

**MINUTES OF THE ADJOURNED REGULAR MEETING OF THE
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION
– HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

**FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP
AND CLOSED SESSION**

April 28, 2015

The Adjourned Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City was called to order at 5:06 p.m. by Mayor / Chairman Ron Morrison.

ROLL CALL

Council / Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.
Administrative Officials present: Dalla, Deese, Duong, Manganiello, Muthusamy, Parra, Raulston, Roberts, Rodriguez, Silva, Stevenson, Vergara, Ybarra.

PLEDGE OF ALLEGIANCE TO THE FLAG BY MAYOR RON MORRISON

OPEN SESSION

FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP

1. City Manager Leslie Deese presented opening remarks and an Overview of the FY 2015 Preliminary Budget Workshop, reviewed the planned agenda and introduced individual staff members Stacey Stevenson, Brad Raulston, Mark Roberts. Ed Prendell and Steve Manganiello made individual presentations on the below listed topics and responded to questions.

NOTE: All presentation materials are attached as Exhibit "A"

2. Fiscal Year 2016 Preliminary Budget Update
 - a. General Fund Budget Summary
 - b. Total Operating Budget Summary
 - c. Significant Budgetary Impacts
 - d. Proposed Changes & Impacts
 - e. Capital Improvement Program

FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP (cont.)

3. Future Impacts & Next Steps
4. Proposed 2015-2020 National City Strategic Plan
5. Public Comment

Mark Claussen, representing Southwestern College spoke about the possible use of Las Palmas Pool by the College and responded to questions.

Maria Villanueva, National City, urged the City Council to continue with amortization.

Adriana Medina, National City, spoke in favor of funding for recreation programs.

Carolina Martinez, representing the Environmental Health Coalition (EHC) reported that the feasibility study for the Industrial Park will be presented on May 19th and urged the City Council to consider making a commitment to its construction.

Michelle Krug requested that the City adjust the timing of traffic signals to assist pedestrians.

6. City Council Comments and Direction

Member Sotelo-Solis supports the proposed budget revisions, moving forward with the pool and consideration of additional staffing for Casa Salud. She also supports improving crosswalk access, moving forward with community gardens, asking Board and Commission members to provide their ideas on programs and projects and collaborating with the Chamber of Commerce.

Member Mendivil thanked the staff for their presentation and briefing, believes the City has done a great job with securing grants, thinks the pool is an important asset, supports the street sweeper but wants to look at ways to deal with parked cars.

Member Rios thanked staff, believed the proposed personnel changes are warranted, complimented the Engineering Department and supports their merger with Public Works. Improving public access to meetings with television, making the permit process easier and continuing amortization efforts are Strategic Plan items she supports.

FISCAL YEAR 2016 BUDGET & STRATEGIC PLANNING WORKSHOP (cont.)

6. City Council Comments and Direction (continued).

Member Cano said he supports funding for staff training and promoting from within.

Mayor Morrison said he would like to see more analysis and justification for the proposed new positions in the budget, supports televising meetings and cautioned about the viability of community gardens in light of the current drought.

Members retired into Closed Session at 7:36 p.m.

CLOSED SESSION – Closed Session in the Large Conference Room

CITY COUNCIL

1. Conference with Labor Negotiators – Government Code Section 54957.6
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Mark Roberts, and Tim Davis
Employee Organization: Police Officers' Association
2. Conference with Labor Negotiators – Government Code Section 54957.6
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Frank Parra, Mark Roberts, and Tim Davis
Employee Organization: Fire Fighters' Association
3. Conference with Labor Negotiators – Government Code Section 54957.6
Agency Designated Representatives: Stacey Stevenson, Claudia Silva, Tim Davis, Mark Roberts and Lauren Maxilom
Employee Organization: Municipal Employees' Association
4. Conference with Labor Negotiators – Government Code Section 54957.6
Agency Designated Representatives: Stacey Stevenson
Employee Organization: Confidential Group

OPEN SESSION – Reconvene in Council Chambers

The meeting reconvened at 8:51 p.m.
All members were present.

CLOSED SESSION REPORT

City Attorney Claudia Silva reported that there was nothing to report from the Closed Session.

ADJOURNMENT

Motion by Mendivil, seconded by Sotelo-Solis, to adjourn the meeting to the next Regular Meeting of the City Council and Community Development Commission – Housing Authority of the City of National City to be held Tuesday, May 5, 2015 at 6:00 p.m. at the Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 8:52 p.m.

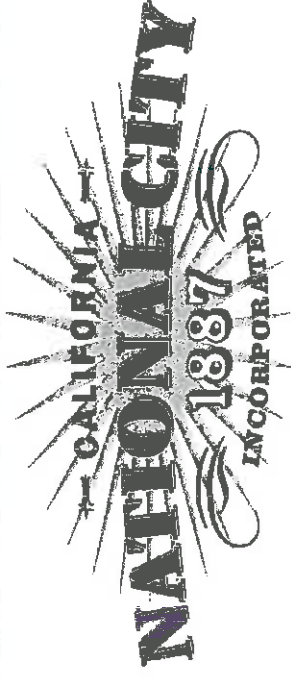


City Clerk

The foregoing minutes were approved at the Adjourned Regular Meeting of August 4, 2015.



Mayor



PRELIMINARY BUDGET

Fiscal Year 2016

April 28, 2015



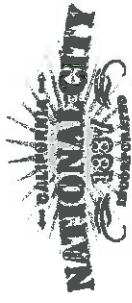
City Manager Comments

Leslie Deese
City Manager



Mark Roberts
Director of Finance

Ed Prendell
Budget Analyst



Strategic Plan Objective 2a

2. Achieve Fiscal Sustainability

- a) Prepare effective budget, accurately forecast funding sources . . .



Preliminary General Fund Summary

Fiscal Year 2016

Operating Budget (excluding CIP's)	
Estimated Revenues	\$45,845,540
<u>Operating Expenditures*</u>	<u>\$45,220,355</u>
Operating Surplus/(Deficit)	\$ 625,185

* includes transfers out (\$2,020,632)

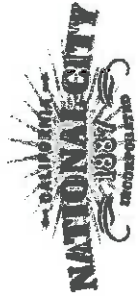


Preliminary General Fund Summary

Fiscal Year 2016

Total Budget (including CIP's)	
Estimated Revenues	\$45,845,540
Operating Expenditures*	\$45,220,355
<u>Capital Improvements</u>	<u>\$ 2,050,000</u>
Estimated Use of Fund Balance	(\$1,424,814)

* includes transfers out (\$2,020,632)



Projected Changes in Fund Balance

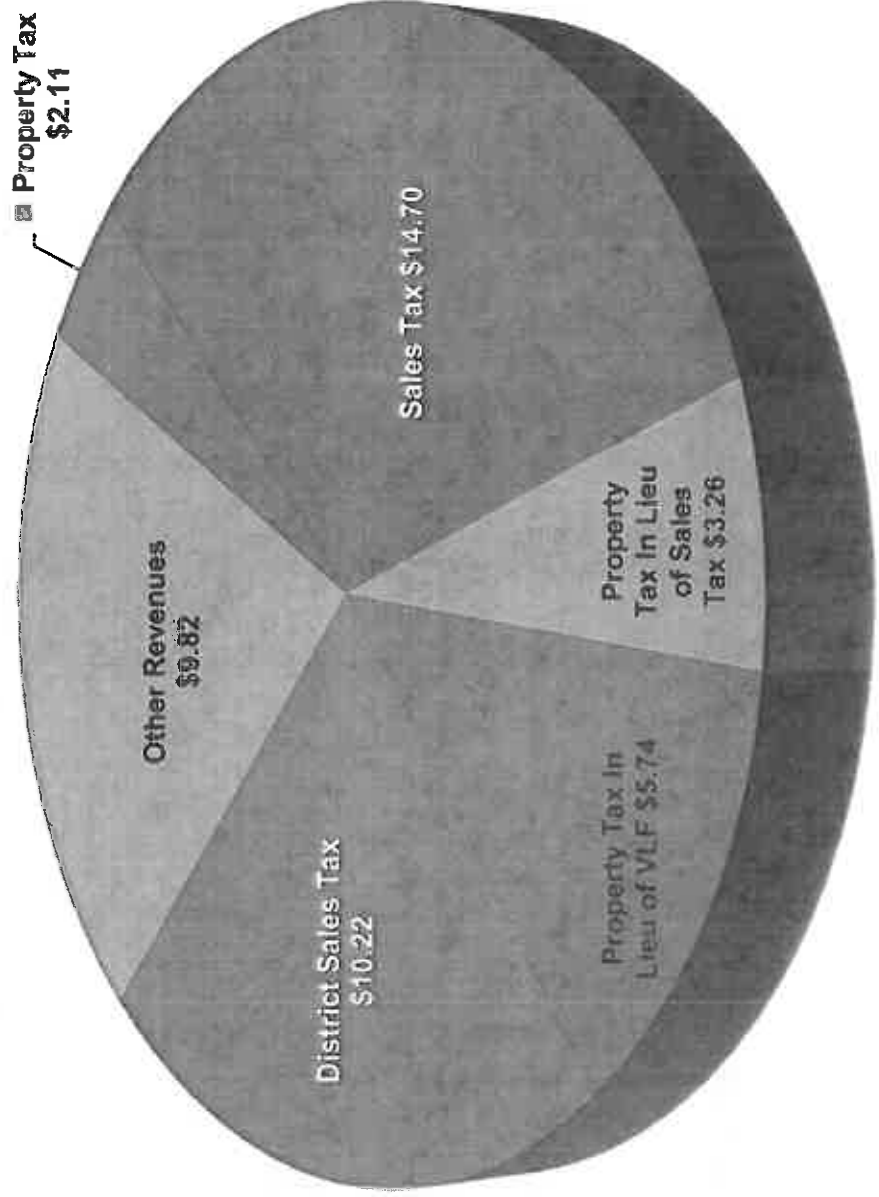
FY 15 -- FY 16

Unassigned Fund Bal., 6/30/14	\$ 7,797,176
Mid-Yr Estimated FY15 Change	(1,421,070)
<u>Recomm. FY15 CIP Changes</u>	<u>998,736</u>
Est. Unassigned FB, 6/30/15	\$ 7,374,842
<u>Est. FY 16 Use of Fund Bal.</u>	<u>(1,424,814)</u>
Est. Unassigned FB, 6/30/16	\$ 5,950,028



