

City of Carmel-by-the-Sea, California

Fiscal Year 2016 – 2017

Adopted Annual Budget



June 7th, 2016





City of Carmel-by-the-Sea Fiscal Year 2016-2017

Steve Dallas, Mayor

Carrie Theis, Council Member

Jan Reimers, Council Member

Bobby Richards, Council Member

Carolyn Hardy, Council Member

Chip Rerig, City Administrator

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City of Carmel-by-the-Sea

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7 June 2016

Mayor Dallas and Members of the City Council
City Hall
City of Carmel-by-the-Sea

Mayor Dallas and Council Members,

I am pleased and honored to provide the adopted Operating Budget and Capital Improvement Plan for Fiscal Year 2016-2017. The adopted Operating Budget remains balanced and filled with conservative revenue estimates and expenditures and reflects adjustments and preliminary Council direction since the budget was initially presented on 2 May 2016.

The adopted Operating Budget serves as a policy document, financial plan, operations guide, and communications device. It includes six sections. First is this budget message that includes a budget overview and discussion of key issues. The second section provides summary schedules of the proposed budget including revenue, expenditure, staffing, and debt service obligations. The third section includes pages that provide an operational overview and some performance data for each department. Fourth is the list of proposed capital expenditures that is nearly identical to that reviewed by the City Council in March, with the addition on of one additional IT project. We are including the draft Capital Improvement Program budget verbatim for the benefit of the new Council. The fifth section includes the City's financial policies. The final section is a glossary of terms and acronyms. The proposed budget includes \$22 million of revenue and expenditures, or a three percent increase over the Fiscal Year 2015-2016 Adopted Budget, and is designed to best serve the community in a sustainable and safe manner. Operationally, the budget focuses on the continuing theme of rebuilding the foundation of the organization, while either maintaining or enhancing the same service levels of previous years, and maintaining fiscal prudence. Accordingly, the adopted budget continues nearly identical levels of investment for marketing partners as well as the management of Sunset Center. Council has agreed to provide specific direction on the distribution amongst our marketing partners in July, 2016.

As explained in detail later in this document, total proposed capital investment is \$3.5 million into infrastructure. Although we continue to underfund replacement of our key pieces of building infrastructure, the passage of Measure D provides an income stream that significantly bolsters past levels of investment. Based on the vision of the City voters, and the direction of Council, our proposed capital expenditures are funded entirely from Measure D. In turn, the operational budget is almost entirely funded using sources that do not include Measure D. I propose to enhance staffing by adding four (4) positions: a full-time Code Compliance Coordinator, an Assistant City Administrator, an Environmental Compliance Manager, and a second Capital Projects Manager. The Code Compliance Coordinator would supplant the part-time contract work currently coordinated in the Community Planning and Building Department. The Environmental Compliance Manager would deal with the myriad of regulatory storm water issues facing the City, and the additional Capital Projects Manager is a term-limited (three year) position designed to address the backlog of incomplete capital improvements.

Revenue

in the revenue narrative, property tax revenue has increased from \$5.8M to \$5.9M. The increase was made possible when the final large tranche of property taxes were received (after the draft budget was issued) and we were able to increase the property tax projections for Fiscal Year 2016-2017.

As explained in detail later in this document, total proposed capital investment is \$3.5 million into infrastructure. Although we continue to underfund replacement of our key pieces of building infrastructure, the passage of Measure D provides an income stream that significantly bolsters past levels of investment. Based on the vision of the City voters, and the direction of Council, our proposed capital expenditures are funded entirely from Measure D. In turn, the operational budget is almost entirely funded using sources that do not include Measure D. I propose to enhance staffing by adding four (4) positions: a full-time Code Compliance Coordinator, an Assistant City Administrator, an Environmental Compliance Manager, and a second Capital Projects Manager. The Code Compliance Coordinator would supplant the part-time contract work currently coordinated in the Community Planning and Building Department. The Environmental Compliance Manager would deal with the myriad of regulatory storm water issues facing the City, and the additional Capital Projects Manager is a term-limited (three year) position designed to address the backlog of incomplete capital improvements.

REVENUE

Revenues are projected to rise moderately during Fiscal Year 2016-2017 mostly due to increased property taxes and marginally increased transient occupancy taxes.

	Actual FY14-15	Est. Actual FY15-16	YOY Incr.	Budget FY16-17	YOY Incr.
Property Taxes	\$ 5,100,335	\$ 5,470,998	7.3%	\$ 5,905,000	8.0%
Transient Occupancy Tax	\$ 5,593,689	\$ 5,929,332	6.0%	\$ 6,103,754	2.9%
Sales Tax (Bradley-Burns)	\$ 2,197,810	\$ 2,288,741	4.1%	\$ 2,350,000	2.7%

Projected revenues do not include any modification to fees for service that is currently being studied by the City and community.

EXPENDITURES

Expenditures can be classified in the following way:

Classification of Expenditures	
Operating Expenditures	\$ 17.6 M
Capital Improvements	\$ 3.5 M
Marketing, Sunset Center, COTA	\$ 1.1 M

We have proposed a significant training budget increase for staff, boards and commission, as well as Council based on the number of individuals in new positions as well as the perceived dearth of investment in the past. The citywide training budget for Fiscal Year 2016-2017 is \$115,840, an increase of \$87,000 over the \$28,500 in the current fiscal year’s budget.

The City will incur rising expenditures in two significant areas. The retirement contributions made to CalPERS that started the current fiscal year (\$559,567) will be increasing to \$671,449, an increase of \$111,882. In addition, the City's workers compensation premium will be increasing from \$455,600 to \$555,801, an increase of \$100,201.

CITY GOALS AND OBJECTIVES

The City Council, has traditionally developed goals and objectives on an annual basis coinciding with the start of the budget cycle. The previous City Council adopted objectives and key projects identified below. I would like to conduct a workshop retreat in the near future to similarly develop goals and objectives for the current Council.

COMMUNITY CHARACTER

- Preserve the community's beach, park, public space, and forest assets by having thoughtful policies, public dialogue, and active partnerships with community groups and strategic partners.
- Preserve and maintain village character in Carmel through clear land use policies, appropriate zoning regulations, detailed design guidelines, and equitable and consistent code compliance.
- Promote community cleanliness to protect, conserve and enhance the unique natural beauty and resources of the village.

LONG-TERM VITALITY

- Examine new revenue sources to support services to the community.
- Focus on marketing the community as a destination for overnight visitors, boutique conferences, and ecotourism.
- Assume a leadership role in developing a long-term solution to the region's water supply.

ORGANIZATIONAL EFFECTIVENESS

- Enhance organizational performance through implementing a structure that is responsive to meeting internal operational needs and objectives and the delivery of high-quality customer service.
- Focus on accountability, efficiency and quality customer service through the individual performance of employees. Connecting their work to the business and strategy of the organization and create a performance process that will ensure and promote the goals of the organization.

FISCAL STABILITY

- Pay attention to the financial trade-offs involved in analyzing business decisions whether strategic, operational, or financial.
- Promote efficiency through an organizational culture that identifies and implements process improvements and strives to develop more efficient methods of providing service and utilizing taxpayer dollars.
- Routinely compare costs and effects to assess the extent to which a service delivery decision can be regarded as providing value for money. This informs decision-makers who must determine where to allocate limited taxpayer resources.

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

The City's Capital Improvement Program (CIP) is a budgeting and strategic planning tool intended to address the City's capital needs and is based on public benefit, available funding, and funding restrictions. It is guided primarily by the City's mission statement, as enunciated in Ordinance No. 96, as well as a series of contemporary policy documents.

Similar to the operating budget, this year, the list of specific capital projects proposed for funding is intended to rebuild the foundation of the organization enterprise-wide to address: 1) deferred infrastructure and natural asset maintenance and improvement, 2) deferred structural facilities maintenance and improvement, and 3) deferred investment in overdue technological systems.

Focusing on the foundational aspects in these areas will help to ensure that future improvements and investments are built on the most contemporary systems, and that unnecessary future expenses will not be incurred. For example, staff proposes employing foresight and empirical analysis to overlay certain street segments now, instead of having to re-build the same in the future. Staff also proposes to update our computer systems to add efficiency and transparency to our work, instead of continuing to patch together disparate systems that have lost their usefulness and/or are challenging to maintain.

The fiscal value drivers overlaying each of the specific project recommendations are intended to provide: 1) efficiency throughout the organization and support for processes that provide effective service utilizing taxpayer money, and 2) appropriate spending of Measure D funds consistent with the voter-approved initiative.

ALIGNMENT WITH GOAL AND OBJECTIVES

The list of proposed capital improvements support one or more of the following community objectives established by the City Council at its January 5, 2015 Special Meeting: 1) Character Preservation, 2) Organizational Effectiveness, and/or 3) Long-Term Economic Vitality and Sustainability. Below are listed the three objectives with brief key initiative descriptions for each, as well as examples of the capital projects that are planned to achieve the objectives.

COMMUNITY CHARACTER

In order to support the objective of preserving community character, Council adopted an initiative that includes preservation and enhancement of the beach, parks, public space, and forest assets through thoughtful policies, public dialogue, and active partnerships with community groups and strategic partners. The Council directed staff to work to preserve and maintain the Village character and promote sustainability of the City through clear land use policies, appropriate zoning regulations, detailed design guidelines, and equitable and consistent code compliance efforts.

Specific projects that are proposed to support meeting this objective are necessary improvements at Sunset Center and both library buildings. Also included are the implementation of the Mission Trails Nature Preserve Master Plan, dune habitat restoration, and Scenic Road landscaping and pathway improvements. These projects will preserve and enhance both the built and natural assets of the Village and enhance and promote the social and economic well-being of the community.

ORGANIZATIONAL EFFECTIVENESS

The second objective identified by Council was a focus on organizational effectiveness achieved through building an institution that enhances performance, delivers high-quality customer service, and meets internal operational objectives. Staff has undertaken meeting this objective through the use of policy planning and management systems to continue to drive the organization to meet adopted Council goals by the most effective means possible.

Projects that staff proposes to meet this objective include: the implementation of an agenda and records management system to automate and reduce agenda packet preparation time and distribution, as well as increase transparency and access to government work; several information systems upgrades, a part of the key “rebuilding” projects, which will provide the City with a more secure and stable information infrastructure on which to build in future years; and new City of Carmel-by-the-Sea website, which will represent a hallmark project under this organizational goal. Importantly, staff also proposes a replacement audio-visual system in the Council Chamber to provide better accessibility of public meetings to the viewing public.

LONG-TERM VITALITY AND SUSTAINABILITY

The third key goal adopted by the Council was to support the long-term vitality and sustainability of the organization. Although this goal is wide ranging in its scope, the focus is retaining a sustainable and regionally vital community. It directs the City to effectively manage revenue sources to support services to the community, focusing on 1) enhancing the quality of life for residents, 2) marketing the community as a destination for the arts and ecotourism, 3) maintaining a regional community leadership role, and 4) promoting the City for the social and economic well-being of current and future generations.

The projects undertaken to meet this objective are those that enhance the natural beauty of our built environment, ensure the safety of the City’s assets, and repair and maintain infrastructure including: a significant investment in pavement - \$814,000, which is supported by empirical data from the City’s pavement management system, as well as more subjective measures such as roadway appearance and traffic volumes, installation and utilization of an irrigation meter on 4th Avenue for landscape watering, rebuilding of beach stairs and repair/replace shoreline landscape barriers, and the design for significant repairs and renovation that are long overdue at the Police Department facility.

CAPITAL IMPROVEMENT PROGRAM SUMMARY

COMPLETED PROJECTS

The City will have completed 13 projects by June 30, 2016 including:

- | | |
|---------------------------------------|--|
| • Sunset Center Roof Repairs | • North Dunes Restoration- Year 1 of 5 |
| • Carmel Youth Center Repairs | • Sunset Center Planter Reconstruction |
| • Parking Management Study | • 2016 Sidewalk Repair |
| • Sunset Center Parking Lot Wall | • Dolores Street Sidewalk |
| • 2015-2016 Streets and Road Projects | • Streets & Roads (PG&E Related) |
| • Carpenter Street Drainage & Paving | • Sunset Center Master Plan |
| • Forest Theater Renovation | |

NEW PROJECTS

Fourteen new projects are recommended for funding. The list includes:

• Scenic Road Landscaping Priority Areas	• Police Department Renovations
• 2016-2017 Streets and Road Projects	• Park Branch Library Painting-Interior
• Beach Stair Maintenance	• Park Branch Library Carpeting
• Mission Trail Nature Preserve- Improvements	• Park Branch Library HVAC System
• 4 th Avenue irrigation Meter	• Main Library Heating System
• Dunes Habitat Restoration- Year 2 of 5	• Sunset Center Awning
• Shoreline Landscape Barrier	• 2016-17 Sidewalk Repair

In addition to the 14 [new] proposed projects listed below, staff recommends that we carry over 10 previously-approved projects. None of these projects require any additional funding. The list includes:

• ADA Study	• Ocean Avenue Median
• Facilities Safety Maintenance	• Small Water Projects
• Vista Lobos Roof	• Fire Beach Baskets
• 1 st Murphy House Painting	• Shoreline Assessment and Implementation
• Forest & Beach Centennial Marshall Plan	• Park Branch Basement Restoration (isolate and abate hazard)

Staff is proposing to carry-over eight (8) projects which require additional funding to complete. The projects include:

• Police Dept./Public Works Roof/Patio Replacement	\$ 51,438
• Sunset Center Railing Replacement	\$ 33,350
• Sunset Center Ramp Construction (design only)	\$ 10,000
• Sunset Center Door Replacement	\$ 25,000
• Bikeway Projects (Larson/Rio Park Trail- permitting only)	\$ 5,000
• Mission Trail Entrance (Mountain View entrance)	\$ 55,000
• Mission Trail Nature Preserve Invasive Species Removal Study	\$ 50,000
• Waterfront Area Signs (Design only)	\$ 12,000
Total	\$ 241,788

Many of the proposed and existing projects will be funded with Measure D, and supplemented by the General Fund, PEG funds, Traffic Safety Fund, and Road Impact Fees. Council will see general building maintenance funding for several facilities, including Sunset Center, as programs in the upcoming operating budget. Staff will also identify the Pacific Gas and Electric restitution for the street work we completed as a result of their maintenance negligence as a receivable in the operating budget.

In 2014, the City established a separate fund (the Vehicle and Equipment Sinking Fund) to depreciate certain assets such as vehicles and equipment. This methodology permits the CIP to be used for larger projects that are fixed assets that also have a greater direct benefit for community members. The Fiscal Year 2016-2017 draft budget and corresponding CIP also proposes to fund several projects and vehicles totaling \$738,500, utilizing this fund.

- | | |
|---|--|
| <ul style="list-style-type: none"> • Agenda and Records Management System • Sunset Center Theatrical Lighting and Power • Council Chambers AV Upgrade • Citywide Managed Security • Network Security • Network Upgrade • Citywide Servers • Annual Desktop Computer Replacement | <ul style="list-style-type: none"> • Police Training Vehicle • Police Investigations Vehicle • Police Body Cameras • Police Data Room and Main Library Disaster Recovery • Waterfront Area Signs (Design only) • City Website • Citywide Phone System Replacement |
|---|--|

KEY ISSUES AFFECTING THE BUDGET

Developing and maintaining a balanced budget involves a number of trade-offs but often includes a handful of key issues. Two key issues affecting the City’s budget are revenue torpor and the cost of providing retirement benefits.

REVENUE TORPOR

The revenue from the City’s three primary revenue sources (property tax, sales tax, and transient occupancy tax) is projected to increase \$1,681,551 from the Fiscal Year 2015-2016 budget. However, the use of these additional funds must be prudent, and because of uncertain economic conditions, should not be invested in recurring expenses.

Revenue growth is anticipated to be flat over the next few years due to worldwide economic uncertainty.

This revenue trend may result in continuing challenges to provide current levels of service to the public and could make increasing services difficult. Continuing dialogue with the community stakeholders will be valuable to determine the preferred level of service and potential tradeoffs such as increases from existing revenue streams or developing new revenue sources. We will work closely with the Council to both monitor revenues, and anticipate signs of potential revenue stagnation.

RETIREMENT SIDE FUND

In the current year, CalPERS made changes to the contribution structure of the statewide retirement plan. Instead of raising rates (that the City and employees share) any higher, they decided to reduce rates in some instances and establish another side fund for cities to pay into. Our current year liability for the side fund is \$559,567, and will increase to \$671,449 for this coming budget year. CalPERS continues to use investment actuarial calculations that exceed six percent (6%) when calculating each agency’s contribution rates. We believe this will be very difficult for them to achieve and expect our liability for this side fund to grow between 10 and 20 percent per year, until investment returns average

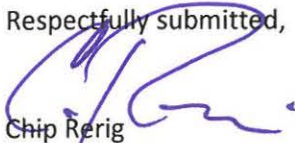
greater than six percent (6%). While we are not alone in this challenge, staff is prudently monitoring the situation and anticipating increased side fund contributions in our out years.

These, and other challenges, illustrate the types of issues the City's workforce faces and the need of the organization to further demonstrate accountability, a customer-focus, transparency, and efficiency. Several initiatives in the operating plan demonstrate the benefit of community partnerships and shared services. The exploration of other funding mechanisms, the promotion of regional cooperation and public-private partnerships, and continued collaboration with the City's workforce will be important components to ensuring a fiscally sustainable course of action while maintaining services and completing projects in accordance with the character of the village.

The Fiscal Year 2016-2017 revised draft Operating Budget and CIP is the City staff's best effort at delivering a financial plan to the City Council that is conservative in its projected use of expenditures while laying the groundwork for rebuilding the City's foundation of physical infrastructure, personnel and systems.

I appreciate the City Council's support of staff's efforts and Council's diligence and their taking a leadership role in crafting this budget and its thoughtful deliberation of the budget and associated policies.

