



**FISCAL YEAR 2024
BUDGET WORKSHOP**

April 18, 2023



Budget Team

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Department Heads

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**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

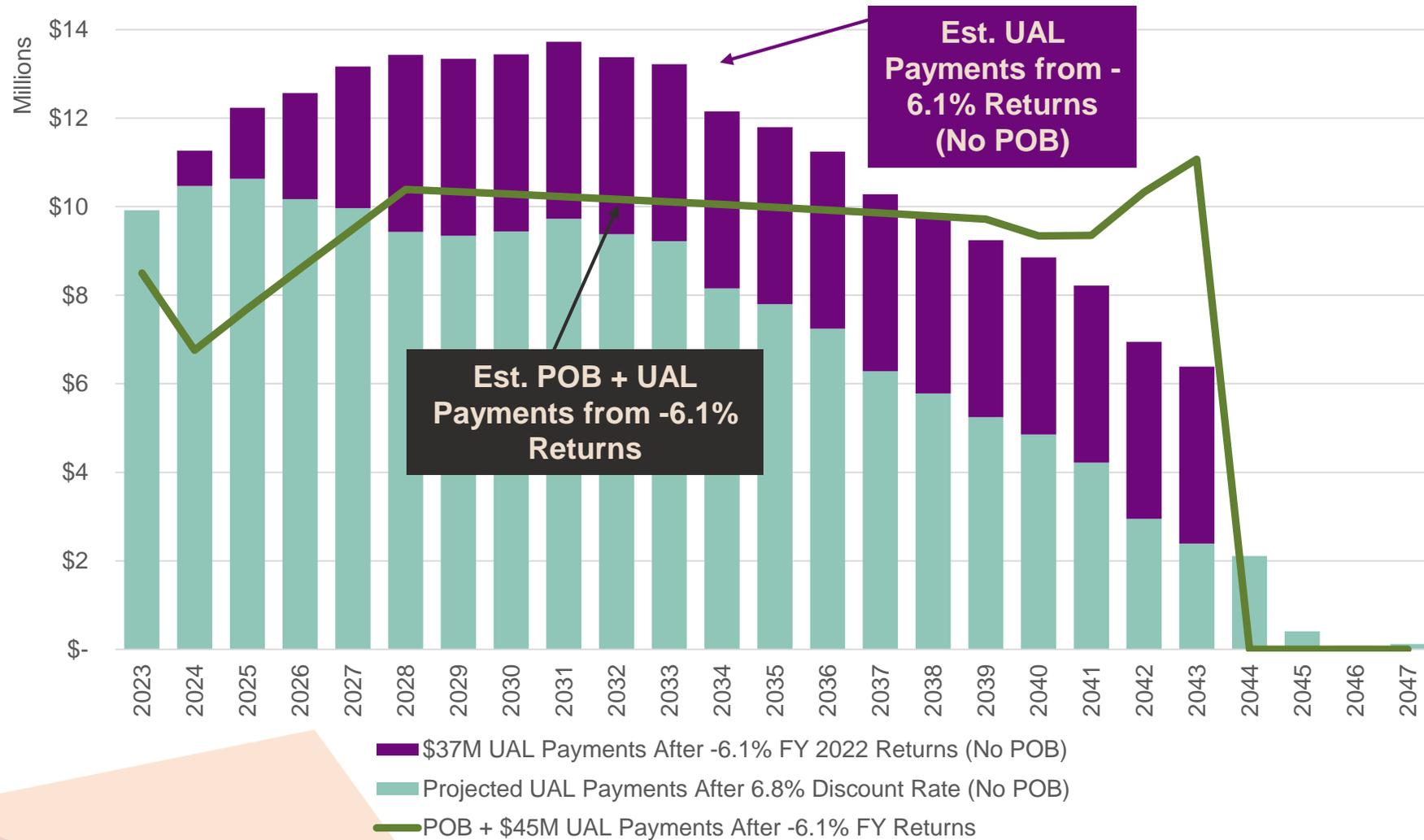
\$20M SAVINGS FROM PENSION OBLIGATION BONDS (POB) ISSUANCE

