

City of
Chula Vista

Fiscal Year 2023

Proposed Budget
Overview

Presented May 10, 2022

Agenda

- Fiscal Year 2023 Proposed Budget
 - Budget Process Overview
 - All Funds Summary
 - General Fund Summary
 - Measure A Sales Tax Fund Summary
 - Measure P Sales Tax Fund Summary
 - American Rescue Plan Update
- Fiscal Year 2023 Capital Improvement Program
- Next Steps

Budget Process Overview

- **Jan. - April 2022:** Development of a preliminary baseline budget; Departmental requests and adjustments
- **April 20 & 27, 2022:** Staff conducted two Community Budget Workshops at Civic & Otay Ranch Libraries
- **May 10, 2022:** Presentation to City Council of the Fiscal Year 2023 City Manager's Proposed Budget
- **May 24, 2022:** Public hearing and Council vote to adopt the Fiscal Year 2023 Proposed Budget
- **July 1, 2022:** Fiscal Year 2023 begins, Adopted Budget is implemented



FISCAL YEAR 2022-2023 ALL FUNDS BUDGET

All Funds Summary

All Funds Revenues and Expenditures Summary (in millions)

Category	FY2022 Adopted	FY2023 Proposed	Change
Revenues	\$ 462.8	\$ 552.5	\$ (89.7)
Expenditures	472.9	533.7	60.8
Surplus/(Deficit)	\$ (10.1)	\$ 18.8	\$ (28.9)
Other Funds - PY Fund Balance	\$ 10.1	\$ -	\$ 10.1

All Funds Revenues

(in thousands)

All Funds Revenues by Category

Category	FY2022 Adopted	FY2023 Proposed	Change
Property Taxes	\$ 69,287	\$ 72,730	\$ 3,443
Licenses and Permits	5,675	5,771	96
Fines, Forfeitures & Penalties	1,658	1,600	(59)
Use of Money and Property	5,176	5,290	114
Other Local Taxes	120,459	133,441	12,982
Other Agency Revenue	29,154	58,081	28,927
Charges for Services	86,922	88,283	1,361
Other Revenues	40,220	42,441	2,221
Transfers From Other Funds	104,298	144,894	40,597
Total All Funds Revenues	\$ 462,849	\$ 552,532	\$ 89,683

All Funds Expenditures

(in thousands)

All Funds Expenditures by Category

Category	FY2022 Adopted	FY2023 Proposed	Change
Personnel total	\$ 164,813	\$ 174,984	\$ 10,172
Supplies and Services	72,801	79,023	6,222
Other Expenses	58,028	57,955	(73)
Internal Service	3,844	4,602	759
Capital	8,844	6,140	(2,704)
Non-CIP Project Expenditures	2,213	5,285	3,072
Utilities	8,872	10,296	1,424
CIP Project Expenditures	49,221	50,531	1,310
Transfers Out	104,298	144,894	40,597
Total All Funds Budget	\$ 472,932	\$ 533,711	\$ 60,778



All Funds by Fund Category

Revenue and Expenditures

(in thousands)

Category	Revenues	Expenses	Net Impact
General Fund	\$ 248,933	\$ 248,933	\$ -
Capital Funds	12,290	12,178	(112)
Debt Funds	34,744	34,730	(14)
Development Funds	15,018	8,525	(6,492)
Enterprise Funds	26,408	28,295	1,887
Gas Tax Fund	14,264	14,701	438
Grant Funds	40,922	43,128	2,206
Internal Service Funds	13,668	13,489	(179)
Measure A Sales Tax Fund	25,938	19,342	(6,596)
Measure P Sales Tax Fund	25,589	22,555	(3,034)
Open Space Funds	19,790	19,225	(565)
Other Funds	14,429	19,277	4,848
Section 115 Trust Fund	9,007	-	(9,007)
Sewer Funds	43,297	41,016	(2,281)
Successor Agency Funds	8,236	8,317	81
Total All Funds	\$ 552,532	\$ 533,711	\$ (18,820)

