\$ 30	\$ 30
Wading Pool Arbor	day	\$ 30	\$ 30
Brickhouse Arbor	day	\$ 30	\$ 30
Dobson Field			
Tackle Football	day per field	\$ 20	\$ 20
Soccer/Baseball/Softball	day per field	\$ 50	\$ 50
Lions Stadium	day	\$ 75	\$ 75
City Park Arbor	day	\$ 75	\$ 75
Special Events - City Park	day	\$ 150	\$ 150
Field/Stadium Lights Fee	hour	\$ 15	\$ 15
Alcohol Permit (w/ facility rental)	per event	\$ 20	\$ 20
- lesser of 20 individuals or 1/2 of group	per person	\$ 2	\$ 2
Amplifier Permit	per event	\$ -	\$ -

CITY OF EXETER FEE SCHEDULE

PUBLIC WORKS

Fee Description	2018/19	2019/20
Water Connection	\$ 330	\$ 330
Water Capital - single family	\$ 5,312	\$ 5,420
Water Capital - multi-family	\$ 2,709	\$ 2,764
Water Capital - mobile home	\$ 2,709	\$ 2,764
Water Capital - comm/ind.	City Engineer calculates based on Equivalent Dwelling Unit	
Sewer Connection/Capital - single family	\$ 748	\$ 763
Sewer Connection/Capital - multi-family	\$ 434	\$ 443
Sewer Connection/Capital - mobile home	\$ 434	\$ 443
Sewer Connection/Capital - comm/ind.	City Engineer calculates based on Equivalent Dwelling Unit	
Storm Drain Fee - acre	\$ 867	\$ 885
State Permit Fee	\$ 90	\$ 90
Encroachment Permit	\$ 75	\$ 75
Annual Encroachment Permit	\$ 200	\$ 200
Inspection Fee	\$ 50	\$ 50
Water/Administrative Citations		
1st Citation	\$ 100	\$ 100
2nd Citation	\$ 200	\$ 200
3rd Citation	\$ 500	\$ 500
Weed Abatement Fee (plus site cleanup costs)	\$ 75	\$ 100
Broken Curb Stop Replacement Charge	\$ 150	\$ 150
Broken Lock Replacement Charge	\$ 20	\$ 20
Pull-meter Charge	\$ 50	\$ 50
MTU Fee	\$ 102	\$ 102
Meters		
5/8"	\$ 139	\$ 144
3/4"	\$ 185	\$ 208
1"	\$ 255	\$ 330
1 1/2"	\$ 500	\$ 545
2"	\$ 695	\$ 699

- Engineering News Record Construction Cost Index- 2019 of 2.05% (April 2019)

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**CITY OF EXETER
FEE SCHEDULE**

PLANNING AND DEVELOPMENT

Fee Description	2018/19	2019/20
Tentative Subdivision Map	\$ 1,375	\$ 1,400
Final Subdivision Map	\$ 3,775	\$ 3,800
Site Plan Review	\$ 825	\$ 850
Site Plan Review with zone change	\$ 950	\$ 975
General Plan Amendment	\$ 850	\$ 875
General Plan Amendment - Complex		\$ 1,875
Zoning Ordinance Amendment	\$ 950	\$ 975
Appeal (SPR or Planning Commission Action)		\$ 250
Zone Variance	\$ 625	\$ 650
Conditional Use Permit	\$ 950	\$ 975
Lot Line Adjustment	\$ 525	\$ 550
Minor Deviation	\$ 50	\$ 80
Tentative Parcel Map	\$ 675	\$ 700
Final Parcel Final	\$ 1,825	\$ 1,850
Annexation Application to City	\$ 1,325	\$ 1,350
LAFCO Fee	Actual	Actual
Development Agreement		\$ 1,600
Engineering Plan Check and Inspection	3% of Site Value	4% of Site Value
Engineering Special Services		\$180 hr.
Planning Special Services		\$80 hr.
Impact Fees*		
Landscape Median - single family	\$ 405	\$ 414
Landscape Median - multi-family	\$ 289	\$ 295
Landscape Median - mobile home	\$ 201	\$ 205
Signal - single family	\$ 323	\$ 330
Signal - multi-family	\$ 231	\$ 236
Signal - mobile	\$ 160	\$ 163
Railroad Crossing - single family	\$ 168	\$ 172
Railroad Crossing - multi-family	\$ 120	\$ 123
Railroad Crossing - mobile home	\$ 83	\$ 85
Bike Path - single family	\$ 34	\$ 35
Bike Path - multi-family	\$ 24	\$ 24
Bike Path - mobile home	\$ 16	\$ 17
Public Facilities - single family	\$ 1,127	\$ 1,150
Public Facilities - multi-family	\$ 376	\$ 383
Public Facilities - mobile home	\$ 1,082	\$ 1,104
Parks - single family	\$ 613	\$ 625
Parks - multi-family	\$ 519	\$ 530
Parks - mobile home	\$ 587	\$ 599
Commercial Impact	Engineer calculates based on E.D.U.	
Industrial Impact	Engineer calculates based on E.D.U.	
- Engineering News Record Construction Cost Index- 2019 of 2.05% (April 2019)		
* Some residential subdivisions have individual devleopment agreements and may have different fees than shown above.		

CITY OF EXETER FEE SCHEDULE

UTILITIES

<u>Fee Description</u>	<u>2019</u>	<u>2020*</u>
Utility Late Fee	\$ 10	\$ 10
Utility Shutoff/Reconnect Fee	\$ 35	\$ 35
Utility Shutoff/Reconnect Fee (after hours)	\$ 90	\$ 90
Sewer Rates		
Base Rate	\$ 22.18	\$ 22.85
Water Rates		
Base Rate per 1,500 cubic feet	\$ 24.26	\$ 24.98
Cost per 100 cubic feet (cf) above 1,500 cf	\$ 1.52	\$ 1.56
Refuse Rates		
Residential	\$ 20.64	\$ 21.26
Residential Shared	\$ 19.05	\$ 19.62
Residential w/o Green Waste	\$ 19.92	\$ 20.52
Residential +1	\$ 7.65	\$ 7.88
Commercial Rates		
1 yd x 1	\$ 48.00	\$ 48.00
2 yd x 1	\$ 79.60	\$ 79.60
2 yd x 2	\$ 129.30	\$ 129.30
3 yd x 1	\$ 101.50	\$ 101.50
3 yd x 2	\$ 165.60	\$ 165.60
4 yd x 1	\$ 135.00	\$ 135.00

CITY OF EXETER FEE SCHEDULE

UTILITIES

<u>Fee Description</u>	<u>2019</u>	<u>2020*</u>
4 yd x 2	\$ 249.00	\$ 249.00
6 yd x 1	\$ 169.50	\$ 169.50
6 yd x 2	\$ 329.00	\$ 329.00
Commercial Recycling		
2 yd x 1	\$ 36.80	\$ 36.80
2 yd x 2	\$ 63.00	\$ 63.00
3 yd x 1	\$ 135.00	\$ 135.00
3 yd x 2	\$ 249.00	\$ 249.00
6 yd x 1	\$ 169.50	\$ 169.50
6 yd x 2	\$ 329.00	\$ 329.00
Commercial Organics		
96 gallon x 1	\$ 18.40	\$ 18.40
96 gallon x 2	\$ 35.70	\$ 35.70
96 gallon x 3	\$ 52.00	\$ 52.00
2 yd x 1	\$ 66.20	\$ 66.20
2 yd x 2	\$ 110.30	\$ 110.30
Mobile Home Park	\$ 2,696.00	\$ 2,776.88
2 units	\$ 39.90	\$ 41.09
3 units	\$ 59.84	\$ 61.64
4 units	\$ 79.79	\$ 82.19
Senior	\$ 19.40	\$ 19.98
Senior w/o Green Waste	\$ 18.68	\$ 19.24
Senior + 1	\$ 27.32	\$ 28.14
Refuse Shared	\$ 48.96	\$ 50.43
Lid - Lock	\$ 5.23	\$ 5.96

**CITY OF EXETER
FEE SCHEDULE****UTILITIES**

<u>Fee Description</u>	<u>2019</u>	<u>2020*</u>
Deposit	\$ 134.16	\$ 138.18
* All 2020 fees have already been approved by City Council in prior action in 2015 and 2019		
They will be effective January 1, 2020.		

RESOLUTION 2019-13

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EXETER
APPROVING AND CONFIRMING IMPLEMENTATION OF THE 2019/20 RATE AND
FEE SCHEDULE**

WHEREAS, the City's 2019/20 Rate and Fee Schedule summarizes rates and fees for the City of Exeter; and

WHEREAS, City Council has approved and conducted a public hearing June 11, 2019 with changes to the Rate and Fee Schedule for 2019/20 to include cost recovery for City services; and

WHEREAS, said rates and fees will become effective July 1, 2019 (unless previously approved), except for Impact Fees which require a 60-day notice thus making the effective date for those fees August 11, 2019; and

WHEREAS, City Council has reviewed and approved these rates and fees as reimbursement of City costs for providing services; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Exeter approves and confirms implementation of the 2019/20 Rate and Fee Schedule.

