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**Baldwin Park City Council Approves a Proposed Fiscal Year 2018-19 Budget with a Projected General Fund Surplus**

**BALDWIN PARK, CA (June 21, 2018)** - Baldwin Park is wrapping up the 2018 fiscal year with a projected General Fund surplus and the City's Finance Department presented the City Council with a General Fund surplus budget for FY 2019. The projected FY 2019 surplus of \$2.2 million includes the \$2 million set aside for community enhancements. The Council adopted the budget in a unanimous vote at their regular council meeting Wednesday evening.

"Baldwin Park's budget shows a General Fund surplus for next year," Mayor Lozano said. "The City's economy is strong and shows no signs of slowing down. Baldwin Park's Council, Chief Executive Officer and the Finance team deserve credit for increasing General Fund reserves to hedge against any future economic setback."

Mitigation fees from cannabis account for most of the current year's surplus. The City received about \$990,000 in cannabis-related revenue since the permitting of cannabis began in 2016. It is projected that the City is also set to receive approximately \$4 million in additional revenue annually.

Another contributing factor for the surplus from this proposed budget is the retirement of the 2007 Safety Pension Obligation Bonds which provides a savings of \$1.9 million.

Over the past year, the City has identified new agency needs, such as the addition of a Code Enforcement Supervisor position which will enhance public safety. As well as the employee's Memorandum of Understanding (MOU), rising costs of retirement contribution and retiree health insurance with CalPERS, and general insurance costs. To its credit, the City has resumed the process of identifying agency cost-saving initiatives which funded some of these requests.

The city has taken a number of steps to increase its reserves. It anticipates an increase of approximately 40% to the General Fund Reserve by the end of fiscal year 2019 which will be 3 times larger than the required minimum adopted General Fund Reserve policy.

To review the proposed budget, go to the City of Baldwin Park Website at <https://www.baldwinpark.com/finance/budgets/1458-fy-2018-19-proposed-budget>