



AGENDA OF A SPECIAL MEETING  
NATIONAL CITY COUNCIL  
ONLINE ONLY MEETING  
<https://www.nationalcityca.gov/webcast>  
LIVE WEBCAST  
COUNCIL CHAMBERS  
CIVIC CENTER  
1243 NATIONAL CITY BOULEVARD  
NATIONAL CITY, CALIFORNIA  
TUESDAY, MAY 18, 2021 – 4:00 PM

**ALEJANDRA SOTELO-SOLIS**  
Mayor

**JOSE RODRIGUEZ**  
Vice Mayor

**MARCUS BUSH**  
Councilmember

**RON MORRISON**  
Councilmember

**MONA RIOS**  
Councilmember

1243 National City Blvd.  
National City, CA 91950  
619-336-4240

Meeting agendas and  
minutes available on the  
City's website at  
[WWW.NATIONALCITYCA.GOV](http://WWW.NATIONALCITYCA.GOV)

**NOTICE:** The health and well-being of National City residents, visitors, and employees during the COVID-19 outbreak remains our top priority. The City of National City is coordinating with the County of San Diego Health Human Services Agency, and other agencies to take measures to monitor and reduce the spread of the novel coronavirus (COVID-19). **The World Health Organization has declared the outbreak a global pandemic and local and state emergencies have been declared providing reprieve from certain public meeting laws such as the Brown Act.**

As a result, the City Council Meeting will occur only online to ensure the safety of City residents, employees and the communities we serve. A live webcast of the meeting may be viewed on the city's website at [www.nationalcityca.gov](http://www.nationalcityca.gov). **For Public Comments see "PUBLIC COMMENTS" section below.**

**ORDER OF BUSINESS:** Public sessions of all Regular Meetings of the City Council / Community Development Commission - Housing Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the first and third Tuesday of each month. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Meetings begin in Open Session at 5:00 p.m. or such other time as noted, and after announcing closed session items, convenes into a Closed Meeting. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

**REPORTS:** All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review on the City's website at [www.nationalcityca.gov](http://www.nationalcityca.gov). Regular Meetings of the Elected Body are webcast and archived on the City's website at [www.nationalcityca.gov](http://www.nationalcityca.gov).

**PUBLIC COMMENTS:** There are multiple ways you can make sure your opinions are heard and considered by our City Council as outlined below:

**Submit your public comment prior to the meeting:** To submit a comment in writing, email [PublicComment@nationalcityca.gov](mailto:PublicComment@nationalcityca.gov), provide the agenda item number and title of the item in the subject line of your email. Public comments or testimony is limited to up to three (3) minutes. If the comment is not related to a specific agenda item,

indicate General Public Comment in the subject line. All email comments received by 4:00 p.m. on the day of the meeting will be read into the record at the City Council meeting, emailed to the City Councilmembers, and retained as part of the official record. All comments will be available on the City website within 48 hours following the meeting.

**Register online and participate in live public comment during the meeting:** To provide live public comment during the meeting, you must pre-register on the City's website at <https://www.nationalcityca.gov/publiccomment> by 2:00 p.m. on the day of the regular meeting to join the City Council Meeting.

\*\*\*Please note that you do not need to pre-register to watch the meeting online, but you must pre-register if you wish to speak.

Once registered, you will receive an email with a link from Zoom to join the live meeting. You can participate by phone or by computer. Please allow yourself time to log into Zoom before the start of the meeting to ensure you do not encounter any last-minute technical difficulties.

\*\*\*Please note that members of the public will not be shown on video; they will be able to watch and listen and speak when called upon. Public microphones will be muted until it is your turn to comment.

Each speaker is allowed up to three (3) minutes to address the City Council. Please be aware that the Mayor may limit the comments' length due to the number of persons wishing to speak or if comments become repetitious or unrelated.

All comments are subject to the same rules as would otherwise govern speaker comments at the meeting. Speakers are asked to be respectful and courteous. Please address your comments to the City Council as a whole and avoid personal attacks against members of the public, City Council, and city staff.

