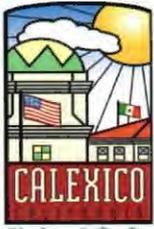


**AGENDA
ITEM**

3



AGENDA STAFF REPORT

DATE: February 19, 2020
TO: Mayor and City Council
APPROVED BY: David B. Dale, City Manager *DD*
PREPARED BY: Karla E. Lobatos, Finance Director *Kp*
SUBJECT: Ratification of Economic Development and Financial Advisory Commission Minutes for Meetings of October 15, 2019 and November 12, 2019

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Recommendation:

Ratification of Economic Development and Financial Advisory Commission Minutes for Meetings of October 15, 2019 and November 12, 2019.

Background:

Committee staff liaison shall prepare minutes of the proceedings of each Economic Development and Financial Advisory Commission meeting and present to the commission for approval. Once approved, a copy of the signed minutes is submitted for Council ratification.

Discussion & Analysis:

Attached minutes of the Economic Development and Financial Advisory Commission Minutes for Meetings of October 15, 2019, and November 12, 2019, have been approved by the committee and signed by the chairperson for ratification by Council.

Fiscal Impact:

None.

Coordinated With:

None.

Attachments:

1. Economic Development and Financial Advisory Commission Minutes for Meeting of October 15, 2019.
2. Economic Development and Financial Advisory Commission Minutes for Meeting of November 12, 2019.

AGENDA
ITEM

3

THE ECONOMIC DEVELOPMENT AND FINANCIAL ADVISORY COMMISSION MET IN REGULAR SESSION ON THE 15TH DAY OF OCTOBER 2019 AT 6:00 P.M. AT THE FERNANDO “NENE” TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA.

CALL TO ORDER

Vice-Chair Gomez called the meeting to order at 6:06 p.m. Vice-Chair Gomez opened the meeting, as Commission Chair Ramirez was running a late.

ATTENDANCE:

Chair Enrique Ramirez
Vice-Chair Esther Gomez
Commissioner Benjamin Horton
Commissioner Camilo Garcia

Secretary Bruno Suarez – Absent

PLEDGE OF ALLEGIANCE

Commissioner Horton led those present in the Pledge of Allegiance.

APPROVAL OF AGENDA

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

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

ANNOUNCEMENTS/PUBLIC COMMENTS/PUBLIC APPEARANCES:

None.

BOARD MEMBER COMMENTS AND REPORTS:

Commissioner Horton asked if anyone had heard from Commissioner Suarez. He was advised by Ms. Gomez that he had not responded to the commission’s email notice. It was requested that an attendance report be presented at the next meeting. Finance Director Lobatos advised that the only meetings taken into consideration for dismissal from the commission are regular scheduled meetings; absences from special meetings are not considered form dismissal.

Commission Vice-Chair Gomez stated she wanted to comment on the City’s flyer that Mr. Figueroa had presented a few meetings ago. Vice-Chair Gomez is aware that the flyer was already being dispersed, but she still had some questions. Commissioner Horton also commented that there were a lot of errors and misspellings. Finance Director Lobatos advised that she had not seen the final draft, but that she would try to obtain a copy of one once Mr. Figueroa returned on Monday, and she would get it out to them (commissioners) as soon as she could. Commission Garcia inquired if the City had gotten ownership of the product, so that the City could make changes on demographics and data. Commissioner Horton further asked if the brochure was on the City’s website.

Commissioner Garcia asked who maintained the City’s website. He further inquired if the website was being revamped. Finance Director Lobatos advised the City Clerk Gabriela Garcia was in charge of managing the City’s website and was in the process of revamping the site. Commissioner Garcia stated

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that the current website needed a new image, and needed enhancements, and he was looking forward to what was being worked on. Commissioner Horton asked that City Clerk Garcia be present at next months meeting so that she could discuss the various issues with the website.

