

# AGENDA STAFF REPORT

**DATE:** November 14, 2018

**TO:** Mayor and City Council

**APPROVED BY:** David B. Dale, City Manager *DD*

**PREPARED BY:** Karla Lobatos, Finance Director *KP*

**SUBJECT:** 2018-19 1<sup>st</sup> 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 1<sup>st</sup> 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. This report presents revenue updates and expenditure trends through November 8, 2018. A budget amendment is proposed to update the budget for new revenue impacts from the November 6, 2018 general election and other operating trends. The objective of this report is to monitor budget compliance and to track the current cost to provide City services.

## Discussion & Analysis:

The focus of this report is the City's General Fund.

### Beginning Fund Balance – June 30, 2018

Additional 2017-18 sales tax revenues have been identified by the City's HDL sales tax consultant that will be accrued at June 30, 2018, which will improve the projected June 30, 2018 General Fund results. During 2018, the State of California implemented new sales tax reporting software for use by retailers to submit sales tax results. Complications during implementation caused many retailers state-wide to submit late sales tax results for the quarter ending June 30, 2018. HDL has identified late payments of approximately \$200,000 for the City's General Fund and \$100,000 for Measure H. With this additional 2017-18 revenue, and other minor operating adjustments, the unaudited General Fund working capital projection is now \$259,000. The City's 2017-18 year-end close process continues and the annual audit is scheduled for January 2019.



## 2018-19 Revenues

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

The General Fund property tax projection has been increased by \$100,000 to reflect the County's final tax roll with assessed values for the 2018-19 tax year. The City's General Fund net taxable assessed values increased by 2.6% from the prior year. A chart presenting 5-year trends in property values is presented as **Attachment D.**

The 2018-19 revenue budget included several initiatives to add or increase the City's operating revenues available to pay for General City services. The budget was adopted with estimates, prior to implementation. With implementation progress and with recent November 6, 2018 General Election results, this report includes a proposed budget amendment to update the 2018-19 revenue budget.

Two ballot initiatives have passed with voter support for increased Hotel Transient Occupancy and Cannabis taxes. With partial year implementation, Hotel revenues are expected to increase by \$21,000. The Cannabis tax will increase the Cannabis revenue budget by \$400,000 from \$300,000 to \$700,000.

Offsetting these gains, several other revenue projections will decrease the available budget. Water and Wastewater land leases have been implemented at a total of \$300,000, or \$60,000 less than the original budget assumption. The budget had also included two grants for traffic control services. One has been awarded for \$150,000, but a second grant for \$125,000 has now been dropped from the budget projection. Finally, the City implemented new ambulance service fees in July 2018, with a project 18-19 revenue increase of \$1,062,000. However, new reimbursement agreements are still in progress and full implementation of the new fee structure is delayed. The 2018-19 ambulance revenue projection has been decreased by \$500,000. The City remains optimistic that a full year of new ambulance fee revenues can be in place for the 2019-20 budget year.

Total General Fund revenues are now projected at \$16.6 million.

## 2018-19 Expenditures

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

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 October, actual payroll results are now trending in line with the adopted budget. The adopted budget has includes an assumed annual vacancy rate of \$220,000.

Several expenditure line items are proposed for update in the proposed budget amendment. First, traffic control costs are trending significantly ahead of budget. During the prior year 2017-18, costs significantly exceed the \$200,000 budget and ended at \$386,000 for the year. For 2018-19, the adopted budget remained at \$200,000, but cost trends continue to track at a significantly higher rate. Year-to-date costs for this program are currently \$138,000. A budget amendment is proposed to add \$200,000 to this program for a total annual allocation of

\$400,000, to match the current expenditure trend, until such time as the program can be evaluated or updated.

The second expenditure proposed for update is the Community Development department staffing plan. The following chart describes the proposed changes to department staffing. A Planning Director position is restored after being held open for three years. Other staffing has been modified to substantially offset the net cost increase. The net proposed budget increase is \$12,000 on an annual basis.

**Community Development Department Staffing Plan**

|                                      | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u><br>Adopted | <u>2018-19</u><br>Proposed |
|--------------------------------------|----------------|----------------|----------------|----------------|---------------------------|----------------------------|
| <b>ENGINEERING AND PLANNING</b>      |                |                |                |                |                           |                            |
| PLANNING DIRECTOR                    | 1              | 1              | 0              | 0              | 0                         | 1                          |
| EXECUTIVE ASSISTANT                  | 1              | 1              | 1              | 1              | 0                         | 0                          |
| PLANNER                              | 1              | 1              | 1              | 1              | 1                         | 0                          |
| PROJECT INSPECTOR                    | 1              | 1              | 1              | 1              | 1                         | 1                          |
|                                      | <u>3</u>       | <u>3</u>       | <u>3</u>       | <u>3</u>       | <u>2</u>                  | <u>2</u>                   |
| <b>BUILDING AND CODE ENFORCEMENT</b> |                |                |                |                |                           |                            |
| BUILDING MANAGER                     | 1              | 1              | 1              | 1              | 1                         | 0                          |
| BUILDING INSPECT II                  | 1              | 1              | 1              | 1              | 1                         | 1                          |
| SENIOR CODE ENFRMNT OFFCR            | 0              | 0              | 0              | 0              | 1                         | 0                          |
| CODE ENFRMNT OFFCR                   | 2              | 2              | 2              | 2              | 1                         | 2                          |
| ADMINISTRATIVE ASSISTANT             | 0              | 0              | 0              | 1              | 1                         | 1                          |
| EXECUTIVE ASSISTANT                  | 1              | 1              | 1              | 0              | 0                         | 0                          |
|                                      | <u>5</u>       | <u>5</u>       | <u>5</u>       | <u>5</u>       | <u>5</u>                  | <u>4</u>                   |
| <b>TOTAL</b>                         | <u>8</u>       | <u>8</u>       | <u>8</u>       | <u>8</u>       | <u>7</u>                  | <u>6</u>                   |

The third proposed expenditure adjustment reduces the planned General Fund transfer to the IVECA fund to support regional emergency communications. The City has a policy that directs 30% of the hotel occupancy tax to the IVECA Fund for these operations. In recent years, the General Fund has contributed an additional transfer to cover shortfalls from the City's required annual contribution to IVECA. With the recent hotel tax increase approved by voters, this supplemental General Fund transfer can be reduced by \$9,000.

The 2018-19 budget includes \$300,000 for new dispatch equipment to parallel updates to the Countywide communications system. This expenditure is being evaluated for eligibility to be paid from Public Safety Impact fees. The budget is being reduced in anticipation of this alternate funding source.

Finally, to rebalance the 2018-19 budget for the net impact of the revenue and expenditure updates discussed above, the vacancy assumption is being increased by \$41,000. The City will hold open vacancies as needed to meet its budget targets.

With these updates, General Fund expenditures are projected at \$16.4 million.

**Fiscal Impact:**

2018-19 Net Annual Results and Ending Fund Balance

The net General Fund results of the updates discussed above are presented in **Attachment A**.