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 |

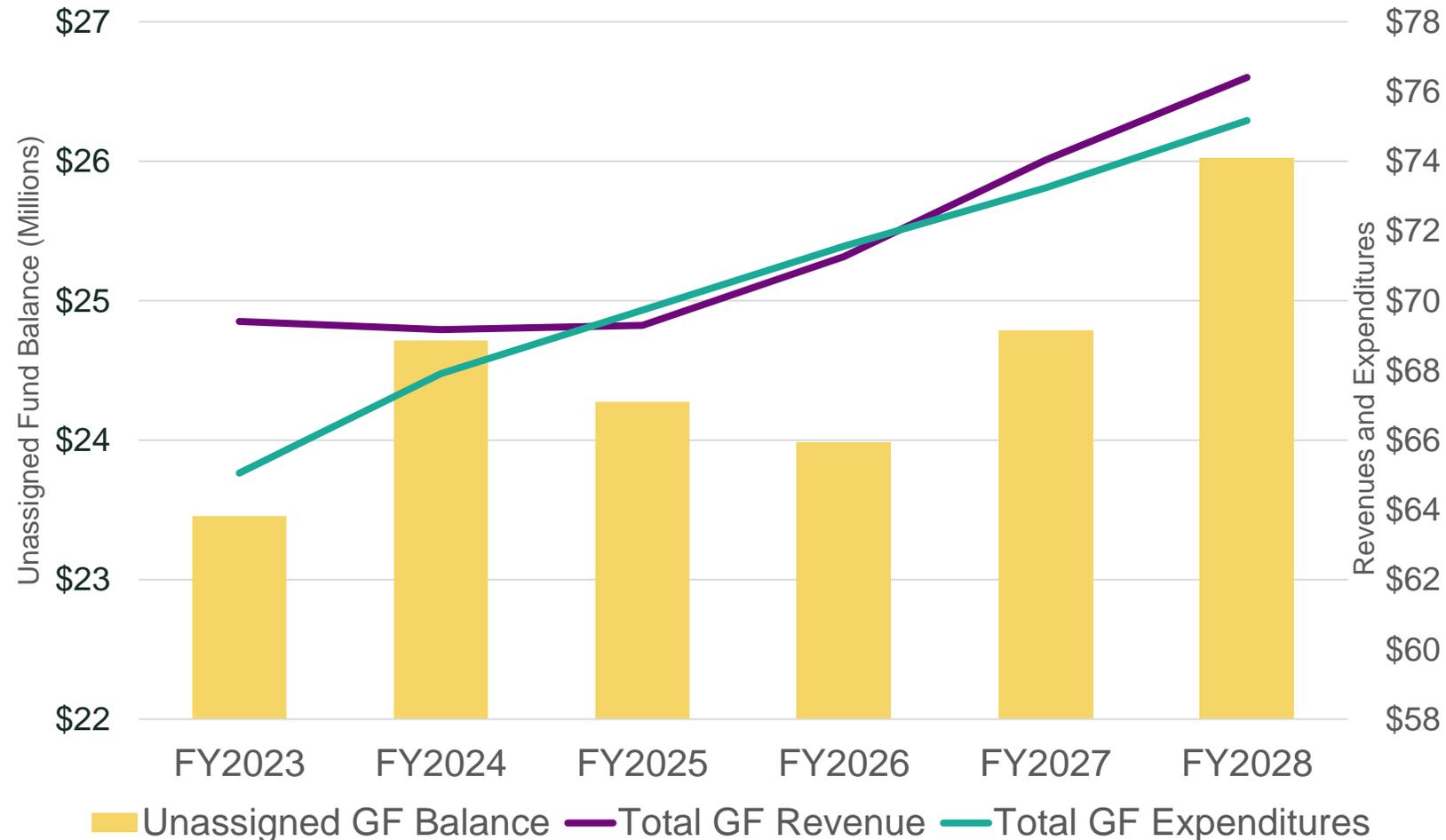
* Based on estimated \$66M operating

**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



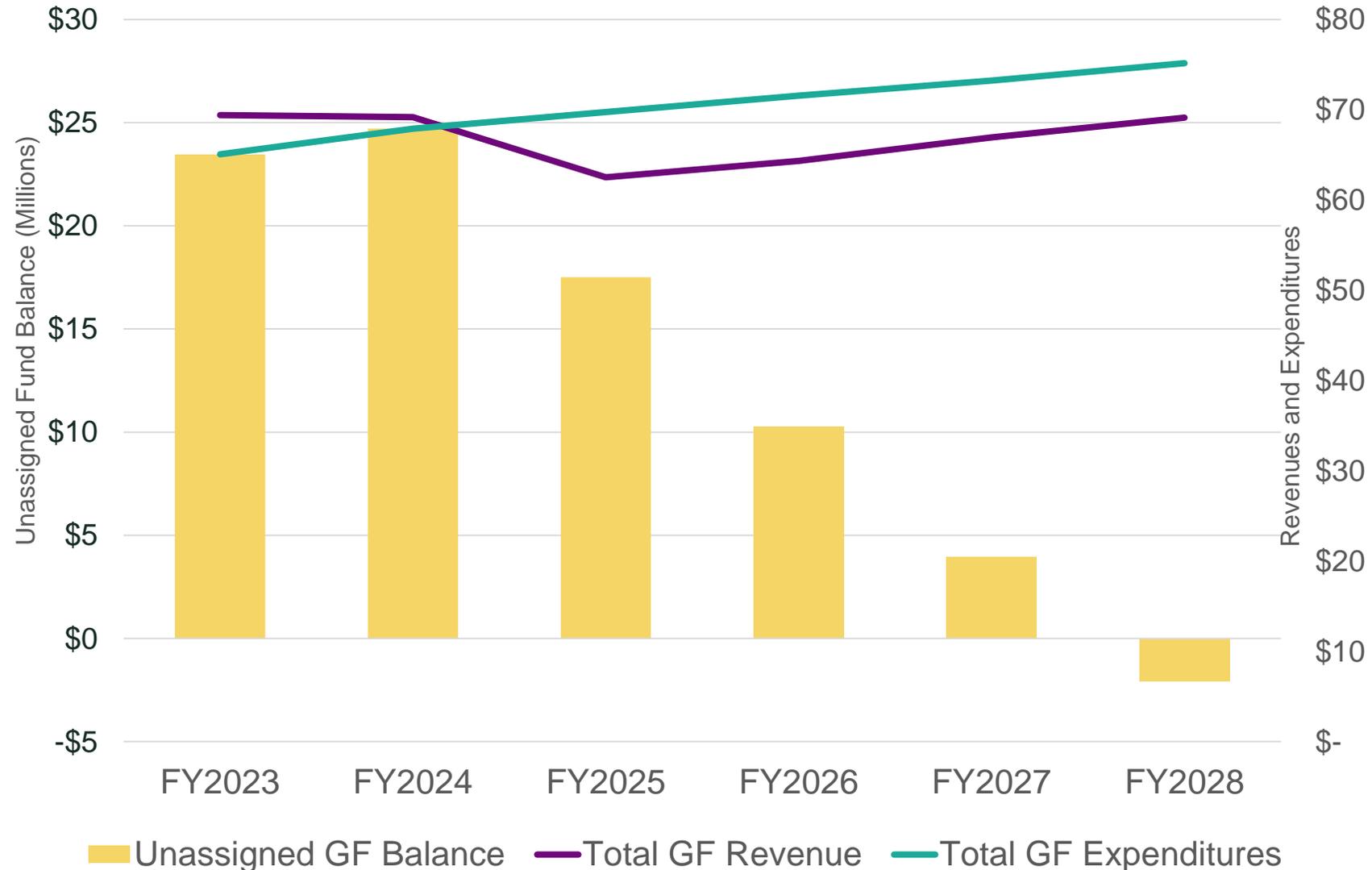
Sales Tax Revenue History



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



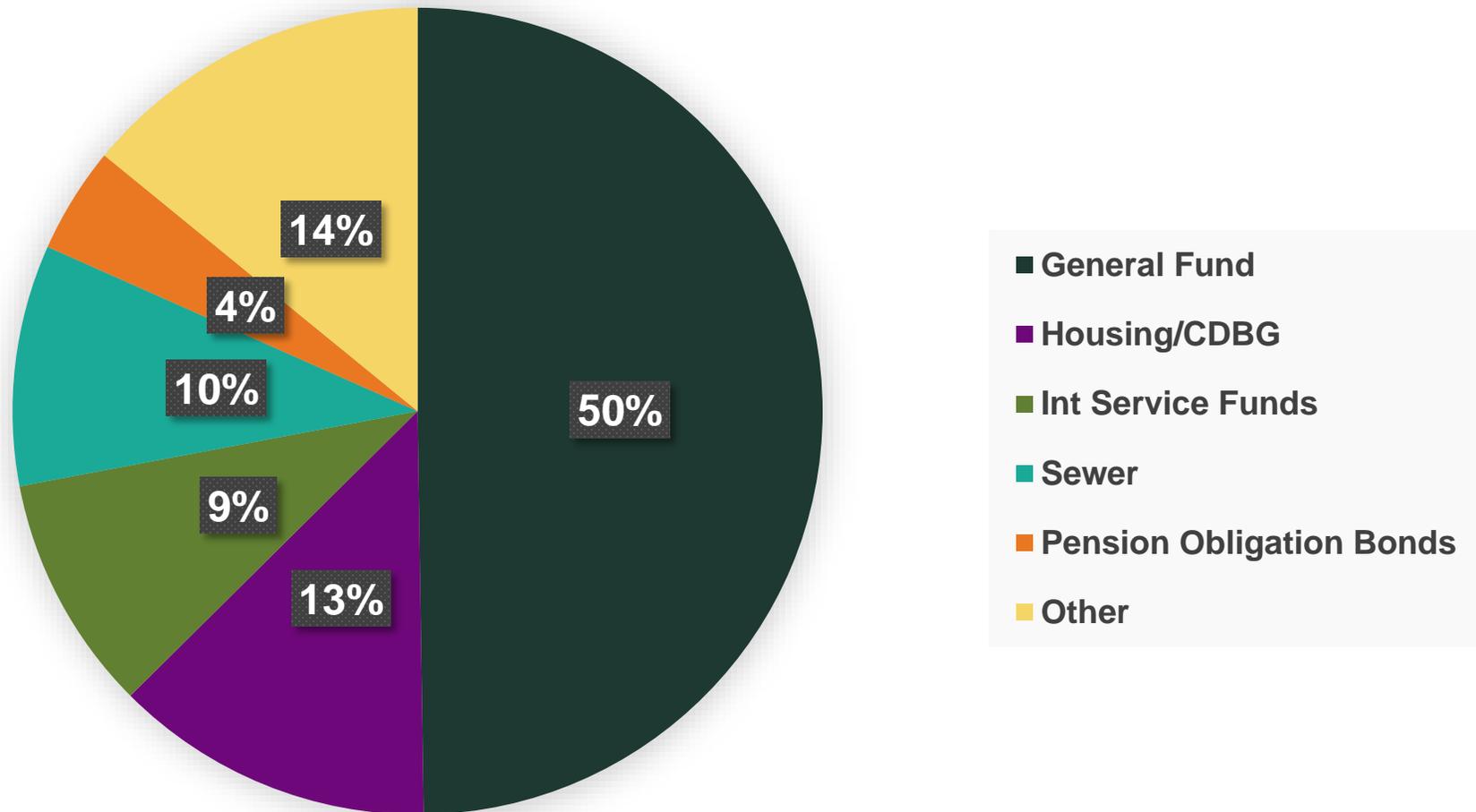
Total Operating & Capital Budget FY 24 Preliminary vs FY 23 Adopted

| | <u>FY 24 Preliminary</u> | <u>FY 23 Adopted</u> | <u>Change</u> |
|-------------------------------|--------------------------|----------------------|---------------|
| All Funds | | | |
| 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 |
| Total Other Funds | \$60,230,716 | \$68,563,799 |





