



AGENDA

Special Meeting of the City Council of the City of Orange Cove

Victor P. Lopez, Mayor

Diana Guerra Silva, Mayor Pro Tem
Minerva Pineda, Council Member

Gilbert Garcia, Council Member
Josie Cervantes, Council Member

WEDNESDAY, JULY 6, 2016 - 5:30 P.M.
Orange Cove Council Chambers
633 6th Street, Orange Cove, California 93646

A. Call to Order/Welcome

1. Roll Call
2. Invocation
3. Flag Salute

B. Confirmation of Agenda

C. Administration

1. **SUBJECT:** Consideration and Discussion regarding the Streets Capital Improvement Program

Recommendation: Informational Item Only

2. **SUBJECT:** Consideration of a Resolution approving the City's Annual Appropriations Limit for Fiscal Year 2016-2017

Recommendation: Council to adopt Resolution No. 2016-38 approving the City's Annual Appropriations Limit for Fiscal Year 2016-17

3. **SUBJECT:** Consideration of a Resolution adopting a Budget for the City of Orange Cove Fiscal Year 2016-2017

Recommendation: Council to adopt the Resolution 2016-39 Adopting a Budget for the City of Orange Cove Fiscal Year 2016-2017

D. Public Forum

During oral communications, if you wish to address the City Council during this Special Meeting, under Government Code Section 54954.3(a), you may only address the City Council concerning any item that has been described for the Special Meeting.

E. Adjournment

ADA Notice: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (559) 626-4488 ext. 214. Notification 48 hours prior to the meeting will enable the City to make arrangements to ensure accessibility to this meeting.

Documents: Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at front counter at City Hall and at the Orange Cove Library located at 815 Park Blvd., Orange Cove, CA during normal business hours. In addition, most documents are posted on City's website at cityoforange Cove.com.

STATEMENT ON RULES OF DECORUM AND ENFORCEMENT

The Brown Act provides that members of the public have a right to attend public meetings, to provide public comment on action items and under the public forum section of the agenda, and to criticize the policies, procedures, or services of the city or of the acts or omissions of the city council. The Brown Act also provides that the City Council has the right to exclude all persons who willfully cause a disruption of a meeting so that it cannot be conducted in an orderly fashion.

During a meeting of the Orange Cove City Council, there is a need for civility and expedition in the carrying out of public business in order to ensure that the public has a full opportunity to be heard and that the Council has an opportunity to conduct business in an orderly manner. The following is provided to place everyone on notice of the rules of decorum and enforcement.

GENERAL RULES OF DECORUM

While any meeting of the City Council is in session, the following rules of decorum shall be observed:

1. All remarks shall be addressed to the City Council as a whole and not to any single member, unless in response to a question from a member of the City Council.
2. A person who addresses the City Council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct (i) which is likely to provoke others to violent or riotous behavior, (ii) which disturbs the peace of the meeting by loud and unreasonable noise, (iii) which is irrelevant or repetitive, or (iv) which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.
3. A person, other than members of the Council and the person, who has the floor, shall not be permitted to enter into the discussion unless requested by the Mayor to speak.
4. Members of the City Council may not interrupt a person who has the floor and is making public comments. Members of the City Council shall wait until a person completes his or her public comments before asking questions or commenting. The Mayor shall then ask Councilmembers if they have comments or questions.
5. No person in the audience at a Council meeting shall engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet or other acts which disturb, disrupt or otherwise impede the orderly conduct of any Council meeting.

ENFORCEMENT OF DECORUM RULES

(Resolution No. 2012-16)

While the City Council is in session, all persons must preserve order and decorum. A person who addresses the City council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct which is likely to provoke others to violent or riotous behavior, which disturbs the peace of the meeting by loud and unreasonable noise, which is irrelevant or repetitive, or which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.

The Mayor or other presiding officer shall request that a person who is breaching the rules of decorum cease such conduct. If after receiving such a warning, the person persists in breaching the rules of decorum, the Mayor or other presiding officer may order the person to leave the City Council meeting. If such person does not leave, the Mayor or presiding officer may request any law enforcement officer who is on duty at the meeting as sergeant-at-arms to remove the person from the Council Chambers. In the event there is no one from law enforcement

present, the Mayor or presiding officer may direct the City Manager to contact law enforcement.

In accordance with the Point of Order Rule 4.6, the majority of the Council may overrule the Mayor if the majority of the Council believes the Mayor or other presiding officer is not applying the rules of decorum appropriately.

