



**FISCAL YEAR 2024  
BUDGET WORKSHOP**

May 5, 2023



## **Budget Team**

**Brad Raulston, Roberto Yano, Molly Brennan  
Janel Pehau, Paul Valadez, Sheila Pangco**

## **Department Heads**

**Carlos Aguirre, Shelley Chapel, Sergio Mora,  
Joyce Ryan, Barry Schultz, Jose Tellez, Armando Vergara**

**TOGETHER  
WE  
CAN!**

# Workshop Outline

- ❖ Introduction and Overview
- ❖ City Priorities – Goal Setting Results
- ❖ Revisit 5 Year Forecast
- ❖ Fiscal Year 2023-2024 Preliminary Budget (July 2023-June 2024)
  - ❖ Enhancement Decision Items
- ❖ Capital Improvement Program (CIP)
  - ❖ Enhancement Decision Items
- ❖ Revisit 5 Year Forecast
- ❖ Closing Comments, Next Steps, and Request for Direction
- ❖ Public Comment
- ❖ City Council Comments and Direction



# Process and Schedule

- January - City Council interviews on Individual Goals & Expectations
- Feb 1-3 - New Mayor & Councilmembers Academy by CA League of Cities
- Feb 21 - Regular Meeting - Goal Setting and Budgeting Kick-Off
- March 7 – Recruitment/Retention Update
- March 21 – Initial 5-year Financial Forecast & Current Priorities from Staff
- March 24 –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!**



# Financial Accomplishments

BALANCED BUDGET

CLEAN AUDITS

RESERVE POLICY UPDATED AND RESERVES FUNDED

CREDIT RATING INCREASE

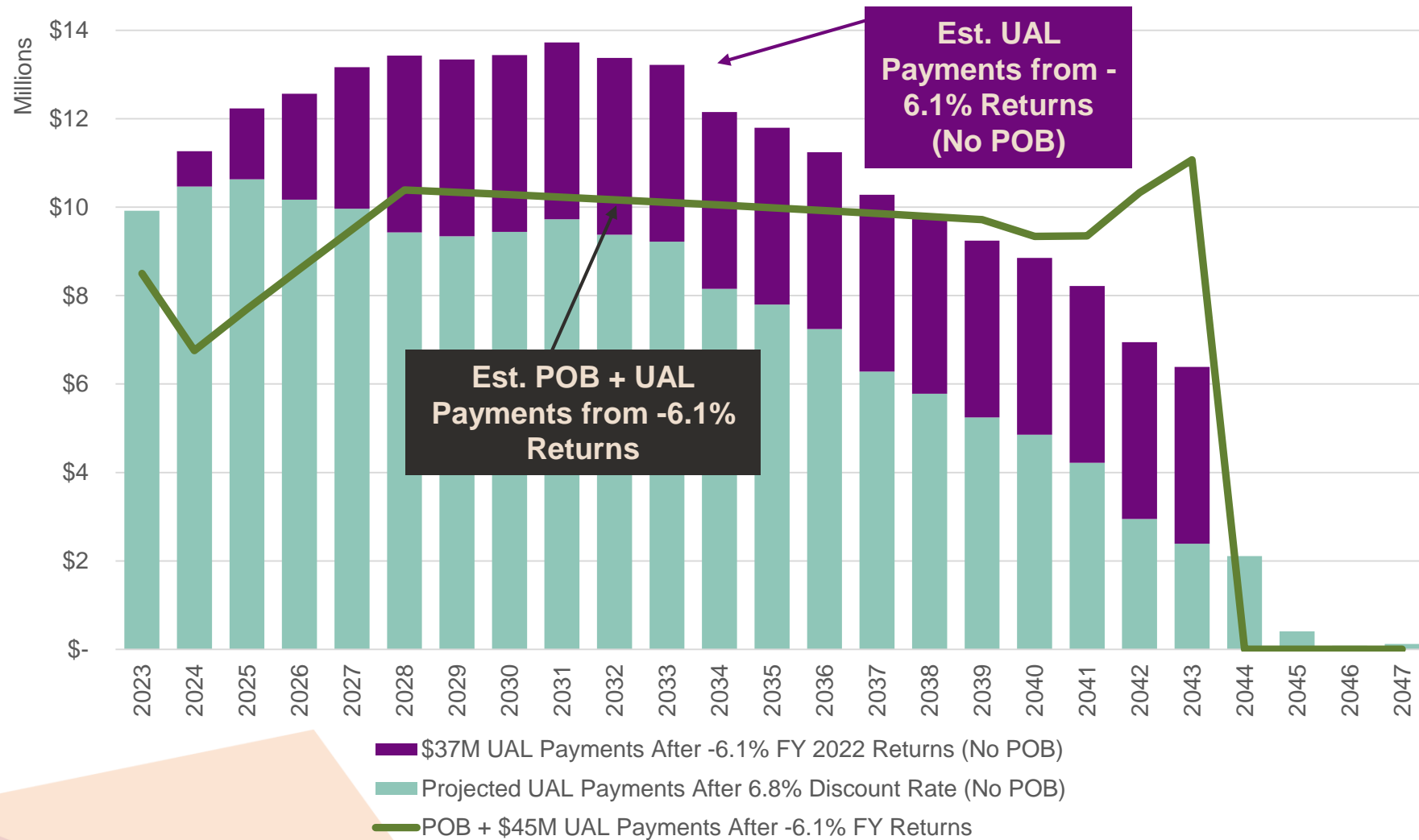
\$20M SAVINGS FROM PENSION OBLIGATION BONDS (POB) ISSUANCE

ARPA SPENDING PLAN



# National City 2021 POB

## Update After -6.1% FY 2022 CalPERS Investment Returns



# FY 2024 Budget and Fiscal Health

- ❖ Forecasting a General Fund budget surplus
- ❖ Important to retain controls on General Fund discretionary spending, as surplus is projected to end when ARPA funds end in FY25
- ❖ Remain focused on economic development projects/programs
- ❖ Continue to support committed work force with customer service culture that supports the 7Cs pledge
- ❖ Use one time revenue for one time expenditures
- ❖ Continue grow ongoing revenue for ongoing expenditures





# Goal Setting: City Council Priorities



# Current Strategic Plan 2020-2025

## TWO-YEAR STRATEGIC PLANNING CYCLE

- ❖ 7 Focus Areas – 7 Cs Pledge
  - ❖ Balanced Budget & Economic Development
  - ❖ Communications & Outreach
  - ❖ Health, Environment, & Sustainability
  - ❖ Housing & Community Development
  - ❖ Parks, Recreation, & Library
  - ❖ Public Safety
  - ❖ Transportation Choices & Infrastructure



# 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!**



# Strategic Focus Areas and Organization

## 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

## 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
  - Economic Development

# City Council Goal Setting

## TIER 1

- Improve permitting and development process for greater efficiency
- Provide services that impact quality of life (e.g. cleanliness)

## TIER 2

- Improve communication and outreach overall and tailor some by district
- Maintain and improve infrastructure
- District budgeting (first step- research what other cities do)
- Pipelines for public safety jobs



# Employees, Volunteers, & Partners

## Service = 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
  - ❖ Meaningful and sustainable wage increases for our workers
- ❖ Boards, Commissions, and other official committees
- ❖ Task Forces, Community Clubs, CERT, RSVP, other city volunteers
- ❖ Partnerships with non-profits to deliver services





# 5 Year Financial Forecast



# Fund Balance Categories

**Non-spendable** – amounts that cannot be spent because they are: 1) not in spendable form or 2) legally or contractually required to be maintained intact.

**Restricted** – resources that have spending constraints that are either 1) “externally” imposed or 2) imposed by law through constitutional provisions or enabling legislation.

**Committed** – amounts that have internally imposed restrictions mandated by formal action of the City Council.

**Assigned** – amounts that are constrained by the Council’s intent that they will be used for specific purposes. (Decision-making with regard to these amounts may be made by a committee or other governmental official.)

**Unassigned** – the “residual” fund balance for the General Fund. This residual amount of unassigned fund balance reflects the resources available for further appropriation and expenditure for general governmental purposes





# Council Policy #201

## GENERAL FUND UNASSIGNED FUND BALANCE

### TARGET: 10% ANNUAL OPERATING BUDGET

- “Amounts in excess of the target level will be used to increase or replenish other reserves (with priority given to the Economic Contingency and Facilities Maintenance reserves), to set aside resources for specific one-time uses, or as a funding source for one-time expenditures included in the annual budget or for needs that arise subsequent to budget adoption.”





# Current Reserves

Reserves	Target*	Balance**	Policy Level
Unassigned Fund Balance	\$ 6,575,000	\$19,156,000	10% General Fund Op Bdgt
Economic Contingency Reserve	\$ 13,150,000	\$ 12,800,000	20% General Fund Op Bdgt
Liability Reserve	\$ 13,264,000	\$ 16,615,000	80% confidence level
Facilities Maintenance	\$ 2,960,000	\$ 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

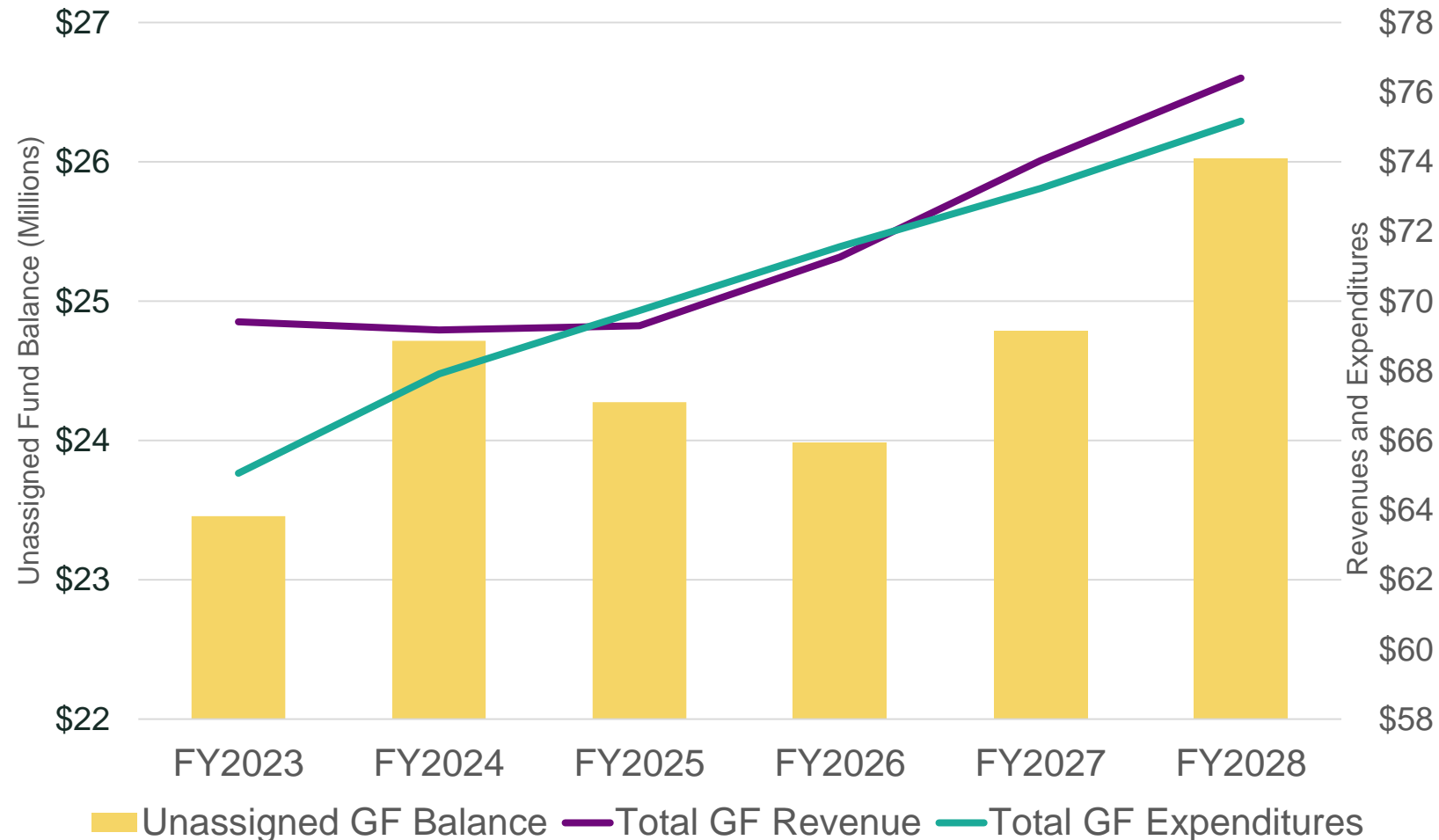
\* Based on estimated \$66M operating

\*\*All balances are as of June 30, 2022 (unaudited)

