



AGENDA

Budget Workshop

City Council Chamber - 1243 National City
Boulevard, National City, CA

Ron Morrison, Mayor

Marcus Bush, Vice-Mayor – District 4

Luz Molina, Councilmember- District 1

Jose Rodriguez, Councilmember -District 2

Ditas Yamane, Councilmember – District 3

Benjamin A. Martinez, City Manager

Barry J. Schultz, City Attorney

Shelley Chapel, MMC, City Clerk

*The City Council also sits as the City of National City Community Development Commission, Housing Authority,
Joint Powers Financing Authority, and Successor Agency to the Community Development Commission as the
National City Redevelopment Agency*

Thank you for participating in local government and the City of National City Council Meetings.

Meetings: Regular City Council Meetings are held on the first and third Tuesday of the month at 6:00 p.m. Special Closed Session Meetings and Workshops may be same day, the start time is based on needs. Check Special Agendas for times.

Location: Regular City Council Meetings are held in the Council Chamber located at City Hall, 1243 National City Boulevard, National City, CA 91950, the meetings are open to the public.

Agendas and Material: [Agendas and Agenda Packet](#) for items listed are available on the City website, and distributed to the City Council no less than 72 hours before the City Council Meeting. Sign up for [E-Notifications](#) to receive alerts when items are posted.

Public Participation: Encouraged in a number of ways as described below. Members of the public may attend the City Council Meeting in person, watch the City Council Meeting via [live](#) web stream, or participate remotely via [Zoom](#). [Recording of Meetings](#) are archived and available for viewing on the City's website.

To listen to the live stream in Spanish, you must register for Zoom prior to the meeting for access.

All Zoom registration must be completed **two (2)** hours prior to the City Council Meeting for access.

Public Comment: Persons wishing to address the City Council on matters not on the agenda may do so under Public Comments. Those wishing to speak on items on the agenda may do so when the item is being considered. Please submit a Speaker's Slip to the City Clerk before the meeting or immediately following the announcement of the item. All comments will be limited up to three (3) minutes. The Presiding Officer shall have the authority to reduce the time allotted to accommodate for a large number of speakers. *(City Council Policy 104)*

All written comment must be submitted no later than **four (4)** hours prior to the start of the meeting to allow time for distribution to the City Council.

EFFECTIVE JANUARY 1, 2023

All Contributions to Candidates and Current Elected Officials are required to self-report a Declaration of Campaign Contribution to a Councilmember of more than \$250 within the past year (effective Jan 1, 2023). This report may be included on the Public Comment Speaker Slip to be completed prior to the City Council Meeting.

Spanish Interpretation Services: Spanish Interpretation Services are available; please contact the City Clerk before the start of the meeting for assistance.

American Disabilities Act Title II: In compliance with the American Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Title II. Any person with a disability who requires a modification or accommodation to participate in a meeting should direct such request to the City Clerk's Office (619) 336-4228 at least 24 hours in advance of the meeting.



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Gracias por participar en las reuniones del gobierno local y del Consejo de la Ciudad de National City.

Reuniones: Las reuniones regulares del Consejo Municipal se llevan a cabo el primer y tercer martes del mes a las 6:00 p.m. La reunión especial de sesión privada y los talleres pueden ser el mismo día, la hora de inicio se basa en las necesidades. Consulte las agendas especiales para conocer los horarios.

Ubicación: Las reuniones regulares del Concejo Municipal se llevan a cabo en la Cámara del Consejo ubicada en el Ayuntamiento, 1243 National City Boulevard, National City, CA 91950, las reuniones están abiertas al público.

Agendas y Material: Las Agendas y el Paquete de Agenda para los temas enumerados están disponibles en el sitio web de la Ciudad y se distribuyen al Concejo Municipal no menos de 72 horas antes de la Reunión del Concejo Municipal. Regístrese para recibir notificaciones electrónicas cuando se publiquen artículos.

Participación pública: Se fomenta de varias maneras como se describe a continuación. Los miembros del público pueden asistir a la Reunión del Concejo Municipal en persona, ver la Reunión del Concejo Municipal a través de la transmisión web en vivo o participar de forma remota a través de Zoom. Las grabaciones de las reuniones están archivadas y disponibles para su visualización en el sitio web de la Ciudad.