City Council adopted its 2018-19 budget with a resolution that included policy direction to begin to replenish a General Fund working capital reserve by operating with a budget surplus of \$250,000 per year. With these proposed adjustments discussed above, the 2018-19 revenues will exceed revenues by the targeted \$250,000.

Combined with the new projected 2017-18 operating surplus, the June 2019 working capital projection is now \$509,000. The total General Fund's June 2019 fund balance projection remains negative at (\$943,000) and is expected to remain negative while the city pays down its 2016 long-term advance from the Wastewater Fund. The General Fund is completing its third of five payments to the Wastewater Fund during 2018-19, and is scheduled to retire this obligation and return to a positive fund balance by June 2021.

**Attachments:**

1. Resolution
2. Exhibit 1 to Resolution.
3. General Fund - Fund Balance Projection
4. General Fund - Revenues
5. General Fund - Expenditures by Department
6. General Fund - 2014/15 to 2018/19 Assessed Values



**Attachment A**  
**City of Calexico**  
**2018-19 1st Quarter Report**

**General Fund**  
**Fund Balance Projection**

|                                     | 2017-18               |                       |                   | 2018-19               |                      |                     | Notes  |
|-------------------------------------|-----------------------|-----------------------|-------------------|-----------------------|----------------------|---------------------|--|
|                                     | Amended Budget        | Actuals at 11-8-18    | Budget Variance   | Adopted Budget        | Proposed Adjustments | Proposed Budget     |  |
| <b>Annual Activity</b>              |                       |                       |                   |                       |                      |                     |  |
| <b>Revenues</b>                     |                       |                       |                   |                       |                      |                     |  |
| Property Tax                        | \$ 5,170,000          | \$ 5,182,936          | \$ 12,936         | \$ 5,266,000          | \$ 100,000           | \$ 5,366,000        | AV Update from County  |
| Sales Tax                           | 4,175,000             | 4,597,108             | 422,108           | 4,298,352             |                      | 4,298,352           | Hotel Tax Ballot Measure, 30% IVECA                                    |
| Other General Revenues              | 2,271,000             | 1,989,680             | (281,320)         | 1,996,000             |                      | 1,996,000           |  |
| Program Revenues                    | 2,761,000             | 2,840,025             | 79,025            | 2,528,955             |                      | 2,528,955           |  |
| Measure H Transfer                  | 520,000               | 656,035               | 136,035           | 276,000               |                      | 276,000             |  |
| <b>New Revenues</b>                 |                       |                       |                   |                       |                      |                     |  |
| Hotel Tax Ballot Measure            |                       |                       |                   |                       | 21,000               | 21,000              | Ballot Measure 1/2 year  |
| Cannabis Ballot Measure             |                       |                       |                   | 300,000               | 400,000              | 700,000             | Cannabis Ballot Measure  |
| Water/Wastewater Lease revenue      |                       |                       |                   | 360,000               | (60,000)             | 300,000             | Utility lease finalized  |
| Traffic Control Grant               |                       |                       |                   | 150,000               |                      | 150,000             |  |
| Traffic Control Grant - County      |                       |                       |                   | 125,000               | (125,000)            | -                   | Grant not awarded  |
| Ambulance Fee Increase              |                       |                       |                   | 1,062,000             | (500,000)            | 562,000             | Implementation Delayed   |
| Building/Development Activity       |                       |                       |                   | 450,000               |                      | 450,000             |  |
|                                     | <b>14,897,000</b>     | <b>15,265,784</b>     | <b>368,784</b>    | <b>16,812,307</b>     | <b>(164,000)</b>     | <b>16,648,307</b>   |  |
| <b>Expenditures</b>                 |                       |                       |                   |                       |                      |                     |  |
| <b>Salaries and Benefits</b>        |                       |                       |                   |                       |                      |                     |  |
| Gross salary and benefits           | 9,994,152             | 9,833,586             | \$ 160,567        | 10,693,295            | 12,000               | 10,705,295          | Community Development Staffing Proposal                                |
| Unfunded PERS liability             | 1,331,710             | 1,331,710             | -                 | 1,138,151             |                      | 1,138,151           |  |
| Retiree Health/Medical Admin        | 373,006               | 383,296               | (10,290)          | 612,000               |                      | 612,000             | Increase vacancy savings to re-balance annual budget                   |
| Vacancy Savings                     |                       |                       |                   | (220,000)             | (41,000)             | (261,000)           |  |
|                                     | <b>11,698,869</b>     | <b>11,548,592</b>     | <b>150,277</b>    | <b>12,223,446</b>     | <b>(29,000)</b>      | <b>12,194,446</b>   |  |
| Measure H Reimbursement             | (1,250,000)           | (1,250,000)           | -                 | (1,250,000)           |                      | (1,250,000)         |  |
| Grant/Other Reimbursements          | (218,000)             | (310,578)             | 92,578            | (218,000)             |                      | (218,000)           |  |
|                                     | <b>10,230,869</b>     | <b>9,988,014</b>      | <b>242,855</b>    | <b>10,755,446</b>     | <b>(29,000)</b>      | <b>10,726,446</b>   |  |
| <b>Operating/Capital Costs</b>      |                       |                       |                   |                       |                      |                     |  |
| Operating Costs                     | 3,499,339             | 3,867,752             | (368,413)         | 3,900,332             | 191,000              | 4,091,332           | Traffic Control +200K; IVECA -9K Hotel Tax                             |
| General Liability Insurance         | 433,500               | 433,500               | -                 | 516,174               |                      | 516,174             |  |
| Capital Outlay                      | 27,671                | 26,286                | 1,385             | 475,171               | (300,000)            | 175,171             | Evaluate if dispatch equipment is eligible to be paid from Impact Fees |
| Debt Service - Wastewater Loan      | 742,554               | 742,554               | -                 | 742,554               |                      | 742,554             |  |
| Debt Service - JPIA Retrospective   | -                     | -                     | -                 | 633,780               |                      | 633,780             |  |
| Contribution to CFD 2013            | 280,000               | 265,161               | 14,839            | 274,000               |                      | 274,000             |  |
| Indirect Cost Allocation            | (680,097)             | (680,098)             | 1                 | (761,197)             |                      | (761,197)           |  |
|                                     | <b>4,302,967</b>      | <b>4,655,155</b>      | <b>(352,188)</b>  | <b>5,780,814</b>      | <b>(109,000)</b>     | <b>5,671,814</b>    |  |
| <b>Total Expenditures</b>           | <b>14,533,836</b>     | <b>14,643,168</b>     | <b>(109,333)</b>  | <b>16,536,259</b>     | <b>(138,000)</b>     | <b>16,398,259</b>   | <b>City Council Policy Direction: +\$250K/Year to Reserves</b>         |
| <b>Net Annual Operating Results</b> | <b>\$ 363,164</b>     | <b>\$ 622,615</b>     | <b>\$ 259,451</b> | <b>\$ 276,048</b>     | <b>\$ (26,000)</b>   | <b>\$ 250,048</b>   |  |
| <b>Fund Balance</b>                 |                       |                       |                   |                       |                      |                     |  |
| Beginning Working Capital           | (363,164)             | \$ (363,087)          |                   | \$ (26,048)           |                      | \$ 259,528          | 17-18 results improved by \$300K late sales tax reporting to State     |
| Annual Operating Results            | 363,164               | 622,615               |                   | 276,048               |                      | 250,048             |  |
| Ending Working Capital              | <b>\$ 0</b>           | <b>\$ 259,528</b>     |                   | <b>\$ 250,000</b>     |                      | <b>\$ 509,576</b>   |  |
| % Annual Expenditures               |                       | 2%                    |                   | 2%                    |                      | 3%                  |  |
| Long-term Wastewater Advance        | (2,141,466)           | (2,141,466)           |                   | (1,452,741)           |                      | (1,452,741)         |  |
| <b>Total Fund Balance</b>           | <b>\$ (2,141,466)</b> | <b>\$ (1,881,938)</b> |                   | <b>\$ (1,202,741)</b> |                      | <b>\$ (943,165)</b> |  |
| % Annual Expenditures               | -15%                  | -13%                  |                   | -7%                   |                      | -6%                 |  |