All Funds Staffing Summary

43.5 FTEs Added FY 2022 Mid Year
(4.0) FTE Net Reduction FY 2023 Positions

Staffing by Fund	FY 2022 Adopted	FY 2023 Proposed	Change
General Fund	850.25	867.75	17.50
Federal Grants Fund	46.00	42.00	-4.00
Advanced Life Support Fund	4.00	4.00	0.00
Transportation Fund	52.00	63.00	11.00
Central Garage Fund / Fleet Maintenance	10.00	11.00	1.00
City Jail Fund	15.00	15.00	0.00
CV Housing Authority	4.00	7.00	3.00
Development Services Fund	62.00	64.00	2.00
Environmental Services	8.00	8.00	0.00
Gas Tax Fund	2.00	2.00	0.00
Measure A Sales Tax Fund	86.00	95.00	9.00
Sewer	48.00	48.00	0.00
Total Citywide	1,187.25	1,226.75	39.50

FTE – Full Time Equivalent positions



GENERAL FUND SUMMARY

General Fund Summary

General Fund Revenues and Expenditures Summary (in millions)

Category	FY2022 Adopted	FY2023 Proposed	Change
Revenues	\$ 218.1	\$ 248.9	\$ (30.9)
Expenditures	218.1	248.9	30.9
Surplus/(Deficit)	\$ -	\$ -	\$ -

General Fund Revenues

(in thousands)

General Fund Revenues Summary

Category	FY2022 Adopted	FY2023 Proposed	Change
Major Revenues			
Property Taxes	\$ 39,434	\$ 40,877	\$ 1,443
Sales Tax	39,717	43,560	3,843
Sales Tax - Measure P	23,042	25,887	2,845
Sales Tax - Measure A	23,042	25,905	2,863
Franchise Fees	12,901	14,517	1,616
Utility Users Taxes	3,800	3,819	19
Transient Occupancy Taxes	4,942	5,236	294
Motor Vehicle License Fees	24,886	26,886	2,000
Major Revenues Total	171,764	186,687	14,923
Other General Fund Revenues	46,300	62,246	15,946
Total General Fund Revenues	218,065	248,933	30,868

General Fund Revenue Assumptions

- Major Revenue assumptions
 - Major revenues projected to increase by \$14.9 million or 14.1% over FY 2022 Adopted Budget
 - Primary drivers include:
 - \$5.7 million added for Measure A and Measure P revenues
 - \$3.8 million increase for Sales Tax revenues
 - \$3.4 million increase for both Property Tax and Motor Vehicle License Fees
 - \$1.6 million increase for Franchise Fees revenues
- Various revenue growth rates were applied to other major revenues accounts based on economic trends, known rate increases and other factors.

General Fund Revenue Assumptions (cont.)

- Other Revenues assumptions increase of \$15.9 million
 - \$13.1 million increase in Transfers In
 - \$1.9 million increase in Other Revenues

General Fund Expenditures

(in thousands)

General Fund Expenditures Summary

Category	FY2022 Adopted	FY2023 Proposed	Change
Personnel Services	\$ 97,242	\$ 102,556	\$ 5,314
Salary Savings	(1,816)	(3,104)	(1,288)
Retirement Benefits	12,797	13,267	470
Health Insurance	13,324	14,211	887
Personnel total	\$ 121,547	\$ 126,930	\$ 5,382
Supplies and Services	15,425	18,628	3,203
Other Expenses	1,584	1,787	202
Internal Service Charges	3,187	3,767	580
Capital	168	168	-
Transfers Out	71,250	89,134	17,884
Utilities	4,903	6,060	1,156
Non-CIP Project Expenditures	-	2,460	2,460
Total General Fund Budget	\$ 218,065	\$ 248,933	\$ 30,868

General Fund Expenditure Assumptions

- **Personnel Services** assumptions
 - Personnel expenditures increase of \$5.4 million
 - \$5.3 million Personnel Increase
 - \$1.3 million increase of Salary Savings target
 - \$0.9 million increase for Health Insurance
 - \$0.5 million increase for Pension costs

General Fund Expenditure Assumptions (cont.)

- **Supplies & Services** expenditure increase of \$3.2 million
 - Contract Services increase of \$1.8 million
 - Insurance increase of \$1.2 million
- **Utilities** expenditure increase of \$1.2 million
 - Gas and Electric increased by \$1.0 million

General Fund Expenditure Assumptions (cont.)

- **Transfers Out** expenditure increase of \$17.9 million
 - General Fund support for Loma Verde Community Center of \$8 million
 - Measure A Sales Tax revenue transfer increase of \$2.7 million to the Measure A Fund
 - Measure P Sales Tax revenue transfer increase of \$2.8 million to the Measure P Fund
 - Section 115 Trust Contribution increase of \$1.7 million
 - Pension Obligation Bonds Debt Service increase of \$1.6 million



General Fund Expenditure Assumptions (cont.)

