

**Kingsburg Finance Committee
Regular Meeting Minutes
March 23, 2022**

Council Chamber, 1401 Draper Street, Kingsburg, CA 93631 (559) 897-5821 www.cityofkingsburg-ca.gov

Call to order: Chairman Brandon Pursell, Jr. called the meeting to order at 6:01pm.

Members present: Alma Colado, Alexander Henderson, Laura North and Chairman Brandon Pursell, Jr.

Member absent: None.

Staff present: Public Works Director Daniel Galvez and City Clerk Abigail Palsgaard.

Public Comments: None.

Approval of Minutes: Member North motioned, seconded by Member Colado, to approve the minutes from the January 25, 2022 Finance Committee Meeting as prepared by City Clerk Abigail Palsgaard. The motion passed with an unanimous voice vote.

Solid Waste Rate Study Update

Public Works Director Daniel Galvez presented an update after the discussion with Council on 3/16/2022. Attached is a draft agreement with Mid Valley and draft fees. Proposed street sweeping includes new common areas and disposal of street sweeping refuse. Looking for direction. The city will be in the red about \$50,000 for next fiscal year. City Manager Henderson discussed the 7/1/2022 Mid Valley rate will go up because CPI is so high right now. CPI has been high and so now the city subsidizes the rates.

The Committee reviewed raising all the rates in the first year, or a 5 year phase in, and the 3rd is a phase in and re-paying the loan. The consultant said all three options will still have it in the red in 5 years, but option 1 has the fund in the green for the 6th year. City Manager Henderson said the big expense is for the mandatory compliance and report to the state regarding green waste. We haven't raised rates since 2009. Chairman Pursell, Jr. asked about fines from not being compliant. Director Galvez said in 2024 fines will begin to be assessed. Member North asked if there can be a combination of options 1 and 3 so there is about \$7 increase first, and then a steady increase to get out of the black sooner. The consultant said it is possible. It just matters if you want to repay the interfund loan. Member North stated it has a long time since we had a rate increase, isn't excited about it, but we need to be fiscally responsible. Member Henderson said for transparency, we are not for sure about the rates, 3.5% or the CPI if it is higher. The consultant said the rates on the prop 218 can have the max amount, we can do it, just have to spell it out clear and specific. Member Henderson noted the timing component, we don't want to have a Prop 218 and then have the CPI come in high in May and then be behind the 8 ball again. Staff will work on revised rates. Asked to run one without the pay back to the water fund in case we don't need to pay it back.

Other Business- None.

Adjourn: The meeting was adjourned to the next regular meeting at 6:52pm.

Submitted by:

Abigail Palsgaard, City Clerk