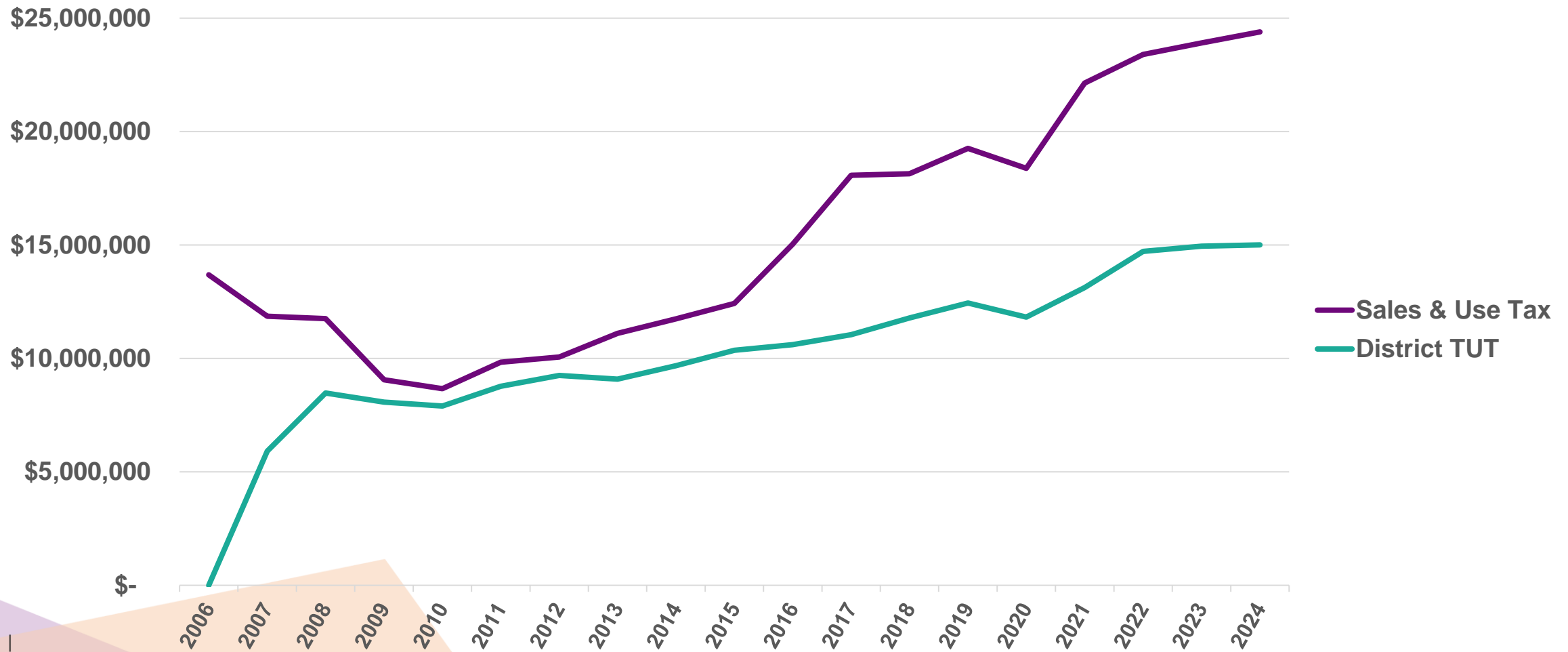
# General Fund 5-Year Forecast

Projected Revenues, Expenditures, and Unassigned General Fund Balance

- Current staffing and programs
- Total revenue and expenditures expected to grow
- Projected deficit in FY25 and FY26
- Yellow bars represent estimated unassigned fund balance, which grow during surplus years and shrink during deficit years
- 3 labor group MOUs expire in 2024
- No recession is considered but there are mounting concerns



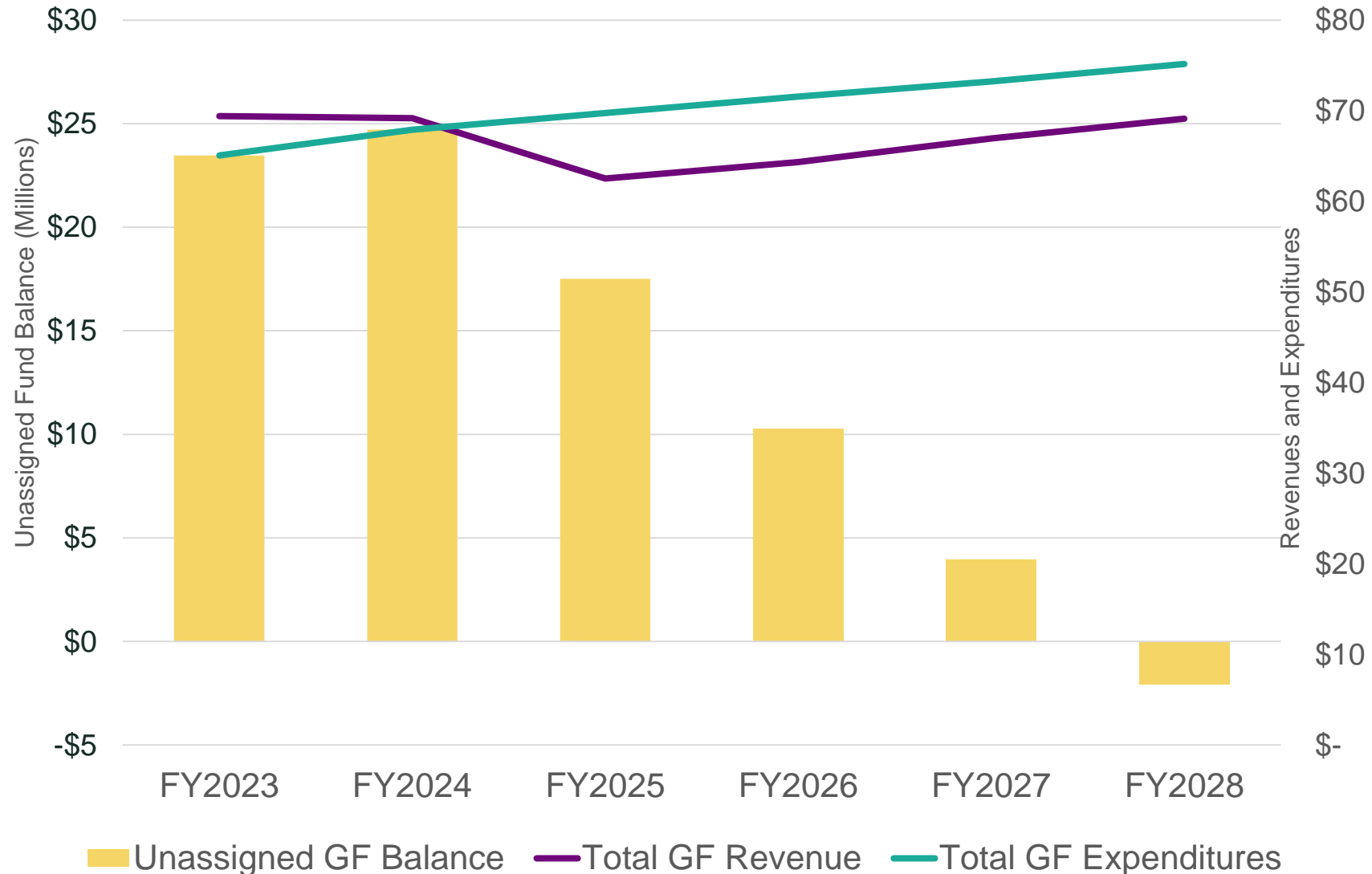
# Sales Tax Revenue History



# General Fund 5-Year Forecast – Recession Scenario

- Modeled FY25 recession half as severe as the Great Recession in 2008, with slow recovery

Projected Revenues, Expenditures, and Unassigned General Fund Balance





# FY24 Preliminary Budget All Funds



# Total Operating & Capital Budget FY 24 Preliminary vs FY 23 Adopted

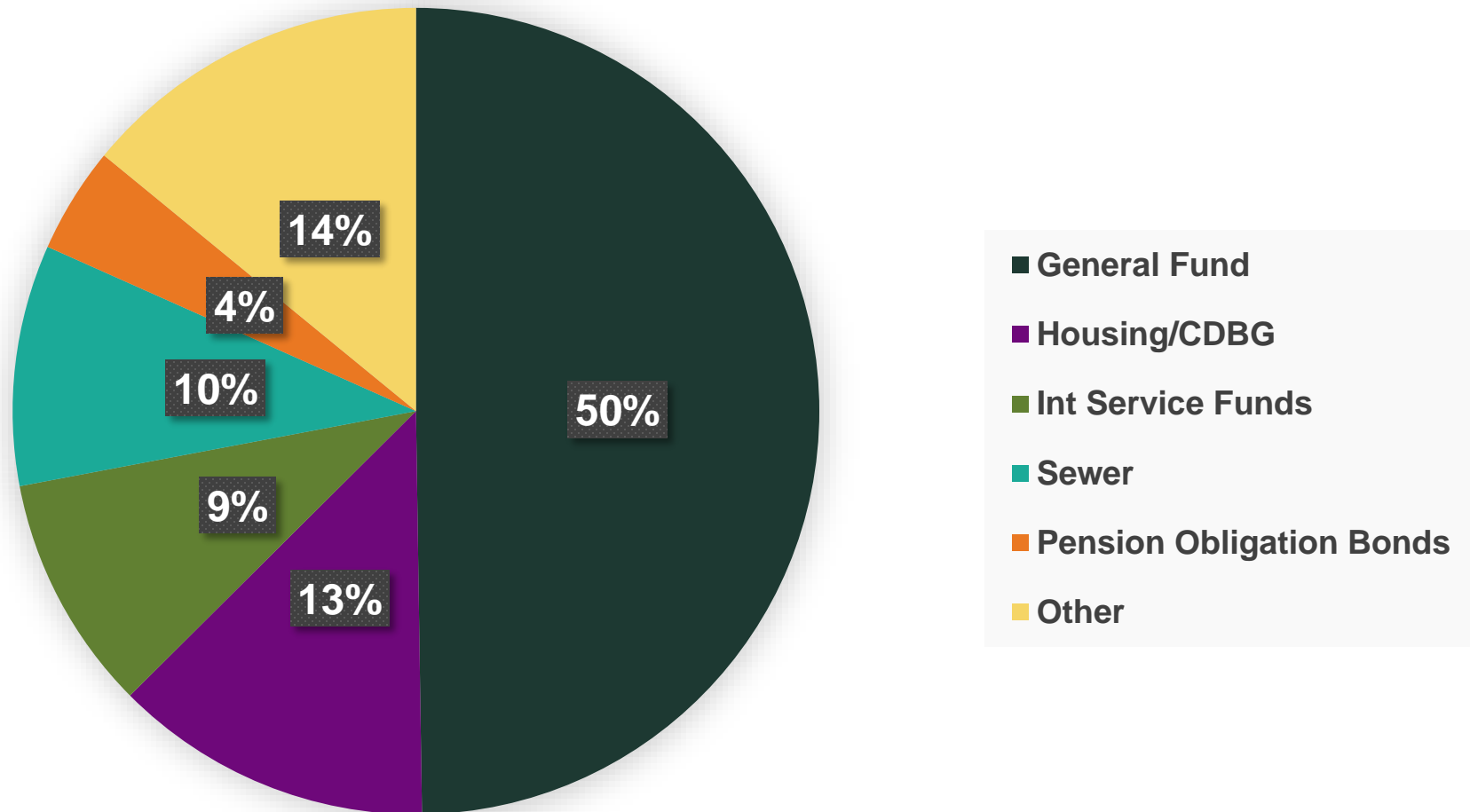
	<b>FY 24 Preliminary</b>	<b>FY 23 Adopted</b>	<b>Change</b>
<b>All Funds</b>			
All Revenues	\$129,403,177	\$134,351,875	\$(4,948,698)
All Expenditures	136,478,171	133,042,568	3,435,603
Projected Use of Fund Balance	\$ (7,074,995)	\$ 1,309,307	





# Expenditure by Fund

FY24 Preliminary Expenditures by Fund



# Revenues & Expenditures Other Funds FY24 Preliminary

## PRELIMINARY BY FUND TYPE

	FY 24 Prelim Revenue	FY 24 Prelim Expenditures
Housing/CDBG Funds	16,406,689	17,440,084
Internal Service Funds	11,947,403	12,934,332
Sewer Service Fund	9,931,785	13,182,495
Other	9,915,229	14,743,337
Pension Obligation Bonds	5,806,468	5,806,468
Library/Parks Funds	4,583,183	4,457,083
<b>Total Other Funds</b>	<b>\$60,230,716</b>	<b>\$68,563,799</b>





# General Fund



# Preliminary Budget Summary

## Fiscal Year 2024

### GENERAL FUND

	FY 24 Preliminary	FY 23 Adopted	Change
<b>Total Revenues</b>	\$ 67,166,961	\$ 64,574,077	\$ 2,592,884
<b>Transfers In</b>	2,005,500	2,005,500	0
<b>Expenditures</b>	65,085,303	63,737,457	1,347,846
<b>Transfers Out</b>	2,829,069	2,557,210	271,859
<b>Fund Balance (Use) Gain</b>	\$ 1,258,089	\$ 284,910	