General Fund Revenues Fiscal Year 2016

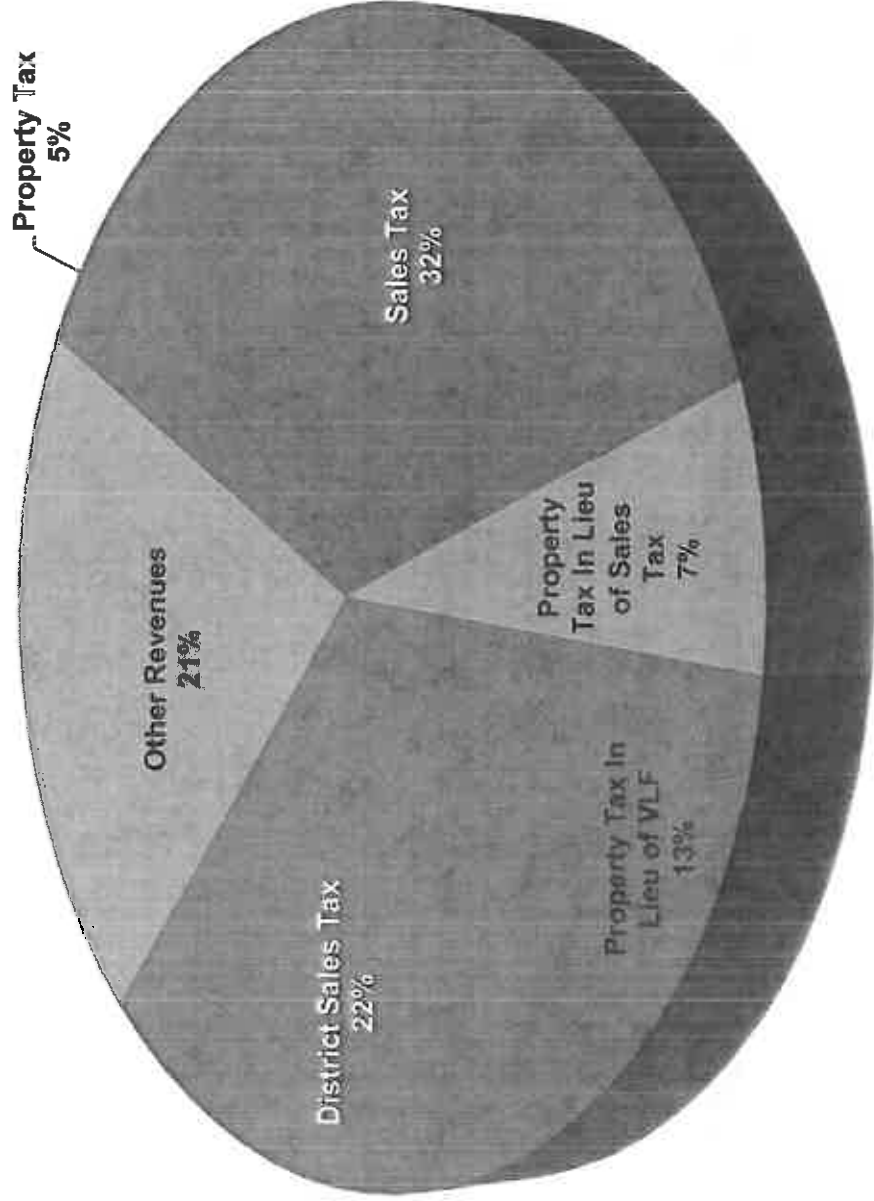
Estimated Revenues - \$45.86M





General Fund Revenues Fiscal Year 2016

Estimated Revenues - \$45.86M



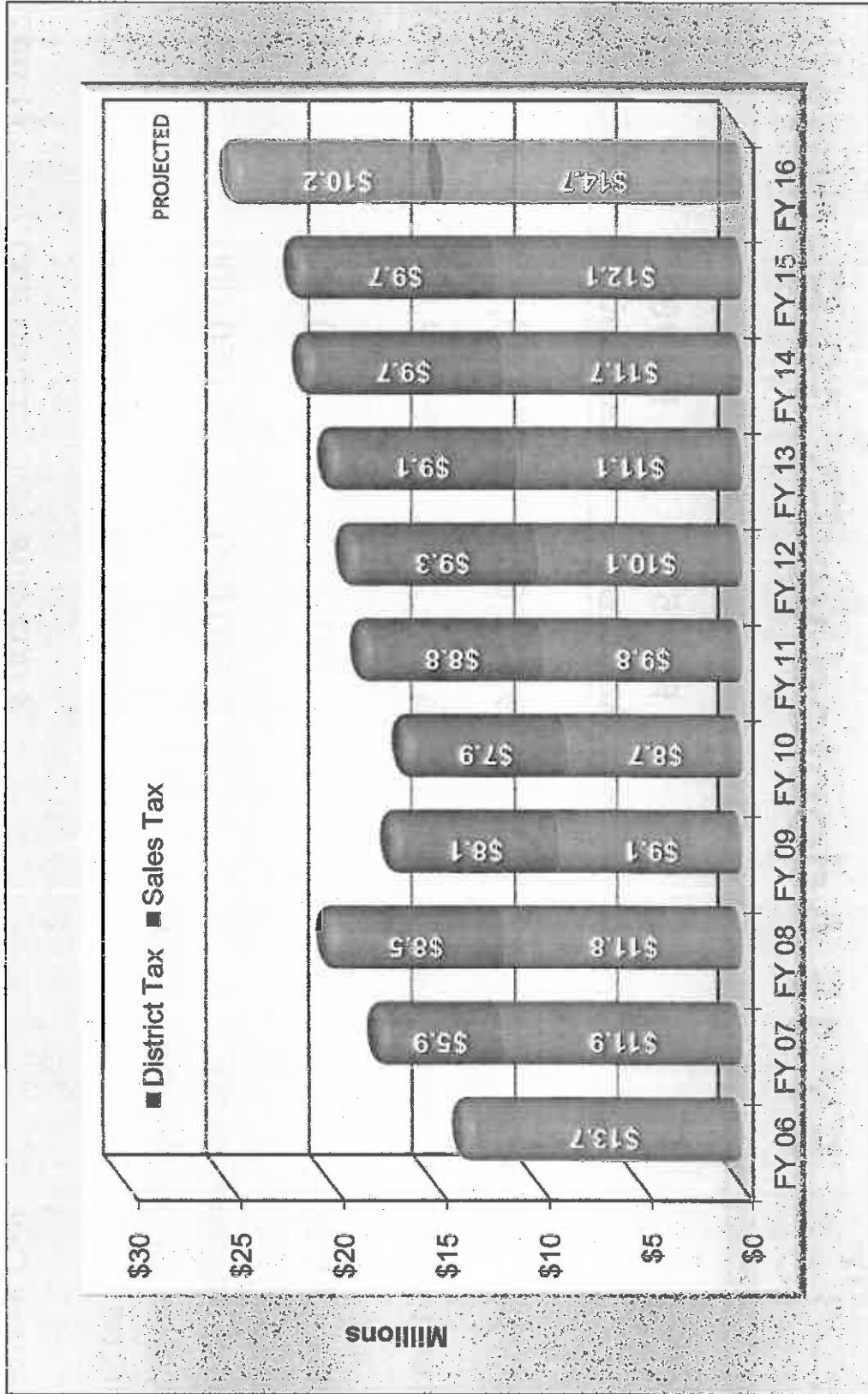


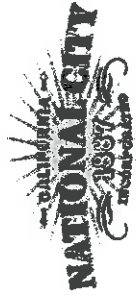
General Fund Revenues

FY 15 Adopted vs FY 16 Estimated

	<u>FY 15</u> <u>Adopted</u>	<u>FY 16</u> <u>Estimated</u>	<u>Change</u>
Sales Tax	\$ 12,126,248	\$ 14,703,370	\$ 2,577,122
Proposition D / District Tax	9,732,000	10,216,000	484,000
Property Tax	2,073,402	2,114,005	40,603
Property Tax in Lieu of VLF	5,503,185	5,736,819	233,634
Property Tax in Lieu of Sales Tax	4,213,491	3,255,629	(957,862)
Other Revenue	9,441,138	9,819,717	378,579
Total	\$ 43,089,464	\$ 45,845,540	\$ 2,756,076