PASSED, ADOPTED AND APPROVED this 11th day of June 2019 by the following vote:

AYES:

NOS:

ABSTAIN:

ABSENT:

MAYOR

ATTEST:

CITY CLERK

City of Exeter Agenda Item Transmittal

Meeting Date: June 11, 2019

Agenda Item Number: 13

Wording for Agenda: Public Hearing to receive the budget presentation, review and discuss proposed budget amendments, provide staff direction to finalize the 2019/20 mid cycle budget amendment for approval on June 25, 2019 and affirm the established City financial policies.

Submitting Department: Finance
Contact Name: Chris Tavarez, Finance Director
Phone Number: 592-2755
Email: ctavarez@exetercityhall.com

Department Recommendation:

Staff recommends that City Council conduct the following for a 2019/20 mid cycle budget amendment:

- Review and discuss the draft 2019/20 budget amendments
- Conduct a public hearing
- Direct staff to:
 - Address Council direction in the budget amendment
 - Return to the June 25, 2019 Council with the revised 2019/20 budget for approval
- Affirm the established City's financial policies
 1. Pass a Balanced Budget
 2. Build Budget Reserve of 10% of expenditures (all operating funds)
 3. Use one-time and unexpected revenues for capital, special projects or reserve
 4. Enterprise Rates should be set to recover operating costs
 5. Investment Policy will keep cash liquid and safe
 6. Debt Management, debt will be used sparingly
 7. Annual Audit, annual financial audit will be conducted timely

Summary:

What is presented today is a balanced General Fund budget for a second consecutive year thanks to past and current efforts by City Council and staff. Staff has analyzed and updated the budgeted revenues and expenditures for 2019/20 and believes these are achievable to meet the Council's financial policies. However, this balanced budget does exclude many items that will have to be addressed in upcoming budgets. While costs have risen, expenses have been reduced to the point that this budget is not able to fully fund items such as deferred capital projects, vehicle and equipment replacements, building maintenance, park maintenance, training and operating service needs. Bringing the 2018/2019 and 2019/20 budgets into balance has provided the City with a better understanding and control of the budget that will allow the building of sustainable approaches to address the deferred items. With the reduction of operating costs eliminating items that will create serious future issues, staff's focus is currently directed towards the immediate goal of determining the revenue required in all funds to cover operating and capital costs which will insure continuation, and hopefully improvement of, current services. As always, staff will continue to seek cost savings anywhere possible.

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☐ Regular Item

☒ Public Hearing

Review:

**City Administrator
(Initials Required)**



Proposed Budget Amendments

Appropriations

Table 1 “2019/20 Budget Appropriation Update” shows the total amount of appropriations reflected in the 2019/20 budget amendment presented. Council may provide additional direction and input in addition to holding a public hearing on the budget. A final document update will be brought to City Council on June 25, 2019 for adoption. Council always has the ability to take action to reshape the budget as it sees fit throughout the year at future meetings.

Table 1: 2019/20 Budget Appropriation Update

	Original 2019-20 Budget	Proposed 2019-20 Budget
General Fund	\$4,214,000	\$4,366,000
Road Funds	\$677,000	\$6,357,000
Housing Funds	\$40,000	\$40,000
Other Special Revenues	\$174,000	\$174,000
Water	\$1,654,000	\$1,843,000
Sewer	\$977,000	\$1,144,000
Solid Waste	\$1,132,000	\$1,137,000
Insurance	\$1,107,000	\$1,112,000
Total	\$9,976,000	\$16,173,000

Although there is an increase in projected revenue for the General Fund, this is due primarily to increased projections in Sales Tax and Property Tax. Although some subsequent projections have been higher, staff has used a conservative sales tax projection which is approximately in the middle of the range initially presented by the City’s sales tax consultant. Sales tax can be volatile because it is based on consumer spending and is susceptible to highs and lows in the economy. In addition, consumer spending is changing to less tangible items and more on-line shopping (e-commerce) and entertainment.

Legislation is beginning to be developed to protect local governments’ sales tax revenues from online sales. The 2019/20 Sales Tax projection includes additional revenue due to the Wayfair ruling. The Wayfair ruling now requires out-of-state retailers to collect and remit use tax (sales tax) on sales that exceed \$100,000 in total or have 200 plus transactions to the state the product was delivered to. This change began April 1, 2019. Other related legislative efforts are ongoing.

Economic experts in the United States are not forecasting a recession to begin before the end of the 2019/20 fiscal year. Some economists suggest we are “overdue” for a downturn in the economy. Since 1954 (Post World War II) the average growth period between recessions has been five years. We are currently experiencing the 10th consecutive year of economic growth. City Staff has not accounted for a recession in future projections but suspects it will be inevitable. With a balance budget, it is important for the City to position itself to be able to potentially build up reserves from the 3% it had at the end of 2017/18 fiscal year.

Contracted Services – The City now contracts with Visalia Animal Control Services and Shelter (One Animal Control Officer/Code Enforcement position not filled), in addition, park maintenance is now contracted instead of having two City employees do the work. By contracting out these services, the City has decreased costs for these essential services. This reflects in the proposed budget which was not reflected in the original 2019/20 budget.

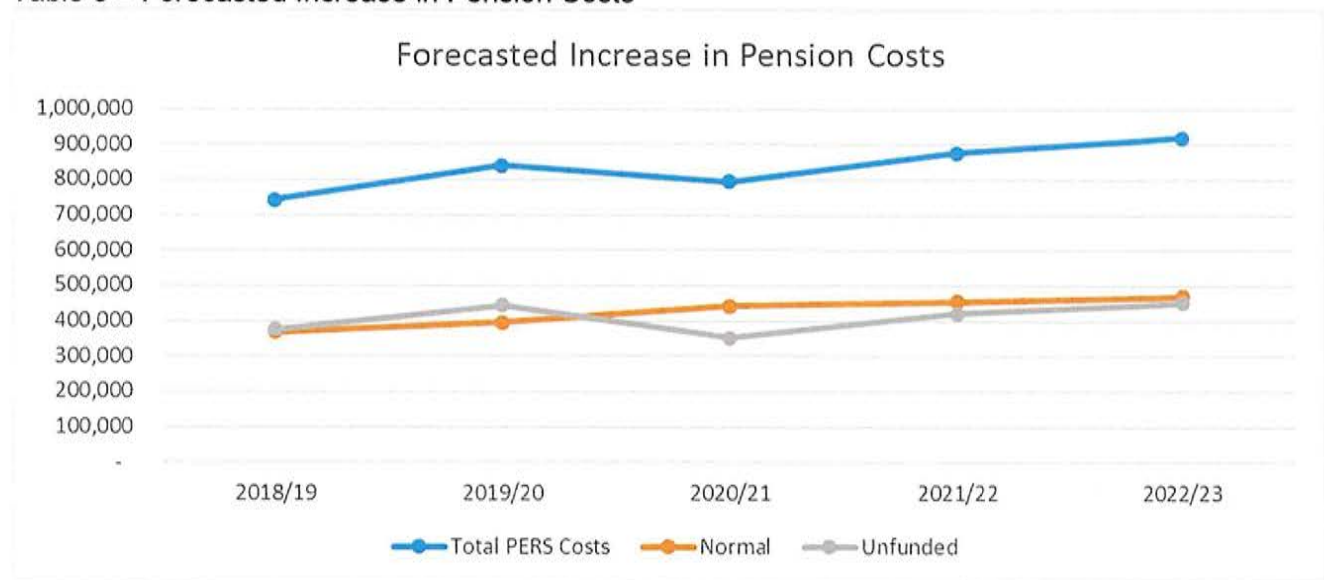
Road Funds account for the largest increase in the budget, this is due to the projected bid award for construction of two large road projects, Visalia Road from Jacobs Place to Orange Avenue and Palm Avenue from Filbert Avenue to Kaweah Avenue. Funding for these projects is

possible due in large part to Measure R funding from a ½ cent sales tax for all of Tulare County as well as some federal and local funding. There are \$307,000 of restricted road funds proposed to be transferred in to the General Fund to offset Street Division costs and maintain the required General Fund contribution level of \$100,000.

Organizational Position Improvements

Ongoing Increase in employee costs and capital needs – The budget does consider increases in employee costs such as CalPers Unfunded Pension Liability and Health Care increases. Table 3 – Forecasted Increase in Pension Costs shows the City will need to budget approximately \$50,000 more annually until 2023 at a minimum. In addition, it does include previously approved salary increases of 1% to all employee groups as well as three position reclassifications (reclassification of existing positions). However, there are no additional positions budgeted nor additional salary increases budgeted that may be needed to retain and provide adequate staffing for city services.

Table 3 – Forecasted Increase in Pension Costs



No new positions are recommended to be added to the City's budget. Staff does recommend some organizational improvements due to the inability to add positions and pressing organizational needs that are relatively minor cost increases.

Two new classifications are proposed, a City Clerk/Human Resources Manager and Financial Analyst. Staff anticipates that these positions will result in operating budget savings due to their increased concentration on insurance, risk and offsetting consultant costs. Due to offsetting costs staff anticipates a net zero impact to the General Fund for these two positions.