**Attachment B**  
**City of Calexico**  
**2018-19 1st Quarter Report**

**General Fund**  
**Revenues**

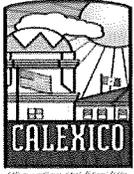
|                                    | 2015-16           | 2016-17           | 2017-18                 | 2018-19           |                        |                    |
|------------------------------------|-------------------|-------------------|-------------------------|-------------------|------------------------|--------------------|
|                                    | Actual            | Actual            | Actual as of<br>11-8-18 | Adopted<br>Budget | 1st Quarter<br>Updates | Adjusted<br>Budget |
| <b>General Revenues</b>            |                   |                   |                         |                   |                        |                    |
| <b>Property Tax</b>                |                   |                   |                         |                   |                        |                    |
| Property tax                       | \$ 1,904,293      | \$ 1,867,109      | \$ 1,814,016            | \$ 1,863,000      | \$ 100,000             | \$ 1,963,000       |
| Property Tax in lieu of MVLF       | 2,769,478         | 2,814,247         | 2,919,953               | 2,958,000         | -                      | 2,958,000          |
| Residual Tax Increment             | 495,658           | 316,876           | 448,966                 | 445,000           | -                      | 445,000            |
| Residual - Land Sale               | -                 | 202,000           | -                       | -                 | -                      | -                  |
|                                    | 5,169,429         | 5,200,231         | 5,182,936               | 5,266,000         | 100,000                | 5,366,000          |
| <b>Sales Tax</b>                   |                   |                   |                         |                   |                        |                    |
| Sales Tax                          | 3,919,032         | 4,244,621         | 4,597,108               | 4,298,352         | -                      | 4,298,352          |
| Triple Flip Unwind                 | 597,710           | -                 | -                       | -                 | -                      | -                  |
|                                    | 4,516,742         | 4,244,621         | 4,597,108               | 4,298,352         | -                      | 4,298,352          |
| <b>Business License</b>            |                   |                   |                         |                   |                        |                    |
| Business License                   | 480,892           | 804,632           | 765,757                 | 760,000           | -                      | 760,000            |
| Cannabis                           | -                 | -                 | -                       | 300,000           | 400,000                | 700,000            |
|                                    | 480,892           | 804,632           | 765,757                 | 1,060,000         | 400,000                | 1,460,000          |
| <b>Franchise Fees</b>              |                   |                   |                         |                   |                        |                    |
| PGE/Cable/Other                    | 324,828           | 312,131           | 288,912                 | 306,000           | -                      | 306,000            |
| Solid Waste                        | 432,146           | 417,990           | 412,763                 | 420,000           | -                      | 420,000            |
|                                    | 756,974           | 730,120           | 701,675                 | 726,000           | -                      | 726,000            |
| <b>Other Taxes</b>                 |                   |                   |                         |                   |                        |                    |
| TRANSIENT TAX                      | 272,608           | 290,428           | 306,478                 | 300,000           | 30,000                 | 330,000            |
| 30% to IVECA Fund                  | (82,267)          | (87,129)          | (91,944)                | (90,000)          | (9,000)                | (99,000)           |
| RL PROP TRNS TX                    | 44,528            | 40,526            | 28,631                  | 30,000            | -                      | 30,000             |
| HSG ATH IN LIEU                    | 61,649            | 62,125            | 52,964                  | 62,000            | -                      | 62,000             |
|                                    | 296,518           | 305,950           | 296,130                 | 302,000           | 21,000                 | 323,000            |
| <b>Money and Property</b>          |                   |                   |                         |                   |                        |                    |
| INVEST EARNINGS                    | (9,569)           | (12,022)          | 7,702                   | (10,000)          | -                      | (10,000)           |
| RENTS AND CONCESSIONS              | 218,239           | 218,659           | 217,887                 | 218,000           | -                      | 218,000            |
| Water/Wastewater Leases            | -                 | -                 | -                       | 360,000           | (60,000)               | 300,000            |
|                                    | 208,670           | 206,637           | 225,589                 | 568,000           | (60,000)               | 508,000            |
| <b>Other Miscellaneous Revenue</b> |                   |                   |                         |                   |                        |                    |
| MISC INCOME                        | 53,958            | 74,440            | 530                     | -                 | -                      | -                  |
|                                    | 53,958            | 74,440            | 530                     | -                 | -                      | -                  |
| <b>Subtotal, General Revenues</b>  | <b>11,483,182</b> | <b>11,566,633</b> | <b>11,769,724</b>       | <b>12,220,352</b> | <b>461,000</b>         | <b>12,681,352</b>  |

**Program Revenues**

**Police**

|                                |         |         |         |           |           |         |
|--------------------------------|---------|---------|---------|-----------|-----------|---------|
| AB 109                         | 10,000  | 22,644  | -       | -         | -         | -       |
| VEHICLE CODE FINES             | 179,313 | 62,191  | 32,542  | 30,000    | -         | 30,000  |
| ALARM PERMITS                  | 2,000   | 1,346   | 2,087   | 2,000     | -         | 2,000   |
| SRO PROGRAM                    | -       | -       | 38,462  | 55,000    | -         | 55,000  |
| SPECIAL SERVICE /Misc Revenue  | 67,832  | 73,280  | 78,566  | 51,000    | -         | 51,000  |
| TOWING FEES                    | 40,168  | 37,143  | 52,040  | 46,000    | -         | 46,000  |
| LIVSCAN                        | 32,775  | 34,844  | 33,532  | 35,000    | -         | 35,000  |
| PRKG MTRS/LOTS                 | 233,035 | 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              | 125,097 | 133,940 | 240,779 | 200,000   | -         | 200,000 |
| ANIMAL LICENSSES               | 4,828   | 2,520   | -       | 3,000     | -         | 3,000   |
| ANIMAL CONTROL                 | 8,242   | 7,233   | 13,263  | 8,000     | -         | 8,000   |
|                                | 703,289 | 862,942 | 977,437 | 1,040,000 | (125,000) | 915,000 |