# Expenditures

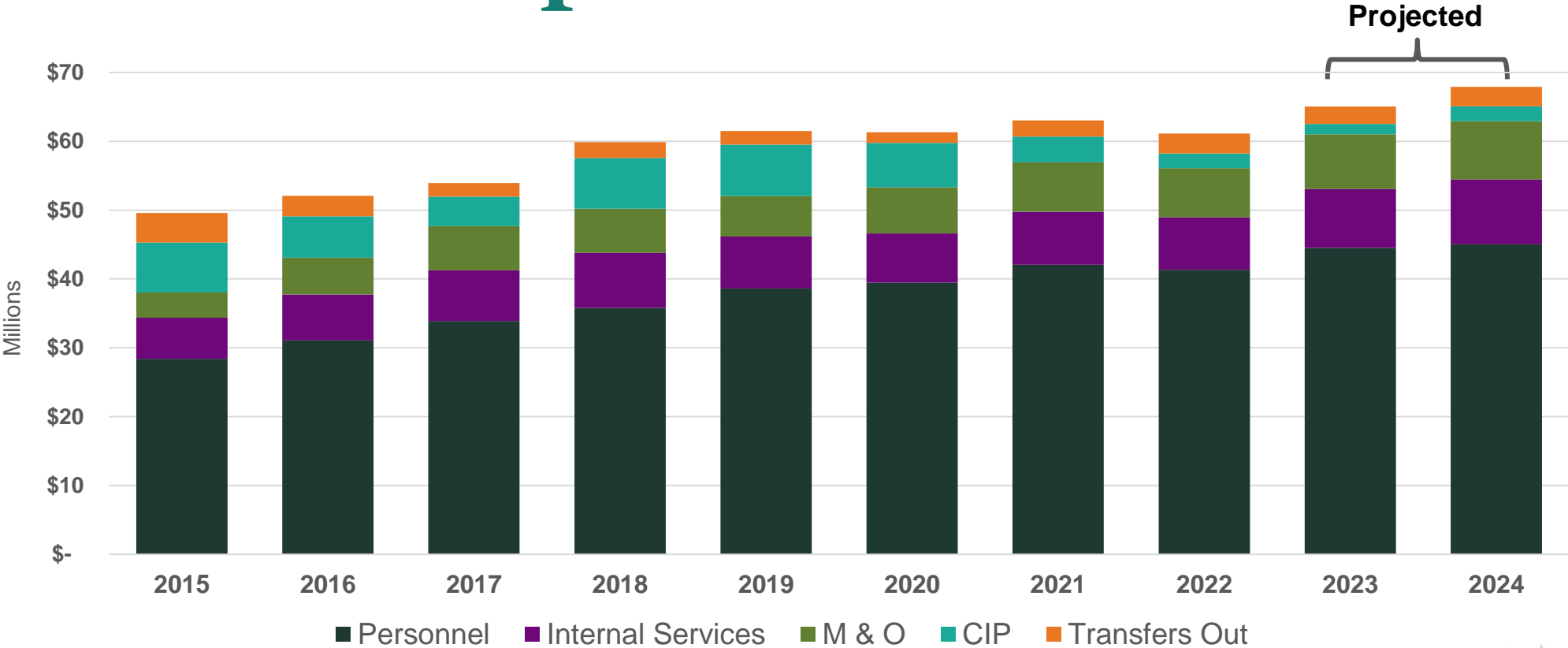
## FY 24 Preliminary vs FY 23 Adopted

### GENERAL FUND

	FY 24 Preliminary	FY 23 Adopted	Change
Personnel Services	\$45,039,464	\$45,410,890	\$(371,426)
Maintenance & Operations	8,469,578	7,776,245	693,333
Capital Outlay	143,500	160,000	16,500
Capital Improvements (CIP)	2,160,000	1,900,000	100,000
Internal Service Charges and Reserves	9,416,261	8,506,822	909,439
Transfers Out	2,829,069	2,557,210	271,859
<b>Total</b>	<b>\$67,914,372</b>	<b>\$66,294,667</b>	<b>\$1,619,705</b>



# Historical Expenditure Trends



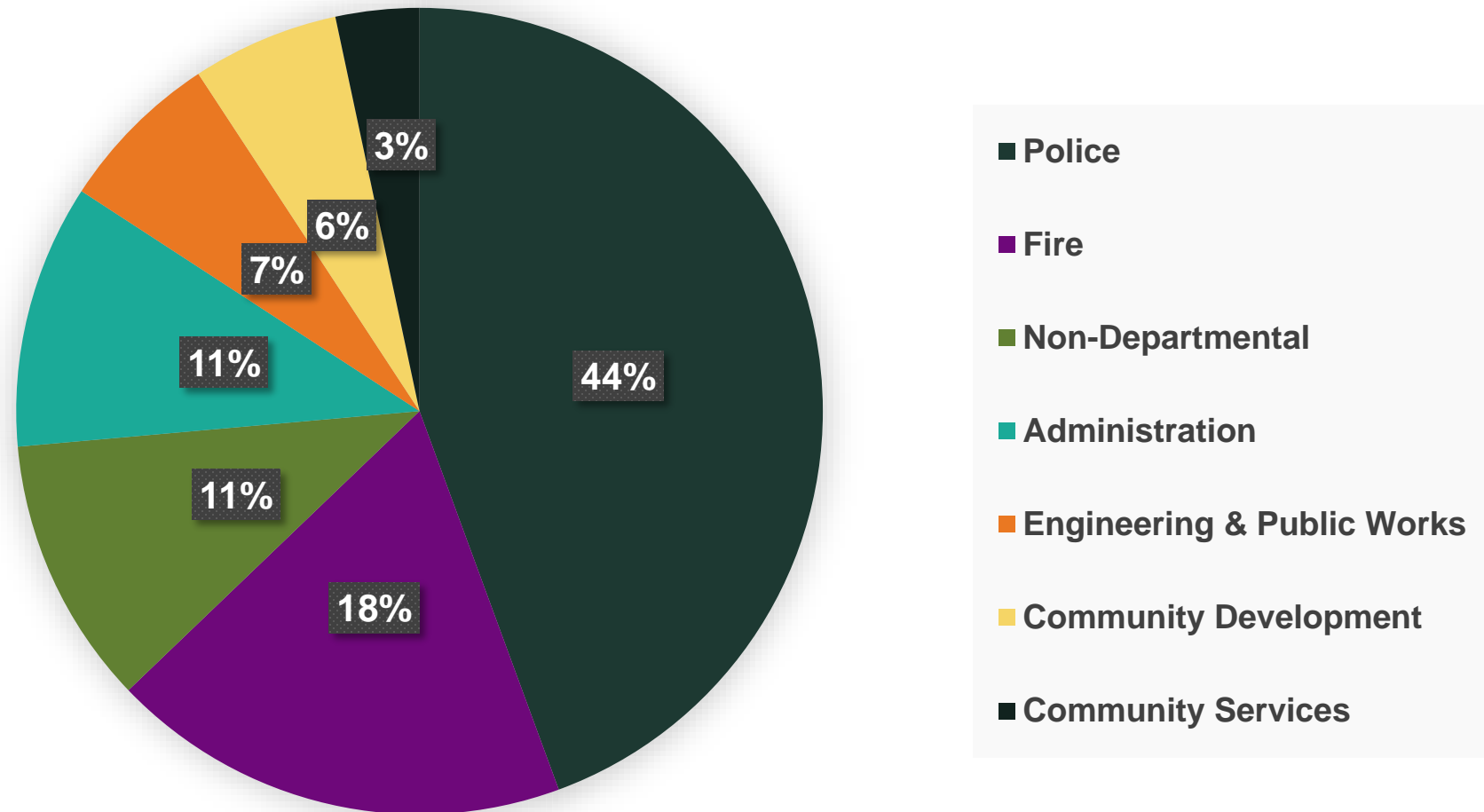
❖ Total personnel costs will comprise 66.3% of FY 24 General Fund expenditures





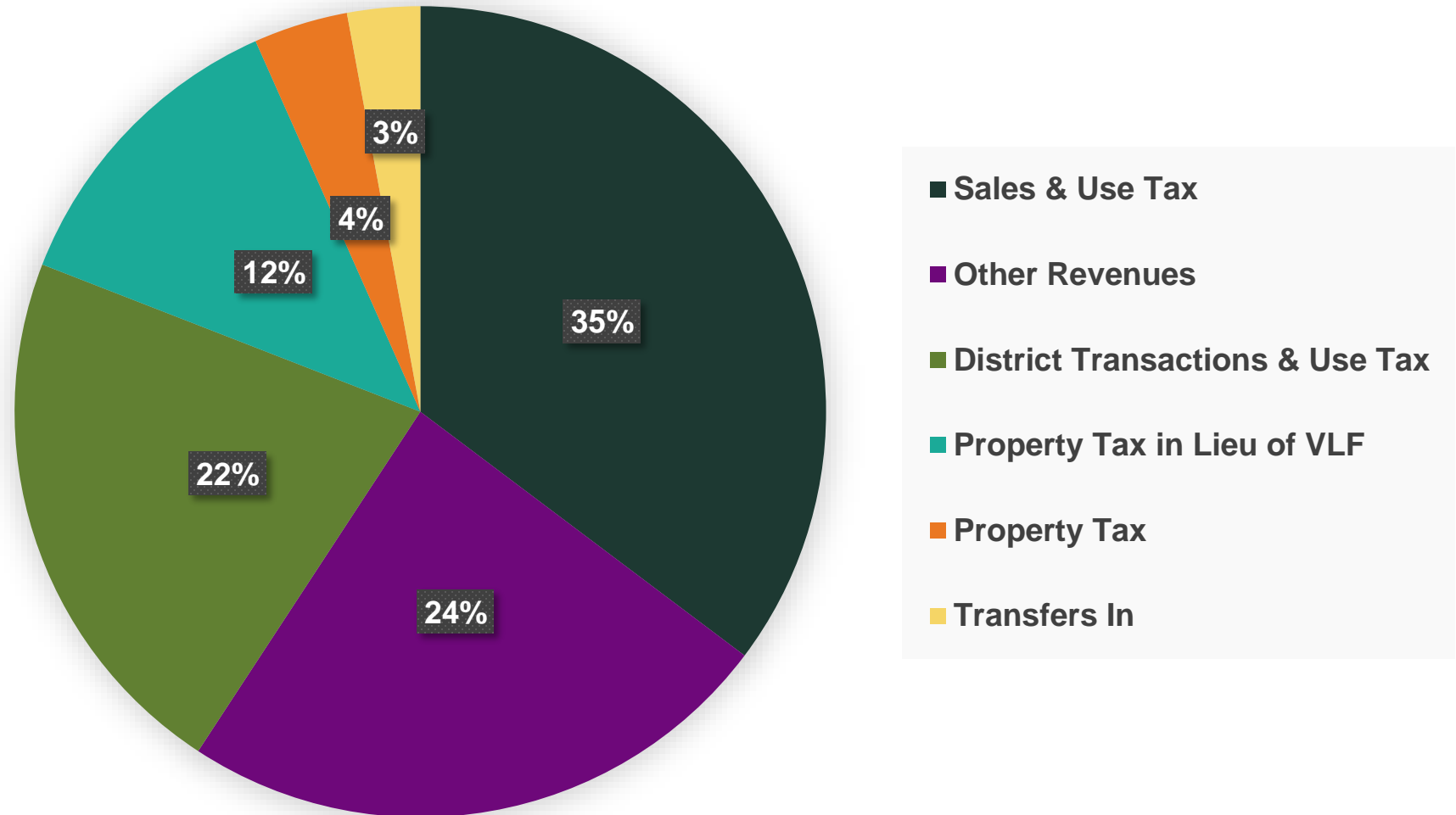
# Expenditure by Department

FY24 General Fund Exp by Department

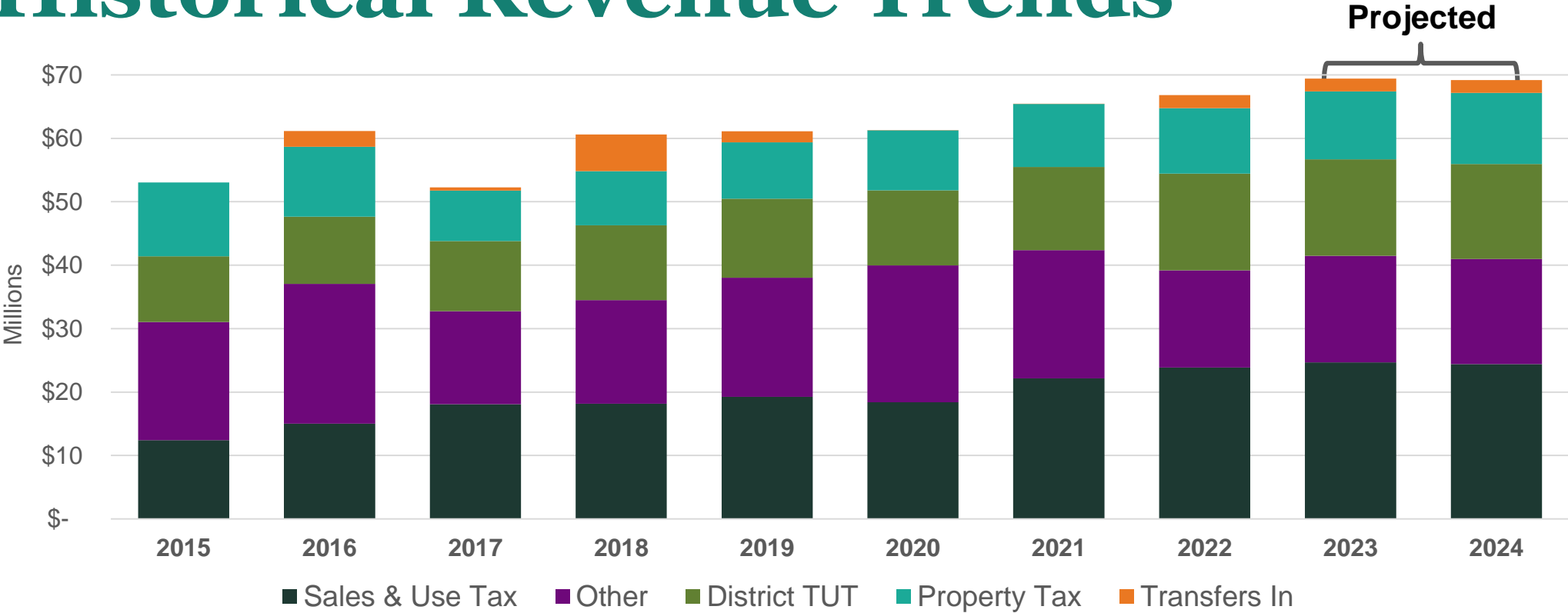


# Revenue Trends

FY24 General Fund Revenue by Source



# Historical Revenue Trends



❖ Sales taxes (black) and District transaction & use taxes (green) are approximately 57% of projected FY 24 revenues, while property taxes (teal) about 16%



