

POWER POINTS

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SPECIAL

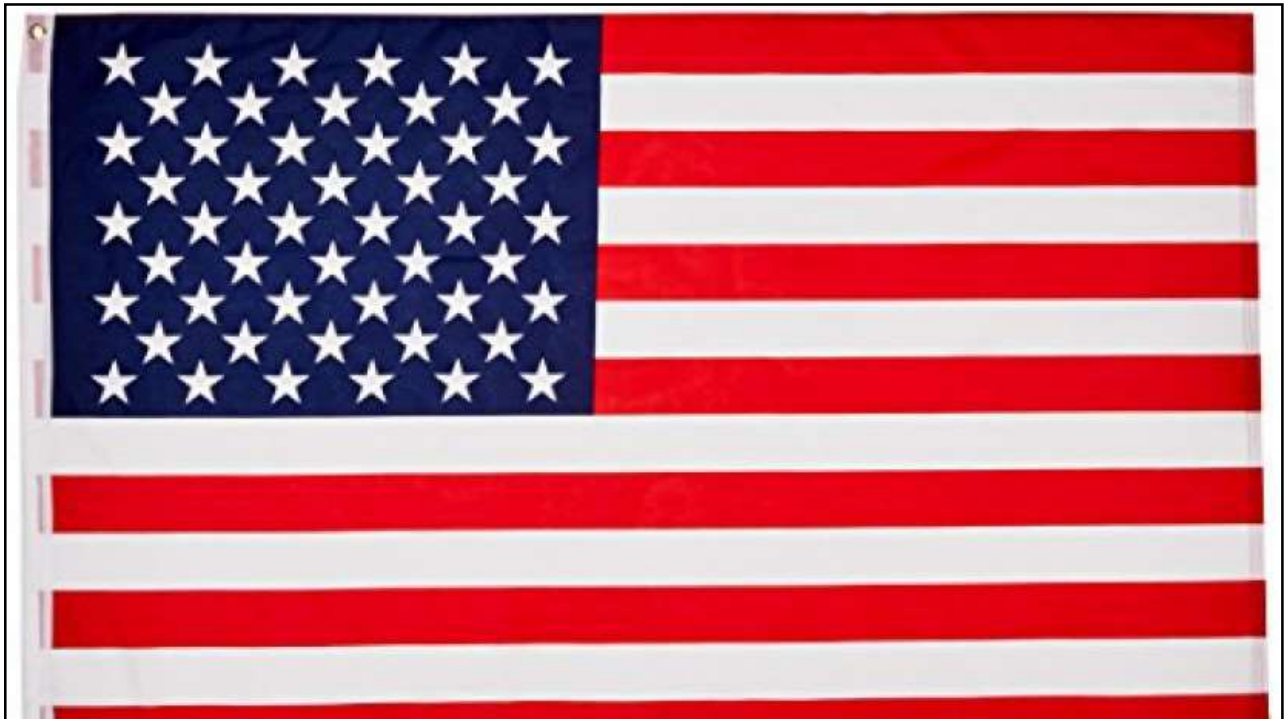
MEETING

APRIL 5, 2023

**Financial Advisory Commission
Special Meeting
4/5/2023**



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Financial Advisory Commission Special Meeting 4/5/2023

Study Session Item No. 1

**Discuss Projects to be Included in Fiscal Years 2023/24
through 2027/28 Capital Improvement Program Budget**



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Purpose and Timeline

- Review CIP – 5-year plan
- City Council
 - Study Session April 4
 - SB1 RMRA and Measure A Approval on April 18
 - Public Hearing in June
 - Appropriate first year funds with City Budget
- Financial Advisory Commission
 - Study Session

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FY 2023/24 Projects

- Transportation Projects
- Drainage Projects
- Landscape Renovation Projects
- Parks and Facilities Projects
- Other CIP Projects
- DIF Reimbursements