**Questions about public comment or City Council protocols?** Please contact the City Clerk's Office at (619) 336-4228 or via email at [Clerk@nationalcityca.gov](mailto:Clerk@nationalcityca.gov).

**INTERPRETATION SERVICES:** To use the Zoom interpretation feature you must first Pre-Register on Zoom. Once logged into Zoom to use the interpretation feature, please scroll to the bottom of the Zoom screen (where the meeting controls are), click on the interpretation icon (world), and select English as your language. If you are joining using the Zoom mobile app (cell phone, tablet, etc.), please press the ellipsis (...), then Interpretation, and then choose your language.

**WRITTEN AGENDA:** With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

**CONSENT CALENDAR:** Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**AVISO:** La salud y el bienestar de los residentes, visitantes y empleados de National City durante el brote de COVID-19 sigue siendo nuestra máxima prioridad. El Ayuntamiento de la Ciudad de National City se está coordinando con la Agencia de Salud y Servicios Humanos del Condado de San Diego y otras agencias para tomar medidas con el fin de monitorear y reducir la propagación del nuevo coronavirus (COVID-19). La Organización Mundial de la Salud declaró el brote como una pandemia global y se han manifestado emergencias locales y estatales que resultan en la suspensión de ciertas leyes de reuniones públicas, tal como la Ley Brown.

Como resultado de ello, la junta del Concejo Municipal del Ayuntamiento se llevará a cabo solamente en línea para garantizar la seguridad de los residentes, empleados y comunidades locales que atendemos. Se podrá ver una transmisión en vivo de la junta en el sitio web del Ayuntamiento en [www.nationalcityca.gov](http://www.nationalcityca.gov). **Para comentarios públicos, vea la sección "COMENTARIOS PÚBLICOS" más adelante.**

**ORDEN DEL DÍA:** Las sesiones públicas de todas las juntas ordinarias del Concejo Municipal/Comisión de Desarrollo Comunitario - Autoridad de Vivienda (en lo sucesivo denominado Órgano Electo) inician a las 6:00 p.m. el primer y tercer martes de cada mes. Las audiencias públicas inician a las 6:00 p.m., a menos que se indique lo contrario. Las juntas cerradas inician en sesión abierta a las 5:00 p.m. o en cualquier otro momento que se indique, y tras anunciar los temas de la sesión cerrada, la junta se realiza como sesión cerrada. Si se programa una reunión de discusión y análisis, el tema y la hora de la misma aparecerán en la agenda. La Alcaldesa y los Concejales se reúnen por igual que el Presidente y los integrantes del Consejo de la Comisión de Desarrollo Comunitario.

**INFORMES:** Todos los temas e informes de la agenda de la sesión abierta, así como todos los documentos y escritos entregados al Órgano Electo menos de 72 horas antes de la sesión, aparecerán en el sitio web del Ayuntamiento. Las juntas ordinarias del Órgano Electo se transmiten por Internet y se archivan en el sitio web del Ayuntamiento en [www.nationalcityca.gov](http://www.nationalcityca.gov).

**COMENTARIOS PÚBLICOS:** Hay varias formas en las que puede asegurarse de que sus opiniones sean escuchadas y consideradas por nuestro Concejo Municipal como se describe a continuación:

**Envíe su comentario público antes de la sesión:** Para enviar un comentario por escrito, envíe un correo electrónico a [PublicComment@nationalcityca.gov](mailto:PublicComment@nationalcityca.gov). Por favor, indique el número del tema del programa y el título del tema en la línea de asunto de su correo electrónico. Los comentarios o testimonios públicos están limitados a tres (3) minutos. Si el comentario no está relacionado con un tema específico del programa, indique Comentario público general en la línea de asunto. Todos los comentarios recibidos por correo electrónico antes de las 2:00 p.m. del día de la reunión serán leídos en el registro en la reunión del Concejo Municipal, enviados por correo electrónico a los Concejales de la Ciudad, y retenidos como parte del registro oficial. Todos los comentarios estará disponible en el sitio web de la ciudad dentro de las 48 horas posteriores a la reunión.