# Impact on Unassigned Fund Balance Fiscal Year 2024

## GENERAL FUND

Unassigned Fund Balance 6/30/2022	\$19,156,296
FY23 - Mid-Year Projected Use/Gain	<u>4,300,000</u>
Projected Balance 6/30/2023	23,456,296
Estimated Use/Gain - FY24 Prelim Budget	<u>1,258,089</u>
Projected Unassigned Fund Balance 6/30/24	\$ 24,714,385



# Unassigned Fund Balance FY2024

## GENERAL FUND

Projected Balance 6/30/2023	\$ 23,456,296
10% Operating Expenditures	<u>6,575,437</u>
Estimated Amount Over Policy 201 Target	\$ 16,880,859





# Enhancement Decision Items





# 1. Police Staffing – CPSM Recommendation for Year 1

- INCREASE AUTHORIZED POSITIONS TO SUPPORT INCREASED CALL VOLUME
- ADD 5 POLICE POSITIONS, IN PRIORITY ORDER
  - 1 Officer
  - 2 Dispatchers
  - 1 Records Clerk
  - 1 Community Service Officer

On-going	FY24
5 New Police Staff	\$498,037



# 2. Fire Staffing – 3 Firefighters & Pilot Enhanced Minimum Staffing

SAFER GRANT ENDING MARCH 2024

ADD 3 FIREFIGHTERS TO GENERAL FUND AUTHORIZED POSITIONS

- Increase from 15 to 18 firefighters
- CPSM recommendation
- CURRENTLY RUNNING 3 PERSON ENGINE COMPANIES
- PILOT A 4 PERSON ENGINE COMPANY RESPONSE MODEL ON ENGINE 34

On-going	FY24	FY25
Firefighter (3)	\$111,060	\$484,677
Use of Leave of 4 <sup>th</sup> person	\$28,253	\$29,100
<b>TOTAL</b>	<b>\$139,313</b>	<b>\$513,777</b>



# 3. After School Programming

## AFTERSCHOOL YOUTH RECREATION PROGRAM (AGES 5-14)

- Builds on existing programs
- Program grows over time
  - Youth Sports Skills (Basketball, Soccer, Volleyball)
  - Structured Leagues (Basketball, Soccer)
  - Art, Music classes
  - Contract classes

RECREATION CLASSES AND YOUTH SPORTS IN LINE WITH OTHER LOCAL CITIES

LOW PARTICIPANT COSTS FOR RESIDENTS



# 3. After School Programming

## PROGRAM COORDINATOR FT

- New position to specialize in youth sports

## RECREATION LEADERS/RECREATION AIDES (TOTAL OF 5 PT STAFF)

- Recreation Aides recruited at high school level

On-going	FY24	FY25	FY26
Program Coordinator	\$79,000	\$81,370	\$83,811
Rec Leader III	\$32,900 (2)	\$50,831 (3)	\$52,355 (3)
Rec Aide	\$48,100 (3)	\$49,543 (3)	\$99,086 (6)
Operations	\$15,000	\$15,000	\$20,000
<b>TOTAL</b>	<b>\$175,000</b>	<b>\$196,744</b>	<b>\$255,253</b>



# 4. Tree Trimming

## ADD 2<sup>ND</sup> TREE TRIMMING CREW

- 2 new staff: Lead Tree Trimmer & Tree Trimmer
  - \$187,700 personnel costs
  - Use existing truck
- Cost partially offset by reduction in contractor work
  - Average of \$95,000 the last few years

On-going	FY24
Tree Trimming Crew	Net \$92,700



# 5. Improve Permitting/Development Process

## ADD ONE ENGINEERING PERMIT TECHNICIAN

- Also helps with succession planning for pending retirements in department

## PURSUING OTHER IDEAS WITH EXISTING STAFF AND RESOURCES, SUCH AS:

- Teaching/communication on process
- Provide and promote pre-construction meetings for large projects
- Monthly ADU day for residents

On-going	FY24
Engineering Permit Tech	\$91,200





# 6. Quality of Life

INCREASE FUNDING FOR AMORTIZATION EFFORTS

INCREASE PW OVERTIME TO EXPAND SWEEPING & FRIDAY CLEAN-UPS

STREET SIGN REPLACEMENT CATCH-UP: ONE-TIME

SIGN ORDINANCE ENFORCEMENT

- Need Council fully committed and supportive
- Will attempt with existing staff, but may need additional staff in future

On-going	FY24
Amortization	\$50,000
PW Overtime	\$32,000
Street Signs	\$25,000
<b>TOTAL</b>	<b>\$107,000</b>



# 7. Communication Improvements

## COMMUNICATIONS PLAN – RFP FOR CONSULTANT

- Identify internal & external areas for improvement
- Outline plan to address
- Develop outreach and communication materials
- For example:
  - Update website content
  - Coordination with schools about building sense of shared social responsibility
  - FAQs and handbooks for development process

<b>One-Time</b>	<b>FY24</b>
<b>Communications Plan</b>	<b>\$100,000</b>



# 8. Chamber of Commerce

\$50,000 CONTRIBUTION

USED FOR ECONOMIC DEVELOPMENT SERVICES

ONE-TIME COMMITMENT FOR FY24

One-Time	FY24
Chamber Contribution	\$50,000



# 9. Fund Reserves

Reserves	Target*	Balance**	Policy Level
<b>Unassigned Fund Balance</b>	\$ 6,575,000	\$19,156,000	10% General Fund Op Budget
<b>Economic Contingency Reserve</b>	\$ 13,150,000	\$ 12,800,000	20% General Fund Op Budget
<b>Facilities Maintenance</b>	\$ 2,960,000	\$ 2,880,000	4.5% General Fund Exp.

One-Time	FY24
<b>Economic Contingency</b>	\$350,000
<b>Facilities Maintenance</b>	\$80,000
<b>TOTAL</b>	<b>\$430,000</b>

\* Based on estimated \$66M operating

\*\*All balances are as of June 30, 2022 (unaudited)



# 10. District Budgeting

## CURRENT COUNCIL BUDGET:

- \$1,050 per member – governmental purposes
- \$1,836 – Mayor governmental purposes
- \$18,000 – Mayoral events
- \$2,000 per member – travel & training
- Personnel costs for Council, Mayor, & 1 Executive Assistant to the Mayor



# 10. District Budgeting

GOAL SETTING WORKSHOP – DIRECTED STAFF TO RESEARCH  
SURVEYED CA CITIES OF A SIMILAR SIZE THAT HAVE DISTRICTS

- None had discretionary district budgets
- One had \$100k for discretionary contributions to non-profits for Council as a whole
- One had \$2k per district for travel/training
- Staffing – none, 1 PT admin, 1 FT admin
- Council budgets were between 0.4%-1% General Fund operating exp (NC 0.6%)





# 10. District Budgeting

## CITY OF SAN DIEGO

- Each district gets a pool of funding for community projects, programs, and services
- Restricted to one-time expenditures and compliance with Council policy
- Funding dependent on Council administrative budget savings from prior year
- \$100,000 - \$150,000 per district over last few years
- NC is 4% of the size of City of San Diego





# Capital Improvement Plan (CIP)



# CIP ASSETS

## Parks and Facilities

City Offices  
Public Works Yards  
Police Station  
Fire Stations  
Community & Rec Centers  
Public Library  
Community Parks  
Athletic Fields & Skate Park  
Basketball & Tennis Courts  
Municipal Swimming Pool  
Public Restrooms  
Public Safety Cameras  
Lighting & Landscaping  
Walking Paths

## Infrastructure

Streets  
Sidewalks  
Pedestrian Ramps  
Street Lights  
Traffic Signals  
Sewer System  
Storm Drains and Open Channels  
Communications &  
Information Technology

## Vehicle Fleet

Light Duty Trucks  
Medium and Heavy Duty Trucks  
Sedans  
SUVs  
Specialty Vehicles  
Police Patrol Vehicles  
Fire Apparatus  
Heavy Equipment

# CIP Overview

## **MAJOR MAINTENANCE - DEFERRED & ONGOING (M)**

CAPITAL IMPROVEMENT PROJECTS THAT PROVIDE MAJOR MAINTENANCE AND/OR UPGRADES TO EXISTING INFRASTRUCTURE AND/OR FACILITIES REQUIRED TO PROVIDE ESSENTIAL PUBLIC SERVICES AND MAINTAIN HEALTH AND SAFETY

EXAMPLES – ROADWAY REHAB, ROOF REPLACEMENT, HVAC SYSTEM UPGRADES, REMOVAL AND REPLACEMENT OF DETERIORATED METAL STORM DRAIN PIPES

## **NEW PUBLIC IMPROVEMENTS (N)**

CAPITAL IMPROVEMENT PROJECTS THAT EXPAND EXISTING INFRASTRUCTURE AND/OR FACILITIES, OR CONSTRUCT NEW FACILITIES, TO ADDRESS PRESENT AND FUTURE NEEDS OF THE COMMUNITY

EXAMPLES – SKATE PARK, MULTI-PURPOSE ATHLETIC FIELD, MUNICIPAL SWIMMING POOL, COMMUNITY CORRIDORS

# CIP OVERVIEW

Major Maintenance  
Deferred & Ongoing

New Public  
Improvements

## Prioritization

Tier 1 – Urgent, Public Health  
and Safety

Tier 2 – Need 1 to 2 Years

Tier 3 – Need 3 to 5 Years

Tier 4 - Need 6 to 10 Years

## Funding

TransNet, Gas Tax,  
Sewer Service Fund,  
Development Impact Fees  
(DIF), Facilities  
Maintenance Reserve  
(FMR), ARPA, and General  
Fund

## Evaluation Criteria

Health and Safety  
Community Support  
Cost and Schedule  
Available Funding  
Consistency with  
Long Range  
Planning Documents  
Ongoing  
Maintenance Cost



# CURRENT PARKS & FACILITIES

Park and Facility	Qty	Description
City Hall	1	City Hall
Police Station	1	Police Department
Fire Stations	3	31,33,34
Recreational Centers	3	Camacho, Kimball, El Toyon
Community Facilities	3	MLK Jr, Casa de Salud Youth Center, Nutricional Center
Public Works Yards	2	1726 Wilson, 726 19th
Library	1	Public Library
Parks	5	Kimball, El Toyon, Las Palmas, Paradise Creek Park, Sweetwater Heights
Facilities Other	5	ARTS Center, Granger Music Hall, Kimball House, Stein Farm, Santa Fe Rail Depot
Senior Center	1	Kimball Senior Center
Las Palmas Municipal Pool	1	Pool
<b>Total</b>	<b>26</b>	





# Maintenance of Reserve Funds

- City Council Policy #201 adopted June 26, 1985, and most recently amended May 4, 2021 by City Council Resolution No. 2021-48, establishes the annual amount to be budgeted for major maintenance projects as 1.5% of the City's General Fund operating budget (~\$60Million).
  - **FY 24 Estimated Amount - \$1,000,000**



# FY24 PARKS & FACILITIES INCLUDE

<b>Police Department</b>	<b>Tier</b>	<b>\$700,000</b>
Generator and Electric Upgrade Supplement	1	\$500,000
Sewer Pipe Rehabilitation – Phase 1	1	\$200,000
<b>Fire Station 34</b>	<b>Tier</b>	<b>\$200,000</b>
HVAC Rehabilitation	1	\$40,000
Hand Railing Rehabilitation	1	\$10,000
Bathroom on Drill Ground	1	\$150,000
<b>Arts Building</b>	<b>Tier</b>	<b>\$100,000</b>
Roof Rehabilitation	1	\$100,000



# FY24 PARKS & FACILITIES INCLUDE

<b>El Toyon Multipurpose Facility/Fire Station</b>	<b>Tier</b>	<b>\$200,000</b>
Design of El Toyon Multi-Purpose Facility/Fire Station	1	\$200,000*

\* DIF

<b>Total Parks &amp; Facilities Major Maintenance Projects</b>	<b>\$1,000,000</b>
<b>Total DIF</b>	<b>\$ 200,000</b>