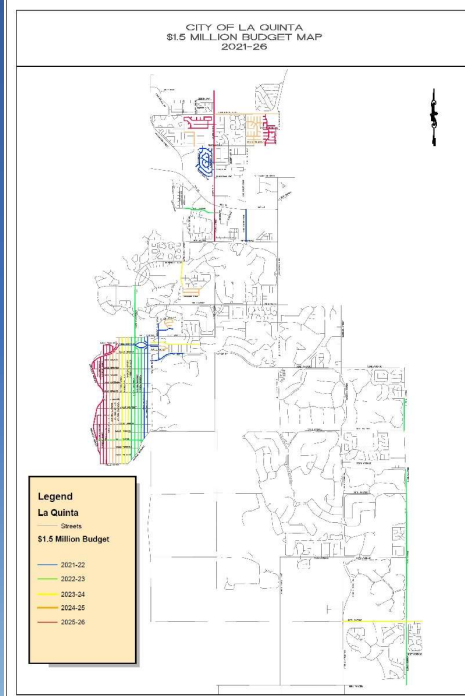
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Transportation Projects

- 2023/24 PMP
 - Third year of 5-Year PMP
 - Segment of Washington Street between Eisenhower Drive and Sagebrush Avenue
 - Avenue 60 from east of Monroe Street to Madison Street
 - Avenida La Fonda from Washington Street to Avenida Bermudas
 - Crack seal and Slurry Seal streets within the Cove

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5-Year Pavement Management Plan (PMP)



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Transportation Projects

- **Avenue 48 Art and Music Line**
 - Construction funding for CVAG Project in coordination with Cities of Indio, Coachella and County of Riverside
 - Interactive/artistic bicycle and pedestrian path
- **Washington Street Connector to Art and Music Line**
 - Connection to Avenue 48 Art and Music Line
 - Along Washington Street south to Eisenhower Drive

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Ave 48 Art and Music Line Funding

- Total Project Cost: \$46M
- Covered by ATP Grant: \$36.4M
- Local Share: \$9.6M
- La Quinta's 25% share: \$2.4M

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Transportation Projects

- Avenue 50 Widening Improvements
 - Jefferson Street to Madison Street
 - In partnership with city of Indio
 - Includes multi-use trail on north side
- Avenue 52 at Monroe Street Traffic Signal
 - New traffic signal at intersection of Avenue 52 and Monroe St.
 - In coordination with the City of Indio and County of Riverside

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Transportation Projects

- Washington Street Sidewalk Improvements
 - Construct sidewalk on east side of Washington Street
 - From Avenue 50 to Calle Tampico
- X Park Pedestrian Signal
 - Pedestrian traffic signal on Dune Palms Road adjacent to X Park and La Quinta High School
- Avenue 58 Pavement Rehabilitation
 - From Jefferson Street to Madison Street

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Current Transportation Projects Underway

- Highway 111/Jefferson Intersection – complete
- Moon River Drive Pavement Rehabilitation - complete
- Jefferson REAS Slurry – construction almost complete
- Citywide Striping – construction almost complete
- Pavement Management Plan – going out to bid
- Fred Waring Drive Pavement Rehabilitation
- Dune Palms Road Pavement Rehabilitation
- Avenue 50 and Avenue 52 Pavement Rehabilitation

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Highway 111 Pavement Rehabilitation Project

- Includes entire reach of Highway 111 in La Quinta
- Jefferson Street to Washington Street
- Pulverization and repaving
- Cost: \$8M
- Pursuing Congressionally Directed Spending (Earmark funding)

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FY 2021/22 and 2022/23 Road Improvement Projects

- 2021/22: 2 new pavement projects (and PMP)
 - \$3M in road improvement project funding
- 2022/23: 6 new pavement projects (and PMP)
 - \$5.5M in road improvement project funding

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Drainage Improvements

- Citywide Enhancements
 - Minimum 150-year storm protection
 - Next projects: Eisenhower Drive at Avenue 50 and at Avenida Bermudas north of Calle Tampico
 - Pursuing Congressionally Directed Spending (Earmark funding)

