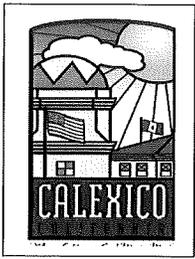


**AGENDA
ITEM**

12



AGENDA STAFF REPORT

DATE: April 17, 2019

TO: Mayor and City Council

APPROVED BY: David Dale, City Manager *DD*

PREPARED BY: Karla Lobatos, Finance Director *Kp*

SUBJECT: 2018-19 3rd Quarter Budget Status Report and Approval of Proposed Budget Amendment Resolution

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Recommendation:

It is recommended that the City Council receive a briefing on the 3rd quarter status of the 2018-19 Budget and consider a resolution to amend the 2018-19 Budget.

Background:

The City Council adopted the City's 2018-19 budget on June 27, 2018. The City Council received a 1st Quarter budget report on November 14, 2018 and amended the budget to include impacts of the revenue measures passed at the November 6, 2018 general election and other operating trends. The City Council received a 2nd Quarter budget report on January 28, 2019 and further amended the budget to reflect current operating trends. A 3rd quarter budget and amendment is now proposed to update the budget for nine-month year-to-date revenue and expenditure results. The objective of this report is to monitor budget compliance and to track the current cost to provide City services.

Discussion & Analysis:

All Funds Year-to-Date Summary

A summary of city-wide revenue and expenditures, with comparison to the 2018-19 budget, is presented in **Attachment A**. The General Fund has expended 70% of its budget through March 2019, with 30% of the expenditure budget remaining for the balance of the fiscal year. This reflects effective expenditure control practices by City departments. Program expenditures outside of the General Fund are largely dependent upon the timing of capital projects. Capital spending through March 2019 has reached \$8 million for the year, including \$3.7 million for the Cesar Chavez project (#901, Capital Grant Fund #412) and \$2.5 million for the Street Overlay project (#956, Measure D Bond Fund #402).



General Fund Overview and Fund Balance Projection

A summary of current projections for the General Fund is presented in **Attachment B**. Consistent with the last quarterly report presented to you in January 2019, the City continues to make steady progress in working out of the substantial \$4 million fund balance deficit that accumulated during the 2015 and 2016 fiscal years. The June 2019 fund balance projection continues to strengthen and is now expected fall below a \$1 million deficit level. Although still a deficit, this is ahead of the original work-out plan adopted by the City Council in June 2016. The City remains on track to complete repayment of its working capital advance from the Waste Water fund and return to a positive total fund balance within the next two years. A longer-term view of the General Fund will be presented to the City Council this spring as it considers the 2019-20 annual budget.

With adoption of the 2018-19 budget, City Council established a General Fund reserve policy to grow its fund balance reserve by \$250,000 per year. The current projection shows that the current working capital position, excluding the long-term Waste Water advance, can exceed this target and reach \$452,103 by June 2019. However, this positive trend is the result of continued favorable additions to 2017-18 results identified during the 2017-18 year-end close analysis, rather than annual improvements in the 2018-19 fiscal year. Additional revenue accruals have increased the June 2018 fund balance by \$84,100 since the January 2019 2nd quarter report. The 2017-18 external audit is now substantially complete. The auditors have finished their field testing and are drafting their report. The 2018 audited financial statements should be published by early May.

The upcoming 2019-20 budget process will be an opportunity to update the General Fund baseline operations to fully implement this City Council policy.

2018-19 General Fund Revenues

A summary of General Fund revenues and projections are presented in **Attachment C**.

Total General Fund annual revenues continue to be projected at \$15.9 million. However, four significant revenue sources are proposed for adjustment that result in a net zero impact to the budget.

First, the Cannabis tax approved by voters last December is taking longer than anticipated to implement and will generate only limited revenues in the current fiscal year. The current year tax is now projected at \$50,000, for a reduction of \$650,000 from the 2018-19 budget. Key steps in the implementation process were approved by City Council at their April 3, 2019 meeting. Stronger cannabis tax revenues are now expected in about 6-9 months and are expected to flow at a substantial level by the beginning of the next calendar instead of fiscal year.

Second, Community Development current planning and permit revenues are projected at about \$750,000 for the year, which are an increase of \$140,000 over the prior year. However, the substantial 2018-19 revenue budget of \$1.1 million is no longer fully achievable, and is proposed for a current reduction of \$350,000. Together with the deferral of cannabis tax revenues, the

General Fund is facing a \$1 million shortfall in operating revenues for the year, out of a \$16 million annual budget.