CIP Category	Cost Estimate					Proposed Funding Plan		
	Total	Tier 1 (Urgent)	Tier 2 (1-2 years)	Tier 3 (3-5 years)	Tier 4 (6-10 years)	Facilities Maintenance Reserve (General Fund)	DIF, Grants and Other	TBD
<b>Facilities, Parks &amp; Recreation</b>								
Civic Center / City Hall*	\$4,710,000	\$0	\$4,000,000	\$0	\$710,000	\$0	\$0	\$4,710,000
MLK Jr Community Center	\$540,000	\$0	\$0	\$50,000	\$490,000	\$0	\$0	\$540,000
Police Dept Building	\$1,080,000	\$700,000	\$300,000	\$0	\$80,000	\$700,000	\$0	\$380,000
Fire Station 34	\$370,000	\$200,000	\$0	\$170,000	\$0	\$200,000		\$170,000
Fire Station 33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Station 31	\$130,000	\$0	\$50,000	\$80,000	\$0	\$0	\$0	\$130,000
Public Works (1726 Wilson Ave)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Works (726 W. 19th St)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Library	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ARTS Center	\$500,000	\$100,000	\$0	\$400,000	\$0	\$100,000	\$0	\$400,000
Kimball Recreation Center	\$650,000	\$0	\$650,000	\$0	\$0	\$0	\$0	\$650,000
Kimball Senior Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Casa de Salud Youth Center*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Las Palmas Municipal Pool	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Camacho Recreation Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
El Toyon Recreation Center	\$280,000	\$0	\$0	\$280,000	\$0	\$0	\$0	\$280,000
Granger Music Hall	\$4,000,000	\$0	\$4,000,000	\$0	\$0	\$0	\$0	\$4,000,000
Kimball House	\$40,000	\$0	\$0	\$0	\$40,000	\$0	\$0	\$40,000
Stein Farm	\$360,000	\$0	\$0	\$320,000	\$40,000	\$0	\$0	\$360,000
Santa Fe Rail Depot	\$40,000	\$0	\$0	\$0	\$40,000	\$0	\$0	\$40,000
Kimball Park	\$7,738,273	\$0	\$0	\$0	\$7,738,273	\$0	\$0	\$7,738,273
Las Palmas Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paradise Creek Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
El Toyon Multipurpose Facility/Fire Station	\$20,000,000	\$200,000	\$0	\$19,800,000	\$0	\$0	\$200,000	\$19,800,000
<b>Total</b>	<b>\$40,438,273</b>	<b>\$1,200,000</b>	<b>\$9,000,000</b>	<b>\$21,100,000</b>	<b>\$9,138,273</b>	<b>\$1,000,000</b>	<b>\$200,000</b>	<b>\$39,238,273</b>

\* Supplemental evaluations are needed, which will lead to additional capital needs and costs



# INFRASTRUCTURE INVENTORY

Asset	Asset Items	Quantity	Unit
Streets	Streets	111	Miles (cl)
	Alleys	9	Miles (cl)
Sidewalks / Ped Ramps (ADA)	Sidewalks*	200	Miles
	Pedestrian Ramps*	2200	Each
Traffic Signals / Street Lights	Traffic Signals	80	Each
	Street Lights	736	Each
Sewer	Sewer Mains	106	Miles
	Sewer Manholes	2015	Each
	Force Mains	1325	LF
Storm Drain	Storm Drain Mains	45	Miles
	Storm Channels	12	Miles
	Storm Drain Structures (inlet, c.o., hw, etc)	791	Each
	*Quantity is estimated		



# FY 2024 INFRASTRUCTURE NEEDS

Funding Source	Streets / ADA (Major Maintenance)	Streets / ADA (New Public Improvements)	Traffic Signals / Street Lights	TDIF	Sewer	Storm Drain	Comm. Infra. Expansion	Total
Gas Tax RMRA (SB1)	\$1,519,578*							<b>1,519,578</b>
TransNet	\$1,313,000	\$236,000	\$300,000					<b>\$1,849,000</b>
TDIF				\$1,500,000				<b>\$1,500,000</b>
Sewer Fund					\$3,000,000			<b>\$3,000,000</b>
Solid Waste Fund	250,000					\$50,000		<b>\$300,000</b>
General Fund		\$800,000				\$200,000	\$100,000	<b>\$1,100,000</b>
<b>FY 2023 Investment</b>	<b>\$3,082,578</b>	<b>\$1,036,000</b>	<b>\$300,000</b>	<b>\$1,500,000</b>	<b>\$3,000,000</b>	<b>\$250,000</b>	<b>\$100,000</b>	<b>\$9,268,578</b>

- TransNet MOE is \$2,030,000\* for FY24
- Personnel, maintenance and operating costs funded by the General Fund for engineering, project management and maintenance of local roadways are applied towards the City's MOE (~ \$1.2M ); the remaining MOE is met by funding capital roadway projects through General Fund appropriations (~ \$800k)

\* Amount will be updated in May 2023





# MAINTENANCE OF EFFORT

- National City is required to invest approximately \$2 million annually in discretionary funds (General Fund) for local roadway projects to meet its Maintenance of Effort (MOE) requirements to receive local TransNet funding and State Gas Tax Road Maintenance and Rehabilitation Account (RMRA) funding through SB1
- Personnel, maintenance and operating costs funded by the General Fund for engineering, project management and maintenance of local roadways are applied towards the City's MOE
- The remaining MOE is met by funding capital roadway projects through General Fund appropriations



# FY24 INFRASTRUCTURE INCLUDES

<b>Additional Funding for Grant Funded Projects (TransNet/SB1)</b>	<b>\$ 1,614,000</b>
Citywide Protected Left-Turn Enhancements (TransNet*)	\$ 814,000
Central Community Mobility Enhancements (SB1)	\$ 800,000
* \$300,000 signals + \$514,000 ADA/Major Maintenance	
<b>Construction Management (General Fund)</b>	<b>\$ 200,000</b>
Construction Management to deliver FY24 Infrastructure	\$ 200,000
<b>Pavement Improvement Project</b>	<b>\$ 2,604,578</b>
General Fund	\$ 800,000
Pavement from SB1 and TransNet	\$1,554,578
Solid Waste Fund	\$250,000



# FY24 INFRASTRUCTURE INCLUDES

<b>Storm Drain Rehabilitation</b>	<b>\$ 250,000</b>
Includes pipe replacement, design, and construction management.	\$ 250,000
<b>Sewer Program</b>	<b>\$ 3,000,000</b>
Includes pipe upsizing, rehabilitation, pipe repairs, access road design, and construction management.	\$ 3,000,000
<b>Transportation Development Impact Fees</b>	<b>\$1,500,000</b>
Traffic Signal optimization and operational traffic improvements along Regional Arterial System roadways	\$1,500,000
<b>Communications Infrastructure</b>	<b>\$100,000</b>
Replace existing security cameras, and install new cameras at select facilities (City Hall, Police Dept., Camacho Rec. Center, El Toyon Rec. Center, Library, ARTS, Kimball House)	\$100,000



# Vehicles and Equipment

<b>FY23</b>	<b>221</b>
<b>LEASED VEHICLES</b>	<b>42</b>
Hybrid - 16	
Full Electric - 3	
<b>OWNED VEHICLES</b>	<b>122</b>
Hybrid - 16	
<b>SMALL EQUIPMENT</b>	<b>22</b>
<b>MEDIUM EQUIPMENT</b>	<b>23</b>
<b>LARGE EQUIPMENT</b>	<b>12</b>

<b>FY24 – Includes Recommendations</b>	<b>223</b>
<b>LEASED VEHICLES</b> + Inspector	<b>50</b>
Hybrid - 23	
Full Electric - 3	
<b>OWNED VEHICLES</b>	<b>115</b>
Hybrid - 16	
<b>SMALL EQUIPMENT</b>	<b>22</b>
<b>MEDIUM EQUIPMENT</b>	<b>23</b>
<b>LARGE EQUIPMENT</b> + Street Sweeper	<b>13</b>



# FY24 Fleet Recommendations

FY 2024 Recommendations - Vehicle Fleet										
Department	Vehicle/Equipment	Lease (Annual Cost)	Purchase (Total Cost)	FY 2024 (Funding Needs)	General Fund (001)	Parks Maint Fund (105)	Sewer Fund (125)	Section 8 Fund (502)	Facilities Maint Fund (626)	Solid Waste Fund (172)
<b>Public Safety</b>										
Police	Patrol (4)		\$300,000	\$300,000	\$300,000					
Police	K-9		\$80,000	\$80,000	\$80,000					
Police	Lieutenant		\$75,000	\$75,000	\$75,000					
Police	Supervisor		\$80,000	\$80,000	\$80,000					
Police	Detective/Pool (4)	\$44,000		\$44,000	\$44,000					
Police	Emergency Equip (1-time cost)		\$25,000	\$25,000	\$25,000					
Police	Current Lease Vehicles (15)	\$85,000		\$85,000	\$85,000					
<b>Fire</b>										
	Inspector	\$8,000		\$8,000	\$8,000					
	Current Lease Vehicles (2)	\$18,000		\$18,000	\$18,000					
<b>Public Works</b>										
Streets	Small Kubota Tractor		\$75,000	\$75,000	\$75,000					
Parks	Small Riding Mower -Hybrid		\$50,000	\$50,000		\$50,000				
Streets	Large Front Loader		\$250,000	\$250,000	\$250,000					
Equipment Maintenance	Medium Truck w/Outfitting	\$8,000	\$20,000	\$28,000	\$28,000					
Streets	Street Sweeper		\$450,000	\$450,000						\$450,000
	Current Lease Vehicles (15)	\$98,000		\$98,000		\$44,000	\$18,000		\$36,000	
<b>General</b>										
	Current Lease Vehicles (17)	\$95,000		\$95,000	\$82,500			\$12,500		
<b>FY Totals</b>										
		\$356,000	\$1,405,000	\$1,761,000	\$1,150,550	\$94,000	\$18,000	\$12,500	\$36,000	\$450,000
<b>Contingency - 10%</b>										
		\$35,600	\$140,500	\$176,100	\$115,050	\$9,400	\$1,800	\$1,250	\$3,600	\$45,000
<b>FY Totals with Contingency</b>										
		\$391,600	\$1,545,500	\$1,937,100	\$1,265,550	\$103,400	\$19,800	\$13,750	\$39,600	\$495,000

Notes: Replace based on Rotation Schedule  
New Addition to Vehicle Fleet



# FY24-FY28 Fleet Totals

**With 10% Contingency**

<b>Fiscal Year</b>	<b>Lease (Annual Cost)</b>	<b>Purchase (Total Cost)</b>	<b>Funding Needs</b>	<b>General Fund (001)</b>	<b>Parks Maint Fund (105)</b>	<b>Sewer Fund (125)</b>	<b>Section 8 Fund (502)</b>	<b>Facilities Maint Fund (626)</b>	<b>Solid Waste Fund (172)</b>
FY24	\$391,600	\$1,545,500	\$1,937,100	\$1,265,550	\$103,400	\$19,800	\$13,750	\$39,600	\$495,000
FY25	\$421,300	\$921,800	\$1,343,100	\$1,125,850	\$144,100	\$19,800	\$13,750	\$39,600	\$0
FY26	\$467,500	\$1,367,300	\$1,834,800	\$910,250	\$136,400	\$734,800	\$13,750	\$39,600	\$0
FY27	\$506,000	\$2,820,400	\$3,326,400	\$3,204,850	\$48,400	\$19,800	\$13,750	\$39,600	\$0
FY28	\$474,100	\$610,500	\$1,084,600	\$963,050	\$48,400	\$19,800	\$13,750	\$39,600	\$0





# FY24 ALL FUNDS REQUEST

	Vehicle Fleet	Parks & Facilities	Infrastructure	Totals
General Fund (001)	\$1,265,550		\$1,000,000	\$2,265,550
Facilities Maintenance (001)		\$1,000,000		\$1,000,000
Park Maintenance Fund (105)	\$103,400			\$103,400
Facilities Maintenance (626)	\$39,600			\$39,600
Sewer Fund (125)	\$19,800		\$3,000,000	\$3,019,800
Solid Waste Fund (172)	\$495,000		\$300,000	\$795,000
Gas Tax RMRA (SB1) Fund (109)			\$1,519,578	\$1,519,578
TransNet (Prop "A") Fund (307)			\$1,849,000	\$1,849,000
Section 8 Fund (502)	\$13,750			\$13,750
Information Systems Maintenance Fund (629)			\$100,000	\$100,000
Development Impact Fees Fund (325)		\$200,000		\$200,000
Transportation Development Impact Fees Fund (326)			\$1,500,000	\$1,500,000
<b>Totals</b>	<b>\$1,937,100</b>	<b>\$1,200,000</b>	<b>\$9,268,578</b>	<b>\$12,405,428</b>



