



2023 GOAL SETTING AND BUDGETING KICK-OFF

February 21, 2023



Process and Schedule

- January - Facilitated Interviews of City Council regarding Individual Goals and Expectations
- Feb 1-3 - New Mayor and Councilmembers Academy by CA League of Cities
- Feb 21 Regular Meeting - Goal Setting and Budgeting Kick-Off
 - Initial Presentation of Council Priorities
 - Current Strategic Plan – 7 Focus Areas – Comprehensive Update in 2024 if Needed
 - Introduction to Budgeting
- March 7 – Recruitment/Retention Update
- March 21 – Initial 5-year Financial Forecast and Presentation of Current Priorities from Staff
- March 24 – All Day Facilitated Workshop on Council Priorities and Teamwork
- April 18 – Presentation of Recommended Budget and Workshop to Get Direction
- May 16 – Follow up Workshop based on Direction Provided
- June – Adoption of Balanced Budget

**TOGETHER
WE
CAN!**

7C's Pledge

We Pledge to Provide **Customer Service** through a **Culture of...**

Courtesy

We treat everyone with dignity and respect.

Collaboration

We work to achieve common goals and value our differences.

Communication

We communicate openly, honestly, and with clear, consistent messages.

*With a **Commitment to Our Community!***



TOGETHER
WE
CAN!

Core Services = People + Partnerships

- ❖ City employs approximately 400 essential workers
- ❖ National City is a full-service city (no public safety contracts)
- ❖ Committed work force that relies on fiscal sustainability
- ❖ Boards, Commissions, and other official committees



TOGETHER
**WE
CAN!**
WE'RE MAKING NATIONAL
CITY CLEANER, HEALTHIER,
AND SAFER.

7 Functional Groups

- Police
- Fire
- Public Works/Engineering
- Community Development
- Library & Community Services
- Housing Authority
- Leadership & Administration
 - City Manger and Attorney Offices
 - Finance and Human Resources
 - Information Technology
 - City Clerk

**TOGETHER
WE
CAN!**



National City Residents, Businesses, & Visitors

Mayor and City Council

City Clerk

City Treasurer

- | | |
|--|--|
| <ul style="list-style-type: none"> City Hall
1243 National City Blvd.
MLK Jr. Community Ctr
140 E. 12th Street Police Department
1200 National City Blvd.
Nutrition Center
1415 D Ave.
Library
1401 National City Blvd. | <ul style="list-style-type: none"> Boards & Commissions Regional Assignments Fire Station 31
2333 Euclid Ave. Fire Station 34
343 E. 12th Street Fire Station 33
2005 E. 4th Street |
|--|--|

City Attorney

- City legal advisor to City Council and City departments
- Civil litigation (City defense)
- City prosecutor (Municipal Code violations)

Economic Development

- Business Retain & Recruit
- Storefront Upgrades
- Adopt-A-Place/AROW
- Opportunity Zones
- Together We Can Campaign
- Permit Streamlining
- Port District (Commissioner)
- Public Private Partnerships
- Special Projects

City Manager

PR & Communications

- Community and Police Relations Commission
- NC Connect (SeeClickFix)
- Neighborhood Council Program
- Public Information
- Social Media
- Veterans and Military Advisory Committee

- Bid openings
- Boards & Commissions
- Claims against the City
- City Council minutes
- Elections
- Municipal Code
- Public Noticing
- Translation Services

- Collection of City taxes and license fees
- Investments

Records Manager

- Custodian of Records
- Public Records Requests

Police

- Field Operations:**
- Neighborhood Policing Teams
 - Patrol Operations
 - Community Services Unit
 - Traffic Unit
 - Canine Unit
 - SWAT
 - Animal Regulations Unit
- Investigations Unit**
- Core Investigations
 - Task Force Units
 - Gang Enforcement Team
 - Property & Evidence Unit
 - Homeland Security Unit
- Administration Support**
- Internal Affairs
 - Recruiting/Backgrounds Unit
 - Training Unit
 - Crisis Negotiations Unit (CNT)
- Operations Support**
- Grants
 - Fleet
 - Peer Support
- Support Services**
- Communications Center
 - Records Unit
 - Alarm Program
 - Crime Analysis Unit
 - Management Information Systems