**Continued**



**Attachment B**  
**City of Calexico**  
**2018-19 1st Quarter Report**

**General Fund**  
**Revenues**

|                                       | 2015-16                     | 2016-17                     | 2017-18                     | 2018-19                     |                            |                             |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|----------------------------|-----------------------------|
|                                       | Actual                      | Actual                      | Actual as of<br>11-8-18     | Adopted<br>Budget           | 1st Quarter<br>Updates     | Adjusted<br>Budget          |
| <b>Continued</b>                      |                             |                             |                             |                             |                            |                             |
| <b>Fire</b>                           |                             |                             |                             |                             |                            |                             |
| AMBULANCE FEES                        | 489,481                     | 506,291                     | 617,778                     | 530,000                     | -                          | 530,000                     |
| AMBULANCE FEES - Prior years          | 120,377                     |                             |                             | -                           |                            | -                           |
| AMBULANCE FEES -Fee Study             |                             |                             |                             | 1,062,000                   | (500,000)                  | 562,000                     |
| FIRE PREVENTION                       | 216,843                     | 287,094                     | 281,967                     | 275,000                     |                            | 275,000                     |
| FIRE LATE AND OTHER FEES              | 9,147                       | 15,726                      | 18,543                      | 12,000                      |                            | 12,000                      |
| Operating Grant - Heffeman            | -                           | 557,092                     |                             | -                           |                            | -                           |
|                                       | <u>835,848</u>              | <u>1,366,203</u>            | <u>918,288</u>              | <u>1,879,000</u>            | <u>(500,000)</u>           | <u>1,379,000</u>            |
| <b>Community Development</b>          |                             |                             |                             |                             |                            |                             |
| Planning and Building                 |                             |                             |                             |                             |                            |                             |
| Plan Check Fees                       | 155,633                     | 117,469                     | 99,837                      | 75,000                      |                            | 75,000                      |
| Other Fees                            |                             |                             | 280                         | 5,000                       |                            | 5,000                       |
| Building permits                      | 219,134                     | 210,558                     | 142,910                     | 351,805                     |                            | 351,805                     |
| Anticipated projects                  |                             |                             |                             | 450,000                     |                            | 450,000                     |
| Mechanical permits                    | 35,001                      | 43,586                      | 34,892                      | 20,000                      |                            | 20,000                      |
| Plumbing permits                      | 15,828                      | 16,505                      | 14,214                      | 25,000                      |                            | 25,000                      |
| Electrical permits                    | 108,230                     | 97,221                      | 56,619                      | 30,000                      |                            | 30,000                      |
| Other permits                         | 2,259                       | 4,779                       | 5,785                       |                             |                            | -                           |
| Plan Chec Fees                        |                             |                             |                             | 15,000                      |                            | 15,000                      |
| Code Enforcement                      | 14,890                      | 11,782                      | 5,975                       | -                           |                            | -                           |
| Engineering                           |                             |                             |                             |                             |                            |                             |
| Encroachment Permits                  | 34,635                      | 58,023                      | 41,014                      | 30,000                      |                            | 30,000                      |
| Plan Check Fees                       |                             |                             | 68,979                      | 50,000                      |                            | 50,000                      |
| Inspection fees                       | 10,796                      | 50,495                      | 118,598                     | 50,000                      |                            | 50,000                      |
| Other permits                         |                             |                             | 5,491                       | -                           |                            | -                           |
| Book, maps and publications           | 165                         | 50                          | 160                         | 150                         |                            | 150                         |
|                                       | <u>596,571</u>              | <u>610,469</u>              | <u>594,754</u>              | <u>1,101,955</u>            | <u>-</u>                   | <u>1,101,955</u>            |
| <b>Public Works</b>                   |                             |                             |                             |                             |                            |                             |
| State Highway Maintenance             | 53,018                      | 42,414                      | 42,414                      | 42,000                      | -                          | 42,000                      |
| Other Reimbursements                  | -                           | -                           | -                           | -                           | -                          | -                           |
|                                       | <u>53,018</u>               | <u>42,414</u>               | <u>42,414</u>               | <u>42,000</u>               | <u>-</u>                   | <u>42,000</u>               |
| <b>Parks, Recreation, and Library</b> |                             |                             |                             |                             |                            |                             |
| Recreation program fees               | 35,773                      | 40,044                      | 52,556                      | 40,000                      | -                          | 40,000                      |
| Library fines and penalties           | 4,878                       | 3,751                       | 4,487                       | 5,000                       | -                          | 5,000                       |
| Community Center activities           | 28,870                      | 22,362                      | 25,699                      | 20,000                      | -                          | 20,000                      |
| Parks activities and events           | 1,837                       | 1,565                       | 1,715                       | -                           | -                          | -                           |
| Leases                                | 12,600                      | 10,500                      | 11,000                      | 12,000                      | -                          | 12,000                      |
|                                       | <u>83,958</u>               | <u>78,221</u>               | <u>95,457</u>               | <u>77,000</u>               | <u>-</u>                   | <u>77,000</u>               |
| <b>Administration/Other</b>           |                             |                             |                             |                             |                            |                             |
| Successor Agency Admin Fee            | 164,897                     | 133,199                     | 195,040                     | 160,000                     | -                          | 160,000                     |
| Special District Admin Fee            |                             | 16,000                      | 16,635                      | 16,000                      | -                          | 16,000                      |
| <b>Subtotal, Program Revenues</b>     | <u><b>2,437,581</b></u>     | <u><b>3,109,449</b></u>     | <u><b>2,840,025</b></u>     | <u><b>4,315,955</b></u>     | <u><b>(625,000)</b></u>    | <u><b>3,690,955</b></u>     |
| <b>Interfund Transfers</b>            |                             |                             |                             |                             |                            |                             |
| Measure H - Current Year              | -                           | -                           | 546,035                     | 276,000                     | -                          | 276,000                     |
| Measure H - Prior Year                |                             |                             | 110,000                     |                             |                            |                             |
| Other Transfers                       | 158,694                     | 4,859                       |                             | -                           | -                          | -                           |
|                                       | <u>158,694</u>              | <u>4,859</u>                | <u>656,035</u>              | <u>276,000</u>              | <u>-</u>                   | <u>276,000</u>              |
| <b>Total General Fund Revenues</b>    | <u><b>\$ 14,079,457</b></u> | <u><b>\$ 14,680,941</b></u> | <u><b>\$ 15,265,784</b></u> | <u><b>\$ 16,812,307</b></u> | <u><b>\$ (164,000)</b></u> | <u><b>\$ 16,648,307</b></u> |
|                                       | (0)                         | -                           | (0)                         | -                           | -                          | \$ -                        |