## Questions/Comments – Baseline Budget

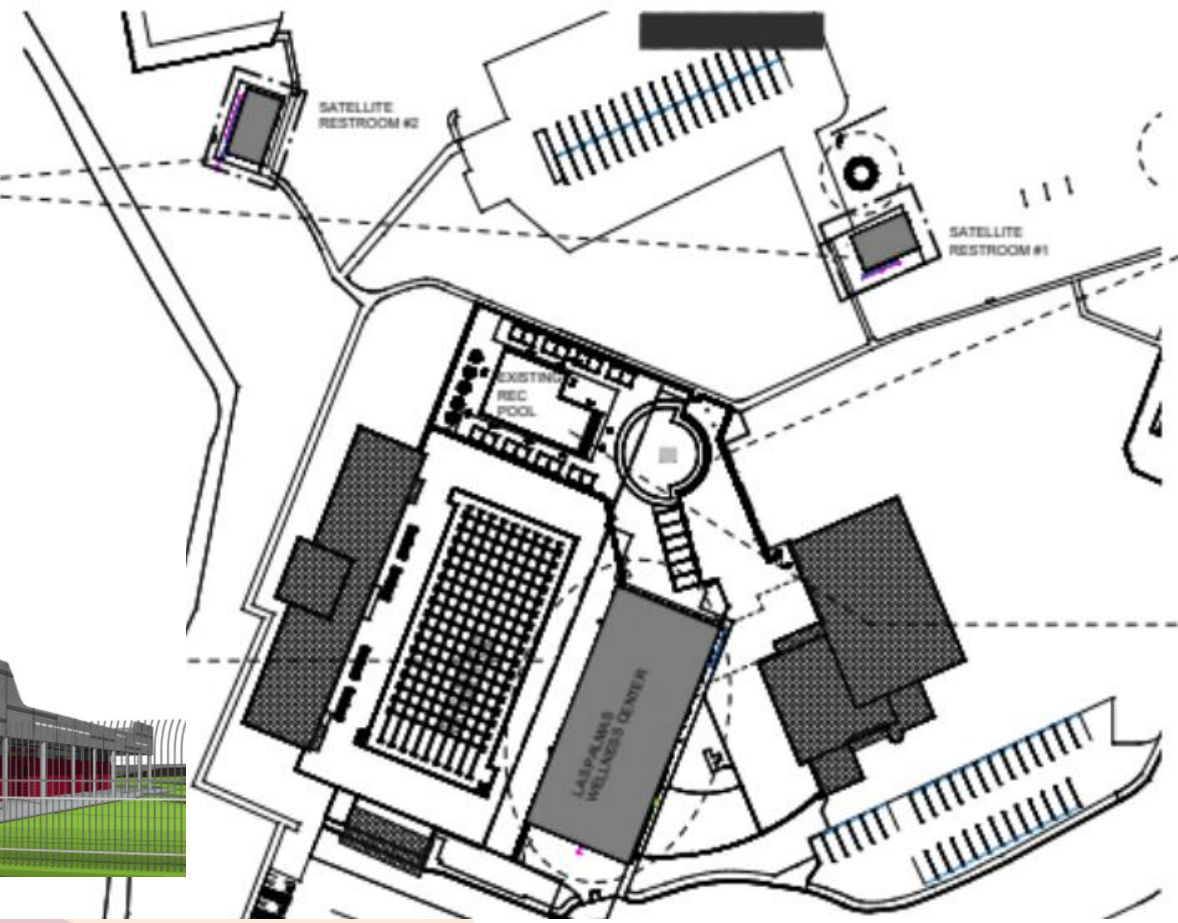


# Capital Enhancement Decision Items





# CIP Budget Enhancement No. 1 - Las Palmas Wellness Center, Splash Pad, Site Work, and Restrooms (\$2,700,000 +)



# CIP Budget Enhancement No. 1 - Las Palmas Wellness Center, Splash Pad, Site Work, and Restrooms

**100% PLANS BY END OF 2023**

**TOTAL PROJECT COSTS \$14,700,000**

ARPA \$ 6,500,000

STATE GRANT \$ 1,000,000

SWEETWATER GRANT \$ 1,500,000

**SUB TOTAL \$ 9,000,000**

**OPTION A - GF REQUEST \$ 2,700,000\*** - INCLUDES BOTH RESTROOMS

**OPTION B - GF REQUEST \$ 1,700,000\*** - EXCLUDES BOTH RESTROOMS

**SECTION 108 LOAN \$ 3,000,000\*\***

\* AMOUNT WILL CHANGE DEPENDING ON LOW BID RECEIVED

\*\* Authorization will require a separate Council action

# CIP Budget Enhancement No. 2 – Pavement Rehabilitation (\$500,000)

Plan Year	PCI Before	PCI After	Slurry/Cape	Overlay/Recon	Total \$	Deferred Maint.
2020-21	70.6	71.3	\$553,600	\$2,442,600	\$2,996,200	24,891,100
2021-22	70.2	72.4	\$558,100	\$2,451,800	\$3,009,900	24,050,600
2022-23	71.2	72.6	\$544,700	\$2,452,900	\$2,997,600	23,417,800
2023-24	71.5	73.1	\$552,700	\$2,441,300	\$2,994,000	22,787,300
2025-26	72.0	73.3	\$550,600	\$2,450,100	\$3,000,700	22,212,000
			\$2,759,700	\$12,238,700	\$14,998,400	

**PAVEMENT INVESTMENT IN FY2022 = \$ 2,119,000**

**PAVEMENT INVESTMENT IN FY2023 = \$ 2,087,142**

**PAVEMENT BASELINE BUDGET REQUEST IN FY2024 = \$2,604,578**

**PAVEMENT BUDGET ENHANCEMENT = \$ 500,000**



# CIP Budget Enhancement No. 3 – Storm Drain Rehabilitation (\$300,000)

**STORM DRAIN YEARLY REHABILITATION AMOUNT = \$200,000**

**11,000 LF OF CORRUGATED METAL PIPE (CMP)**

**STORM DRAIN BUDGET ENHANCEMENT = \$300,000 TO REHABILITATE CMP BEFORE CATASTROPHIC FAILURE**



# CIP Budget Enhancement No. 4 – Granger Music Hall (\$100,000)

## RELOCATION AND RESTORATION PLAN AND COST ESTIMATE UPDATE.



Original Location  
Ralph Granger Estate - Paradise Valley



Interior Looking towards Stage



Interior Looking towards Mezzanine



Stairway Detail



Current Site on E 4th Street



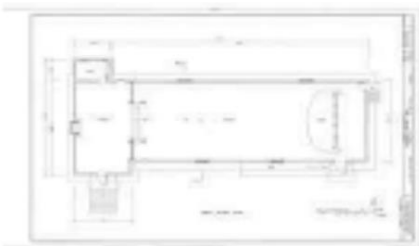
Current Entry



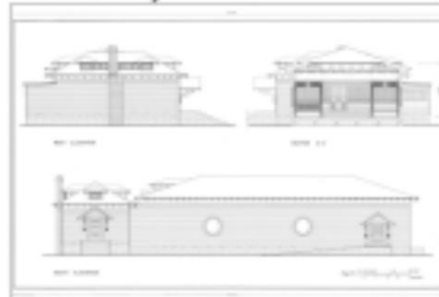
Current Ramp



Current Accessible Entry



Floor Plan

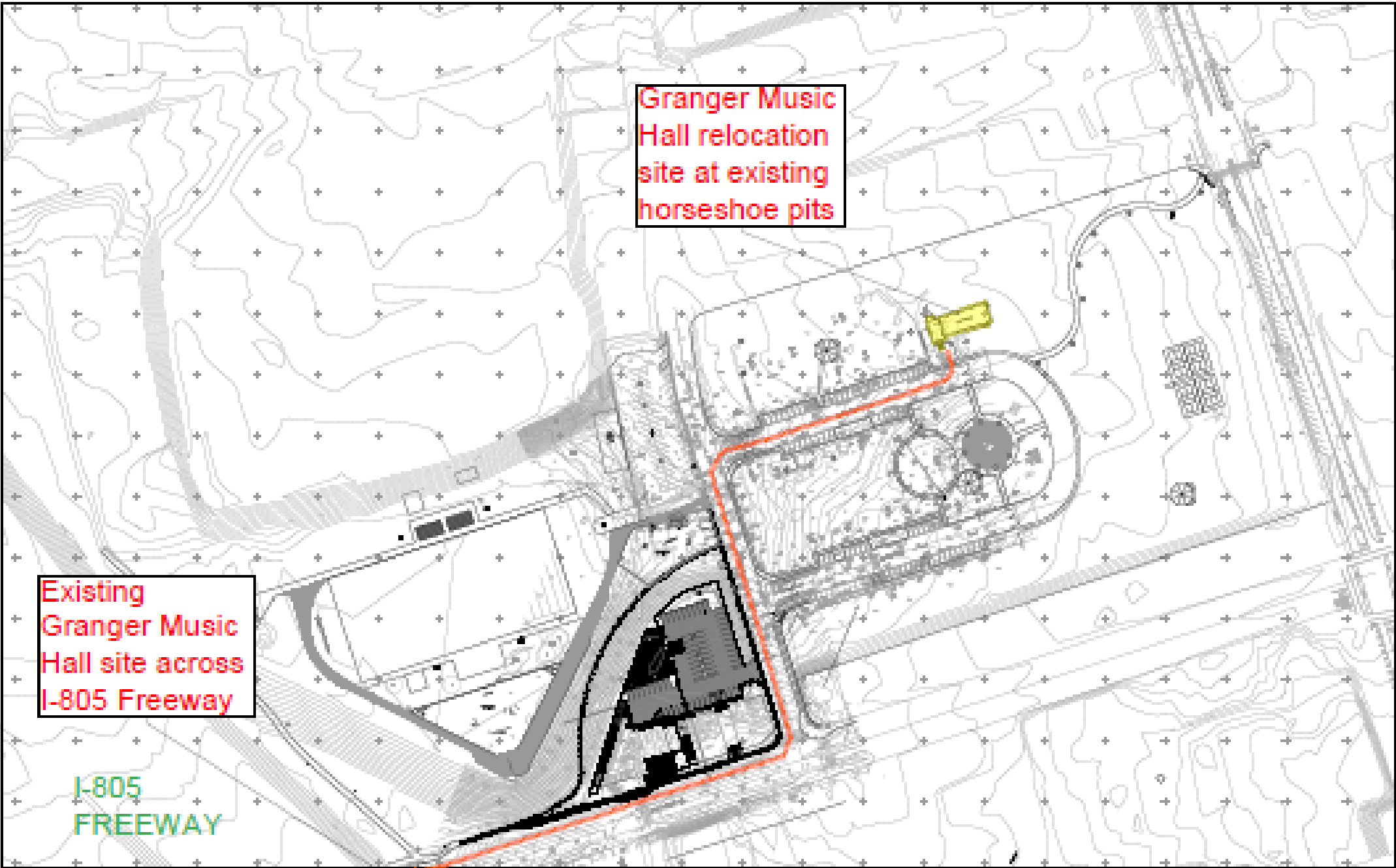


Section & Elevations

### Historical Context

GRANGER MUSIC HALL  
at El Toyon Park  
City of National City, CA

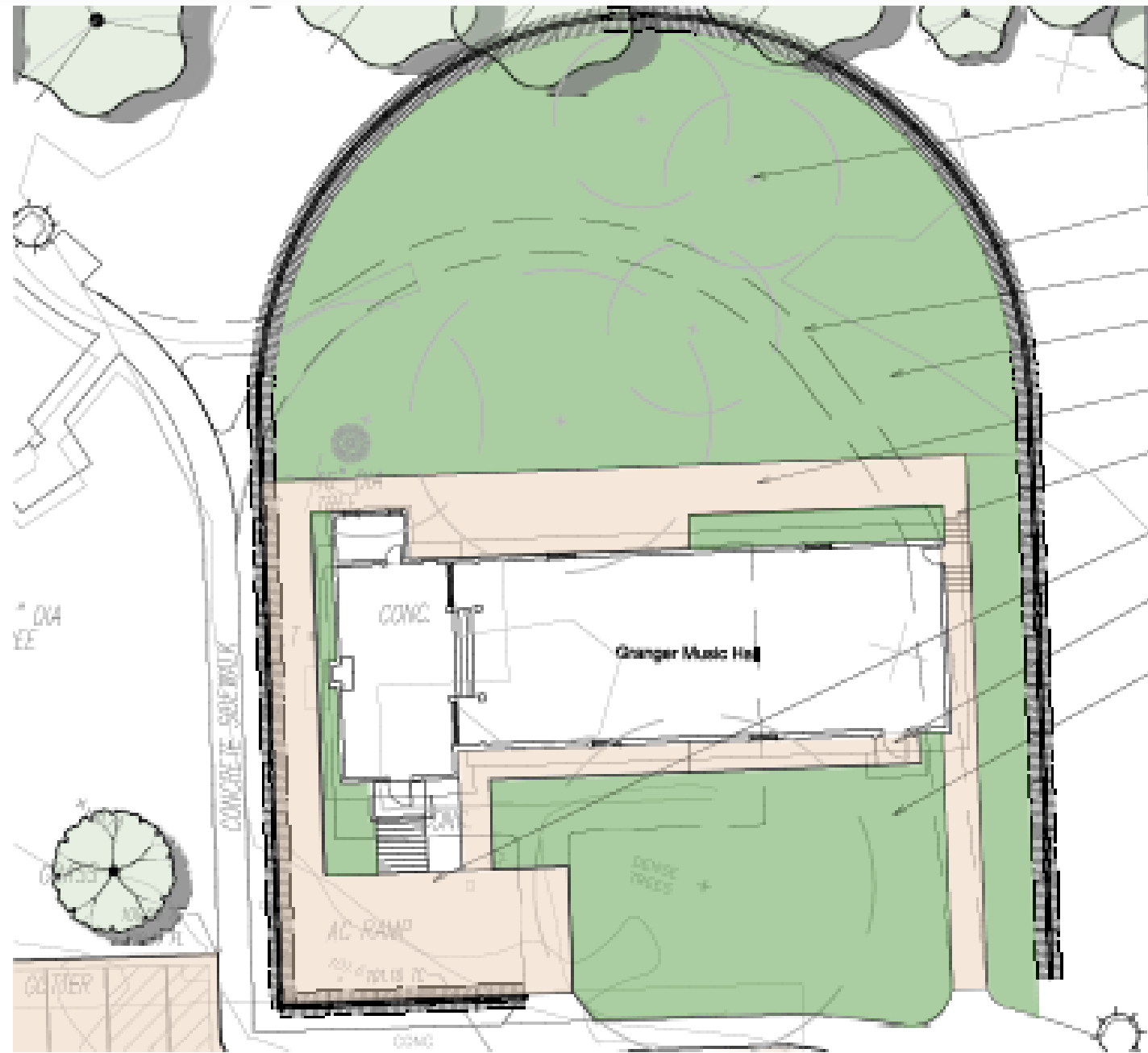




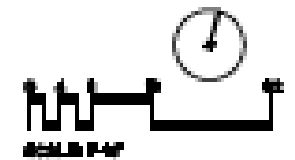
Granger Music Hall relocation site at existing horseshoe pits