- Loma Verde construction contribution
- Funding for a Fire Academy to address attrition and vacancies in the Fire Department
- Addition of two new parks (Meadow Park and Grove Park), one crew for Parks Maintenance, and Tree Trimming in Parks
- Security Cameras for City Hall
- Enhance core community services and strategically add operational and administrative support positions of 17.5 positions

General Fund Departments

(in thousands)

FY 2023 General Fund Net Impact by Department

DEPARTMENTS	EXPENDITURES	REVENUES	NET IMPACT
(01) City Council	\$ 1,599	\$ -	\$ 1,599
(02) Boards & Commissions	9	-	9
(03) City Clerk	1,305	(16)	1,289
(04) City Attorney	3,128	(773)	2,354
(05) Administration	2,574	(149)	2,425
(06) Information Technology	4,235	(426)	3,809
(07) Human Resources	3,062	(963)	2,099
(08) Finance	4,294	(1,849)	2,445
(09) Non-Departmental	96,553	(199,937)	(103,384)
(10) Animal Care Facility	3,240	(1,486)	1,754
(11) Economic Development	3,918	(3,010)	908
(12) Development Services	2,639	(2,324)	315
(13) Engineering/Capital Projects	10,146	(9,518)	628
(14) Police	52,944	(9,016)	43,928
(15) Fire	30,125	(5,644)	24,481
(16) Public Works	13,631	(9,540)	4,091
(17) Parks and Recreation	11,944	(3,017)	8,927
(18) Library	3,587	(1,266)	2,322
GENERAL FUND TOTAL	\$ 248,933	\$ (248,933)	\$ -



MEASURE A AND P FUNDS SUMMARY

Measure A Revenues and Expenditures

(in thousands)

Category	FY2022 Adopted	FY2023 Proposed	Change
EXPENSES			
Personnel Services	\$ 14,286	\$ 14,628	\$ 342
Supplies and Services	1,129	1,608	479
Other Expenses	854	960	106
Capital	165	-	(165)
Internal Service	69	141	71
Utilities	3	5	2
Transfers Out	2,011	2,000	(11)
TOTAL EXPENSES	18,518	19,342	824
REVENUES			
Revenues from Other Agencies	(250)	(250)	-
Transfers In	(22,944)	(25,688)	(2,744)
TOTAL REVENUES	(23,194)	(25,938)	(2,744)
Total Measure A Funds	\$ (4,676)	\$ (6,596)	\$ (1,920)

Measure P Revenues and Expenditures

(in thousands)

Category	FY2022 Adopted	FY2023 Proposed	Change
EXPENSES			
Supplies and Services	\$ 295	\$ 601	\$ 306
Capital	5,274	3,073	(2,201)
Other Expenses	9,428	1,295	(8,133)
Non-CIP Project Expenses	100	100	-
CIP Project Expenses	27,453	9,660	(17,793)
Transfers Out	-	7,827	7,827
TOTAL EXPENSES	42,550	22,555	(19,994)
REVENUES			
Transfers In	(22,777)	(25,589)	(2,812)
TOTAL REVENUES	(22,777)	(25,589)	(2,812)
Total Measure P Funds	\$ 19,773	\$ (3,034)	\$ (22,806)



AMERICAN RESCUE PLAN ACT 2021

American Rescue Plan Act

The City of Chula Vista has been allocated \$57.5 million of federal relief funds under the American Rescue Plan Act (**ARPA**) to be allocated by December 31, 2024 and spent by December 31, 2026.

Eligible expenditure examples:

- Responding to COVID-19 and its negative economic impacts, including aid to households, small businesses and affected industries
- Premium pay for eligible essential workers
- Investments in water, sewer or broadband infrastructure
- Providing general government services

American Rescue Plan 2021 Fund Plan Amendment

- Staff is recommending a plan amendment for usage of the American Rescue Plan
- Reallocating the plan to maximize usage of the \$28 million in funding for FY2023
- Ensure full spending of the Federal funding in compliance to U.S. Department of Treasury guidelines

American Rescue Plan 2021 Fund

(in thousands)

ARPA Funding Recommendation	
Category	FY 2023
Revenue Recovery	\$ 17,355
Governmental Funds	17,355
Public Health	\$ 10,068
HVAC (GGV0261)	9,500
COVID Testing/Vaccinations	568
Premium Pay to Essential Workers	\$ 600
AMERICAN RESCUE PLAN FUNDING TOTAL	\$ 28,023

