

City of Calexico
City Manager's Fiscal Management Plan, Priorities & Strategies
FY 2016/2017

1. **Implementation and Delivery of Balanced Budget in June 2017**
 - a. General Fund \$3.9M Deficit City Council Directive to balance:
 - i. Successfully Complete Employee Bargaining Unit Negotiations – Cost Savings \$2.4M
 1. CalPERS Retirement Employee's Share Contribution
 2. Health Insurance Employee Contribution
 3. Temporary Salary Reductions (1 to 2 years)
 - ii. Management Operating Expenses Reduction – \$1.5M – *Completed August 2016*
 1. Departmental, Temp Employees, Overtime, and Other costs cuts
2. **Financial Analysis, Reporting and Transparency**
 - a. Finalize 2014/2015 Financial Audited Statement – *Completed October 2016.*
 - b. Finalize 2015/2016 Financial Audited Statement – *Anticipated March 2017.*
 - c. Prepare Analysis on 5-Year Trend of Revenues/Expenditures – *Completed October 2016.*
 - d. Outline Causes of Deficit – *Completed October 2016:*
 - i. *FY 13-14 Deficit - \$1,883,560.*
 - ii. *FY 14-15 Deficit - \$4,173,020.*
 - iii. *FY 15-16 Deficit - \$3,405,032.*
 - iv. Accounting discrepancies – Double booking of Measure H Funds and Carryovers.
 - v. Public Safety Overspending.
 - e. Identify Areas & Amount of Over Spending \$9,461,612. – *Completed October 2016.*
 - f. Development of a Corrective Plan – *December 2016 /January 2017.*
 - g. City Council approval of all Expenditures over \$10,000.
3. **Strategies to Correct General Fund Structural Deficit**
 - a. One-Time Lease Option/Loan from Wastewater Fund \$3,500,000. With 5-year. Repayment Plan- Payment Plan adopted as part of Budget, 800K/year.
 - b. Closely Monitor Spending:
 - i. Real-Time Tracking Expenses- Springbrooks Financial System
 - ii. Monthly Reports by Finance Department
 - iii. Quarterly Monitoring & Reporting Expenses consistent with Revenues
 - iv. City Manager Review & Approval of Departmental Budget Requests prior to Budget Review and Adoption
 - c. Reduce Employee Liabilities and Service Delivery Costs.
 - i. CalPERS Early Employee's Share Contribution
 - ii. Redesigned Health Insurance Benefits in 2017
 1. Discussed with Alliant Insurance – *Possible costs reductions of 300K to be implemented by July 2017*
 - iii. Department Reorganizations for Service Delivery Efficiency
 - iv. Cost Benefits of Contracting Public Maintenance, Safety, & Law Enforcement Services
 - v. Regional Funding Collaboration, e.g., Traffic Management (ICTC/LTA), Workforce Development (SDSU Students Experienceships), etc.,
 - vi. Update City's Cost Allocation Plan