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Landscape Renovation Projects



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Landscape Renovation Project

- Landscape & Lighting Median Island Improvements
 - Refurbish southern medians
 - Utilizing current landscape contractor and staff
 - Next area for improvement: Avenue 52 between Washington Street and SilverRock Way

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Parks and Facilities Projects

- **Fritz Burns Park Improvements**
 - Master planning effort underway
 - Construction funding for additional park amenity improvements
 - Pursuing grant funding for construction, City match must be included in budget
- **X Park Building ADA Improvements**
 - Provide ADA accessibility to viewing deck for usability

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X Park Building Viewing Deck



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Lift Examples



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Parks and Facilities Projects

- Maintenance and Operations Yard
 - Funding for preliminary engineering and design
- Highway 111 Event Site
 - Event site and parking on City owned lot
 - Located on south side of Highway 111 east of Dune Palms Rd
 - Funding for design and environmental phases

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Parks and Facilities Projects

- La Quinta Parks Phase I
 - In coordination with Desert Sands Unified School District
 - Various essential field, lighting and necessary improvements to the following parks:
 - La Quinta Sports Complex
 - Colonel Mitchell Paige Sports Fields
 - La Quinta Park

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Other CIP Projects

- Highway 111 Corridor Area Plan Implementation
 - Single Specific Plan phase almost complete
 - PS&E for demonstration projects and ATP Grant application
 - Banking construction funding for demonstration project
 - Environmental for demonstration project site underway
- Citywide Miscellaneous ADA Improvements

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DIF Reimbursements

- Pay down existing obligations
 - In lieu of approving new Transportation DIF Projects
 - \$400,000 per year
 - After this FY 4 out of 9 developers complete
 - Anticipated completion: 2028/29

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Projects on the Horizon

- Corporate Centre Drive Gap Closure (FY 2024/25)
- Avenue 47 Pavement Rehabilitation (FY 2025/26)
 - Washington Street to Adams Street
- North LQ Slurry Seal/Pavement Repair (FY 2026/27)
- Washington St Pavement Rehabilitation (FY 2027/28)
 - Eisenhower Drive to Fred Waring Drive

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CIP PRIORITIZATION CRITERIA

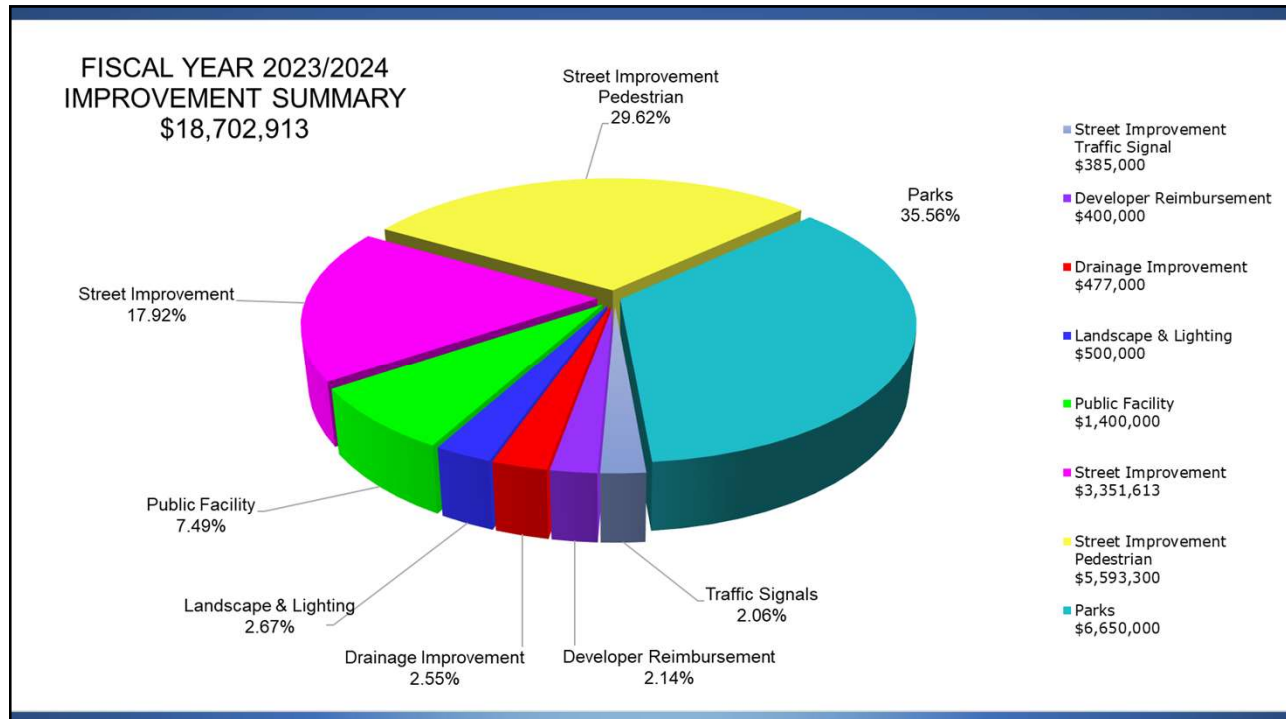
Priority Rating Criteria Legend	
Low	Project could be shifted to next fiscal year without major impacts. No funding constraints or match requirements.
Medium	Ongoing project needing additional funding, community priority, or important for maintenance efforts.
High	Critical to keep project funded. Needed to maintain grant funding, maintenance of effort or matching funds.