The City currently has a classification for a Maintenance Worker III. After a retirement of a long-time City employee at the Maintenance Worker III position, this position was backfilled at the Maintenance I level. Budgets since that time have not included a position count for a Maintenance Worker III classification. Staff recommends that a reclassification be considered of an existing Maintenance I position due to the relatively minimal cost for the organizational needs of increased supervision, safety and workload improvement that may lead to organizational savings, thus offsetting costs. The Maintenance Worker III classification results in an increase in costs of approximately \$10,000 allocated out to Enterprise Funds.

These position adjustments are budgeted in the proposed 2019/20 budget amendment. Internal recruitments would be considered for these positions, should they not be filled additional budget savings would occur and staff would consider filling them in the future.

- City Clerk/Human Resources Manager
 - Reclassification for organizational needs and increased scope of work
- Financial Analyst
 - Reclassification for organizational needs and increased scope of work
- Maintenance Worker III
 - Reclassification for organizational needs and increased scope of work

Immediate and Near-Term Needs

Despite increases to the budget in some funds, it is important to know there remains many deferred expenses (such as vehicle replacements, facility maintenance, training and other operating needs) and deferred capital needs due primarily to rising costs. Long term those needs may not continue to be deferred without serious consequences, additional revenues will need to be developed or cutting other expenses to make room for funding those needs will be necessary. Cutting additional expenses would be extremely difficult, as staff and resources are already struggling to provide current services so any further reductions will likely require a reduction in services provided.

General Fund Capital Needs – Although a few capital needs have been integrated in the budget, there are additional needs that will need to be considered in the future. Staff will continue to analyze future needs and bring back these items at a future date to layout a proposed schedule for Council consideration for implementation.

- Police Vehicles - \$50,000 + each: Additional replacement vehicles will be needed to keep the fleet in good condition. It is anticipated at least 2 vehicles per year will be needed.
- Building Maintenance - \$75,000+/unknown: Deferred maintenance in the past few years due to budget restraints has created a growing need for building maintenance on City facilities. Staff will work on prioritizing and taking care of facility needs as the budget allows.
- Training – Has been reduced due to budget restraints
- Additional Police Supervision
- Sustainable Code enforcement Support

Table 2 - Enterprise Fund Summary shows the increase in capital expenditures is not sustainable in the future. The Water and Sewer Funds have capital expenditures and operating costs that current rates cannot support and are requiring the use of fund balances. In the Sanitation Fund, the franchise fees that the City collects have been adjusted to support the administrative costs to the fund for collection of payments and coordination of contract services provided.

Table 2 – Enterprise Fund Summary

Summary	Water	Sewer	Sanitation
Amounts in Thousands			
7/1/2019			
Balance	1,130	(115)	(179)
Revenues	1,681	1,104	1,106
Charges to other funds			
Transfers In			
Resources	1,681	1,104	1,106
Expenditures			
- Operations	(1,737)	(1,092)	(1,137)
- Capital	(106)	(51)	-
Transfers Out	-	-	-
Uses	(1,843)	(1,143)	(1,137)
Revenues Over/(Under)	(162)	(39)	(31)



Not sustainable

Enterprise Rates – City staff is in the process of a Revenue Requirement Analysis for Enterprise Funds to determine the rates needed to cover operating and capital needs. At this time the Water and Sewer funds have large infrastructure needs on the horizon and there are signs that the rates will not be adequate to cover future needs and operating costs.

Future items for Council to consider to improve the financial condition of the City

Unless the City is able to realize substantial additional savings or greater than expected rise in revenues, which is unlikely, City Council will need to consider additional revenue measures such as a Sales Tax and Enterprise rate increases in order to continue providing services for the City in the future. Services such as Recreation, Police and Streets will be at risk of reduction as current revenues are unable to outpace expenses especially with significant needs known such as:

Unbudgeted needs

- Vehicle replacement
- Police Radios - \$130,000
- Training
- Building Maintenance – To be determined
- Salary increases (Merit & Cost of Living) – To be determined
- Police Officer - \$100,000
- Police Sergeant or Corporal – To be determined
- Utility and Administrative Organizational Improvements– To be determined

After master plans and rate studies are completed for the Enterprise Funds and rates adjusted, it will be appropriate to further assess the condition of the General Fund and look towards a possible Sales Tax Measure to be able to sustain and improve upon the level of services that the City has come to expect.

- Enterprise Rates Analysis – ***In Process (2019 completion)***

- Sales Tax Measure – ***Begin consideration summer 2019 and, if initiated, prepare for 2020 election by July 2020.***

Conclusion:

The City has a number of important planning projects to continue and complete in this next year, namely:

1. Water Master Plan - to address improvements to increase reliability and maintain water pressure
2. Enterprise Rates - to assure adequate capital investment
3. General Fund stability will be assessed after all the changes imposed on the General Fund have time to indicate if the revisions are adequate or not.
4. General Fund needs for police vehicles, building maintenance, police radios and training.
5. Sales Tax Measure – ***Begin consideration summer 2019 and, if initiated, prepare for 2020 election by July 2020.***

Despite these challenges or possibly because of them, the City of Exeter has obtained a balanced budget while in pursuit of improving fiscal health.

Fiscal Impact: When adopted on June 25, 2019, this budget amendment will provide a balanced and controlled budget to allow for the development of sustainable financial direction to the City.

Prior Council/Board Actions: May 28, 2019 – City Council was presented with a draft of the 2019/20 mid cycle budget amendments.

Attachments:

Attachment 'A': 2019/20 Budget Amendment (Proposed)

Recommended motion to be made by Council/Board: I move to direct staff to develop the final 2019/20 budget amendment per Council discussion for adoption on June 25, 2019 and affirm the City's established financial policies.

BUDGET SUMMARY (Projected)

		Special Revenue Funds			Enterprises			Internal	Total
	General Fund	Roads	Housing	Other Special Revenues	Water	Sewer	Sanitation	Insurance	Budget
Summary									
Amounts in Thousands									
7/1/2019									
Balance	146	4,542	288	181	985	(255)	(104)	159	5,942
Revenues	4,059	5,300	168	183	1,681	1,104	1,106	125	13,726
Charges to other funds								1,007	1,007
Transfers In	307								307
Resources	4,366	5,300	168	183	1,681	1,104	1,106	1,132	15,040
Expenditures									
- Operations	(4,341)		(40)	(75)	(1,737)	(1,092)	(1,137)	(1,050)	(9,473)
- Capital	(25)	(6,075)	-	(90)	(106)	(51)	-	(10)	(6,357)
Transfers Out		(307)			-	-	-		(307)
Uses	(4,366)	(6,382)	(40)	(165)	(1,843)	(1,143)	(1,137)	(1,060)	(16,137)
Revenues Over/(Under)	0	(1,082)	128	18	(162)	(39)	(31)	72	(1,097)
6/30/2020									
Balance	146	3,460	416	199	823	(294)	(135)	231	4,845

Fund Balance Analysis

The 6/30/2020 balance in each of the respective funds shows what monies remain available for that fund's purposes. Only the General Fund will designate or reserve funds to special purposes because the other funds' balances are already restricted to that fund's special purpose. The General Fund has no designated items or reservations against its fund balance.

Summary of Transfers

Summary of Transfers
All Amounts in Thousands

<u>Transferring Fund</u>		<u>Receiving Fund</u>	
<u>FY 2019/20</u>			
Gas Tax	115	General Fund	307
Measure R	85		
Transportation	<u>107</u>		
	307		

To fund qualified street expenditures in the General Fund. General Fund net expenditure for roads is \$100,000.

General Fund Summary
All Amounts in Thousands
2019/20

	FY 2019-20
General Fund Revenues	4,059
- Transfer In	<u>307</u>
Total Resources	<u><u>4,366</u></u>
Expenditures	
Operations	
- Council	2
- Administrator	87
- Finance	77
- General Government	697
- Police	2,793
- Streets	382
- Recreation	144
- Parks	159
Capital	<u>25</u>
	<u><u>4,366</u></u>
Revenues Over/(under)	
Expenditures	<u>0</u>

Capital Project Summary
All Amounts in Thousands

	<u>General</u>						
	<u>Fund</u>	<u>Water</u>	<u>Sewer</u>	<u>COPS</u>	<u>Roads</u>	<u>Insurance</u>	<u>Total</u>
<u>Fiscal Year 2019/20</u>							
Pipeline Replacement		100					100
Sewer Lift Stations Reliability			50				50
Visalia Road					3,600		3,600
Palm Street Dig Out					2,150		2,150
Slurry Seal					200		200
Crack Seal					25		25
Equipment/Vehicles	25	6	1	90		10	132
Fiscal Year 2019/20 Total	25	106	51	90	5,975	10	6,257