**Regístrese en línea y participe en los comentarios públicos en vivo durante la sesión:**

Para proporcionar comentarios públicos en vivo durante la sesión, debe registrarse previamente en el sitio web del Ayuntamiento en <https://www.nationalcityca.gov/publiccomment> **antes de las 2:00 p.m.** del día de la junta ordinaria para incorporarse a la sesión del Concejo Municipal.

\*\*\*Tenga presente que no necesita registrarse previamente para ver la sesión en línea, pero debe registrarse previamente si desea hablar.

Una vez registrado, recibirá un correo electrónico con un enlace de Zoom para integrarse a la sesión en vivo. Puede participar por teléfono o por computadora. Tómese el tiempo necesario para iniciar la reunión en Zoom antes del inicio de la sesión para asegurarse de no encontrar dificultades técnicas de último momento.

\*\*\*Tenga presente que las personas del público no se mostrarán en vídeo; podrán observar, escuchar y hablar cuando se les solicite. Los micrófonos públicos se silenciarán hasta que sea su turno de comentar.

Cada orador tiene hasta tres (3) minutos para dirigirse al Concejo Municipal. Tenga en cuenta que la Alcaldesa puede limitar la extensión de los comentarios debido a la cantidad de personas que deseen hablar o si los comentarios se vuelven repetitivos o no relacionados.

Todos los comentarios están sujetos a las mismas reglas que de otro modo regirían los comentarios de los oradores en la sesión. Se pide a los oradores que sean respetuosos y corteses. Dirija sus comentarios al Concejo Municipal en su conjunto y evite ataques personales contra personas del público, el Concejo Municipal y el personal del Ayuntamiento.

**¿Preguntas sobre comentarios públicos o protocolos del Concejo Municipal?**

Comuníquese con la Oficina de la Secretaria del Ayuntamiento al teléfono (619) 336-4228, o por correo electrónico a [Clerk@nationalcityca.gov](mailto:Clerk@nationalcityca.gov).

**SERVICIO DE INTERPRETACIÓN:** Para utilizar la función de interpretación zoom primero debe registrarse previamente en el sitio web de Zoom. Una vez que haya iniciado sesión en zoom para utilizar la función de interpretación, favor de desplazarse a la parte inferior de la pantalla de Zoom (donde aparecen los controles). Haga clic en el ícono de interpretación (globo terráqueo), y seleccione "*Spanish*" (español). Si está utilizando la aplicación móvil de Zoom (celular, tableta, etc.), presione los puntos suspensivos (...), luego "*interpretation*" y luego el idioma.

**AGENDA ESCRITA:** Con contadas excepciones, el Órgano Electo puede tomar medidas únicamente sobre los temas que aparecen en la agenda escrita. Los temas que no aparezcan en la agenda deben aparecer en una agenda subsecuente, a menos que sean de emergencia o urgencia demostrada, y la necesidad de tomar medidas sobre esos temas haya surgido después de haber sido publicada la agenda.

**CALENDARIO DE CONSENTIMIENTO:** Los temas del calendario de consentimiento implican cuestiones de naturaleza rutinaria o no controvertida. Todos los temas de consentimiento se adoptan mediante la aprobación de una sola moción del Concejo Municipal. Antes de la aprobación, cualquier tema puede eliminarse de la parte de

consentimiento de la agenda y considerarse aparte, a petición de un concejal, individuo del personal del Ayuntamiento o persona del público.

Previa solicitud, esta agenda puede estar disponible en formatos alternativos apropiados para personas con discapacidades, en observancia de la Ley de Estadounidenses con Discapacidades. Llame al teléfono (619) 336-4228 de la Oficina del Secretario del Ayuntamiento para solicitar una modificación o adaptación de acceso relativa a la discapacidad. Notificar 24 horas antes de la sesión permitirá al Ayuntamiento hacer arreglos razonables para garantizar la accesibilidad a esta junta.