Bradley-Burns Sales Tax & District Sales Tax





General Fund Expenditures

FY 15 Adopted vs FY 16 Estimated

	FY 15 Adopted	FY 16 Estimated	Change
Personnel Services	\$ 29,017,885	\$ 31,045,373	\$ 2,027,488
Maintenance & Operations	4,691,255	5,328,596	637,341
Capital Outlay	481,750	130,147	(351,603)
Capital Improvements	2,600,000	2,050,000	(550,000)
Allocated Costs & Internal Svc. Charges	6,509,029	6,695,607	186,578
Transfers Out	4,007,728	2,020,632	(1,987,096)
Total	\$ 47,307,647	\$ 47,270,355	\$ (37,292)



General Fund Transfers Out

FY 15 Adopted vs FY 16 Estimated

From	To	Purpose	FY 16 Preliminary	FY 15 Preliminary	Change
General Fund	Library Fund	Operating Subsidy	\$ 1,018,432	\$ 944,977	73,455
General Fund	Parks Maintenance Fund	Operating Subsidy	440,693	353,719	86,974
General Fund	Nutrition Center Fund	Operating Subsidy	401,507	371,532	29,975
General Fund	Personnel Comp Fund	Retiree Health Benefits	160,000	125,000	35,000
General Fund	Vehicle Replacement Fund	Reserves	-	2,212,500	(2,212,500)

Total (Net) General Fund Impact \$ 2,020,632 \$ 4,007,728 \$ (1,987,096)



Preliminary General Fund Summary Fiscal Year 2016

Fund Description	Personnel Services	Maintenance & Operations	Capital Outlay	Capital Improvement	Allocated Costs & Internal Svc Chrgs	Total Budget
401 CITY COUNCIL	\$289,497	\$38,666	-	-	\$124,994	\$453,157
402 CITY CLERK	217,539	41,500	-	-	52,624	311,663
403 CITY MANAGER	1,011,025	32,200	-	-	115,719	1,158,944
405 CITY ATTORNEY	667,329	139,600	-	-	62,739	869,668
409 NON-DEPARTMENTAL	-	857,304	-	2,050,000	-	2,907,304
410 CITY TREASURER	24,706	2,110	-	-	16,778	43,594
411 POLICE	16,868,318	1,768,400	52,754	-	3,078,955	21,768,427
412 FIRE	7,481,865	621,378	6,236	-	1,051,865	9,161,344
416 ENGINEERING & PUBLIC WORKS	938,752	1,204,335	5,626	-	942,110	3,090,823
417 ADMINISTRATIVE SERVICES *	1,704,138	286,570	35,000	-	378,226	2,403,934
418 COMMUNITY DEVELOPMENT **	1,666,506	282,578	30,531	-	863,388	2,843,003
419 HOUSING, GRANTS & ASSET MANAGEMENT	175,698	53,955	-	-	8,209	237,862
GENERAL FUND	\$31,045,373	\$5,328,596	\$130,147	\$2,050,000	\$6,695,607	\$45,249,723

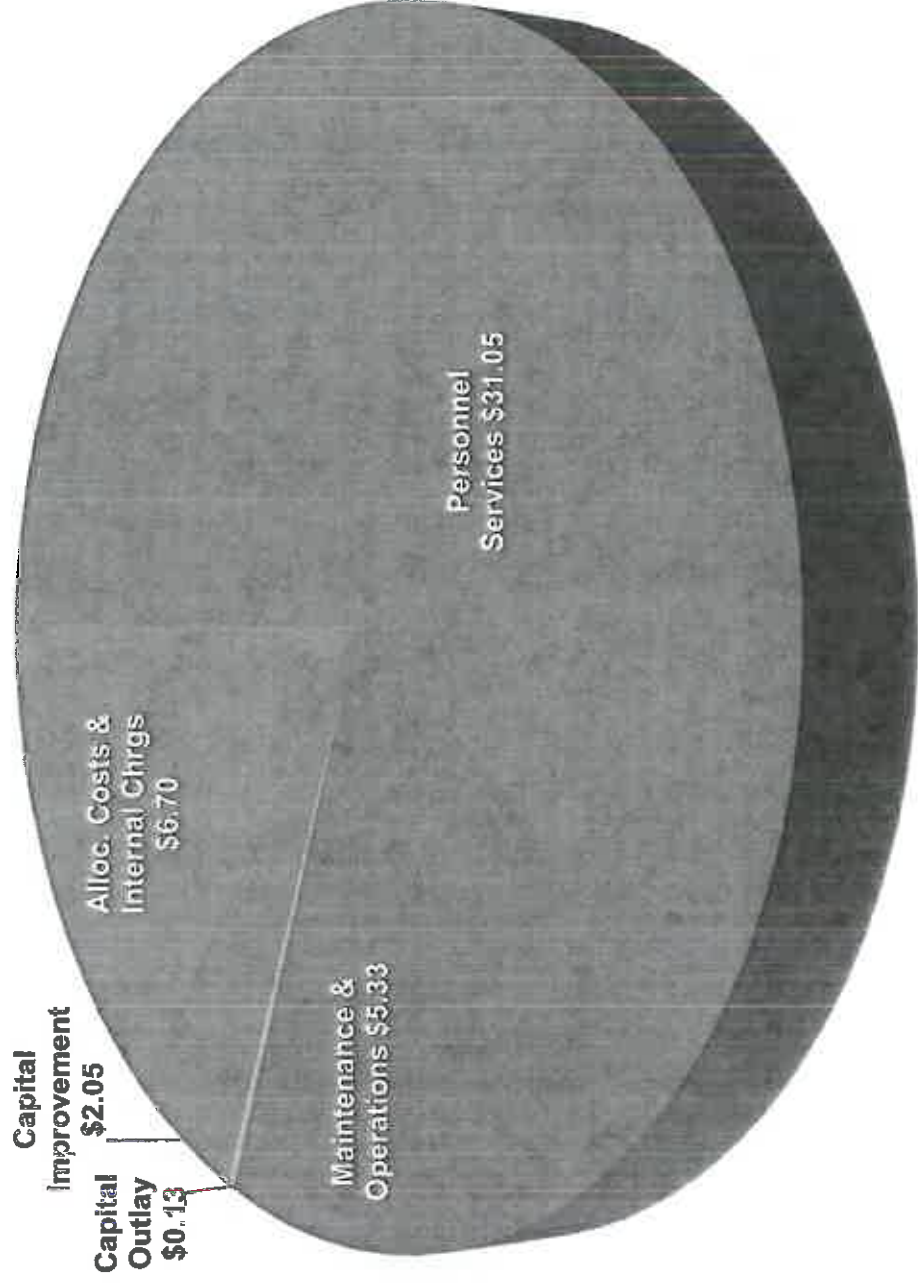
* Administrative Services: Finance, Human Resources, Risk Management

** Community Development: Community Services, Neighborhood Services, and Planning

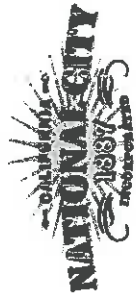


General Fund Expenditures Fiscal Year 2016

Estimated Expenditures by Category - \$45.25M*

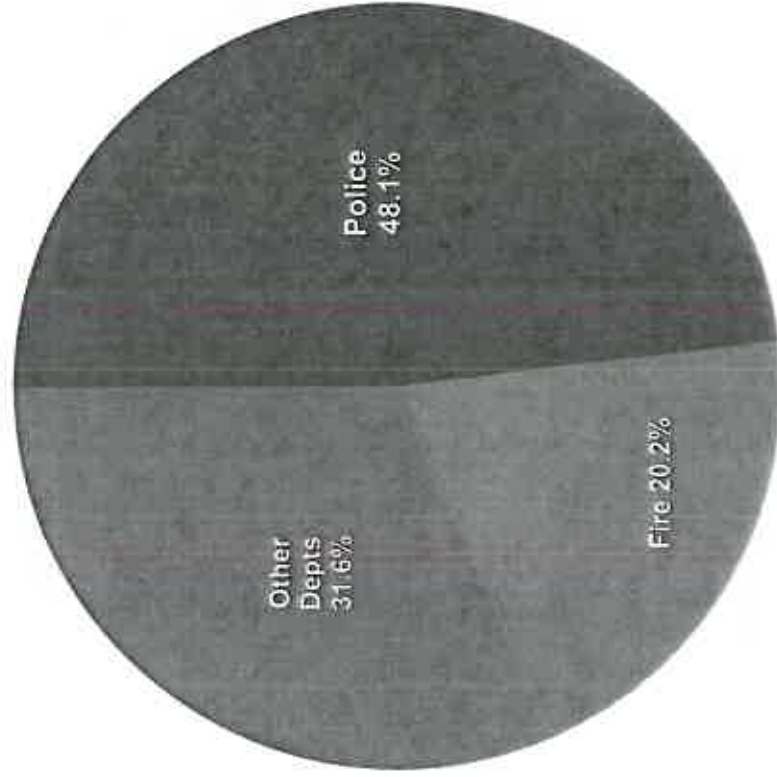


* Does not include Transfers Out.