FY 2019/20										
	Gen. Gov	PD	Parks	Streets	GF	Water	Sewer	Insurance		All Equipment
	104.404.074	104.421.074	104.472.074	104.431.074	Total	105.461.074	107.441.074		COPS Grant	
1 Misc. Tools			-	-	-	1,250	1,250			2,500
2 Tree Trimming				25,000	25,000					25,000
3 Pipe Repair Clamps					-	2,000				2,000
4 Cement Saw					-	3,000				3,000
5 Police Vehicle Replacement		-			-			90,000		90,000
6 Risk Mitigation	-				-	-	-	10,000		10,000
Total	-	-	-	25,000	25,000	6,250	1,250	10,000	90,000	132,500

ROADS

Summary Projection

Amounts in Thousands	General	Roads					All Road Funds
	Fund	Gas Tax	Measure R	Transportation	SBI	Total	Resources
7/1/2019							-
Balance	-	260	963	993	64	4,542	4,542
<u>Revenues</u>	100	223	3,812	1,063	202	5,300	5,400
Transfers In	307					-	307
	407	223	3812	1063	202	5300	5,707
<u>Expenditures</u>							
Personnel/Op Cost	(269)					-	(269)
Street Materials	(113)					-	(113)
Street Lighting		(100)				(100)	(100)
Slurry Seal					(200)	(200)	(200)
Visalia Road			(3,600)			(3,600)	(3,600)
Palm Avenue			(1,000)	(1,150)		(2,150)	(2,150)
Crack Seal		(25)				(25)	(25)
Equipment/Capital	(25)					-	(25)
Transfers Out		(115)	(85)	(107)		(307)	(307)
	(407)	(240)	(4,685)	(1,257)	(200)	(6,382)	(6,789)
							-
<u>Revenues Over/(Under)</u>	(0)	(17)	(873)	(194)	2	(1,082)	(1,083)
7/1/2020							
Balance	(0)	243	90	799	66	3,460	3,459

CITY OF EXETER
2019/20 BUDGET AMENDMENT (PROPOSED)

ATTACHMENT 'A'

Revenue Summary – General Fund

City of Exeter General Fund		<u>Forecast</u> FY 19/20	<u>New Forecast</u> FY 19/20
104.300.001.000	CURRENT TAXES-SECURED	742,630	763,340
104.300.002.000	CURRENT TAXES-UNSECURED	46,360	46,580
104.300.002.005	ABX1 26 RESIDUAL	-	-
104.300.003.000	PRIOR YEARS TAXES-SECURED	-	-
104.300.004.000	PRIOR YEAR TAXES-UNSECURED	-	-
104.300.006.000	PROPERTY TAX INTEREST	420	420
104.300.007.000	PROPERTY TRANSFER 1430	31,200	23,000
104.300.008.000	SUPPLEMENTAL PROPERTY TAXE:	-	-
104.300.009.000	OTHER SERVICES LANDS & LIGHT	-	-
104.300.009.001	FIRE TAX	167,620	200,160
104.300.010.000	CRIME PREVENTION	-	-
104.300.011.000	PROP 172	70,540	71,951
104.300.013.000	TRAFFIC SAFETY	-	-
104.300.013.003	SLESF AB3229 LOCAL LAW ENFOR	-	-
104.300.014.000	ERAF S&U TAX 1312	-	-
104.301.001.000	SALES AND USE TAX	810,000	820,014
104.301.002.000	TRANSIENT LODGING TAX	96,900	96,900
104.301.003.000	FRANCHISE	140,450	143,260
104.301.004.000	PROPERTY TAX REAL 5380	-	3,470
104.301.005.000	UTILITY TAX	525,800	504,980
104.301.006.000	CHILD PASSENGER SEAT (3051)	-	-
104.301.007.000	BICYCLE SAFETY (3054)	-	-
104.301.008.000	AIRCRAFT 1450	-	-
104.302.001.000	BUSINESS LICENSE	41,200	41,200
104.302.002.000	BICYCLE LICENSE	-	-
104.302.003.000	DOG LICENSE	3,060	3,120
104.303.004.000	OTHER LICENSES & PERMITS	3,120	3,180
104.304.001.000	VEHICLE CODE FINES	14,360	12,610
104.304.002.000	OTHER COURT FINES	1,250	1,280
104.304.003.000	PARKING FINES	-	3,700
104.304.004.000	TRAFFIC SCHOOL	-	-
104.304.005.000	RED LIGHT VIOLATION (3011)	-	-
104.304.007.000	PUBLIC SAFETY FINES & FEES	26,800	26,800
104.304.008.000	PROOF OF CORRECTION	1,660	1,690
104.304.009.000	TOWING REVENUE	9,360	9,550
104.305.001.000	INVESTMENT EARNINGS	2,080	2,120
104.305.002.000	RENTS AND CONCESSIONS	6,450	6,580
104.305.005.001	TRANSFER IN ALLEY REPAIRS	14,460	-
104.305.007.000	RECREATION HOUSE RENT	5,200	5,200
104.305.010.000	PROCEEDS FROM SALE OF ASSET:	-	-
104.305.076.000	TRANSFER IN	-	-
104.306.002.000	STATE MOTOR VEHICLE IN LIEU	1,024,410	1,039,150
104.306.017.001	FEDERAL GRANT	-	-
104.306.017.002	POST REIMB TRAINING	-	2,000
104.306.017.003	OTHER GRANTS	-	-
104.307.001.000	ZONING AND SUBDIVISION FEE	6,870	7,830
104.307.002.000	RECREATION FEES	61,200	60,180
104.307.004.000	OTHER	26,010	26,530
104.307.004.002	OTHER REBATES/INCENTIVE PRO	-	-
104.307.004.005	OTHER STATE REIMBURSE HWY 6:	-	5,800
104.307.005.000	POLICE SERVICES	70,000	70,000
104.307.007.000	STREET SWEEPING, LEAF	56,610	56,610
Total Revenues:		4,006,020	4,059,205

REVENUES – ROAD FUNDS

		Forecast
ROAD FUNDS		<u>6/30/2020</u>
<u>GAS TAX</u>		
109.308.001.000	SECTION 2103	42,500
109.308.001.001	SB 1 LOAN REPAYMENT	-
109.308.002.000	GAS TAX OTHER DEDUCTION	-
109.308.003.000	SECTION 2106 GAS TAX	37,700
109.308.004.000	SECTION 2107 GAS TAX	77,200
109.308.005.000	SECTION 2107.5 GAS TAX	3,300
109.308.006.000	INVESTMENT EARNINGS	2,100
109.308.007.000	SECTION 2105 GAS TAX	60,200
Fund Total		223,000
<u>MEASURE R</u>		
131.306.005.000	INVESTMENT EARNINGS	5,100
131.306.015.001	LOCAL	207,100
131.306.015.002	REGIONAL	3,600,000
131.306.016.000	OTHER REVENUE	-
Fund Total		3,812,200
<u>Transportation - LTF</u>		
113.314.020.000	TRANSP-STREETS & ROADS 132	308,100
113.314.021.000	INVESTMENT EARNINGS	4,500
113.314.022.000	REIMBURSEMENT TRANSPORTA	-
113.314.023.000	STP and CMAQ REVENUE	750,000
Fund Total		1,062,600
<u>SB1</u>		
136.305.001.000	INVESTMENT EARNINGS	-
136.308.001.006	ROAD MAINTENANCE REHAB	202,000
Fund Total		202,000
ROAD FUNDS		<u>5,299,800</u>

ENTERPRISE FUNDS AND INTERNAL SERVICE FUNDS

ENTERPRISE FUNDS

		Forecast <u>6/30/2020</u>
<u>WATER</u>		
105.316.001.000	WATER USE FEE	1,487,526
105.316.002.000	WATER METER INSTALLATION	9,600
105.316.003.000	OVERAGE/SHORTAGE WATER D	-
105.316.004.000	FEES	53,300
105.316.005.000	INVESTMENT EARNINGS	17,600
105.316.006.000	WATER CAPITAL 1.00 FEE	42,400
105.316.007.000	WATER METER CAPITAL IMPRVI	68,200
105.316.010.000	MISCELLANEOUS REVENUE	2,700
	Fund Total	1,681,326
<u>SANITATION</u>		
106.317.001.000	REFUSE COLLECTION & DUMP C	1,084,770
106.317.005.000	INVESTMENT EARNINGS	-
106.317.006.000	OTHER REVENUE	20,400
	Fund Total	1,105,170
<u>SEWER</u>		
107.318.001.000	SEWER FEES ABD LEASES	1,089,200
107.318.002.000	SEWER CONNECTION FEES	-
107.318.003.000	SEWER CAPITAL IMPROVEMEN	10,900
107.318.005.000	INVESTMENT EARNINGS	3,400
107.318.006.000	OTHER REVENUE	500
	Fund Total	1,104,000
<u>INSURANCE</u>		
121.361.001.000	HEALTH INSURANCE	421,200
	EMPLOYEE HEALTH CONTRIBUT	124,800
121.361.002.000	WORKERS COMPENSATION	375,300
121.361.003.000	LTD, LIFE, DEPENDENT LIFE	35,100
121.361.005.000	LIABILITY, PROPERTY, AUTO	174,400
121.361.006.000	INVESTMENT EARNINGS	
121.361.009.000	REAL ESTATE LOAN PAYMENT	
121.361.010.000	OTHER- REFUNDS/REBATES	
	Fund Total	1,130,800