General Fund



Preliminary Budget Summary

Fiscal Year 2024

GENERAL FUND

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



Expenditures

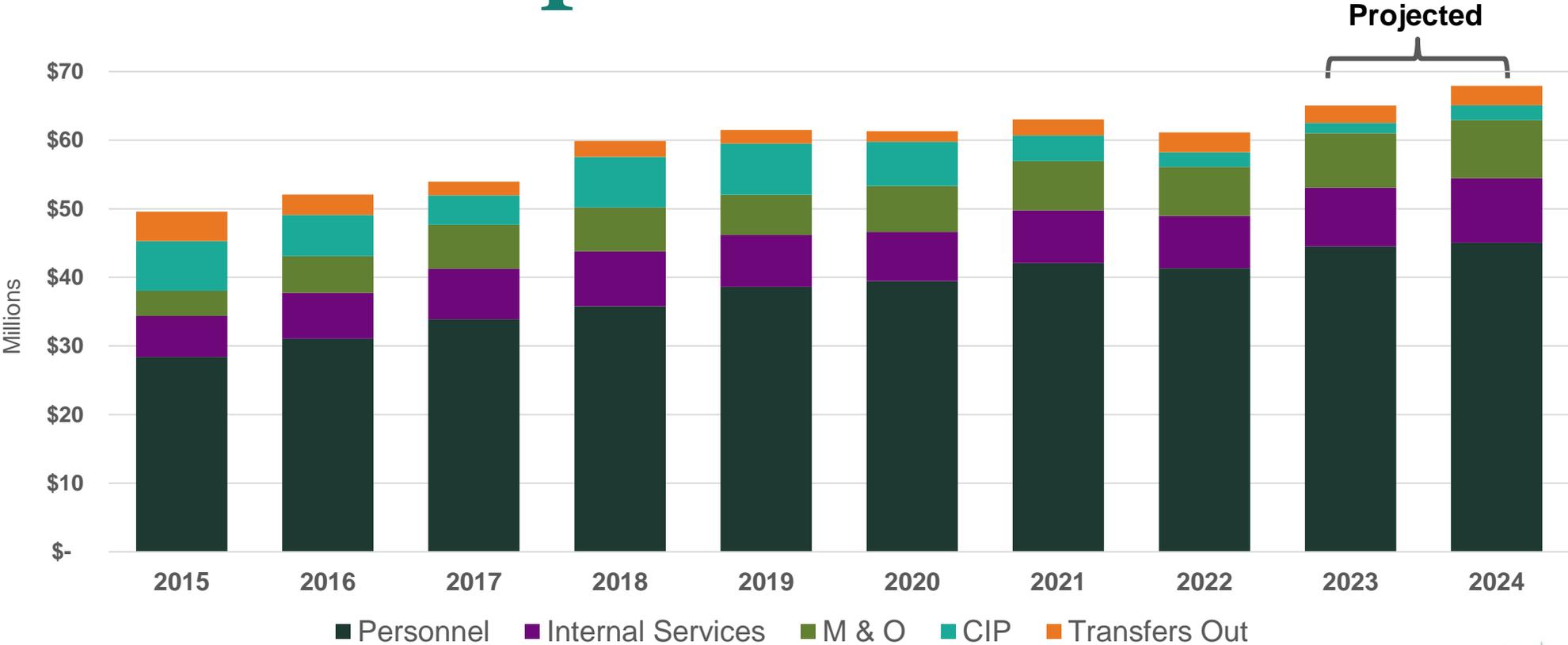
FY 24 Preliminary vs FY 23 Adopted

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 |
| Total | \$67,914,372 | \$66,294,667 | \$1,619,705 |