In this case, to avoid severe end-of-year service adjustments to offset the unexpected loss of operating revenues, an Interfund transfer of surplus for \$599,808 of one-time revenue to the City's General Fund is recommended. This one-time proceed are proposed to be used to bridge the time gap to fully implement fee and tax revenue programs adopted with the 2018-19 budget, such as the Cannabis and Ambulance Fees, and to offset the current revenue budget adjustments for 2018-19 Cannabis and Community Development revenues. The City has few options to recover its anticipated \$1 million loss in 2018-19 operating cash flow. The City will have another opportunity to "right size" its operating budget and program delivery levels as it considers the 2019-20 operating budget.

2018-19 General Fund Expenditures

Year-to-Date General Fund Expenditures by Department are presented in **Attachment D**.

Salary and Benefits represent the City's largest expenditures. To monitor budget compliance, the City is tracking salary and benefit costs vs. budget on a bi-weekly basis. Through March, General Fund payroll results in total are trending favorable to the bi-weekly adopted budget due to vacant positions. General Fund payroll costs are on track to realize the \$386,000 employee vacancy assumption assumed in the current 2018-19 budget. A further salary/benefit budget amendment is proposed at this time for \$ 241,000.

General Fund expenditure budget amendments are proposed with this report. First, the City received a bill for \$100,000 from the State Controller's Office for their costs to conduct the State's recent 2015-17 internal control review of the City, additionally a \$ 12,000 expenditure to design a City Brochure. These significant costs will need budget authority to pay since they cannot be absorbed in the current operating budget. To cover these costs, a corresponding \$142,000 reduction to the General Fund is proposed, \$ 100,000 to capital budget and \$ 42,000 reduction in Professional Fees and Outside Legal counsel. The total General Fund expenditure budget proposal is \$15.9 million.

Programs Outside of General Fund

Community Donations Fund #222

Program activity has increased in the Community Donations fund. A \$30,000 budget adjustment is proposed to increase revenue and expenses for Senior recreation program activity.

Police Grant Funds #245 and 246

The City has received grant funds above the budgeted level for two Police grant programs, HIDTA and Operation Stonegarden. The revenue and expenditure budgets are proposed to increase to match the actual grant receipts for these programs.

Housing Grant Funds #802 and #841

The City contracts with a third-party administrator to track the collection of home purchase and rehabilitation loans. These loans have been funded with Federal, State, and local grant programs. A budget amendment is proposed to cover the annual loan administration fees that

were underestimated in the original 2018-19 budget. These expenses are paid from loan repayment program income.

Fiscal Impact:

The proposed budget amendment authorizes net additional expenditures of \$16,600 for the 2018-19 fiscal year, as described in detail above. All proposed expenditure adjustments are covered with current revenues or dedicated fund reserves.

Attachments:

Resolution

Exhibit 1 to Resolution

A. All Funds Expenditure Summary

B. General Fund - Fund Balance Projection

C. General Fund - Revenues

D. General Fund - Expenditures by Department

Exhibit 1 to Resolution

City of Calexico
2018-19 Proposed Midyear Budget Adjustments
April 17, 2019

111 <u>General Fund</u>		<u>Budget Adjustment</u>
	<u>Revenues</u>	
	Cannabis Tax	(650,000)
	Community Development Fees	(350,000)
	SRO Program	15,000
	Interfund transfer	599,808
		<u>(385,192)</u>
	<u>Expenditures</u>	
	Non-Department State Controller Audit Fees	100,000.00
	Non-Department City's brochure	12,000.00
	City Attorney Professional Fees	(12,000.00)
	City Attorney Outside Legal Council	(30,000.00)
	Parking Control Vehicle Replacement	(100,000.00)
		<u>(30,000)</u>
	Salaries and Benefits	
	Vacancy Allowance	(241,000.00)
		(241,000)
	<u>Net</u>	
	Net Impact to General Fund Budget	<u>(114,192)</u>
		<u>Net Fund Balance Impact</u>
222 <u>Community Donations</u>		
	Revenue Increase revenue projection	30,000
	Expenditures Increase expenditure authority	(30,000)
		<u>-</u>
245 <u>HIDTA-Federal Police Grant</u>		
	Revenue Increase budget for grant receipts	7,100
	Expenditures Increase budget for staff reimbursement	(7,100)
		<u>-</u>
246 <u>Operation Stonegarden</u>		
	Revenue Increase budget for grant receipts	4,000
	Expenditures Increase budget for staff reimbursement	(4,000)
		<u>-</u>
802/ 841 <u>Housing Funds</u>		
	Reserves Draw on Fund Balance	5,500
	Expenditures Increase budget for loan administration fees	(5,500)
		<u>-</u>
Total		
	Expenditures Net Increase to City-wide Expenditures	<u>\$ 76,600</u>