INTERNAL SERVICE FUND

INSURANCE

		Proposed 2019/2020	Original 2019/2020
121.551.001.000	SALARIES - REGULAR	51,500	30,600
121.551.004.000	DISABILITY INSURANCE	0	300
121.551.005.000	RETIREMENT AND LIFE INSUR	10,200	6,400
121.551.006.000	SOCIAL SECURITY MEDICARE	700	400
121.551.007.000	UNEMPLOYMENT INSURANCE	0	0
121.551.008.000	HEALTH INSURANCE	6,200	2,900
121.551.009.000	WORKERS COMP (SELF INS)	600	0
121.551.012.000	SPECIAL DEPT EXPENSE	10,000	0
121.551.023.000	INSURANCE	300	0
121.551.023.001	DISABILITY,LIFE,DEPENDENT	35,100	35,100
121.551.023.002	HEALTH INS &10000 LIFE	426,900	421,200
121.551.023.003	WORKERS COMPENSATION	349,141	375,300
121.551.023.004	LIABILITY INSURANCE	165,000	174,400
121.551.023.005	SELF FUND DENTAL/VISION	56,400	60,000
121.551.024.000	MEMBERSHIPS AND DUES	200	0
		<u>1,112,241</u>	<u>1,106,600</u>

WATER 105

		Proposed 2019/2020	Original 2019/2020
105.461.001.000	SALARIES - REGULAR	413,300	359,300
105.461.002.000	SALARIES - TEMPORARY	26,000	2,500
105.461.003.000	SALARIES - OVERTIME	7,000	6,600
105.461.004.000	DISABILITY INSURANCE	-	6,600
105.461.005.000	RETIREMENT AND LIFE INSUR	79,700	72,900
105.461.006.000	SOCIAL SECURITY-MEDICARE	6,000	5,200
105.461.007.000	UNEMPLOYMENT INSURANCE	-	
105.461.008.000	HEALTH INSURANCE	76,800	67,400
105.461.009.000	WORKERS COMP (SELF INS)	143,800	108,900
105.461.011.000	OFFICE EXPENSE	13,000	6,000
105.461.012.000	SPECIAL DEPARTMENT EXPENSE	300	
105.461.012.001	SUPPLIES - FN WELL TO HOME	50,000	48,000
105.461.012.002	WATER WELLS	75,000	80,000
105.461.012.003	METERS	30,000	35,000
105.461.012.004	FIRE HYDRANTS	0	16,000
105.461.012.005	PIPE MAINTENANCE	10,000	20,000
105.461.012.006	TRENCH REPAIR	0	7,500
105.461.013.000	OFFICE EQUIPMENT EXPENSE	1,700	1,000
105.461.014.000	UNIFORMS	3,200	2,700
105.461.016.000	TELEPHONE	11,000	1,950
105.461.017.000	UTILITIES	135,000	130,400
105.461.018.000	RENTS AND LEASES		
105.461.019.000	MAINT BLDGS, STRUCT & GRNDS	7,500	10,000
105.461.020.000	MAINT & OPERATION OF VEHICLE	20,000	18,000
105.461.021.000	PROFESSIONAL SERVICES	30,000	58,000
105.461.021.004	AUDIT	7,000	
105.461.022.000	CONTRACTUAL SERVICES	52,800	28,000
105.461.023.000	INSURANCE, BONDS & RETIREMEN	39,300	33,900
105.461.024.000	MEMBERSHIPS AND DUES	1,300	600
105.461.025.000	TRAVEL CONFERENCES & MEETING	800	1,500
105.461.026.000	TRAINING	600	1,000
105.461.033.000	PERSONNEL EXPENSES	700	1,700
105.461.060.000	BAD DEBT		
105.461.071.000	UPGRADES		
105.461.071.001	USDA LOAN PAYMENT WATER	102,363	220,000
105.461.071.002	DEBT INTEREST	263,717	65,500
105.461.071.003	WATER CAPITAL PROJECT		
105.461.071.004	DEBT PRINCIPAL	128,841	120,000
105.461.074.001	CAPITAL PROJECT ENGINEERING	0	30,000
		1,736,721	1,566,150

SEWER 107

		Proposed 2019/2020	Original 2019/2020
107.441.001.000	SALARIES - REGULAR	290,500	248,400
107.441.002.000	SALARIES - TEMPORARY	6,000	-
107.441.003.000	SALARIES - OVERTIME	-	-
107.441.004.000	DISABILITY INSURANCE	-	4,100
107.441.005.000	RETIREMENT AND LIFE INSUR	58,600	51,900
107.441.006.000	SOCIAL SECURITY-MEDICARE	4,200	3,600
107.441.007.000	UNEMPLOYMENT INSURANCE	-	-
107.441.008.000	HEALTH INSURANCE	50,300	42,500
107.441.009.000	WORKERS COMP (SELF INS)	94,400	63,100
107.441.011.000	OFFICE EXPENSE	9,200	4,000
107.441.012.000	SPECIAL DEPARTMENT EXPENSE		
107.441.012.001	MAIN PLANT	86,500	138,000
107.441.012.002	LIFT STATIONS	15,100	30,000
107.441.012.003	TOOLS	0	2,000
107.441.012.004	STORM DRAIN PUMPS	0	1,000
107.441.012.005	PIPE MAINTENANCE	5,200	20,000
107.441.012.006	TRENCH REPAIR	0	4,500
107.441.013.000	OFFICE EQUIPMENT EXPENSE	1,500	1,000
107.441.014.000	UNIFORMS	2,300	1,700
107.441.016.000	TELEPHONE	3,300	2,200
107.441.017.000	UTILITIES	92,000	65,400
107.441.018.000	RENTS AND LEASES		
107.441.019.000	MAINT BLDGS,STRUCT & GRNDS	20,000	10,000
107.441.020.000	MAINT & OPERATION OF VEHICLE	21,400	12,800
107.441.021.000	PROFESSIONAL & SPECIALIZED	20,000	28,000
107.441.021.004	AUDIT	5,700	
107.441.022.000	CONTRACTUAL SERVICES	46,000	30,000
107.441.023.000	INSURANCE, BONDS & RETIREMNT	26,500	23,700
107.441.024.000	MEMBERSHIPS AND DUES	800	700
107.441.025.000	TRAVEL CONFERENCES & MEETING	900	1,000
107.441.026.000	TRAINING	200	1,000
107.441.033.000	PERSONNEL EXPENSE	600	1,400
107.441.060.000	BAD DEBT		
107.441.071.000	UPGRADES	0	25,000
107.441.071.001	USDA LOAN PAYMENT	118,083	127,000
107.441.078.000	INTEREST EXPENSE	112,967	
		<u>1,092,250</u>	<u>944,000</u>

SANITATION 106

		Proposed 2019/2020	Original 2019/2020
106.451.001.000	SALARIES - REGULAR	46,200	41,700
106.451.002.000	SALARIES - TEMPORARY	3,500	
106.451.003.000	SALARIES - OVERTIME	2,500	
106.451.004.000	DISABILITY INSURANCE	-	700
106.451.005.000	RETIREMENT AND LIFE INSUR	9,300	9,000
106.451.006.000	SOCIAL SECURITY-MEDICARE	700	600
106.451.007.000	UNEMPLOYMENT INSURANCE		
106.451.008.000	HEALTH INSURANCE	7,400	6,700
106.451.009.000	WORKERS COMP (SELF INS)	13,300	11,300
106.451.011.000	OFFICE EXPENSE	7,800	4,000
106.451.012.000	SPECIAL DEPARTMENT EXPENSE	300	1,600
106.451.013.000	OFFICE EQUIPMENT EXPENSE		
106.451.014.000	CLOTHING AND PERSONAL EXPENS		
106.451.015.000	ADVERTISING		
106.451.016.000	TELEPHONE	300	240
106.451.017.000	UTILITIES	6,100	6,900
106.451.018.000	RENTS AND LEASES	-	-
106.451.019.000	MAINT OF BLDGS STRUCT & GRND	100	160
106.451.020.000	MAINT & OPERATION OF VEHICLE		
106.451.021.000	PROFESSIONAL	200	
106.451.021.004	AUDIT	4,600	
106.451.022.000	CONTRACTUAL SERVICES	886,912	886,912
106.451.022.001	MAINTENANCE CONTRACTS	5,500	12,000
106.451.023.000	INSURANCE, BONDS & RETIREMNT	21,700	19,700
106.451.024.000	MEMBERSHIPS AND DUES		
106.451.025.000	TRAVEL CONFERENCES & MEETING		
106.451.026.000	TRAINING		
106.451.029.000	ALLEY REPAIR	0	10,000
106.451.033.000	PERSONNEL EXPENSE		
106.451.034.001	FRANCHISE GENERAL FUND	60,477	60,477
106.451.034.002	LEAF COLL/ST SWEEPING	60,477	60,477
106.451.072.000	SOFTWARE		
106.451.074.000	EQUIPMENT		
106.451.075.000	ADMINISTRATION		
106.451.076.000	TRANSFERS OUT		
106.451.077.000	DEPRECIATION		
		1,137,367	1,132,467

