

**CITY OF CALEXICO
ECONOMIC DEVELOPMENT AND FINANCIAL ADVISORY COMMISSION
SPECIAL MEETING**

Commission Members:

Enrique R. Ramirez, Chair
Esther Gomez, Vice-Chair
Ben Horton, Commissioner
Camilo Garcia, Commissioner

Miguel Figueroa, Asst. City Manager/
Economic Development Director
Karla E. Lobatos, Finance Director

MAY 19, 2020

5:00 P.M.

**Calexico City Hall
608 Heber Avenue
Calexico, CA 92231**

City Manager:

David B. Dale

Council Members:

Bill Hodge, Mayor
David Romero, Mayor ProTem
Rosie A. Fernandez, Council Member
Morris Reisin, Council Member
Lewis Pacheco, Council Member

*****AGENDA*****

CALL TO ORDER AND ATTENDANCE

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

ANNOUNCEMENTS/PUBLIC COMMENTS/PUBLIC APPEARANCES:

(Not to Exceed 3 Minutes) This is the time for the public to address the Commission on any item not appearing on the agenda. The Chairperson will recognize you and when you come to the microphone, please state your name and place of residence for the record. While members of the public are encouraged to participate, it is unlawful to disturb or delay the meeting with personal or slanderous remarks. The Commission is prohibited by State law from taking action or discussing items not included on the printed agenda. Please direct your questions and comments to the Commission.

BOARD MEMBER COMMENTS AND REPORTS

DIRECTOR'S REPORT

CONSENT

1. Approval of Minutes for Special Meeting held on January 14, 2020.

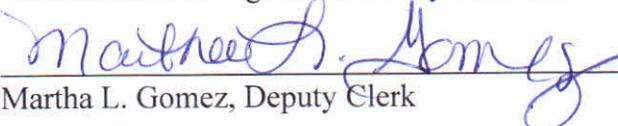
DISCUSSION AND POTENTIAL ACTION ITEMS

2. Budget Presentation for Fiscal Year 2020-21 – Presented by Finance Director Karla Lobatos.

ADJOURNMENT

It is the intention of the City of Calexico to comply with the Americans with Disabilities Act in all respects. If you are a person with a disability who requires a disability-related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, please request such modification or accommodation from the City Clerk at (760) 768-2102. Notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting. Please advise us at the time whether you will require accommodations to participate in meetings on a regular basis. Any person affected by any application on this agenda may submit their concerns in writing prior to the meeting or appear in person and be heard in support or opposition to the proposal at the time the matter is considered on the agenda. The staff reports, applications and environmental documents may be viewed at either the office of the City Clerk, 608 Heber Avenue from 8:30 a.m. until 5:30 p.m. Monday through Thursday, except legal holidays. Telephone inquiries may be made at (760) 768-2102. If you challenge any agenda issue in court, you may be limited to raising only those issues that you or someone else raised at the public meeting described in this notice, or in written correspondence delivered to the City of Calexico at, or prior to, the public meeting.

This notice of the agenda is hereby certified to have been posted on or before 6:00 p.m. on May 15, 2020.


Martha L. Gomez, Deputy Clerk

6:00 p.m. / May 15, 2020.
Time/Date

CITY OF CALEXICO

ECONOMIC DEVELOPMENT

AND

FINANCIAL ADVISORY COMMISSION

ITEM

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THE ECONOMIC DEVELOPMENT AND FINANCIAL ADVISORY COMMISSION MET IN REGULAR SESSION ON THE 14TH DAY OF JANUARY 2020, AT 6:00 P.M. AT THE FERNANDO “NENE” TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA.

CALL TO ORDER

Commission Chair Ramirez called the meeting to order at 6:03 p.m.

ATTENDANCE:

Chair Enrique Ramirez
Vice-Chair Esther Gomez
Secretary Bruno Suarez
Commissioner Benjamin Horton

Commissioner Camilo Garcia – Absent

PLEDGE OF ALLEGIANCE

Commission Chair Ramirez led those present in the Pledge of Allegiance.