Emergency Services

- Fire Suppression & Emergency Medical**
- Community Emergency Response Team
 - Emergency medical response/paramedic
 - Fire Suppression
 - Trauma Intervention Program Liaison
 - Hazardous Materials Response
 - Rescue Operations
 - Station Tours
- Fire Administration & Fire Prevention**
- Issuance of Fire Dept. Permits
 - Design Plan Intake
 - False Alarm Recovery Program
 - Commercial fire inspections
 - Fire Annual inspections
 - New Business License Inspections
 - Haz Mat Inspections
 - Juvenile Fire Setter Intervention
 - Apartment, School, High-rise Inspections
 - CPR/AED Classes
 - Weed Abatement

Engineering

- Capital Improvement Program
- Environmental Compliance
- Storm Water
- Commercial Fats, Oils & Grease (FOG)
- Hazardous Materials (HAZMAT)
- Trash & Recycling (EDCO)
- Traffic Safety Evaluations
- Parking Management
- Traffic Signal Timing
- ADA Compliance
- Safe Routes to School/Active Transportation Program
- Transit Coordination (San Diego MTS)
- Utilities Coordination
- Engineering Plan Checks, Permits and Inspections
- Traffic Control Plan Reviews
- Map Reviews
- Bayshore Bikeway Working Group
- Metro Wastewater JPA
- MTS Board
- Regional Solid Waste Authority
- San Diego County Water Authority
- Sweetwater Authority
- Traffic Safety Committee

Public Works

- Quality of Life Program
- Pothole Repairs
- Sidewalk Repairs
- Trash/Shopping Cart Removals
- Storm Drain/Channel Cleanups
- Street Sweeping
- Sewer Maintenance
- Traffic Signals and Street Lights
- Traffic Signing and Striping
- Parks and Landscape Maintenance
- Tree Trimming/Planting Services
- Athletic Field Use Permits
- Park Air Jump Permits
- Facilities Maintenance
- Vehicle Fleet/EV Program

Community Services

- Community Services**
- Public Art Committee
 - Parks, Recreation and Senior Citizens Advisory Board
 - Community partner liaison
 - Recreation programs for youth, teens, adults, and seniors
 - Recreation contract program management
 - Special event programming
 - Reservation of community centers
 - Volunteer management
 - Port Public Art Committee
- Library**
- Library Board of Trustees
 - Circulation/Borrowing Services
 - Reference Services
 - Local History Room
 - Literacy Services
 - Programs for teens and children
 - 3D Printing Tech Lab
 - Computer and Printer Access
 - Computer Classes
 - eBooks, magazines, Audiobooks, DVDs, CDs
 - Electronic Databases
 - Friends of the Library Bookstore
- Nutrition Center**
- Feeling Fit Club
 - Home Delivered meals
 - Senior Nutrition Center

Housing & Community Development

- Neighborhood Services**
- Code Enforcement
 - Graffiti Abatement
 - Homeless Outreach Program
 - Parking Enforcement
 - Housing Inspection Program
 - Special Events & TUPs
- Planning**
- Property Zoning
 - Land Use & Long-range Planning
 - Planning Commission
 - Zone and Code Changes
 - Shoreline Preservation Working Group
- Building**
- Intake of plans for review
 - Review of building permits and plan applications
 - Issuance of building permits
 - Inspection services for residential/commercial projects
- Housing Authority**
- CDBG & HOME
 - Housing Programs & Projects
 - Real Estate Services
 - Affordability Monitoring
 - Section 8 Housing Vouchers

Administrative Services

- Finance**
- Business Licensing
 - Collections
 - Fees for parking citations
 - Garage sale permits
 - Pet Licensing
 - Purchasing
 - Residential rental license fees
- Human Resources**
- Employment Opportunities
 - Employee Benefits
 - Workers' Compensation
 - Labor Relations
 - Organizational Development and Training
 - Civil Service Commission
- Risk Management**
- Insurance
 - Liability claims management
 - Workers' Compensation
- Information Technology**
- Cybersecurity
 - Data Management
 - Desktop Support
 - Enterprise Resource Planning
 - Network Administration
 - Technical Training
 - Telecommunications
 - Video Surveillance
 - Web Administration