GENERAL FUND

COUNCIL

		Proposed 2019/2020	Original 2019/2020
104.401.001.000	SALARIES REGULAR	1200	3240
104.401.006.000	SOCIAL SECURITY - MEDICARE	17	250
104.401.011.000	OFFICE EXPENSE	200	300
104.401.012.000	SPECIAL DEPT EXPENSE	500	1500
104.401.025.000	TRAVEL CONFERENCE & MEETINGS	0	1000
104.401.027.000	COUNCIL MEEINGS		
	Total	1,917	6,290

GENERAL FUND

ADMINISTRATOR

		Proposed 2019/2020	Original 2019/2020
104.402.001.000	SALARIES - REGULAR	62,900	76,500
104.402.004.000	DISABILITY INSURANCE	-	700
104.402.005.000	RETIREMENT AND LIFE INSUR	13,800	16,100
104.402.006.000	SOCIAL SECURITY-MEDICARE	900	1,100
104.402.007.000	UNEMPLOYMENT INSURANCE	-	
104.402.008.000	HEALTH INSURANCE	5,400	6,800
104.402.009.000	WORKERS COMP (SELF INS)	1,500	1,100
104.402.011.000	OFFICE EXPENSE	750	750
104.402.012.000	SPECIAL DEPARTMENT EXPENSE	400	830
104.402.016.000	TELEPHONE	300	300
104.402.020.000	MAINT & OPERATION OF VEHICLE	100	750
104.402.022.000	CONTRACTUAL SERVICES	-	-
104.402.024.000	MEMBERSHIPS AND DUES	-	750
104.402.025.000	TRAVEL CONFERENCES & MEETING	300	1,000
104.402.026.000	TRAINING	400	500
		<u>86,750</u>	<u>107,180</u>

GENERAL FUND

FINANCE

		Proposed 2019/2020	Original 2019/2020
104.403.001.000	SALARIES - REGULAR	40,500	51,500
104.403.002.000	SALARIES-TEMPORARY	1,800	-
104.403.003.000	SALARIES - OVERTIME	-	-
104.403.004.000	DISABILITY INSURANCE	-	600
104.403.005.000	RETIREMENT AND LIFE INSUR	8,300	11,000
104.403.006.000	SOCIAL SECURITY-MEDICARE	600	700
104.403.007.000	UNEMPLOYMENT INSURANCE	-	-
104.403.008.000	HEALTH INSURANCE	4,800	5,900
104.403.009.000	WORKERS COMP (SELF INS)	1,400	1,100
104.403.011.000	OFFICE EXPENSE	1,000	1,000
104.403.011.001	FURNITURE	-	-
104.403.013.000	OFFICE EQUIPMENT EXPENSE	-	-
104.403.016.000	TELEPHONE	200	200
104.403.020.000	MAINT & OPERATION OF VEHICLE	-	200
104.403.022.000	CONTRACTUAL SERVICES	18,000	9,000
104.403.024.000	MEMBERSHIPS AND DUES	500	327
104.403.025.000	TRAVEL CONFERENCES & MEETING	200	100
104.403.026.000	TRAINING		
		77,300	81,627

GENERAL FUND

GENERAL GOVERNMENT

		Proposed 2019/2020	Original 2019/2020
104.404.001.000	SALARIES - REGULAR	53,100	89,300
104.404.002.000	SALARIES - TEMPORARY	-	-
104.404.003.000	SALARIES - OVERTIME	-	-
104.404.004.000	DISABILITY INSURANCE	-	1,100
104.404.005.000	RETIREMENT AND LIFE INSUR	9,300	19,300
104.404.006.000	SOCIAL SECURITY-MEDICARE	800	700
104.404.008.000	HEALTH INSURANCE	11,300	10,800
104.404.009.000	WORKERS COMP (SELF INS)	1,000	-
104.404.011.000	OFFICE EXPENSE	1,000	400
104.404.012.000	SPECIAL DEPARTMENT EXPENSE	1,000	1,000
104.404.013.000	OFFICE EQUIPMENT EXPENSE	0	0
104.404.015.001	ADVERTISING	3,000	3,500
104.404.015.002	ELECTIONS	0	0
104.404.016.000	TELEPHONE	800	800
104.404.017.000	UTILITIES	1,600	700
104.404.018.000	RENTS AND LEASES	100	0
104.404.019.000	MAINT OF BLDGS STRUCT & GRND	10,000	10,000
104.404.019.001	CITY HOUSE-RENTAL	0	0
104.404.019.002	CODE ENFORCEMENT	20,000	1,800
104.404.020.000	MAINT & OPERATION OF VEHICLE	0	0
104.404.021.000	PROFESSIONAL SERVICES	15,000	
104.404.021.001	ENGINEERING FEES	18,000	50,000
104.404.021.002	ATTORNEY FEES	60,000	84,300
104.404.021.003	BUILDING INSPECTION FEES	0	0
104.404.021.004	AUDITOR FEES	20,000	30,000
104.404.021.005	CODIFICATION OF ORDINANCES	1,000	1,500
104.404.021.006	PLANNING SERVICES	26,000	29,600
104.404.021.007	ECONOMIC DEVELOPMENT	2,000	2,000
104.404.022.000	CONTRACTUAL SERVICES	24,000	14,100
104.404.022.001	FIRE	280,000	152,000
104.404.022.002	ANIMAL CONTROL	76,000	30,000
104.404.022.003	ADMIN SERVICES TU CO	16,000	16,000
104.404.022.074	FIRE GRANT EQUIPMENT	0	0
104.404.023.000	INSURANCE BONDS & RETIREMENT	17,500	97,100
104.404.024.000	MEMBERSHIPS AND DUES	6,500	6,500
104.404.033.000	PERSONNEL EXPENSE	100	0
104.404.034.000	COMMUNITY CENTER	0	0
104.404.035.000	SETTLEMENT COSTS	0	0
104.404.050.000	DONATIONS	0	0
104.404.051.000	CHAMBER OF COMMERCE	2,000	2,000
104.404.052.000	CONTINGENCY	0	0
104.404.053.000	INVESTMENTS (LOSS)	0	0
104.404.073.000	CAPITAL OUTLAY	20,000	
104.404.073.002	GOVERNMENT BUILDINGS CAPITAL	0	0
104.404.075.000	OTHER USE OF FUNDS	0	0
104.404.075.001	TRANSFER-VEHICLE RESERVE	0	0
		<u>697,100</u>	<u>654,500</u>

GENERAL FUND

POLICE

		Proposed 2019/2020	Original 2019/2020
104.421.001.000	SALARIES - REGULAR	1,371,000	1,319,800
104.421.002.000	SALARIES-TEMPORARY	10,000	25,000
104.421.003.000	SALARIES-OVERTIME	50,000	50,000
104.421.004.000	DISABILITY INSURANCE	0	6,500
104.421.005.000	RETIREMENT AND LIFE INSUR	476,000	465,800
104.421.006.000	SOCIAL SECURITY-MEDICARE	19,900	21,000
104.421.007.000	UNEMPLOYMENT INSURANCE	0	
104.421.008.000	HEALTH INSURANCE	229,700	202,200
104.421.009.000	WORKERS COMP (SELF INS)	118,800	103,500
104.421.011.000	OFFICE EXPENSE	3,000	3,000
104.421.012.000	SPECIAL DEPARTMENT EXPENSE	15,000	23,000
104.421.012.001	K9 PROGRAM	3,000	5,000
104.421.012.002	SPECIAL PROGRAMS		
104.421.012.003	TRAFFIC COSTS		
104.421.013.000	OFFICE EQUIPMENT EXPENSE	4,000	5,000
104.421.014.000	CLOTHING AND PERSONAL EXP	5,000	5,000
104.421.016.000	TELEPHONE	23,000	18,000
104.421.017.000	UTILITIES	14,000	16,000
104.421.018.000	RENT FOR OFFICE SPACE		
104.421.019.000	MAINT BLDGS,STRUCT & GRNDS	10,000	14,000
104.421.020.000	MAINT & OPERATION OF VEHICLE	133,000	90,000
104.421.020.001	DIESEL FOR AMBULANCE	0	
104.421.022.000	CONTRACTUAL SERVICES	205,000	195,000
104.421.022.001	MAINTENANCE CONTRACTS		
104.421.022.002	LEASE PAYMENTS-UNITS		
104.421.023.000	INSURANCE BONDS & RETIREMENT	68,000	
104.421.024.000	MEMBERSHIPS AND DUES	1,000	1,500
104.421.025.000	TRAVEL CONFERENCES & MEETING	1,000	1,000
104.421.026.000	TRAINING	8,000	10,000
104.421.026.001	POST TRAINING	8,000	20,000
104.421.029.001	COMBAT AUTO THEFT PROGRAM		
104.421.033.000	PERSONNEL EXPENSE	2,000	5,000
104.421.034.000	RADIO EXPENSE	4,500	4,500
104.421.035.000	SAFETY EQUIPMENT	10,000	5,000
104.421.071.001	DEBT PRINCIPLE	0	
104.421.071.002	DEBT INTEREST	0	
		2,792,900	2,614,800