Para escuchar la transmission en Español, registration por Zoom es requerido antes del comienzo de la sesión.

Todo registro para la transmisión por Zoom debe completarse **dos (2)** horas antes de la Reunión del Concejo Municipal.

Comentario Público: Las personas que deseen dirigirse al Concejo Municipal sobre asuntos que no están en la agenda pueden hacerlo bajo Comentarios públicos. Quienes deseen hacer uso de la palabra sobre los temas del programa podrán hacerlo cuando se esté examinando el tema. Por favor, envíe una solicitud del orador al Secretario de la Ciudad antes de la reunión o inmediatamente después del anuncio del artículo. Todos los comentarios estarán limitados a tres

(3) minutos. El Presidente tendrá la autoridad para reducir el tiempo asignado para dar cabida a un gran número de oradores. (Política del Concejo Municipal 104)

Si desea enviar comentarios por escrito, envíe un correo electrónico a la Oficina del Secretario de la Ciudad al menos 1 hora antes de la Reunión del Consejo Municipal para dar tiempo a la distribución al Consejo Municipal.

Todos comentarios deben estar sometidos a más tardar **cuatro (4)** horas antes del comienzo de la sesión.

A PARTIR DEL 1 DE ENERO DE 2023

Todas las contribuciones a los candidatos y funcionarios electos actuales deben autoinformar una Declaración de contribución de campaña a un concejal de más de \$ 250 en el último año (a partir del 1 de enero de 2023). Este informe puede incluirse en el Recibo del orador de comentarios públicos que se completará antes de la reunión del Concejo Municipal

Servicios de interpretación en español: Los servicios de interpretación en español están disponibles, comuníquese con el Secretario de la Ciudad antes del inicio de la reunión para obtener ayuda.

Título II de la Ley de Discapacidades Americanas: En cumplimiento con la Ley de Discapacidades Americanas de 1990, las personas con discapacidad pueden solicitar una agenda en formatos alternativos apropiados según lo requerido por el Título II. Cualquier persona con una discapacidad que requiera una modificación o adaptación para participar en una reunión debe dirigir dicha solicitud a la Oficina del Secretario de la Ciudad (619) 336-4228 al menos 24 horas antes de la reunión.



AGENDA

City Council Workshop

Tuesday, March 4, 2025, 4:00 p.m.
City Council Chamber - 1243 National City Boulevard
National City, CA

Pages

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT (Public Comment will be Restricted to Agenda Items Only)
5. STAFF REPORT

- 5.1 Fiscal Year 2025 Mid-Year Budget Status Report

2

Recommendation:

Accept the Report and Adopt the Resolution Authorizing Budget Adjustments
as Detailed in Exhibit A.

6. ADJOURNMENT



AGENDA REPORT

Department: Finance
Prepared by: Bruce Foltz, Finance Director
Meeting Date: Tuesday, March 4, 2025
Approved by: Benjamin A. Martinez, City Manager

SUBJECT:

Fiscal Year 2025 Mid-Year Budget Status Report

RECOMMENDATION:

Accept the Report and Adopt the Resolution Authorizing Budget Adjustments as Detailed in Exhibit A.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:

Not Applicable.

EXPLANATION:

Summary

This report provides a mid-year look at the status of the City's Fiscal Year 2025 General Fund Budget. This report also recommends various budget adjustments for Fiscal Year 2025.

The adopted Fiscal Year 2025 General Fund Budget estimated a use of General Fund unassigned fund balance of \$4.9 million. Based on a revised analysis of year-to-date actual revenues and expenditures, and projected financial activity through year-end, approximately \$3.4 million of the unassigned fund balance is projected to be used at year-end. The following sections of this report will discuss the significant factors leading to this outcome.

Revenues

For fiscal year 2025, General Fund revenues are expected to exceed the amounts budgeted by \$1.1 million. The projected variances by revenue category are shown in Table A.