Introduction to Budgeting



Budget 101

- ❖ Fund Accounting (GASB)
 - ❖ General Fund
 - ❖ Sewer, Section 8, Streets, Etc...
 - ❖ Housing and Parking Authorities
- ❖ Budget versus Actuals
 - ❖ Budget is a Forecast of Revenues and Expenditures
 - ❖ Annual Process with 5-Year Horizon
 - ❖ Actual Results are Audited and Provide through ACFR
- ❖ Budgeting – Operating/Accounting - Auditing

Ongoing Revenue

- ❖ Generating General Fund Revenue
 - ❖ Sales Tax – Organic versus Incremental
 - ❖ Cost Recovery for Services and Enforcement
 - ❖ Use One Time Revenues to Improve Land Use and Encourage Redevelopment
- ❖ Other Potential Strategies
 - ❖ Continue Business Recruitment, Retention, and Expansion
 - ❖ Expand Housing and Parking Authorities
 - ❖ Explore Assessment Districts, BIDs, and Infrastructure
 - ❖ Pursue Grants, Incentive Programs, and Opportunity Zones
- ❖ Increased ongoing revenues will be needed to fund growing ongoing expenditures

Ongoing Expenditures

❖ PERSONNEL COSTS – LABOR CONTRACTS

- ❖ Meaningful and Sustainable Wages for Our Workers
- ❖ Recruitment and Retentions Efforts
- ❖ Consider staffing levels through organizational assessments and negotiations

❖ Pension Costs

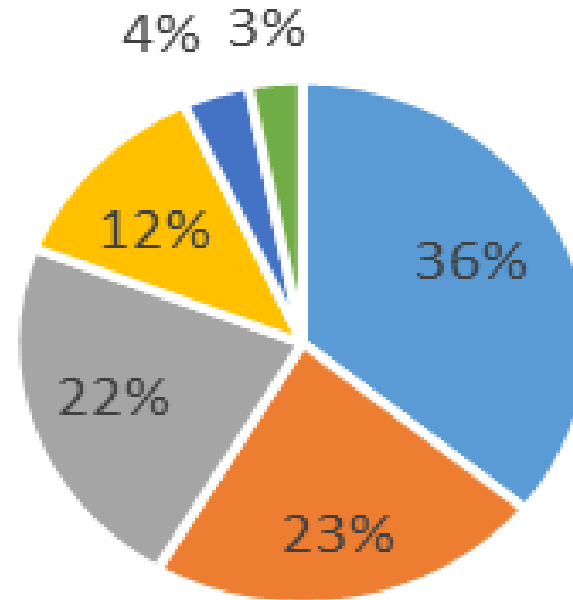
- ❖ Pension Obligation Bonds
- ❖ Section 115 Trust

❖ Potential Strategies

- ❖ Use one time revenues to create ongoing savings
- ❖ Partner with other service providers
- ❖ Create incentives for cost savings
- ❖ Match one time revenues with one time expenditures
- ❖ Remain focused on growing General Fund Revenues

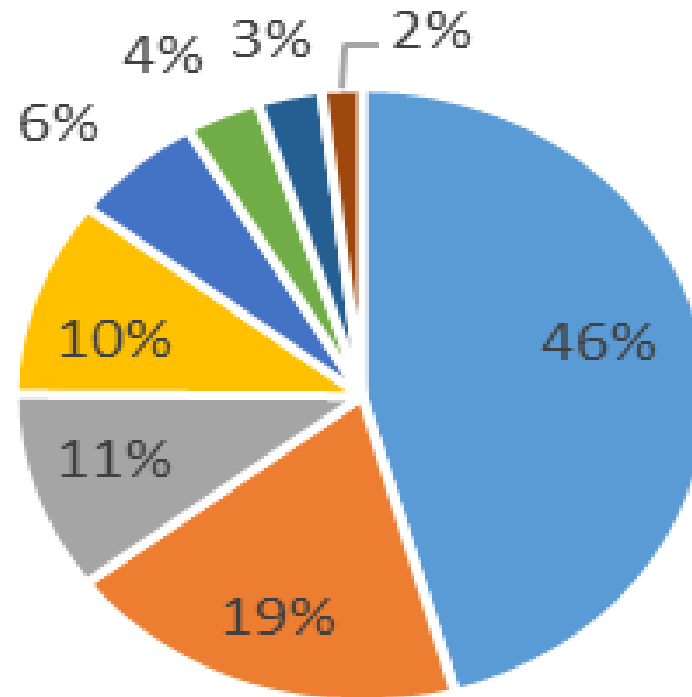


FY23 General Fund Revenue Sources



- Sales & Use Tax
- District Transactions & Use Tax
- Property Tax
- Grand Total
- Other Revenues
- Property Tax in Lieu of VLF
- Transfers In