American Rescue Plan 2021 Fund

(in thousands)

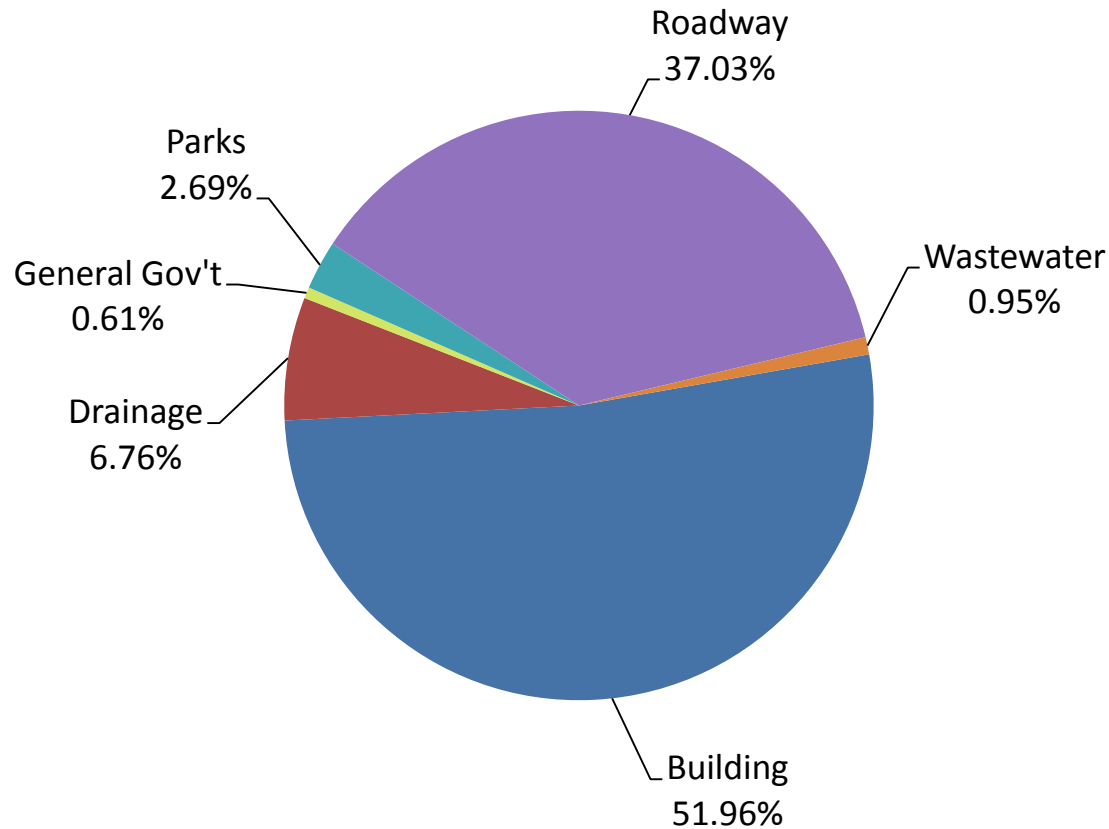
Governmental Fund Revenue Recovery Recommendation			
Category	FY 2023	FY 2023	FY 2023
	Current Plan	Adjustments	Proposed
Operational Support	\$ 2,195	\$ 9,450	\$ 11,645
Development Services Fund	1,000		1,000
COVID Premium pay	345	500	845
Funding new positions	350	-	350
PW Proj Management-Non CIP Proj (PWP0001)	500	700	1,200
General Governmental Services	-	8,250	8,250
Infrastructure	\$ 13,000	\$ (9,750)	\$ 3,250
Telegraph Canyon Culvert Repair (DRN0208)	9,000	(6,250)	2,750
Loma Verde Reconstruction (GGV0247)	4,000	(4,000)	-
Rehabilitation of the YMCA Building (GGV0262)	-	500	500
			-
Economic Development	\$ 2,160	\$ 300	\$ 2,460
Equity and Inclusion	100	-	100
University Innovation Center/Recruitment	2,060	300	2,360
TOTAL	\$ 17,355	\$ -	\$ 17,355