APPROVAL OF AGENDA

Motion was made by Commissioner Vice-Chair Gomez to approve agenda. Motion was seconded by Commissioner Horton and passed by the following vote to wit:

AYES:	Ramirez, Gomez, Horton, and Suarez
NOES:	None
ABSENT:	Garcia
ABSTAIN:	None

ANNOUNCEMENTS/PUBLIC COMMENTS/PUBLIC APPEARANCES:

None.

BOARD MEMBER COMMENTS AND REPORTS:

Commissioner Horton reported that he had attended an Imperial/Mexicali bi-national meeting in Mexicali. Commissioner Horton advised that Mexicali officials had provided information on all the events/celebrations that Mexicali would be having every month for 2020. Commissioner Horton advised that he would send out upcoming agendas and dates to the commissioners. Commissioner Horton further advised that Port of Entry (POE) issues were also discussed at this bi-national meeting.

Commission Secretary Suarez stated that he too had attended the bi-national meeting in Mexicali. Commission Chair Suarez stated that what was also discussed at the meeting was the future plans of turning the area along the Mexicali border to emulate that of Algodones, Mexico, with medical practices all along the border.

ECONOMIC DEVELOPMENT AND
FINANCIAL ADVISORY COMMISSION MINUTES

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Finance Director Lobatos advised that Finance was almost done with the 2018-19 Year-End. She further reported that she would be presenting second quarter numbers to City Council in a few weeks. Finance Director Lobatos invited the commissioners to attend the Council meeting.

Finance Director Lobatos further informed the commissioners on the completion of the Impact Fees report that has not been done in eight (8) years.

Finance Director also advised the commissioners that they would be receiving the link for them to complete the 700 form via email.

Vice-Chair Gomez had no comments.

Commission Chair Ramirez thanked all for their updates.

DIRECTOR'S REPORT

Finance Director Lobatos advised the present commissioners that Mr. Figueroa was out sick and that he would be reaching out to each commissioner if questions came up during the meeting.

Commissioner Horton inquired if the BID had re-assessed the \$100 charge to BID members. Commissioner Horton was advised by Finance Director Lobatos that City Council had to re-certified the BID's recommendation, but that had not happened yet.

Vice-Chair Gomez inquired as to whether the City was getting compensated for expenses incurred for the BID events, i.e. cost of staff time, etc. Finance Director Lobatos stated that the City was not getting compensated for "in kind contribution" for BID events. Vice-Chair Gomez stated that those expenses eventually add up. Finance Director Lobatos further stated that those expenses are being spent from the City's general fund.

Commissioner Horton stated that he is aware that BID favors Mr. Tony Dominguez' business to handle their press and advertising, but he feels that Mr. Dominguez' publication does not reach local residents. Commissioner Horton further stated that he feels that the BID events are held too late and that the local BID businesses do not benefit from the events held in the downtown area; an example being the downtown Halloween event – it started too late. Another event Commissioner Horton brought up was the 16th of September event in celebration of Mexican Independence held in conjunction with the Mexican Consulate; the event was held at Crummett Park, away from the downtown businesses. Commissioner Horton stated that the BID is spending more than what is coming in, (in funds).

CONSENT AGENDA:

1. APPROVAL OF MINUTES FOR REGULAR MEETING HELD ON NOVEMBER 12, 2019:
Motion was made by Commissioner Horton to approve the Economic Development and Financial Advisory Commission minutes for the meeting of November 12, 2019. Motion was seconded by Secretary Suarez, and passed by the following vote to wit:

AYES: Ramirez, Gomez, Horton, and Suarez
NOES: None
ABSENT: Garcia
ABSTAIN: None

DISCUSSION AND POTENTIAL ACTION ITEMS:

2. ECONOMIC DEVELOPMENT PRESENTATION– PRESENTED BY ECONOMIC DEVELOPMENT DIRECTOR AND ASSISTANT CITY MANAGER MIGUEL FIGUEROA.
Item tabled for future discussion due to Mr. Figueroa’s absence.