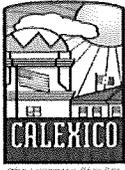


**Attachment C**  
**City of Calexico**  
**2018-19 1st Quarter Report**

**General Fund**  
**Expenditure Summary**

|                                 | 2017-18              |                      | 2018-19                |                      |                            |                       |
|---------------------------------|----------------------|----------------------|------------------------|----------------------|----------------------------|-----------------------|
|                                 | Actual<br>at 11-8-18 | Current              | Budget                 |                      | Actual                     |                       |
|                                 |                      |                      | 1st Quarter<br>Updates | Adjusted<br>Budget   | Year-to-Date<br>at 11-8-18 | % of Annual<br>Budget |
| <b>Salaries and Benefits</b>    |                      |                      |                        |                      |                            |                       |
| Full Cost                       | \$ 9,833,586         | \$ 10,693,295        | \$ 12,000              | \$ 10,705,295        | \$ 3,618,272               | 34%                   |
| Vacancy Assumption              | -                    | (220,000)            | (41,000)               | (261,000)            | -                          | 0%                    |
| Pension Unfunded Liability      | 1,331,710            | 1,138,151            | -                      | 1,138,151            | 379,384                    | 33%                   |
| Retiree Medical/Medical Admin   | 383,296              | 612,000              | -                      | 612,000              | 204,000                    | 33%                   |
|                                 | 11,548,592           | 12,223,446           | (29,000)               | 12,194,446           | 4,201,656                  | 34%                   |
| Reimbursement - Measure H       | (1,250,000)          | (1,250,000)          | -                      | (1,250,000)          | (416,667)                  | 33%                   |
| Reimbursement - Grant Funds     | (310,578)            | (218,000)            | -                      | (218,000)            | (72,667)                   | 33%                   |
|                                 | 9,988,014            | 10,755,446           | (29,000)               | 10,726,446           | 3,712,323                  | 35%                   |
| <b>Operating Costs</b>          |                      |                      |                        |                      |                            |                       |
| Administration/Office Costs     | 356,854              | 362,207              | -                      | 362,207              | 110,400                    | 30%                   |
| Materials/Supplies              | 702,387              | 809,036              | -                      | 809,036              | 212,105                    | 26%                   |
| Contracts/Professional Services | 2,524,572            | 2,301,554            | 200,000                | 2,501,554            | 464,203                    | 19%                   |
| General Liability Insurance     | 433,500              | 516,174              | -                      | 516,174              | 172,058                    | 33%                   |
| Repairs/Maintenance             | 283,011              | 387,535              | -                      | 387,535              | 117,879                    | 30%                   |
| Capital Outlay                  | 26,286               | 475,171              | (300,000)              | 175,171              | -                          | 0%                    |
|                                 | 4,326,609            | 4,851,677            | (100,000)              | 4,751,677            | 1,076,646                  | 23%                   |
| Debt Service - Wastewater Loan  | 742,554              | 742,554              | -                      | 742,554              | 247,518                    | 33%                   |
| Debt Service - JPIA             | -                    | 633,780              | -                      | 633,780              | 211,260                    | 33%                   |
| Contribution to CFD 2013-1      | 265,161              | 274,000              | -                      | 274,000              | 91,333                     | 33%                   |
| Transfers Out to IVECA Fund     | 929                  | 40,000               | (9,000)                | 31,000               | -                          | 0%                    |
| Cost Allocation                 | (680,098)            | (761,197)            | -                      | (761,197)            | (253,732)                  | 33%                   |
|                                 | <u>\$ 14,643,168</u> | <u>\$ 16,536,259</u> | <u>\$ (138,000)</u>    | <u>\$ 16,398,259</u> | <u>\$ 5,085,347</u>        | <u>31%</u>            |
|                                 | -                    | -                    | -                      | -                    | -                          | -                     |
|                                 | -                    | -                    | -                      | -                    | -                          | -                     |