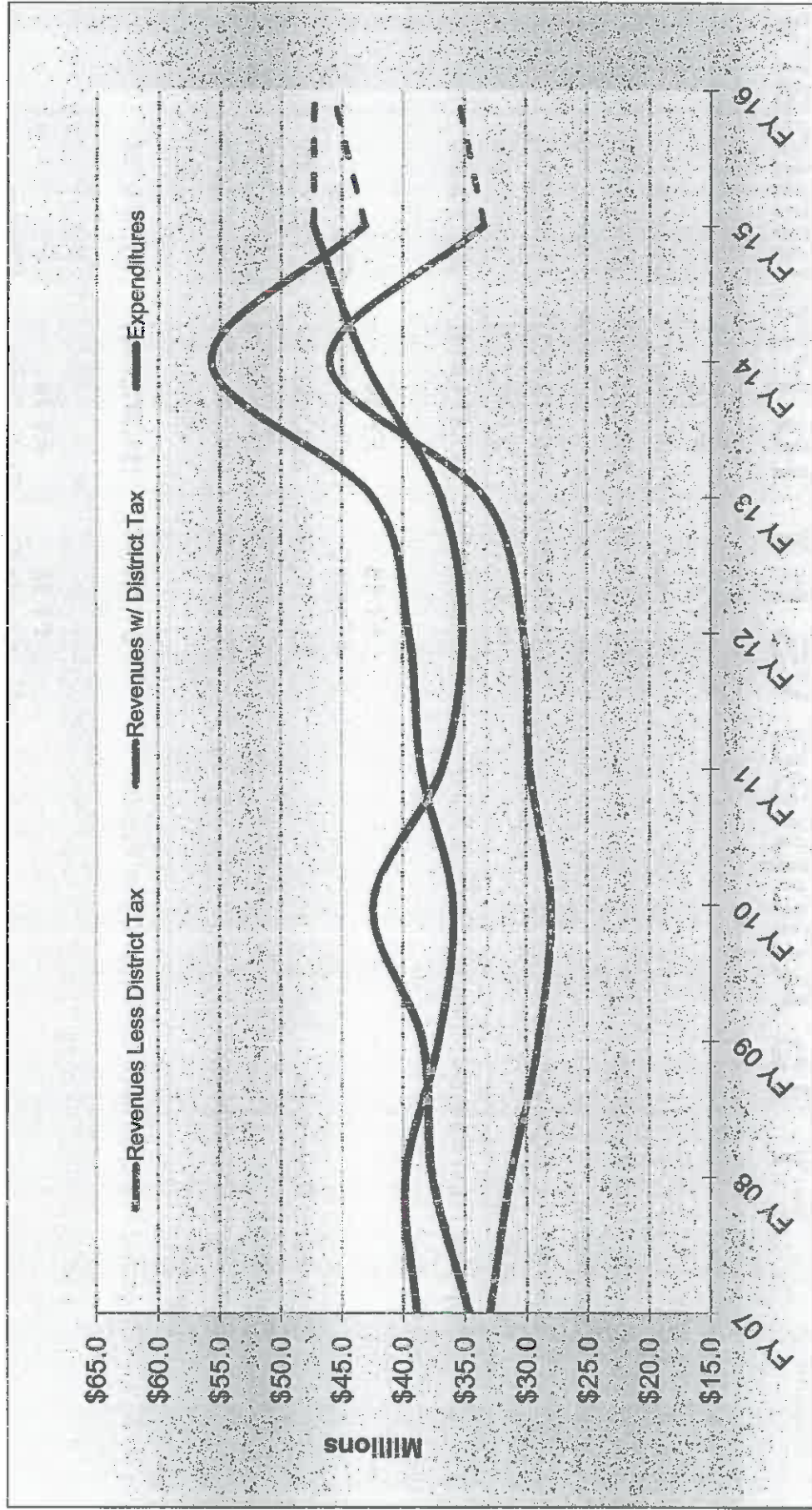


General Fund Expenditures by Department -- FY16

- Police
- Fire
- Other Depts
 - City Council
 - City Clerk
 - City Treasurer
 - City Manager
 - City Attorney
 - Administrative Services
 - Community Development
 - Engineering / Public Works
 - Housing, Grants, & Asset Management
 - Non-Departmental



General Fund Revenue & Expenditure Forecast



includes transfers out (no transfers-in)



Total Operating Budget FY 15 Adopted vs FY 16 Preliminary

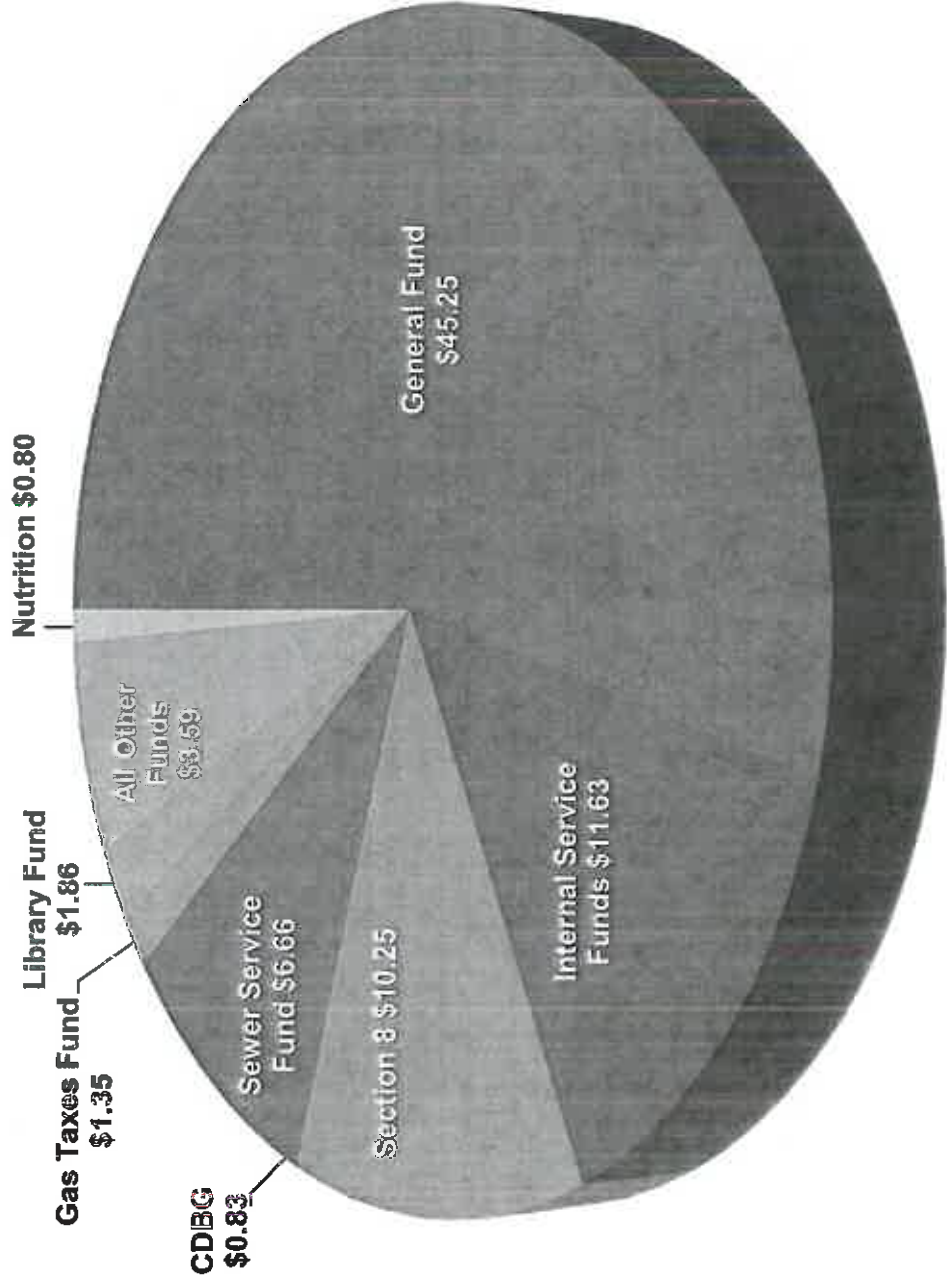
	FY 15 Adopted	FY 16 Preliminary	Change
General Fund Revenues	\$43,089,464	\$45,845,540	\$2,756,076
Transfers In	0	0	0
General Fund Expenditures	(43,299,919)	(45,249,723)	(1,949,804)
Transfers Out	(4,007,728)	(2,020,632)	1,987,096
Projected Fund Balance Change - General Fund	(\$4,218,183)	(\$1,424,814)	\$2,793,369
Other Fund Revenues	FY 15 Adopted	FY 16 Preliminary	Change
Transfers In	\$35,192,635	\$34,650,187	\$272,302
Other Fund Expenditures	4,007,728	2,970,632	(159,966)
Transfers Out	(37,441,591)	(38,642,878)	1,222,808
	0	(950,000)	459,609
Projected Fund Balance Change - Other Funds	\$1,758,772	(\$1,972,059)	\$1,794,753
All Revenues	FY 15 Adopted	FY 16 Preliminary	Change
All Expenditures	\$78,282,099	\$80,495,727	\$2,213,628
	(80,741,510)	(83,892,601)	(3,151,091)
Projected Fund Balance Change - All Funds	(\$2,459,411)	(\$3,396,874)	(\$937,463)