## **OPEN TO THE PUBLIC**

### **A. CITY COUNCIL**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE TO THE FLAG**

**PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)**

#### **1. BUDGET WORKSHOP/FISCAL YEAR 2022 BUDGET PRESENTATION**

- ❖ Introduction and Overview
- ❖ Fiscal Year 2021-2022 Proposed Budget (FY July 2021-June 2022)
- ❖ American Rescue Plan Act (ARPA)
- ❖ Follow up Items
- ❖ Closing Comments, Decision Items, and Staff Recommendation
- ❖ City Council Questions
- ❖ Public Comment
- ❖ City Council Comments

Copy of the proposed budget is available for public review at the following location:

- <http://www.nationalcityca.gov/government/city-clerk/agendas-minutes>

**CLOSED SESSION**

**CLOSED SESSION REPORT**

**ADJOURNMENT**

Regular Meeting of the City Council and Community Development Commission  
- Housing Authority of the City of National City - Tuesday – June 1, 2021 - 6:00  
p.m. - Council Chambers - National City, California.



**NOTICE OF SPECIAL MEETING  
NATIONAL CITY COUNCIL  
ONLINE ONLY MEETING**

**<https://www.nationalcityca.gov/webcast>  
LIVE WEBCAST**

**COUNCIL CHAMBERS  
CIVIC CENTER, 1243 NATIONAL CITY BOULEVARD  
NATIONAL CITY, CALIFORNIA**

**TUESDAY, MAY 18, 2021 – 4:00 PM**

NOTICE IS HEREBY GIVEN, that the City Council of the City of National City will hold a Special Meeting on Tuesday, May 18, 2021, at 4:00 p.m., or as soon thereafter as the matter may be considered, in the Council Chambers at the Civic Center, 1243 National City Boulevard, National City, California, 91950. The business to be transacted at said meeting will be for the City Council to consider the following:

**A. CITY COUNCIL**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE TO THE FLAG**

**PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)**

**1. BUDGET WORKSHOP/FISCAL YEAR 2022 BUDGET PRESENTATION**

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**CLOSED SESSION**

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Housing Authority of the City of National City - Tuesday – June 1, 2021 - 6:00 p.m. -  
Council Chambers - National City, California.





**PROPOSED BUDGET**  
**Fiscal Year 2022**  
**May 18, 2021**

# **Brad Raulston City Manager**

## **Budget Team**

**Tony Winney, Roberto Yano, Phil Davis,  
Janel Pehau, Paul Valadez, Sheila Pangco**





# Distinguished Budget Presentation Award Fiscal Year 2021 Adopted Budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of National City  
California**

For the Fiscal Year Beginning

**July 1, 2019**

*Christopher P. Morrill*

Executive Director



# Workshop Outline

- ❖ Introduction and Overview
- ❖ Fiscal Year 2021-**2022** Proposed Budget (FY July 2021-June **2022**)
- ❖ American Rescue Plan Act (ARPA)
- ❖ Follow Up Items
- ❖ Closing Comments, Decision Items, and Staff Recommendation
- ❖ City Council Questions
- ❖ Public Comments
- ❖ City Council Comments

## 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
- ❖ Boards, Commissions, and other official committees
- ❖ Task Forces, CERT, RSVP, other city volunteers
- ❖ Olivewood Gardens, ARTS, Environmental Health Coalition
- ❖ SCEDC & Chamber of Commerce
- ❖ Labor negotiations with 3 groups begin in June



# Introduction and Overview

## ❖ 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

## ❖ Prioritize and Execute

### ❖ 7 Ongoing Initiatives

- ❖ Revise and Refill Reserves
- ❖ Upgrade Website and IT Systems
- ❖ Update Climate Action Plan
- ❖ Adopt Housing Strategic Plan
- ❖ Restart Community Events
- ❖ Solidify Squad Program and El Toyon Facility
- ❖ Pursue HOPE Improvements