3. IMPERIAL-MEXICALI BINATIONAL ALLIANCE STRATEGIC PLANNING OVERVIEW 2019 – PRESENTATION BY ECONOMIC DEVELOPMENT DIRECTOR AND ASSISTANT CITY MANAGER MIGUEL FIGUEROA.
Item tabled for future discussion due to Mr. Figueroa’s absence.

4. CALEXICO PUBLIC OPEN MARKETPLACE POPYARD PROJECT – PRESENTATION BY ECONOMIC DEVELOPMENT DIRECTOR AND ASSISTANT CITY MANAGER MIGUEL FIGUEROA.
Item tabled for future discussion due to Mr. Figueroa’s absence.

5. FINANCE DEPARTMENT PRESENTATION – BUSINESS LICENSE FEE – PRESENTED BY FINANCE DIRECTOR KARLA LOBATOS.
Finance Director Lobatos advised the commissioners that she had previously presented the Business License Fee presentation to the City Council on their December 18, 2019 meeting. Finance Director Lobatos informed that each business license fee is \$124, the Fire Inspection fee is \$167, for a total of \$291. The City of Calexico’s business license is comparable to the other cities in the county, i.e. City of El Centro, City of Imperial. Vice-Chair Gomez stated that a reduction in the business license fee would reduce the general fund revenue. Finance Director Lobatos advised that the City of Calexico has 2,198 registered businesses, compared to over 5,000 in the City of El Centro.

Commission Chair Ramirez inquired as to Amazon sales tax being collected. Finance Director Lobatos advised that the State handles those sales tax and that the City is compensated accordingly.

Commissioner Horton addressed business owner Mr. Jesse Gallardo’s presence at the meeting. Commissioner Horton advised that Mr. Gallardo was inquiring as to the BID’s \$100 fee assessment. Finance Director Lobatos advised that the BID fee was not included in the business license invoices because the assessment had not been done yet and the business license invoices were time sensitive and needed go out by a certain date. Finance Director Lobatos advised that BID needed to have their fee assessment ratified by City Council before the City invoiced for those fees. Finance Director Lobatos further advised that Mr. Figueroa would provide further information on this matter.

6. FINANCE DEPARTMENT PRESENTATION – S & P GLOBAL RATINGS FOR CITY OF CALEXICO – PRESENTED BY FINANCE DIRECTOR KARLA LOBATOS.
Finance Director Lobatos presented the report from S&P Global to the commissioners regarding the City’s rating upgrade to a “BBB-” which is positive and stable for the City. Commissioners congratulated Finance Director Lobatos for all the work she’s done to turn around the finance department and the City.

FUTURE AGENDA ITEM(S)

None.

ECONOMIC DEVELOPMENT AND
FINANCIAL ADVISORY COMMISSION MINUTES

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ADJOURNMENT

There being no further business, motion to adjourn the meeting was made by Commission Secretary Suarez and seconded by Commissioner Horton. Meeting was adjourned at 7:11 p.m.