**Continued**



**Attachment C**  
**City of Calexico**  
**2018-19 1st Quarter Report**

**General Fund**  
**Expenditures by Department**

|                                    | 2017-18              |                  | 2018-19                |                    |                            |                       |
|------------------------------------|----------------------|------------------|------------------------|--------------------|----------------------------|-----------------------|
|                                    | Actual<br>at 11-8-18 | Budget           | Budget                 |                    | Actual                     |                       |
|                                    |                      |                  | 1st Quarter<br>Updates | Adjusted<br>Budget | Year-to-Date<br>at 11-8-18 | % of Annual<br>Budget |
| <b>Police</b>                      |                      |                  |                        |                    |                            |                       |
| Salaries and Benefits              | \$ 3,792,963         | \$ 3,723,472     | \$ -                   | \$ 3,723,472       | \$ 1,323,171               | 36%                   |
| Salary Reimbursement - Measure H   | (850,000)            | (850,000)        | -                      | (850,000)          | (283,333)                  | 33%                   |
| Salary Reimbursement - Grant Funds | (240,578)            | (159,000)        | -                      | (159,000)          | (53,000)                   | 33%                   |
| Administration/Office Costs        | 87,626               | 115,779          | -                      | 115,779            | 39,418                     | 34%                   |
| Materials/Supplies                 | 150,960              | 183,904          | -                      | 183,904            | 42,773                     | 23%                   |
| Contracts/Professional Services    | 725,350              | 591,418          | -                      | 591,418            | 54,235                     | 9%                    |
| General Liability Insurance        | 141,150              | 141,150          | -                      | 141,150            | 47,050                     | 33%                   |
| Repairs/Maintenance                | 109,910              | 198,455          | -                      | 198,455            | 86,441                     | 44%                   |
| Capital Outlay - Dispatch          | -                    | 300,000          | (300,000)              | -                  | -                          | -                     |
| Capital Outlay - Vehicles          | -                    | -                | -                      | -                  | -                          | -                     |
| Capital Outlay                     | 26,286               | 26,286           | -                      | 26,286             | -                          | 0%                    |
|                                    | <u>3,943,666</u>     | <u>4,271,464</u> | <u>(300,000)</u>       | <u>3,971,464</u>   | <u>1,256,754</u>           | <u>32%</u>            |
|                                    | -                    | (0)              | -                      | -                  | -                          | -                     |
| <b>Parking</b>                     |                      |                  |                        |                    |                            |                       |
| Salaries and Benefits              | 178,808              | 239,426          | -                      | 239,426            | 66,656                     | 28%                   |
| Administration/Office Costs        | 13,279               | 5,093            | -                      | 5,093              | 4,328                      | 85%                   |
| Materials/Supplies                 | 63,171               | 64,526           | -                      | 64,526             | 17,968                     | 28%                   |
| Contracts/Professional Services    | 416,255              | 218,150          | 200,000                | 418,150            | 148,791                    | 36%                   |
| General Liability Insurance        | 8,850                | 8,850            | -                      | 8,850              | 2,950                      | 33%                   |
| Repairs/Maintenance                | 7,928                | 9,280            | -                      | 9,280              | 680                        | 7%                    |
| Capital Outlay                     | -                    | 125,000          | -                      | 125,000            | 0                          | 0%                    |
|                                    | <u>688,291</u>       | <u>670,325</u>   | <u>200,000</u>         | <u>870,325</u>     | <u>241,373</u>             | <u>28%</u>            |
|                                    | -                    | 0                | -                      | -                  | -                          | -                     |
| <b>Animal Control</b>              |                      |                  |                        |                    |                            |                       |
| Salaries and Benefits              | 129,198              | 153,629          | -                      | 153,629            | 56,823                     | 0                     |
| Administration/Office Costs        | 372                  | 604              | -                      | 604                | 107                        | 18%                   |
| Materials/Supplies                 | 13,895               | 33,509           | -                      | 33,509             | 7,241                      | 22%                   |
| Contracts/Professional Services    | 12,950               | 10,110           | -                      | 10,110             | 1,112                      | 11%                   |
| General Liability Insurance        | 5,900                | 5,900            | -                      | 5,900              | 1,967                      | 33%                   |
| Repairs/Maintenance                | 1,636                | 6,566            | -                      | 6,566              | 175                        | 3%                    |
| Capital Outlay                     | -                    | 15,000           | -                      | 15,000             | 0                          | 0%                    |
|                                    | <u>163,952</u>       | <u>225,318</u>   | <u>-</u>               | <u>225,318</u>     | <u>67,425</u>              | <u>30%</u>            |
|                                    | -                    | (0)              | -                      | -                  | -                          | -                     |
| <b>Fire</b>                        |                      |                  |                        |                    |                            |                       |
| Salaries and Benefits              | 4,117,075            | 3,720,759        | -                      | 3,720,759          | 1,397,036                  | 38%                   |
| Measure H Reimbursements           | (400,000)            | -400,000         | -                      | (400,000)          | -133,333                   | 33%                   |
| Grant Reimbursements               | (70,000)             | -59,000          | -                      | (59,000)           | -19,667                    | 33%                   |
| Administration/Office Costs        | 24,060               | 29,700           | -                      | 29,700             | 4,404                      | 15%                   |
| Materials/Supplies                 | 138,553              | 163,820          | -                      | 163,820            | 47,899                     | 29%                   |
| Contracts/Professional Services    | 84,227               | 239,850          | -                      | 239,850            | 17,540                     | 7%                    |
| General Liability Insurance        | 82,600               | 82,600           | -                      | 82,600             | 27,533                     | 33%                   |
| Repairs/Maintenance                | 72,947               | 79,800           | -                      | 79,800             | 8,809                      | 11%                   |
|                                    | <u>4,049,462</u>     | <u>3,857,529</u> | <u>-</u>               | <u>3,857,529</u>   | <u>1,350,221</u>           | <u>35%</u>            |
| <b>Community Development</b>       |                      |                  |                        |                    |                            |                       |
| Salaries and Benefits              | 601,825              | 686,186          | 12,000                 | 698,186            | 223,085                    | 32%                   |
| Administration/Office Costs        | 47,708               | 20,200           | -                      | 20,200             | 4,302                      | 21%                   |
| Materials/Supplies                 | 24,087               | 36,100           | -                      | 36,100             | 7,613                      | 21%                   |
| Contracts/Professional Services    | 80,873               | 79,150           | -                      | 79,150             | 18,873                     | 24%                   |
| General Liability Insurance        | 23,600               | 23,600           | -                      | 23,600             | 7,867                      | 33%                   |
| Repairs/Maintenance                | 3,618                | 7,100            | -                      | 7,100              | 1,336                      | 19%                   |
| Capital Outlay                     | -                    | 6,000            | -                      | 6,000              | 0                          | 0%                    |
|                                    | <u>781,711</u>       | <u>858,336</u>   | <u>12,000</u>          | <u>870,336</u>     | <u>263,076</u>             | <u>30%</u>            |
|                                    | -                    | -                | -                      | -                  | -                          | -                     |

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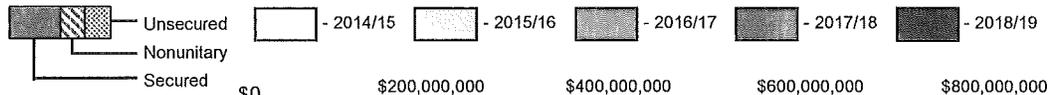
**Attachment C**  
**City of Calexico**  
**2017-18 Preliminary Results**

**General Fund**  
**2018-19 1st Quarter Report**

|  | 2017-18              |                      | 2018-19                |                      |                            |                       |
|--|----------------------|----------------------|------------------------|----------------------|----------------------------|-----------------------|
|  | Actual<br>at 11-8-18 | Budget               | Budget                 |                      | Actual                     |                       |
|  |                      |                      | 1st Quarter<br>Updates | Adjusted<br>Budget   | Year-to-Date<br>at 11-8-18 | % of Annual<br>Budget |
| <b>Continued</b>                               |                      |                      |                        |                      |                            |                       |
| <b>Public Works</b>                            |                      |                      |                        |                      |                            |                       |
| Salaries and Benefits                          | 356,653              | 677,140              | -                      | 677,140              | 141,435                    | 21%                   |
| Administration/Office Costs                    | 37,935               | 33,742               | -                      | 33,742               | 12,747                     | 38%                   |
| Materials/Supplies                             | 135,000              | 145,900              | -                      | 145,900              | 37,324                     | 26%                   |
| Contracts/Professional Services                | 89,306               | 111,194              | -                      | 111,194              | 30,469                     | 27%                   |
| General Liability Insurance                    | 41,300               | 41,300               | -                      | 41,300               | 13,767                     | 33%                   |
| Repairs/Maintenance                            | 60,002               | 38,584               | -                      | 38,584               | 8,241                      | 21%                   |
| Capital Outlay                                 | -                    | 1,385                | -                      | 1,385                | 0                          | 0%                    |
|  | <u>720,196</u>       | <u>1,049,245</u>     | <u>-</u>               | <u>1,049,245</u>     | <u>243,983</u>             | <u>23%</u>            |
| <b>Community Services</b>                      |                      |                      |                        |                      |                            |                       |
| Salaries and Benefits                          | 669,050              | 694,601              | -                      | 694,601              | 239,574                    | 34%                   |
| Administration/Office Costs                    | 26,667               | 34,340               | -                      | 34,340               | 10,495                     | 31%                   |
| Materials/Supplies                             | 112,908              | 107,710              | -                      | 107,710              | 32,725                     | 30%                   |
| Contracts/Professional Services                | 183,858              | 170,990              | -                      | 170,990              | 34,546                     | 20%                   |
| General Liability Insurance                    | 29,500               | 29,500               | -                      | 29,500               | 9,833                      | 33%                   |
| Repairs/Maintenance                            | 10,781               | 11,500               | -                      | 11,500               | 1,794                      | 16%                   |
| Capital Outlay                                 | -                    | 1,500                | -                      | 1,500                | 0                          | 0%                    |
|  | <u>1,032,763</u>     | <u>1,050,141</u>     | <u>-</u>               | <u>1,050,141</u>     | <u>328,966</u>             | <u>31%</u>            |
| <b>Housing</b>                                 |                      |                      |                        |                      |                            |                       |
| Salaries and Benefits                          | 327,295              | 282,821              | -                      | 282,821              | 95,702                     | 34%                   |
| Administration/Office Costs                    | 2,831                | 5,500                | -                      | 5,500                | 958                        | 17%                   |
| Contracts/Professional Services                | 27,800               | 31,500               | -                      | 31,500               | 0                          | 0%                    |
|  | <u>357,925</u>       | <u>319,821</u>       | <u>-</u>               | <u>319,821</u>       | <u>96,661</u>              | <u>30%</u>            |
| <b>Administration, Finance, Non-Department</b> |                      |                      |                        |                      |                            |                       |
| Salaries and Benefits                          | 1,375,724            | 2,265,412            | -                      | 2,265,412            | 658,174                    | 29%                   |
| Vacancy Allowance                              | -                    | (220,000)            | (41,000)               | (261,000)            | -                          | 0%                    |
| Administration/Office Costs                    | 116,377              | 117,249              | -                      | 117,249              | 33,641                     | 29%                   |
| Materials/Supplies                             | 63,812               | 73,567               | -                      | 73,567               | 18,563                     | 25%                   |
| Contracts/Professional Services                | 903,955              | 849,192              | -                      | 849,192              | 158,638                    | 19%                   |
| General Liability Insurance                    | 100,600              | 183,274              | -                      | 183,274              | 61,091                     | 33%                   |
| Repairs/Maintenance                            | 16,188               | 36,250               | -                      | 36,250               | 10,405                     | 29%                   |
| Debt Service - Wastewater Loan                 | 742,554              | 742,554              | -                      | 742,554              | 247,518                    | 33%                   |
| Debt Service - JPIA                            | -                    | 633,780              | -                      | 633,780              | 211,260                    | 33%                   |
| Contribution to CFD 2013-1                     | 265,161              | 274,000              | -                      | 274,000              | 91,333                     | 33%                   |
| Transfers Out to IVECA Fund                    | 929                  | 40,000               | (9,000)                | 31,000               | 0                          | 0%                    |
| Cost Allocation                                | (680,098)            | (761,197)            | -                      | (761,197)            | (253,732)                  | 33%                   |
|  | <u>2,905,202</u>     | <u>4,234,081</u>     | <u>(50,000)</u>        | <u>4,184,081</u>     | <u>1,236,889</u>           | <u>30%</u>            |
| <b>Total General Fund Expenditures</b>         | <b>\$ 14,643,168</b> | <b>\$ 16,536,259</b> | <b>\$ (138,000)</b>    | <b>\$ 16,398,259</b> | <b>\$ 5,085,347</b>        | <b>31%</b>            |