Historical Expenditure Trends

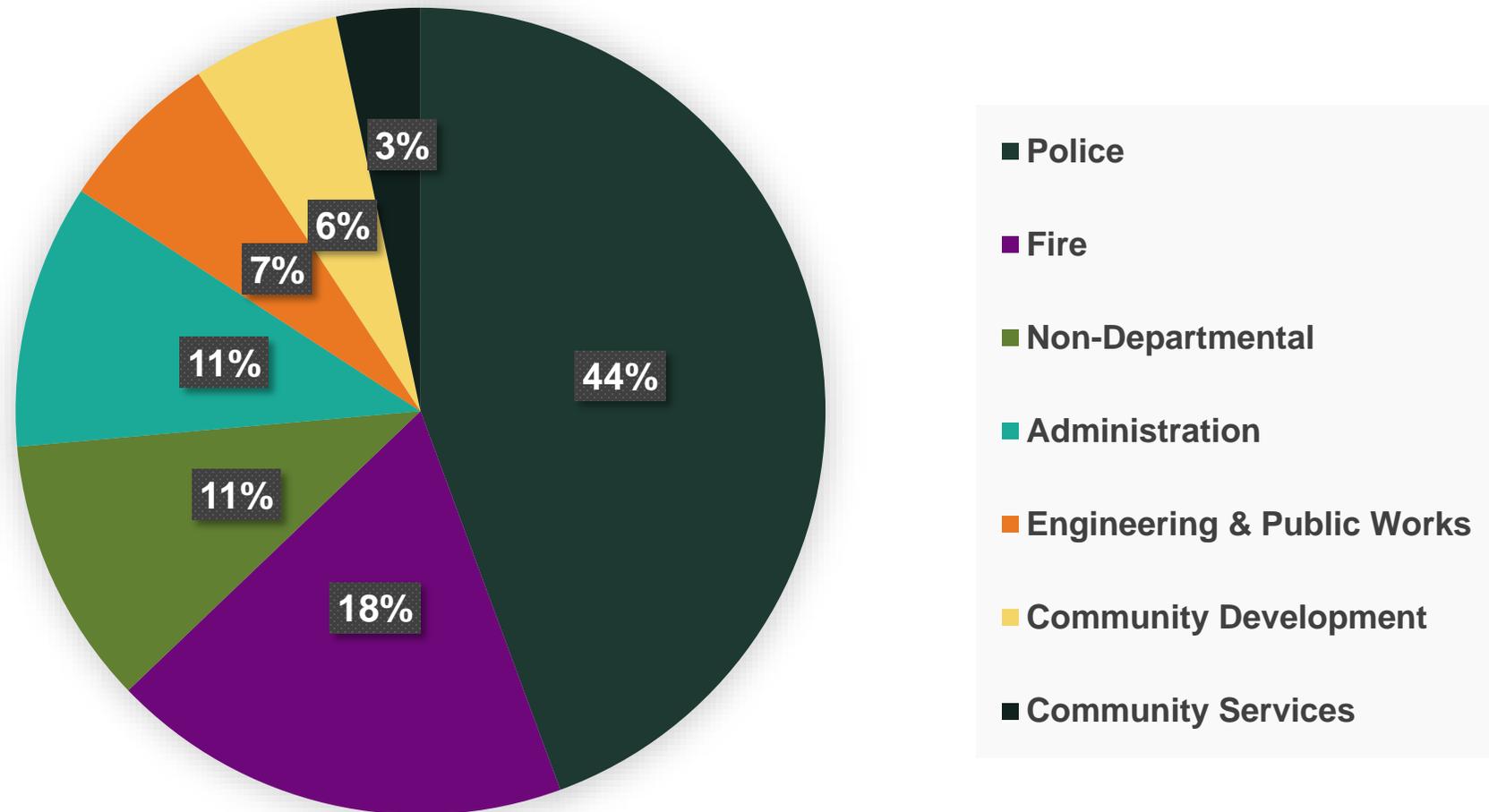


❖ Total personnel costs will comprise 66.3% of FY 24 General Fund expenditures



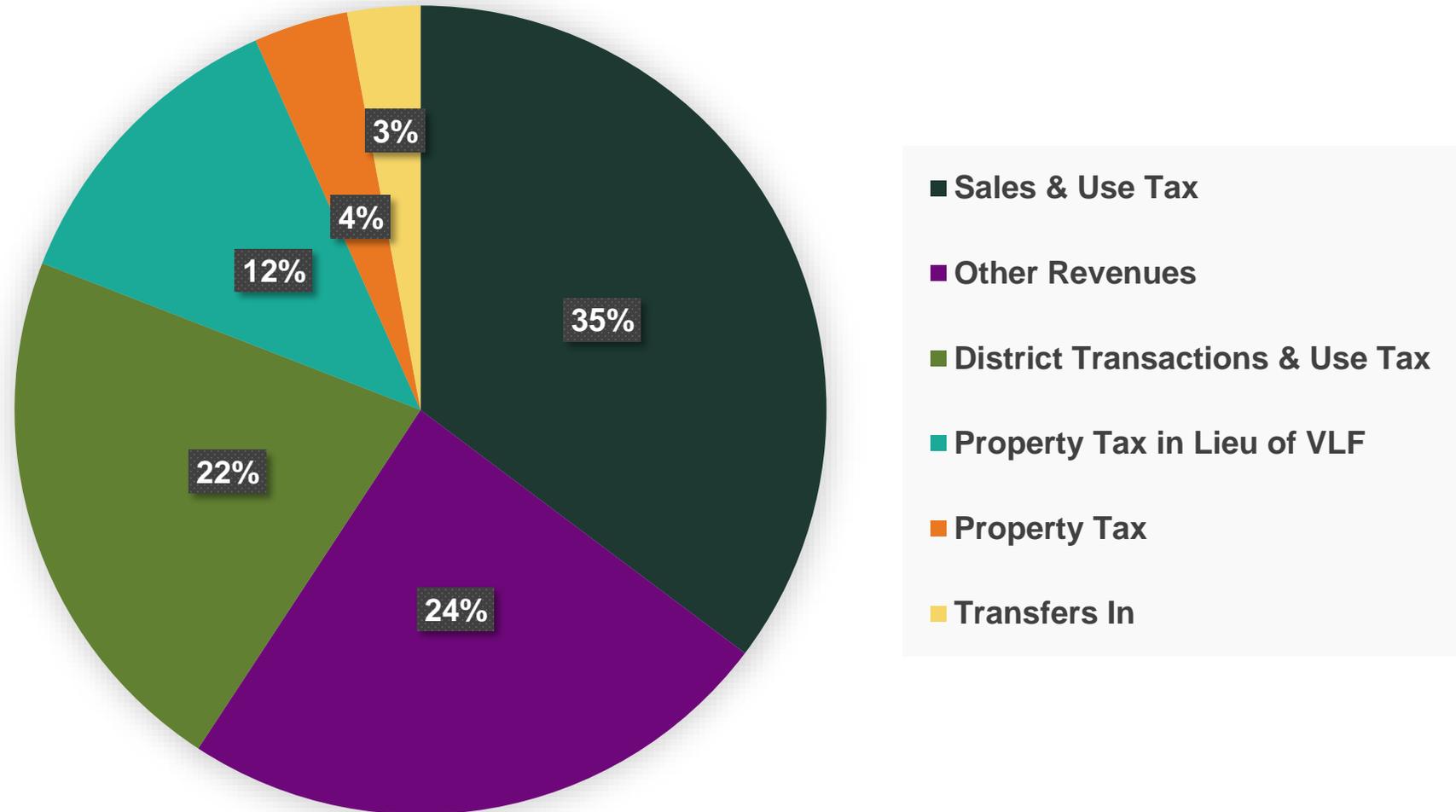
Expenditure by Department

FY24 General Fund Exp by Department

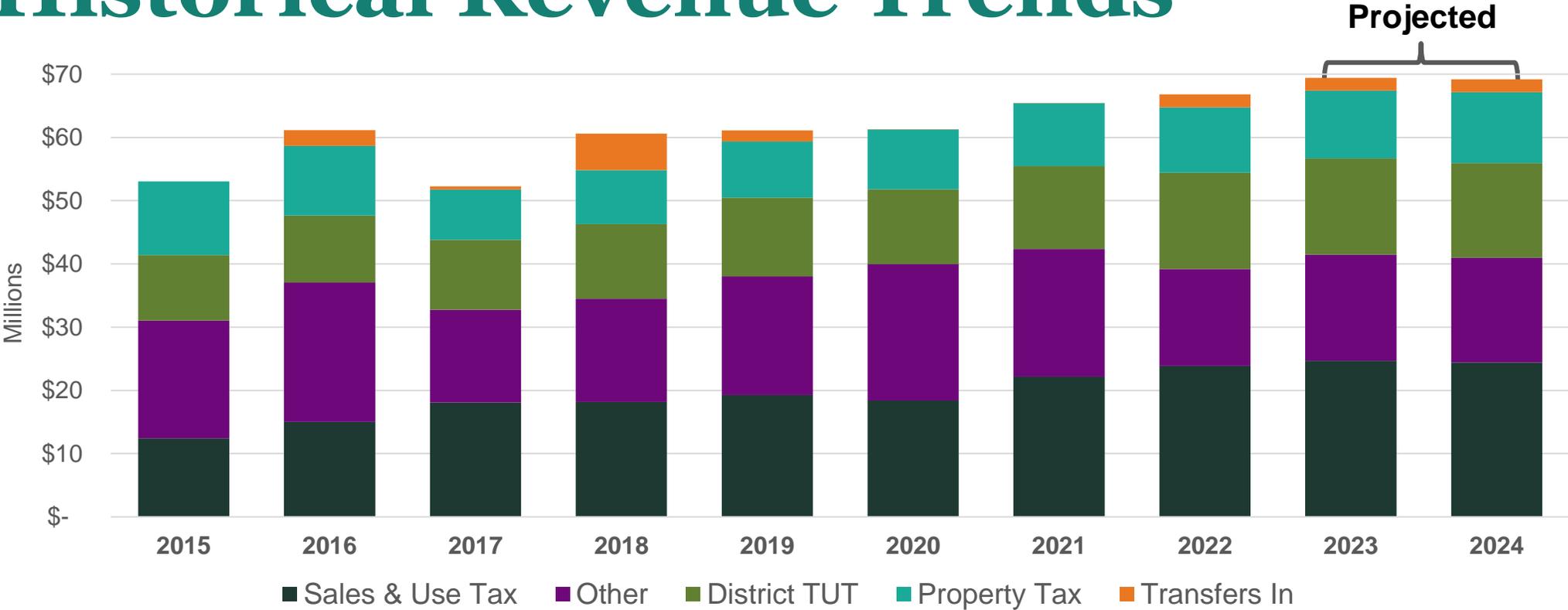


Revenue Trends

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 th person | \$28,253 | \$29,100 |
| TOTAL | \$139,313 | \$513,777 |



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 |
| TOTAL | \$175,000 | \$196,744 | \$255,253 |



4. Tree Trimming

ADD 2ND 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 |
| TOTAL | \$107,000 |



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

| | |
|----------------------------|------------------|
| One-Time | FY24 |
| Communications Plan | \$100,000 |



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 |
|-------------------------------------|---------------|---------------|----------------------------|
| Unassigned Fund Balance | \$ 6,575,000 | \$19,156,000 | 10% General Fund Op Budget |
| Economic Contingency Reserve | \$ 13,150,000 | \$ 12,800,000 | 20% General Fund Op Budget |
| Facilities Maintenance | \$ 2,960,000 | \$ 2,880,000 | 4.5% General Fund Exp. |

| One-Time | FY24 |
|-------------------------------|------------------|
| Economic Contingency | \$350,000 |
| Facilities Maintenance | \$80,000 |
| TOTAL | \$430,000 |

* 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 |
| Total | 26 | |



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

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



FY24 PARKS & FACILITIES INCLUDE

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

* DIF

| | |
|--|--------------------|
| Total Parks & Facilities Major Maintenance Projects | \$1,000,000 |
| Total DIF | \$ 200,000 |

| 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 |
| Facilities, Parks & Recreation | | | | | | | | |
| 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 | \$0 | \$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 |
| Total | \$40,438,273 | \$1,200,000 | \$9,000,000 | \$21,100,000 | \$9,138,273 | \$1,000,000 | \$200,000 | \$39,238,273 |

* 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* | | | | | | | 1,519,578 |
| TransNet | \$1,313,000 | \$236,000 | \$300,000 | | | | | \$1,849,000 |
| TDIF | | | | \$1,500,000 | | | | \$1,500,000 |
| Sewer Fund | | | | | \$3,000,000 | | | \$3,000,000 |
| Solid Waste Fund | 250,000 | | | | | \$50,000 | | \$300,000 |
| General Fund | | \$800,000 | | | | \$200,000 | \$100,000 | \$1,100,000 |
| FY 2023 Investment | \$3,082,578 | \$1,036,000 | \$300,000 | \$1,500,000 | \$3,000,000 | \$250,000 | \$100,000 | \$9,268,578 |

- 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

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



FY24 INFRASTRUCTURE INCLUDES

| | |
|--|---------------------|
| Storm Drain Rehabilitation | \$ 250,000 |
| Includes pipe replacement, design, and construction management. | \$ 250,000 |
| Sewer Program | \$ 3,000,000 |
| Includes pipe upsizing, rehabilitation, pipe repairs, access road design, and construction management. | \$ 3,000,000 |
| Transportation Development Impact Fees | \$1,500,000 |
| Traffic Signal optimization and operational traffic improvements along Regional Arterial System roadways | \$1,500,000 |
| Communications Infrastructure | \$100,000 |
| 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