Transfers In/Out for all funds equal (net) \$0



Preliminary Total Budget Fiscal Year 2016

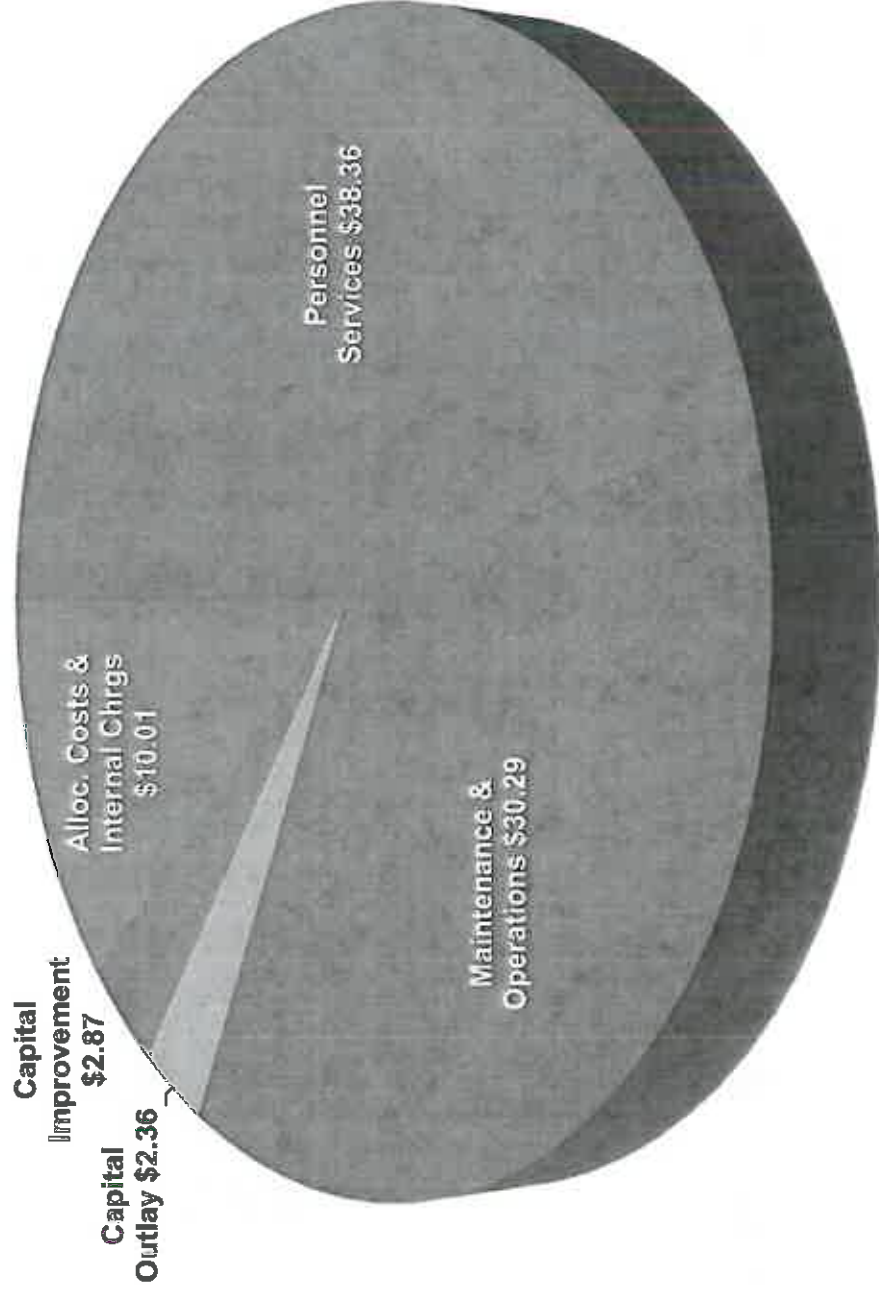
Estimated Expenditures by Fund - \$83.89M





Preliminary Total Budget Fiscal Year 2016

Estimated Expenditures by Category - \$83.89M



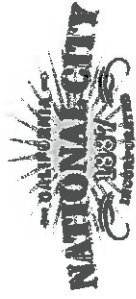


Significant General Fund Changes

FY 16 Preliminary vs FY 15 Adopted

Additional Tax revenues anticipated*	\$ 2,377,497
Capital Improvements	(550,000)
Personnel	
Salaries	1,099,574
Overtime	268,117
Pension contribution increases	654,136
M&O: Street Lights & Signals	500,000
M&O: Fee Study	100,000
M&O: Homeless Outreach Contract	50,000
Capital Outlay: Vehicle Purchases	(385,000)
Internal Service Charges: Vehicle Lease Charge	305,744

* Sales, Property, & Related Taxes



Significant Non-General Fund Changes

FY 16 Preliminary vs FY 15 Adopted

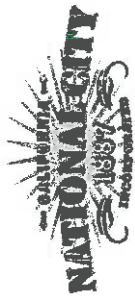
Capital Improvements	(\$410,650)
Personnel Salaries	151,894
M&O: Street Lights & Signals (Gas Taxes Fund)	(465,000)
M&O: Liability Claim Cost (Liab. Ins. Fund)	150,000
Capital Outlay: Vehicle Purchases (Vehicle Replacement Fund)*	1,800,000

* Request to purchase 20 new vehicles.



Vacancy Report

Budgeted Vacancies	20.00
<u>Unfunded Vacancies</u>	<u>54.75</u>
Total Vacancies	74.75



Staffing Levels – All Funds

FY 15 Approved	356.14
<u>FY 16 Proposed</u>	<u>362.11</u>
Net Change	5.97



Fiscal Year 2016 Proposed Personnel Changes

<u>Fund</u>	<u>FTE</u>	<u>Amount</u>
General Fund (001)	4.67	404,066
Info. Sys. Maint. Fund (629)	0.50	50,947
Parks Maint. Fund (105)	1.00	69,934
Sewer Service Fund (125)	(0.20)	(13,063)
	<u>5.97</u>	<u>511,884</u>



Fiscal Year 2016 Proposed Personnel Changes

NEW POSITIONS

Department	Request	Annual Salary	Benefits	Annual Compensation
City Attorney	1.0 Senior Assistant City Attorney	\$134,628	\$49,561	\$184,189
	anticipated vacancy savings	29,640)	(720)	(30,360)
Community Services	0.75 Recreation Leader I	15,678	1,128	16,806
	0.75 Recreation Leader II	17,943	1,290	19,233
	0.47 Recreation Leader III	11,252	807	12,059
Engineering/Public Works	1.0 Recreation Center Supv.	40,452	27,617	68,069
	1.0 Sr. Park Caretaker	39,702	26,355	66,057
Finance	1.0 Budget Technician	42,562	24,327	66,889
Planning	1.0 Assistant Planner	50,024	26,235	76,259
Police	1.0 Sr. Police Dispatcher	61,854	29,837	91,691
	anticipated vacancy savings	(47,882)	(26,020)	(73,902)
Total				\$496,990



Fiscal Year 2016 Proposed Personnel Changes

INTERNAL RECRUITMENTS (exchanging one position for another)

Engineering/Public Works	new class: Tree Trimmer	\$44,512	\$20,431	\$64,943
	anticipated vacancy savings	(42,723)	(18,343)	(61,066)
Police	1.0 Police Lieutenant	115,960	76,812	192,772
	anticipated vacancy savings	(101,686)	(66,973)	(168,659)
	Total			\$27,990

POSITION ADJUSTMENTS

Administrative Services: MIS	0.5 FTE Adj.: MIS Technician II	\$69,836	\$23,491	\$93,327
	anticipated savings	(33,748)	(8,632)	(42,380)
	Total			\$50,947

REDUCTIONS

Department	Request	Annual Salary	Benefits	Annual Compensation
Engineering/Public Works	1.0 Administrative Secretary	\$(38,099)	\$(27,214)	\$(65,313)
	Total			\$(65,313)
	GRAND TOTALS			\$510,614

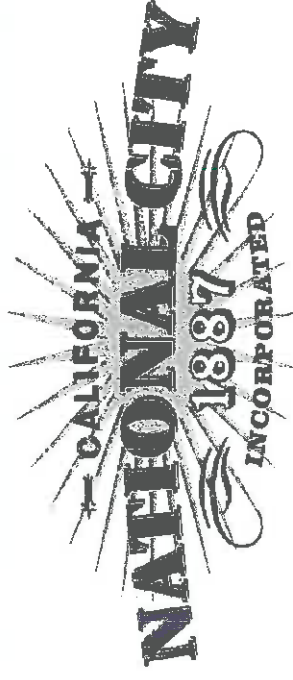


General Fund Anticipated Adjustments

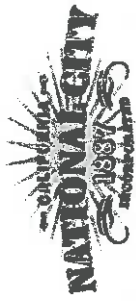
Staffing Additions*	\$ 173,728
M&O Offset**	(50,000)
Provision for Contingency	55,000
<u>Vehicle Lease</u>	<u>10,000</u>
Total	\$ 188,728

* Staffing Additions: Associate Civil Engineer \$108,415 in Engineering/Public Works; Administrative Secretary \$65,313 in Neighborhood Services.

