



CITY COUNCIL STAFF REPORT



May 23, 2023

ITEM TITLE

Annual Budget: Consideration of Adopting the Fiscal Year 2023/24 Operating and Capital Improvement Budgets and Revised Fiscal Year 2023/24 Compensation Schedule

Report Number: 23-0139

Location: No specific geographic location

Department: Finance

Environmental Notice: The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Conduct the public hearing and take the following actions:

A) Adopt a resolution adopting the Operating and Capital Improvement Budgets for the City of Chula Vista for Fiscal Year 2023/24 and appropriating funds for the Fiscal Year ending June 30, 2024 excluding Open Space Districts: 1, 11, 20 Zone 7, Community Facilities District 13-M Otay Ranch Village 2, 97-2 Otay Ranch Preserve, 07-M Eastlake Woods and Capital Improvement Project STM0407.

B) Adopt a resolution adopting the Operating Budget for Community Facilities District 13-M Otay Ranch Village 2 and Community Facilities District 97-2 Otay Ranch Preserve for Fiscal Year 2023/24 and Appropriating Funds for the Fiscal Year Ending June 30, 2024.

C) Adopt a resolution adopting the Operating Budget for Open Space District 01, Open Space District 20 Zone 7, Community Facilities District 07-M Eastlake Woods & Vista and Capital Improvement Budget for CIP Project STM0407 for Fiscal Year 2023/24 and Appropriating funds for the Fiscal Year Ending June 30, 2024.

D) Adopt a resolution adopting the Operating Budget for Open Space District 11 for Fiscal Year 2023/24 and appropriating funds for the Fiscal Year Ending June 30, 2024.

E) (Housing Authority) Adopt a resolution adopting the Operating Budget for the Housing Authority for Fiscal Year 2023/24 and Appropriating Funds for the Fiscal Year ending June 30, 2024.

F) (Successor Agency) Adopt a resolution adopting the Operating Budgets for the Successor Agency to the Redevelopment Agency for Fiscal Year 2023/24 and Appropriating Funds for the Fiscal Year Ending June 30, 2024.

G) Adopt a resolution amending the Compensation Schedule and Classification Plan to reflect the addition of various position titles and changes in salary as reflected in the Fiscal Year 2023/24 Operating Budget.

H) Adopt a resolution approving the Amended Compensation Summary for All Unrepresented Employees and Elected Officials, including authorization for the Mayor to execute any necessary contract amendments to implement said Amended Compensation Summary.

I) Adopt a resolution approving the Fiscal Year 2022/23 Compensation Schedule effective June 16, 2023, as required by California Code of Regulations, Title 2, Section 570.5.

J) Adopt a resolution approving the Fiscal Year 2023/24 Compensation Schedule effective July 14, 2023, as required by California Code of Regulations, Title 2, Section 570.5

K) Place an ordinance on first reading amending the Chula Vista Municipal Code Section 2.05.010 to add the Unclassified Position Titles of Building Official, Deputy Director City Clerk Services, and Code Enforcement Manager. **(First Reading) (4/5 Vote Required)**

SUMMARY

On May 9, 2023, the City Council was provided the City Manager’s proposed operating and capital improvement budgets for the City, and the operating budgets for the Housing Authority and for the Successor Agency to the Redevelopment Agency for Fiscal Year 2023-24 (ending June 30, 2024). The budgets submitted at this time for formal adoption and appropriation represent the City Council’s Fiscal Year 2023-24 Proposed Budget.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because the proposed activity consists of a governmental fiscal/administrative activity which does not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

On April 13, 2023 the Measure A Citizens’ Oversight Committee (COC) affirmed that the proposed budget for Measure A was in compliance with the City’s approved Intended Public Safety Expenditure Plan.

On April 27, 2023 the Citizens’ Oversight Committee (COC) for Measure P affirmed that the proposed budget for Measure P was in compliance with the City’s approved infrastructure, facilities and equipment expenditure plan.

DISCUSSION

Staff presented the Fiscal Year 2023-24 Proposed Budget document to the City Council at the May 9, 2023 meeting. As required by the City Charter, the City Manager’s proposed budget was submitted to the City Council at least thirty-five (35) days before the beginning of the fiscal year. The City Council requested changes to the City Manager’s proposed budget and set May 23, 2023 as the date for the adoption of the Fiscal Year 2023-24 budget.

The budget presented for final adoption in this staff report and Attachment A is the Amended City Manager’s Fiscal Year 2023-24 Proposed Budget accepted by the City Council on May 9, 2023, inclusive of changes requested by City Council as summarized in Attachment B.

In accordance with the City Charter, a copy of the City Council’s proposed budget was made available on May 5, 2023, for public review by making a hard copy of the budget available at the City Clerk’s Office and at the City’s Libraries, as well as posting a copy of the budget on the City’s website.