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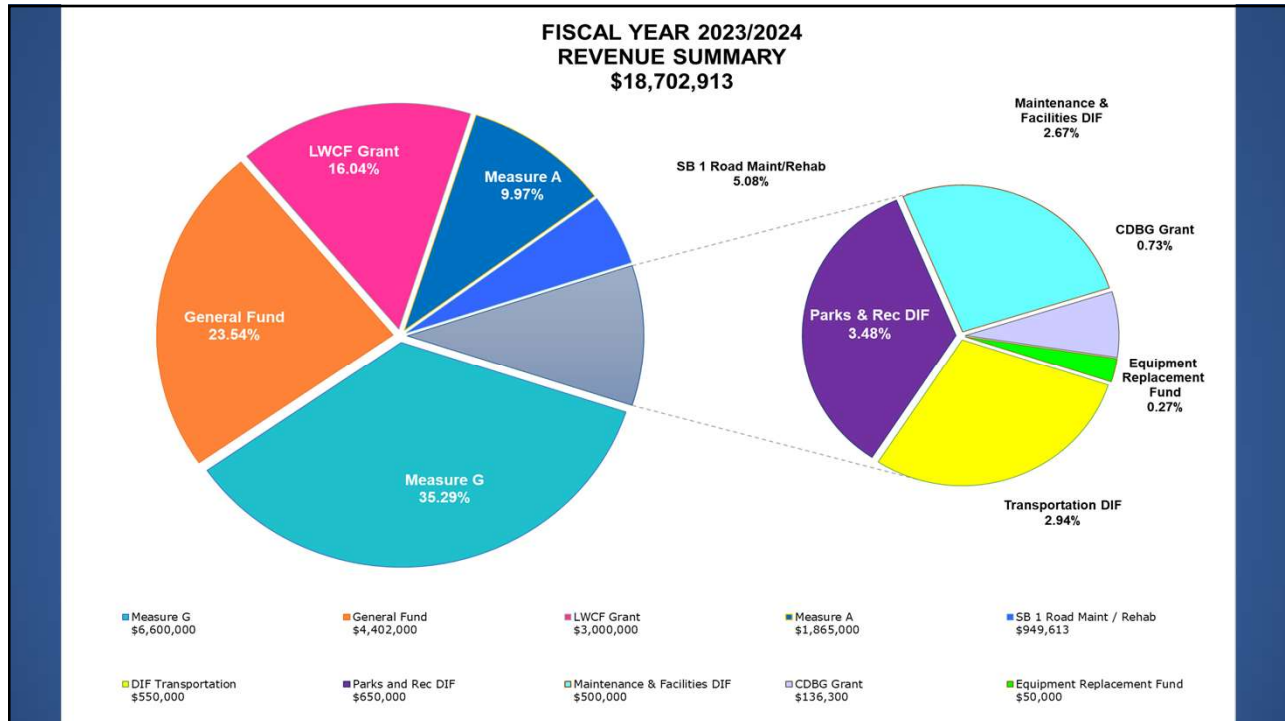
FY 2023/24 CIP PRIORITIZATION