Table A
General Fund Revenues Fiscal Year 2025

Revenue Category	Original Budget	Revised Budget	FY25 Projected	variance	variance%
Sales & Use Tax	\$ 23,546,598	\$ 23,546,598	\$ 23,407,858	\$ (138,740)	-0.6%
Dist Trans & Use Tax	\$ 15,951,000	\$ 15,951,000	\$ 15,995,295	\$ 44,295	0.3%
Property Tax	\$ 2,698,756	\$ 2,698,756	\$ 2,698,756	\$ -	0.0%
Prop Tax in Lieu-VLF	\$ 9,006,320	\$ 9,006,320	\$ 9,273,778	\$ 267,458	3.0%
Other Revenues	\$ 18,726,595	\$ 18,821,635	\$ 19,758,011	\$ 936,376	5.0%
Transfers In	\$ 5,500	\$ 5,500	\$ 5,500	\$ -	0.0%
Grand Total	\$ 69,934,769	\$ 70,029,809	\$ 71,139,198	\$ 1,109,389	1.6%

General Fund Revenues Fiscal Year 2025

The General Fund's primary sources of revenue are the sales & use tax, the district transactions & use tax, property tax in lieu of vehicle license fees, and property taxes. Projections are based on a combination of year-to-date and historical data, input from the City's sales tax consultant, and information obtained from the State of California and County of San Diego.

- Sales / District & Use Taxes: The budgeted amounts for Sales & Use tax and District Transactions Tax were based on projections provided by the City's sales tax consultant in April of 2024. Their latest Sales Tax projections, based on sales receipts from July through September 2024, show a \$139,000 decrease from their original estimate. The City's sales revenues were 5.9% lower than the same period in 2023 due to lower-than-expected receipts and a one-time tax boost from a facility expansion project received in calendar year 2023.

Lower petroleum product prices, and a continued decline in new auto sales compared to last year were the main contributors to the decrease in taxable sales. However, the recent opening of a used car dealership and a casual dining restaurant were positive developments.

Measure D, the City's voter-approved district tax, performed similarly to the Bradley-Burns results previously discussed and is projected to finish \$44,000 above the budgeted level. Combined, sales related revenues are projected to finish \$94,000 below budget.

The sales tax consultant is scheduled to give their next update in April, where any new developments will be incorporated into revised sales tax projections, which will be included in the third quarter budget report. More information can be found in the National City Sales Tax Newsletter, "Exhibit B" attached to this report.

- Property Tax revenue is trending as expected and is anticipated to meet the budgeted amount.
- Property Tax in Lieu of Vehicle License Fees (VLF) is based on a formula that applies the City-wide increase in assessed property values to the prior year's allocation. The exact increase in assessed values was not known at the time the budget was prepared, but the final amount is estimated to be \$267,000 more than budgeted.

Revenues in the "Other Revenues" category are made up of department program revenues and revenues that fall outside the major revenue categories. Other Revenues are expected to end the year above budget by \$936,000, which is attributable to a combination of projected positive and negative variances in the various individual accounts. Contributing to the positive variance are \$1.0 in investment earnings, \$500,000 in overtime reimbursements, and \$267,000 in reimbursements related to the Stardust Inn remediation project.

These increases are partially offset by anticipated shortfalls in Fire Inspection revenue due to a strategic shift from inspections to community education (\$415,000), a decrease in swimming pool revenue (\$280,000), and lower than anticipated cannabis revenue (\$150,000).

General Fund Expenditures Fiscal Year 2025

Expenditure totals at year-end are currently projected to be below budget by \$3.0 million. The variances by expenditure category are shown in Table B.

Table B

General Fund Expenditures Fiscal Year 2025

Expenditure Category	Original Budget	Revised Budget	FY25 Projected	variance	variance%
Personnel Services	\$ 49,874,268	\$ 51,265,557	\$ 51,265,557	\$ -	0.0%
Maint & Operations	\$ 7,692,431	\$ 8,417,958	\$ 7,879,334	\$ 538,624	6.4%
Capital Outlay	\$ 3,216,000	\$ 3,216,000	\$ 1,216,000	\$ 2,000,000	62.2%
Debt Services	\$ 543,623	\$ 543,623	\$ 543,623	\$ -	0.0%
Internal Svc Chgs	\$ 10,305,890	\$ 10,305,890	\$ 10,305,890	\$ -	0.0%
Special Paymnts	\$ 70,000	\$ 520,000	\$ 520,000	\$ -	0.0%
Transfers Out	\$ 3,152,725	\$ 3,247,765	\$ 2,772,765	\$ 475,000	14.6%
Grand Total	\$ 74,854,937	\$ 77,516,793	\$ 74,503,169	\$ 3,013,624	3.9%

Personnel costs make up about 67% of the General Fund's budget. Using a variety of strategic cost savings measures, as well as vacancies resulting from attrition and turnover, personnel services are anticipated to be within the revised budget at fiscal-year-end.