Respectfully submitted,



Chip Rerig
City Administrator

BUDGET SUMMARY BY FUND TYPE

	General	TOT	Measure D	Ambulance	General Fund	Gas Tax	Traffic Safety	Road Impact Fees	COPS Grant	Special Revenue	Debt Service	Deposits	Vehicle & Equip Replacement	Capital Improvements	CIP & Equip Replace	Total	
Revenues																	
Taxes	8,838,000	6,103,754	3,011,000		17,952,754	126,348				126,348						-	18,079,102
Franchise Fees	592,820				592,820					-							592,820
Fees and Permits	546,781				546,781					-							546,781
Fines & Forfeitures	18,685				18,685					-							18,685
Use of Money & Property	129,500				129,500					-							129,500
Charges for Services	33,610			700,000	733,610					-							733,610
Other Governmental Agencies	422,927				422,927		150,000			150,000							572,927
Grants	290,000				290,000				100,000	100,000							390,000
User Fees	62,800				62,800			200,000		200,000							262,800
Miscellaneous	110,000				110,000					-							110,000
Parking Meter Revenue					-					-							-
PG&E Paving					-					-							-
Carryover CIP Fund Balance from FY15-16					-					-				1,092,263	1,092,263		1,092,263
TOTAL REVENUES	11,045,123	6,103,754	3,011,000	700,000	20,859,877	126,348	150,000	200,000	100,000	576,348	-	-	-	1,092,263	1,092,263	-	22,528,489
Transfers In - from TOT	6,103,754				6,103,754					-							6,103,754
Transfers In - from Gas Tax	126,348				126,348					-							126,348
Transfers In - from Measure D	357,183			421,399	778,582					-	701,331			1,396,088	1,396,088		2,876,001
Transfers In - from Measure D Fund Balance					-					-							-
Transfers In - from General					-					-	535,927		718,500		718,500		1,254,427
Transfers In - from Road Impact Fees					-					-				200,000	200,000		200,000
Transfer In - from Grants					-					-							-
Transfer In - from COPS Grant	100,000				100,000					-							100,000
Transfer In - from Traffic Safety					-					-				150,000	150,000		150,000
Transfer In - from Parking Meters					-					-							-
Transfer In - from Deposits					-					-			32,000		32,000		32,000
Transfer from Reserves					-					-							-
TOTAL TRANSFERS IN	6,687,285	-	-	421,399	7,108,684	-	-	-	-	-	1,237,257	-	750,500	1,746,088	2,496,588	-	10,842,529
TOTAL REVENUES AND TRANSFERS IN	17,732,409	6,103,754	3,011,000	1,121,399	27,968,562	126,348	150,000	200,000	100,000	576,348	1,237,257	-	750,500	2,838,351	3,588,851	-	33,371,018
Expenditures																	
City Council	258,001				258,001					-							258,001
Legal	485,639				485,639					-							485,639
Engineering	12,400				12,400					-							12,400
Treasurer	2,400				2,400					-							2,400
City Administrator					-					-							-
Administration	3,174,790				3,174,790					-							3,174,790
Comm Planning	1,043,401				1,043,401					-							1,043,401
Facilities Maint					-					-							-
Fire	2,130,933				2,130,933					-							2,130,933
Ambulance				1,121,399	1,121,399					-							1,121,399
Police	3,473,682				3,473,682					-							3,473,682
Public Works	3,136,951				3,136,951					-							3,136,951
FP&B					-					-							-
Sunset Center	750,000				750,000					-							750,000
Comm Svcs	211,997				211,997					-							211,997
Library	1,027,596				1,027,596					-							1,027,596
Economic Revit	400,156				400,156					-							400,156
Capital Expenditures (Improvements)					-					-			750,500	2,838,351	3,588,851		3,588,851
Debt Service					-					-	1,237,257						1,237,257
Non-Departmental	356,672				356,672					-							356,672
TOTAL EXPENDITURES	16,464,618	-	-	1,121,399	17,586,017	-	-	-	-	-	1,237,257	-	750,500	2,838,351	3,588,851	-	22,412,125
Transfers Out - to CIP			1,396,088		1,396,088		150,000	200,000		350,000							1,746,088
Transfers Out - to Ambulance			421,399		421,399					-							421,399
Transfers Out - to Debt Service	535,927		701,331		1,237,257					-							1,237,257
Transfers Out - to General		6,103,754	357,182		6,460,936	126,348			100,000	226,348							6,687,285
Transfer Outs - to Vehicle & Equipment	718,500				718,500					-		32,000					750,500
TOTAL TRANSFERS OUT	1,254,427	6,103,754	2,876,000	-	10,234,180	126,348	150,000	200,000	100,000	576,348	-	32,000	-	-	-	-	10,842,529
TOTAL EXPENDITURES AND TRANSFERS OUT	17,719,044	6,103,754	2,876,000	1,121,399	27,820,197	126,348	150,000	200,000	100,000	576,348	1,237,257	32,000	750,500	2,838,351	3,588,851	-	33,254,654
NET REVENUE OVER (UNDER) EXPENDITURES	13,364	-	135,000	(0)	148,364	-	-	-	-	-	-	(32,000)	-	-	-	-	116,364

REVENUE

GENERAL FUND

	Actual	Actual	Actual	Budget			Budget	Budget
	13-14	14-15	MID- YTD	15-16	Account		16-17	17-18
TAX REVENUE								
\$	4,464,090	\$ 4,671,857	\$ 3,041,355	\$ 4,671,949	01-31801	Property Tax - Secured	\$ 5,410,000	\$ 5,572,300
	170,685	189,983	\$ 183,898	178,383	01-31802	Property Tax - Unsecured	\$ 198,000	\$ 201,960
	46,869	49,110	\$ 28,691	47,008	01-31803	Property Tax - Unitary	\$ 52,000	\$ 52,520
	167,313	189,385	\$ 98,867	175,000	01-31805	Property Transfer Tax	\$ 245,000	\$ 248,675
\$	4,848,957	\$ 5,100,335	\$ 3,352,812	\$ 5,072,340		Total Property Taxes	\$ 5,905,000	\$ 6,075,455
	5,209,030	5,593,688	\$ 3,598,030	5,373,000	01-55002	Hostelrly Tax Revenues	\$ 6,103,754	\$ 6,225,829
	2,180,517	2,097,810	\$ 1,894,027	2,231,863	01-31811	Sales & Use Tax - Bradley-Burns	\$ 2,350,000	\$ 2,397,000
	2,935,362	2,948,235	\$ 1,556,499	2,920,000	05-31812	Use Tax - Measure D	\$ 3,011,000	\$ 3,010,000
	587,417	606,128	\$ 597,032	583,000	01-31820	Business License Tax	\$ 583,000	\$ 583,000
\$	15,761,283	\$ 16,346,196	\$ 10,998,400	\$ 16,180,203		Subtotal:	\$ 17,952,754	\$ 18,291,284
FRANCHISE FEES								
	186,016	189,687	\$ 101,470	250,000	01-32801	Garbage	\$ 245,000	\$ 249,900
	151,923	155,983	\$ 80,500	150,000	01-32802	Cable Television	\$ 153,000	\$ 156,060
	88,585	84,760	\$ -	105,000	01-32803	Gas & Electric	\$ 107,100	\$ 109,242
	86,065	-	\$ 86,407	81,000	01-32804	Water	\$ 87,720	\$ 89,474
\$	512,589	\$ 430,430	\$ 268,377	\$ 586,000		Subtotal:	\$ 592,820	\$ 604,676
FEES AND PERMITS								
	17,487	14,999	\$ 8,931	17,000	01-33351	Business Application Fees	\$ 17,340	\$ 17,687
	32,080	26,956	\$ 11,026	25,000	01-33402	Parking Stall Use Permits	\$ 25,500	\$ 26,010
	224,833	311,785	\$ 147,638	299,450	01-33404	Building Permits	\$ 305,439	\$ 311,548
	119,098	91,304	\$ 49,591	131,250	01-33405	Planning Permits	\$ 133,875	\$ 136,553
	11,581	9,030	\$ 2,769	10,000	01-33407	Building Trade Permits	\$ 10,200	\$ 10,404
	28,042	15,666	\$ 7,990	18,000	01-33408	Encroachment Permits	\$ 18,360	\$ 18,727
	11,040	10,420	\$ 2,740	11,360	01-33528	Parking Permits	\$ 11,587	\$ 11,819
	15,235	14,877	\$ 1,145	15,000	01-33549	Other Licenses & Permits	\$ 15,300	\$ 15,606
	6,235	9,382	\$ 5,728	9,000	01-33626	Tree Removal Permit	\$ 9,180	\$ 9,364
\$	465,631	\$ 504,419	\$ 237,556	\$ 536,060		Subtotal:	\$ 546,781	\$ 557,717
FINES & FORFEITURES								
	30,283	9,103	\$ 4,438	18,000	01-34801	Court Fines (Criminal & Court)	\$ 18,180	\$ 18,362
	206	142	\$ 124	500	01-34802	Other Fines & Forfeitures	\$ 505	\$ 510
\$	30,489	\$ 9,246	\$ 4,562	\$ 18,500		Subtotal:	\$ 18,685	\$ 18,872
USE OF MONEY & PROPERTY								
	23,767	40,499	\$ 6,325	25,000	01-35801	Interest	\$ 25,500	\$ 26,010
	9,180	37,212	\$ 13,291	35,300	01-35805	Rents	\$ 28,000	\$ 28,560
	138,641	230,636	\$ 92,784	40,000	01-35825	Parking Lot Fees	\$ 76,000	\$ 77,520
\$	171,588	\$ 308,347	\$ 112,400	\$ 100,300		Subtotal:	\$ 129,500	\$ 132,090
CHARGES FOR SERVICES								
	1,560	1,863	\$ 2,397	2,500	01-36276	Administration	\$ 2,550	\$ 2,601
	2,195	7,015	\$ 3,154	1,500	01-36351	Administrative Services	\$ 2,500	\$ 2,550
	392	3,506	\$ 1,689	2,000	01-36401	Planning	\$ 2,040	\$ 2,081
	25,639	26,992	\$ 14,669	26,000	01-36526	Police	\$ 26,520	\$ 27,050
	-	-	\$ -	-	01-36576	Public Works		
\$	29,786	\$ 39,376	\$ 21,909	\$ 32,000		Subtotal:	\$ 33,610	\$ 34,282
REVENUE FROM AGENCIES								
	1,069	6,873	\$ 3,963	\$ 3,000	01-37529	Post Reimbursement	\$ 3,030	\$ 3,060
	182,143	382,145	\$ 207,423	376,000	01-37801	Motor Vehicle In Lieu	\$ 400,000	\$ 404,000
	8,504	27,640	\$ 4,194	8,200	01-37804	Hoptr	\$ 8,282	\$ 8,365
	575	-	\$ -	500	01-37805	Damage Restitution	\$ 505	\$ 510
	3,479	18,468	\$ 6,816	4,000	01-37810	State Mandates	\$ 4,040	\$ 4,080
	4,933	-	\$ 5,134	6,000	01-38526	Public Safety Augmentation (1/2%)	\$ 6,060	\$ 6,121
	1,740	1,681		1,000	01-37899/38899	Other Agencies	\$ 1,010	\$ 1,020
\$	202,443	\$ 436,807	\$ 227,529	\$ 398,700		Subtotal:	\$ 422,927	\$ 427,156

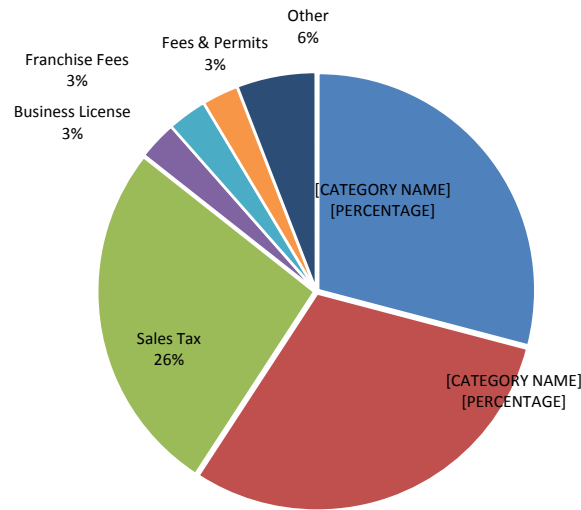
REVENUE

Actual <u>13-14</u>	Actual <u>14-15</u>	MID- YTD <u>15-16</u>	Budget <u>15-16</u>	Account		Budget <u>16-17</u>	Budget <u>17-18</u>
GRANTS							
	-		280,000	01-41050	Carmel Library Foundation	\$ 290,000	\$ 292,900
	-		100,000	01-48021	Grant Funds TAMC	-	-
\$ 209,117	\$ 438,488	\$ 232,663	\$ 380,000		Subtotal:	\$ 290,000	\$ 292,900
RECREATION USE FEES							
\$ -	-	\$ -	3,500	01-40726	Programs	\$ 3,500	\$ 3,500
\$ 5,415	10,983	\$ 2,695	6,700	01-40727	Facility Use	\$ 6,700	\$ 6,700
\$ -		\$ -	12,000	01-41100	Homecrafters' Fair	\$ 12,000	\$ 12,000
\$ -		\$ -	2,000	01-41110	Arts & Crafts Classes	\$ 2,000	\$ 2,000
		\$ -	18,100	01-41010	Library Operations	\$ 18,100	\$ 18,100
			-	01-41020	CA State Library	\$ -	\$ -
		\$ -	19,000	01-41030	Friends of HML	\$ 19,000	\$ 19,000
		\$ -	1,000	01-41040	Interest Income	\$ 1,000	\$ 1,000
		\$ -	500	01-41060	Library Donations	\$ 500	\$ 500
\$ 5,415	\$ 10,983	\$ 2,695	\$ 62,800		Subtotal:	\$ 62,800	\$ 62,800
MISCELLANEOUS REVENUE							
\$ 75,901	545,683	\$ 217,193	111,266	01-46801	Miscellaneous	\$ 110,000	\$ 112,200
\$ -	-	\$ -	-	01-46801	Donations	\$ -	\$ -
\$ 75,901	\$ 545,683	\$ 217,193	\$ 111,266		Subtotal:	\$ 110,000	\$ 112,200
TRANSFER FROM OTHER FUNDS							
\$ 60,000	93,871	\$ -	123,871	01-48003	Gas Tax (See Gas Tax Fund)	\$ 126,348	\$ 128,875
\$ -		\$ -	-	01-48008	Debt Service		
\$ -		\$ -	-	01-48010	Road Impact Fee		
\$ -		\$ -	150,000	01-48012	Traffic Safety		
		\$ -	-	01-48013	Capital Projects Reserve		
		\$ -	-	01-48016	Benefit Liability		
		\$ -	-	01-48017	Workers Compensation		
		\$ -	-	01-48018	General Fund/Operating Reserve		
\$ -		\$ -	-	01-48060	Forest Theater Fund		
\$ 60,000	\$ 93,871	\$ -	\$ 273,871		Subtotal:	\$ 126,348	\$ 128,875
17,524,242	19,163,846	\$ 12,323,285	\$ 18,679,700	Total Sources		\$ 20,286,226	\$ 20,662,853

REVENUE

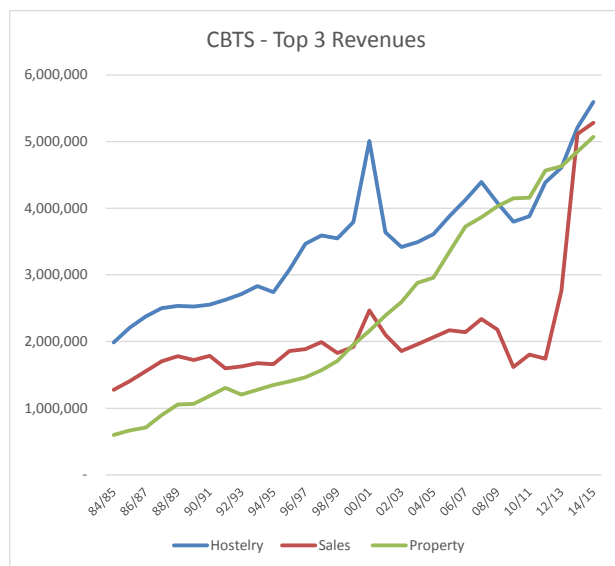
Property Taxes	\$ 5,905,000
TOT	\$ 6,103,754
Sales Tax	\$ 5,361,000
Business License	\$ 583,000
Franchise Fees	\$ 592,820
Fees & Permits	\$ 546,781
Other	\$ 1,193,870
Total	\$ 20,286,226

Carmel-by-the-Sea



	Hostelry	Sales	Property
83/84	1,497,249	1,085,415	500,550
84/85	1,988,718	1,275,693	598,419
85/86	2,206,087	1,407,641	666,037
86/87	2,378,408	1,556,017	712,055
87/88	2,503,311	1,704,092	896,219
88/89	2,535,534	1,779,148	1,055,461
89/90	2,526,075	1,725,303	1,066,826
90/91	2,552,575	1,786,077	1,183,795
91/92	2,624,441	1,600,057	1,305,428
92/93	2,714,639	1,624,929	1,205,549
93/94	2,830,663	1,677,108	1,277,725
94/95	2,742,978	1,658,676	1,346,579
95/96	3,079,080	1,856,933	1,401,024
96/97	3,468,095	1,886,899	1,465,134
97/98	3,591,096	1,991,586	1,571,720
98/99	3,546,616	1,831,408	1,708,813
99/00	3,791,509	1,918,365	1,954,236
00/01	5,007,868	2,468,093	2,160,738
01/02	3,637,875	2,102,321	2,389,858
02/03	3,417,902	1,860,079	2,592,756
03/04	3,490,805	1,960,441	2,882,206
04/05	3,611,990	2,064,776	2,957,970
05/06	3,879,083	2,169,093	3,346,065
06/07	4,123,602	2,143,171	3,725,693
07/08	4,395,329	2,339,916	3,867,213
08/09	4,080,750	2,181,263	4,028,236
09/10	3,799,156	1,619,968	4,149,686
10/11	3,878,772	1,805,510	4,157,789
11/12	4,390,816	1,743,748	4,567,560
12/13	4,609,003	2,760,414	4,628,057
13/14	5,209,030	5,115,879	4,848,957
14/15	5,593,688	5,283,560	5,072,340