Attachment C, Recommended Expenditures by Department and Category, summarizes the City Council’s proposed budget for Fiscal Year 2023-24. The All Funds expenditure budget submitted for Fiscal Year 2023-24 totals \$543.9 million. The General Fund budget totals \$258.2 million. The All Funds budget for Fiscal Year 2023-24 includes allocations for capital improvement projects totaling \$66.6 million. The remaining \$219.1 million represents the operating budgets for various funds including the Successor Agency to the Redevelopment Agency, Housing, Sewer, Development Services, Fleet, Debt Service, and other funds.

Estimated All Funds revenues total \$548.3 million, the Schedule of Revenues is included as Attachment D.

CITY COUNCIL FISCAL YEAR 2023-24 ALL FUNDS PROPOSED BUDGET

(IN MILLIONS)

Category	FY2022 Adopted	FY2023 Proposed
Revenues	\$ 462.8	\$ 552.5
Expenditures	472.9	533.7
Prior Year Fund Balance	10.1	-
Surplus/(Deficit)	\$ -	\$ 18.8

Compensation Summary for Unrepresented Employees

The current Compensation Summary for all unrepresented employees and elected officials expires on June 30, 2024. Approval of Resolution H would approve the Amended Compensation Summary correctly reflect longevity pay for the Assistant Chief of Police for CalPERS compliance.

Fiscal Year 2023-2024 Compensation Schedule

California Code of Regulations (CCR), Title 2, Section 570.5 (CCR Section 570.5) requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets all of the following requirements:

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
2. Identifies the position title for every employee position;
3. Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
4. Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
6. Indicates an effective date and date of any revisions;
7. Is retained by the employer and available for public inspection for not less than five years; and
8. Does not reference another document in lieu of disclosing the pay rate.

This regulation applies to all employers reporting compensation to California Employees' Retirement System (CalPERS).

Staff is submitting a Fiscal Year 2023-2024 pay schedule (the "Compensation Schedule"; Attachment H) that complies with these requirements to Council for approval. If approved, the duly approved and adopted Compensation Schedule will be immediately accessible and available for public review on the City's internet website in accordance with CCR Section 570.5. Failure to comply with this State-mandated approval requirement would delay computation of a retiring employee's pension allowance by CalPERS. Adoption of the 2023-24 Compensation schedule pertains to Resolution I.

The Compensation Schedule consists of step salary pay for all established positions at the City of Chula Vista, including hourly and bi-weekly time base. This schedule defines the payment to employees for services performed during normal working hours or for time during which the employee is excused from work because of holidays, sick leave, industrial disability, payments under Labor Code Section 4850, vacation, compensatory time-off or leave of absence. It is designed and administered to provide and maintain an equitable wage and salary system at the City that compensates all employees for their work efforts performed within specific job classifications and corresponding salary ranges, in order to attract and retain the most highly skilled employees possible.

The Compensation Schedule attached to the attendant Resolution I reflects the pay rate of all job titles effective July 1, 2023. Once approved, any changes to the adopted Compensation Schedule including, but not limited to, across-the-board increases, classification changes and salary adjustments approved subsequent to this date will be reflected in a revised Compensation Schedule which will be submitted to Council for approval.

Unclassified Ordinance

Chula Vista Municipal Code Section 2.05.010 requires updating to reflect the position changes impacting the unclassified positions. Chula Vista City Charter Section 500(a) requires that all unclassified positions not

mentioned specifically in Charter Section 500(a) be adopted by ordinance. Adoption of the Ordinance will add the position titles of Building Official and Code Enforcement Manager per Municipal Code section 2.05.010 as outlined in Ordinance A.

Position Summary

The City Council Proposed Budget for fiscal year 2023-24 includes 1,263.75 positions for all funds. This is a net increase of 37.00 positions when compared to the fiscal year 2022-23 adopted budget that included 1,226.75 authorized positions. During fiscal year 2022-23, the City Council approved 24.00 positions and a net increase of 13.00 positions. These changes are reflected in the fiscal year 2023-24 proposed budget.

Fiscal year 2023-24 changes in the General Fund resulted in a net increase of 28.00 FTEs and changes to other funds resulted in a net increase of 9.00 FTE. In addition to these net changes, several reclassification studies were completed citywide to reflect changes of duties performed by City personnel.

The staffing changes are summarized in the following tables and the Proposed Staffing by Department/Fund for Fiscal Year 2023-24 is included as Attachment E.