Enrique Roman Ramirez, Chairperson

Martha L. Gomez, Deputy Clerk

CITY OF CALEXICO

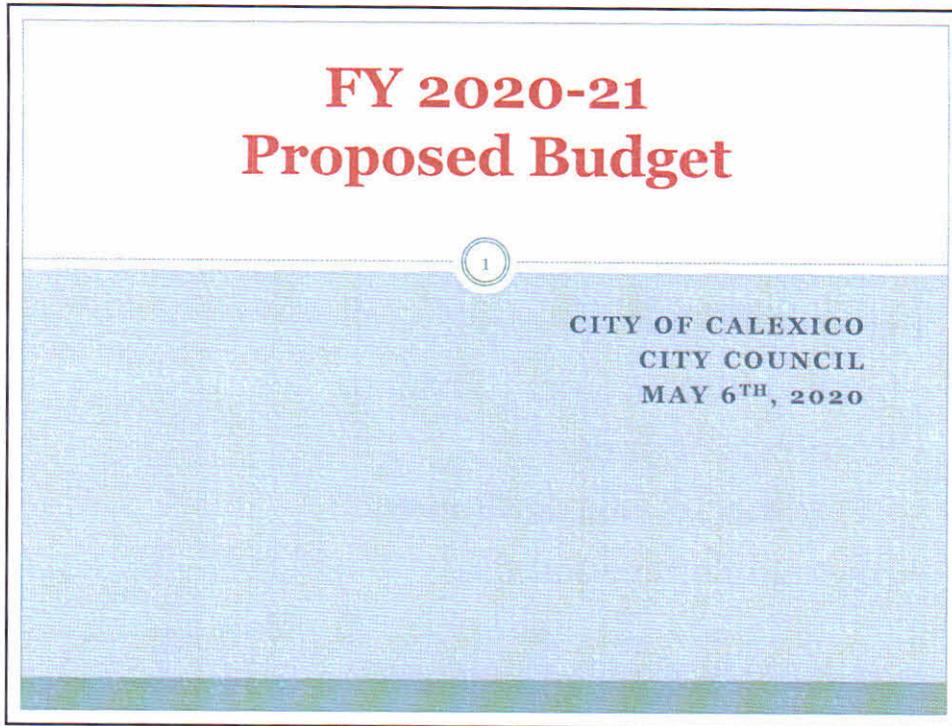
ECONOMIC DEVELOPMENT

AND

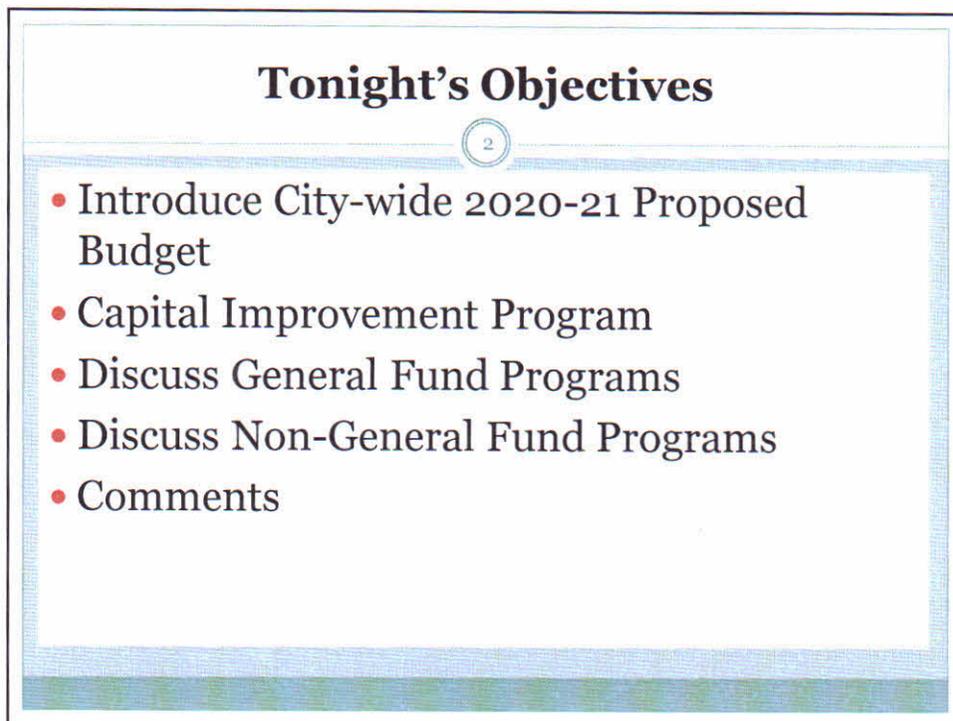
FINANCIAL ADVISORY COMMISSION

ITEM

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1



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City's Budget

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- General Fund and Measure H
- Operating Funds
- Housing Funds
- Capital Improvement Program
- Enterprise Funds
- CFD/Special District Funds
- Internal Service Funds

3

Why Does Budget Need to Balance?

4

- In prior years, City fully drew and overspent its General Fund balance reserve, it is now on steady course to meet its target of one month reserve.
- During FY 2019-2020 City Council approved to make an advance payment for its last and final repayment to Waste Water loan.
- As a result of the pandemic, the City's revenues and expenditures have been revised and updated for both FY 2019-2020 and FY 2020-21.