FY23 General Fund Expenditures



■ Police

■ Administration

■ Community Services

■ Fire

■ Engineering & PW

■ Neighborhood Services

■ Other

■ Community Development

Current Reserves

Reserves	Target	Balance*	Policy Level
Unassigned Fund Balance	\$ 6,400,000	\$13,956,000	10% General Fund Op Bdgt
Economic Contingency Reserve	\$ 12,800,000	\$ 12,800,000	20% General Fund Op Bdgt
Liability Reserve	\$ 13,264,000	\$ 16,615,000	80% confidence level
Facilities Maintenance	\$ 2,880,000	\$ 2,880,000	4.5% General Fund exp
Vehicle Replacement	\$ 3,141,900	\$ 2,770,265	30% book value of vehicles
Pension Trust (115)	\$ 18,400,000	\$ 6,393,549	2 years UAL payments
OPEB Trust	\$ 4,821,000	\$ 3,133,184	80% OPEB liability

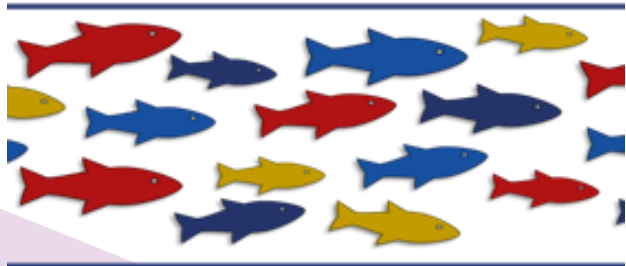
* All balances are as of June 30, 2022 (unaudited) except for unassigned fund balance, which is as of June 30, 2021. Unassigned fund balance at June 30, 2022 is expected to be higher.



Introduction to Goal Setting



Being Focused Gets to Success



We can't do everything,



But we can do some things very well

Successful City Governments

- Respect the **ongoing work** of City departments as the **day-to-day operations** must be well managed – and that takes time
- Have a **collaborative, trusting relationship** between the City Council and staff
- Set a **few focused priorities**, with a staff work plan to achieve them

7 Strategic Focus Areas

Balanced budget and economic development

Communication and outreach

Health, environment and sustainability

Housing and community development

Parks, recreation and library

Public safety

Transportation choices and infrastructure

Strategic Plan Category and Councilmember Notes
Regarding Their Priorities

City Manager Notes and Plans for FY 2023-24

1. **Balanced Budget and Economic Development**

- **Address future deficit and maintain a balanced budget**
- Future deficit projected; need to diversify revenue
- Understand the budget process (one-time vs ongoing expenses)
- Understanding levels of service we can provide based on financial resources; use of funding for core city services
- Potential new development by Plaza Bonita
- Increase property tax through home sales; increase the percentage of for-sale housing

- Be committed to revenue generation for General Fund without conditions
- Focus on staffing levels for existing core service and stay competitive with meaningful and sustainable wage increases for our workers
- CarMax/Cannabis should be completed in the near future with revenue the following approximately a year after that
- Other initiative(s) such as Balanced Plan/Downtown revitalization, parcel tax or other revenue measure will take more time
- Consider and analyze revenue measures for next two elections
- Recognize that tax-exempt affordable housing projects do not create tax revenue but expand service demands; need to find a balance through policies, plans, programs, and projects that maximize resources for delivering services
- Explore alternate funding sources through partnerships and grants

2. **Communication and Outreach**

- **Improve overall communication and outreach and tailor some communications by district**
- Increase the level of engagement and connection to community
- Connecting people in the community to local government; connect with our constituents post-COVID
- How we communicate and relay information to residents and businesses
- Tailor community outreach for feedback by district