Summary of Fiscal Year 2022-23 Mid-Year Staffing Changes

Department/Fund	Program	Position	FTE
Administration (1.00)	Admin	Sr. Management Analyst	(1.00)
		Special Projects Manager	1.00
		Community Engagement Specialist	1.00
Advanced Life Support (0.00)	ALS Program	Multimedia Production Specialist	(1.00)
		Multimedia Designer	1.00
Central Garage (1.00)	Operations	Fleet Supervisor	1.00
City Clerk (1.00)	Operations	Deputy City Clerk II	1.00
City Jail (-15.00)	City Jail	Detentions Supervisor	(2.00)
		Detentions Officer	(12.00)
		Detention Facility Manager	(1.00)

Department/Fund	Program	Position	FTE
CV Housing Authority Fund (3.00)	Development Services	Housing Manager	(1.00)
		Management Analyst II	(3.00)
		Principal Management Analyst	(1.00)
		Sr Management Analyst	(1.00)
		Sr Planner	(1.00)
	Housing and Homeless Services	Director of Housing and Homeless Services	1.00
		Homeless Solutions Manager	1.00
		Housing Manager	1.00
		Management Analyst II	4.00
		Principal Management Analyst	1.00
		Sr. Fiscal Office Specialist	1.00
		Sr Planner	1.00
	Development Services GF (1.00)	Code Enforcement	Code Enforcement Officer II
Development Services Fund (1.00)	Admin	Development Project Manager	1.00
Economic Development (0.00)	Admin	Director of Economic Development (Frozen)	(1.00)
		Economic Development Manager	1.00
Engineering and Cap Proj (0.00)	Survey	Sr. Land Surveyor	1.00
	Construction Inspection	Associate Engineer	4.00
		Sr. Building Inspector	(1.00)
		Sr. Public Works Inspector	(1.00)
		Public Works Inspector II	(3.00)
Finance (2.00)	Comptroller	Sr. Accountant	1.00
	Payroll	Accounting Technician	(2.00)
		Payroll Specialist	2.00
		Associate Accountant	(1.00)
		Payroll Supervisor	1.00
	Puchasing	Sr. Procurement Specialist	1.00
	Revenue	Fiscal & Management Analyst	(1.00)
Fiscal Services Analyst		1.00	
Fire (1.00)	Operations	Fire Battalion Chief	(1.00)
		Fire Captain	1.00
	Training	Deputy Fire Chief	1.00
	Prevention	Fire Prevention Eng/Invst	(1.00)
		Sr. Fire Insp/Invst	1.00
	Admin	EMS Inventory Specialist	(1.00)
Fire Inventory Specialist		1.00	
Human Resources (1.00)	Employee Benefits	Sr. Human Resources Technician	1.00

Department/Fund	Program	Position	FTE
Information Tech Srvs (3.00)	IT Programming	Sr. Programmer Analyst	(1.00)
		Sr. Application Support Specialist	1.00
		Application Support Specialist	1.00
		Application Support Manager	1.00
	Operations	Operations and Telecomm Manager	(1.00)
	Graphic Information Systems	GIS Specialist	(2.00)
		GIS Analyst	2.00
	Admin	Information Technology Project Manager	1.00
Micro Computers	VoIP/Videoconferencing Specialist	1.00	
Measure A (11.00)	Fire	Fire Captain	2.00
		Fire Engineer	2.00
		Firefighter/Paramedic	3.00
		Sr. Application Support Specialist	1.00
		Fire Inventory Specialist	1.00
	Police	Community Services Officer	2.00
Parks & Recreation (-43.00)	Parks Admin	Sr. Management Analyst	(1.00)
		Parks Manager	(1.00)
	Park Maintenance	Parks Supervisor	(4.00)
		Sr. Parks Maintenance Worker	(10.00)
		Parks Maintenance Worker II	(24.00)
	Ranger	Park Ranger Program Manager	(1.00)
		Sr. Park Ranger	(1.00)
		Park Ranger Supervisor	(1.00)
Police (10.00)	School Resource	Peace Officer	1.00
	City Jail	Detentions Officer	8.00
		Detention Facility Manager	1.00
	Admin	Police Captain	(1.00)
		Assistant Chief of Police	1.00
Police Grants Funds (2.00)	CaVIP	Peace Officer	1.00
	SD Law Enf Coord	FA Supervisory Intelligence Analyst	(3.00)
		FA Supervisory Intelligence Analyst I	1.00
		FA Supervisory Intelligence Analyst II	2.00
		FA Program Assistant Supervisor	1.00
Public Works (44.00)	Construction & Repair	Plumber	1.00
	Parks Admin	Sr. Management Analyst	1.00
		Parks Manager	1.00
	Park Maintenance	Parks Supervisor	4.00
		Sr. Parks Maintenance Worker	10.00
		Parks Maintenance Worker II	24.00
	Ranger	Park Ranger Program Manager	1.00
		Sr Park Ranger	1.00
		Park Ranger Supervisor	1.00
	Admin	Secretary	(1.00)
Sr. Fiscal Office Specialist		1.00	