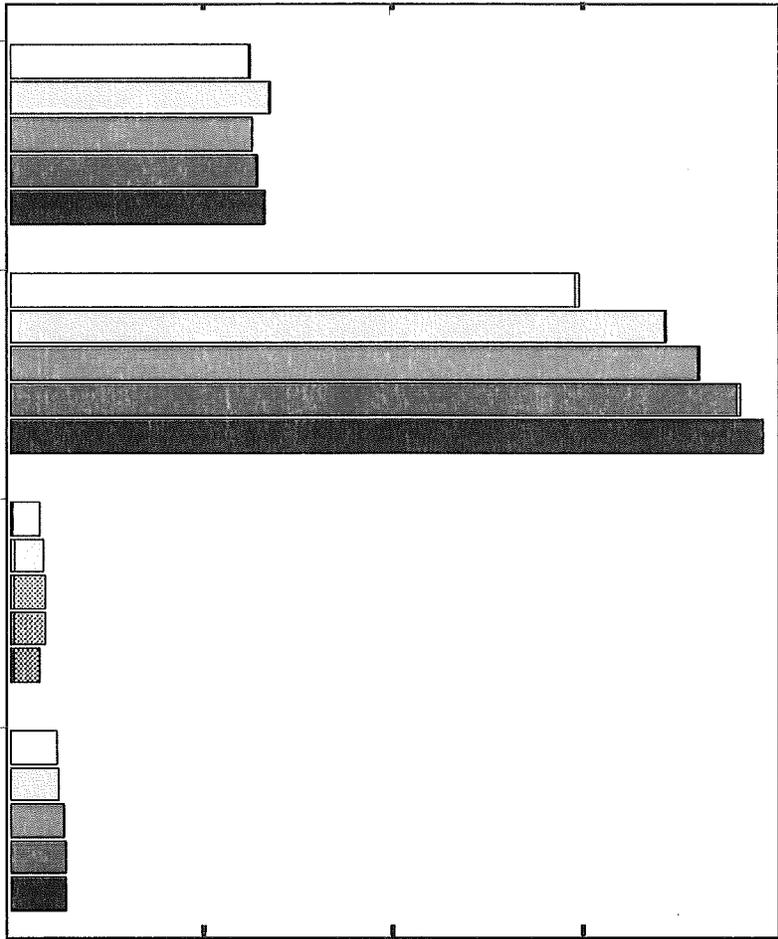


# THE CITY OF CALEXICO CALEXICO GENERAL FUND 2014/15 TO 2018/19 ASSESSED VALUES



### Land

\$251,871,348  
\$272,653,195  
\$254,367,957  
\$259,626,308  
\$266,722,780



### Improvements

\$596,351,475  
\$688,993,628  
\$723,741,379  
\$766,086,352  
\$791,107,259

### Personal Property

\$31,666,267  
\$35,539,122  
\$36,680,800  
\$36,749,729  
\$32,040,152

### Exemptions

\$49,494,121  
\$50,026,403  
\$56,407,354  
\$58,297,856  
\$59,378,801

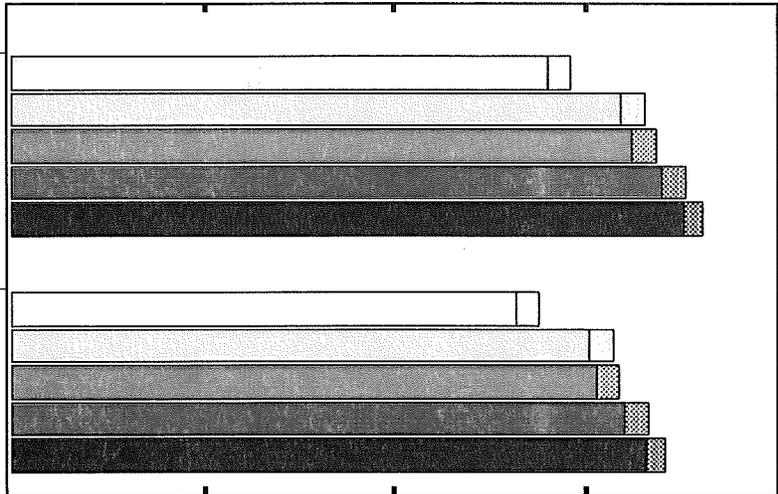
### Percent Change Agency | County

| Agency | County |
|--------|--------|
|        |        |
| 8.3%   | 7.9%   |
| -6.7%  | 1.8%   |
| 2.1%   | 5.1%   |
| 2.7%   | 4.8%   |
|        |        |
| 15.5%  | 6.3%   |
| 5.0%   | 3.4%   |
| 5.9%   | 1.9%   |
| 3.3%   | 4.1%   |
|        |        |
| 12.2%  | 4.8%   |
| 3.2%   | 1.8%   |
| 0.2%   | 4.6%   |
| -12.8% | -4.7%  |
|        |        |
| 1.1%   | 1.4%   |
| 12.8%  | 5.5%   |
| 3.4%   | 15.7%  |
| 1.9%   | 2.6%   |