# Increase Ongoing Revenue

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

# Maintain/Reduce Ongoing Expenditures

- ❖ Personnel Costs - Labor Contracts
  - ❖ Reduction in Executive/Management Team
  - ❖ Consider staffing levels through organizational assessments and negotiations
- ❖ Pension Costs
  - ❖ Section 115 Trust
  - ❖ Pension Obligation Bonds
- ❖ Potential Strategies
  - ❖ Use one time revenues to create ongoing savings
  - ❖ Partner with other service providers
  - ❖ Create incentives for cost savings
- ❖ Match one time revenues with one time expenditures



# **Proposed Budget FY 22 (July 2021-June 2022)**



# General Fund Budget Proposed vs Preliminary

	FY 22 Preliminary	FY 22 Proposed	Change
<u>Revenues</u>			
Sales & Use Tax	\$ 20,926,646	\$ 20,397,106	\$ (529,540)
District Transaction & Use Tax ("Prop 'D'")	12,870,000	12,654,000	(216,000)
Property Tax	2,372,998	2,372,998	-
Property Tax In Lieu of VLF	7,741,006	7,741,006	-
Other Revenues	13,595,596	13,588,107	(7,498)
<b>Total Revenues</b>	<b>\$ 57,506,246</b>	<b>\$56,753,217</b>	<b>\$ (753,029)</b>
Transfer(s) In	5,500	5,500	-
<b>Total Financing Sources</b>	<b>\$ 57,511,746</b>	<b>\$ 56,758,717</b>	<b>\$ (753,029)</b>
<u>Expenditures</u>			
Personnel	\$ 41,321,568	\$ 40,996,481	\$ (325,087)
Maintenance & Operations	6,813,263	6,863,263	50,000
Capital Outlay	175,430	175,430	-
CIP	2,750,000	2,750,000	-
Internal Service Charges	7,726,143	7,726,143	-
<b>Total Expenditures</b>	<b>\$58,786,404</b>	<b>\$ 58,511,317</b>	<b>\$ (275,087)</b>
Transfer(s) Out	1,678,379	1,993,910	315,531
<b>Total Financing Uses</b>	<b>\$ 60,464,783</b>	<b>\$ 60,505,227</b>	<b>\$ 40,444</b>
<u>Summary</u>			
Revenues	\$ 57,506,246	\$ 56,753,217	\$ (753,029)
Transfer(s) In	5,500	5,500	-
Expenditures	58,786,404	58,511,317	(275,087)
Transfer(s) Out	1,678,379	1,993,910	315,531
<b>Impact on Fund Balance</b>	<b>\$ (2,953,037)</b>	<b>\$ (3,746,510)</b>	<b>\$ (793,473)</b>



# FY22 All Funds Request

	Vehicle Fleet	Parks & Facilities	Infrastructure	Totals
General Fund (001)	\$ 843,000		\$ 1,843,000	\$ 2,686,000
General Fund (001)		\$ 1,750,000		\$ 1,750,000
Parks Maintenance Fund (105)	\$ 45,700			\$ 45,700
Facilities Maintenance Reserve (626)	\$ 79,000			\$ 79,000
Sewer Fund (125)	\$ 46,300		\$ 2,000,000	\$ 2,046,300
Gas Tax RMRA (SB1) Fund (109)			\$ 1,218,000	\$ 1,218,000
TransNet (Prop "A") Fund (307)			\$ 1,541,000	\$ 1,541,000
Housing Authority Fund (501)	\$ 4,000	\$150,000		\$ 154,000
CDBG Fund (301)		\$515,000		\$ 515,000
Development Impact Fees Fund (325)		\$100,000		\$100,000
Other Funds		4,430,000	\$2,332,000	\$6,762,000
<b>Totals</b>	<b>\$ 1,018,000</b>	<b>\$ 6,945,000</b>	<b>\$ 8,934,000</b>	<b>\$ 16,897,000</b>