Project #	Project Description	Total	Priority Ranking
2324ADA	ADA Accessible Ramps - Various Locations	20,000	High
2324CPM	Citywide Preventative Maintenance Plan Improvements	50,000	High
2324PMP	Pavement Management Plan Street Improvements	1,500,000	High
2324STI	Sidewalks - Various Locations	55,000	High
2324TMI	Citywide Traffic Signal Maintenance Improvements	235,000	High
2324DRA	Citywide Drainage Enhancements	477,000	Medium
201702	Developer Reimbursement for DIF Eligible Improvements	400,000	Medium
201804	Landscape and Lighting Median Island Improvements	500,000	Medium
201805	Maintenance and Operations Yard	500,000	Medium
201905	Highway 111 Corridor Area Plan Implementation	1,000,000	Medium
202008	Avenue 48 Art and Music Line	2,400,000	Medium
202102	Fritz Burns Park Improvements	6,000,000	High
202205	Avenue 50 Widening Improvements (Jefferson Street to Madison Street)	471,613	Medium
202301	Avenue 58 Pavement Rehabilitation (Jefferson Street to Madison Street)	1,380,000	Medium
202302	Avenue 52 Monroe Street (New Traffic Signal)	150,000	High
202303	Washington Street Sidewalk Improvements (Avenue 50 to Calle Tampico)	478,000	Medium
202304	Highway 111 Event Site	500,000	Low
202305	X Park Pedestrian Signal	250,000	Medium
202306	La Quinta Parks Phase I (Sports Complex, CMP, and La Quinta Park)	650,000	Medium
202307	Citywide Miscellaneous ADA Improvements	136,300	High
202308	X Park Building ADA Improvements	350,000	Low
202309	Washington Street Connector to Art and Music Line	1,200,000	Low
FY 2023/2024 SUBTOTAL:		18,702,913	

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2023/24 CIP Next Steps

- Seek Council direction
- CIP adopted in June
- Appropriate first year funds with City Budget



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QUESTIONS & DISCUSSION

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Financial Advisory Commission Special Meeting
4/5/2023
Business Session Item No. 1
Receive and File Fiscal Year 2022/23 Mid-Year Budget Report



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Mid-Year Report Content

- General Fund, 2 Internal Service Funds, 1 Special Fund
- Recommended Adjustments
 - Revenues ↑ \$5,223,000
 - Expenses ↑ \$840,000
- General Fund Reserves Review
- Unfunded Pension Liability Review

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General Fund Revenues

Revenue Description	Adjustment
Property Taxes, RPTTF Pass Through	\$ 750,000
State Sales Taxes	1,250,000
Measure G Sales Taxes	2,000,000
Building Permits/Public Works Permits	578,000
CSA 152 Assessments	25,000
Building/Public Works Plan Check Fees	260,000
Administrative Citations	60,000
Zoning Change Mitigation Fees	300,000
TOTAL REVENUE ADJUSTMENTS	\$ 5,223,000

- Property Taxes- Growth in property sales and assessed valuations
- Sales Tax- Local spending on taxable goods
- Building & Public Works- Building activity in residential & commercial projects