** Maintenance & Operations decrease for Consulting/Professional Services as an estimated expense offset to the Staffing Addition of \$108,415.



Fiscal Year 2016 Capital Improvements

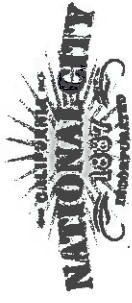


Steve Manganiello

City Engineer



Stacey Stevenson Administrative Services Director



Next Steps

- Additional staff review and refinement
- Budget Adjustments
 - Services: Las Palmas Pool (P.R.A.B. Recommendation)
 - Labor Agreements
 - Staffing: Associate Engineer- Civil & Admin Secretary
 - Council directed adjustments
- Neighborhood Council Budget Presentations (May 6th, 14th, and 20th)
- Tentative Council Workshop, i.e., if needed (May 26th)
- Adopt final budget no later than June 30, 2015



Future Impacts

Fiscal Year 2017 and beyond

- Multi-year approach
- Personnel
 - Pension Rate Increases
 - Retention & Recruitment
- Infrastructure
 - Fleet
 - City Facilities (i.e., Facility Needs Assessment)
 - RCS System



Request for Direction

Staff seeks direction on:

- Revisions to the preliminary budget
- Reschedule second budget workshop for 5:00 pm on May 19th (prior to regular Council meeting)
- Additional Council priorities, staffing, or programmatic adjustments.

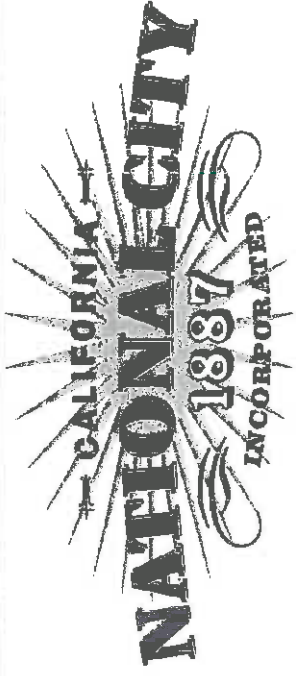


General Fund Anticipated Adjustments

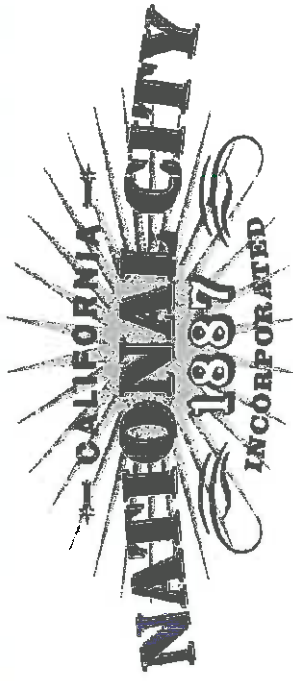
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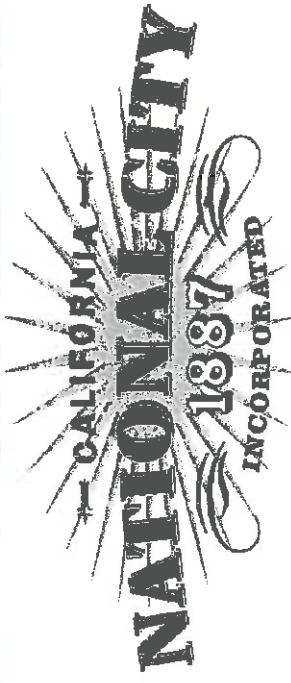
Public Comments



Comments/Questions



Brad Raulston Executive Director



2015-2020 Proposed Strategic Plan



2015 Proposed Objective #1

Provide Quality Services

- a) Practice the five core values (Commitment, Customer Service, Courtesy, Communication, and Collaboration) with our diverse customer base.
- b) Align workforce with City's objectives and provide training and support necessary to fully develop employees, boards, and commissions.
- c) Expand public access to City services and information, by updating our website and making digital records accessible to the public.
- d) Pursue public safety goals and objectives and enhance disaster preparedness (Police, Fire, Emergency Medical Services, and Homeland Security).
- e) Analyze internal processes for efficiency and implement technology solutions where feasible. Continue efforts to automate and streamline work processes.



2015 Proposed Objective #2- Achieve Fiscal Sustainability

- a) Prepare effective budget, accurately forecast funding sources, manage investments wisely, provide consistent financial reports, maintain clean audits, resolve findings/deficiencies in a timely manner, and update finance and budget policies.
- b) Update compensation plan for all employee groups. Continue labor/management partnerships with an emphasis on strategic deployment and total compensation issues.
- c) Establish economic development programs to retain existing businesses and stimulate new investments. Evaluate and update fee schedules to promote development and recover costs.
- d) Implement plans to fund replacement reserves and to finance the acquisition, replacement, and maintenance of the City's fleet, facilities, and other assets.
- e) Build cooperative partnerships with community organizations, schools, and other public agencies in the efficient and cost effective delivery of services.



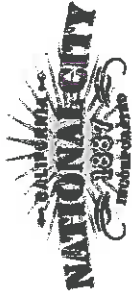
2015 Proposed Objective #3- Improve Quality of Life

- a) Enhance crime prevention and emergency service through community outreach, procedural justice, critical incident response, City/regional partnerships, and employee development.
- b) Pursue green initiatives and build a sustainable city by implementing the climate action plan and energy roadmap.
- c) Help organize community events and support social gatherings that benefit the total community.
- d) Update sign ordinance to improve community character and draw attention to important gateways, corridors and intersections with improved signage and wayfinding.
- e) Support Pier 32 (GB Capital Holdings) expansion plans and work with San Diego Unified Port District and its tenants to fund public process and public improvements.



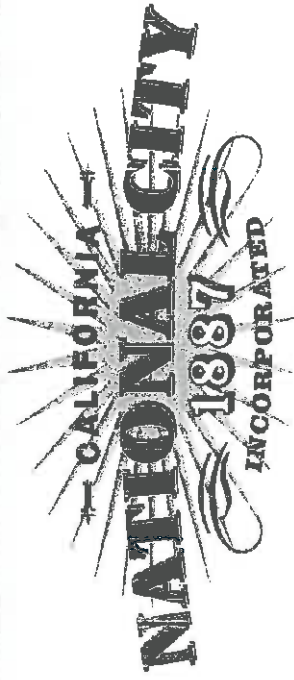
2015 Proposed Objective #4- Enhance Housing and Community Assets

- a) Continue providing housing opportunities at all income levels and develop programs to improve existing conditions. Adopt a comprehensive long term strategy to address homelessness.
- b) Complete WI-TOD phase 1 and community park. Continue pursuing funding for WI-TOD phase 2 and other housing projects.
- c) Maintain and improve City's infrastructure and find alternative funding to construct public facilities, park improvements, and other capital needs. . Complete comprehensive facility needs assessment and establish priorities.
- d) Preserve and promote historic resources and cultural assets. Formalize a public art program that provides funding for art and culture through a "percent for art" program.
- e) Administer real property assets and property management plans to achieve the City's long term goals.

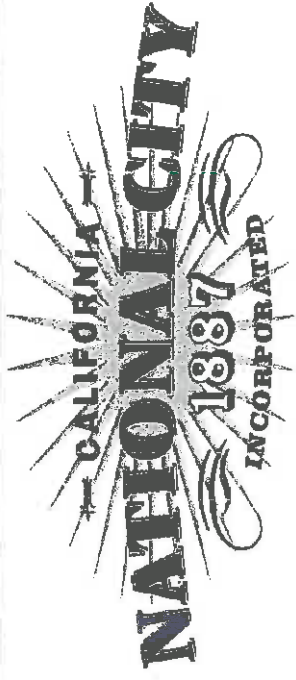


2015 Proposed Objective #5- Promote a Healthy Community

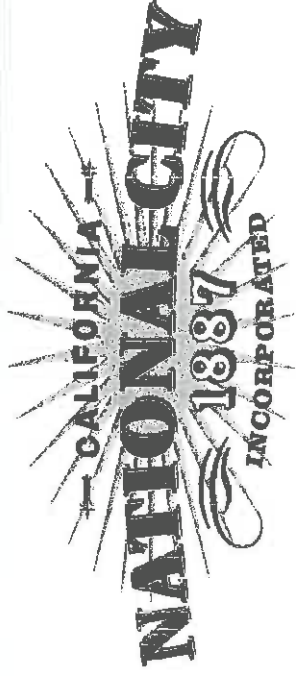
- a) Expand opportunities for walking and biking through the development of Community Corridors and Safe Routes to Schools consistent with the National City General Plan and Bicycle Master Plan.
- b) Continue to provide affordable City programs, activities and services that are accessible for all users, including individuals with disabilities (Americans with Disabilities Act).
- c) Enhance neighborhood services programs such as graffiti abatement, parking enforcement, and code enforcement and increase efficiency with new technology.
- d) Implement Neighborhood Action Plans and continue amortization efforts by working with residents and businesses.
- e) Advance National City wellness programs for youth, families, seniors and City employees that encourage a healthy lifestyle and develop a workplace safety program.