Commissioner Garcia stated that he wanted to discuss the various items that Mr. Figueroa had sent to the commission and that might be presented to the City Council on their Commission presentation, as some of the items listed had not be discussed during their meetings. Commission Chair Ramirez advised that he would be meeting with Mr. Figueroa to discuss these items and that the Commission's presentation was postponed until further notice.

DIRECTOR'S REPORT

None.

CONSENT AGENDA:

1. APPROVAL OF MINUTES FOR REGULAR MEETING HELD ON JULY 9, 2019:

Motion was made by Commissioner Garcia to approve the Economic Development and Financial Advisory Commission minutes for the meeting of July 9, 2019. Motion was seconded by Commissioner Horton, and passed by the following vote to wit:

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

2. APPROVAL OF MINUTES FOR SPECIAL MEETING HELD ON SEPTEMBER 10, 2019:

Motion was made by Commission Chair Gomez to approve the Economic Development and Financial Advisory Commission minutes for the meeting of September 10, 2019. Motion was seconded by Commissioner Horton, and passed by the following vote to wit:

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

DISCUSSION AND POTENTIAL ACTION ITEMS:

3. DISCUSSION: YEAR END REPORT FY 2018-19 AND 1ST QUARTER REPORT – PRESENTED BY FINANCE DIRECTOR KARLA LOBATOS.

Finance Director Lobatos reported that the Finance Department is in track to start the annual audit and that based on last years' time frame, Finance staff is 6 months ahead in closing out the general fund numbers (FY 2018-19). Ms. Lobatos further advised that the financial consultant could eventually be phased out. Ms. Lobatos further stated that staff is ahead on their work assignments; where staff was working on financial tasks for FY 2017-18 during March 2019; staff is currently working on the similar financial tasks for FY 2018-19.

Ms. Lobatos apologized for not providing the report to the commission along with the agenda, but the finalized report had not been received by the consultant until Tuesday morning, the day of the meeting.

Commissioner Horton inquired is the City's good standing with CBDG. Ms. Lobatos advised that that would be a matter for him to discuss with Mr. Figueroa. Ms. Lobatos further advised if departments submit for grants, that information needs to be submitted to finance so that numbers are correct for the financial component of the grant. Ms. Lobatos further advised that currently each department submits their own billings.

Commissioner Garcia inquired as to the feasibility of hiring a grants writer/consultant. He understands that it is an expensive expenditure, but that sometimes this can be an investment if the right grants are obtained. Ms. Lobatos advised that the City has had grant writers in the past, but she is not aware on the reason(s) that they did not work out. Commission Chair Ramirez stated that some consultants will work for a percentage of the funds received. He further advised that some grants stipulate the percentage that can be paid to the consultant/grant writer.

Ms. Lobatos advised the commissioners that Measure H did very well due to the recent economic development coming into the city, (approximately \$387,000). Ms. Lobatos further advised that salary and benefits took a hit due to a few retirements in which there were employee benefits that had to be paid. Ms. Lobatos also advised that internal loan from a few years back was going to be paid one year ahead (Wastewater loan). Ms. Lobatos advised that this pay-back was possible due to employee cuts, furloughs, and careful monitoring of expenses. Ms. Lobatos stressed that this pay-off was very good for the City as it would save on the interest. Commissioner Garcia inquired as to whether there were any employee pay-offs still pending due to litigation; Ms. Lobatos advised that those numbers are usually provided to finance from Human Resources, and most of the time the numbers provided are just approximate numbers.

Ms. Lobatos reported that the City would be having a surplus at the end of the year, but that does not mean that the funds should be spent, as there are other obligations pending, i.e. Cal PERS, JPIA, etc.

Commissioner Horton inquired as to the City's CFD's, practically Gran Plaza and Hearthstone. Ms. Lobatos stated that the Gran Plaza payment had just been wired. Ms. Lobatos reported that the Hearthstone payment was paid on the funds received from the County, that were paid from the residents that reside in that area; Ms. Lobatos stated that the CFD is not paid in full. Ms. Lobatos further stated that the CFD's for Hearthstone had a public safety component and it was a 20 year CFD.