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General Fund Expenses

Expense Description	Adjustment
Community Resources	\$ 100,000
Marketing	105,000
Design & Development	150,000
Public Works	75,000
TOTAL EXPENSE ADJUSTMENTS	\$ 430,000

- Employee programs and training
- Increased events and technology upgrades
- Additional plan check reviews due to increased building activity
- Proactive repairs and maintenance

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Other Fund Adjustments

Fund Name	Adjustment
Facility & Fleet Replacement Fund- ISF	130,000
Park Equipment & Facility Fund- ISF	240,000
Library and Museum Fund	40,000
TOTAL OTHER FUNDS	\$ 410,000

- Increased fuel prices and vehicle upgrades
- Park improvements
- Proactive repair & maintenance

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Summary of Reserve Categories

Category	Currently Funded	Proposed Target	Approved Targets
Committed Reserves			
Natural Disaster	\$ 10,000,000	\$ 15,000,000	\$ 15,000,000
Economic Downturn	\$ 11,000,000	\$ 13,000,000	\$ 13,000,000
Cash Flow	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Capital Replacement	\$ 10,000,000	\$ 12,000,000	\$ 12,000,000
Sub Total	\$ 36,000,000	\$ 45,000,000	\$ 45,000,000
Unassigned	\$ 33,893,325	\$ 11,000,000	\$ 24,893,325
	Appropriated from Unassigned in 2022/23		\$ 6,348,812
	Additional Discretionary Payment to CalPERS		\$ 5,200,000
		Remaining Unassigned	\$ 13,344,513
		Measure G Unassigned	\$ 15,128,658

- Approved Targets- Council Meeting 2/21/2023
- \$9M to increase existing target levels

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Pension Summary

	Classic Tier	Tier 2	PEPRA Tier
Entry Age Normal Accrued Liability	\$54,300,788	\$925,328	\$2,912,438
Plan's Market Value of Assets	\$44,042,560	\$1,013,126	\$3,184,276
Unfunded Accrued Liability	\$10,258,228	-\$87,798	-\$271,838
Funded Ratio	81.10%	109.50%	109.30%

Annualized Returns As of June 30, 2022		
	PARS Trust	CalPERS
YTD	-10.69%	-6.10%
3-years	1.86%	6.00%
5-years	3.14%	6.70%
10-years	4.11%	7.70%

- Unfunded Liability: \$10.2M as of June 2021
- CalPERS outperforming PARS Trust in investment returns
- Potential savings of \$7.5 M if additional payment is made

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Approved Adjustments

- **Budget Adjustments**
 - Revenues \$5,223,000
 - Expenses \$840,000
- **Designated Reserve Funding Allocations**
 - Natural Disaster \$5M
 - Economic Downturn \$2M
 - Capital Replacement \$2M
- **Approved Payment to Pay Outstanding Pension Obligations**
 - Utilize \$5M from the Pension Trust
 - Utilize \$5.2M from Unassigned Reserves

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Discussion & Questions



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Financial Advisory Commission Special Meeting 4/5/2023

Study Session Item No. 2

Discuss Annual Community Workshop 2023 and 2023/24 Budget Process



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2023 Community Workshop

Reconnect, Reimagine, Recalibrate

- Date: Wednesday, February 15th
- Location: La Quinta Wellness Center
- Approximate Number of Participants: 88 (55 Residents, 33 City Staff)



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2023 Community Workshop

- Department updates on projects underway and planned
- City financial overview on the current FY 2022/23 budget
- Overview of the Short-Term Vacation Rental (STVR) program
- City's Initiatives & "Big Rocks"
 - ✓ Strategic Plan
 - ✓ Undergrounding Utilities
 - ✓ Imperial Irrigation District (IID)
 - ✓ Sphere of Influence



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Community Priorities

- Fritz Burns Park and Maintenance and Operations Yard
- Road diet to reduce speeding in the Cove
- Improvements to the historic casita on Calle Tampico/Eisenhower
- Road Improvements throughout the City
- Village parking enhancements



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