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

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



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) |
| Public Safety | | | | | | | | | | |
| 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 | | | | | |
| Fire | | | | | | | | | | |
| | Inspector | \$8,000 | | \$8,000 | \$8,000 | | | | | |
| | Current Lease Vehicles (2) | \$18,000 | | \$18,000 | \$18,000 | | | | | |
| Public Works | | | | | | | | | | |
| 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 | |
| General | | | | | | | | | | |
| | Current Lease Vehicles (17) | \$95,000 | | \$95,000 | \$82,500 | | | \$12,500 | | |
| FY Totals | | | | | | | | | | |
| | | \$356,000 | \$1,405,000 | \$1,761,000 | \$1,150,550 | \$94,000 | \$18,000 | \$12,500 | \$36,000 | \$450,000 |
| Contingency - 10% | | | | | | | | | | |
| | | \$35,600 | \$140,500 | \$176,100 | \$115,050 | \$9,400 | \$1,800 | \$1,250 | \$3,600 | \$45,000 |
| FY Totals with Contingency | | | | | | | | | | |
| | | \$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

| Fiscal Year | Lease (Annual Cost) | Purchase (Total Cost) | Funding Needs | General Fund (001) | Parks Maint Fund (105) | Sewer Fund (125) | Section 8 Fund (502) | Facilities Maint Fund (626) | Solid Waste Fund (172) |
|--------------------|----------------------------|------------------------------|----------------------|---------------------------|-------------------------------|-------------------------|-----------------------------|------------------------------------|-------------------------------|
| 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 |
| Totals | \$1,937,100 | \$1,200,000 | \$9,268,578 | \$12,405,428 |