Maintenance & Operations expenditures are projected to be \$538,000 below budget overall, with anticipated savings coming from a combination of Building Department professional services (\$200,000), Engineering/Public Works legal and contract services (\$170,000), and the Stardust Inn remediation project finishing underbudget (\$169,000).

Capital Outlay and Capital Improvements are generally projected as being entirely spent, with unused funds being carried over to the next fiscal year. However, Engineering/Public Works has identified previously programmed General Fund appropriations that will be shifted to ARPA funding. This will result in \$2.0 million savings to the General Fund

For Internal Service Charges, all amounts budgeted are projected to be spent, although at year-end actual expenditures of the service provider funds will be reviewed for savings and charges will be adjusted accordingly.

Transfers Out from the General Fund are anticipated to be \$475,000 lower than budgeted due to budget reduction measures taken by funds that receive partial funding from the General Fund. These measures include deferral of a tree trimming truck purchase and the delay of tree trimming staff in the Parks Fund (\$400,000), and salary savings from a vacant Principal Librarian in the Library Fund (\$75,000).

Staff will continue to monitor all revenues and expenditures and will provide updates in the third quarter budget status report and in conjunction with the fiscal year 2026 budget development process.

Net Impact on Unassigned Fund Balance

Table C below combines the revenue and expenditure projections discussed above to display the impact of those projections on unassigned fund balance. Unassigned fund balance is considered to be one of the City's reserves and has a maintenance target level of 10% of the City's General Fund operating budget. Amounts above the target level may be used to augment other reserves or for one-time expenditures. As noted in the summary at the beginning of this report, the FY 2025 adopted anticipated \$4.9 million use of unassigned fund balance. The adjusted budget column, however, shows a use of \$7.5 million in fund balance. After adjusting for the difference between the projected actual revenues and expenditures, the result is a projected \$3.4 million (shown in bold) use of unassigned fund balance at fiscal year-end

Table C
General Fund Impact on Fund Balance Fiscal Year 2025

	Adopted Budget	Adjusted Budget	Projected Actuals	Variance Above/(below) Adjusted Budget
Total Revenues	\$ 69,934,769	\$ 70,029,809	\$ 71,139,198	\$ 1,109,389
Total Expenditures	74,854,937	77,516,793	74,503,169	(3,013,624)
Gain in (Use of) Fund Balance	\$ (4,920,168)	\$ (7,486,984)	\$ (3,363,971)	\$ 4,123,013
Gain in (Use of) Assigned FB				
Gain in (Use of) Unassigned FB	(4,920,168)	(7,486,984)	(3,363,971)	\$ 4,123,013
Total	\$ (4,920,168)	\$ (7,486,984)	\$ (3,363,971)	\$ 4,123,013

BUDGET ADJUSTMENTS

During the mid-year budget review process, the Finance Department, in conjunction with City department staff, identified budget adjustments necessary due to expenses unanticipated during the annual budgeting process, as well as adjustments to align the budget with projected actuals. The attached schedule ("Exhibit 'A'") details the recommended adjustments. The recommendation section below provides a summary of those adjustments by fund.

	Recommended Expenditure Adjustments	Recommended Revenue Adjustments	Net impact on fund balance
General Fund	\$ (3,013,624)	\$ 1,109,389	\$ 4,123,013
Housing Choice Voucher Fund	\$ 2,141,000	\$ 2,060,000	\$ (81,000)
Public Liability Fund	151,000		\$ (151,000)

FINANCIAL STATEMENT:

The recommended budget adjustments will result in an appropriations reduction of \$3,013,624 in the General Fund, as well as increased revenue of \$1,109,389.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Balanced Budget and Economic Development

ENVIRONMENTAL REVIEW:

This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:

The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:

Not Applicable

EXHIBITS:

Exhibit A – Budget Adjustment Detail

Exhibit B – National City Sales Tax Newsletter

Exhibit C – Resolution

EXHIBIT A
Q2 Budget Adjustment Recommendations
Fiscal Year 2025

Fund	Expenditure	Revenue	Net
General Fund			
Fire			
Increase Fire Reimbursements		\$ 500,000	\$ (500,000)
Fire Total		\$ 500,000	\$ (500,000)
Non-Departmental			
Increase VLF Revenues		\$ 267,458	\$ (267,458)
Increase Interest Income		\$ 1,000,000	\$ (1,000,000)
Decrease Sales Tax Revenue		\$ (94,445)	\$ 94,445
Decrease Cannabis Business Fee		\$ (150,000)	\$ 150,000
Reduce Transfer to Park Maint. & Library Fund	\$ (475,000)		\$ (475,000)
Shift Capital Improvement Projects to ARPA funding	\$ (2,000,000)		\$ (2,000,000)
Non-Departmental Total	\$ (2,475,000)	\$ 1,023,013	\$ (3,498,013)
Neighborhood Services			
Savings and Reimbursement for Stardust Inn project	\$ (168,624)	\$ 281,376	\$ (450,000)
Neighborhood Services Total	\$ (168,624)	\$ 281,376	\$ (450,000)
Building			
Decrease Fire Inspection Service		\$ (415,000)	\$ 415,000
Reduction in Contract Services	\$ (170,000)		\$ (170,000)
Building Total	\$ (170,000)	\$ (415,000)	\$ 245,000
PW/Engineering			
Reduction in Contract Services	\$ (200,000)		\$ (200,000)
PW/Engineering Total	\$ (200,000)		\$ (200,000)
Community Services			
Decrease Swimming Pool Revenue		\$ (280,000)	\$ 280,000
Community Services Total		\$ (280,000)	\$ 280,000
General Fund Total	\$ (3,013,624)	\$ 1,109,389	\$ (4,123,013)
Public Liability Fund			
Human Resources			
Greater than anticipated Excess Workers' Compensation cost	\$ 151,000		\$ 151,000
Human Resources Total	\$ 151,000		\$ 151,000
Public Liability Fund Total	\$ 151,000		\$ 151,000
Housing Choice Voucher Fund			
Housing			
Housing PHA Conference and the NSPIRE training for HCV inspections	\$ 1,000		\$ 1,000
To cover projected Housing Assistance Payments	\$ 800,000	\$ 800,000	\$ -
To cover projected Portable Vouchers Paid and admin expenses	\$ 660,000	\$ 660,000	\$ -
To cover projected Portability In expenses	\$ 80,000		\$ 80,000
To cover projected Emergency Housing Voucher expenses	\$ 600,000	\$ 600,000	\$ -
Housing Total	\$ 2,141,000	\$ 2,060,000	\$ 81,000
Housing Choice Voucher Fund Total	\$ 2,141,000	\$ 2,060,000	\$ 81,000
Grand Total	\$ (721,624)	\$ 3,169,389	\$ (3,891,013)

NATIONAL CITY

SALES TAX UPDATE

3Q 2024 (JULY - SEPTEMBER)