CBTS - Top 3 Revenues



City of Carmel-by-the-Sea

Estimated Fund Balances

At 7/1/2015 and 6/30/2016

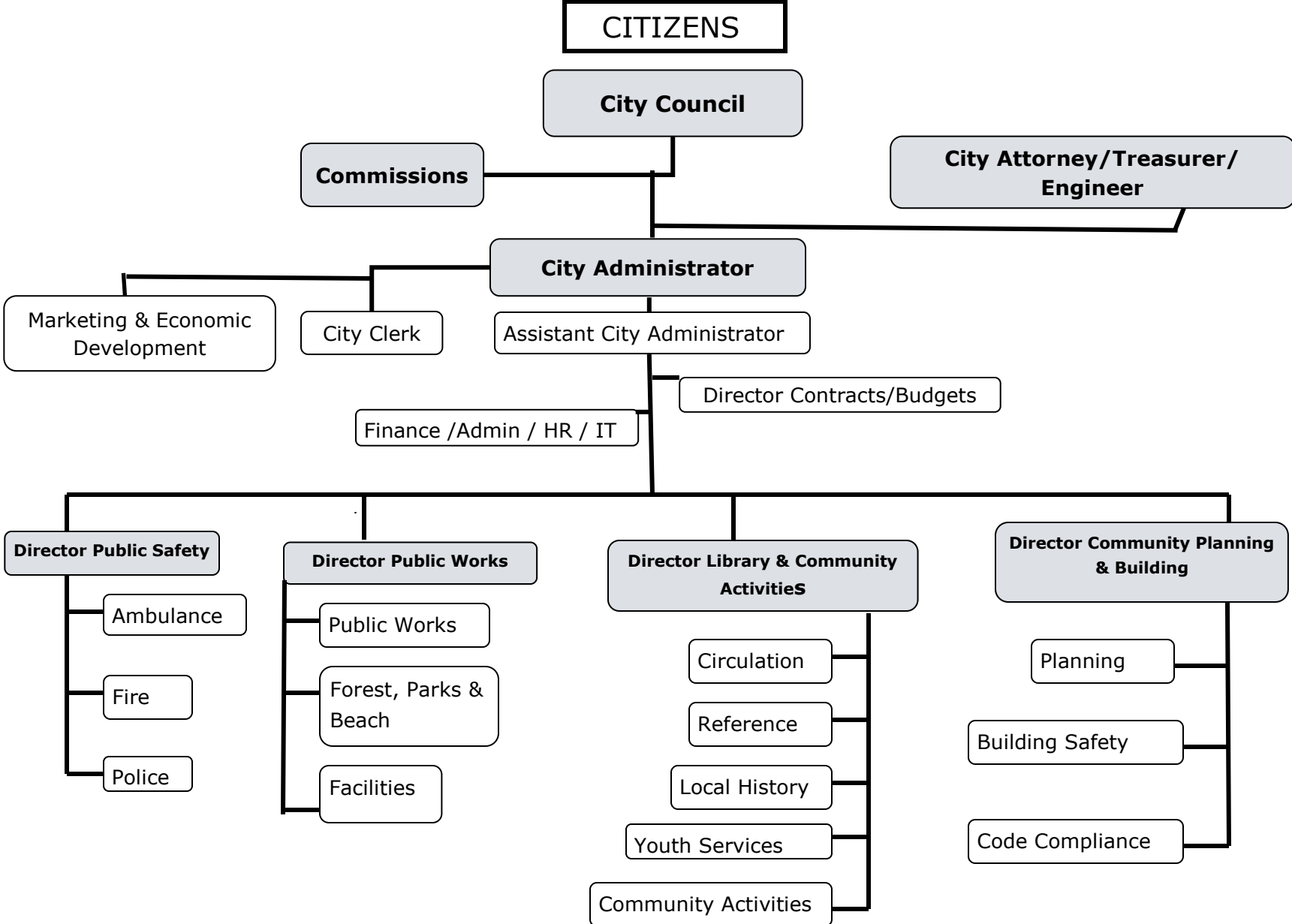
			Estimated 7/1/2015 Balance	FY14-15 Interest/ Other Income	Releases & Transfers In/Out	Estimated 6/30/2016 Balance
5	Measure D	Committed streets, infrastructure, POB debt service, other general fund expenditures	\$ 2,040,853	\$ -		\$ 2,040,853
8	Debt Service	Restricted by bond issuance for debt service on Sunset bonds	\$ 400,015	\$ -		\$ 400,015
16	Benefit Liability	Committed for post-employment benefit plans (retirement sick and vacation pay-out)	414,293		-	\$ 414,293
13	Capital Improvements	Committed for capital improvements	414,460		-	\$ 414,460
17	Workers' Compensation	Committed as reserve for potential workers' compensation self-insurance claims	207,976	-	-	\$ 207,976
18	Operating Reserve	Committed for operational reserves (10% of annual operational revenues) as required by Muni Code Section 3.06.040 and Ordinance 85.23	1,916,165		-	\$ 1,916,165
22	Natural Disaster	Committed for unanticipated expenses for overtime, damage response and recovery costs during emergency events and recovery periods of an unexpected event such as a severe storm	250,000			\$ 250,000
25	OPEB Liability	Committed for post-retirement benefits (other than retirement benefits) liability exposure (OPEB)	1,560,049	\$ -	234,936	\$ 1,794,985
50	Deposits	Committed for deposits held for others	596,087	\$ -		\$ 596,087
1	Long Term Budget Stability	Assigned to maintain services	943,076	\$ -		\$ 943,076
		Assigned - Equipment/Vehicle Replacement	510,845			510,845
2	Hostelry	Committed for community, cultural and recreational activities, parks, public facilities and municipal structures, parking lots, acquisition and improvements of parks, recreation land, or other municipal purposes that are in accordance with the General Plan of the City and for usual and current expenses of the General Fund Budget	550,000			\$ 550,000
3	Gas Tax	Committed for construction, improvements and maintenance of public streets	135,000	\$ -	1,000	\$ 136,000
4	Parking In-Lieu	Committed for creating public parking in or near the business district	700,760	\$ 2,684		\$ 703,444
12	Traffic Safety	Committed for traffic control devices and the maintenance thereof, the maintenance of equipment and supplies for traffic law enforcement and traffic accident prevention, maintenance, improvement or construction of public streets, bridges, culverts, or the compensation of school crossing guards who are not regular full-time members of the Police Dept	13,178		8,751	\$ 21,929
20	Road Impact Fees	Committed for street and road maintenance	29,527		2,197	\$ 31,724
21,31,32,33	Grants - Various	Restricted for grant expenditures	53,675	\$ 206		\$ 53,881
51	Employee Benefits Plan	Committed for employee benefit plans	20,000			\$ 20,000
60	Forest Theater	Assigned to Forest Theater improvements	18,012	\$ -	785	\$ 18,798
7	Ambulance	Assigned to ambulance service	10,000			\$ 10,000
			10,783,972	2,889	247,669	11,034,531

Assigned - by policy or Council recommendation, can be undone by same

Committed - by Council resolution, can be undone by same

Restricted - by law, statute or covenant

City of Carmel-by-the-Sea



AUTHORIZED POSITIONS

Department Name	Title	FTE
Administration	City Administrator	1.00
Administration	Assistant Administrator	1.00
Administration	City Clerk	1.00
Administration	Director of Budgets and Contracts	1.00
Administration	Finance Manager	1.00
Administration	HR Manager	1.00
Administration	Info. Svcs/Network Manager	1.00
Administration	Executive Assistant	1.00
Administration	Deputy City Clerk	1.00
Administration	Administrative Analyst	1.00
Administration	Administrative Coordinator	2.00
Administration	Administrative Specialist	1.00
Administration	Office Asst. (24 hrs/wk)	0.60
Ambulance	Paramedic/FireFighters	6.00
City Council	Councilmember	4.00
City Council	Mayor	1.00
Comm Planning/Building	Administrative Coordinator	1.00
Comm Planning/Building	Assistant Planner	1.00
Comm Planning/Building	Associate Planner	1.00
Comm Planning/Building	Building Inspector	1.00
Comm Planning/Building	Building Official	1.00
Comm Planning/Building	Code Compliance Officer	1.00
Comm Planning/Building	Permit Technician	1.00
Comm Planning/Building	Plan & Bldg. Svcs. Director	1.00
Comm Planning/Building	Senior Planner	1.00
LB Community Services	Community Services Asst.	1.43
Legal	City Attorney	1.00
Library	Circulation Supervisor	1.00
Library	Director of Library and Community Services	1.00
Library	Librarian I (17 hrs/wk)	0.86
Library	Librarian I (10 hrs/wk)	0.25
Library	Librarian II	2.00
Library	Librarian II (Local History)	1.00
Library	Library Assistant	3.00
Library	Library asst. (16 hrs/wk)	0.35
Library	Library Asst. (15 hrs/wk)	0.38
Library	Library Asst. (17 hrs/wk)	0.86
Library	Library Asst. (30 hrs/wk)	0.75
Library	Library Asst. Pool (average rate)	1.06
Library	Office Assistant	0.30
Police	Community Services Officer	3.00
Police	Community Services Officer/Animal Control	1.00
Police	Corporal	2.00
Police	Hourly Police Officer (Hourly) 600/2080)	0.29
Police	Police Commander	1.00
Police	Police Officer	1.00
Police	Police Officer	1.00
Police	Police Officer	1.00
Police	Police Officer	1.00
Police	Police Officer - Hourly (17 HRS/WK)	0.43
Police	Police Officer/Detective	1.00
Police	Police Officer/FTO	2.00
Police	Police Services Officer	6.00
Police	Police/Patrol Officer	1.00
Police	Public Safety Director	1.00
Police	Sergeant	3.00
Public Works	Administrative Coordinator	1.00
Public Works	Director of Public Works	1.00
Public Works	Enviromental Compliance Manager	1.00
Public Works	Maintenance Worker	3.00
Public Works	PW Superintendent	1.00
Public Works	SR Maint Worker - Equip Operator	1.00
Public Works	SR Maint Worker - Mason	1.00
Public Works	SR Maint Worker - Mechanic	1.00
Public Works	SR Maint Worker - Sweeper Oper.	1.00
Public Works	Street Supervisor	1.00
PW Facilities Maintenance	Facilities Maint. Specialist	1.00
PW Facilities Maintenance	Project Manager	2.00
PW Forest & Beach	Assistant Forester	1.00
PW Forest & Beach	City Forester	1.00
PW Forest & Beach	Forest Care Worker	1.00
PW Forest & Beach	Maintenance Worker/Gardener	1.00
PW Forest & Beach	Tree Care Specialist	2.00
	Total funded	95.56

CITY COUNCIL

Summary of Functions:

The City Council is a five-member legislative body elected by the residents of Carmel-by-the-Sea that serves as the governing body of the City. The Council's purpose is to establish policy, make laws and to ensure the delivery of governmental services. It approves the municipal budget and is responsible for review and adoption of local laws by passage of ordinances and of policy direction through passage of resolution. Council appoints the City Administrator, Attorney, Treasurer, and the Engineer.

The budget for the City Council includes the Mayor and four Councilmembers, who receive a monthly stipend for their service. Also included within this budget are the costs of memberships for participation in regional organizations related to air quality, Fort Ord, land use, planning, transportation and water; membership in the statewide league of cities and a contribution to Monterey County to fund substance abuse, mental health and recovery services. Discretionary funding of approximately \$94,500 is included within the proposed budget for contributions to organizations.

Services and Supplies: Training line increased to provide training for all Councilmembers as well as including training for all board and commissioners.

FTE = 5.00		Actual	Actual	Revised	Proposed	Proposed	Proposed
Account No.	Description	FY2013/14	FY 2014/15	Budget	Budget	Budget	Budget
				FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
60010	SALARIES	7,950	6,750	7,200	9,600	9,600	9,600
60014	SOCIAL SECURITY	493	418	446	595	595	595
60015	MEDICARE	116	98	104	139	139	140
60017	MEDICAL PROGRAM	12,439	10,026	27,140	27,140	27,547	27,960
		20,998	17,292	34,890	37,474	37,881	38,296
60030	TRAINING	-	-	3,000	30,000	30,450	30,907
60033	EVENT FEES/DUES/MEMBERSHIPS	91,260	84,001	74,324	95,177	96,605	98,054
60073	OFFICIAL PUBLIC MEETINGS	-	2,261	500	500	508	515
60095	OPERATIONAL SUPPLIES/SERVICE	(666)	92	350	350	355	361
60207	COUNCIL DISCRETIONARY	49,962	50,761	46,100	94,500	95,918	97,356
		140,556	137,114	121,274	220,527	193,385	196,286
Departmental Totals		\$ 161,554	\$ 154,406	\$ 156,164	\$ 258,001	\$ 231,266	\$ 234,581

APPOINTEES

Summary of Functions:

The City Attorney provides legal services to the City Council, the City Administrator and to City departments. Legal services include legal advice, litigation counsel, code compliance guidance and the preparation of documents. The City Engineer provides technical expertise, advice, scope, design and supervision of City Road construction projects, drainage, flood control programs and other special engineering services. The Treasurer manages the City's investments and reviews monthly bank statements. The City Treasurer's responsibilities are to coordinate the management of City investments and to provide the City Council with monthly investment reports.

LEGAL

		Actual	Actual	Revised	Proposed	Projected	Projected	
FTE = 1.00				Budget	Budget	Budget	Budget	
		FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	
Account No.	Description							
61010	SALARIES	90,000	90,000	126,000	126,000	126,000	126,000	
61014	SOCIAL SECURITY	5,580	5,580	6,200	7,812	7,812	7,812	
61015	MEDICARE	1,305	1,305	1,450	1,827	1,827	1,827	
61016	RETIREMENT			-		-	-	
61017	MEDICAL PROGRAM			-		-	-	
		96,885	96,885	133,650	135,639	135,639	135,639	
61051		PROFESSIONAL SERVICES	381,400	801,502	222,662	350,000	250,000	250,000
			381,400	801,502	222,662	350,000	250,000	250,000
Departmental Totals			\$ 478,285	\$ 898,387	\$ 356,312	\$ 485,639	\$ 385,639	\$ 385,639

ENGINEERING

		Actual	Actual	Revised	Proposed	Projected	Projected
FTE = CONTRACT				Budget	Budget	Budget	Budget
		FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Account No.	Description						
62051	PROFESSIONAL SERVICES	8,213	5,111	15,000	10,000	16,000	17,000
62053	CONTRACTUAL SERVICES	2,400	2,400	2,400	2,400	2,400	2,400
Departmental Totals		\$ 10,613	\$ 7,511	\$ 17,400	\$ 12,400	\$ 18,400	\$ 19,400

TREASURER

		Actual	Actual	Revised	Proposed	Projected	Projected
FTE = CONTRACT				Budget	Budget	Budget	Budget
		FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Account No.	Description						
63053	CONTRACTUAL SERVICES	2,400	2,400	2,400	2,400	2,400	2,400
		2,400	2,400	2,400	2,400	2,400	2,400
Departmental Totals		\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400

ADMINISTRATION

Summary of Functions:

The City Administrator is the administrative head of the government of the City, under the direction and control of the City Council. The City Administrator manages all aspects of the City's operations, including the enforcement of laws; fiscal and budgetary matters. This also includes the control of expenditures and purchasing; direction of departments; and supporting the City Council. The City Administrator's office provides functional oversight of the City Clerk, which serves as the official recorder of all City Council actions and the custodian of all municipal documents.

Administration is responsible for implementing and managing finance programs, information technology, and human resources management. Management responsibilities included financial oversight, insurance programs, asset management, budget preparation, administration of payroll, business licenses and renewals, hiring procedures, employee training and safety programs, personnel evaluation programs, employee assistance and coordination of the City Workers' Compensation claims program. The department monitors all departmental and general City operational revenues and expenses during the fiscal year.

The Administration budget includes 11.6 positions: City Administrator, Assistant City Administrator, City Clerk, Deputy City Clerk, Finance Manager, Human Resources Manager, IT Manager, Director of Budget and Contracts, Executive Assistant, Administrative Analyst, Administrative Specialist, Administrative Coordinator, and part time Office Assistant.

Salaries and Benefits:

The FY16-17 salaries and benefits increase due to the added position of Assistant City Administrator and merging of IT and Administrative Services Department into Administration.

Services and Supplies:

Training: City Clerk and IT training has been added in the amount of \$30,000. Records management has been added for \$11, 000. Printing and Noticing has been increased and is offset by the decrease in use of outside printing services. Legal noticing will be centralized to the Administration office rather than by department. IT Contractual services increases by \$119,000 due to the purchase of the financial system. Contractual and recruitments significantly decreased by filling vacant positions in the prior fiscal year and also limited use of outside contractors.

ADMINISTRATION

FTE = 11.60		Actual	Actual	Revised Budget	Proposed Budget	Projected Budget	Projected Budget
Account No.	Description	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
67010	SALARIES	963,138	1,056,133	900,466	1,270,114	1,289,165	1,308,503
67011	OVERTIME	609	-	-	2,000	-	-
67014	SOCIAL SECURITY	-	-	-	3,995	-	-
67015	MEDICARE	11,698	14,734	12,892	18,538	18,817	19,099
67016	RETIREMENT	68,483	74,008	74,102	89,503	90,846	92,208
67017	MEDICAL PROGRAM	86,083	78,776	127,886	129,376	133,257	137,255
67018	LIFE INSURANCE	937	1,187	1,278	1,154	1,171	1,189
67019	WORKERS COMPENSATION	-	-	-	83,298	84,547	85,815
67020	DEFERRED COMPENSATION	17,253	22,693	9,600	16,200	16,443	16,690
67021	MOU OBLIGATIONS	3,643	3,019	8,400	11,040	11,206	11,374
67023	PART-TIME ASSISTANCE	27,105	16,458	-	-	-	-
		1,178,949	1,267,007	1,134,624	1,625,218	1,645,452	1,672,133

65030	IT TRAINING	-	-	-	15,800	16,037	16,278
67030	TRAINING	11,498	4,822	10,850	17,375	17,636	17,900
67032	CREDIT CARD BANK FEES	27,542	29,769	10,580	10,000	12,000	12,000
67033	DUES/MEMBERSHIPS	4,194	45	2,650	5,700	5,786	5,872
67034	DOCUMENTS/PUBLICATIONS	1,506	998	1,500	1,500	1,523	1,545
67035	RECORDS MANAGEMENT	-	-	-	11,000	11,165	11,332
65036	IT TELEPHONE/COMMUNICATIONS	46,687	40,417	77,000	50,000	50,750	51,511
67039	PRINTING	6,943	9,845	7,400	10,000	10,150	10,302
67040	LEGAL NOTICING	2,493	1,797	9,550	20,000	20,300	20,605
67042	OFFICE MACHINE SUPPLIES	4,067	3,374	4,000	4,000	4,060	4,121
67043	OFFICE SUPPLIES	10,436	13,440	11,600	18,100	18,372	18,647
65045	MATERIALS/SUPPLIES	19,500	3,270	20,000	15,000	15,225	15,453
65049	EQUIPMENT MAINTENANCE	6,000	16,345	3,000	13,600	13,804	14,011
67051	PROFESSIONAL SERVICES	233,576	253,083	95,350	23,700	24,056	24,416
65053	IT CONTRACTUAL SERVICES	39,000	-	-	118,892	120,675	122,486
67053	CONTRACTUAL SERVICES	539,700	321,031	111,760	55,000	55,825	56,662
67100	RECRUITMENT	15,829	21,677	59,590	18,000	18,270	18,544
67110	PRE-EMPLOYMENT	12,077	6,691	12,000	4,000	4,060	4,121
67120	EMPLOYEE ASSISTANCE PROGRAM	-	-	2,000	2,000	2,030	2,060
67130	EMPLOYEE IMMUNIZATION PROGRAM	1,775	1,849	2,500	2,500	2,538	2,576
67170	ERGONOMIC STUDIES/MODIFICATION	1,568	1,685	2,500	4,000	4,060	4,121
67400	AUDITS	32,722	25,353	34,250	44,000	36,000	36,000
67428	EMPLOYEE RECOGNITION	6,790	6,210	6,500	8,500	8,628	8,757
80022	UNEMPLOYMENT	66	21,478	11,000	18,000	18,540	19,096
80424	WORKERS COMP CLAIM RUN-OUT	16,225	14,640	14,400	22,000	8,240	8,480
80425	LIABILITY INSURANCE-PREMIUMS	355,103	237,250	281,800	320,456	330,070	339,972
80426	RETIREE INSURANCE PROGRAM	42,638	39,243	38,000	45,000	46,350	47,741
80016	PERS UNFUNDED LIABILITY	-	-	559,567	671,449	801,780	801,780
		1,437,935	1,074,311	1,389,347	1,549,572	1,677,927	1,696,390

Departmental Total

2,616,884	2,341,318	2,523,971	3,174,790	3,323,379	3,368,522
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MARKETING & ECONOMIC DEVELOPMENT

Summary of Functions:

The City of Carmel's budget includes funding for regional destination marketing to promote travel and tourism related businesses. In addition, funds are budgeted for economic development including establishing the City's Economic Revitalization Strategic Plan.

The Sunset Cultural Center complex including the Theater is managed by a non-profit organization on behalf of the City. The non-profit organization is responsible for administration staffing, routine maintenance of the facilities, booking and operation of the Theater and Community Rooms, marketing first-rate performances, community events, and fundraising. The non-profit organization operates under a management agreement and receives a operating management funds from the City to ensure operation is at maximum utilization. The funds also helps support marketing the facility, programming events, and managing the day to day operations of the facility.

Jurisdiction Marketing is funding to the public relations and marketing firm for maintaining the official travel website of Carmel-by-the-Sea and other marketing and advertising efforts.

Regional Destination Marketing and Economic Development funds various entities contributing to the City's economic vitality through such efforts as marketing and advertising of the City as a visitor destination, supporting the operations of the performing arts and conference center and providing financial support to special events. As the City's top revenue sources include sales tax and transient occupancy tax, marketing efforts encourage guests to visit and stay overnight within the Village where they can partake of dining, shopping, and cultural and community opportunities.

The Carmel Chamber of Commerce promotes the community, helps create a strong local economy, and represents the interest of business with local government.

Grants and subsidies includes additional funding to support the cost of projects and special events taking place within the City. Council has the discretion to reduce or waive City event fees for special event organizers.

* Unallocated- Distribution will be determined at a later date.

Account No	Description	Actual FY 2013/14	Actual FY 2014/15	Revised Budget FY 2015/16	Proposed Budget FY 2016/17	Projected Budget FY 2017/18	Projected Budget FY 2018/19
80900	SUNSET CENTER OPERATING/MGT	650,959	650,000	750,000	750,000	750,000	750,000
85200	JURISDICTION MARKETING	179,337	120,000	120,000	*	*	*
85203	REGIONAL DESTINATION MARKETING	125,987	138,780	146,528	*	*	*
85301	CARMEL CHAMBER OF COMMERCE	40,000	57,000	57,000	*	*	*
85305	COMMUNITY PROMOTIONS FUND	-	-	55,700	57,500	57,500	57,500
		1,010,213	965,780	1,129,228	1,150,156	1,150,156	1,150,156

NON-DEPARTMENTAL

Summary of Functions:

These accounts capture costs of operations that are shared among the various departments. Previously, these expenses were either located within one department's budget or were allocated to each department period.