# General Fund Budget Adjustments

Expenditures & Transfers Out – Increase/(Decrease)	
Personnel Services	\$ (325,087)
Maintenance & Operations	50,000
Transfers Out	\$315,531
<hr/>	
Total Changes: Expenditures & Transfers-Out – Incr./(Decr.)	\$ 40,444



# Impact on Unassigned Fund Balance Fiscal Year 2022

## General Fund

Unassigned Fund Balance 6/30/2020	\$16,294,668
FY 21 - Mid-year Projected Use	<u>(1,651,536)</u>
Projected Balance 6/30/2021	14,643,132
Estimated Use - FY22 Proposed Budget	<u>(3,746,510)</u>
Projected unassigned fund balance 6/30/22	\$ 10,896,622



# Total Budget

## FY 22 Preliminary vs FY 22 Proposed

	FY 22 Preliminary	FY 22 Proposed	Change
<u>General Fund</u>			
Revenues	\$ 57,506,246	\$ 56,753,217	\$ (753,029)
Transfers In	5,500	5,500	-
Expenditures	58,786,404	58,511,317	(275,087)
Transfers Out	1,678,379	1,993,910	315,531
Impact on Fund Balances	\$ (2,953,037)	\$ (3,746,510)	\$ (793,473)
<u>Other Funds</u>			
Revenues	\$ 54,800,721	\$ 54,604,461	\$ (196,260)
Transfers In	2,230,020	2,545,551	315,531
Expenditures	61,745,633	61,540,034	(205,599)
Transfers Out	557,141	557,141	-
Impact on Fund Balances	\$ (5,272,033)	\$ (4,947,163)	\$ 324,870
<u>All Funds</u>			
All Revenues & Transfers In	\$ 114,542,487	\$ 113,908,729	\$ (633,758)
All Expenditures & Transfers Out	122,767,558	122,602,402	(166,156)
Impact on Fund Balances	\$ (8,225,070)	\$ (8,693,672)	\$ (468,602)





# Total Budget

## FY21 Adopted vs FY22 Proposed

	FY 21 Adopted	FY 22 Proposed	Change
<u>General Fund</u>			
Revenues	\$ 52,072,928	\$ 56,753,217	\$ 4,680,289
Transfers In	5,500	5,500	-
Expenditures	56,693,302	58,511,317	1,818,015
Transfers Out	2,100,617	1,993,910	(106,707)
Impact on Fund Balances	\$ (6,715,491)	\$ (3,746,510)	\$ 2,968,981
<u>Other Funds</u>			
Revenues	\$ 44,601,416	\$ 54,604,461	\$ 10,003,045
Transfers In	3,063,449	2,545,551	(517,898)
Expenditures	47,850,356	61,540,034	13,689,678
Transfers Out	968,332	557,141	(411,191)
Impact on Fund Balances	\$ (1,153,823)	\$ (4,947,163)	\$ (3,793,340)
<u>All Funds</u>			
All Revenues & Transfers In	\$ 99,743,293	\$ 113,908,729	\$ 14,165,436
All Expenditures & Transfers Out	107,612,607	122,602,402	14,989,795
Impact on Fund Balances	\$ (7,869,314)	\$ (8,693,672)	\$ (824,358)



# Fiscal Year 2022 Proposed Budget

<u>General Fund</u>	
Revenues	\$ 56,753,217
Transfers In	5,500
Expenditures	58,511,317
Transfers Out	1,993,910
<hr/>	
Impact on Fund Balances	\$ (3,746,510)
 <u>Other Funds</u>	
Revenues	\$ 54,604,461
Transfers In	2,545,551
Expenditures	61,540,034
Transfers Out	557,141
<hr/>	
Impact on Fund Balances	\$ (4,947,163)
 <u>All Funds</u>	
All Revenues & Transfers In	\$ 113,908,729
All Expenditures & Transfers Out	122,602,402
<hr/>	
Impact on Fund Balances	\$ (8,693,672)