CAPITAL IMPROVEMENT PROGRAM SUMMARY

Capital Improvement Program

\$50.5M

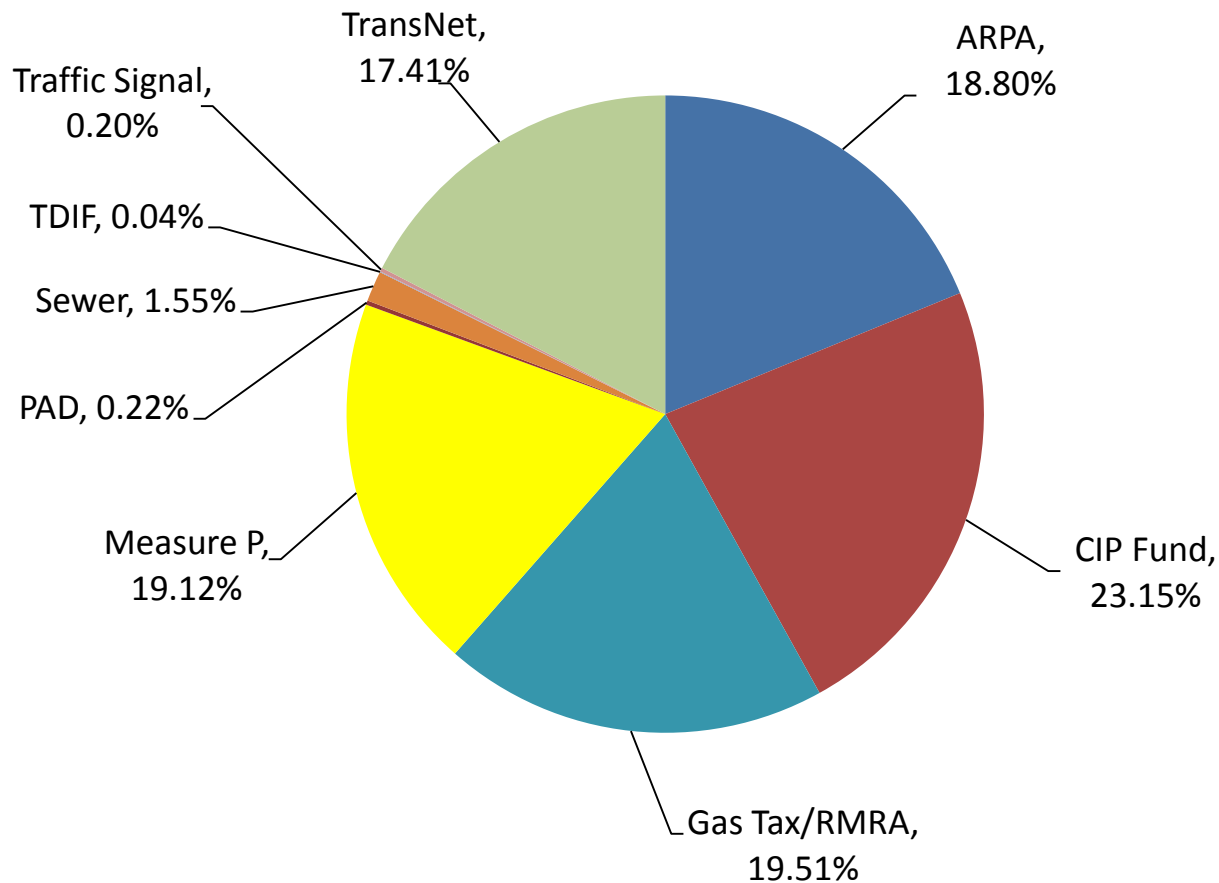
by Asset Management System



Capital Improvement Program

\$50.5M

by Funding Source





Major Projects
Roadway
\$18.7M

- Street Pavement & Rehab (\$14.9M)
 - Resurfacing
 - Pavement Overlays
 - Slurry Seals



Major Projects
Roadway
\$18.7M

- Traffic Signal Projects (\$3.8M)
 - Upgrades
 - Modifications
 - Pedestrian Improvements



Major Projects Building - \$26.3M

- Loma Verde Community Center (\$14.1M)
 - Competition Pool
 - Therapy Pool
 - Pool Deck
 - Splashpad
 - Playground
 - Sports Lighting



Major Projects Building - \$26.3M

- Police Facility (\$9.7M)
 - HVAC System
- Public Buildings (\$1.9M)
- Community Centers (\$1.2M)



