

City Of Calimesa

Joint City Council & Successor Agency to the Calimesa Redevelopment Agency Minutes of Budget Workshop Special Meeting May 23, 2022

Members of the public were encouraged to participate in this meeting in one of two ways:

- 1) In person at the Norton Younglove Senior Center, 908 Park Avenue, Calimesa, CA 92320.
- 2) By viewing the meeting on **Facebook Live**, beginning at 6:00 p.m. at <https://www.facebook.com/cityofcalimesa>

Submission of Public Comments: Those attending the meeting were allowed to speak during public comment by completing a blue speaker slip and providing it to the City Clerk at the meeting. Otherwise, public comment was accepted via email to the Calimesa City Clerk at dgerdes@cityofcalimesa.net with a deadline of **3:00 p.m. on Monday, May 23, 2022.**

CALL TO ORDER 3:30 p.m. by Mayor Davis

ROLL CALL: MAYOR DAVIS, MAYOR PRO TEM CERVANTEZ, COUNCIL MEMBER DUVALL AND COUNCIL MEMBER HEWITT

ABSENT: COUNCIL MEMBER MOLINA.

There was Council consensus to excuse the absence of Council Member Molina.

STAFF: CITY MANAGER JOHNSON, CITY CLERK GERDES, FINANCE DIRECTOR REID, PLANNING MANAGER LUCIA, CITY ENGINEER THORNTON, ASSOCIATE ENGINEER SHAKIR, FIRE CHIEF O'CONNELL AND SHERIFF CAPTAIN SALAS.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance was led by Council Member Duvall.

COMMUNICATIONS FROM THE PUBLIC

None

APPROVAL OF THE AGENDA

MOTION BY MAYOR PRO TEM CERVANTEZ, SECONDED BY COUNCIL MEMBER HEWITT, CARRIED 4-0-1-0(COUNCIL MEMBER MOLINA WAS ABSENT) TO APPROVE THE AGENDA AS PRESENTED.

JOINT WORKSHOP ITEM

1. JOINT REVIEW OF THE FISCAL YEAR 2022-2023 BUDGET FOR THE CITY OF CALIMESA AND THE SUCCESSOR AGENCY TO THE CALIMESA REDEVELOPMENT AGENCY.

RECOMMENDATION: *That the City Council and the Calimesa Successor Agency Board of Directors review the Fiscal Year 2022-2023 Budget documents and provide direction as appropriate.*

Finance Director Reid presented a Power Point presentation of the Fiscal Year 2022-2023 Draft Budget. She reported the following:

Proposed General Fund budget Summary for 2022-2023:

Projected Beginning Fund Balance July 1, 2022	\$7,647,497
Revenues - Recurring & Ongoing	\$8,815,223
Expenditures - Recurring & Ongoing	(8,393,316)
Balanced Budget/Operating Surplus - Subtotal	421,907
Expenditures - One-time	(1,421,763)
Recommended Use of Reserves - Total	(999,856)
Projected Ending Fund Balance June 30, 2023 (68%)	\$6,647,641

General Fund Revenue Summary from FY 2019-2020 to FY 2022-2023:

- Property and Sales Tax – Increase \$1.4 million
- Intergovernmental Revenue – Increase \$400,000
- Building & Safety (One-time Revenue) - Decrease \$900,000
- Other Revenues (Developer) One-time Revenue
- Decrease - \$240,000
- Total overall revenue increase by \$414,000

General Fund One-time Expenditures as follows:

Non-Departmental - Pavement Management Program	\$1,000,000
Finance Department	45,657
Fire Department	333,000
Public Works	43,106
Total One-Time Expenditures	\$1,421,763

General Fund Recurring & Ongoing Expenditures as follows:

- Continue funding for POP (Problem Oriented Policing) Officer, and City Economic Development and Financial Services consultants Staffing.
- Cost of Living Adjustment of 3% for all staff – estimated annual cost of \$60,000.
- Monthly benefit plan increases of \$100 per month per employee – estimated annual cost of \$35,000.
- Additional staff member - Administrative Assistant I. Total Cost with Salary and Benefits of \$62,720

General Fund Summary Review:

- The City has a balanced budget, meaning recurring and ongoing revenues exceed recurring and ongoing expenditures. The proposed budget is using reserves to pay for one-time expenditures.
- FY 2022-23 has one-time expenditures \$1.4 million paid for by reserves accumulated over three fiscal years.
 - Pavement Management Program
 - Fire Department
 - Public Works
 - Finance Department
- Proposed budget projects June 30, 2023 end of year reserves of \$6.6 million, 68% of expenditures
- Percentage of General Fund budget expenditures by Department
 - 55% - Police and Fire
 - 12% - Pavement Management Program
 - 33% - All other departments

Fund Summary Proposed Budget:

	July 1, 2022 Projected Fund Balance	Proposed Revenue	Proposed Expenditures	June 30, 2023 Proposed Fund Balance
General Fund	\$ 7,647,497	\$ 8,815,223	\$ 9,815,079	\$ 6,647,641
Special Revenue Funds				
American Rescue Plan Act (ARPA)	2,500	2,098,133	2,095,633	5,000
Gas Tax Fund	37,942	303,487	267,502	73,927
LLMD	7,205	185,000	191,684	521
Measure A	141,657	274,000	21,920	393,737
Development Impact Fee Funds	9,550,538	349,495	1,433,619	8,466,414
Community Facility District (CFD) Funds	6,349,387	3,044,434	2,577,892	6,815,929
Successor Agency	(82,489)	295,221	295,501	(82,769)
Other Funds	2,116,652	461,921	659,248	1,919,325
Total All City Funds	\$ 25,770,889	\$ 15,826,914	\$ 17,358,078	\$ 24,239,725

Measure A and Capital Improvement Program (CIP) Project Overview and Status:

- Measure A
 - County Line Road – California Street to Bryant Street and 3rd Street to California Street
 - Citywide Pavement Rehabilitation Program
- Flood/Drainage
 - Calimesa Creek
- City Hall and Library Facilities (planning)

- Street and Traffic DIF
 - County Line Road, Calimesa Blvd. Intersection
 - County Line Road Corridor Improvement Project
 - Cherry Valley Interchange
 - Calimesa Boulevard Realignment near Cherry Valley
 - Singleton Interchange – missing ramps
 - Countyline Road Interchange

Finance Director Reid requested that the Council provide direction regarding the proposed Budget FY 2022-2023 and stated that it was staff's intention to bring the budget for Council approval at either the June 6th or June 20th regularly scheduled Council meeting.

After Council discussion there were no amendments requested by the Council. There was Council consensus that the budget document was well done and they further expressed their appreciation to staff for their attention to detail and their efforts to maintain a balanced budget.

ADJOURNMENT

Meeting was adjourned at 4:48 p.m. to the Regular Meeting of the City Council on Monday, June 6, 2022 at 6:00 p.m.

Respectfully Submitted,

Darlene Gerdes
 Darlene Gerdes, City Clerk

**MOTION BY COUNCILMEMBER HEWITT, SECOND BY MAYOR PRO TEM CERVANTEZ, CARRIED 4-0-1-0(COUNCIL MEMBER MOLINA WAS ABENT TO APPROVE THE MINUTES OF MAY 23, 2022 SPECIAL MEETING AS PRESENTED.
 APPROVED: June 6, 2022.**