Summary of Significant Changes:

The FY 16-17 Vacation buyback has been added. Vacation Buyback is a program for employees to cash in their unused vacation up to 80 hours. The program is to help employees maintain vacation accruals without losing hours that are over the cap. This account previously was combined with each departments salaries . To better determine and allocate this expense, projected cap accruals were factored.

Workers Compensation line has been removed from non-department and is in each departments budget. This is to better determine workers compensation liability premiums within each department.

NON-DEPARTMENTAL

Account No.	Description	Actual	Actual	Revised	Proposed	Projected	Projected
		FY 2013/14	FY 2014/15	Budget FY 2015/16	Budget FY 2016/17	Budget FY 2017/18	Budget FY 2018/19
01-60019	WORKERS COMP	273,239	533,186	455,600	-	-	-
01-64026	UTILITIES	186,978	204,195	203,442	202,000	208,060	214,302
01-80038	POSTAGE	7,186	6,445	9,000	8,000	8,240	8,487
01-80801	PROPERTY TAX ASSESSMENTS	44,049	50,065	57,600	66,200	68,186	70,232
01-80300	ELECTION	28,165	-	38,000	-	-	-
	VACATION BUYBACK	-	-	-	20,000	-	-
01-80400	CITY CENTENNIAL	-	-	40,000	60,472	-	-
		539,617	793,891	803,642	356,672	284,486	293,021

COMMUNITY PLANNING & BUILDING

Summary of Functions:

The Community Planning and Building Department consists of the Planning, Building and Code Compliance Divisions and is responsible for preserving community character and fostering a vibrant community that supports economic well-being and a high quality of life for its residents, businesses and visitors. The Planning Division is responsible for the management of land use and environmental quality in Carmel-by-the-Sea. The department also provides staff support to the Planning Commission, Historic Resources Board and the Design Review Board.

The department processes current development applications, maintains the General Plan, and ensures that capital programs, zoning and other activities of the City are consistent with the goals and policies of the Plan. The Building Safety Division is responsible for review of construction plans and inspections of City and private development projects to ensure compliance with building codes. The Code Compliance Division ensures compliance with the City Municipal Code. This function includes resolving code violations, public outreach and the development and implementation of prevention programs.

The budget includes the Director, Building Official, Building Inspector, Senior Planner, Associate Planner, Assistant Planner, Permit Technician, Administrative Coordinator and a Code Compliance Officer.

Summary of Significant Changes:

Contractual services and Professional Services expense line has been combined. Last fiscal year, the Community Planning and Building department has filled full-time staff positions eliminating the need for contract staff. This budget includes a full-time Code Compliance Officer, which will further support the departments needs.

		Actual	Actual	Revised	Proposed	Projected	Projected
FTE = 9				Budget	Budget	Budget	Budget
Account No.	Description	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
69010	SALARIES	409,057	369,476	431,356	717,460	728,222	739,145
69011	OVERTIME	1,803	-	4,000	1,000	1,015	1,030
69015	MEDICARE	5,704	5,010	6,401	8,942	9,076	9,213
69016	RETIREMENT	33,710	18,299	46,176	58,176	59,049	59,935
69017	MEDICAL PROGRAM	47,044	57,467	56,319	55,709	56,544	57,392
69018	LIFE INSURANCE	450	326	1,179	611	620	629
69019	WORKERS COMPENSATION INS.	-	-	-	42,514	43,152	43,799
69020	DEFERRED COMPENSATION	725	300	1,140	2,460	2,497	2,534
69021	MOU OBLIGATIONS	-	6,458	6,552		-	-
		498,493	457,337	553,123	886,872	900,175	913,678
69030	TRAINING	-	955	-	12,890	8,000	8,000
69033	DUES/MEMBERSHIPS	1,698	3,437	2,804	2,180	2,213	2,246
69034	DOCUMENTS/PUBLICATIONS	2,008	1,819	4,000	4,000	4,060	4,121
69039	PRINTING	20,460	5,177	2,258	1,500	1,523	1,545
69043	OFFICE SUPPLIES	3,030	3,470	2,000	3,500	3,553	3,606
69053	CONTRACTUAL SERVICES	484,948	509,440	401,934	132,459	134,445	136,462
		512,144	523,343	412,996	156,529	145,793	147,980
Departmental Total		1,010,637	980,680	966,119	1,043,401	1,045,968	1,061,658

LIBRARY

Summary of Functions:

The library provides programs, materials, and reference services to cardholders and visitors, and offers an outreach program that delivers books to the homebound in the Carmel area. The print and online collections include books, e-books, movies, recorded books, large print materials and music; emphases include the history of Carmel-by-the-Sea, travel, art and medical reference. Community Services' primary role is to manage and coordinate the delivery of a variety of new and ongoing public and private special events within the community.

Summary of Significant Changes:

Library Salaries and Benefits: The budget outlined below maintains current library open hours and staffing levels. The Harrison Memorial Library Board of Trustees is requesting additional funding (not included below) in the approximate amount of \$27,000: \$18,000 to open the Main Library on Sunday afternoons from 1:00 - 5:00 p.m., and \$9,000 to add to existing weekday morning hours so as to provide consistent opening times between the two buildings.

LIBRARY

		Actual	Actual	Revised	Proposed	Projected	Projected
FTE = 12.53		FY 2013/14	FY 2014/15	Budget	Budget	Budget	Budget
Revenue	Description						
70-48001	Transfer In - General Fund	883,830	948,596	1,043,044	1,027,596	1,012,110	1,025,277
41010	Library Operations	18,100	15,000	14,450	18,100	18,372	18,647
41020	CA State Library	-	-	-	-	-	-
41030	Friends of HML	19,000	19,000	21,000	19,000	19,285	19,574
41040	Interest Income	1,000	1,200	1,000	1,000	1,015	1,030
41050	Carmel Library Foundation	280,000	280,000	280,000	292,000	280,000	280,000
41060	Donations	1,200	500	500	500	500	500
		1,203,130	1,264,296	1,359,994	1,358,196	1,331,281	1,345,029

		Actual	Actual	Revised	Proposed	Projected	Projected
Account No. Description		FY 2013/14	FY 2014/15	Budget	Budget	Budget	Budget
84010	SALARIES	519,035	548,111	660,389	559,944	568,343	576,868
84014	SOCIAL SECURITY	4,043	4,040	14,793	10,757	10,919	11,083
84015	MEDICARE	9,385	9,092	12,497	10,459	10,616	10,775
84016	RETIREMENT	70,705	61,199	49,650	50,892	51,655	52,430
84017	MEDICAL PROGRAM	98,707	90,142	81,074	94,593	96,012	97,452
84018	LIFE INSURANCE	1,164	1,467	1,252	1,279	1,298	1,317
84019	WORKERS COMPENSATION		13,107	8,770	56,654	57,504	58,367
84020	DEFERRED COMPENSATION	2,700	2,700	2,700	2,700	2,741	2,782
84021	MOU OBLIGATIONS	3,951	14,162	23,419	23,347	23,697	24,053
84023	PART-TIME ASSISTANCE	169,543	156,324	183,500	211,971	184,250	185,000
Personnel Related		879,233	900,345	1,038,044	1,022,596	1,007,035	1,020,126

84060	FINE ART/MAINT/PRESV	4,598	-	5,000	5,000	5,075	5,151
	Facilities/Other Related	4,598	-	5,000	5,000	5,075	5,151
	Total City Responsibility	883,831	900,345	1,043,044	1,027,596	1,012,110	1,025,277
84100	ADMINISTRATION	39,618	44,799	55,550	53,999	-	-
84410	DOCUMENTS	24,950	164,162	180,690	181,644	-	-
84420	EQUIPMENT	174,805	44,859	27,590	17,459	-	-
84430	CATALOGING	8,548	8,798	9,700	9,950	-	-
84440	INFORMATION SYSTEMS	18,428	27,790	28,070	45,854	-	-
84450	PROGRAMS	13,361	11,006	14,100	14,250	-	-
STRATEGIC PLAN IMPLEMENTATION		-	-	-	7,840	-	-
Operations Related		279,710	301,414	315,700	330,996	-	-
Departmental Total		1,163,541	1,201,759	1,358,744	1,358,592	1,012,110	1,025,277

COMMUNITY SERVICES

Summary of Functions:

The primary role of the Community Services department is to manage and coordinate the delivery of a variety of new and ongoing public and private special events within the community. Community Services oversees car week activities.

Summary of Significant Changes:

The FY 16-17 salaries and benefits increased due to the addition of a part time assistant. This additional assistant will provide adequate staffing as Community Services has relied on staff from other departments for support.

Contractual services has been increased due to reclassification of expenses.

		Actual	Actual	Revised	Proposed	Projected	Projected
FTE = 1.68				Budget	Budget	Budget	Budget
		FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Account No.	Description						
82010	SALARIES	30,229	45,311	142,280	98,835	100,318	101,823
82014	SOCIAL SECURITY	119	121	6,052	1,418	1,439	1,460
82015	MEDICARE	928	678	2,063	1,451	1,472	1,494
82016	RETIREMENT	8,025	4,840	3,802	6,853	6,956	7,060
82017	MEDICAL PROGRAM	4,025	236	8,608	8,063	8,184	8,306
82018	LIFE INSURANCE	143	78	142	142	144	146
82019	WORKERS COMPENSATION			-	5,857	5,944	6,034
82020	DEFERRED COMPENSATION	-	-	-	300	305	309
82021	MOU OBLIGATIONS	-		2,714	3,840	3,898	3,956
82023	PART-TIME ASSISTANCE	1,925	1,925	2,475	22,863	23,206	23,554
		45,394	53,188	168,136	149,621	151,865	154,143
82030	TRAINING	-	-	-	-	-	-
82033	DUES AND MEMBERSHIP	-	-	-	-	-	-
82036	TELEPHONE		834	-	1,980	2,010	2,040
82039	PRINTING	-	186	225	6,615	6,714	6,815
82040	ADVERTISING	-	-	1,215	4,461	4,528	4,596
82042	OFFICE MACHINE SUPPLIES	270	-	300	-	-	-
82043	OFFICE SUPPLIES	381	182	400	3,520	3,573	3,626
82053	CONTRACTUAL SERVICES	-	18,397	3,150	33,500	34,003	34,513
82055	COMMUNITY ACTIVITIES	35,599	27,732	40,200	12,300	12,485	12,672
		36,250	47,331	45,490	62,376	63,312	64,261
Departmental Total		81,644	100,519	213,626	211,997	215,177	218,405

PUBLIC SAFETY

Summary of Functions:

Public Safety encompasses the Police Department, Ambulance Services and oversight of the Fire Department Contract with the City of Monterey. The Police department enforces all laws and regulations enacted by the local, state and federal governments. The essential goal of the Department is "to protect and serve" with primary responsibility for ensuring the rights of citizens to live in peace and safety.

The Police Department is comprised of 25.72 positions including the Public Safety Director/Police Chief, Commander, Sergeants, Corporals, Police Officers, Police Services Officers, Community Services Officers and Reserves.

The Police Department oversees the management and operation of the Emergency Operations Center which can be activated during emergency situations. The police department also runs a Volunteers in Policing Program (VIP) which has 11 volunteers. Volunteers assist the police department with daily clerical activities, errands, public outreach and special events. The police department also oversees the City Community Emergency Response Team (CERT) which has 20 highly trained volunteers ready to assist the community during emergency situations.

Summary of Significant Changes:

The prior fiscal year, the Police Department filled seven vacant positions. As a result, the training budget for this fiscal year has been increased \$10,000 for necessary training of new and existing employees.

P O L I C E

FTE = 25.72		Actual	Actual	Revised Budget	Proposed	Projected	Projected
		FY 2013/14	FY 2014/15	FY 2015/16	Budget	Budget	Budget
Account No.	Description				FY 2016/17	FY 2017/18	FY 2018/19
74010	SALARIES	1,810,078	2,071,225	1,863,800	2,075,443	2,204,430	2,237,497
74011	OVERTIME	141,359	43,544	155,000	150,000	-	155,001
74012	HOLIDAY-IN-LIEU	68,534	35,113	103,160	105,129	106,706	108,307
74013	UNIFORM ALLOWANCE	11,782	8,019	18,900	32,400	32,886	33,379
74014	SOCIAL SECURITY	89	20	-	3,964	4,024	4,084
74015	MEDICARE	21,107	21,742	27,845	28,104	28,525	28,953
74016	RETIREMENT	372,277	362,594	315,712	307,554	312,167	316,850
74017	MEDICAL PROGRAM	309,158	271,421	283,344	279,059	283,245	287,493
74018	LIFE INSURANCE	2,808	3,499	2,957	2,886	2,929	2,973
74019	WORKERS COMPENSATION		111,250	21,268	189,384	192,225	195,108
74020	DEFERRED COMPENSATION	14,238	16,350	6,300	7,500	7,613	7,727
74021	MOU OBLIGATIONS	-	-	-	-	-	-
74023	PART-TIME ASSISTANCE	21,876	15,606	-	-	-	-
		2,773,306	2,960,381	2,798,286	3,181,423	3,174,750	3,377,372
74030	TRAINING	16,540	16,695	17,000	25,000	17,000	19,000
74031	CLOTHING EXPENSE	12,600	9,908	20,000	13,200	22,000	24,000
74033	DUES/MEMBERSHIPS	1,515	1,075	1,450	1,675	1,675	1,875
74034	DOCUMENTS/PUBLICATIONS	996	1,029	1,685	1,935	1,935	2,200
74036	TELEPHONE/COMMUNICATIONS	-	-	-	8,984	-	-
74037	RADIO EXPENSE	7	358	1,100	1,500	1,500	1,700
74038	POSTAGE	-	29	-	500	100	100
74039	PRINTING	2,694	3,234	3,500	3,900	3,700	3,900
74042	OFFICE MACHINE SUPPLIES	1,659	1,491	1,500	-	1,700	1,900
74043	OFFICE SUPPLIES	2,456	2,587	2,600	10,900	2,800	3,000
74049	EQUIPMENT MAINTENANCE	4,483	4,401	5,000	6,100	5,500	6,000
74050	OUTSIDE LABOR	5,631	5,860	6,000	5,402	6,300	6,600
74051	PROFESSIONAL SERVICES	1,031	454	-	-	-	-
74053	CONTRACTUAL SERVICES	122,266	143,572	229,259	185,663	184,000	186,000
74054	EQUIPMENT/SUPPLIES	1,634	11,334	2,500	-	2,500	2,562
74055	COMMUNITY ACTIVITIES	1,173	1,650	1,500	3,000	1,500	1,500
74056	PHOTOGRAPHIC SUPPLIES		70	-	-	-	-
74057	SAFETY EQUIPMENT	5,557	8,450	15,000	14,000	15,500	15,914
74095	OPERATIONAL SERVICES/SUPPLIES	1,467	1,553	2,500	-	2,600	2,652
72601	EOC SUPPLIES/SERVICE	1,045	10,421	8,500	10,500	10,500	11,139
		182,753	224,168	319,094	292,259	280,810	290,042
Departmental Total		2,956,059	3,184,550	3,117,380	3,473,682	3,455,560	3,667,414

FIRE

Summary of Functions:

The Fire Department's primary responsibility is to save lives and protect property through the prevention and control of fires. Fire service is provided by the City of Monterey.

Summary of Significant Changes:

The FY16/17 budget reflects no significant increases.

FTE = CONTRACT		Actual	Actual	Revised	Proposed	Projected	Projected
		FY 2013/14	FY 2014/15	Budget	Budget	Budget	Budget
Account No.	Description			FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
72010	PERSONNEL RELATED EXPENDITURES	30,710	28,094	-	-	-	-
72026	UTILITIES	8,928	7,975	-	-	-	-
72037	RADIO EXPENSE	3,617	240	1,418	1,350	1,350	1,505
72047	AUTOMOTIVE PARTS	50	289	500	500	500	530
72049	EQUIPMENT MAINTENANCE	3,633	1,200	3,500	5,000	5,000	5,305
72050	OUTSIDE LABOR	3,100	-	1,750	-	1,750	1,857
72053	CONTRACTUAL SERVICES	23,712	-	-	39,423	37,673	40,983
72053-0006	CONTRACTUAL Mtry Agreement	2,132,607	1,971,633	2,074,427	2,057,494	2,119,219	2,182,795
72054	TOOLS/EQUIPMENT/SUPPLIES	721	-	3,000	3,000	3,000	3,183
72055	COMMUNITY ACTIVITIES	1,286	257	3,000	3,000	3,000	3,183
72057	SAFETY EQUIPMENT	5,725	3,569	5,000	5,000	5,000	5,305
72095	OPERATIONAL SERVICES/SUPPLI	531	474	5,000	5,000	5,000	5,305
72602	FIRE EQUIPMENT/SUPPLIES	-	6,476	7,416	7,416	7,416	7,868
72603	MEDICAL SUPPLIES	-	-	3,000	3,000	6,000	6,365
72604	HYDRANT MAINTENANCE	-	-	750	750	750	796
		2,183,910	1,992,155	2,108,761	2,130,933	2,195,658	2,264,980
Departmental Total		2,214,620	2,020,249	2,108,761	2,130,933	2,195,658	2,264,980

AMBULANCE

Summary of Functions:

The Carmel Fire Ambulance provides advanced life support ambulance service to the residents of Carmel-by-the-Sea and surrounding areas.

The Carmel Fire Ambulance consists of 6 full time Paramedic/Firefighters and 4 per diems to provide front line medical emergency response. There are two vacant per diem positions.

The ambulance personnel are also trained firefighters and respond to fire related calls. The Carmel Fire Ambulance crews work directly with the Monterey Fire Department when responding to emergency calls.

Summary of Significant Changes:

The FY16/17 budget reflects increase in Safety Equipment as a result of merging Safety Equipment and Outside Labor accounts. Training was increased to provide the required EMS training and licensing for all ambulance personnel. Equipment Maintenance increased to purchase an updated ESO electronic administrative console for ambulance-hospital patient care reporting.

FTE = 6.00		Actual	Actual	Revised	Proposed	Projected	Projected
		FY 2013/14	FY 2014/15	Budget	Budget	Budget	Budget
Account No.	Description			FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
07-73010	SALARIES	385,473	560,573	476,851	542,816	569,957	578,506
07-73011	OVERTIME	126,188	85,569	110,000	110,000	115,500	117,233
07-73012	HOLIDAY IN-LIEU	28,503	45,710	42,172	50,167	52,675	53,465
07-73013	UNIFORM ALLOWANCE	-	-	-	-	-	-
07-73014	SOCIAL SECURITY	2,787	932	-	-	-	-
07-73015	MEDICARE	6,931	7,741	8,172	8,598	9,028	9,164
07-73016	RETIREMENT	61,608	74,967	98,962	85,044	89,296	90,636
07-73017	MEDICAL PROGRAM	24,001	86,119	78,477	78,477	82,400	83,636
07-73018	LIFE INSURANCE	321	767	826	826	867	880
07-73019	WORKERS COMPENSATION	-	40,087	-	49,532	52,009	52,789
07-73020	DEFERRED COMPENSATION	-	-	-	-	-	-
07-73021	MOU OBLIGATIONS	-	-	-	-	-	-
07-73023	PART-TIME ASSISTANCE	389	37,459	-	-	-	-
07-73024	PAID CALL FIREFIGHTERS	68,242	12,634	5,000	5,000	5,250	5,329
		704,443	952,558	820,460	930,459	976,982	991,637
07-73030	TRAINING	825	825	1,500	4,100	4,100	4,100
07-73032	PERMITS, LICENSES & FEES	58	58	200	-	212	212
07-73043	OFFICE SUPPLIES	428	428	500	1,100	1,100	1,100
07-73047	AUTOMOTIVE PARTS	141	141	2,500	200	1,000	1,000
07-73049	EQUIPMENT MAINTENANCE	283	283	3,500	6,200	6,500	7,000
07-73050	OUTSIDE LABOR	10	10	3,000	-	-	-
07-73053	CONTRACTUAL SERVICES	191,567	191,567	96,100	47,100	49,455	51,928
07-73053-0006	CONTRACTUAL Mtry Agreement	83,854	83,854	86,575	92,000	96,600	101,430
07-73057	SAFETY EQUIPMENT	6,924	6,924	5,000	9,500	9,975	10,474
07-73603	MEDICAL SUPPLIES	19,299	19,299	25,240	30,740	32,277	33,891
07-73110	PRE-EMPLOYMENT	-	-	3,000	-	-	-
		303,389	303,389	227,115	190,940	201,219	211,134
Departmental Total		1,007,832	1,255,947	1,047,575	1,121,399	1,178,201	1,202,771

PUBLIC WORKS

Summary of Functions:

The Public Works Department is responsible for the maintenance of all municipal infrastructure involving the construction, improvement and repair of streets, sidewalks, pathways, and storm drainage systems, implementing capital projects, maintaining facilities, vehicles, and managing the Village's forest, parks and shoreline area.