# American Rescue Plan Act (ARPA)



# American Rescue Plan Act (ARPA)

- ❖ \$1,400 direct payments to eligible taxpayers making \$75,000 or less annually
- ❖ Expanded and extended unemployment insurance through September 6, 2021
- ❖ **\$350 billion for state and local governments**
- ❖ \$102 billion for community & economic development, transportation & infrastructure
- ❖ \$47 billion for housing, food security, public health & social services
- ❖ \$165.4 billion to aid our education system
- ❖ \$40 billion for childcare
- ❖ \$52.1 billion in new loans and grants for small businesses
- ❖ \$65.85 billion for coronavirus vaccine and testing activities

# American Rescue Plan Act (ARPA)

## Eligible Uses of ARPA Funding:

- ❖ **To respond to the public health emergency** with respect to the Coronavirus Disease 2019 (COVID-19) or **its negative economic impacts**, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality
- ❖ To respond to **workers performing essential work** during the COVID-19 public health emergency by providing **premium pay to eligible workers** of the local government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.
- ❖ For the provision of government services to the extent of the **reduction in revenue** of such local government due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the local government; or
- ❖ To make necessary investments in **water, sewer, or broadband infrastructure.**
- ❖ **Ineligible Uses include Pension Costs and Tax Measures**



# American Rescue Plan Act (ARPA)

- ❖ Congressional estimate of \$19.6M in one time funds through December 2024
  - ❖ National City estimate reduced by Treasury to \$18.0 M.
  - ❖ Request has been submitted to Treasury to explain reduction/methodology
  - ❖ Awaiting additional clarification of Treasury Department regulatory guidelines issued last week
- ❖ Projected Uses
  - ❖ Replace reduction in revenue due to COVID-19
  - ❖ Prioritize maintenance projects and IT systems
  - ❖ Complement other related funding sources
- ❖ Other Funding Sources Included in ARP
  - ❖ Rent Relief
  - ❖ Small Business Relief
  - ❖ Vaccines
  - ❖ Fight for other funding but don't duplicate
- ❖ Separate Legislation - Potential \$2 Trillion in Infrastructure Spending

# Revenue Loss from COVID-19

- ❖ Primary revenues impacted by COVID-19 are those from retail sales and hotel/motel stays
- ❖ Projected revenue loss of \$9.6 M from FY 2020 through FY 2025 based on previous calculation:
  - ❖ \$6.6 million in the combination of regular sales tax and district tax (Measure D) revenue
  - ❖ \$3.0 million in transient lodging tax revenue
- ❖ Calculation will change based on updated guidance and rules from US Treasury



# Follow Up Items





# Added Budget Items

**Added items to preliminary budget from 4/20 workshop per City Council Direction:**

- **\$50k for Economic Development program with Chamber of Commerce to include deliverables**
- **\$100k for Paid Internship Program**



# Revisions to Policy 201

Reserves	Target per Previous Policy 201	Level as of 6/30/2020	Level Projected for 6/30/2021	New Target	6/30/21 Over/(Under) New Target	Proposed Policy
Unassigned Fund Balance	none	16,294,668	14,643,132	9,150,000	5,493,132	10% of General Fund Operating Expenses
Economic Contingency Reserve	15,250,000	9,085,066	9,085,066	12,200,000	(3,114,934)	20% of General Fund Operating Expenses
Facilities Maintenance	6,020,000	2,400,000	2,400,000	2,745,000	(345,000)	Three times the annual need for major maintenance
Vehicle Replacement	7,500,000	1,677,878	1,877,878	3,030,000	(1,152,122)	30% of the book value of vehicles

**Note: Resolution will be brought to City Council in June to meet targets**



# Paramedic Training and Public Safety Recruitment/Retention

**Public safety staff are always exploring recruitment/retention strategies to retain experienced employees and recruit highly qualified new employees. Ongoing efforts in this area include:**