\$300,000,000    \$600,000,000    \$900,000,000    \$1,200,000,000

### Gross Assessed

\$879,889,090  
\$997,185,945  
\$1,014,790,136  
\$1,062,462,389  
\$1,089,870,191



### Net Taxable Value

\$830,394,969  
\$947,159,542  
\$957,833,578  
\$1,004,164,533  
\$1,030,491,390

### Agency | County

|       |      |
|-------|------|
|       |      |
| 13.3% | 6.7% |
| 1.8%  | 2.7% |
| 4.7%  | 3.2% |
| 2.6%  | 3.5% |
|       |      |
| 14.1% | 6.9% |
| 1.1%  | 2.6% |
| 4.8%  | 2.7% |
| 2.6%  | 3.6% |

**RESOLUTION NO. 2018-\_\_**

**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 Manager has proposed a 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.

2. The authorized staffing plan for the Community Development Department is updated as follows:

**Community Development Department Staffing Plan**

|                                      | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u><br>Adopted | <u>2018-19</u><br>Proposed |
|--------------------------------------|----------------|----------------|----------------|----------------|---------------------------|----------------------------|
| <b>ENGINEERING AND PLANNING</b>      |                |                |                |                |                           |                            |
| PLANNING DIRECTOR                    | 1              | 1              | 0              | 0              | 0                         | 1                          |
| EXECUTIVE ASSISTANT                  | 1              | 1              | 1              | 1              | 0                         | 0                          |
| PLANNER                              | 1              | 1              | 1              | 1              | 1                         | 0                          |
| PROJECT INSPECTOR                    | 1              | 1              | 1              | 1              | 1                         | 1                          |
|                                      | <u>3</u>       | <u>3</u>       | <u>3</u>       | <u>3</u>       | <u>2</u>                  | <u>2</u>                   |
| <b>BUILDING AND CODE ENFORCEMENT</b> |                |                |                |                |                           |                            |
| BUILDING MANAGER                     | 1              | 1              | 1              | 1              | 1                         | 0                          |
| BUILDING INSPECT II                  | 1              | 1              | 1              | 1              | 1                         | 1                          |
| SENIOR CODE ENFRMNT OFFCR            | 0              | 0              | 0              | 0              | 1                         | 0                          |
| CODE ENFRMNT OFFCR                   | 2              | 2              | 2              | 2              | 1                         | 2                          |
| ADMINISTRATIVE ASSISTANT             | 0              | 0              | 0              | 1              | 1                         | 1                          |
| EXECUTIVE ASSISTANT                  | 1              | 1              | 1              | 0              | 0                         | 0                          |
|                                      | <u>5</u>       | <u>5</u>       | <u>5</u>       | <u>5</u>       | <u>5</u>                  | <u>4</u>                   |
| <b>TOTAL</b>                         | <u>8</u>       | <u>8</u>       | <u>8</u>       | <u>8</u>       | <u>7</u>                  | <u>6</u>                   |

**PASSED AND ADOPTED** at a meeting of the City Council of the City of Calexico this 14<sup>th</sup> day of November, 2018.

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Lewis Pacheco, Mayor

ATTEST:

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Gabriela T. Garcia, City Clerk

APPROVED AS TO FORM:

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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. 2018-xx was passed and adopted by the City Council on the 14<sup>th</sup> day of November, 2018 by the following vote to-wit:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Gabriela T. Garcia, City Clerk

Exhibit 1 to Resolution

City of Calexico  
 2018-19 Proposed Midyear Budget Adjustments  
 November 14, 2018

| 111 <u>General Fund</u>   | <u>Fund Balance Impact</u> |
|---|----------------------------|
| <u>Beginning Fund Balance</u>   |                            |
| 2017-18 Results vs. Projection (unaudited)  |                            |
| As projected in 2018-19 original budget   | (26,048)                   |
| Increase  | 285,575                    |
| As projected 11-8-18  | <u>259,528</u>             |
| <br>  |                            |
| <u>Revenues</u>   |                            |
| Property Tax           To update projection for actual County of Imperial assessed values | 100,000                    |
| Hotel Tax               To reflect November 2018 ballot initiative, partial year          | 21,000                     |
| Cannabis               To reflect November 2018 ballot initiative, from \$300 to \$700K   | 400,000                    |
| Utility Fund Leases    To adjust budget to final approved leases                          | (60,000)                   |
| Traffic Control Grant   To update grant projection to actual grant award                  | (125,000)                  |
| Ambulance Fees        To update timeline for implementation of new fees                   | <u>(500,000)</u>           |
|   | <u>(164,000)</u>           |
| <br>  |                            |
| <u>Expenditures</u>   |                            |
| Program Cost Adjustments  |                            |
| Police/Traffic Control           To adjust budget to current cost trend                   | 200,000                    |
| Community Development       Proposed Staffing Plan  | 12,000                     |
| Non-Department/IVECA        To reduce transfer for impact of new hotel tax                | (9,000)                    |
| Police/Dispatch equipment      To transfer console funding to Impact Fees                 | <u>(300,000)</u>           |
|   | (97,000)                   |
| Employee Vacancies  |                            |
| As projected in 2018-19 original budget   | (220,000)                  |
| Increase  | <u>(41,000)</u>            |
| As projected 11-8-18  | (261,000)                  |
|   | <u>(138,000)</u>           |
| Subtotal, Expenditure reductions  | (138,000)                  |
| <br>  |                            |
| <u>Subtotal, 2018-19 General Fund</u>   |                            |
| Original buget annual operating results   | 276,048                    |
| Revenue adjustments listed above  | (164,000)                  |
| Expenditure adjustments listed above  | <u>138,000</u>             |
| Amended budget annual operating results   | <u><u>250,048</u></u>      |
| <br>  |                            |
| 271 <u>IVECA Fund</u>   |                            |
| <u>Revenues</u>   |                            |
| Hotel Tax               To reflect November 2018 ballot initiative, partial year          | 9,000                      |
| Transfer In              To reduce General Fund subsidy for impact of new tax             | <u>(9,000)</u>             |
|   | <u>-</u>                   |
| <br>  |                            |
| 435 <u>Impact Fees - Police</u>   |                            |
| <u>Expenditures</u>   |                            |
| Capital Outlay         Reclassify Dispatch equipment from General Fund to Impact fees     | <u>(300,000)</u>           |
|   | <u><u>(300,000)</u></u>    |