NATIONAL CITY

TOTAL: \$ 5,741,275

-5.9%

3Q2024



-2.3%

COUNTY



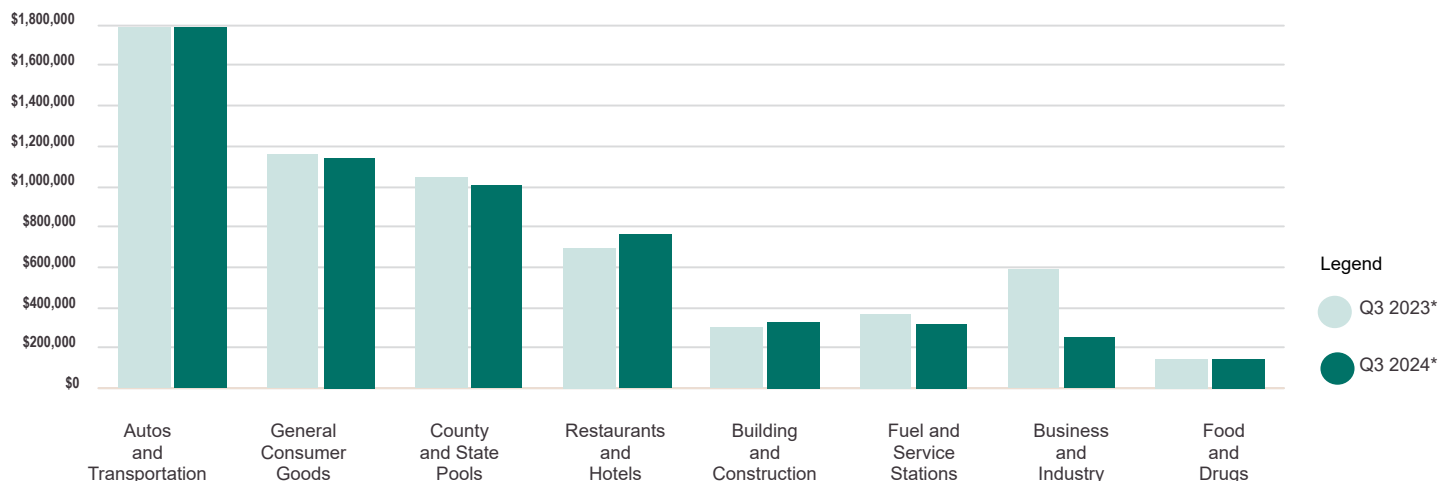
-2.3%

STATE



*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



Measure D

TOTAL: \$4,027,237



-4.9%



NATIONAL CITY HIGHLIGHTS

National City's receipts from July through September were 7.5% lower than the same period in 2023. Excluding reporting anomalies, actual sales decreased by 5.9%.

Last year, the City received a significant tax boost from a facility expansion project by a local business-industry taxpayer, making comparisons difficult and largely contributing to the overall decline.

This year, lower petroleum product prices, compared to last year's high levels driven by OPEC production cuts and geopolitical conflicts, also negatively impacted tax receipts for local fuel and service stations.

New car sales continued to decline as

consumers remained cautious due to high prices, financing costs, elevated auto insurance premiums, and tight credit conditions.

However, the recent opening of a new used car dealership and a casual dining restaurant were positive developments.

Measure D, the City's voter-approved district tax, performed similarly to the Bradley-Burns results previously discussed.

Net of anomalies, taxable sales for all of San Diego County declined by 2.3% over the comparable period, with the Southern California region also down by 2.3%.



TOP 25 PRODUCERS

ABC Supply Co	National City Auto Center
Ball Mitsubishi	National City Volkswagen
Burlington	Perry Chrysler Dodge Jeep Ram
Calportland Company	Perry Ford
Dalton Hyundai National City	Probuild Company
Dalton Subaru National City	Ron Baker Chevrolet Ross
Dalton Toyota National City	Speedway Express
Hd Supply White Cap	Stars & Stripes
Honor Buick Gmc	Target
Ineos Grenadier San Diego	Walmart Supercenter
Macy's	Wescott Mazda
Mossy Nissan	Westair Gases & Equipment



STATEWIDE RESULTS

California's local one cent sales and use tax receipts during the months of July through September were 2.3% lower than the same quarter one year ago after adjusting for accounting anomalies. The calendar year third quarter traditionally is noted for pleasant weather and statewide tourism; however, taxes fell when compared to a year ago. As such, it also means a weak start of the 2024-25 fiscal year for many California agencies.

Once again, autos-transportation receipts took a hit and declined 4.8%. This period marks the seventh consecutive quarter of downturn for the sector. While used autos returns and leasing activity have improved, revenues from new car sales struggled due to sustained high interest rates, tightened credit standards, and increased cost of auto insurance. As such, inventories for many dealers remain elevated, applying downward pressure on prices and growth into 2025.

The summer season is usually an advantageous time for home repairs and construction work, however, this industry is also struggling with high consumer interest rates and limited access to equity for homeowners. New projects remain sidelined as developers await more favorable investment conditions.

Brick-and-mortar general consumer retailers pulled back 3.8% - worsened by lower gas prices. Consumers appear more interested in lower priced/discounted items vs higher priced/luxury goods, forcing merchants to again consider inventory needs. Additionally, competition from online merchants is as fierce as ever, as shoppers look for greater value. With holiday shopping around the corner, local store expectations remain soft.