4

General Fund

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- This fund is used to record all resource revenues and expenditures that are not associated with special-purpose funds. The activities paid for through this fund constitutes the core administrative and operational tasks of the City. This fund includes the following:
 - Public Safety: Police and Fire.
 - Community Development: Planning, Building and Code Enforcement.
 - Public Works: Airport, Engineering, Fleet, Facilities, Streets, Parks, Solid Waste and Transit.
 - Community Services: Library and Recreation.
 - Community and Economic Development.
 - Administration: City Council, City Manager and Finance.

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Operating Funds

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- Grants: The City benefits from State grants to support Library Services.
- Donations: The City receives community donations to support a wide range of special services, i.e. Police, Animal Control, Fire, Library, Recreation and Community Events.
- Gas Tax: The City receives Highway User Tax (HUTA) Gas tax allocated by the State of California. Revenues are available to fund street maintenance programs.
- Police Department: Department is sponsored by the Federal Department of Justice and the State of California through several funds such as : Asset Seizure/Forfeiture, Prop 172 Public Safety Sales Tax, COPS Grant, HIDTA (High Intensity Drug Trafficking Area), Operation Stonegarden.

6

Operating Funds

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- **Fire Department:** The Department is sponsored by the State of California through Prop 172 Public Safety Sales Tax.
- **Developer Reimbursement Funds:** These funds are used to track deposits and expenditures related to a specific project activity.
- **Business Improvement District:** This fund tracks collections and payments on behalf of the City's Business Improvement District.

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Housing Funds

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- **Housing Successor:** This fund tracks low/moderate income housing loans and other assets received from the former Redevelopment Agency at the time of redevelopment dissolution in 2012.
- **HOME:** This is an allocation of 2017 and 2018 Federal HOME grant funds passed through the State Department of Housing and Community Development. Funds are allocated for both owner-occupied rehabilitation and first time home buyer units.

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Housing Funds

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- **CDBG:** This fund reports on the status of the program loan portfolio.
- **HOME:** This fund reports on the status of the program loan portfolio.
- **Local:** Accounts for a housing loan portfolio originally funded through the State HELP and SLPP grant programs.
- **CalHOME:** This fund reports on the status of the program loan portfolio.

9

Capital Improvement Program

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- These funds help maintain, improve, build or renovate property, streets, facilities and parks.

	FY 2020-21	5-year Total
Streets Projects	\$ 16,675,014	\$ 23,151,014
Other Transportation Projects	568,677	648,677
General Government	13,527,746	20,368,746
Water Treatment Distribution	9,385,000	18,690,000
Wastewater Collection and Treatment	21,368,000	41,122,000
	\$ 61,524,437	\$ 103,980,437

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Capital Improvement Program

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- Measure D/ LTA
- Transportation Development Act (TDA)
- Road Maintenance Rehabilitation
- Measure H
- Local Capital Projects
- Capital Grants
- Developer Impact Fees
- Development Projects
- New River Improvement Project

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Enterprise

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- Water Operations: Provides domestic potable water service to 8,000 residential and commercial customers.
- Water Capital Improvement Program: Tracks capital investment in the City's water system.
- Wastewater Operations: Provides domestic potable sewer service to 8,000 residential and commercial customers.
- Wastewater Capital Improvement Program. Tracks capital investment in the City's sewer system.

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Enterprise

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- **Airport.** The City operates an international airport. Primary revenue sources include fuel sales and hangar rentals.
- **Airport Capital.** Tracks capital investment in the City's Airport Infrastructure. Runway and Taxiway capital improvements are typically funded with Federal and State grants.

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Special Districts/CFD

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- **Special Districts** were established to support the ongoing maintenance within the District including parks, landscaping, lighting and regional drainage storm water retention systems. There are 5 CFD's/Special Districts within the City.
 - Bravo Victoria
 - Hearthstone
 - Towncenter
 - Venezia (Inactive)
 - Gran Plaza

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Internal Service/Insurance Programs

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- **5 Self-Insurance Programs**
 - Employee and Retiree Medical Insurance.
 - Workers Compensation, General Liability, Unemployment.