The Public Works Department also includes the Forest, Parks, & Beach and Facilities functions.

The Public Works budget includes 21 positions: Public Works Director, City Forester, Public Works Superintendent, Project Managers, Environmental Compliance Manager, Streets Supervisor, Assistant City Forester, Facilities Maintenance Specialist, Senior Maintenance Workers, Maintenance Workers, Tree Care Specialists, Coastal Gardener, Forest Care Worker, and an Administrative Coordinator.

Summary of Significant Changes:

The FY 16-17 salaries and benefits increased due to the addition of two new positions: limited time (3-year term) Project Manager, and a second Tree Care Specialist.

The three divisions of Public Works, Forest Parks & Beach, and Facilities have been merged into one department.

With this consolidation and the addition of new positions, increases in line items for salaries and benefits are apparent. However, with the addition of new staff and the filling of several vacancies last fiscal year, the City will be less reliant on outside contract labor to meet the community's needs.

PUBLIC WORKS / FOREST & BEACH / FACILITIES

FTE = 21.0		Actual	Revised Budget	Revised Budget	Projected Budget	Projected Budget	Projected Budget
		FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Account No.	Description						
76010	SALARIES	885,013	1,044,665	1,098,375	1,412,342	1,433,527	1,455,030
76011	OVERTIME	9,146	7,819	16,000	16,000	16,240	16,484
76013	UNIFORM ALLOWANCE	2,594	3,036	3,036	3,432	3,483	3,536
76014	SOCIAL SECURITY	2,479	-	3,163	-	-	-
76015	MEDICARE	9,349	9,593	12,400	17,487	17,749	18,016
76016	RETIREMENT	104,674	101,870	86,180	115,170	116,898	118,651
76017	MEDICAL PROGRAM	155,788	193,883	194,390	234,438	237,954	241,524
76018	LIFE INSURANCE	1,542	1,838	1,837	2,071	2,102	2,134
76019	WORKERS COMPENSATION	-	-	-	128,876	130,809	132,771
76020	DEFERRED COMPENSATION	3,000	6,000	6,000	8,100	8,222	8,345
76021	MOU OBLIGATIONS	13,481	30,902	26,702	53,347	54,147	54,960
76023	PART-TIME ASSISTANCE	40,799	16,000	42,000	-	-	-
		1,227,865	1,415,606	1,490,083	1,991,263	2,021,132	2,051,449
76030	TRAINING	913	2,000	6,500	10,675	10,835	10,997.65
76031	CLOTHING EXPENSE	4,750	4,300	-	6,180	6,180	6,180
76032	PERMITS, LICENSES & FEES	3,118	10,000	7,861	9,475	9,475	9,475
76033	DUES/MEMBERSHIPS	640	1,350	1,163	2,820	2,820	2,820
76034	DOCUMENTS/PUBLICATIONS	-	100	180	500	500	500
76037	RADIO EXPENSE	-	-	-	-	-	-
76039	PRINTING	918	1,000	1,300	1,715	1,800	1,800
76041	RENT/LEASE EQUIPMENT	-	4,100	14,896	2,700	2,700	2,700
76043	OFFICE SUPPLIES	421	400	3,520	4,845	4,000	4,000
76045	MATERIALS/SUPPLIES	86,393	90,000	102,904	100,010	100,010	100,010
76046	FUEL	66,627	80,000	37,472	58,000	58,870	58,870
76047	AUTOMOTIVE PARTS/SUPPLIES	787	6,000	5,000	5,000	5,075	5,075
76048	TIRES/TUBES	7,517	5,000	5,000	5,000	5,075	5,075
76049	EQUIPMENT MAINTENANCE	101,353	80,000	70,000	69,400	70,441	70,441
76050	OUTSIDE LABOR	253,552	280,000	379,657	307,621	312,235	312,235
76053	CONTRACTUAL SERVICES	200,244	154,000	394,139	429,047	435,483	435,483
76054	TOOLS/EQUIPMENT	1,268	3,700	917	-	-	-
76055	STORM WATER RUNOFF PROG EXP	81,886	132,000	95,172	128,000	129,920	129,920
76057	SAFETY EQUIPMENT	909	3,500	2,500	4,700	4,771	4,771
70920	OFFICE MODERNIZATION	-	-	48,000	-	-	-
		850,726	857,450	1,176,181	1,145,688	1,160,190	1,160,352
Departmental Total		2,078,591	2,273,056	2,666,264	3,136,951	3,181,322	3,211,801



Fiscal Year 2016 - 2017

Capital Improvement Plan



CARRYOVER PROJECTS FROM FY15 - 16

FUND	OBJT	SOBJ	FUND Name	Funding Source	Unused FY15-16 Budget	Fund Balance	Additional Budget Requested for FY16-17	Total FY16-17 Budget
						Carryover to FY16-17 CIP Funding		
13	70903		FOREST THEATER RENOVATION	Measure D	256,302	256,302		256,302
13	70919		SUNSET CENTER FACILITY REPAIRS	Measure D	47,872	30,000		30,000
13	70915		ADA STUDY	Measure D	100,000	100,000		100,000
13	70916		FACILITIES SAFETY MAINTENANCE	Measure D	50,000	50,000		50,000
13	70918		VISTA LOBOS ROOF	General Fund	70,000	70,000		70,000
13	70913		1ST MURPHY HOUSE PAINTING	General Fund	9,275	9,275		9,275
13	76906		OCEAN AVE MEDIAN	General Fund	30,000	30,000		30,000
13	76911		SMALL WATER PROJECTS	General Fund	42,500	42,500		42,500
13	78907		SHORELINE ASSESS AND IMPLEMENT	General Fund	70,628	70,628		70,628
13	78910		BEACH FIRE BASKETS	General Fund	30,000	30,000		30,000
13	78918		F&B CENTENNIAL MARSHALL PLAN	General Fund	201,274	201,274		201,274
13	84903		PARK BRANCH BASEMENT RESTORE (isolate and abate hazard)	Measure D/GenF	38,550	38,550		38,550
13	70901		PD/PW ROOF/PATIO REPLACEMENT	Measure D	28,562	28,562	51,438	80,000
13	70905		SUNSET CTR RAILING REPLACEMENT	Measure D	6,650	6,650	33,350	40,000
13	70911		SUNSET CTR RAMP CONSTRUCTION (design only)	Measure D	10,000	10,000	10,000	20,000
13	70909		SUNSET CENTER DOOR REPLACEMENT	Measure D	15,000	15,000	25,000	40,000
13	76904		BIKEWAY PROJECTS (Larson Field/Rio Park Trail-permitting only)	Measure D	49,968	49,968	5,000	54,968
13	78908		MISSION TRAIL ENTRANCE (Mountain View entrance)	Measure D	-	-	55,000	55,000
13	78915		MTNP IMPROVEMENTS	Measure D	28,750	28,750	50,000	78,750
13	78913		WATERFRONT AREA SIGNS (Design only)	Measure D	24,804	24,804	12,000	36,804
FUND TOTAL					\$ 1,464,500	\$ 1,092,263	241,788	1,334,051
						Carry-over	Additional Req	Ttl frm FY15-16
General Fund						\$ 475,327	-	475,327
Measure D						\$ 616,936	241,788	858,724
						\$ 1,092,263	\$ 241,788	\$ 1,334,051

NEW CAPITAL IMPROVEMENT PROJECTS

13			Police Department Renovations	Measure D				75,000
13			Park Branch Library Painting - Interior	Measure D				23,100
13			Park Branch Library Carpeting	Measure D				46,000
13			Park Branch Library HVAC System	Measure D				12,000
13			Main Library Heating System	Measure D				9,000
13			Sunset Center - Awning (design only)	Measure D				25,000
13			Sidewalk Repair	Measure D				92,000
13			Scenic Road Landscaping Priority Areas	Measure D				66,000
13			Streets & Road Projects	Meas D/RIF/TS				814,000
13			Beach Stair Maintenance	Measure D				216,450
13			Mission Trail Nature Preserve - Improvements	Measure D				50,000
13			4th Avenue Irrigation Meter	Measure D				20,000
13			Dunes Habitat Restoration	Measure D				45,750
13			Shoreline Landscape Barriers	Measure D				10,000
								1,504,300

TOTAL CAPITAL PROJECTS BUDGET FOR FY16-17	2,838,351
CARRYOVER FUNDS	1,092,263
NEW FUNDING FOR CARRYOVER PROJECTS	241,788
NEW PROJECTS FUNDING	1,504,300
	2,838,351

NEW PROJECT FUNDING SOURCES:

GENERAL FUND	
MEASURE D	1,154,300
ROAD IMPACT FEES	200,000
TRAFFIC SAFETY	150,000
TOTAL	1,504,300

EQUIPMENT REPLACEMENT			Total FY16-17 Budget
40	CA - Agenda and Records Management System	Equipment Repl	70,000
40	Sunset Center - Theatrical Lighting and Power	Equipment Repl	30,500
40	PD - Investigations Vehicle	Equipment Repl	25,000
40	PD - Body Cameras	Equipment Repl	20,000
40	IT - Upgrade Server Platform	Equipment Repl	120,000
40	IT - Council Chambers AV Upgrade	Equipment Repl	176,500
40	IT - Police Data Room and Main Library Disaster Recovery	Equipment Repl	40,000
40	IT - Citywide Managed Security	Equipment Repl	13,000
40	IT - Network Security	Equipment Repl	40,000
40	IT - Citywide Network Upgrade	Equipment Repl	16,500
40	IT - Citywide Phone System Replacement	Equipment Repl	110,000
40	IT - Annual Desktop Computer Replacement	Equipment Repl	30,000
40	IT - City Website	Equipment Repl	44,000
40	PW - UTV Beach vehicle	Equipment Repl	15,000
TOTAL EQUIPMENT BUDGET FOR FY16-17			750,500

VEHICLE/EQUIPMENT FUNDING SOURCES:

GENERAL FUND	718,500
PEG	32,000
	750,500

TOTAL PROJECTS	
CARRYOVER PROJECTS	1,334,051
NEW PROJECTS	1,504,300
EQUIPMENT/VEHICLES	750,500
	3,588,851
TOTAL PROJECT FUNDING	
MEASURE D	2,013,024
GENERAL FUND	1,193,827
ROAD IMPACT FEES	200,000
TRAFFIC SAFETY	150,000
PEG	32,000
	3,588,851

FY 2016-2017 Projects

'16/'17 *thru* '20/'21

City of Carmel-by-the-Sea, CA

Project # ASD-1516-01
 Project Name Council Chambers AV Upgrade



Type Equipment Department Administrative Services
 Useful Life 10 years Contact
 Category Equipment: Computers Priority 2 Very Important
 Account #: 40-67906
 Policy Plan: IT Strategic Plan
 Status Active

Description Total Project Cost: \$176,500

Replace the 20+ year old A/V system. Includes, cameras, audio components, video and audio mixing components, and integration with Granicus system.

Justification

Current system is extremely outdated with several major components having completely failed.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Computer Software/Hardware	150,000					150,000
Construction/Project Management	26,500					26,500
Total	176,500					176,500

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
PEG	32,000					32,000
Vehicle/Equipment Replacement Fund	144,500					144,500
Total	176,500					176,500

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	ASD-1516-02
Project Name	Police Data Room and Main Library Disaster Recover



Type Equipment Department Administrative Services
 Useful Life 5 years Contact
 Category Equipment: Computers Priority 1 Critical
 Account #: 40-67907
 Policy Plan: IT Strategic Plan
 Status Active

Description	Total Project Cost: \$40,000
Purchase and install software and hardware used for recovery of IT systems in the event of disaster.	

Justification
Current disaster recovery plans and capabilities are incomplete and provide for very limited set of disaster protections.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Computer Software/Hardware	40,000					40,000
Total	40,000					40,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	40,000					40,000
Total	40,000					40,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # ASD-1516-04
 Project Name Citywide Managed Security



Type Software or Subscription Department Administrative Services
 Useful Life 5 years Contact
 Category Software: Subscriptions Priority 1 Critical
 Account #: 40-67908
 Policy Plan: IT Strategic Plan
 Status Active

Description

Total Project Cost: \$13,000

This project would consist of a vendor selection process where the city would choose a managed security product to protect both client machines and city servers.

Justification

Currently the city is not covered by a managed security product. A mix of free or unlicensed products are currently in use that do not protect the city adequately.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Computer Software/Hardware	13,000					13,000
Total	13,000					13,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	13,000					13,000
Total	13,000					13,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # ASD-1516-05
 Project Name Network Security



Type Equipment Department Administrative Services
 Useful Life 5 years Contact
 Category Equipment: Computers Priority 1 Critical
 Account #: 40-67909
 Policy Plan: IT Strategic Plan
 Status Active

Description

Total Project Cost: \$40,000

This project would replace the two separate police and city firewalls with a pair of firewalls operating in a hardware redundant fashion.

Justification

The current firewalls are more than five years old and will soon be listed as end of life by the manufacturer. Because of their age support for their update capability is increasingly expensive and their features to protect the city from current and future threats is limited.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Computer Software/Hardware	30,000					30,000
Construction/Project Management	10,000					10,000
Total	40,000					40,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	40,000					40,000
Total	40,000					40,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	ASD-1516-06
Project Name	Citywide Network Upgrade



Type	Equipment	Department	Administrative Services
Useful Life	5 years	Contact	
Category	Equipment: Computers	Priority	1 Critical
Account #:	40-67910		
Policy Plan:	IT Strategic Plan		
		Status	Active

Description	Total Project Cost: \$16,500
Replace the network switches in the city with switches capable with power over ethernet capability and integration with network security features of future firewalls.	

Justification
Current switches do not have ability to support power over ethernet which will be necessary to move city to a VOIP phone system and avoid costly wiring costs associated with new phone system. New switches will also allow for an expansion of our wireless capabilities at a future date.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Planning/Design	1,500					1,500
Computer Software/Hardware	15,000					15,000
Total	16,500					16,500

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	16,500					16,500
Total	16,500					16,500

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # ASD-1516-07
 Project Name Citywide Phone System Replacement



Type Equipment Department Administrative Services
 Useful Life 10 years Contact
 Category Equipment: Computers Priority 1 Critical
 Account #: 40-67911
 Policy Plan: IT Strategic Plan
 Status Active

Description Total Project Cost: \$110,000
 Replace mix of centrex and avaya partner systems with one integrated, modern system.

Justification
 Current phone systems are beyond their normal useful operating periods and have various problems associated with making changes and replacing faulty equipment.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Planning/Design	10,000					10,000
Computer Software/Hardware	100,000					100,000
Total	110,000					110,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	110,000					110,000
Total	110,000					110,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	ASD-1516-08
Project Name	Citywide IT Upgrade Server Platform



Type Equipment Department Administrative Services
 Useful Life 5 years Contact
 Category Equipment: Computers Priority 1 Critical
 Account #: 40-67912
 Policy Plan: IT Strategic Plan
 Status Active

Description	Total Project Cost: \$120,000
This project will replace the 10 servers the city currently operates with a smaller number of more powerful servers creating a redundant system capable of surviving a single site failure.	

Justification
The city currently has no capability to survive a catastrophe at the primary data location. There is a significant risk of data loss in this circumstance. Recovery of available backup data would take as many as 4 weeks.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Computer Software/Hardware	110,000					110,000
Construction/Project Management	10,000					10,000
Total	120,000					120,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	120,000					120,000
Total	120,000					120,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	ASD-1516-11
Project Name	Annual Desktop Computer Replacement



Type Equipment Department Administrative Services
 Useful Life 5 years Contact
 Category Equipment: Computers Priority 1 Critical
 Account #: 40-67913
 Policy Plan: IT Strategic Plan
 Status Active

Description	Total Project Cost: \$150,000
Provide a source of funding to provide for ongoing replacement of older computers.	

Justification
Computers have a useful life somewhere between four and five years in order to keep up with changes in the IT industry with regard to operating systems, computer security and network speeds. This fund would allow for the replacement of all city computers over a period of five to six years. We still have computers that are ten years old.

Prior	Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
30,000	Computer Software/Hardware	30,000	30,000	30,000	30,000		120,000
Total	Total	30,000	30,000	30,000	30,000		120,000

Prior	Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
30,000	Vehicle/Equipment Replacement Fund	30,000	30,000	30,000	30,000		120,000
Total	Total	30,000	30,000	30,000	30,000		120,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # ASD-1617-01
 Project Name City Website



Type Software or Subscription Department Administrative Services
 Useful Life 5 years Contact Admin Svcs Director
 Category Software: Purchase Priority 1 Critical
 Account #: 40-67914
 Policy Plan: IT Strategic Plan
 Status Active

Description Total Project Cost: \$44,000
 Design and buil new public facing website to replace aging Munis platform.

Justification
 Munis website getting difficult to patch and keep up to date. Current vendor has warned that ongoing maintenance becoming more expensive and soon will be impossible due to security concerns of older software platform.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Planning/Design	5,000					5,000
Computer Software/Hardware	39,000					39,000
Total	44,000					44,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	44,000					44,000
Total	44,000					44,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # ADM-01-16-17
 Project Name Agenda and Records Management System



Type Equipment Department City Administration
 Useful Life 10 years Contact City Clerk
 Category Equipment: Miscellaneous Priority 1 Critical
 Account #: 40-67915
 Policy Plan: IT Strategic Plan

Status Active

Description

Total Project Cost: \$70,000

This project would fund an agenda management system to help streamline the agenda process for the Clerk and support staff for Boards and Commissions, as well as improve public access. This project would also fund a records management system to ensure that records are indexed, being retained for the appropriate length of time, and accessible for the staff and the public.

Justification

Currently, there is neither an agenda management system nor a records management system in place. Having these both of these systems in place would significantly improve workflow for staff and greatly improve citizen access to public documents.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	70,000					70,000
Total	70,000					70,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	70,000					70,000
Total	70,000					70,000

Budget Impact/Other

It is anticipated that there will be implementation costs of approximately \$50,000 and an annual cost of approximately \$20,000 per year going forward.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # LIB 1617-02
 Project Name Park Branch Library Painting - Interior



Type Unassigned Department Library & Community Activities
 Useful Life Contact
 Category Unassigned Priority 1 Critical
 Account #: 13-84907
 Policy Plan: Facilities Use Plan
 Status Active

Description Total Project Cost: \$23,100
 This project involves painting the interior of the Park Branch Library.

Justification
 The interior of the Park Branch library has not been painted since the building opened in 1989, 27 years ago. The walls are scuffed, marked and chipped. The paint has worn off, especially in corners.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Other	23,100					23,100
Total	23,100					23,100

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	23,100					23,100
Total	23,100					23,100

Budget Impact/Other
 The project is expected to cost \$23,100 if completed in Fiscal Year 2016/17.

Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Maintenance	23,100					23,100
Total	23,100					23,100

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # LIB 1617-03
 Project Name Park Branch Library Carpeting



Type Unassigned Department Library & Community Activities
 Useful Life Contact
 Category Unassigned Priority 1 Critical
 Account #: 13-84908
 Policy Plan: Facilities Use Plan
 Status Active

Description Total Project Cost: \$46,000
 This project involves recarpeting the Park Branch Library.

Justification
 Existing carpeting was installed when the building opened, and is 27 years old. It is frayed and stained. There are threadbare areas in the Local History and Youth Services departments.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Other	46,000					46,000
Total	46,000					46,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	46,000					46,000
Total	46,000					46,000

Budget Impact/Other
 If the project is completed in Fiscal Year 2016/17, it is expected to cost \$46,000.

Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Maintenance	46,000					46,000
Total	46,000					46,000

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # LIB-1617
 Project Name Main Library Heating System



Type Unassigned Department Library & Community Activities
 Useful Life Contact
 Category Unassigned Priority 1 Critical
 Account #: 13-84905
 Policy Plan: Facilities Use Plan
 Status Active

Description Total Project Cost: \$9,000
 Replacement of the Main Library heating system.

Justification
 The Main Library furnace, which was installed March 1998, is 18 years old and near the end of its expected life. It does not heat the building adequately; some public areas receive almost no heat. The staff office area is not heated at all. Staff relies on space heaters in the office area and at public service desks, which pose a potential safety hazard and add to cost of electric bills.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	9,000					9,000
Total	9,000					9,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	9,000					9,000
Total	9,000					9,000

Budget Impact/Other
 This project, if completed in Fiscal Year 2016/17, is expected to cost \$9,000.

Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equipment	9,000					9,000
Total	9,000					9,000

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # LIB1617-01
 Project Name Park Branch Library HVAC System



Type Unassigned Department Library & Community Activities
 Useful Life Contact
 Category Unassigned Priority 1 Critical
 Account #: 13-84906
 Policy Plan: Facilities Use Plan
 Status Active

Description Total Project Cost: \$12,000
 Replacement of Park Branch Library HVAC system.

Justification
 The Park Branch Library HVAC system does not work and is at the end of its useful life. Heating and air conditioning work in one area of the library only: the "middle zone" which comprises the Youth Services and Technical Services departments. The front and rear of the building are not heated or cooled. Staff and departments in these areas use space heaters during cold months, posing a potential fire hazard and increasing the City's electrical costs.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	12,000					12,000
Total	12,000					12,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	12,000					12,000
Total	12,000					12,000

Budget Impact/Other
 This project, if funded and completed in Fiscal Year 2016/17, is expected to cost \$12,000.

Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equipment	12,000					12,000
Total	12,000					12,000

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	POL-1617-01
Project Name	Police Department Renovations



Type	Improvement	Department	Safety: Police
Useful Life	25 years	Contact	Public Safety Director
Category	Buildings	Priority	1 Critical
Account #:	13-74907		
Policy Plan:	Facilities Use Plan		

Status Active

Description	Total Project Cost: \$825,000
<p>This is a two part project designed to improve working conditions, safety and space in the Carmel Police Department. If approved the project will be broken down into two fiscal years, FY16/17 will be the planning phase of the project and FY17/18 will be the construction phase of the project. This project involves three significant areas that should be addressed to ensure both safety to employees and services to the public are not jeopardized.</p> <p>Phase #1 FY16/17- the hiring of an architect to develop plans for the construction of all three projects within the proposal. Phase #2 FY17/18- The construction phase of the project, which incorporates all three identified projects.</p> <p>Project #1 The development of a kenneling area for dog, cats and other animals. Project #2 An upgrade of the Dispatch unit to include expanding the area and modernizing the equipment. Project #3 The building of an evidence room, which is adequate in size, security and ventalation.</p>	

Justification
<p>The Carmel Police Department is over 50 years old. In that time, technology, services and policing have changed considerably. There are three areas which are no longer suitable for the type of technology and services we provide; The Evidence Room, Dispatch Center and Animal Kenneling.</p> <p>The Evidence Room was developed inside a small office within the Police Department. In 2011 an audit of our police department property room indicated the ventilation was inadaqaute. The result is the constant odor of narcotics and other property and evidence stored in the room. In addition, the amount of evidence being stored in the property room is more than we can properly store. As evidencne gathering techniques have changed, so have the requireemnts for properly storing evidence. The Carmel Police Department does not have the room or the equipment needed to adequately store evidence. Building the front of the police department outward on the pre-existing foundation will provide adequate room, ventalation and technology to serve the department for many years.</p> <p>The Dispatch Center is also over 50 years old. Although technology has kept up, the infrastructure has not. An area that was originally designed to hold a single swtichboard and radio device not must sustain multiple computer systems, monotors and our 911 phone system. With the increase in need for equipment the center has become ineffective and unsafe for staff. The police department has had multiple ergonomic studies completed on the center as a result of multiple injury claims over the past few years due to innadequate equipment and set up of the center.</p> <p>The kenneling station used for housing animals was recently removed when repairs were made to the foundation of the building. The kenneling system is very old and consists of chainlink fence and wood. The kennels were rebuilt in a temporary location south of the police department out of the old materials. This system is not adequate for housing animals and is limited to dogs only. A new system should be built which properly allows us to care for animals for short periods of time while the owners are located.</p> <p>To save costs it is anticipated all three of these projects could be completed at the same time. Pushing the front of the department outward on the existing foundation would provide necessary room for all three areas of need for the police department. These changes would better serve our staff and our community for many years, extending the expected life of the police department.</p>

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Planning/Design	75,000					75,000
Construction		750,000				750,000
Total	75,000	750,000				825,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	75,000	750,000				825,000

FY 2016-2017 Projects

'16/'17 *thru* '20/'21

City of Carmel-by-the-Sea, CA

Total	75,000	750,000	825,000
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Budget Impact/Other

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FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # POL1617-03
 Project Name Investigation Vehicle



Type Equipment Department Safety: Police
 Useful Life 10 years Contact Public Safety Director
 Category Vehicles Priority 1 Critical
 Account #: 40-74908
 Policy Plan: Vehicle Replacement
 Status Active

Description Total Project Cost: \$25,000
 Purchase of a replacement vehicle. The current detective vehicle is 10 years old and was originally purchased as an emergency replacement for the original detective vehicle which suffered a failure which was higher than the cost of a replacement vehicle.

Justification
 The detective needs an unmarked vehicle for a variety of reasons, surveillance, meetings, interview, response to crime scene, etc. The police department has had a detective vehicle as a part of the fleet and the current vehicle is getting to an age where it should be replaced.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	25,000					25,000
Total	25,000					25,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # POL1617-04
 Project Name Body Cameras



Type Equipment Department Safety: Police
 Useful Life 5 years Contact Public Safety Director
 Category Equipment: Miscellaneous Priority 1 Critical
 Account #: 40-74909
 Policy Plan: Vehicle Replacement
 Status Active

Description Total Project Cost: \$20,000
 The purchase of body camera systems for patrol officers, along with the storage device, charging stations and warranties associated with the system. The system we would purchase would be an L3 model body camera. This system would be compatible with the L3 in-car systems we currently use and would reduce costs. The purchase of the equipment would involve: 13 body worn camera systems, a server, professional services & software.

Justification
 The use of police worn body cameras is becoming the norm in policing. Numerous incidents throughout the nation have brought the issue of body worn cameras to the front. The use of cameras is a way for the police department to have closer oversight of operations, activities and responses to the public's needs. District Attorney Offices are increasingly requesting officers' camera footage in criminal cases. The technology better helps monitor and regulate police activities as well as building trust in community through more transparent policing.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	20,000					20,000
Total	20,000					20,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	20,000					20,000
Total	20,000					20,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	PW-1112-01
Project Name	Streets and Road Projects



Type	Improvement	Department	Services: Public Works
Useful Life	25 years	Contact	Public Works Director
Category	Street Reconstruction	Priority	1 Critical
Account #:	13-76901		
Policy Plan:	Pavement Management Plan		
		Status	Active

Description	Total Project Cost: \$7,039,400
<p>This project involves the patching and overlay of various streets identified within the Nichols Pavement Management Study (2013) based on a street's condition, as determined by its Pavement Condition Index (PCI). This assumes \$814,000 annually for maintenance to maintain an average PCI of 63. FY 15-16 Roads are split into two phases: (1) July- December 2015 for \$400,000 for road impacted by PG&E work and (2) an additional \$419,000 for spring 2016 cycle work.</p>	

Justification
<p>The street improvement priorities represent data from the Nichols Pavement Study, analysis and observation from Neill Engineers and recommendations from Public Works staff. Cost estimates range from \$3.00 per square foot for a two-inch thick asphalt overlay to \$22.00 per square foot for a seven-inch thick concrete pavement repair section plus 20% for engineering and contingencies.</p>

Prior	Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
2,969,400	Planning/Design	162,800	162,800	162,800	162,800	162,800	814,000
	Construction	651,200	651,200	651,200	651,200	651,200	3,256,000
Total	Total	814,000	814,000	814,000	814,000	814,000	4,070,000

Prior	Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
2,969,400	Measure D	464,000	464,000	464,000	464,000	928,000	2,784,000
	Road Impact Fund	200,000	200,000	200,000	200,000	200,000	1,000,000
Total	Total	814,000	814,000	814,000	814,000	1,128,000	4,384,000

Budget Impact/Other
<p>FY 15-16 assumes funding from utility company for costs to restore road pavement condition to status prior to commencement of PG&E projects.</p> <p>It costs less to maintain a street in good condition than to repair a street that has failed. Funding for preventative maintenance helps reduce the costs associated with deferred maintenance of roads.</p>

Prior	Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
40,000	Staff Cost	15,000	15,000	15,000	15,000	15,000	75,000
	Supplies/Materials	5,000	5,000	5,000	5,000	5,000	25,000
Total	Total	20,000	20,000	20,000	20,000	20,000	100,000

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # PW-1314-01
 Project Name Bikeway Projects(Larson Field/Rio-permitting only)



Type Improvement Department Services: Public Works
 Useful Life 20 years Contact Public Svcs Dir.
 Category Street Construction Priority 3 Important
 Account #: 13-76904
 Policy Plan: Circulation Element

Status Active

Description Total Project Cost: \$5,000
 The Transportation Agency for Monterey County prepared the Bicycle and Pedestrian Master Plan in 2011 identified twelve bikeway projects, or six miles of bikeway improvements costing approximately \$700,000. An updated gap analysis was produced in 2014 connecting Carmel to the regional system of bicycle and pedestrian trails and will be incorporated into the Bicycle Plan and Regional Transportation Plan.

Justification
 The Circulation Element of the General Plan, Policy 02-6, directs the City to promote and participate in alternative transportation programs. The City may undertake improvements to identified bikeway projects while exploring the development of additional bikeways. In 2014 the Trails Ad Hoc Committee of the City Council developed a segment list.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	5,000					5,000
Total	5,000					5,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	5,000					5,000
Total	5,000					5,000

Budget Impact/Other
 Environmental review will be required for the development of bikeway paths. Once developed, new bikeway paths will increase the number of miles needing to be maintained by City staff.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	PW-1415-01
Project Name	Sidewalk Repair



Type Maintenance Department Services: Public Works
 Useful Life 15 years Contact Public Works Director
 Category Street Paving Priority 1 Critical
 Account #: 13-76905
 Policy Plan: Circulation Element

Status Active

Description	Total Project Cost: \$585,000
This project involves the removal and replacement of segments of existing sidewalk as needed.	

Justification	Replacement increases the safety of pedestrians and ADA compliance, improves water retention and enhances the aesthetics of sidewalks in the business/commercial district.
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Prior	Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
125,000	Planning/Design	12,000	12,000	12,000	12,000	12,000	60,000
	Construction	80,000	80,000	80,000	80,000	80,000	400,000
Total	Total	92,000	92,000	92,000	92,000	92,000	460,000

Prior	Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
125,000	Measure D	92,000	92,000	92,000	92,000	92,000	460,000
Total	Total	92,000	92,000	92,000	92,000	92,000	460,000

Budget Impact/Other	Replacement of existing sidewalk reduces the cost to maintain and repair aging sidewalk and reduces potential liability from trip and fall claims.
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Prior	Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
0	Staff Cost	0	0	0			0
	Supplies/Materials	0	0	0			0
Total	Total	0	0	0			0

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # PW-1617-02
 Project Name UTV Beach Vehicle



Type Equipment Department Services: Public Works
 Useful Life 10 years Contact Public Works Director
 Category Vehicles Priority 2 Very Important
 Account #: 40-76913
 Policy Plan: Vehicle Replacement

Status Active

Description Total Project Cost: \$15,000

This would be a utility vehicle with Four-Wheel Drive capability for use by Public Works Forestry staff for a variety of maintenance activities including cleaning the beach.

Justification

Public Works staff currently share a quad vehicle with the Police Department staff for tasks along Carmel Beach. With the increased staff-time from the Police Department for beach patrols, the shared use of a single vehicle no longer is workable. A utility vehicle dedicated for use by Public Works/Forestry staff is needed to be able to attend to beach maintenance responsibilities including charcoal and ash removal from the beach and from beach fire devices as part of the City's Beach Fires Management Pilot Program.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	15,000					15,000
Total	15,000					15,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	15,000					15,000
Total	15,000					15,000

Budget Impact/Other

The initial cost to purchase the vehicle is approximately \$15,000. Thereafter fuel and maintenance costs are estimated to be approximately \$1,500 annually.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FAC 1415-05
 Project Name Sunset Center Ramp Construction (Design Only)



Type Improvement Department Services: Facilities
 Useful Life 20 years Contact Public Svcs Dir.
 Category Buildings Priority 3 Important
 Account #: 13-70911
 Policy Plan: Facilities Use Plan

Status Active

Description

Total Project Cost: \$10,000

Construct a ramp to serve as a pedestrian walkway from the Mission Street sidewalk to Carpenter Hall. This walkway would provide ease of access for all users of the facility including those with wheelchairs, walkers, or other physical challenges
 Planning Review and HRB Review required.

Justification

Carpenter Hall is not ADA accessible from Mission Street. The project would address needs of the public and bring this facility into compliance. ADA access to Carpenter Hall is currently only available from the exterior of the building near the north parking lot. All access from Mission Street and from inside the building are limited to stairs only. Recommended in 2013 Facility Assessment Report.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	10,000					10,000
Total	10,000					10,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	10,000					10,000
Total	10,000					10,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FAC 1415-06
 Project Name Sunset Center - Awning (Design Only)



Type Improvement Department Services: Facilities
 Useful Life 15 years Contact Public Svcs Dir.
 Category Buildings Priority 4 Less Important
 Account #: 13-70922
 Policy Plan: Facilities Use Plan

Status Active

Description

Total Project Cost: \$25,000

Design Only- Construct an awning to cover the outdoor space near the concession area. This 22' x 44' structure would be designed and built to connect to the Promenade Lobby roof and supported by the existing arbor columns. This project would provide outdoor event space and an expanded concession service area year-round.

Planning Review and HRB Review required.

Justification

The proposed area has an arbor with climbing plants, and is not functional to support theater or lobby events. This project proposal is in response to feedback from theater patrons as well as event organizers seeking more space and increased capacity for events in the lobby. The new outdoor space would greatly enhance Sunset Center's ability to service our current user groups, attract new business, and reach goals to upgrade concessions service. Additionally, the awning would help protect the part of the building proven to be most vulnerable to harsh weather conditions, especially wind and driving rain that has already begun to deteriorate the structure. Recommendation in 2013 Facility Assessment Report.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Planning/Design	25,000					25,000
Construction	0					0
Total	25,000					25,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	25,000					25,000
Total	25,000					25,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FAC-1213-01
 Project Name PD/PW Roof/Patio Replacement



Type Improvement Department Services: Facilities
 Useful Life 25 years Contact Public Svcs Dir.
 Category Buildings Priority 2 Very Important
 Account #: 13-70901
 Policy Plan: Facilities Use Plan

Status Active

Description

Total Project Cost: \$51,438

This project is the replacement of the water proof membrane and concrete roof/patio structure at the front of the Police Department and over the Public Works garage/shop.

Justification

This item has long been identified as a necessary and paramount matter for repairs. The existing structure is riddled with leaks that have rusted and deteriorated the reinforcing steel within the slab/roof. The structure is a vital building housing all of the Public Works equipment and personnel.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	51,438					51,438
Total	51,438					51,438

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	51,438					51,438
Total	51,438					51,438

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FAC-1314-03
 Project Name Sunset Center Railing Replacement



Type Maintenance Department Services: Facilities
 Useful Life 10 years Contact Public Svcs Dir.
 Category Buildings Priority 1 Critical
 Account #: 13-70905
 Policy Plan: Facilities Use Plan

Status Active

Description Total Project Cost: \$33,350
 Repair or replace the railing located along the north service driveway of Sunset Center, adjacent to the City parking lot. Repair and restore the railing at the main entrance to the Center for Photographic Art, the Marjorie Evans Gallery/Sunset North Wing.

Justification
 Existing railing is old, rusty, broken, unstable and potentially not within code requirements for height. Safety is a concern. Preservation of these architectural details of this historic building is also a concern.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	33,350					33,350
Total	33,350					33,350

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	33,350					33,350
Total	33,350					33,350

Budget Impact/Other
 There will be minimal costs associated with maintenance of the wrought iron railings once replaced.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FAC-1314-04
 Project Name Sunset Center Door Replacement



Type Maintenance Department Services: Facilities
 Useful Life 15 years Contact Public Svcs Dir.
 Category Buildings Priority 3 Important
 Account #: 13-70909
 Policy Plan: Facilities Use Plan
 Status Active

Description

Total Project Cost: \$25,000

This project involves the installation of six new entry doors at the Sunset Center.

Justification

The current doors are showing signs of weathering and need replaced.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	25,000					25,000
Total	25,000					25,000

Budget Impact/Other

Maintenance costs are currently incurred to prevent the doors from leaking.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FAC-1617-15
 Project Name Sunset Center - Theatrical Lighting and Power



Type Equipment Department Services: Facilities
 Useful Life 20 years Contact Public Works Director
 Category Equipment: Miscellaneous Priority 3 Important
 Account #: 40-70923
 Policy Plan: Facilities Use Plan
 Status Active

Description Total Project Cost: \$49,000
 This project involves the upgrade of the lighting systems for the theater, as well as the power distribution system. The lighting systems upgrade would be conducted in two phases.

Justification
 This project would cover scheduled lifespan replacement needs for these lighting and power facilities. This would reduce rental and labor costs during productions.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	30,500	18,500				49,000
Total	30,500	18,500				49,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Vehicle/Equipment Replacement Fund	30,500	18,500				49,000
Total	30,500	18,500				49,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # **FPB 1415-08**
 Project Name **Mission Trail Nature Preserve-Invasive Species**



Type **Maintenance** Department **Srvs: Forest, Parks, & Beach**
 Useful Life **n/a** Contact **City Forester**
 Category **Park: Mission Trail** Priority **2 Very Important**
 Account #: **13-78920**
 Policy Plan: **Mission Trail Nature Preserve**
 Status **Active**

Description

Total Project Cost: \$50,000

Removal of invasive species, including English Ivy, Cape Ivy and invasive trees, primarily eucalyptus and acacias, and other large non-native trees within Mission Trail Nature Preserve. This has been identified as an implementation item of the Mission Trail Nature Preserve Master Plan.

Justification

English ivy, cape ivy, eucalyptus and acaia trees are in landscape area of MTNP. These plants and trees are not native and considered invasive species that need to be eradicated from the Preserve as directed in the MTNP Master Plan. Some of the trees are quite large and such large trees will require significant labor and equipment to remove.