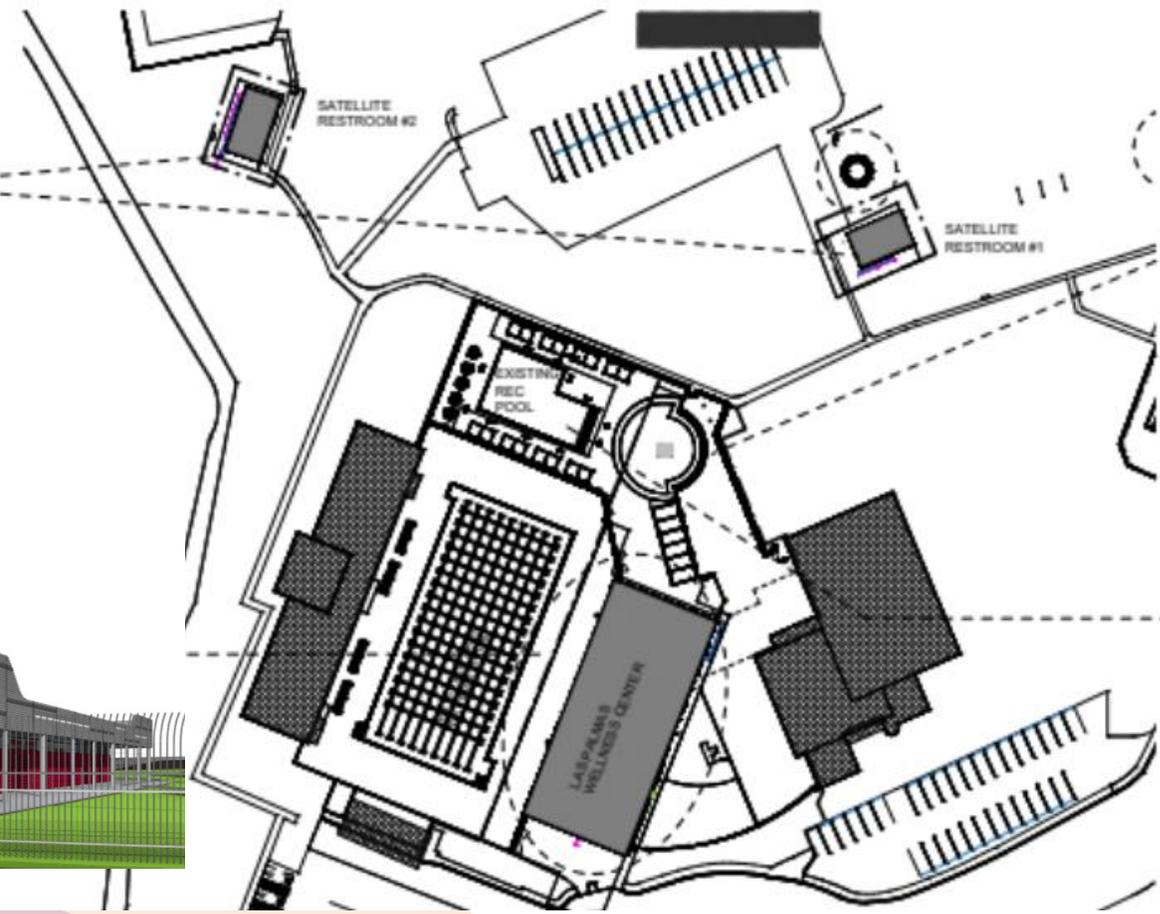
Questions/Comments – Baseline Budget



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



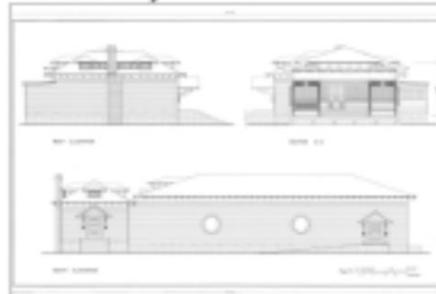
Current Ramp



Current Accessible Entry



Floor Plan

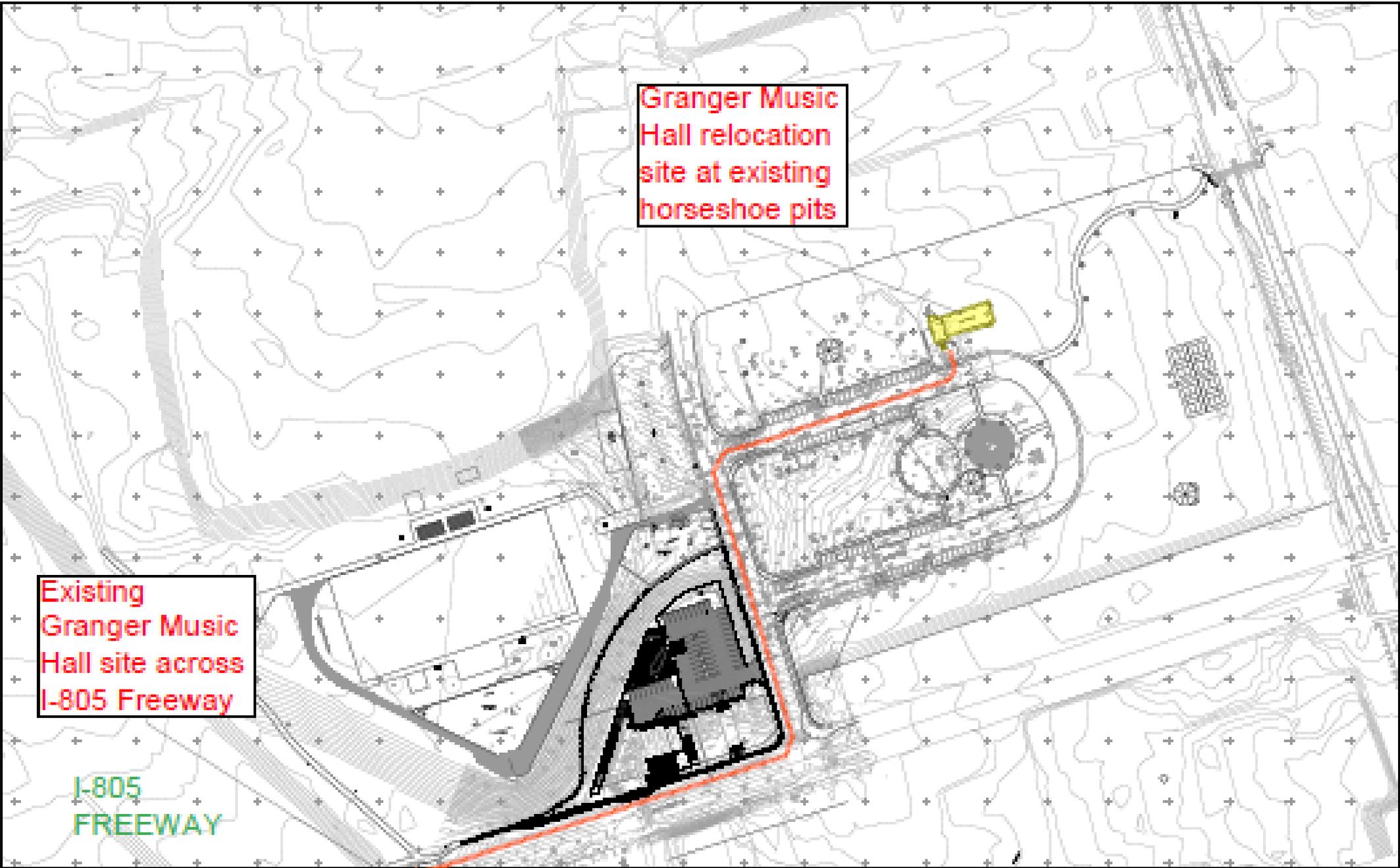


Section & Elevations

Historical Context

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

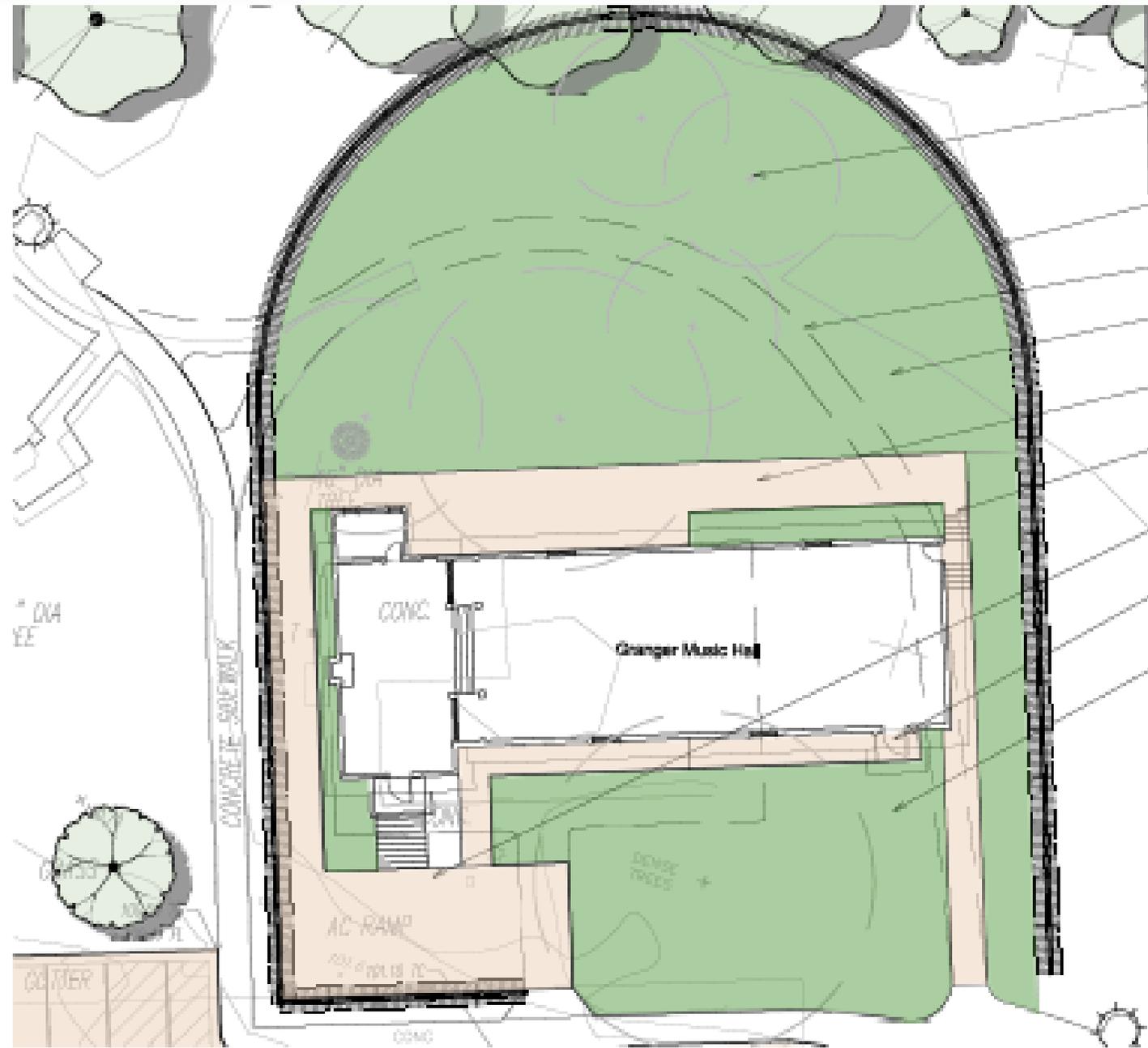




Granger Music Hall relocation site at existing horseshoe pits

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

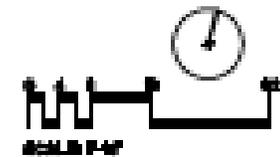
PERMEABLE PAVING

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

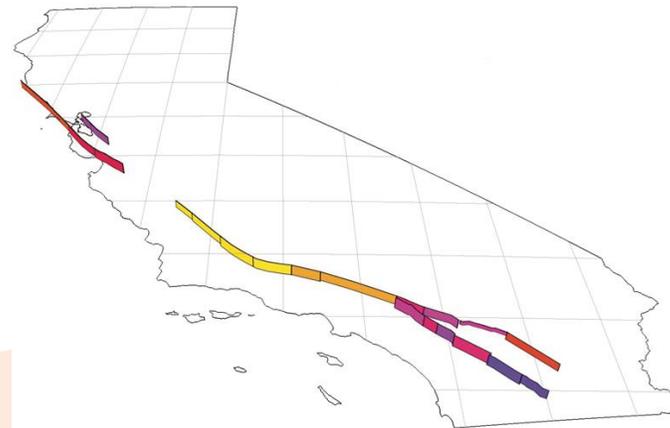


Prepared By:
Blaylock Engineering Group
STRUCTURAL ENGINEERS

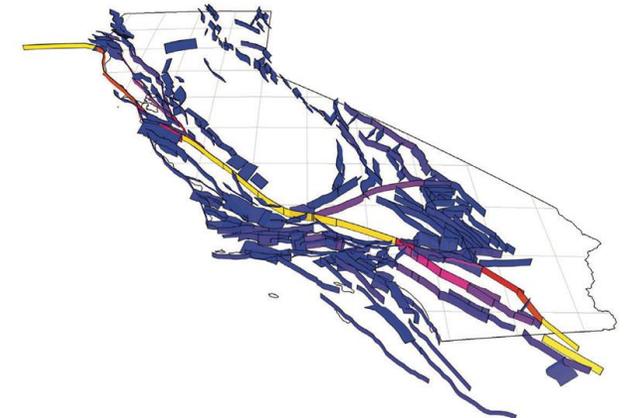
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1985



2019



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

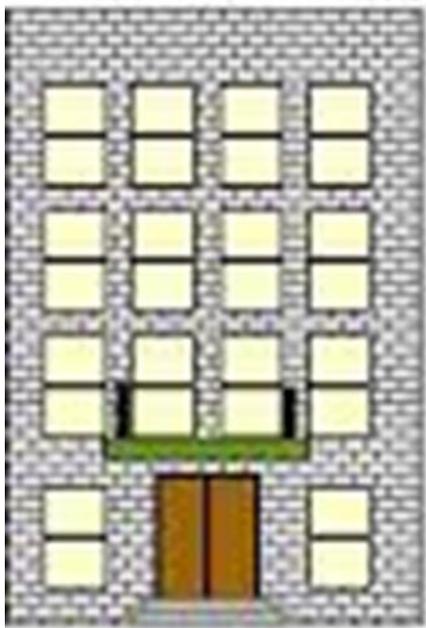
| Group 1 | |
|--------------------------|---|
| City Hall | Retrofit Analysis in Progress |
| Police Station | Evaluate further, ASCE-41 Tier 2 Analysis |
| MLK Jr. Community Center | Evaluate further, ASCE-41 Tier 1 Analysis Add wall to roof anchorage |
| Fire Station 31 | Evaluate further, ASCE-41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

| Group 2 | |
|--------------------------------------|---|
| 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 |

