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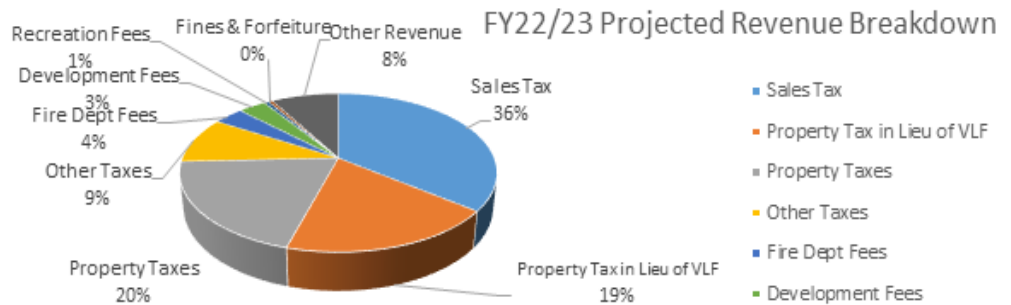
SEPTEMBER // 2022



BUDGET NEWS

FY 22-23 CITY BUDGET

The General Fund is the City's main operating fund, where 43% of the City's financial activity takes place. The General Fund receives most of its revenue from sales taxes and property taxes, both of which are estimated to experience growth between fiscal years 2021/22 and FY 2022/23. Overall, General Fund revenue is projected to be 3.6% higher in FY 2022/23 than the previous fiscal year.



“The City is committed to growing budget engagement each year in an effort to improve resident and understandability in the budget development process. It is the goal of this resident engagement to create greater understanding between community wants and needs and budget allocation.”

—Lydia Romero, City Manager

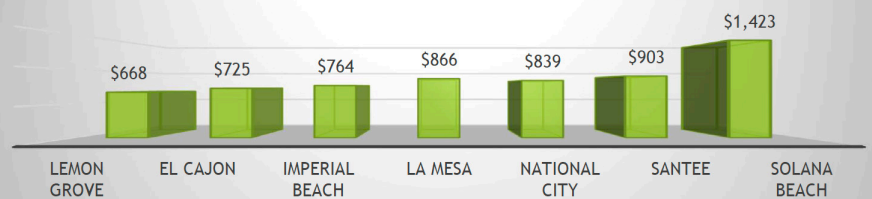
CITY COUNCIL WORK PLAN

The City Council Work Plan for FY 22-23 focuses on key areas dedicated to improving the quality of life for the citizens of Lemon Grove. Public streets, Economic Development, and Public Safety were at the forefront of concerns for citizens. Other areas included the City's communications budget and the feasibility of opening the Recreation Center on Saturdays by way of a pilot study recommended by City Council. Approximately \$250,000 has been recommended by staff to be awarded to street repair and improving streets near schools and parks. Additionally, \$50,000 has been carried over from the previous FY 21-22 budget that will be dedicated to an economic development plan. In order to effectively address public safety, the City has also increased the traffic control deputy from half-time to fulltime. This increases the Sheriff's contract in FY 22-23 and is intended to be included in future budgets. The City is working in a continued effort to expand revenue options. Most recently, City Council projects have included a digital billboard, a cannabis tax, and more.

Did You Know?

Lemon Grove provides resident's with municipal services at a much lower cost per capita than nearby cities of a similar size.

FY2020/21 General Fund Revenue per Capita



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Enterprise Funds

THE SANITATION DISTRICT

Although included in the consolidated budget, the four sanitation related funds represent a separate entity, the Lemon Grove Sanitation District. The City of Lemon Grove Mayor and Councilmembers also serve as the governing board of the Sanitation District. The Sanitation District runs as an enterprise fund, so called because it operates in its own environment in which the revenue for the service provided should equal the cost of providing the service. In this case, the enterprise is the conveyance and treatment of wastewater within the City of Lemon Grove. For the FY 2022/23 Sanitation Budget, operations remain similar to prior years, with virtually no increase in the cost of wastewater treatment and approximately \$7.8 million in capital projects to replace portions of the 67 miles of sewer lines the District maintains. Pending an updated cost of service study and the projected balanced budget for the Sanitation District, sewer rates adopted last fiscal year were not changed and were extended for FY 2022/23.

SPECIAL REVENUE

Special revenue funds are detailed in the fund listing section of the budget. They include gas tax, park land dedication, supplemental law enforcement, grants, transportation development act, lighting district, TransNet, integrated waste reduction, Wildflower assessment district, serious traffic offender program, storm water program, regional transportation congestion improvement program, public education governmental access, capital equipment, and Main Street Promenade community facilities district. These are all restricted in what programs and activities they can fund and are not available for General Fund use. They do, however, contribute to the General Fund through charges for services supplied by General Fund departments and divisions based on the formal cost allocation plan. The largest project paid for from the special revenue funds is the annual road rehabilitation project, or street repaving program, which is funded through Gas Tax and TransNet. Due to SB1, the City will receive a significant amount of funding for street improvements.

SUCCESSOR AGENCY

On February 1, 2012, the City of Lemon Grove assumed the role of the Successor Agency to the former Community Development Agency, taking responsibility for winding down the Redevelopment Agency's operations and liquidating its assets. All financial activity related to the Successor Agency is reflected in the Fund 60/64 budget. The City is responsible for paying annual debt service on the former redevelopment Agency's bonds. In FY 2022-23, the debt service payments will total approximately \$1.5 million. The State of California's Department of Finance through the County of San Diego, distributes bi-annual reimbursement to the City to cover the Successor Agency debt service.

○
THE LEMON GROVE COMMUNITY DEVELOPMENT
AGENCY (CDA) WAS DISSOLVED ON FEBRUARY 1,
2012 BY STATE LAW (AB 1X26)

THE WRAP-UP

Our community and our City Council continue to make daily decisions that are impactful and that drive change for the embetterment of available resources, expansion of services, and continual citywide growth. Improvements over time to the budget process and inclusion of input from the City's residents will broaden the overall perspective and implementation of our strategic priorities and generate understanding of the many factors surrounding the necessities required in order for a sufficient and thriving local government.



Follow us!

LEMON GROVE CITY COUNCIL
Mayor **Racquel Vasquez**
Mayor Pro Tem **Jerry Jones**
Councilmember **Jennifer Mendoza**
Councilmember **George Gastil**
Councilmember **Liana LeBaron**

Let us know what you think of *The Zest!*
Email us at cityoflemongrove@lemongrove.ca.gov