Public Comments



Comments/Questions



Request for Direction



FY 2016 Capital Improvement Program (CIP)



CIP: Overview

- “Sliding” five-year budgeting process used to identify, prioritize and coordinate the financing and timing of major public improvements
- First year of the five-year program represents the “approved” capital budget, which is incorporated into the City’s annual budget
- Projects slated for subsequent years in the program are for planning purposes only and do not receive expenditure authority
- CIP is presented to Planning Commission for General Plan Consistency Review, prior to going to City Council for budget adoption



CIP: Categories

- Infrastructure - streets, storm drains, sewer systems, street lighting, traffic signals, sidewalks, curb & gutters, and ADA curb ramps
- Facilities - city offices, warehouses, public works yard and support structures, police and fire stations, community centers, public libraries and information technology (computers, data storage, public safety cameras and communications equipment)
- Parks & Recreation – park amenities such as ball fields, restrooms, lighting, landscaping, walking paths and information technology; health and quality of life facilities such as recreation centers, municipal swimming pool, public gymnasiums and aquatic center
- Housing - site infrastructure for infill development projects that provide housing opportunities for individuals and families at all income levels



CIP: Project Evaluation

- City staff develop project proposals based on needs assessments, input from the Community and long-range planning documents
- CIP Committee reviews project proposals presented by City staff on an annual basis and provides recommendations to the Planning Commission and City Council as part of the City's annual budget
- Key criteria considered include:
 - Health & safety benefits
 - Community support
 - Project costs & schedule
 - Available funding
 - Consistency with the City's General Plan and other long-range planning documents
 - On-going maintenance costs



CIP: Funding

- With the support of the Community and City Council, staff aggressively pursue Federal, State and Regional grants to fund Capital Projects
- Other available funding sources include: *TransNet (Prop A)*, Gas Tax, Sewer Service Fund, Capital Outlay, Development Impact Fees (DIF), Information Systems Maintenance Fund, and General Fund
- Funding sources for Capital Projects often have restrictions based on project scope and/or expenditure timelines
- Exploring funding options, including review of capital / major maintenance reserve policies, is critical to ensuring fiscal sustainability



FY 2016 CIP: Funding Request

Project	Description	General Fund (001)	Development Impact Fees (325)	Information Systems Maint (629)	Total	Notes
Drainage Improvements	Citywide drainage improvements	\$ 200,000			\$ 200,000	
Street Resurfacing	Citywide street resurfacing, alleys, sidewalks and ADA	\$ 400,000			\$ 400,000	General Fund contribution will be applied to <i>TransNet</i> MOE requirement
Traffic Monitoring / Safety Enhancements	Citywide traffic safety enhancements, ADA, data collection, grant match, etc.	\$ 500,000			\$ 500,000	General Fund contribution will be applied to <i>TransNet</i> MOE requirement
Unified Messaging System	New telephone system			\$ 209,350	\$ 209,350	
National City Public Library	Public safety cameras, Audio/Visual systems, flooring & other interior upgrades, etc.		\$ 210,000		\$ 210,000	
Police Department Building Improvements	Electrical upgrades, Property & Evidence Room upgrades / expansion, ADA, fire suppression, waterproofing, etc.	\$ 500,000	\$ 35,000		\$ 535,000	Reviewing alternative funding options to potentially reduce impact to General Fund
Kimball Park Improvements	Storm water LID measures, lighting, public safety cameras, ADA, restrooms, skate park, central plaza, walking paths, wayfinding, trash receptacles, etc.	\$ 700,000	\$ 115,000		\$ 815,000	Applied for \$2 million SANDAG Smart Growth Incentive Program Grant (notification June 2015); will replace General Fund allocation, if awarded
		\$ 2,300,000	\$ 360,000	\$ 209,350	\$ 2,869,350	



FY 2015 CIP Changes

Project	Description	General Fund (001)	Notes
Sweetwater Channel Maintenance	Fair-share contribution paid to County of San Diego for channel maintenance	\$ (24,068)	Release funds - fair-share contribution will be paid out of Engineering Contract Services M&O Account (001-416-030-299)
Civic Center Electrical Upgrades	Electrical upgrades for Civic Center Building	\$ (67,547)	Release funds - project is on hold for FY 2016 pending completion of Citywide Facility Needs Assessment
Civic Center Improvements	Energy efficiency upgrades - mechanical, electrical, HVAC; Council Chambers security, fire suppression, ADA, etc.	\$ (400,000)	Release funds - project is on hold for FY 2016 pending completion of Citywide Facility Needs Assessment; approximately \$200,000 in FY 2015 carryover balance will be available for facility improvements
Civic Center Chiller Project	Replace air cooled condenser unit	\$ (160,410)	Release partial funding - approximately \$200,000 in FY 2015 carryover balance will be used to complete remaining project improvements
Morgan Tower Rehab	Mechanical, electrical, HVAC upgrades, roof, etc.	\$ (205,000)	Release funds - project is on hold for FY 2016 pending completion of Citywide Facility Needs Assessment
Kimball Tower Fire Pumps / Sprinklers	Replace fire pumps and sprinklers for Kimball Tower	\$ (141,712)	Release funds - project completed in FY 2015
		\$ (998,736)	



FY 2016 CIP: Funding Summary

FY 2016 CIP Request vs. FY 2015 Changes

General Fund (001): \$1,301,264

Library DIF (325): \$210,000

Police Dept. DIF (325): \$35,000

Park DIF (325): \$115,000

Information Systems Maintenance (629): \$209,350

Net: \$1,870,614



FY 2016 CIP: Facility Needs Assessment

- Comprehensive Assessment of City Facilities and Parks
- Upgrades for Mechanical, Electrical, HVAC, Water, Gas, and Americans with Disabilities Act (ADA)
- Project Team: Engineering, Public Works, Building, Fire and Community Services (support from Finance, City Manager and City Attorney)
- ESCO (Energy Savings Contract)
 - Evaluate potential for energy efficiency retrofits for City facilities and parks to save costs on electrical, water and gas
 - Capital improvements will be completed at no cost to the City and reimbursed through energy savings over a period of 10 to 15 years



Fleet (Vehicles / Equipment)

National City's fleet consists of over 200 vehicles and associated equipment, valued at over \$10 million. The CIP establishes priorities, funding and financing plans for fleet management, replacement and modernization, which is essential for delivering municipal services to residents, local businesses and visitors.

- Light & Medium Duty (Pick-up Trucks & Pool Vehicles)
- Heavy Equipment
- Police (Patrol & Other)
- Fire



FY 2016 Fleet: Funding Request

Enterprise Lease Program (Annual Payment - Existing Vehicles)

FY 2016 Cost	Funding Source	# Vehicles
\$ 75,145	General Fund (001)	11
\$ 52,390	Parks Maintenance Fund (105)	9
\$ 25,785	Sewer Fund (125)	3
\$ 6,240	Section 8 (502)	1
\$ 16,880	Facilities Maintenance Fund (626)	3
\$ 176,440	Total	27

Equipment Replacement Reserve (Purchase Price w/ Aftermarket Equipment - New Vehicles)*

FY 2016 Cost	Funding Source	# Vehicles
\$ 850,000	General Fund (001)	18
\$ 600,000	Sewer Fund (125)	1
\$ 350,000	Trash Rate Stabilization Fund (172)	1
\$ 1,800,000	Total	20



CIP: Grant Funding

Grants	Amount
Smart Growth Incentive Program (SGIP) Grant – 8 th St (Trolley Station to Highland Ave)	\$2,000,000
Smart Growth Incentive Program (SGIP) Grant – Downtown-Westside Community Connections	\$2,000,000
Catalyst Grant – WI-TOD Project (Phase I)	\$500,000
EPA Grants (2 Total) – WI-TOD Project (Phases I & II)	\$400,000
Prop 84 Storm Water Grant – "A" Ave Green Street (E. 8th St to Kimball Park)	\$2,500,000
Prop 84 Storm Water Grant – Kimball Park LID / Paradise Creek Restoration	\$1,876,153
Prop 84 Urban Greening Grant – Paradise Creek Educational Park	\$840,000
Bicycle Transportation Account (BTA) Grant – 4 th St (Roosevelt Ave to Harbison Ave)	\$355,500
Highway Safety Improvement Program (HSIP) Grant – 8 th St (Highland Ave to Palm Ave)	\$900,000
Highway Safety Improvement Program (HSIP) Grant – Highland Ave (Division St to E. 8th St)	\$900,000
Highway Safety Improvement Program (HSIP) Grants (5 Total) – Traffic Signal Upgrades, ADA, Pedestrian & Bicycle Enhancements	\$2,259,400
Safe Routes to School (SRTS) Grant – Coolidge Ave	\$730,000
Safe Routes to School (SRTS) Grant – Roundabout at "D" Ave & E. 12 th St / Kimball Way	\$500,000
Safe Routes to School (SRTS) Grant – 8 th St (D Ave to Highland Ave)	\$450,000
Safe Routes to School (SRTS) Grant – Paradise Valley Rd (E. 8th St to Plaza Blvd)	\$225,000
Safe Routes to School (SRTS) Grant – Citywide "Walk-to-School" Activities & Safety Education	\$500,000
Active Transportation Program (ATP) Grant – 4 th St (Roosevelt Ave to Harbison Ave)	\$450,000
Active Transportation Program (ATP) Grant – "D" Ave (Division St to E. 30th St)	\$600,000
Active Transportation Program (ATP) Grant – Citywide Bicycle Parking	\$50,000
Active Transportation Program (ATP) Grants (5 Total) – ADA, Pedestrian & Bicycle Enhancements (18 th St, Division St, Euclid Ave, El Toyon-Las Palmas Bike Corridor, SRTS)	\$3,250,000
Community Development Block Grant (CDBG) – Drainage Improvements	\$100,000
Community Development Block Grants (CDBG) – Kimball/Morgan Towers Nutrition Center	\$145,000
San Diego Unified Port District CIP – Waterfront Adventure Center	\$4,410,000
Grants Awarded = 32	Total
	\$25,941,053