Existing Granger Music Hall site across I-805 Freeway

I-805 FREEWAY



- EXISTING TREES TO REMAIN (TYPICAL SYMBOL)
- SINGLE POST PERGOLA IN PERMEABLE PAVING (OPEN TO PARK)
- REMOVE EXISTING CONCRETE PAVING (TYPICAL SYMBOL)
- LAWN
- PERMEABLE PAVING
- EXIT STAIR & WALKWAY
- ENTRY PLAZA
- ACCESSIBLE ENTRANCE
- ENTRY GARDEN



**Landscape Concept Plan**  
**GRANGER MUSIC HALL**  
 at El Toyon Park  
 City of National City, CA



# CIP Budget Enhancement No. 5 – Civic Center Voluntary Seismic Retrofit

SEISMIC STRENGTHENING  
INVESTIGATION  
NATIONAL CITY CIVIC CENTER  
CITY OF NATIONAL CITY, CA

August 1999



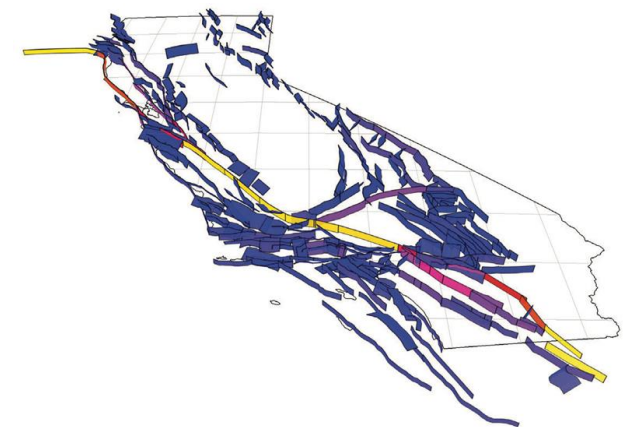
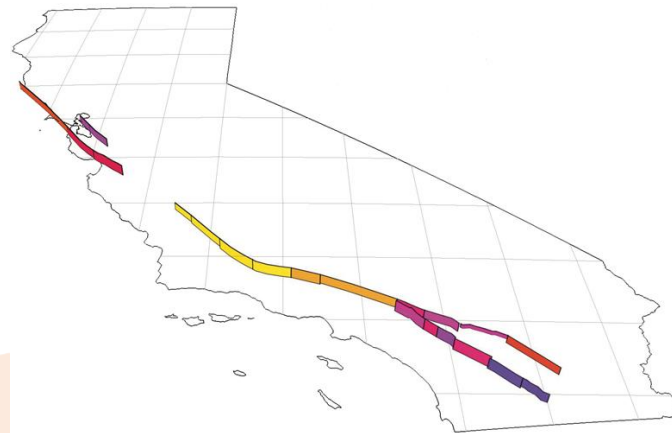
Prepared By:  
Blaylock Engineering Group  
STRUCTURAL ENGINEERS

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SAN DIEGO, CA 92110  
TEL (619) 543-4719 FAX (619) 543-0667  
E-MAIL mmm@blaylock.net



1985

2019





# CIP Budget Enhancement No. 5 – Civic Center Voluntary Seismic Retrofit

<b>Group 1</b>	
City Hall	Retrofit Analysis in Progress
Police Station	Evaluate further, ASCE-41 Tier 2 Analysis
MLK Jr. Community Center	Evaluate further, ASCE-41 Tier 1 Analysis Add wall to roof anchorage
Fire Station 31	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage

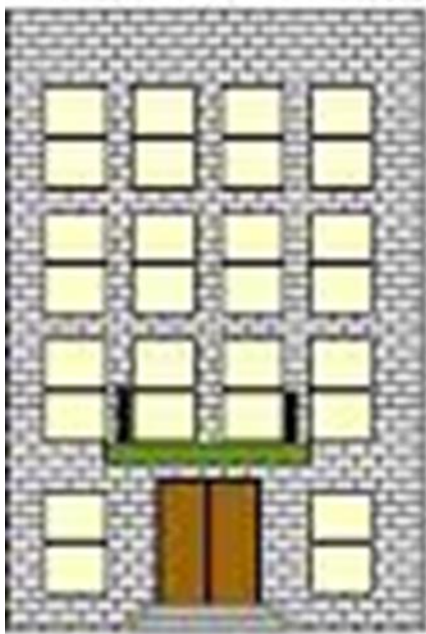
<b>Group 2</b>	
Camacho Recreation Center	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage
Police Department Vehicle Storage	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage
Casa De Salud Youth Center	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage
Public Works Offices/Breakroom	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage
Public Works Vehicle Maint. Shop	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage
76 Public Works Materials Storage	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage

<b>Group 3</b>	
Kimball Park Recreation Center	Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage
Arts Center	Lower Risk. Consider evaluation in future.
Kimball Senior Center	Lower Risk. Consider evaluation in future.
El Toyon Park Recreation Center	Lower Risk. Consider evaluation in future.
4 Pump Stations (Critical to Infrastructure)	Lower Risk. Consider evaluation in future.

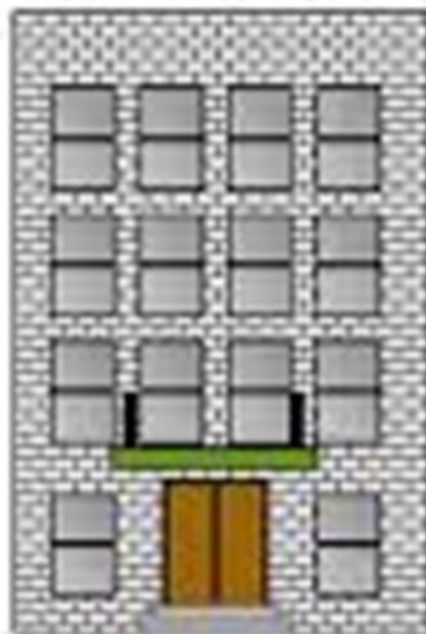
<b>Newer Buildings</b>	
Public Library	New Building. No action required.
Fire Station 34	New Building. No action required. (But not benchmarked)



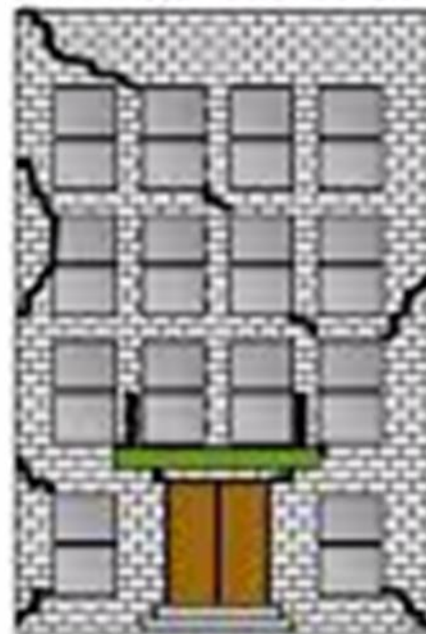
# CIP Budget Enhancement No. 5 – Civic Center Voluntary Seismic Retrofit



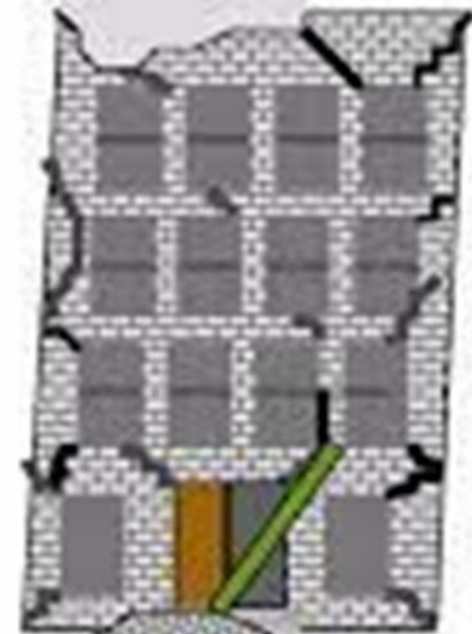
Operational



Immediate  
Occupancy



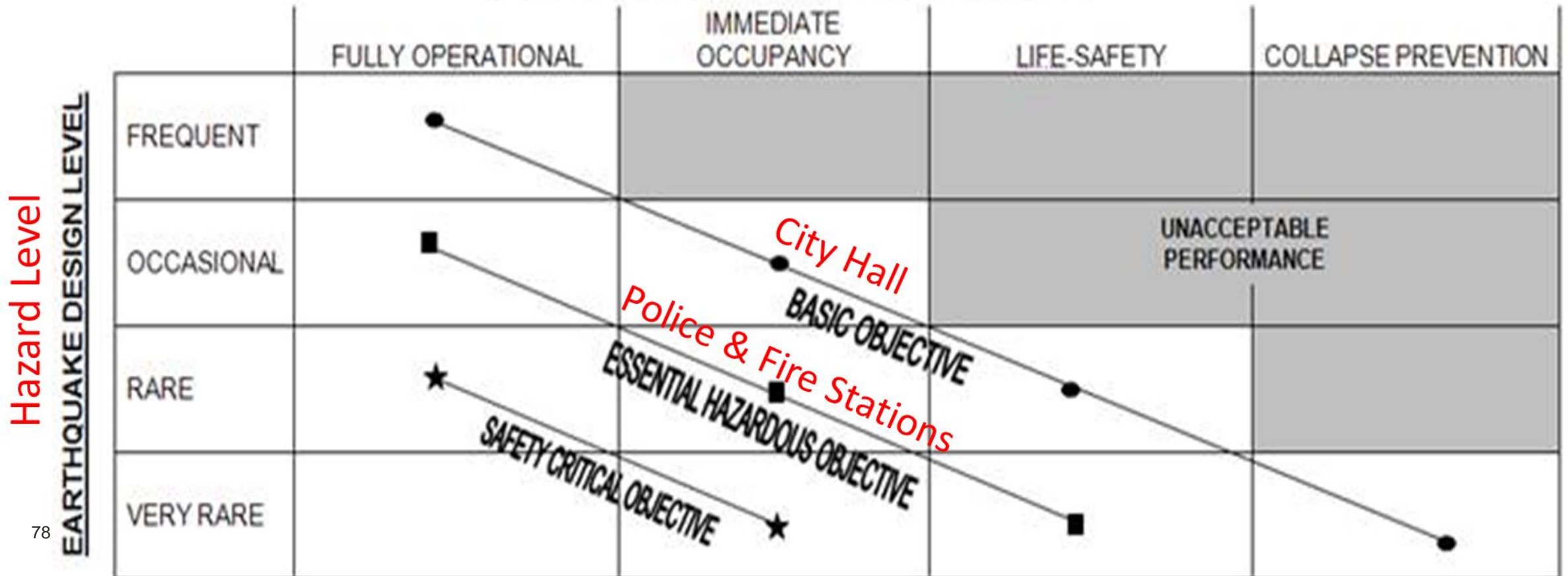
Life Safety



Collapse  
Prevention

# CIP Budget Enhancement No. 5 – Civic Center Voluntary Seismic Retrofit

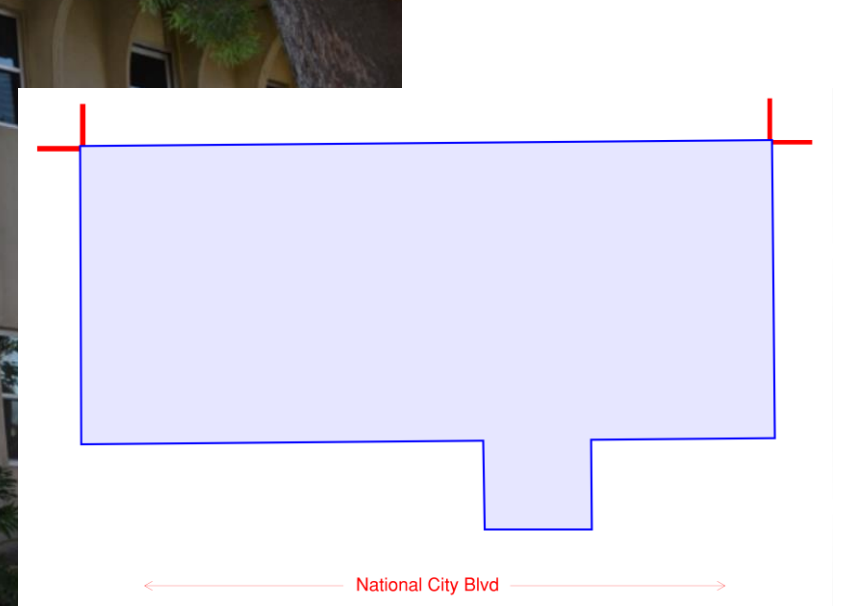
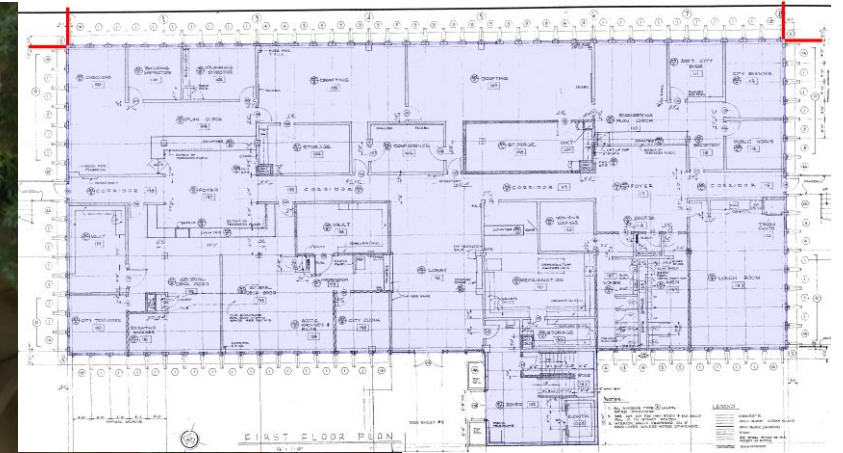
SEISMIC PERFORMANCE OPTIONS  
EARTHQUAKE PERFORMANCE LEVEL