Ms. Lobatos addressed the Cannabis revenue. She reported that there was a shortfall on revenues collected. Ms. Lobatos reported that she hoped that more revenue might be in at the beginning of 2020. Commissioners requested that further information be provided on this item for next month's meeting.

4. DISCUSSION: JPIA PAYMENT PLAN – PRESENTED BY FINANCE DIRECTOR KARLA LOBATOS

Finance Director Lobatos presented the commission members with the JPIA payment plan, but due to time constraints, the commissioners would review on their own. Finance Director Lobatos was thanked for providing the information. No action was taken.

ECONOMIC DEVELOPMENT AND
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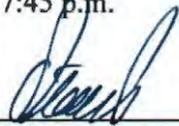
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Commissioner Horton provided a list of items that he would like to see on next month's agenda, in addition to the requested items that the commissioners had requested throughout the meeting.

ADJOURNMENT

There being no further business, motion to adjourn the meeting was made by Commissioner Garcia and seconded by Commission Chair Ramirez. Meeting was adjourned at 7:45 p.m.


Martha L. Gomez, Deputy Clerk


Enrique Roman Ramirez, Chairperson

THE ECONOMIC DEVELOPMENT AND FINANCIAL ADVISORY COMMISSION MET IN REGULAR SESSION ON THE 12TH DAY OF NOVEMBER 2019 AT 6:00 P.M. AT THE FERNANDO “NENE” TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA.

CALL TO ORDER

Vice-Chair Gomez called the meeting to order at 6:02 p.m. Vice-Chair Gomez opened the meeting, as Commission Chair Ramirez would not be attending the meeting.

ATTENDANCE:

Vice-Chair Esther Gomez
Secretary Bruno Suarez
Commissioner Benjamin Horton
Commissioner Camilo Garcia

Chair Enrique Ramirez – Absent

PLEDGE OF ALLEGIANCE

Secretary Suarez led those present in the Pledge of Allegiance.

APPROVAL OF AGENDA

Motion was made by Commissioner Horton to approve agenda. Motion was seconded by Commissioner Garcia and passed by the following vote to wit:

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

ANNOUNCEMENTS/PUBLIC COMMENTS/PUBLIC APPEARANCES:

None.

BOARD MEMBER COMMENTS AND REPORTS:

Economic Development and Assistant City Manager Figueroa stated for the record, that signage had been posted to indicate that the EDFA meeting had been relocated to the City Clerk’s Conference Room due to scheduling conflict with the special Planning Commission meeting. Signage was posted at the entrance door of City Hall, the entrance door to the Council Chambers, and to the window area of the south end of the building.

Ms. Gomez stated that she wanted to apologize to the commission on her error in mislabeling the agenda for the last month’s meeting as a special meeting. EDFA meetings are the second Tuesday of the month, and are held at 6:00 p.m.

Commissioner Horton stated that he wanted to bring to light the improprieties being held at the BID (Business Improvement District) meetings. He specifically questioned the many expenses made by BID on these special events. Commissioner Horton provided a copy of a map of the city of Calexico, which outlined the area covered by BID. Commissioner Horton further questioned if these recent events benefited the BID area and promoted the BID participants. Commissioner Horton questioned the recent Halloween event held in downtown Calexico and questioned the “budget” submitted by the promoter that was approved by the BID board.

Commissioner Garcia wanted clarification if anything having to do with any finances would come through this commissions, expenses, etc. Commissioner Garcia questioned the BID's expenses on their current events. Mr. Figueroa provided numbers as to the BID's funding and how they had been inactive for a while and how BID had recently been picking up on their promotional events.

Commission Secretary Suarez had no comments. Commission Vice-Chair had no special comments.

Finance Director Karla Lobatos stated that she and her staff were still working on the City's year-end and she advised that this would be all completed by the end of the year.