2018-19 3rd Quarter Midyear Budget Report
All Funds Summary
March 31, 2019

		Revenues				Expenditures			
		Amended Budget	Year-to-Date 3/31/19	Remaining Budget	YTD % Budget	Amended Budget	Year-to-Date 3/31/19	Remaining Budget	YTD % Budget
General Fund									
111	General Fund	15,903,115	8,722,357	7,180,758	55%	15,902,260	11,157,494	4,744,766	70%
120	Measure H	2,551,000	1,596,847	954,153	63%	2,551,000	1,931,665	619,335	76%
Special Revenue Funds									
221	Library Grants	26,500	20,665	5,835	78%	26,500	7,417	19,083	28%
222	Community Donations	54,500	18,023	36,477	33%	84,221	83,659	562	99%
231	HUTA/Gas Tax	877,296	463,862	413,434	53%	1,294,784	626,881	667,903	48%
242	Prop 172-Public Safety Sales T	118,000	-	118,000	0%	118,000	-	118,000	0%
243	AB3229/COPS State Grant	100,000	-	100,000	0%	100,000	-	100,000	0%
245	HIDTA-Federal Police Grant	7,100	7,074	26		7,100	7,074	26	100%
246	Operation Stonegarden	4,000	3,877	123		4,000	3,877	123	97%
256	Cannabis Program	100,000	66,690	33,310	67%	100,000	66,690	33,310	67%
261	Bravo Victoria	188,000	146,772	41,228	78%	545,000	44,113	500,887	8%
271	IVECA	124,000	64,113	59,887	52%	124,000	124,000	-	100%
281	Solid Waste	1,910,000	1,304,437	605,563	68%	1,910,000	977,958	932,042	51%
299	Other Operating Grants	41,000	-	41,000	0%	41,000	-	41,000	0%
712	Business Improvmt Dist (BID)	-	-	-		55,000	3,225	51,775	6%
Housing Funds									
802	Low/Mod Income Housing	-	2,703	(2,703)		6,000	4,816	1,184	80%
840	CDBG Rev. Loans	-	249,239	(249,239)		9,000	5,771	3,229	64%
841	Home Rev. Loans	-	33,615	(33,615)		1,500	1,243	257	83%
842	SRRP Rev. Loans	-	6,266	(6,266)		1,800	896	904	50%
843	Help Rev. Loans	2,000	45,701	(43,701)	2285%	2,000	569	1,431	28%
Debt Service and Capital Funds									
223	Art In Public Places	1,000	46,811	(45,811)	4681%	15,000	8,896	6,104	59%
233	LTA Measure D	1,210,000	67,993	1,142,007	6%	8,323,240	129,599	8,193,641	2%
234/6	TDA Article 3/8E	549,997	-	549,997	0%	464,777	15,182	449,594	3%
237	Road Maintenance Rehab	684,691	427,738	256,953	62%	825,000	570,000	255,000	69%
401	Measure H Bond CIP	-	14,136	(14,136)		7,083,675	92,307	6,991,368	1%
402	LTA 2012B Bond CIP	-	34,996	(34,996)		2,625,000	2,564,169	60,831	98%
411	City Capital Projects	-	-	-		2,196,192	-	2,196,192	0%
412	Capital Grants	6,059,000	51,585	6,007,415	1%	6,059,000	3,740,095	2,318,905	62%
430-6	Development Impact Fee Funds	-	146,277	(146,277)		779,082	-	779,082	0%
474/6	New River	2,000,000	69,994	1,930,006	3%	2,000,000	2,832	1,997,168	0%
301	Measure D Bond Debt Service	1,133,000	1,302,555	(169,555)	115%	1,133,000	559,131	573,869	49%
310	Measure H Debt Service	1,002,000	996,170	5,830	99%	1,002,000	206,500	795,500	21%
Enterprise Funds									
513	Water Operations	7,004,000	4,481,711	2,522,289	64%	4,786,236	2,866,654	1,919,582	60%
513	Transfer to Water Debt & Capital	-	-	-		3,274,408	707,211	2,567,197	22%
514	Water Debt Service	982,000	709,281	272,719	72%	982,000	708,225	273,775	72%
515	Water Development Impact Fees	-	307,248	(307,248)		123,254	-	123,254	0%
516	Water Capital	2,415,662	-	2,415,662	0%	12,671,000	626,711	12,044,289	5%
522	Airport Operating	422,000	225,071	196,929	53%	467,206	325,207	142,000	70%
544	Wastewater Operating	5,862,000	3,719,263	2,142,737	63%	3,877,028	2,015,547	1,861,480	52%
544	Transfer to WW Capital Funds	-	-	-		1,240,492	-	1,240,492	0%
545	WW Debt Service	19,268,492	-	19,268,492	0%	1,593,492	-	1,593,492	0%
545	WW Bond Refinance	-	-	-		17,675,000	-	17,675,000	0%
547	Wastewater Capital	17,675,000	-	17,675,000	0%	6,937,000	197,753	6,739,247	3%
Internal Service Funds									
601/2	Medical Benefits	2,900,622	1,988,539	912,083	69%	2,900,622	1,371,643	1,528,979	47%
603	Workers Compensation	1,457,770	945,388	512,383	65%	1,457,770	918,572	539,198	63%
604	Unemployment Insurance	98,410	68,323	30,087	69%	98,410	25,447	72,963	26%
605	General Liability	1,164,831	873,623	291,208	75%	1,164,831	485,601	679,230	42%
601-5	Net Internal Charges	(5,402,583)	(3,875,873)	(1,526,710)	72%	(5,621,633)	(2,801,263)	(2,820,370)	50%
Agency/District Funds									
903	Hearthstone La Jolla Palms	509,000	557,586	(48,586)	110%	1,004,000	353,322	650,678	35%
904	Towncenter	-	-	-		11,139	3,000	8,139	27%
905	Venezia	-	-	-		21,274	-	21,274	0%
906	Corsair CFD 2013-1	274,000	424,111	(150,111)	155%	538,800	518,065	20,735	96%
		89,277,403	26,334,767	62,942,636	70%	110,591,460	31,257,753	79,333,707	28%