- **June 2020 Reserves**
 - Reserves as of June 2020 are expected to be at 8%.
 - Projections estimate to keep same level of reserves at 8% for FY 2020-21.

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City-wide Personnel/Workforce

16

- Budget includes new, vacant and reclassified positions.

- Hiring and promotions will be restricted to an optimal General Fund revenue balance.

- Revisit as new revenues are implemented and General Fund midyear projections demonstrate capacity.

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Personnel/Workforce Proposal General Fund

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		2019	2020	2021
General Fund				
20	210 POLICE ADMINISTRATION	36	36	36
20	216 PARKING - TRAFFIC CONTROL	3	3	3
20	217 ANIMAL CONTROL	2	2	2
20	250 FIRE PROTECTION	28	28	28
30	310 PLANNING	2	1.5	2
30	330 BUILDING AND CODE ENFORCEMENT	5	3.5	4
40	410 PUBLIC WORKS ADMINISTRATION	2.0	2.0	2.0
40	414 FLEET	4	1.0	1.3
40	416 W - PARK MAINT	1	3.5	3.5
40	420 PW - FACILITIES	1	1	1
50	510 COMM. SVCS. - LIBRARIES	5	5	5
50	520 RECREATION AND CULTURAL ARTS	3	3	3
60	601 HOUSING ADMINISTRATION	3	2.5	2.5
10	110 CITY COUNCIL	6	5	5
10	150 CITY MANAGER	5	6.5	6.5
10	160 FINANCE	8	8	8
10	162 CUSTOMER SERVICE	0.2	0.2	0.2
111 - GENERAL FUND		114.2	111.7	113.1

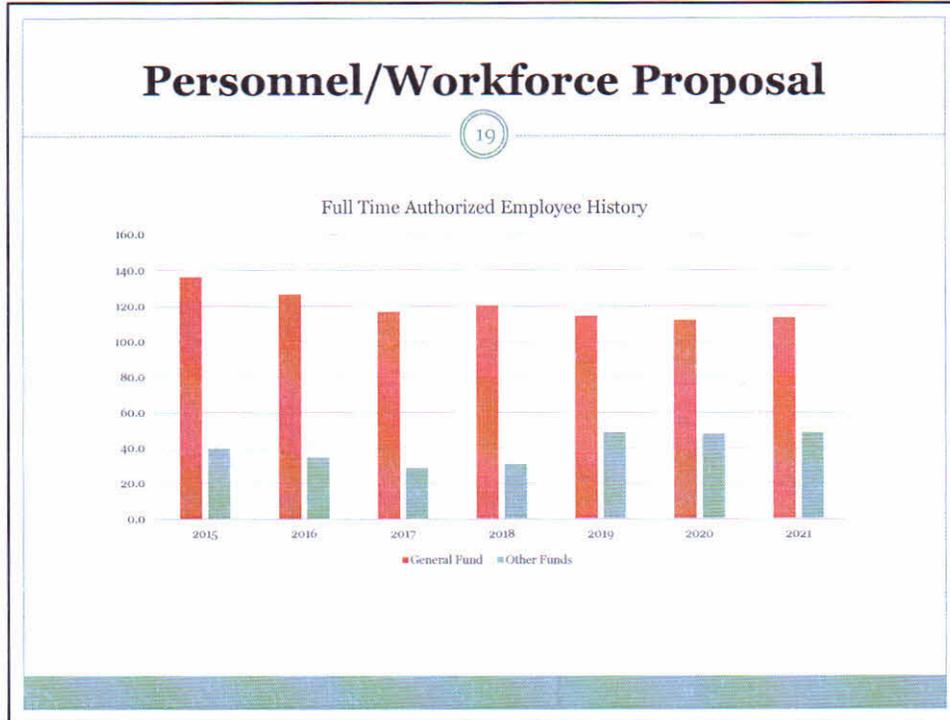
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Personnel/Workforce Proposal Non General Fund