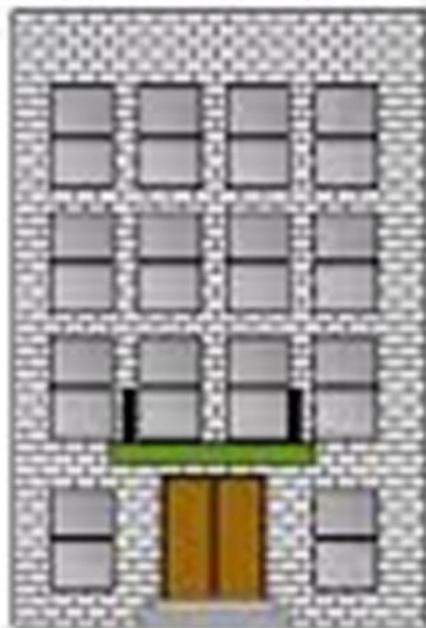
| Group 3 | |
|---|---|
| Kimball Park Recreation Center | Evaluate further, ASCE-41 Tier 2 Analysis Add wall to roof anchorage |
| Arts Center | Lower Risk. Consider evaluation in future. |
| Kimball Senior Center | Lower Risk. Consider evaluation in future. |
| El Toyon Park Recreation Center | Lower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

| Newer Buildings | |
|------------------------|--|
| 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



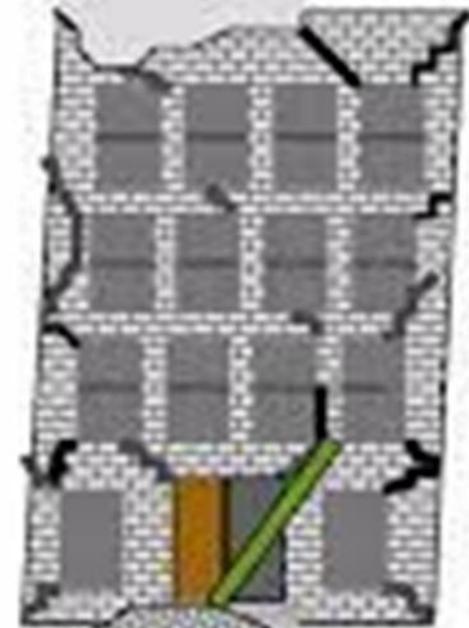
Operational



Immediate
Occupancy



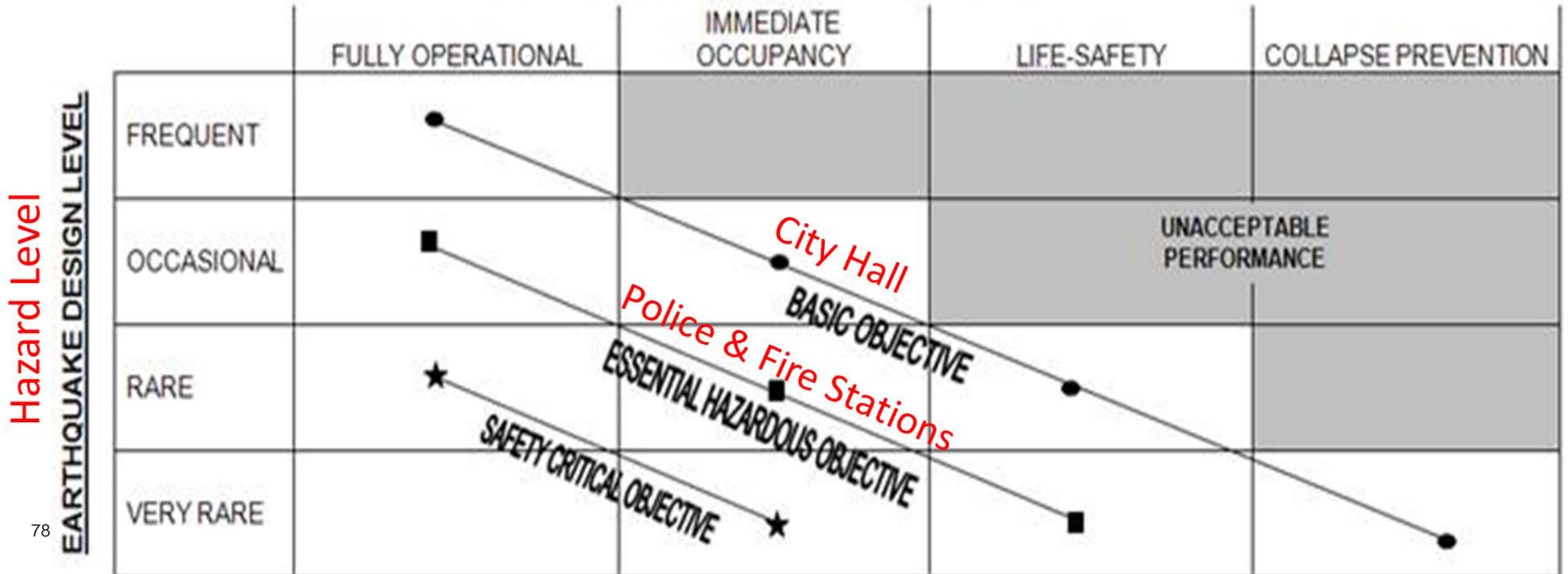
Life Safety



Collapse
Prevention

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

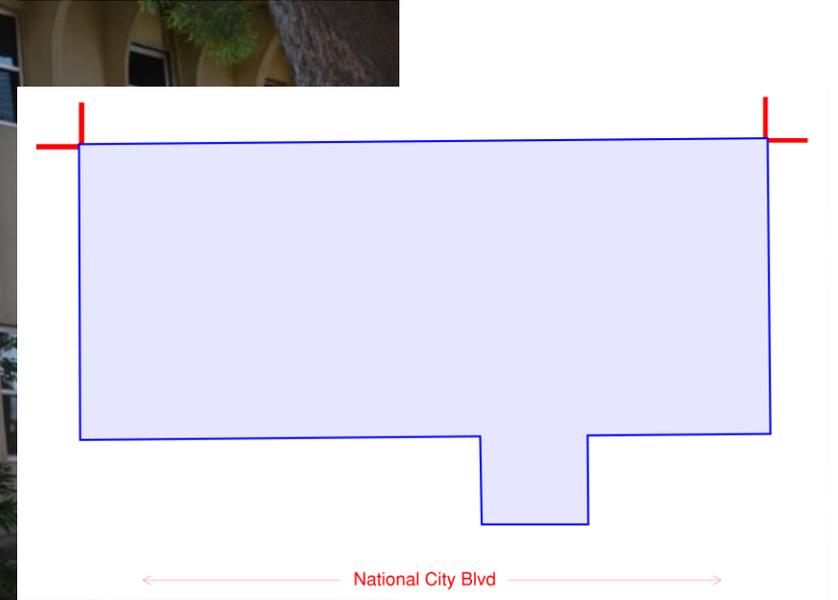
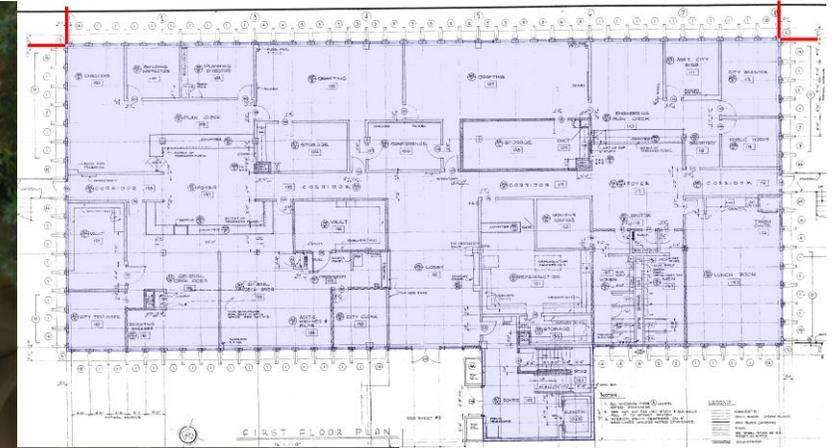
SEISMIC PERFORMANCE OPTIONS
EARTHQUAKE PERFORMANCE LEVEL