Department/Fund	Program	Position	FTE
Sewer Fund (0.00)	Sewer Billing	Management Analyst	(1.00)
		Collections Supervisor	1.00
Transport Fund (0.00)	Transport CV	Emergency Medical Technician (Non-Safety)	(2.00)
		Paramedic (Non-Safety)	2.00
Citywide Total			24.00

Fiscal Year 2023-24 Staffing Changes

Department/Fund	Program	Position	FTE
Advanced Life Support (1.00)	ALS Program	Management Analyst II	1.00
City Clerk (1.00)	Operations	Records Manager	1.00
		Assistant City Clerk	(1.00)
		City Clerk Analyst	(1.00)
		Deputy Director, City Clerk Services	2.00
Development Services GF (0.00)	Code Enforcement	Code Enforcement Officer II	(1.00)
		Code Enforcement Manager	1.00
Economic Development (-2.00)	Office of Sustainability	Conservation Specialist II	(2.00)
Environmental Services Fund (1.00)	Environmental Services	Conservation Specialist II	2.00
		Recycling Specialist I	(1.00)
Finance (0.00)	Purchasing	Procurement Services Analyst	(1.00)
		Purchasing Agent	1.00
Fire (9.00)	Village 8	Fire Captain	3.00
		Fire Engineer	3.00
		Firefighter/Paramedic A	3.00
Measure A (5.00)	Fire	Firefighter A	3.00
		Fire Captain	2.00
	Police	Digital Forensics Tech II	(2.00)
		Digital Forensics Analyst II	2.00
Parks & Recreation (2.00)	Loma Verde	Aquatic Supervisor I	1.00
		Recreation Supervisor II	1.00
Police (0.00)	Support Services	Sr Police Records Spec	1.00
		Sr Office Spec	(1.00)
	Community Patrol/St Crime-Gang Suppression	Peace Officer - Frozen	(6.00)
		Peace Officer	6.00
Public Works (-3.00)	Custodial	Lead Custodian	(2.00)
		Custodian	(1.00)
Transport (-1.00)	Transport CV	Management Analyst II	(1.00)
Total Citywide			13.00

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council and has found that members have real property holdings within 500 or 1,000 feet of the of the Open Space Districts and Community Facilities Districts listed below by City Council member. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(a)(7), this item presents a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.) for the identified members below:

Mayor McCann: For Open Space District 1; Open Space District 20, Zone 7; Community Facilities District 06-I; Community Facilities District 07-M; and Capital Improvement Project STM0407, which are the subject of Resolution B of this action.

Councilmember Gonzalez: For Community Facilities District 13-M and Community Facilities District 97-2, which are the subjects of Resolution C of this action.

Councilmember Preciado: For Open Space District 11, which is the subject of Resolution D of this action.

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

There is no fiscal impact in the current fiscal year as a result of the adoption of the budget.

ONGOING FISCAL IMPACT

Approval of the proposed budgets will result in the appropriation of \$543.9 million in funding for the fiscal year ending June 30, 2024. This amount includes a General Fund budget of \$258.2 million.

Category	Revenues	Expenditures
General Fund	\$ 258,222	258,222
Capital Funds	590	2,366
Debt Funds	33,641	33,662
Development Funds	30,120	46,297
Enterprise Funds	31,632	32,458
Gas Tax Fund	14,761	15,159
Grant Funds	4,744	7,972
Internal Service Funds	16,497	16,163
Measure A Sales Tax Fund	27,639	26,406
Measure P Sales Tax Fund	27,516	16,528
Open Space Funds	21,408	20,373
Other Funds	14,059	18,318
Section 115 Trust Fund	10,849	0
Sewer Funds	48,391	41,811
Successor Agency Funds	8,232	8,172
Total All Funds	\$ 548,301	\$ 543,907

ATTACHMENTS

- A – Fiscal Year 2023-2024 Proposed Budget
- B – Fiscal Year 2023-2024 City Manager Amended Proposed Budget Memo
- C – Recommended Expenditures by Department and Category
- D – Schedule of Revenues
- E – Proposed Staffing by Department and Fund
- F – Compensation Summary for Unrepresented Employees and Elected Officials
- G – Fiscal Year 2022-2023 Compensation Schedule – Effective 6/16/2023
- H – Fiscal Year 2023-2024 Compensation Schedule – Effective 7/14/2023

*Staff Contacts: Sarah Schoen, Finance Director/Treasurer
Ed Prendell, Budget & Analysis Manager*