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		2015	2016	2017	2018	2019	2020	2021
HUTA / Gas Tax								
40	413 STREETS	5	4	4	4	4	9	9
231 - HUTA / GAS TAX		5	4	4	4	4	9	9
236 - TDA Art 8e(Bus/Shelters)								
83	830 TDA	0	0	0	0	0.2	0.2	0.2
236 - TDA Art 8e(Bus/Shelters)		0	0	0	0	0.2	0.2	0.2
Water Fund								
81	811	0.8	0.8	1.1	1.9	3.9	5.4	5.2
81	813 WATER TREATMENT PLANT	8	7	7	7	11	10.0	10.5
81	814 WATER DISTRIBUTION SYSTEM	13	12	5	5	11	7	7
513 - WATER OPERATIONS		21.8	19.8	13.1	13.9	25.9	22.4	22.7
Airport								
83	830 AIRPORT	0	0	0	0	0.8	0.8	0.8
522 - AIRPORT		0	0	0	0	0.8	0.8	0.8
Wastewater Fund								
82	821 WASTEWATER ADMINISTRATION	0.8	0.8	1.1	2.9	1.9	3.4	3.2
82	823 WASTEWATER TREATMENT PLANT	7	6	6	6	9	7	8
82	824 WASTEWATER COLLECTION SYSTEM	5	4	4	4	7	5	5
544 - WASTEWATER OPERATIONS		12.8	10.8	11.1	12.9	17.9	15.4	15.7
TOTAL		176.0	161.0	145.0	151.0	163.0	159.5	161.5

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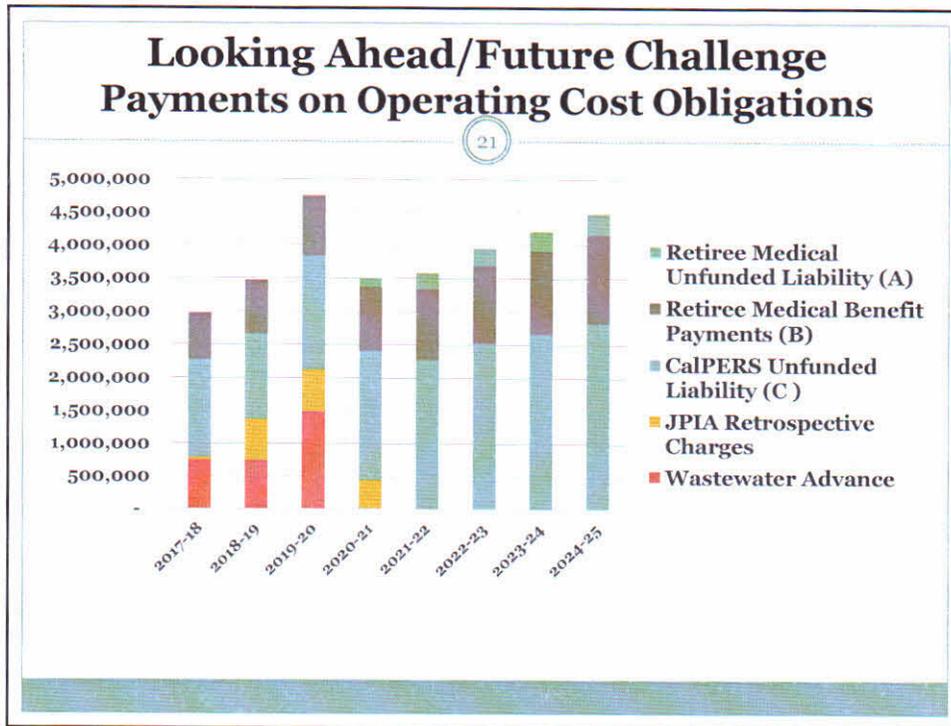
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General Fund Reserves Continued Path to Fiscal Recovery

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Current Proposed Budget includes 5-Year Financial Plan to Cover Growing Payments on Operating Cost Obligations.

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- ### Next Steps
- 22
- May 13th Department Budget presentations, receive and incorporate City Council comments.
 - May 20th Department Budget presentations, receive and incorporate City Council comments.
 - June 3rd Present Final Budget for adoption and consider resolution to adopt FY 2020-21 Budget.

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Proposed Council Action

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- Questions?

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