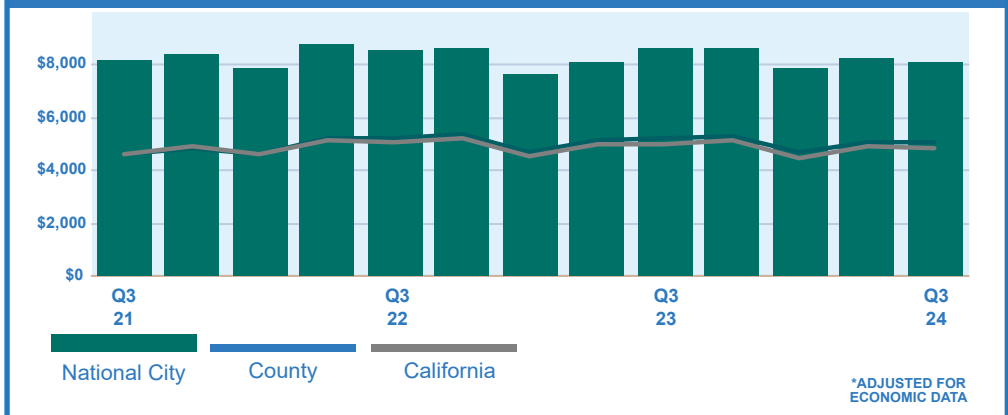
Fuel generating taxpayers had a rough quarter; a combination of consumption declines and falling fuel prices thrust comparisons down by 13%. Further contraction of national drug store locations coupled with the steady fall from cannabis merchants dating back to 2021, caused a decrease of 2.8% in the food-drugs category. Expect similar percentage declines for the upcoming end of 2024 quarter.

Although statewide tourism appears to have improved over 2023, revenue from restaurants experienced only a modest gain of 0.7%, which included a dramatic drop from fine dining establishments – consistent with spending trends in other sectors. State

mandated minimum wage requirements remained a challenge, with higher menu prices reducing patron visits.

These sluggish results solidify 2024 as a down year. Recent reductions to the Fed Funds Rate aren't considered to help until later in 2025. Agencies should expect fiscal year 2024-25 sales taxes to stay flat or decline slightly as sluggish economic conditions leave consumers cautious in their spending patterns, especially for big ticket items and discretionary products.

SALES PER CAPITA*



TOP NON-CONFIDENTIAL BUSINESS TYPES

National City Business Type	Q3 '24*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	1,272.3	-4.5% ↓	-8.9% ↓	-7.9% ↓
Quick-Service Restaurants	373.8	2.4% ↑	0.2% ↑	1.1% ↑
Service Stations	319.9	-13.8% ↓	-10.6% ↓	-12.8% ↓
Casual Dining	285.7	19.6% ↑	2.6% ↑	1.1% ↑
Family Apparel	249.3	1.2% ↑	0.6% ↑	-0.2% ↓
Building Materials	200.4	-14.2% ↓	-1.9% ↓	-4.2% ↓
Used Automotive Dealers	197.5	43.3% ↑	6.5% ↑	3.3% ↑
Department Stores	118.5	-7.1% ↓	-2.0% ↓	-5.2% ↓
Auto Lease	110.0	6.4% ↑	12.1% ↑	11.2% ↑
Shoe Stores	95.5	7.7% ↑	-0.8% ↓	-1.6% ↓

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars

RESOLUTION NO. 2025 -

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA,
AUTHORIZING VARIOUS FISCAL YEAR 2025 BUDGET ADJUSTMENTS**

WHEREAS, on June 4, 2024, the City Council of the City of National City adopted Resolution No. 2024-60, adopting the budget for fiscal year 2025; and

WHEREAS, as part of the 2nd quarter review process, the Finance Department projected actual revenues and expenditures through the end of fiscal year 2025; and

WHEREAS, the 2nd quarter budget review was presented to the City Council and members of the public on March 4, 2025; and

WHEREAS, the City Manager has requested approval of the recommended 2nd quarter budget adjustments ("Exhibit A").

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the City Manager to make the recommended adjustments to the Fiscal Year 2025 Budget as shown in Exhibit A.

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 4th day of March, 2025.

Ron Morrison, Mayor

ATTEST:

Shelley Chapel, MMC, City Clerk

APPROVED AS TO FORM:

Barry J. Schultz, City Attorney