Fiscal Year 2016 Preliminary Budget

Budget Summary

**City of National City
Budgeted Revenues by Fund
Fiscal Year 2016 vs 2015**

<u>General Fund</u>	FY 16	FY 15	Difference
Property Tax	\$ 3,875,000	\$ 3,713,148	\$ 161,852
Property Tax Allocated	(1,760,995)	(1,639,746)	(121,249)
Sales & Use Tax	14,703,370	12,126,248	2,577,122
Property Tax In Lieu of Sales Tax	3,255,629	4,213,491	(957,862)
Property Tax In Lieu of VLF	5,736,819	5,503,185	233,634
District Transaction & Use Tax (Prop D)	10,216,000	9,732,000	484,000
Other	9,819,717	9,441,138	378,579
Total Revenue - General Fund	\$ 45,845,540	\$ 43,089,464	\$ 2,756,076
Transfer In	-	-	-
Total - General Fund	\$ 45,845,540	\$ 43,089,464	\$ 2,756,076
<u>Total Revenue - Other Funds</u>			
Other	\$34,650,187	\$35,192,635	(\$542,448)
Total Revenue - Other Funds	\$ 34,650,187	\$ 35,192,635	\$ (542,448)
Transfer(s) In	2,972,683	4,007,728	(1,035,045)
Total - Other Funds	\$ 37,622,870	\$ 39,200,363	\$ (1,577,493)
Total Revenue - All Funds	\$ 80,495,727	\$ 78,282,099	\$ 2,213,628
Total Transfer In - All Funds	2,972,683	4,007,728	(1,035,045)
Total - All Funds	\$ 83,468,410	\$ 82,289,827	\$ 1,178,583

City of National City
Budgeted Expenditures by Category - General Fund & Other Funds
Fiscal Year 2016 vs 2015

<u>General Fund</u>	FY 16	FY 15	Difference
Personnel	\$ 31,045,373	\$ 29,017,885	\$ 2,027,488
Maintenance & Operations	5,328,596	4,691,255	637,341
Capital Outlay	130,147	481,750	(351,603)
CIP	2,050,000	2,600,000	(550,000)
Internal Service Charges & Alloc. Costs	6,695,607	6,509,029	186,578
Total Expenditures - General Fund	\$ 45,249,723	\$ 43,299,919	\$ 1,949,804
Transfer(s) Out	2,022,683	4,007,728	(1,985,045)
Total - General Fund	\$ 47,272,406	\$ 47,307,647	\$ (35,241)
 <u>Other Funds</u>			
Personnel	\$ 7,311,414	\$ 7,159,517	\$ 151,897
Maintenance & Operations	24,962,051	25,218,038	(255,987)
Capital Outlay	2,233,043	609,177	1,623,866
CIP	1,119,350	1,230,000	(110,650)
Internal Service Charges & Alloc. Costs	3,313,046	3,224,859	88,187
Total - Other Funds	\$ 38,938,904	\$ 37,441,591	\$ 1,497,313
Transfer(s) Out	950,000	-	950,000
Total - Other Funds	\$ 39,888,904	\$ 37,441,591	\$ 2,447,313
 Total Expenditures - All Funds	 \$ 84,188,627	 \$ 80,741,510	 \$ 3,447,117
Total Transfer(s) Out - All Funds	2,972,683	4,007,728	(1,035,045)
Total - All Funds	\$ 87,161,310	\$ 84,749,238	\$ 2,412,072

City of National City
Budgeted Expenditures by Category - General Fund & Other Funds
Fiscal Year 2016 vs 2015

<u>General Fund</u>	<u>FY 16</u>	<u>FY 15</u>	<u>Difference</u>
Administrative Services	\$ 2,403,934	\$ 2,247,652	\$ 156,282
City Attorney	869,668	758,169	111,499
City Clerk	311,663	342,776	(31,113)
City Council	453,157	461,224	(8,067)
City Manager	1,158,944	1,141,953	16,991
City Treasurer	43,594	42,388	1,206
Community Development	2,843,003	2,464,057	378,946
Engineering & Public Works	3,090,823	2,314,886	775,937
Fire	9,161,344	8,470,389	690,955
Housing, Grants & Asset Management	237,862	256,469	(18,607)
Non-Departmental	2,907,304	3,738,726	(831,422)
Police	21,768,427	21,061,230	707,197
Total - General Fund	\$ 45,249,723	\$ 43,299,919	\$ 1,949,804
Total - Other Funds	\$ 38,938,904	\$ 37,441,591	\$ 1,501,287
Total - All Funds	\$ 84,188,627	\$ 80,741,510	\$ 3,451,091

**City of National City
Budgeted Revenues & Expenditures Comparison
Fiscal Year 2016 vs 2015**

Revenues		Personnel Services	Maintenance & Operations	Capital Outlay	Capital Improvement	Internal Charges & Alloc. Costs	Total Budget
General Fund - FY 15 Adopted	\$43,089,464						
General Fund - FY 16 Preliminary	45,845,540						
Change - General Fund	\$2,756,076						
Other Funds - FY 15 Adopted							
Other Funds - FY 16 Preliminary	34,650,187						
Change - Other Funds	(\$542,448)						
All Funds - FY 15 Adopted		\$78,282,099					
All Funds - FY 16 Preliminary	80,495,727						
Change - All Funds	\$2,213,628						
Expenditures							
General Fund - FY 15 Adopted	\$29,017,885	\$5,081,867	\$481,750	\$2,600,000	\$6,118,417	\$43,299,919	
General Fund - FY 16 Preliminary	31,045,373	5,328,596	130,147	2,050,000	6,695,607	45,249,723	
Change - General Fund	\$2,027,488	\$246,729	(\$351,603)	(\$550,000)	\$577,190	\$1,949,804	
Other Funds - FY 15 Adopted		\$7,159,517	\$25,243,081	\$609,177	\$1,230,000	\$3,199,816	\$37,441,591
Other Funds - FY 16 Preliminary	7,311,414	24,962,051	2,233,043	1,119,350	3,313,046	38,938,904	
Change - Other Funds	\$151,897	(\$281,030)	\$1,623,866	(\$110,650)	\$113,230	\$1,497,313	
All Funds - FY 15 Adopted		\$36,177,402	\$30,324,948	\$1,090,927	\$3,830,000	\$9,318,233	\$80,741,510
All Funds - FY 16 Preliminary	38,356,787	30,290,647	2,363,190	3,169,350	10,008,653	84,188,627	
Change - All Funds	\$2,179,385	(\$34,301)	\$1,272,263	(\$660,650)	\$690,420	\$3,447,117	

**City of National City
Budgeted Revenues & Expenditures Comparison
Fiscal Year 2016 vs 2015**

Summary

	FY 16 Preliminary	FY 15 Adopted	Change
General Fund Revenues	\$45,845,540	\$43,089,464	\$2,756,076
Transfers In	-	-	-
General Fund Expenditures	(45,249,723)	(43,299,919)	(1,949,804)
Transfers Out	(2,022,683)	(4,007,728)	1,985,045
Projected Fund Balance Change - General Fund	(\$1,426,865)	(\$4,218,183)	\$2,791,318
FY 16			
	Preliminary	FY 15 Adopted	Change
Other Fund Revenues	\$34,650,187	\$35,192,635	(\$542,448)
Transfers In	2,972,683	4,007,728	(1,035,045)
Other Fund Expenditures	(38,938,904)	(37,441,591)	(1,497,313)
Transfers Out	(950,000)	-	(950,000)
Projected Fund Balance Change - Other Funds	(\$2,266,034)	\$1,758,772	(\$4,024,806)
FY 16			
	Preliminary	FY 15 Adopted	Change
All Revenues	\$80,495,727	\$78,282,099	\$2,213,628
All Expenditures	(84,188,627)	(80,741,510)	(3,447,117)
Projected Fund Balance Change - All Funds	(\$3,692,900)	(\$2,459,411)	(\$1,233,489)

Transfers In/Out for all funds equal (net) \$0