- Establish balance and consistency between staff and councilmember communications and outreach efforts
- Recognize the resources and be realistic about staff capabilities
- Utilize boards, commissions and committees; regional assignments, and staff liaisons
- Determine best practices for restarting Neighborhood Councils or other engagement strategies (District Councils?); consider staffing and Communications Manager
- Utilize analysts in each functional area to collaborate on communication materials provided to the public; establish staff working group
- Develop quarterly management report for City Council that includes financial data, service requests, calls for services, and major priorities
- Provide weekly staff updates to Councilmembers with department detail

<p>3. Health, Environment, and Sustainability</p> <ul style="list-style-type: none"> Continuation of existing projects 	<ul style="list-style-type: none"> We are hiring a Health/Environmental Justice Planner that will provide staff support for a potential Health and Environmental Justice (HEJ) Committee. The HEJ committee can help guide policies and priorities such as amortization of non-conforming toxic uses San Diego Community Power (SDCP) will be rolled out to SDG&E customers and we can work on other energy initiatives through them.
<p>4. Housing and Community Development</p> <ul style="list-style-type: none"> Increase home ownership opportunities and the ratio of ownership to rental housing (build more townhomes, potential to use City property for home ownership development, incentives for developers) Improve permitting and development process for greater efficiency Address homelessness through partnerships with other agencies Interest in rent stabilization 	<ul style="list-style-type: none"> Continue to enhance over the counter permits and streamline plan reviews for large projects and small, like ADUs. Will finalize our Focused General Plan Update (FGPU) in 2023 where we update housing element and related policies including House National City Implemented rent stabilization on mobile home parks in 2022 and can continue to address specific problems in the community regarding tenant protections Overall rent stabilization measure failed at the ballot box in 2020. State and region continue to expand renter protections and we need to keep up with best practices. Clarify our role and influence regarding homelessness on regional, state and federal initiatives and maximize outcomes for National City Transition HOT to HOME outreach and remain persistent in addressing neighborhood concerns. Support Navigation Center and other high impact programs provided by service providers
<p>5. Parks, Recreation and Library</p> <ul style="list-style-type: none"> Provide these important city services 	<ul style="list-style-type: none"> Consider staff options to help define after school programming and/or youth development Recognize what school and other non-governmental organizations (NGOs) are already providing Finish plans and secure funding to build park improvements at all three parks Develop a vision for a “youth development center” at Kimball Park that incorporates the rebuild of the Kimball Rec Center. Strengthen partnerships with local schools Maintain “Age-Friendly” community and intergenerational programming
<p>6. Public Safety</p> <ul style="list-style-type: none"> Enhance public safety through short- and long-term solutions to crime involving youth 	<ul style="list-style-type: none"> Center for Public Safety Management (CPSM) reports have been presented to City Council and will guide priorities for Police and Fire Recruitment pipelines/programs (youth development)

<p>7. Transportation Choices and Infrastructure</p> <ul style="list-style-type: none">• Maintain and improve infrastructure for the enjoyment of community; need sufficient funding• Provide and maintain basic city services that impact quality of life (i.e., trash cans, lighting, roads, parks)	<p>Consider infrastructure through the separate components we maintain:</p> <ul style="list-style-type: none">• Streets/Pavement: update PCI and prioritize resources accordingly.• Address street lights and best practices for signals and traffic control• Sewer/Wastewater: Implement master plan and ongoing maintenance• Storm water: Identify funding sources and prioritize projects• Parks: Finalize funded projects and continue assessing needs

Commitments from Staff



Align **programs, projects and activities** to further Council priorities, consistent with budget, staffing and workloads



Build Council direction into **budget and work plans**

Staying on Track with Priorities

Regular progress reporting

Delay new Council-initiatives until next goal setting cycle or mid-year if capacity exists

UNLESS



Best Practice Criteria for Adding Initiatives and Projects Mid-Cycle

Emergency (natural disaster, pandemic, civil unrest)

New outside funding opportunity that is time-sensitive

New multi-agency opportunity that cannot be delayed

Community safety issue that must be addressed in near term

Changes in law or mandates

Otherwise – wait until next goal setting/budgeting process

Closing Comments





**Public Comment
City Council
Comments and Direction**