Staff Report Attachment B

**2018-19 3rd Quarter Midyear Budget Report
General Fund
Fund Balance Projection**

	2017-18	2018-19					Notes
	Actual 4-5-19	Adopted Budget	November Adjustments	January Adjustments	April Adjustments	Adjusted Budget	
Annual Activity							
Revenues							
Property Tax	\$ 5,185,603	\$ 5,266,000	\$ 100,000	\$ -		\$ 5,366,000	
Sales Tax	4,717,570	4,298,352				4,298,352	
Other General Revenues	2,031,293	1,996,000		15,000	(650,000)	1,361,000	Cannabis Tax
Program Revenues	2,868,642	2,528,955			(350,000)	2,178,955	Development
Measure H Transfer	645,373	276,000		25,000	15,000	316,000	
New Revenues							
Hotel Tax Ballot Measure			21,000	-		21,000	
Cannabis Ballot Measure		300,000	400,000	-		700,000	
Water/Wastewater Lease revenue		360,000	(60,000)	-		300,000	
Traffic Control Grant		150,000				150,000	
Traffic Control Grant - County		125,000	(125,000)	-		-	
Ambulance Fee Increase		1,062,000	(500,000)	(400,000)		162,000	
Building/Development Activity		450,000				450,000	
Interfund Transfer					599,808	599,808	Solid Waste fund
	15,448,481	16,812,307	(164,000)	(360,000)	(385,192)	15,903,115	
Expenditures							
Salaries and Benefits							
Gross salary and benefits	9,836,874	10,693,295	12,000	41,000		10,746,295	
Unfunded PERS liability	1,330,427	1,138,151				1,138,151	
Retiree Health/Medical Admin	383,296	612,000				612,000	
Vacancy Savings		(220,000)	(41,000)	(125,000)	(241,000)	(627,000)	
	11,550,597	12,223,446	(29,000)	(84,000)	(241,000)	11,869,446	
Measure H Reimbursement	(1,250,000)	(1,250,000)				(1,250,000)	
Grant/Other Reimbursements	(310,578)	(218,000)		(41,000)		(259,000)	
	9,990,019	10,755,446	(29,000)	(125,000)	(241,000)	10,360,446	
Operating/Capital Costs							
Operating Costs	3,856,720	3,900,332	191,000	(100,000)	70,000	4,061,332	State Controller's Audit, Brochure, reduce professional fees
General Liability Insurance	433,500	516,174				516,174	Defer Vehicle Replacement
Capital Outlay	26,290	475,171	(300,000)		(100,000)	75,171	
Debt Service - Wastewater Loan	742,554	742,554				742,554	
Debt Service - JPIA Retrospective	-	633,780				633,780	
Contribution to CFD 2013	265,161	274,000				274,000	
Indirect Cost Allocation	(680,098)	(761,197)				(761,197)	
	4,644,127	5,780,814	(109,000)	(100,000)	(30,000)	5,541,814	
Total Expenditures	14,634,146	16,536,259	(138,000)	(225,000)	(271,000)	15,902,260	
Net Annual Operating Results	\$ 814,335	\$ 276,048	\$ (26,000)	\$ (135,000)	\$ (114,192)	\$ 855	2018-19 Budget - City Council Policy Direction: +\$250K/Year to Reserves
Fund Balance							
Beginning Working Capital	\$ (363,087)	\$ (26,048)	\$ 285,575	\$ 107,620	\$ 84,100	\$ 451,248	
Annual Operating Results	814,335	276,048	(26,000)	(135,000)	(114,192)	855	
Ending Working Capital	\$ 451,248	\$ 250,000	259,575	(27,380)	(30,092)	\$ 452,103	
% Annual Expenditures	3%	2%				3%	
Long-term Wastewater Advance	(2,141,440)	(1,452,741)				(1,452,741)	
Total Fund Balance	\$ (1,690,192)	\$ (1,202,741)				\$ (1,000,638)	
% Annual Expenditures	-12%	-7%				-6%	