Mr. Figueroa reported that Ms. Lobatos had presented the unaudited numbers to the City Council and that it presented a true glance at where the City is at for FY 2018-19.

Mr. Figueroa also mentioned the Imperial Valley Press article regarding information from the State Controllars Office in which it states that Calexico is a High Risk Local Government. Mr. Figueroa went on to state that that information is not reflective of the City's current financial status, and that the numbers used were from 2016-17. Mr. Figueroa further stated that the City has made huge progress in and there should be a surplus at the end of this fiscal year.

DIRECTOR'S REPORT

Mr. Figueroa stated that he would be providing a lot of information during item #2 of the agenda in which he will provide a detailed report.

CONSENT AGENDA:

1. APPROVAL OF MINUTES FOR REGULAR MEETING HELD ON OCTOBER 15, 2019:
Motion was made by Commissioner Garcia to approve the Economic Development and Financial Advisory Commission minutes for the meeting of October 15, 2019, with minor changes indicated to Ms. Martha Gomez. Motion was seconded by Secretary Suarez, and passed by the following vote to wit:

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

DISCUSSION AND POTENTIAL ACTION ITEMS:

2. DISCUSSION: ECONOMIC DEVELOPMENT PRESENTATION– PRESENTED BY ECONOMIC DEVELOPMENT DIRECTOR AND ASSISTANT CITY MANAGER MIGUEL FIGUEROA.

Economic Development Director and Assistant City Manager, Miguel Figueroa, addressed Commissioner Garcia's and Horton's comments on the BID Board. Mr. Figueroa advised that the funds for BID came from the businesses located within the BID boundaries. Mr. Figueroa further stated that the BID had not been active in the last few years, therefore, no fees had been collected for BID for the inactive years. Mr. Figueroa further stated that BID had started to meet in January 2019, and had been meeting regularly and had had a few events, such as the 16th of September celebration in conjunction with the Mexican Consulate, in addition to Car Show, and the Halloween Wrestling event that was held last month. Mr. Figueroa also reported that the BID had created a

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calendar of events for the year when they started meeting in January. Mr. Figueroa further reported that the BID's finances were reported on every meeting. Mr. Figueroa reported that the BID had also been discussing other topics, such as safety in the downtown area. Mr. Figueroa stressed that BID cannot solve all the issues in the downtown area, but can open dialogue with the City on issues. Commissioner Horton asked if the business owners could come in to the BID's December meeting to voice their concerns regarding the spending of funds on events, and how these events benefit the downtown businesses. Per Commissioner Horton, the downtown businesses were closed by the time the Halloween event started, and for the Car Show no pedestrian traffic was flowing into the stores. Commissioner Garcia inquired as to the levy or tax imposed on the businesses; was that fee a flat rate, was it a tax, etc. Mr. Figueroa responded that he would provide answers to those questions to him. Commission Vice-Chair Gomez stated that the City of El Centro charged a flat rate.

Mr. Figueroa presented to the commissioners an informational brochure that was being handed out to developers. Mr. Figueroa stated that the City owned the handout and had access to make changes as needed.

Mr. Figueroa reported to the commissioners that a new business was coming to Calexico. That business was Treasure Hunt that would be coming in to the old Vons building and would open before Christmas. Per Mr. Figueroa Treasure Hunt was a retailer supplier that bought in bulk from major well-known stores. Mr. Figueroa also reported that the facility was still being renovated, but the fire department had done a building inspection, and they were good to open for business, and continue with their renovation of the building.

Mr. Figueroa reported that Dollar General would open in March 2020. Per Mr. Figueroa Dollar General would not be having a ground-breaking ceremony, but would be having a ribbon cutting ceremony.

Mr. Figueroa reported that Plant Fitness was actively working on their location behind Cardenas Market.

Mr. Figueroa also reported that construction was already going on at the new AM/PM gas station to be located at the Gran Plaza Outlets location. Per Mr. Figueroa, stated that the AM/PM gas station would have 8 pumps which would generate lots for taxes.