Major Projects

Drainage

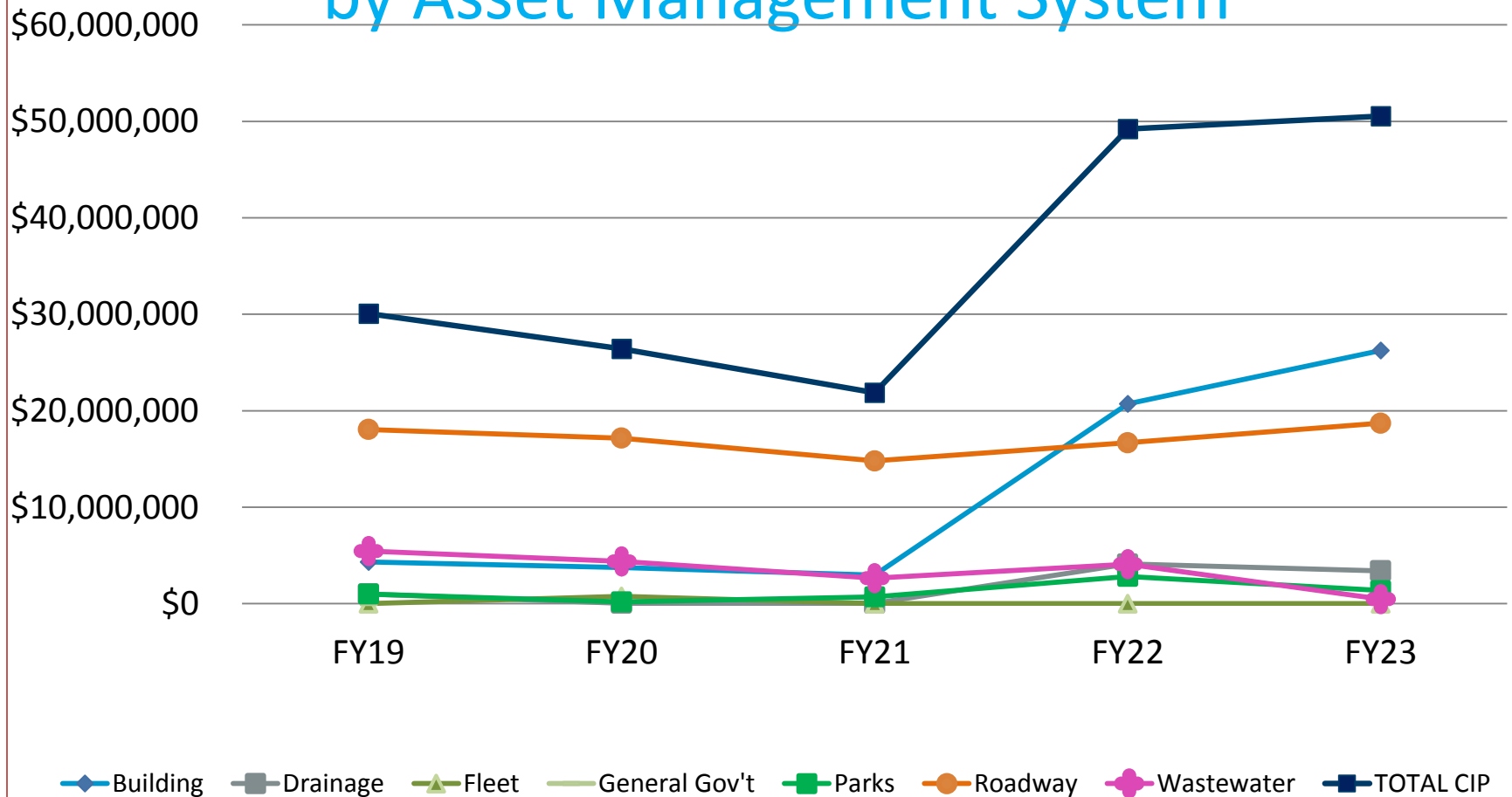
\$3.4M

- Telegraph Canyon Channel (\$2.95M)
 - Hilltop Park to Third Ave & L St
 - Complete in 2 Phases
- Storm Drain Rehab (\$454K)
 - Outside of Right-of-Way



Capital Improvement Program 5-Year Period

by Asset Management System



Next Steps

- City Council to accept City Manager's Proposed Budget as their own and set May 24, 2022, for a Public Hearing and adoption of the budget
- Additional public comments can be submitted on the City's website (www.chulavistaca.gov)

Departments » Finance » Budget Information »

Budget Comment Form

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Please provide comments below regarding development of the Fiscal Year 2022-23 City budget.

*

First Name (optional)

Last Name (optional)

Email Address (optional)

Zip Code

Comments

Comments/Feedback