Memo

To: Honorable Mayor and City Council
From: Rafael Herrera, Interim Finance Director
cc: Sam Escobar, City Manager
Date: July 6, 2016
Re: Adopt Resolution No. 2016-38 Adopting the Annual Appropriations Limit for Fiscal Year 2016-17

BACKGROUND

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the “Gann Initiative”. The proposition created Article XIII B of the State Constitution placing limits on the amount of revenue which can be spent by all entities of the government. Proposition 4 became effective for the 1980-81 fiscal year, however the formula for calculating the limits was based on the 1978-79 “base year” revenues. Proposition 111, approved by the voters in June 1990, provided new adjustment formulas to make the Appropriations Limit more responsive to local growth issues.

The Appropriation Limit applies to “all taxes levied by and for” an agency. This would include revenue received from property tax, sales tax, business license tax, motor vehicle fines, etc. It does not include Enterprise Fund revenues or Successor Agency’s tax increment revenues. (Successor Agencies did not have the power to levy a property tax and were therefore exempt from the Appropriation Limit requirements.)

Article XIII B of the California Constitution specifies that each City, when calculating their Appropriation Limit, may choose the growth in California per Capita Income or the growth in non-residential assessed valuation due to new construction within the City and the population growth of the City or that of the County of Fresno. These are both annual elections.

For the 2016-17 Appropriation Limit, the City of Orange Cove has used the change in California’s per capita personal income and the population growth of the City of Orange Cove. Proposition 111 requires a review of the Appropriations Limit during the annual financial audit. The limit applies both to appropriation of tax proceeds and taxes received. For fiscal year 2015-16, both revenues and appropriations are well within the Constitutional limit of \$2,981,412.

FISCAL IMPACT

None

ACTIONS FOLLOWING APPROVAL:

The Mayor will sign the resolution

CONFLICT OF INTEREST:

None.

RESOLUTION NO. 2016-38

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF ORANGE COVE ADOPTING THE ANNUAL
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016-17

WHEREAS, Article XIII B of the California Constitution requires cities to adopt annual appropriation limits; and

WHEREAS, the annual adjustment factors used in determining the appropriation limit require a recorded vote of the City Council; and

WHEREAS, any challenge to the appropriation limit must be brought within 45 days of the effective date of this resolution.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Orange Cove, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the City Council.

2. That the Appropriation Limit for Fiscal Year 2016-17 is hereby set at \$3,191,005 and that one copy of the Appropriation Limit Worksheet, attached hereto and made a part of hereof, describes how the appropriation limit was computed.

3. That the City has used the change in California's per capita personal income and the City's population growth as annual adjustment factors for determining the Appropriation Limit, but that these factors may change in the future should other pertinent information become available.

4. Any challenges to said Appropriation Limit must be filed in writing with the City no later than 45 days after the adoption of this Resolution.

5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

This Resolution was adopted at a Special Meeting of the City Council of the City of Orange Cove held on July 06, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Victor P. Lopez, Mayor

ATTEST:

June Bracamontes, City Clerk

APPROVED AS TO FORM

Dan McCloskey, City Attorney



INDEPENDENT
ACCOUNTANTS' REPORT ON
AGREED UPON PROCEDURES
APPLIED TO APPROPRIATIONS
LIMIT SCHEDULE

For the fiscal year ending June 30, 2016

CITY OF ORANGE COVE



TABLE OF CONTENTS

Appropriation Limit Schedule-----	1-2
Notes to the Appropriation Limit Schedule -----	3
Resolution -----	4



CITY OF ORANGE COVE
 APPROPRIATIONS LIMIT SCHEDULE
 FOR THE FISCAL YEAR ENDING JUNE 30, 2016

	AMOUNT	SOURCE
A. Appropriations limit for the year ending June 30, 2015	\$ 2,981,412	Prior year schedule
B. Calculation Factors:		
1. Population increase %	1.0067	County of Fresno
2. Inflation increase %	<u>1.0632</u>	Dept. of Finance
3. Total adjustment factor %	1.0703	
C. Annual Adjustment Increase	\$ <u>209,593</u>	(B3 x A)
D. Appropriation limit for the year ending June 30, 2016	\$ <u>3,191,005</u>	(A+C)

1. Pursuant to Government Code Section 7910, the Orange Cove City Council will consider adopting a resolution on June 30, 2016 to establish its appropriation limit for fiscal year 2016-17. Documentation used in the determination of the appropriations limit is available for public inspection during regular business hours, at the City Hall located on 633 6th Street, Orange Cove, CA 93646.
2. The 2016-17 appropriations limit was developed based upon information provided by the State of California Department of Finance and Government Code Section 7900 et seq. using the per capital personal income and population change method.
3. The above illustrates the appropriation limit for the 2016-17 fiscal year has been calculated at \$2,981,412. This limit applies both to appropriation of tax proceeds and taxes received. Both revenues and appropriation for fiscal year 2016-17 are well within the Constitutional limits.