Mr. Figueroa reported on the current status of the Mega Park. Mr. Figueroa reported that the developer was given a 2 year extension to submit plans for development. Mr. Figueroa stated that this had to be done so that the development project at the Mega Park could continue and not be lost. Mr. Figueroa stated that applications had been submitted for buildings, which included retail, industrial, and commercial development. Mr. Figueroa further stated that he hoped that they would also apply for hospitality development. Mr. Figueroa stated that there were issues with the power (IID), but that the Mega Park group was already working on this matter.

Mr. Figueroa report that another plasma center would be coming into the City. Mr. Figueroa stated that these plasma centers were opening up in border cities and that they came with deep pockets. Mr. Figueroa reported that this company want to work with the City and he would approach them at a later date so that they could do clean-up campaigns and beautification projects in the City.

Commissioner Garcia stated that he would like to see a joint EDFA and BID meeting, along with the Calexico Chamber of Commerce, and that the Chamber should have copies of this new

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information brochure so that it could be handed out to any new business coming into the City. Commissioner Horton advised that he was not making a motion, but would like Mr. Figueroa to coordinate a joint EDFA, BID and Calexico Chamber meeting.

3. DISCUSSION: FINANCE DEPARTMENT ANNUAL CALENDAR – PRESENTED BY FINANCE DIRECTOR KARLA LOBATOS.

Finance Director Lobatos presented the commission members with the Finance Department's annual calendar that was presented to City Council on their November 6th meeting. Ms. Lobatos reported that the calendar was developed to provide better financial planning, indicates due dates for bond payments, state reporting due dates, budget planning dates, along with various vital dates for the fiscal year. Commission Vice-Chair asked that the 12 months be added to all pages, so that it would be easier to follow. Commissioner Garcia stated that he really liked the idea of having financial calendar. No action was taken.

4. DISCUSSION: BASIC FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT OF FINDINGS FY 2017-18 – PRESENTED BY FINANCE DIRECTOR KARLA LOBATOS.

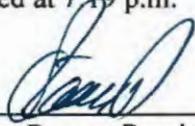
Finance Director Lobatos presented the commissioners with the auditor's findings for Fiscal Year 2017-18. Ms. Lobatos addressed the concerns from the auditors that had been carried over from the past few years. Ms. Lobatos stated that a concern noted in the audit was the City's ability to retain staff in finance. Another concern the auditor's noted in audit is the lack of staff that had financial/accounting experience. Ms. Lobatos stated that she had been with the City a little over one and one-half (1 ½) years and that most of the staff had been in the Finance Department longer than her, therefore, that concern from the auditors should be gone from the report for next year. Ms. Lobatos stated that the second concern the auditors had was in regard to staff not having financial/accounting experience. Ms. Lobatos reported that she had hired an accountant this past fiscal year and that the current staff had gained some experience that was crucial in the day-to-day running of the finance department. Per Ms. Lobatos, this concern should also be removed from the auditor's report for next year. Ms. Lobatos reported to the commissioners that the State Controller's Office had addressed these issues and had reported in their audit (State audit) that the City's finances were going in the right direction. No action was taken.

FUTURE AGENDA ITEM(S)

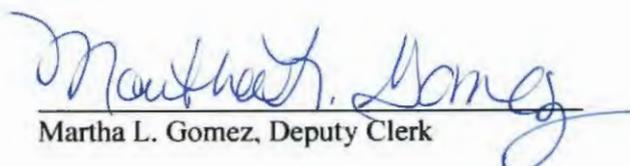
None.

ADJOURNMENT

There being no further business, motion to adjourn the meeting was made by Commissioner Garcia and seconded by Commission Secretary Suarez. Meeting was adjourned at 7:19 p.m.



Enrique Roman Ramirez, Chairperson



Martha L. Gomez, Deputy Clerk