Staff Report Attachment C

**2018-19 3rd Quarter Midyear Budget Report
General Fund
Revenues**

	2016-17	2017-18	2018-19				
	Actual	Actual 4-5-19	Adopted Budget	1st Quarter Updates	2nd Quarter Updates	3rd Quarter Updates	Current Projection
General Revenues							
Property Tax							
Property tax	\$ 1,867,109	\$ 1,814,016	\$ 1,863,000	\$ 100,000	\$ -	\$ -	\$ 1,963,000
Property Tax in lieu of MVLF	2,814,247	2,922,620	2,958,000	-	-	-	2,958,000
Residual Tax Increment	316,876	448,966	445,000	-	-	-	445,000
Residual - Land Sale	202,000	-	-	-	-	-	-
	5,200,231	5,185,603	5,266,000	100,000	-	-	5,366,000
Sales Tax							
Sales Tax	4,244,621	4,717,570	4,298,352	-	-	-	4,298,352
	4,244,621	4,717,570	4,298,352	-	-	-	4,298,352
Business License							
Business License	804,632	765,757	760,000	-	-	-	760,000
Cannabis	-	-	300,000	400,000	-	(650,000)	50,000
	804,632	765,757	1,060,000	400,000	-	(650,000)	810,000
Franchise Fees							
PGE/Cable/Other	312,131	317,962	306,000	-	-	-	306,000
Solid Waste	417,990	412,763	420,000	-	-	-	420,000
	730,120	730,725	726,000	-	-	-	726,000
Other Taxes							
Transient Tax	290,428	306,478	300,000	30,000	-	-	330,000
30% to IVECA Fund	(87,129)	(91,944)	(90,000)	(9,000)	-	-	(99,000)
RL PROP TRNS TX	40,526	31,298	30,000	-	15,000	-	45,000
HSG ATH IN LIEU	62,125	50,384	62,000	-	-	-	62,000
	305,950	296,217	302,000	21,000	15,000	-	338,000
Money and Property							
Investment Earning	(12,022)	15,452	(10,000)	-	-	-	(10,000)
Rents and Concessions	218,659	217,887	218,000	-	-	-	218,000
Water/Wastewater Leases		-	360,000	(60,000)	-	-	300,000
	206,637	233,339	568,000	(60,000)	-	-	508,000
Other Miscellaneous Revenue							
Misc Income	74,440	5,255	-	-	-	-	-
Interfund Transfer						599,808	599,808
	74,440	5,255	-	-	-	599,808	599,808
Subtotal, General Revenues	11,566,633	11,934,466	12,220,352	461,000	15,000	(50,192)	12,646,160
Program Revenues							
Police							
AB 109	22,644	-	-	-	-	-	-
Vehicle Code Fines	62,191	32,542	30,000	-	-	-	30,000
Alarm Permits	1,346	2,087	2,000	-	-	-	2,000
SRO Program		38,462	55,000	-	-	-	55,000
Special Service /Misc Revenue	73,280	78,566	51,000	-	-	15,000	66,000
Towing Fees	37,143	52,040	46,000	-	-	-	46,000
Livescan	34,844	33,532	35,000	-	-	-	35,000
Prkg Mtrs/Lots	337,801	336,166	335,000	-	-	-	335,000
Traffic Control Grant	150,000	150,000	150,000	-	-	-	150,000
Traffic Control Grant - County	-	-	125,000	(125,000)	-	-	-
Parking Citations	133,940	240,779	200,000	-	-	-	200,000
Animal Licenses	2,520		3,000	-	-	-	3,000
Animal Control	7,233	13,263	8,000	-	-	-	8,000
	862,942	977,437	1,040,000	(125,000)	-	15,000	930,000