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



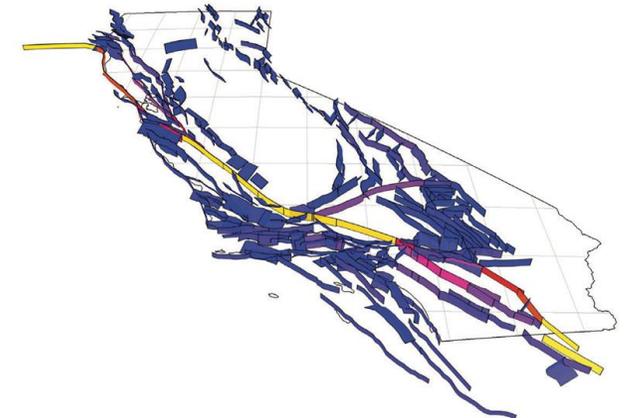
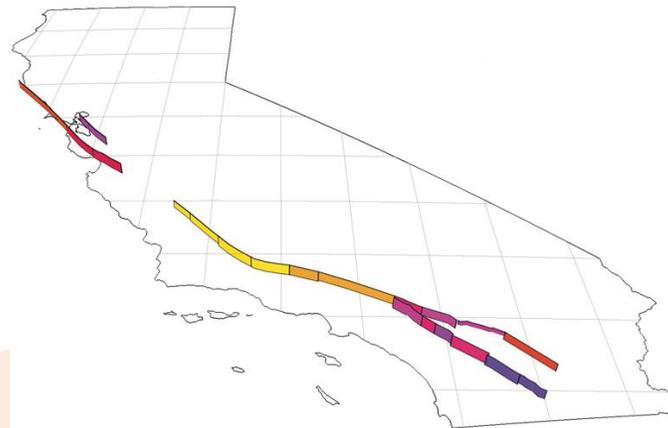
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1985

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CIP Budget Enhancement No. 6 – Youth Development Campus (\$100,000)

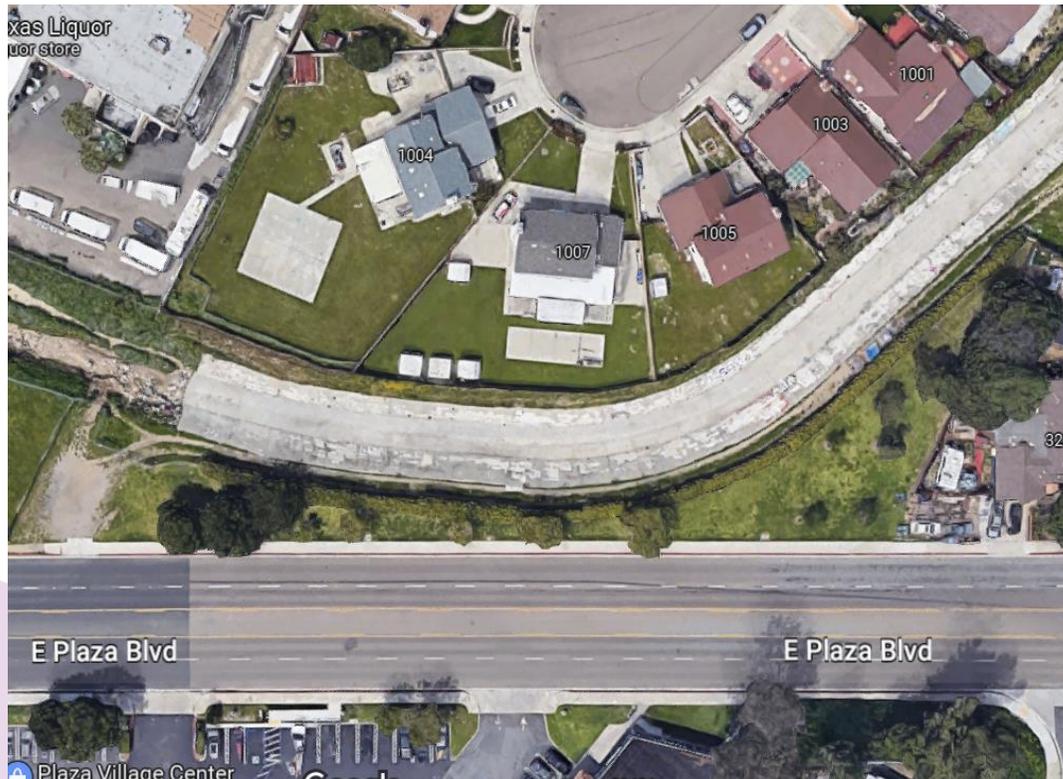
MASTER PLAN DEVELOPMENT AND BUDGET + MINOR MAINTENANCE

**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 |
| TOTAL | \$1,683,250 | 687k One-Time |

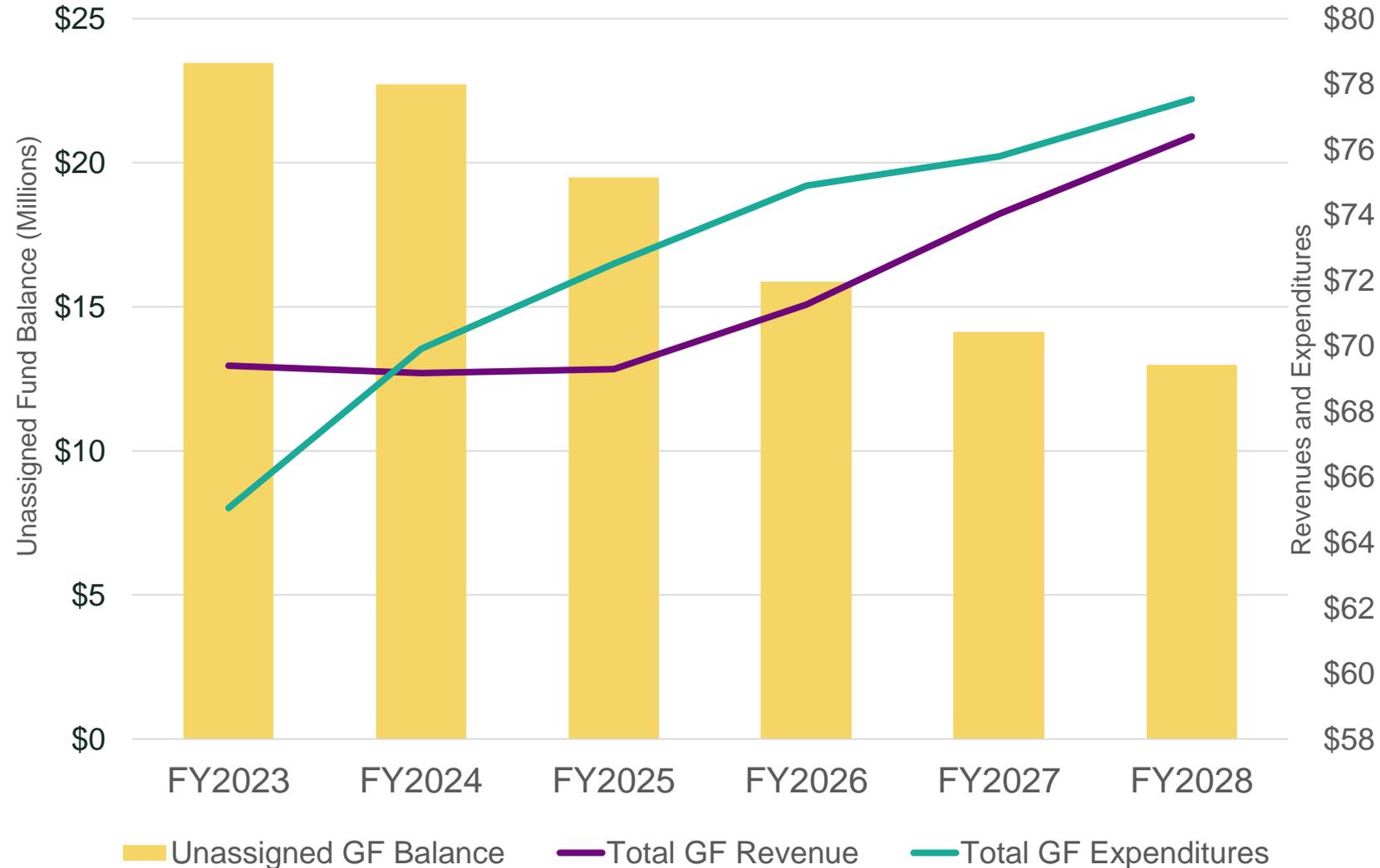
Capital Enhancement Decision Items

| 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 |
| TOTAL | \$7,800,000 | |



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 16th
- ❖ Budget adoption in June





Public Comments





City Council Comments/Direction