GENERAL FUND

STREETS

		Proposed 2019/2020	Original 2019/2020
104.431.001.000	SALARIES - REGULAR	160,900	100,200
104.431.002.000	SALARIES - TEMPORARY	34,000	14,000
104.431.003.000	SALARIES - OVERTIME	1,000	-
104.431.004.000	DISABILITY INSURANCE	-	1,900
104.431.005.000	RETIREMENT AND LIFE INSUR	17,600	20,700
104.431.006.000	SOCIAL SECURITY-MEDICARE	1,500	1,500
104.431.007.000	UNEMPLOYMENT INSURANCE	-	
104.431.008.000	HEALTH INSURANCE	17,500	19,400
104.431.009.000	WORKERS COMP (SELF INS)	36,800	44,700
104.431.011.000	OFFICE EXPENSE	500	1,000
104.431.012.000	SPECIAL DEPARTMENT EXPENSE	1000	500
104.431.013.000	OFFICE EQUIPMENT EXP	500	
104.431.014.000	CLOTHING & PERSONAL EXPENSE	1,700	2,000
104.431.016.000	TELEPHONE	2,200	1,950
104.431.017.000	UTILITIES	5,100	6,000
104.431.019.000	MAINT OF BLDGS,STRUCT & GRND	4,200	4,000
104.431.020.000	MAINT & OPERATION OF VEHICLE	30,000	30,000
104.431.021.000	PROFESSIONAL SERVICES	8,000	
104.431.022.000	CONTRACTUAL SERVICES	2,100	
104.431.023.000	INSURANCE, BONDS & RETIREM	6,700	
104.431.024.000	MEMBERSHIPS AND DUES	4,200	350
104.431.025.000	TRAVEL CONFERENCES & MEETING	400	750
104.431.026.000	TRAINING	200	500
104.431.028.000	LANDSCAPE PROJECT		
104.431.029.000	STREET MAINTENANCE	20,000	25,000
104.431.029.001	MEASURE R STREET PROJECT		
104.431.029.002	PROP 1B STREETS & ROADS IMPR		
104.431.033.000	PERSONNEL EXPENSES	200	1,200
104.431.071.000	TCAG PROJECT		
104.431.071.003	CMAQ STREETS PROJECT		
104.431.072.000	PROPERTY IMPROVEMENTS		
104.431.073.000	ALLEY PROJECTS	26,000	26,000
104.431.073.001	PROPERTY IMPROVEMENTS		
		<u>382,300</u>	<u>301,650</u>

GENERAL FUND

RECREATION

		Proposed 2019/2020	Original 2019/2020
104.471.001.000	SALARIES - REGULAR	60,700	70,400
104.471.002.000	SALARIES - TEMPORARY	19,000	20,000
104.471.004.000	DISABILITY INSURANCE	-	1,500
104.471.005.000	RETIREMENT AND LIFE INSUR	12,400	16,700
104.471.006.000	SOCIAL SECURITY-MEDICARE	900	1,000
104.471.007.000	UNEMPLOYMENT INSURANCE	-	
104.471.008.000	HEALTH INSURANCE	14,500	15,700
104.471.009.000	WORKERS COMP (SELF INS)	3,000	1,500
104.471.011.000	OFFICE EXPENSE	900	1100
104.471.012.000	SPECIAL DEPARTMENT EXPENSE	18000	25000
104.471.015.000	ADVERTISING & PUBLICATIONS		
104.471.016.000	TELEPHONE	1200	1200
104.471.017.000	UTILITIES	10400	9000
104.471.020.000	MAINT & OPERATION OF VEHICLE	0	800
104.471.022.000	CONTRACTUAL SERVICES		
104.471.023.000	INSURANCE, BONDS & RETIR	3600	
104.471.024.000	MEMBERSHIPS AND DUES	0	0
104.471.025.000	TRAVEL CONFERENCES & MEETING	0	100
104.471.074.000	EQUIPMENT		
		144,600	164,000

GENERAL FUND

PARKS

		Proposed 2019/2020	Original 2019/2020
104.472.001.000	SALARIES - REGULAR	13,200	95,800
104.472.002.000	SALARIES - TEMPORARY	-	-
104.472.003.000	SALARIES - OVERTIME	-	-
104.472.004.000	DISABILITY INSURANCE	-	2,300
104.472.005.000	RETIREMENT AND LIFE INSUR	2,700	19,500
104.472.006.000	SOCIAL SECURITY-MEDICARE	200	1,400
104.472.008.000	HEALTH INSURANCE	3,000	23,800
104.472.009.000	WORKERS COMP (SELF INS)	6,200	40,100
104.472.012.000	SPECIAL DEPARTMENT EXPENSE	0	1,000
104.472.014.000	CLOTHING AND PERSONAL EXPENS	200	1,500
104.472.017.000	UTILITIES	7,500	6,650
104.472.018.000	LEASES AND PROPERTY TAXES		
104.472.019.000	MAINT OF BLDGS, STRUCT & GRN	110,000	22,500
104.472.019.001	TREE TRIMMING	10,000	10,000
104.472.019.002	EQUIP/TOOLS		
104.472.020.000	MAINT & OPERATION OF VEHICLE	500	15,000
104.472.023.000	INSURANCE, BONDS & RETIREM	5,400	
104.472.026.000	TRAINING	0	300
104.472.027.000	LANDSCAPE / LIGHTING		
104.472.033.000	PERSONNEL Expenses	0	500
104.472.073.000	PARK CAPITAL		
104.472.074.000	EQUIPMENT		
104.472.074.001	BARK PARK		
		158,900	240,350

Salary Schedule

Miscellaneous Classifications	Step A	Step B	Step C	Step D	Step E	Step PATTERN
FY 2019-20						
City Administrator	11,186	11,775	12,266	12,777	13,309	5,4,4,4
Finance Director	7,400	7,789	8,199	8,631	9,085	5*
Community Services Director	6,739	7,094	7,467	7,860	8,274	5*
Public Works Director	6,875	7,237	7,618	8,019	8,441	5*
City Clerk/Human Resources Manager	6,198	6,524	6,867	7,228	7,609	5*
Deputy City Clerk/Personnel Officer	5,114	5,384	5,667	5,965	6,279	5*
Operations Manager	5,436	5,722	6,023	6,340	6,674	5*
Chief Operator	4,596	4,838	5,093	5,361	5,643	5*
Operator II, Water/Wastewater	4,168	4,388	4,619	4,862	5,118	5*
Operator I, Water/Wastewater	3,955	4,163	4,383	4,613	4,856	5*
Maintenance Person III	3,767	3,965	4,174	4,394	4,625	5*
Maintenance Person II	3,456	3,638	3,829	4,031	4,243	5*
Maintenance I	3,083	3,246	3,416	3,596	3,785	5*
Mechanic II	3,757	3,955	4,163	4,382	4,613	5*
Financial Analyst	5,114	5,384	5,667	5,965	6,279	5*
Accounting Assistant	3,240	3,410	3,590	3,779	3,977	5*
Administrative Assistant	3,240	3,410	3,590	3,779	3,977	5*
Office Assistant	2,799	2,946	3,101	3,264	3,436	5*
Senior Clerk Dispatcher	3,626	3,817	4,018	4,229	4,452	5*
Clerk Dispatcher	3,195	3,363	3,540	3,727	3,923	5*
Recreation Supervisor	3,626	3,817	4,018	4,229	4,452	5*
Recreation Leader	2,799	2,946	3,101	3,264	3,436	5*
Animal Control/Code Enforcement	3,152	3,318	3,493	3,677	3,870	5*
All salaries shown are monthly amounts.						
Police Classifications						
Chief of Police	8,556	8,983	9,343	9,717	10,105	5,4,4,4
Lieutenant	7,177	7,536	7,837	8,151	8,477	5,4,4,4
Sergeant	5,691	5,976	6,274	6,588	6,918	*5
Police Officer	4,459	4,682	4,916	5,162	5,420	*5
E-Step Police Officer is the benchmark position upon which linked formulas are based.						