Prior	Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
0	Construction	50,000					50,000
Total	Total	50,000					50,000

Prior	Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
0	Measure D	50,000					50,000
Total	Total	50,000					50,000

Budget Impact/Other

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FPB-1213-01
 Project Name Beach Stair Maintenance



Type Maintenance Department Srvs: Forest, Parks, & Beach
 Useful Life 10 years Contact Public Srvs Dir.
 Category Beach Priority 1 Critical
 Account #: 13-78902
 Policy Plan: Shoreline Management Plan
 Status Active

Description Total Project Cost: \$674,450

Many of the hardware and wood elements of the stairs along the waterfront are showing significant degradation due to salt exposure, oxidation and age. An assessment of the condition of the stairways was conducted by Graebe and Associates in 2015. The assessment recommended several repairs and maintenance actions. Follow-up inspections by a structural engineer will also be included to assure the soundness and safety of the beach stairs.

Justification

Replacement is necessary to maintain safe public access to Carmel Beach. Continued degradation of the hardware and stair materials will lead to the increased risk of failure to key components resulting in closure of beach access and possible injury to the public.

Prior	Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
48,000	Construction	216,450	300,000	100,000	10,000		626,450
Total	Total	216,450	300,000	100,000	10,000		626,450

Prior	Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
48,000	Measure D	216,450	300,000	100,000	10,000		626,450
Total	Total	216,450	300,000	100,000	10,000		626,450

Budget Impact/Other

Minor repairs to stairs are performed as needed and absorbed as part of the operational budget with repairs made by staff or outside labor as warranted. An analysis of the condition of the stairs was performed by a structural engineer in 2015.

City of Carmel-by-the-Sea, CA

Project # **FPB-1213-08**
 Project Name **Waterfront Area Signs (Design Only)**



Type Improvement Department Srvs: Forest, Parks, & Beach
 Useful Life 10 years Contact Public Srvs Dir.
 Category Beach Priority 3 Important
 Account #: 13-78913
 Policy Plan: Shoreline Management Plan
 Status Active

Description Total Project Cost: \$12,000

Design, construction, and installation of new signs along the waterfront area in order to consolidate and clarify the rules and regulations that apply to waterfront visitors and to develop a new sign program for the waterfront that is an attractive, functional, durable and a legible method of presenting the beach rules and regulations. The goal is to improve awareness and compliance with the rules. This project would include a design process and review by the Forest and Beach and the Planning Commissions before implementation.

Justification

Current signage along the waterfront from 4th Ave. to Martin Way is a mix of sizes, materials and styles that try to convey the rules and information for beach visitors. Some of the signs are not obvious and are placed in odd places that make them easy to miss. The General Plan directs the City to "Establish a uniform signage program for the beach and bluffs to better inform beach users of regulations governing activities on the beach." (O4-5). Other parks such as Mission Trail Nature Preserve could also use new signage that provides a map and information on the park habitat and history.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	12,000					12,000
Total	12,000					12,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	12,000					12,000
Total	12,000					12,000

Budget Impact/Other

Existing signs are replaced on an as needed basis depending on the condition of the sign.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project #	FPB-1314-01
Project Name	4th Avenue Irrigation Meter



Type Equipment Department Srvs: Forest, Parks, & Beach
 Useful Life 25 years Contact Public Srvs Dir.
 Category Equipment: Miscellaneous Priority 3 Important
 Account #: 13-78904
 Policy Plan: Water Conservation Plan

Status Active

Description	Total Project Cost: \$20,000
This project involves installing a water meter and other equipment costs necessary to utilize the water line on Carmelo Avenue to irrigate the landscaping on the 4th Avenue Walkway with non-potable surplus recycled water. The scope of work includes approximately 70 linear feet of new water service, meter, backflow, pressure reducer, connections at the vault and to the irrigation main, and repaving the pavement area adjacent to the vault box.	

Justification
The project will allow the City to use an irrigation system and recycled water rather than hand watering the walkway, thereby increasing water conservation and efficiency in maintaining the landscaping.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Equip/Vehicles/Furnishings	20,000					20,000
Total	20,000					20,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	20,000					20,000
Total	20,000					20,000

Budget Impact/Other
There will be a one-time cost of installing the meter and an ongoing operational cost associated with purchasing the recycled water, estimated to be \$2,000 annually.

Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Maintenance	11,865					11,865
Total	11,865					11,865

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FPB-1314-02
 Project Name Dunes Habitat Restoration (Implementation)



Type Maintenance Department Srvs: Forest, Parks, & Beach
 Useful Life 5 years Contact Public Works Director
 Category Park Improvements Priority 3 Important
 Account #: 13-78905
 Policy Plan: Del Mar Master Plan

Status Active

Description Total Project Cost: \$149,250

This project involves the implementation of a coastal dunes habitat restoration plan, including the removal of non-native species in the dunes including ice plant, acacia and invasive grasses as well as the planting of native species, including 100 Tidestrom lupine plants, at ten locations within in the North Dunes. The North Dunes restoration plan outlines a phased approach to the restoration process. The City has entered into a five year consulting agreement to ensure the required surveying, monitoring, and seed collection and propagation are performed as outlined within the Plan. Securing a multi-year coastal development permit for this effort is part of the planning phase of this project and is anticipated to be in place in June 2016.

Justification

The Del Mar Master Plan and the North Dunes and Del Mar Dunes Habitat Restoration Plan address management policies and practices related to the dunes including ensuring that long-term management activities maintain the natural dune ecology of Carmel Beach in a manner consistent with public safety; protection and enhancement of the fragile plants and fauna in the Dunes against any significant disruption of habitat values; and identify, protect and manage Environmentally Sensitive Habitat Areas to ensure their long-term integrity and the biological productivity of these habitats.

Prior	Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
69,000	Planning/Design	45,750	17,500	8,500	8,500		80,250
Total	Total	45,750	17,500	8,500	8,500		80,250

Prior	Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
69,000	Measure D	45,750	17,500	8,500	8,500		80,250
Total	Total	45,750	17,500	8,500	8,500		80,250

Budget Impact/Other

Minor maintenance costs are currently included within the operating budget. Volunteer efforts also contribute to the removal of invasive plants.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FPB-1314-05
 Project Name Mission Trail Mountain View Entrance



Type Improvement Department Srvs: Forest, Parks, & Beach
 Useful Life 25 years Contact Public Works Director
 Category Park: Mission Trail Priority 2 Very Important
 Account #: 13-78908
 Policy Plan: Mission Trail Nature Preserve

Status Active

Description Total Project Cost: \$55,000
 Construction of a new stairway and a properly graded ramp for pedestrian access at the Mountain View entrance into Mission Trail Nature Preserve. The Planning Commission approved this project in February 2015.

Justification
 Currently, access into Mission Trail Nature Preserve at the Mountain View entrance is via a slippery slope of decomposed granite or a 20 year old worn and failing landscape timber stairway. A new properly constructed stair system and a properly graded ramp will allow visitors to safely negotiate this difficult section of trail.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	55,000					55,000
Total	55,000					55,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Measure D	55,000					55,000
Total	55,000					55,000

Budget Impact/Other
 Anticipate a bi-annual maintenance cost between \$500 - \$800 to maintain the new stairs and ramp.

Prior	Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
800	Maintenance		800				800
Total	Total		800				800

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FPB-1617-10
 Project Name Scenic Road Landscaping Priority Areas



Type Improvement Department Srvs: Forest, Parks, & Beach
 Useful Life 15 years Contact City Forester
 Category Beach Priority 2 Very Important
 Account #: 13-78921
 Policy Plan: Shoreline Management Plan
 Status Active

Description Total Project Cost: \$66,000
 Implementation of landscaping redesign for 5 or 6 priority areas along the Scenic Road Path.
 Planning Review required.

Justification
 This would be the implementation of the currently budgeted landscaping redesign of select, high-use areas along the pathway. The need for this project was identified in the 2014 Shoreline Assessment Report.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	66,000					66,000
Total	66,000					66,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	66,000					66,000
Total	66,000					66,000

Budget Impact/Other
 This project would result in savings for maintenance work on the landscaping areas along the pathway.

Budget Items	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Supplies/Materials	0					0
Total	0					0

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # **FPB-1617-11**
 Project Name **Mission Trail N.P. Improvements (Implementation)**



Type **Maintenance** Department **Srvs: Forest, Parks, & Beach**
 Useful Life Contact **City Forester**
 Category **Park Improvements** Priority **2 Very Important**
 Account #: **13-78915**
 Policy Plan: **Mission Trail Nature Preserve**
 Status **Active**

Description Total Project Cost: \$120,000
 This project would fund various efforts in Mission Trail Nature Preserve, including but not limited to additional invasive species removal, trail maintenance and repairs, drainage improvements, and signage. A multi-year coastal development permit for this effort was obtained in May 2016.

Justification
 The Mission Trail Nature Preserve has not had adequate upkeep and maintenance over the last several years. While the City has a master plan for maintenance activities and improvement projects for the preserve, a Coastal Development Permit for routine maintenance activities was last active in the mid-2000s. In 2015, the City recently retained a biologist to develop a Biological Assessment and management recommendations for the preserve, and staff is using this assessment as the basis for a new multi-year Coastal Development Permit for a range of maintenance activities and improvement projects, which would be carried out under this project.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Construction	50,000	40,000	10,000	10,000	10,000	120,000
Total	50,000	40,000	10,000	10,000	10,000	120,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	50,000	40,000	10,000	10,000	10,000	120,000
Total	50,000	40,000	10,000	10,000	10,000	120,000

Budget Impact/Other
 This project would augment ongoing maintenance and safety projects that are periodically carried out in the preserve.

FY 2016-2017 Projects

'16/'17 thru '20/'21

City of Carmel-by-the-Sea, CA

Project # FPB-1617-12
 Project Name Shoreline Landscape Barriers



Type Maintenance Department Srvs: Forest, Parks, & Beach
 Useful Life 15 years Contact City Forester
 Category Beach Priority 2 Very Important
 Account #: 13-78922
 Policy Plan: Shoreline Management Plan
 Status Active

Description Total Project Cost: \$55,000
 Replacement of the shoreline landscape barriers along the Scenic Road Pathway and rerouting of selected segments.

Justification
 The landscape barriers are in unsatisfactory shape, resulting in both safety issues and aesthetic issues. The City's Fall 2014 Shoreline Assessment recommended replacement of the entire length of single-rail barriers and also recommended minor relocation of certain segments.

Expenditures	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
Planning/Design	10,000					10,000
Construction		45,000				45,000
Total	10,000	45,000				55,000

Funding Sources	'16/'17	'17/'18	'18/'19	'19/'20	'20/'21	Total
GF: Capital Improvements	10,000	45,000				55,000
Total	10,000	45,000				55,000

Budget Impact/Other
 Implementation of this project will result in cost savings for annual maintenance costs.

FINANCIAL AND BUDGET POLICIES

BUDGET POLICIES AND PROCEDURES

The budget process for the City of Carmel-by-the-Sea involves the citizens, City Council, and staff. Each person plays a critical role in the development of the budget for the upcoming year. The annual budget and operating plan balances the public service demands of the community with the fiscal resources of the City. It is intended to achieve the goals and objectives established by the City Council.

The goal of the City Administrator is to present a balanced budget to the City Council for review and adoption. A balanced budget is a budget in which sources meet or exceed uses. Available funding sources shall be at least equal to recommended appropriations. As a general rule, the year-end undesignated General Fund balance should not be used to fund ongoing operations.

As set in the Carmel Municipal Code prior to the beginning of each fiscal year, the City Council shall adopt a budget for expenditures and anticipated revenues. On or before February 15th of each year, the City Administrator will present to the City Council a proposed budget schedule. The City Administrator prepares and submits to the City Council a proposed operating and capital budget for the forthcoming fiscal year. The City Council shall adopt the budget by July 1st.

The City Administrator shall have the right to approve the transfer of appropriations within a departmental budget; however, no additional positions shall be created without the authorization of the City Council. All transfers of appropriations between departments or in regards to capital items or projects shall be approved by the City Council. The City Administrator shall be charged with the responsibility of controlling the expenditures for all departments in accordance with the approved budget. A report on current year revenues, expenditures and fund balances shall be maintained.

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balanced set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements. Annually appropriated budgets are legally adopted on a budgetary basis for the governmental fund types (General Fund, Special Revenue Fund, Debt Service Fund, and Capital Projects Fund) and are controlled on a fund and departmental level. These funds are used to account for most of the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified-accrual basis of accounting and budgeting. Expenditures are recognized as encumbrances when a commitment is made. Unencumbered appropriations lapse at year-end.

FINANCIAL POLICIES

The City of Carmel-by-the-Sea has strong financial policies that provide City Council direction to allow staff to provide sound fiscal planning and continued management of fiscal integrity. The financial policies are divided into five categories: Capital Budget Policies, Operating Management, Fund Balance Policy, Debt Policies, and Investment Policies. The City has financial policies that are adopted by the City Council with review every two years during the budget development process. The financial policies help ensure that the City maintains a healthy financial foundation into the future.

The goal of these policies is to promote:

- An extended financial planning horizon to increase awareness of future potential challenges and opportunities
- Setting aside reserves for contingencies, replacement of capital equipment, and other similar needs
- Maintaining the effective buying power of fees and charges and increasing cost recovery where directed to do so
- Accountability for meeting standards for financial management and efficiency in providing services
- Planning for the capital needs of the City
- Maintaining manageable levels of debt while furthering quality bond ratings
- Communication to residents and customers on how the community goals are being addressed

CAPITAL BUDGET POLICIES

The City develops an annual five-year plan for capital improvements; it includes project design, development, implementation, and operating and maintenance costs. Each project in the Capital Improvement Plan (CIP) shows the estimated capital and on-going maintenance costs, known and potential funding sources and a design/development schedule. As used in the CIP, projects include land acquisition, buildings and facilities construction; these projects do not have a cost threshold. A capital outlay (fixed asset) purchase is any single item or piece of equipment that costs more than \$10,000 and has an expected useful life exceeding one year. The development of the Capital Improvement Plan is coordinated with the development of the operating budget. The CIP is a planning document; the City Council appropriates funding for capital projects in the annual operating budget. Costs for professional services needed to implement the CIP are to be included in the appropriate year's operating budget.

Annual operating budgets should provide adequate funds for maintenance of the City's buildings and maintenance and replacement of the City's capital equipment. The City will make all capital improvements in accordance with an adopted and funded capital improvement program. Prior to ratification of the capital budget for the forthcoming year by the City Council,

the Planning Commission shall review the capital improvement plan and shall advise the City Council as to its recommendations regarding the proposed capital projects in accordance with the Government Code.

Capital (Policy No. C94-01)

Capital expenditures shall be effectively planned and controlled.

Guidelines:

1. The level of capital improvement expenditures, excluding road maintenance program expenditures and lease payments, is established at three and one-half percent (3.5%) of total revenues.
2. Funding for the road maintenance program should improve the pavement condition index.
3. The City shall maintain a Five-Year Capital Improvement Program (CIP), which shall be updated at least annually as part of the budget review process.
4. The City shall annually establish a phasing calendar for capital improvement expenditures.
5. At least ten percent (10%) of the unrestricted funds designated for capital project expenditures shall be set aside for unanticipated expenditures.
6. The City shall conduct periodic reviews of property and facilities to determine the appropriate use and disposition of said property and facilities.
7. The City shall consider the ongoing impact of operations and maintenance expenses before undertaking any capital improvement expenditure.
8. The City shall maintain a capital reserve policy as described in the Reserve Policy.
9. Public participation in the Capital Improvement Program is a priority concern for the City.
10. All projects included in the Capital Improvement Plan shall be consistent with the City's General Plan.
11. Capital projects that are not encumbered or completed during the fiscal year are required to be rebudgeted to the next fiscal year and subsequently approved by the City Council. All rebudgeted capital projects should be so noted in the proposed budget.

OPERATING MANAGEMENT (Policy No. C94-01)

Operating revenues shall exceed operating expenditures.

Guidelines:

1. The annual operating budget shall contain a current surplus (or "revenue buffer") of at least five percent (5%) of projected expenditures.
2. A balanced budget is a budget in which total funding sources meet or exceed uses.
3. An appropriated City Discretionary Account of at least one-half of one percent (0.5%) of total projected General Fund expenditures shall be maintained.
4. Ongoing expenses shall not be funded with one-time revenues.
5. The City shall establish internal service funds for the repair, operation, and replacement of rolling stock and data processing equipment.
6. The level of capital outlay expenditures is established at three percent (3%) of total revenues.
7. The City shall annually establish a phasing calendar for capital outlay expenditures.

8. The City shall develop a five-year forecast of operating revenue and expenditures.
9. The City shall establish salary adjustments in conjunction with the budget process.
10. The City shall review the relationship between fees/charges and the cost of providing services at least every three years.
11. The City's fees and charges for services shall be adjusted annually, based upon the San Francisco-Oakland Consumer Price Index.
12. The City will seek to comply with suggested criteria of the Government Finance Officer's Association in producing a budget document that meets the Distinguished Budget Presentation criteria.

FUND BALANCE POLICY

The Fund Balance Policy is designed to develop standards for setting reserve levels for various, significant City funds. Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength. The City shall maintain reserves at a prudent level, and shall use reserves appropriately with a focus on contributing to the reserves in good times and drawing on the reserves in times of difficult budget periods to maintain a consistent level of service and quality operations. Use of reserves are to supplement the annual budget.

Guidelines:

1. General Fund and Hostelry Fund reserves shall be maintained at no less than ten percent (10%) of their annual projected revenues.
2. The City shall maintain prudent reserves for identified liabilities
 - a. A Vehicle Replacement reserve will be maintained sufficient to replace vehicles and heavy equipment at the end of their useful lives, with the target being 10% of the total City fleet replacement value.
 - b. Technology equipment replacement reserves will be maintained sufficient to repair covered equipment and for replacement at the end of its useful life.
3. The City will maintain a long-term budget stability reserve consisting of any unassigned General Fund balance. When available, the year-end General Fund operating surplus will be dedicated to the long-term budget stability reserve.
4. A general capital reserve fund will be maintained with a targeted balance of 20% of the estimated total five-year capital improvement plan project expenditure. Net proceeds from the sale of City owned property will be dedicated to the general capital reserve. Funds in the general capital reserve will be allocated through the budget process for capital projects.
5. Reserves shall be used only for established purposes.
6. Depleted reserves shall be restored as soon as possible.
7. A minimum level for each of the reserve funds shall be established (see chart below).
8. The City shall maintain reserves required by law, ordinance and/or bond covenants.

DEBT POLICIES

The City considers the use of debt financing for one-time capital improvements that benefit the residents of Carmel-by-the-Sea when the term of the financing is no longer than the project life, and when specific resources are found to be sufficient to provide for the debt. Use of long-

term debt is limited to capital projects or special projects or obligations that cannot be financed from current revenues. The City has traditionally kept annual debt service payments to less than 5% of the budget.

Use of Long-Term Debt Policy

The City recognizes that it may need to enter into long-term financial obligations to meet the demands of providing a high quality level of government services to our community. The following long-term debt policy sets the considerations for issuing debt and provides guidance in the timing and structuring of long-term debt commitments by the City.