CITY OF ORANGE COVE

NOTES TO THE APPROPRIATIONS LIMIT SCHEDULE

FOR THE FISCAL YEAR ENDING JUNE 30, 2016

NOTE 1 – PURPOSE OF LIMITED PROCEDURES REVIEW

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. It provides for an annual appropriation limit for each entity of local government and require the governing body of each local jurisdiction to establish its appropriation limit by resolution each year.

The appropriation limit does not apply to the entire City's budget but only to the appropriation of "proceeds of taxes" in the City's general government type funds.

Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article III B, the annual calculation of the appropriation limit is subject to a limited procedures review in connection with the annual audit.

NOTE 2 – METHOD OF CALCULATION

Under Section 10.5 of Article XIII B, for fiscal years beginning on or after July 1990, the appropriation limit is required to be calculated based on the limit for the fiscal year 1986-87, adjusted for the inflation and population factors discussed in Note 3 and Note 4 below.

NOTE 3 – POPULATION FACTORS

There are three methods of calculating the change in population that a City may choose in determining the GANN limit: 1) the change in population within its jurisdiction; 2) the change in population within its jurisdiction, combined with the changes in population within all cities having borders that are contiguous to that City; 3) the change in population within the incorporated portion of the County. The City may use either of these methods in any year. The method adopted by the City for fiscal year 2016-17 represents the change in population within its jurisdiction. Per the May 2016 letter from the County of Fresno, the City population change percentage was .67%. The percentage change was converted to a ratio factor of 1.0067.



CITY OF ORANGE COVE

NOTES TO THE APPROPRIATIONS LIMIT SCHEDULE

FOR THE FISCAL YEAR ENDING JUNE 30, 2016

NOTE 4 – INFLATION FACTORS

A California governmental agency may adjust its appropriation limit by either the annual percentage change in the 4th quarter per capita personal income (which percentage is supplied by the California Department of Finance), or the percentage change in the local assessment roll from the preceding year due to change of local nonresidential construction. The factor adopted by the City of Orange Cove for fiscal year 2016-17 represents change of per capita personal income. The per capita personal income factor was obtained by using the percentage factor from the California Department of Finance Letter dated May 2016. The CPI change was 5.37 percent. The factor is converted to a ratio and for calculation purposes was 1.0632.

NOTE 5 – OTHER ADJUSTMENTS

A California governmental agency may be required to adjust its appropriation limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another governmental agency or private entity. The City had no such adjustments for the year ending June 30, 2016.

RESOLUTION NO. 2016-39

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF ORANGE COVE ADOPTING A BUDGET
FOR THE CITY OF ORANGE COVE FOR
FISCAL YEAR 2016-2017**

WHEREAS, in accordance with Section 2.08.060 of the City's Municipal Code, the City Manager has prepared and submitted to the City Council the Fiscal Year 2015-16 Budget; and

WHEREAS, the City Council has reviewed and accepted the Budget; and

WHEREAS, the City Council has determined that it is necessary for the efficient management of the City that certain sums of revenue of the City be appropriated to the various department and activities of the City.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Orange Cove, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the City Council.
2. That, after having reviewed, revised and carefully considered the projected revenues and expenses of the City of Orange Cove, the attached City of Orange Cove budget for Fiscal Year 2016-2017 is hereby adopted as the annual budget for the City and its funds for said fiscal year.
3. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.
4. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

This Resolution was adopted at a Special Meeting of the City Council of the City of Orange Cove held on July 6, 2016, by the following vote:

AYES:
NOES:

ABSENT:

ABSTAIN:

Victor P. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM

June Bracamontes, City Clerk

Dan McCloskey, City Attorney

ATTEST:

I, June V. Bracamontes, City Clerk of the City of Orange Cove, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Orange Cove Council Chambers on July 6, 2016, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

June Bracamontes, City Clerk
City of Orange Cove