Part-Time and Temporary Employee Salary Schedule

	2019	2020
Recreation Worker	\$12.00	\$13.00
Staff Helper I	\$12.00	\$13.00
Staff Helper II	\$14.00	\$15.00
Police Reserve	\$19.00	\$19.00
Street Sweeper	\$20.36	\$20.36

Personnel Allocations

General Fund													
General													
	Name	Dept	Pos	Admin	Fin	Government	Police	Streets	Rec.	Parks	Ins	Total	
1	Ennis	Adm	City Administrator	0.30				0.08			0.09	1.00	
1	Oneal, S	Adm	Per. Offcr/City Clerk	0.15		0.20					0.25	1.00	
2	Arroyo, M	PW	Administrative Asst.					0.15				1.00	
2	Aldridge, G	PW	Maintenance Worke					0.35				1.00	
2	Espinola, D	PW	Operations Manager				0.10	0.20				1.00	
2	Huggins, K	PW	Mechanic				0.20	0.20				1.00	
2	Millian, M	PW	Maintenance Worke					0.10				1.00	
2	Miller, J	PW	Maintenance Worke					0.10				1.00	
2	Qualls, D	PW	Public Works Directc					0.30				1.00	
2	Quiroz, P	PW	Maintenance Worke					0.05		0.20		1.00	
2	Rabolan, C	PW	Maintenance Worke					0.15				1.00	
2	Rameriez, J	PW	Maintenance Worke					0.50				1.00	
3	Tavarez, C	Fin	Finance Director		0.25			0.10			0.08	1.00	
3	Carter, A	Rec	Recreation Leader			0.10			0.65	0.05		1.00	
3	Hernandez, X	Fin	Accounting Assistant		0.15			0.10			0.05	1.00	
3	Ibarra, M	Fin	Accounting Assistant			0.30						1.00	
3	See, E	Fin	Accounting Assistant			0.30						1.00	
3	Wachter, L	Rec	Recreation Supervisi			0.05			0.75	0.05	0.05	1.00	
4	Police Personnel						18.00					18.00	
Total				0.45	0.40	0.95	18.30	2.38	1.40	0.30	0.52	36.00	
				1.3%	1.1%	2.6%	50.8%	6.6%	3.9%	0.8%	1.4%	100.0%	
Police Personnel													
	Chief		1										
	Lieutenant		1										
	Sargeant		3										
	Detective		2										
	Police Officer		10	(1 offset with EUSD funding, 1 funded out of COPS/TCOE grant funding)									
	Clerk Dispatcher		1										
	Sr. Clerk Dispatcher		1										
			19										

(1 offset with EUSD funding, 1 funded out of COPS/TCOE grant funding)

City of Exeter Agenda Item Transmittal

Meeting Date: June 11, 2019

Agenda Item Number: 14

Wording for Agenda: Discussion and direction to the Mayor, or her designee, regarding appointments of the two City representatives to the Local Agency Formation Commission (LAFCO).

Submitting Department: Administration
Contact Name: Adam Ennis
Phone Number: (559) 592-4539
Email: adam@exetercityhall.com

Department Recommendation:

Staff recommends that the Council discuss and provide direction to the Mayor, or her designee, regarding appointments of the two City representatives to the Local Agency Formation Commission (LAFCO).

Summary:

Currently the Local Agency Formation Commission (LAFCO) needs two appointments to be made for the two City Council representatives. Although not required, the City Council representation has traditionally been that one position be a large City (Visalia, Tulare, Porterville, Dinuba) representative and the other be a small City (Exeter, Farmersville, Lindsay and Woodlake) representative to include all perspectives. The large City position was left vacant by Cameron Hamilton (Porterville) and the small City position held by Rudy Mendoza (Woodlake) is at the end of the term.

Typically, in the past this selection has been completed quickly with one vote of the committee, made up of the Mayors or their designee. However, LAFCO has brought the City selection committee together twice over the last few months to make the selections but both times the vote has ended in a tie for both seats. In the past two meetings the candidates were Phil Cox, Martha Flores and Carlton Jones for the large City seat and the small City seat candidates were Rudy Mendoza and Pam Kimball.

In another attempt to fill the seats LAFCO is scheduling for the selection committee to meet again at the beginning of the next Council of Cities meeting on July 17th at 3pm. LAFCO has asked that all cities have a representative there for a better chance that the selections can be made. In an effort to complete the selections it may be prudent to choose a representative and an alternate, if possible, to allow for a selection to be made.

Background:

The Tulare County LAFCO is responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies which review ways to reorganize, simplify, and streamline governmental structure and preparing Spheres of Influence for each city and special district within each county. The Commission's efforts are directed to seeing that services are provided efficiently and economically while agricultural and open-space lands are protected.

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☒ Regular Item

☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



The LAFCO Commission is composed of two county supervisors selected by the Board of Supervisors; two city council representatives selected by a majority of the mayors in the county; and one public member selected by the other four City and County members. Commission members serve four-year terms. There is an alternate for each category - city, county, and public.

Fiscal Impact: None

Prior Council/Board Actions: Voting for previous representatives.

Attachments: None

Recommended motion to be made by Council/Board: I move to direct the Mayor, or her designee, to make the following appointments for the two City representatives to the Local Agency Formation Commission (LAFCO):

1) To select (Phil Cox, Martha Flores or Carlton Jones) as the primary large City representative and one of the other candidates as a potential alternate selection should the vote end in a tie;

AND

2) To select (Rudy Mendoza or Pam Kimball) as the primary small City representative and the other candidate as a potential alternate selection should the vote end in a tie.

City of Exeter Agenda Item Transmittal

Meeting Date: June 11, 2019

Agenda Item Number: 15

Wording for Agenda: Consideration of adopting Resolution 2019-14 Supporting Balanced Energy Solutions And Maintaining Local Control of Energy Solutions as presented and requested by Southern California Gas Company (SoCalGas).

Submitting Department: Administration
Contact Name: Adam Ennis
Phone Number: (559) 592-4539
Email: adam@exetercityhall.com

Department Recommendation:

Staff recommends that the Council review and consider adoption or rejection of the Resolution as presented or with modifications.

For action by:

☒ City Council

Regular Session:

☐ Consent Calendar

☒ Regular Item

☐ Public Hearing

Review:

**City Administrator
(Initials Required)**



Summary/Background:

At the March 26, 2019 Council meeting Colby Wells of SoCalGas addressed the Council regarding the current discussion by the State on ways to reduce Green House Gasses (GHG), and in particular, the proposal to electrify the building sector for all power uses to achieve the State's GHG goals.

Recently, the electrification discussion has moved from the legislature to the regulatory arena. The CPUC launched an Order Instituting Rulemaking (OIR) which will study building decarbonization. The CPUC will issue rules at the end of this hearing that will chart a road map to decarbonizing buildings. Currently, the CPUC's preferred method of decarbonization appears to be electrifying the building sector. SoCalGas is advocating for a balanced approach to the OIR that uses all forms of energy to decarbonize the building sector. This could potentially occur through the use of electrification, natural gas, renewable natural gas and hydrogen. SoCalGas is proposing that all four options be on the table and judged for reliability, feasibility, and affordability with the choices being subject to local control.

Mr. Wells has requested that the Exeter City Council consider adopting the Balanced Energy Resolution that states the Council's support for a balanced energy approach.

Fiscal Impact: None to adopt Resolution 2019-14

Prior Council/Board Actions: Received public comment from Mr. Wells at the March 26, 2019 Council Meeting regarding the Balanced Energy Proposal by SoCalGas.

Attachments: Resolution 2019-14

Recommended motion to be made by Council/Board: I move to:

1) Adopt Resolution 2019-14 as presented.

OR

2) Adopt Resolution 2019-14 with Council directed modifications

OR

3) Reject Resolution 2019-14

RESOLUTION NO. 2019-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EXETER SUPPORTING BALANCED ENERGY SOLUTIONS AND MAINTAINING LOCAL CONTROL OF ENERGY SOLUTIONS

WHEREAS, California's energy policies are critical to reducing greenhouse gas emissions and reducing the impact of climate change on our citizens; and

WHEREAS, the state legislature and state agencies are increasingly proposing new legislation and regulations eliminating choice of energy by mandating technologies to power buildings and public and private fleets, including transit and long-haul trucking, as a strategy to achieve the state's climate goals; and

WHEREAS, clean, affordable and reliable energy is crucial to the material health, safety and well-being of Exeter residents, particularly the most vulnerable, who live on fixed incomes, including the elderly and working families who are struggling financially; and

WHEREAS, the need for clean, affordable and reliable energy to attract and retain local businesses, create jobs and spur economic development is vital to our city's success in a highly competitive and increasingly regional and global marketplace; and

WHEREAS, Exeter, its residents and businesses value local control and the right to choose the policies and investments that most affordably and efficiently enable them to comply with state requirements; and

WHEREAS, building and vehicle technology mandates eliminate local control and customer choice, suppress innovation, reduce reliability and unnecessarily increase costs for Exeter residents and businesses; and

WHEREAS, the City understands that relying on a single energy delivery system unnecessarily increases vulnerabilities to natural and man-made disasters, and that a diversity of energy delivery systems and resources contribute to greater reliability and community resilience; and

WHEREAS, Exeter understands the need to mitigate the impacts of climate change and is committed to doing its part to help the state achieve its climate goals, but requires the flexibility to do so in a manner that best serves the needs of its residents and businesses.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Exeter, as follows: That the City supports balanced energy solutions that provide it with the decision-making authority and resources needed to achieve the state's climate goals and supports proposed state legislation and regulation that retains local control by allowing all technologies and energy resources that can power buildings and fuel vehicles, and also meet or exceed emissions reductions regulations.

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PASSED, APPROVED AND ADOPTED THIS 11TH DAY OF JUNE, 2019, BY THE
FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor

ATTEST:

City Clerk