Continued



Staff Report Attachment C

**2018-19 3rd Quarter Midyear Budget Report
General Fund
Revenues**

	2016-17	2017-18	2018-19				
	Actual	Actual 4-5-19	Adopted Budget	1st Quarter Updates	2nd Quarter Updates	3rd Quarter Updates	Current Projection
Continued							
Fire							
Ambulance Fees	506,291	617,778	530,000	-	-	-	530,000
Ambulance Fees -Fee Study			-	-	-	-	-
Fire Prevention	287,094	281,967	1,062,000	(500,000)	(400,000)	-	162,000
Fire Late And Other Fees	15,726	18,543	275,000	-	-	-	275,000
Operating Grant - Heffernan	557,092		12,000	-	-	-	12,000
			-	-	-	-	-
	1,366,203	918,288	1,879,000	(500,000)	(400,000)	-	979,000
Community Development							
Planning and Building							
Plan Check Fees	117,469	99,837	75,000	-	-	-	75,000
Other Fees			5,000	-	-	-	5,000
Building permits	210,558	142,910	351,805	-	-	-	351,805
Anticipated projects			450,000	-	-	(350,000)	100,000
Mechanical permits	43,586	34,892	20,000	-	-	-	20,000
Plumbing permits	16,505	14,214	25,000	-	-	-	25,000
Electrical permits	97,221	56,619	30,000	-	-	-	30,000
Other permits	4,779	5,556	-	-	-	-	-
Plan Chec Fees			15,000	-	-	-	15,000
Code Enforcement	11,782	5,975	-	-	-	-	-
Engineering							
Encroachment Permits	58,023	41,014	30,000	-	-	-	30,000
Plan Check Fees		70,084	50,000	-	-	-	50,000
Inspection fees	50,495	153,638	50,000	-	-	-	50,000
Other permits		5,491	-	-	-	-	-
Book, maps and publications	50	190	150	-	-	-	150
	610,469	630,421	1,101,955	-	-	(350,000)	751,955
Public Works							
State Highway Maintenance	42,414	42,414	42,000	-	-	-	42,000
Other Reimbursements	-	-	-	-	-	-	-
	42,414	42,414	42,000	-	-	-	42,000
Parks, Recreation, and Library							
Recreation program fees	40,044	52,556	40,000	-	-	-	40,000
Library fines and penalties	3,751	4,487	5,000	-	-	-	5,000
Community Center activities	22,362	25,699	20,000	-	-	-	20,000
Parks activities and events	1,565	1,715	-	-	-	-	-
Leases	10,500	11,000	12,000	-	-	-	12,000
	78,221	95,457	77,000	-	-	-	77,000
Administration/Other							
Successor Agency Admin Fee	133,199	187,991	160,000	-	-	-	160,000
Special District Admin Fee	16,000	16,635	16,000	-	-	-	16,000
Subtotal, Program Revenues	3,109,449	2,868,642	4,315,955	(625,000)	(400,000)	(335,000)	2,955,955
Interfund Transfers							
Measure H - Current Year	-	535,373	276,000	-	25,000	-	301,000
Measure H - Prior Year		110,000	-	-	-	-	-
Other Transfers	4,859		-	-	-	-	-
	4,859	645,373	276,000	-	25,000	-	301,000
Total General Fund Revenues	\$ 14,680,941	\$ 15,448,481	\$ 16,812,307	\$ (164,000)	\$ (360,000)	\$ (385,192)	\$ 15,903,115



2018-19 3rd Quarter Midyear Budget Report
 General Fund Expenditures By Department
 March 31, 2019