# CIP Budget Enhancement No. 5 – Civic Center Voluntary Seismic Retrofit

Retrofit Cost

\$4M





# CIP Budget Enhancement No. 5 – Civic Center Voluntary Seismic Retrofit (\$4,000,000)

**SEISMIC STRENGTHENING  
INVESTIGATION  
NATIONAL CITY CIVIC CENTER  
CITY OF NATIONAL CITY, CA**

August 1999



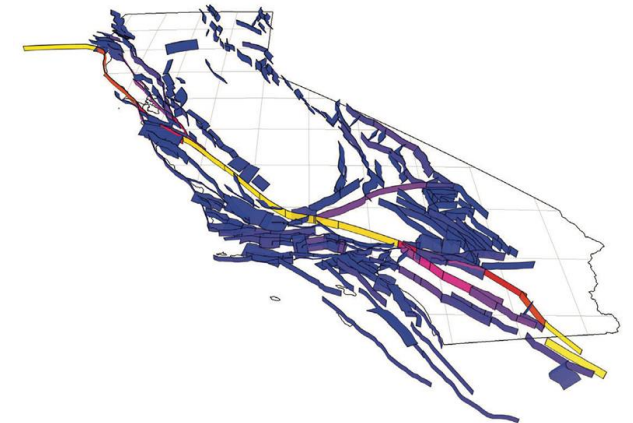
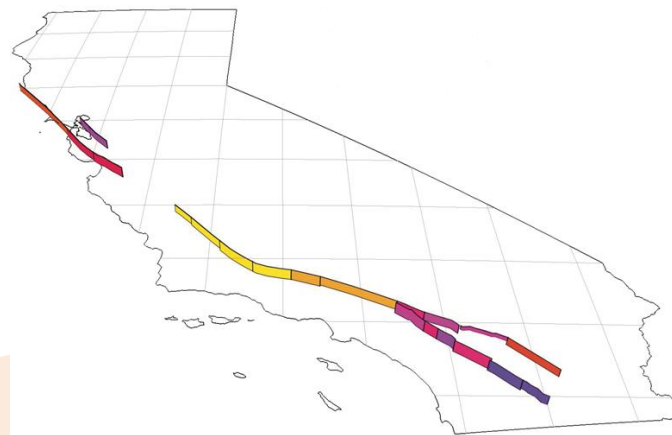
Prepared By:  
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# **CIP Budget Enhancement No. 6 – Youth Development Campus (\$100,000)**

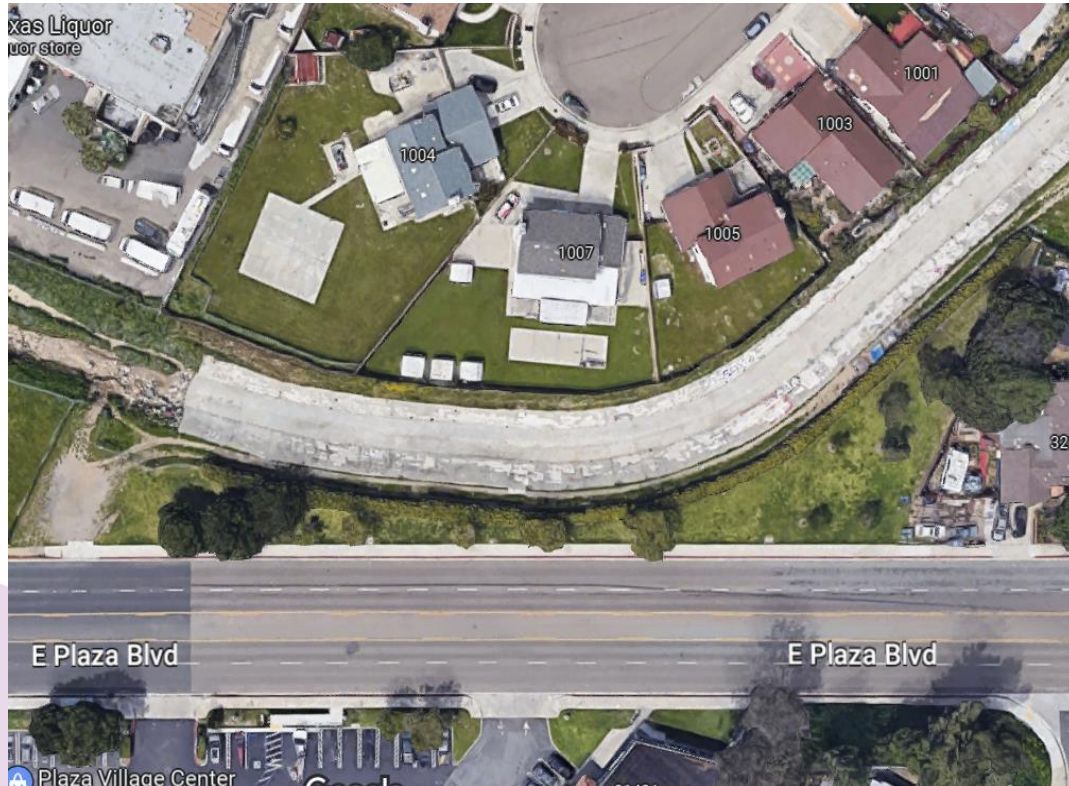
**MASTER PLAN DEVELOPMENT AND BUDGET + MINOR MAINTENANCE**

**KIMBALL RECREATIONAL CENTER WAS CONSTRUCTED IN 1973  
RECOMMEND FULL RECONSTRUCTION**

**BUDGET ENHANCEMENT IS TO DEVELOP A YOUTH DEVELOPMENT CAMPUS MASTER PLAN AND SEEK FUNDING IN ADDITION TO MINOR REPAIRS**

# CIP Budget Enhancement No. 7 – Clean National City (CNC) program (\$100,000)

## PROGRAM TO BEAUTIFY AND ACTIVATE PUBLIC AREAS



### FY2024 - Plaza and Harbison



Implement recommendations outlined in the January 5, 2023 – NCPD Crime Prevention Through Environmental Design (CPTED) report

- 1) Maintenance – Ongoing
- 2) Lighting – Installation has commenced
- 3) Landscaping / Fences - Funding
- 4) Cameras - Funding
- 5) Signage – Funding





# Closing Comments, Next Steps



# Operating Enhancement Decision Items

Item	FY24	Frequency
1. 5 New Police Staff	\$498,037	On-Going
2. 3 New Firefighters & 4-0 Staffing	\$139,313	On-Going
3. After School Programming	\$175,000	On-Going
4. Tree Trimming Crew	\$92,700	On-Going
5. Engineering Permit Technician	\$91,200	On-Going
6. Amortization	\$50,000	One-Time
6. PW Overtime	\$32,000	One-Time
6. Street Signs	\$25,000	One-Time
7. Communications Plan	\$100,000	One-Time
8. Chamber of Commerce	\$50,000	One-Time
9. Fund Reserves	\$430,000	One-Time
<b>TOTAL</b>	<b>\$1,683,250</b>	<b>687k One-Time</b>

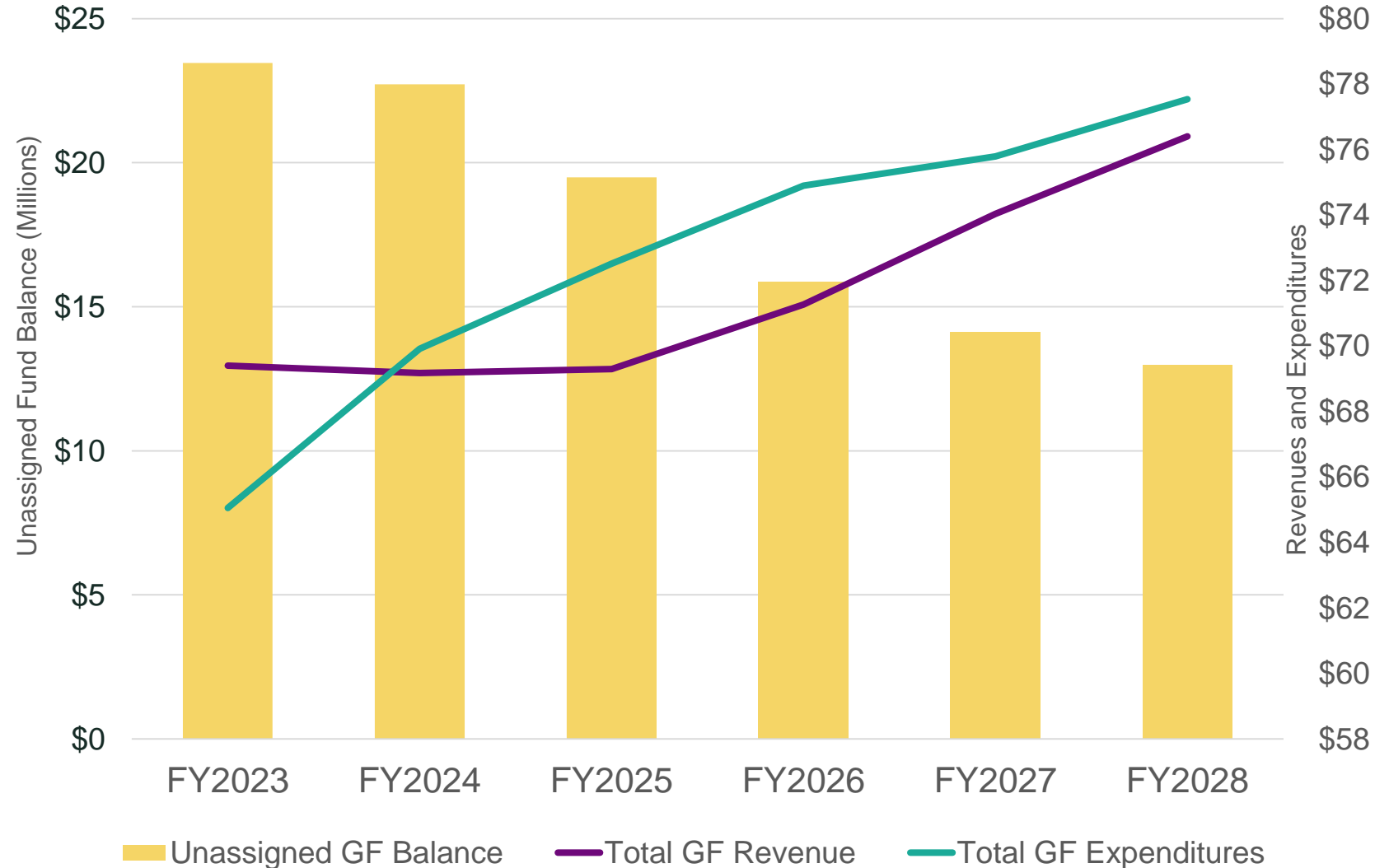
# Capital Enhancement Decision Items

Item	FY24	Frequency
1. Las Palmas Wellness Center	\$2,700,000	One-Time
2. Pavement Rehab	\$500,000	On-Going
3. Storm Drains	\$300,000	On-Going
4. Granger Hall Plan & Estimate	\$100,000	One-Time
5. City Hall Seismic Upgrade	\$4,000,000	One-Time
6. Master Plan – Kimball Rec	\$100,000	One-Time
7. Clean NC – Plaza & Haribson	\$100,000	One-Time
<b>TOTAL</b>	<b>\$7,800,000</b>	



# 5-Year Forecast Including All Enhancements

Projected Revenues, Expenditures, and Unassigned General Fund Balance



# Next Steps

- ❖ Focus on 2023-24 FY Budget:
  - ❖ Corrections, Adjustments, and Refinements
  - ❖ Enhancement Decision Items
- ❖ Additional follow-up at next budget workshop on May 16<sup>th</sup>
- ❖ Budget adoption in June







# Public Comments







# City Council Comments/Direction