- **Enhanced training for specialty skills, like paramedics and EMTs**
- **Together We Can campaign promoting culture and collaboration**
- **Hiring incentives such as signing bonuses and training opportunities**
- **Lateral job classification created for Fire Dept. to recruit experience**
- **Recruitment events like workshops and job fairs**
- **MOU negotiations that include wages, benefits, and specialty programs**

**Cost Estimates for specific programs:**

- **Existing firefighter to go to paramedic school: \$50,000**
- **Sponsor fire recruit through regional academy: \$50,000**
- **Expanding Together We Can campaign: \$25,000**



# Trash Clean Up - Current Efforts

**Public works crews assigned to parks and streets are constantly providing clean up services and responding to See Click Fix requests based on priorities. Current workload:**

- **See Click Fix requests: 1000 trash related per year**
- **Streets: 107 miles**
- **Alleys: 7 miles**
- **Bus stops: 135**
- **Storm drain channels: 28,000 linear feet**
- **City owned open parcels: 33; 67 acres of parks**

**Specific staff time and contract support on current efforts:**

ITEM	RESOURCES	DAYS
QUALITY OF LIFE CREW	2 PERSON - 8 HOURS	MONDAYS AND FRIDAYS
FULL CREW	6 PERSON - 10 HOURS	THURSDAY
ENCAMPMENT CLEAN UPS	800 STAFF HOURS IN FY2020	AS SCHEDULED
ENCAMPMENT CLEAN UPS	\$15,000 CONSULTANT FY2020	AS SCHEDULED

# Trash Clean Up - TWC Proposal

- Overtime: 4 person addition to existing “Quality of Life Crew”  
2 Additional Fridays a month (800 hours per year - \$56,000)  
Will create full 6 person crew twice a month to be proactive
- Infrastructure: Secure Entrances to Large diameter culverts and equipment ramps (\$200,000 of 1 time CIP)





# Additional Trash Clean Up TWC Proposal

Together We Can education campaign with EDCO on keeping streets clean (additional public trash containers)

Continue partnering with EDCO for coordinated community clean up efforts (\$500 per 40 yd. bin – not charged) – 4 per year

Work with apartment complexes to develop a trash program that includes incentives and deterrents

Establish increased collaboration and political support with Caltrans, MTS, BNSF, Port District and other partners





# FY22 All Funds Request

	Vehicle Fleet	Parks & Facilities	Infrastructure	Totals
General Fund (001)	\$ 843,000		\$ 1,843,000	\$ 2,686,000
General Fund (001)		\$ 1,750,000		\$ 1,750,000
Parks Maintenance Fund (105)	\$ 45,700			\$ 45,700
Facilities Maintenance Reserve (626)	\$ 79,000			\$ 79,000
Sewer Fund (125)	\$ 46,300		\$ 2,000,000	\$ 2,046,300
Gas Tax RMRA (SB1) Fund (109)			\$ 1,218,000	\$ 1,218,000
TransNet (Prop "A") Fund (307)			\$ 1,541,000	\$ 1,541,000
Housing Authority Fund (501)	\$ 4,000	\$150,000		\$ 154,000
CDBG Fund (301)		\$515,000		\$ 515,000
Development Impact Fees Fund (325)		\$100,000		\$100,000
Other Funds		4,430,000	\$2,332,000*	\$6,762,000
<b>Totals</b>	<b>\$ 1,018,000</b>	<b>\$ 6,945,000</b>	<b>\$ 8,934,000</b>	<b>\$ 16,897,000</b>

**\*Potential \$200k add for TWC clean up investments**

# Decision Items and Staff Recommendation

**Return on June 1 with final proposed budget for adoption**

- **Add \$56,000 to PW Overtime budget for expanded clean up efforts**
- **Add \$200,000 to CIP for storm drain improvements to be funded by “other funds”**
- **Work within proposed budget to focus on recruitment and retention priorities (Consider new approaches and funding levels through labor negotiations and bring back at Mid-Year Budget status report if needed)**





# Council Questions



# Public Comments



# Council Comments