	Budget			Actual	Remaining Budget	YTD % Actual
	Current Budget	Proposed Adjustments	Midyear Projection	Year-to-Date 3-29-19		
General Fund Totals				19 Pay periods	Target	0.73%
<u>Salaries and Benefits</u>						
Salary and Benefits	12,391,229	(241,000)	12,150,229	8,921,353	3,228,876	73%
Salary Reimbursement - Measure H	(1,250,000)	-	(1,250,000)	(937,500)	(312,500)	75%
Salary Reimbursement - Grant Funds	(311,134)	-	(311,134)	(204,500)	(106,634)	66%
	10,830,095	(241,000)	10,589,095	7,779,353	2,809,742	73%
<u>Operating Costs</u>						
Administration/Office Costs	391,499	(42,000)	349,499	254,566	94,933	73%
Materials/Supplies	846,343	-	846,343	468,691	377,651	55%
Contracts/Professional Services	2,342,985	112,000	2,454,985	1,562,803	892,182	64%
General Liability Insurance	507,424	-	507,424	380,493	126,931	75%
Repairs/Maintenance	393,255	-	393,255	195,444	197,811	50%
Capital Outlay	175,171	(100,000)	75,171	678	74,493	1%
	4,656,677	(30,000)	4,626,677	2,862,675	1,764,002	62%
Debt Service - JPIA	406,131	-	406,131	304,598	101,533	75%
Debt Service - Wastewater Loan	742,554	-	742,554	556,916	185,639	75%
Interfund	(462,197)	-	(462,197)	(346,048)	(116,149)	75%
	<u>\$ 16,173,260</u>	<u>\$ (271,000)</u>	<u>\$ 15,902,260</u>	<u>\$ 11,157,494</u>	<u>\$ 4,744,766</u>	<u>70%</u>
	-	-	-	-	-	-
Summary by Department						
Police						
Salaries and Benefits	\$ 3,723,472	\$ -	\$ 3,723,472	\$ 2,834,481	\$ 888,991	76%
Salary Reimbursement - Measure H	(850,000)	-	(850,000)	(637,500)	(212,500)	75%
Salary Reimbursement - Grant Funds	(159,000)	-	(159,000)	(119,250)	(39,750)	75%
Administration/Office Costs	115,779	-	115,779	73,399	42,380	63%
Materials/Supplies	196,904	-	196,904	101,964	94,939	52%
Contracts/Professional Services	584,198	-	584,198	408,685	175,513	70%
General Liability Insurance	141,150	-	141,150	105,863	35,288	75%
Repairs/Maintenance	192,675	-	192,675	113,782	78,893	59%
Capital Outlay	26,286	-	26,286	-	26,286	0%
	3,971,464	-	3,971,464	2,881,424	1,090,041	73%
Parking						
Salaries and Benefits	239,426	-	239,426	130,516	108,911	55%
Administration/Office Costs	8,485	-	8,485	10,276	(1,791)	121%
Materials/Supplies	61,134	-	61,134	46,115	15,019	75%
Contracts/Professional Services	418,650	-	418,650	316,453	102,197	76%
General Liability Insurance	8,850	-	8,850	6,638	2,213	75%
Repairs/Maintenance	8,780	-	8,780	1,658	7,122	19%
Capital Outlay	125,000	(100,000)	25,000	678	24,322	3%
	870,325	(100,000)	770,325	512,332	257,993	67%
Animal Control						
Salaries and Benefits	153,629	-	153,629	116,422	37,206	76%
Administration/Office Costs	604	-	604	216	388	36%
Materials/Supplies	33,509	-	33,509	8,793	24,716	26%
Contracts/Professional Services	10,110	-	10,110	2,361	7,749	23%
General Liability Insurance	5,900	-	5,900	4,425	1,475	75%
Repairs/Maintenance	6,566	-	6,566	358	6,208	5%
Capital Outlay	15,000	-	15,000	-	15,000	0%
	225,318	-	225,318	132,576	92,742	59%
	-	-	-	-	-	-

Continued

**2018-19 3rd Quarter Midyear Budget Report
General Fund Expenditures By Department, Continued
March 31, 2018**

	Budget			Actual	Remaining Budget	YTD % Actual
	Current Budget	Midyear Adjustments	Midyear Projection	Year-to-Date 3-29-19		
Fire						
Salaries and Benefits	3,762,759	-	3,762,759	2,852,235	910,524	76%
Measure H Reimbursements	(400,000)	-	(400,000)	(300,000)	(100,000)	75%
Grant Reimbursements	(59,000)	-	(59,000)	(44,250)	(14,750)	75%
Mutual Aid Reimbursements	(41,000)	-	(41,000)	(41,000)	-	100%
Administration/Office Costs	29,700	-	29,700	9,893	19,807	33%
Materials/Supplies	189,320	-	189,320	121,715	67,605	64%
Contracts/Professional Services	110,850	-	110,850	42,930	67,920	39%
General Liability Insurance	82,600	-	82,600	61,950	20,650	75%
Repairs/Maintenance	82,300	-	82,300	28,515	53,785	35%
	<u>3,757,529</u>	<u>-</u>	<u>3,757,529</u>	<u>2,731,989</u>	<u>1,025,540</u>	<u>73%</u>
Community Development						
Salaries and Benefits	698,186	-	698,186	464,603	233,583	67%
Administration/Office Costs	20,200	-	20,200	9,858	10,342	49%
Materials/Supplies	36,100	-	36,100	14,668	21,432	41%
Contracts/Professional Services	88,000	-	88,000	41,224	46,776	47%
General Liability Insurance	14,750	-	14,750	11,063	3,687	75%
Repairs/Maintenance	7,100	-	7,100	2,759	4,341	39%
Capital Outlay	6,000	-	6,000	-	6,000	0%
	<u>870,336</u>	<u>-</u>	<u>870,336</u>	<u>544,174</u>	<u>326,161</u>	<u>63%</u>
Public Works						
Salaries and Benefits	729,274	-	729,274	288,271	441,003	40%
Grant Reimbursements	(52,134)	-	(52,134)	-	(52,134)	0%
Administration/Office Costs	33,942	-	33,942	27,188	6,754	80%
Materials/Supplies	146,700	-	146,700	74,018	72,682	50%
Contracts/Professional Services	110,094	-	110,094	66,495	43,599	60%
General Liability Insurance	41,400	-	41,400	30,975	10,425	75%
Repairs/Maintenance	38,584	-	38,584	11,217	27,367	29%
Capital Outlay	1,385	-	1,385	-	1,385	0%
	<u>1,049,245</u>	<u>-</u>	<u>1,049,245</u>	<u>498,164</u>	<u>551,082</u>	<u>47%</u>
Community Services						
Salaries and Benefits	694,601	-	694,601	472,100	222,501	68%
Administration/Office Costs	32,340	-	32,340	20,761	11,579	64%
Materials/Supplies	114,710	-	114,710	63,877	50,833	56%
Contracts/Professional Services	163,990	-	163,990	101,981	62,009	62%
General Liability Insurance	29,500	-	29,500	22,125	7,375	75%
Repairs/Maintenance	13,500	-	13,500	7,124	6,377	53%
Capital Outlay	1,500	-	1,500	-	1,500	0%
	<u>1,050,141</u>	<u>-</u>	<u>1,050,141</u>	<u>687,967</u>	<u>362,174</u>	<u>66%</u>
Housing						
Salaries and Benefits	363,320	-	363,320	141,655	221,665	39%
Contracts/Professional Services	31,500	-	31,500	-	31,500	0%
Administration/Office Costs	5,500	-	5,500	1,531	3,969	28%
	<u>400,320</u>	<u>-</u>	<u>400,320</u>	<u>143,186</u>	<u>257,134</u>	<u>36%</u>
Administration, Finance, Non-Department						
Salaries and Benefits	2,412,562	-	2,412,562	1,621,070	791,492	67%
Vacancy Allowance	(386,000)	(241,000)	(627,000)	-	(627,000)	0%
Administration/Office Costs	144,949	(42,000)	102,949	101,444	1,505	99%
Materials/Supplies	67,966	-	67,966	37,540	30,425	55%
Contracts/Professional Services	825,593	112,000	937,593	582,674	354,918	62%
General Liability Insurance	183,274	-	183,274	137,455	45,819	75%
Repairs/Maintenance	43,750	-	43,750	30,032	13,718	69%
Debt Service - JPIA	406,131	-	406,131	304,598	101,533	75%
Debt Service - Wastewater Loan	742,554	-	742,554	556,916	185,639	75%
Interfund	(462,197)	-	(462,197)	(346,048)	(116,149)	75%
	<u>3,978,582</u>	<u>(171,000)</u>	<u>3,807,582</u>	<u>3,025,682</u>	<u>781,900</u>	<u>79%</u>
Total General Fund Expenditures	<u>\$ 16,173,260</u>	<u>\$ (271,000)</u>	<u>\$ 15,902,260</u>	<u>\$ 11,157,494</u>	<u>\$ 4,744,766</u>	<u>70%</u>

RESOLUTION NO. 2019-__

**RESOLUTION OF THE CITY OF CALEXICO APPROVING
A 2018-19 MIDYEAR BUDGET AMENDMENT**

WHEREAS, the City Council adopted the 2018-19 Annual Budget on June 27, 2018; and

WHEREAS, the City Council previously adopted resolutions to amend the 2018-19 budget following quarterly budget reports on November 14, 2018 and January 28, 2019; and

WHEREAS, the City Manager has proposed a 3rd Quarter 2018-19 budget amendment with revenue and expenditure adjustments as listed on Exhibit 1 to this resolution;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Calexico as follows:

1. The 2018-19 revenue and expenditure budget for the City of Calexico is amended as listed on Exhibit 1 to this resolution.

PASSED AND ADOPTED at a meeting of the City Council of the City of Calexico this 17th day of April, 2019.

Lewis Pacheco, Mayor

ATTEST:

Gabriela T. Garcia, City Clerk

APPROVED AS TO FORM:

Carlos Campos, City Attorney

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) SS.
CITY OF CALEXICO)

I, Gabriela T. Garcia, Deputy City Clerk of the City of Calexico do hereby certify that the foregoing Resolution No. 2019-xx was passed and adopted by the City Council on the 17th day of April, 2019 by the following vote to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Gabriela T. Garcia, City Clerk