General Practices:

1. The City will strive to maintain good relations with credit rating agencies, investors of the City's long-term financial obligations and those in the financial community that participate in the City's financings and demonstrate City officials are following a prescribed financial plan. The City also will strive to maintain and, if possible, improve its current AA+ bond rating in order to minimize borrowing costs and preserve access to credit. The City will follow a policy of full disclosure by communicating with bond rating agencies to inform them of the City's financial condition.
2. Bond issue proposals are to be accompanied by an analysis defining how the new issue, combined with current debt, impacts the City's debt capacity and conformance with City debt policies. Such analysis shall include identification of the funding source, an assessment of the ability to repay the obligation, the impact on the current budget, commitments to future budgets, maintenance and operational impact of the facility or asset and the impact on the City's credit rating, if any.
3. City Council must review such analysis, including existing debt level, ability to pay debt service, impact on City services, and make a finding that use of debt is appropriate.
4. Debt service costs (COP, Lease Purchase Agreements and other contractual debt that are backed by General Fund Operating Revenues) are not to exceed 25% of the City's General Fund operating revenues.
5. The City recognizes that it is of the utmost importance that elected and appointed City officials, and all others associated with the issuance of City debt, not only avoid the reality of a conflict of interest, but the appearance thereof as well. City officials must conduct themselves in a fashion consistent with the best interests of the City and taxpayers.
6. Bonds will be sold on a competitive basis unless it is in the best interest of the City to conduct a negotiated sale. Competitive sales will be the preferred method. Negotiated sales may occur when selling bonds for a defeasance of existing debt, for current or advanced refunding of debt, or for other appropriate reasons.

The City will consider the issuance of long-term obligations under the following conditions:

1. The City will use debt financing for one-time capital improvement projects and specific nonrecurring equipment purchases or refunding of existing liabilities, and only under the following circumstances:
 - a. When the project is included in the City's adopted five-year capital improvement program (CIP) and is in conformance with the City's adopted General Plan.

- b. When the project is not included in the City's adopted five-year capital improvement program (CIP), but the project is an emerging critical need whose timing was not anticipated in the five-year capital improvement program, or it is a project mandated by State or Federal requirements.
 - c. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
 - d. When there are designated General Fund revenues sufficient to service the debt, whether from project revenues, other specified and/or reserved resources, or infrastructure cost-sharing revenues.
 - e. Debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures.
2. The City will follow all State and Federal regulations and requirements related to bonds and debt financing instruments regarding bond provisions, issuance, taxation and disclosure.
 3. Costs incurred by the City, such as bond counsel and financial advisor fees, printing, underwriter's discount, and project design and construction costs, will be charged to the bond issue to the extent allowable by law.
 4. The City will monitor compliance with bond covenants and adhere to federal arbitrage and disclosure regulations.
 5. The City shall continually review outstanding obligations for opportunities to achieve debt service savings through refunding and shall pursue refinancing when economically feasible and advantageous.

Debt Limit

The City will keep outstanding debt within the limits prescribed by State of California statutes and at levels consistent with credit objectives. California Government Code provides that "a city may incur indebtedness for any municipal improvement requiring an expenditure greater than the amount allowed for it by the annual tax levy" (43602). A "city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15 percent of the assessed value of all real and personal property of the city. Within the meaning of this section "indebtedness" means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the city" (43605). The limit is relative to the principal amount of bonds sold and delivered (43606). The City of Carmel-by-the-Sea, Policy No C94-01 establishes "the City's debt shall not exceed predetermined levels." The guideline in that policy is that "the City's debt service level shall not exceed eight and one-fourth percent (8.25%) of total expenditures.

INVESTMENT POLICIES

This is a time to be particularly cautious. Municipal moneys not required for immediate expenditure will be invested. The City will maintain adequate cash availability and yield on invested idle funds while insuring that invested moneys are protected. The Carmel Municipal Code requires the City Administrator to prepare investment policies and guidelines for adoption by the City Council. The adopted investment policy follows.

INVESTMENT POLICY AND GUIDELINES

Policy

In accordance with the Municipal Code of the City of Carmel-by-the-Sea and under authority granted by the City Council, the City Treasurer is responsible for investing the unexpended cash in the City Treasury.

The investment of the City of Carmel-by-the-Sea funds is directed to the goals of safety, liquidity and yield, in that order. The authority governing investments for municipal government is set forth in the California Government Code, Sections 53601 through 53659.

The primary objective of the investment policy of the City of Carmel-by-the-Sea is SAFETY OF PRINCIPAL. Investments shall be placed in those securities as outlined by type and maturity sector in this document. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The City's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Portfolio management requires continual analysis, and as a result the balance between the various investments and maturities may change in order to give the City of Carmel-by-the-Sea the optimum combination of necessary liquidity and optimal yield based on cash flow projections.

Scope

The investment policy applies to all financial assets of the City of Carmel-by-the-Sea as accounted for in the Annual Financial Report. Policy statements outlined in this document focus on the City of Carmel-by-the-Sea's pooled funds, but will also apply to all funds under the City Treasurer's control unless specifically exempted by statute or ordinance.

Prudence

The standard to be used by investment officials shall be that of a "prudent person" and shall be applied in the context of managing all aspects of the overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, direction and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

It is the City's full intent, at the time of purchase, to hold all investments until maturity to insure the return of all invested principal dollars.

Safety

Safety of principal is the foremost objective of the City. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or from erosion of the market value.

Liquidity

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the City's investment portfolio will remain sufficiently liquid to enable the City to meet all reasonably anticipated operating requirements.

Yield

The investment portfolio should be designed to attain a market average rate of return through budgetary and economic cycles, consistent with the risk limitations, prudent investment principles and cash flow characteristics identified within the financial statements.

Performance Evaluation

Investment performance is continually monitored and evaluated by the City Treasurer. Investment performance statistics and activity reports are generated on a monthly basis for presentation to the City Administrator and City Council.

Delegation of Authority

For short-term investments, the Administrative Services Director has authority to make transfers to and from the City's Local Agency Investment Funds (LAIF) account in order to maximize interest earned and meet cash flow requirements. The transfers are made to and from the City's general checking account to the LAIF account, with a minimum balance maintained in the general checking account to meet daily cash requirements.

The City Treasurer is responsible for investment of all unexpended City funds as per California Government Code section 41000 et seq. The City Treasurer makes long-term investments after review and approval by the Administrative Services Director and the City Administrator.

Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with the proper execution of the investment program, or impairs their ability to make impartial investment decisions. Additionally, the City Treasurer and the members of the investment committee are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

Safekeeping of Securities

To protect against fraud, embezzlement, or losses caused by a collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as an agent of the City under the terms of a custody agreement or PSA agreement (repurchase agreement collateral). The third party bank trust department must have safe keeping as a professional business line with expertise in this particular service area. All trades executed by a dealer will settle Delivery vs. Payment (DVP) through the City's safekeeping agent. Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings. All exceptions to this safekeeping policy must be approved by the City Treasurer in written form and included in quarterly reporting to the City Council.

Internal Control

Separation of functions between the City Treasurer's Office and the Administrative Services Department would be an ideal situation. Time and necessity, however, dictate a different approach. Due to the lack of personnel dedicated to the investment function alone, a proper balance must be maintained between Treasury activities and Administrative Services Department functions. The City Treasurer will make the appropriate arrangements to buy and sell securities that are deemed permissible by the Laws of the State of California as time permits. The Administrative Services Director and/or City Administrator will have the power as granted under the section titled Delegation of Authority in the absence of the City Treasurer. The City Administrator will have the authority to enter into agreements on securities so long as written policies set by the City Treasurer and State Legislature are followed.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Administrative Services Director on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review internal control, account activity, and compliance with government policies and procedures.

Reporting

The City Treasurer shall review and render monthly reports to the City Administrator and the City Council, which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, and the current value and accrued interest to date due for all securities.

Qualified Broker/Dealers

The City shall transact business only with banks and broker/dealers that are properly licensed and in good standing. The Administrative Services Director and the City Treasurer shall investigate dealers who wish to do business with the City to determine if they are adequately capitalized and if they market securities appropriate to the City's needs.

The City Treasurer shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the City. Confirmation of receipt of the City's policy by the broker/dealer shall be considered evidence that the broker/dealer understands the City's investment policies and intends to sell the City only appropriate investments authorized by this investment policy.

Collateral Requirements

Collateral is required for investments in certificates of deposit. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest.

In order to conform with the provisions of the Federal Bankruptcy Code that provide for liquidation of securities held as collateral, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible banker's acceptances, medium term notes or securities that are the direct obligations of, or are fully guaranteed as to principal and interest by, the United States or any agency of the United States.

Authorized Investments

Investment of City funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized as further limited herein:

- 1) United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable but current market conditions and interest rate projections may call for shorter terms.
- 2) Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, may be used up to the maximum permitted by the California State Law. LAIF is a demand account so no maturity limitation is required.

Investments detailed in items 3) are further restricted to percentage of the cost value of the portfolio in any one-issuer name to a maximum percentage of 15%. The total value invested in any one issuer shall not exceed 5% of the issuer's net worth. Again, a five-year maximum maturity is applicable unless further restricted by current policy. Market conditions should be evaluated as an important consideration and may indicate a shorter maturity.

- 3) Negotiable certificates of deposit issued by nationally or state chartered bank or state or federal savings institutions. Negotiable certificates of deposit shall be rated in a category of "A" or its equivalent or better by two Nationally Recognized Statistical Rating Organizations. Purchases of negotiable certificates of deposit may not exceed 30% of the total portfolio. A maturity limitation of up to five years is applicable after considered evaluation of the financial markets.

Ineligible investments are those that are not described herein, including, but not limited to, common stocks and long term (over five years maturity) notes, bonds, and time deposits, unless specifically allowed both by state law and City Council approval. It is noted that special circumstances may arise where these methods of investment may become necessary. When this becomes necessary, the City Council will be asked to take the appropriate action to ratify the means of investment necessary, provided that it is allowable by California Code.

Legislative Changes

Any State of California legislative actions that further restrict allowable maturities, investment type, or percentage allocations will supersede any of the material presented herein. In this case, the applicable law will become part and parcel of this investment policy.

Interest Earnings

All moneys earned and collected from investments authorized in this policy shall be allocated monthly to the General Fund and various special funds of the City that legally require interest proration or when City Council action dictates such proration. This distribution will be based on the cash balance in the fund as a percentage of the entire pooled portfolio.

Policy Review

The City of Carmel-by-the-Sea's investment policy shall be approved by resolution of the City Council. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy, other than State and Federal laws that automatically supersede the relevant sections shall be forwarded to the City Council for approval by resolution.

GLOSSARY

Accounting System: The total set of records and procedures which are used to record, classify and report information on the financial status and operations of an entity.

Accrual Basis of Accounting: Proprietary and non-expendable trust fund types utilize the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, such that revenues and expenditures are recognized when the underlying event or transaction takes place.

Actuarial: The statistical calculation of risks, premiums, etc. for insurance purposes.

Adjusted Budget: The budget that reflects all legal changes made to the original budget subsequent to the start of the year (even those that occur after the end of the year)

Amortization: The gradual reduction of a financial commitment according to a specified schedule of times and amounts.

Appropriation: An authorization granted by the legislative body of a government, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period by the City Council.

Appropriation Resolution: The official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources.

Assessed Value: The value placed on real and other property as a basis for levying property taxes. For all agencies in the State of California, assessed value is established by the County for the secured and unsecured property tax rolls; the State Board of Equalization establishes assessed value of utility property tax rolls.

Assets: Resources or property owned or controlled by a government, as a result of a past transaction or other event, that have recognizable monetary value.

Balance Sheet: A statement purporting to present the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specific date.

Balanced Budget: A balanced budget is a budget in which sources meet or exceed uses.

Basis of Accounting: The timing of recognition, that is, when the effects of transactions or events are recognized for financial reporting or budgeting purposes. The three bases of accounting for governmental agencies are: (1) cash basis (when cash is received or paid), (2) accrual basis (when the underlying transaction or event takes place) and, (3) modified accrual basis (revenues recognized in the accounting period in which they become available and

measurable and expenditures recognized in the accounting period in which the fund liability in incurred).

Basis of Budgeting: Basis of budgeting refers to the method used for recognizing revenues and expenditures in budget. The City uses the modified accrual basis of accounting for budgetary purposes, which is in compliance with Generally Accepted Accounting Principles.

Bond: A written promise to pay (debt) a specified sum of money (principal or face value) on a specific future date (the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to finance large-scale capital projects such as buildings, bridges, streets, and utility infrastructure.

Bond Rating: An evaluation of a bond issuer's credit quality and perceived ability to pay the principal and interest on time and in full. Two agencies regularly review city bonds and generate bond rating: Moody's Investors Service and Standard and Poor's Ratings Group.

Budget: A plan for the expenditure of financial resources covering a specific time period, usually one year, which, by adoption, constitutes legal authority to spend. The City of Carmel-by-the-Sea adopts an annual budget from July 1 – June 30. The budget contains appropriations needed to continue the City's operations for the year and the revenues anticipated to finance them.

Budget Document: The official written statement prepared by the City Administrator and supporting staff which presents the proposed budget and operating plan to the City Council. Also refers to the final budget as adopted by the City Council.

Budget Amendment: Under the municipal code, the City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget at any time after adoption by a majority vote. The City Administrator has the authority to approve administrative adjustments to the budget, as long as the adjustments will not affect the bottom-line appropriations for any given department.

Budget Calendar: A schedule of key dates and milestones that a government follows in the preparation and adoption of the budget.

Budgetary Basis of Accounting: The method of accounting applied to the budgetary accounts and the process used to determine when revenues and expenditures are recognized for budgetary purposes. The City of Carmel-by-the-Sea uses the modified accrual basis for budgeting all funds, including proprietary funds.

Budgetary Control: The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of

appropriations and available revenues. The level of budgetary control for City Council is at the department level. For the City Administrator, budgetary control is within a department, at the program level and at the major object level (groupings of individual line-item expenditure categories, for example, salaries and benefits, supplies and services, special projects, and non-capital equipment categories). For departments, budgetary control is at the line-item level within a particular major object group.

Budget Message: A general discussion of the budget presented in writing as a part of, or supplement to, the budget document. The budget message explains the principal issues against the background of financial trends and the priorities set forth in the budget.

Capital Asset: A tangible, fixed asset that is long-term in nature, of significant value, and obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include land, buildings, equipment, improvements to buildings, and infrastructure (i.e., streets, bridges and other immovable assets). A capital asset is defined as an asset with a useful life extending beyond a single accounting period. The capitalization threshold for the City of Carmel-by-the-Sea is \$10,000.

Capital Expenditure: An amount expended for fixed asset acquisitions and improvements. The capitalization threshold for the City of Carmel-by-the-Sea is \$10,000.

Capital Budget: A plan of capital expenditures and the means of financing them. The capital budget is adopted as part of the complete annual budget, including both operating and capital outlays.

Capital Improvement Plan (CIP): A formal long-term (multi-year) plan for the acquisition and improvement of major assets, such as land, buildings, machinery and equipment, and infrastructure (i.e., streets, bridges, and other immovable assets). The CIP identifies the expected beginning and ending date for each project, the amount to be expended in each, and the method of financing those expenditures. The City of Carmel-by-the-Sea prepares a five-year CIP and the threshold for inclusion in the CIP is \$10,000.

Capital Lease: An agreement that conveys the rights to use property, plant or equipment, usually for a stated period of time.

Capital Projects Fund: A governmental fund type used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds). See also Governmental Fund.

Carryover: Expenditure originally planned in the current year but, because of delays, is postponed to the following fiscal year.

Certificate of Participation: A form of lease-purchase financing used to construct or acquire capital facilities and equipment.

Change in Service: A change in the nature, type or level of service provided by a City program from that provided in the prior fiscal year's adopted budget, as amended.

Compensated Absences: The value of unused vacation, sick and other leave time for which employees will be paid when they retire or otherwise cease to work for a government.

Contingency: An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as shortfalls in revenue and similar eventualities, natural disasters, and federal mandates.

Contractual Services: Expenditures for City services performed by firms, individuals or other city departments.

Cost-Reimbursement Basis: The setting of service charges and fees such that costs are systematically recovered on a break-even basis over time. This term is used in connection with internal service funds.

Debt Instrument: A vehicle for borrowing funds, including general obligation bonds, revenue bonds, lease/purchase agreements, lease-revenue bonds, tax allocation bonds, certificates of participation, and assessment district bonds. See also Bond.

Debt Service: Payment of interest and repayment of principal to holders of a government's debt instruments.

Debt Service Fund: A governmental fund type used to account for the payment and accumulation of resources related to general long-term debt principal and interest; debt service payments related to enterprise operations are directly accounted for in the enterprise fund itself. See also Governmental Fund.

Debt Service Requirement: The amount of money required to pay interest and principal on outstanding debt and the required contributions to accumulate monies for future retirement of long-term bonds.

Department: An operational and budgetary unit designated by the City Council to define and organize City operations, or a group of related operations within a functional area.

Depreciation: The expiration in the service life of fixed assets (buildings, machinery, equipment, etc.) attributable to normal wear and tear. The portion of the cost of the expiration in the service life of a capital asset is charged as an expense during a particular accounting period in the Statement of Net Assets.

Encumbrances: Amounts committed to pay for goods and services a government contracted for but did not yet receive. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitment will be honored during the subsequent year.

Enterprise Fund: A proprietary fund type used to account for operations that are financed and operated in a manner similar to private sector enterprises, such that the costs of providing goods and services to the general public are financed or recovered primarily through fees charged directly to the users of the goods or services provided. The City of Carmel-by-the-Sea has ten enterprise funds, including Ambulance. See also Proprietary Fund.

Enterprise Fund Accounting: Accounting used for government operations that are financed and operated in a manner similar to private sector enterprises, and for which preparation of an income statement is desirable. Enterprise Funds use the accrual basis of accounting.

Estimated Revenue: The budgeted projected revenues, which are expected and realizable during the budget fiscal year, to finance all or part of planned expenditures.

Expenditure: The outflow of funds paid, or to be paid, for goods and services received during the current period. Note: an encumbrance is not expenditure; rather it represents a reservation on fund balance.

Expense: The incurrence of liabilities or the consumption of assets arising from the delivery or production of goods, rendering services or carrying out other activities that constitutes the entity's ongoing major or central operation. This term applies to the City's Enterprise and Internal Service Funds.

Fiduciary Fund: A major fund type used to account for assets held by the City in a trustee, agency or custodial capacity for others. The City of Carmel-by-the-Sea has pension trust, expendable trust, non-expendable trust, and agency funds within the fiduciary fund type. Expendable trust funds are accounted for in the same manner as governmental funds, using the modified accrual basis of accounting. Pension trust and non-expendable trust funds use the accrual basis of accounting. An agency fund is custodial in nature in that it does not measure results of operations and the assets equal liabilities (i.e., all assets are held solely for the benefit of others).

Fiscal Year: The 12-month period to which the annual operating budget applies, at the end of which a government determines its financial position and the results of its operations. The City of Carmel-by-the-Sea operates on a fiscal year from July 1 through June 30.

Fixed Asset: See Capital Asset.

Full-Time Equivalent (FTE): The standardized unit of measurement of staffing equal to 2,080 hours of work per year. For all positions and employee types, FTE equals the number of total hours worked divided by the maximum number of compensable hours in a work year as defined by law. 1.0 FTE means the position is funded equivalent to a full-time worker, while an FTE of 0.5 signals that the position is funded half-time.

Fund: A separate fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations. There are three major fund types: governmental, proprietary, and fiduciary.

Fund Balance: From a strict accounting perspective, fund balance represents the excess of assets over liabilities. It also represents the cumulative effect of revenues and other financing sources over expenditures, and other financing uses that are available for reservation, designation or appropriation. A negative fund balance is called a fund deficit.

General Fund: The primary operating fund of a governmental organization that accounts for activities and services not required to be accounted for in another fund, and traditionally associated with governments, such as police and fire service, which are financed primarily through tax, intergovernmental and other non-exchange revenues.

General Obligation Bond: A bond sold to generate financing for various purposes, and to be repaid with normal, unrestricted operating revenue, usually from the General Fund.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards and guidelines for accounting and reporting. These standards govern the form and content of the annual financial statements of an entity. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

Governmental Accounting Standards Council (GASB): The GASB was organized in 1984 as an independent, professional body (by the Financial Accounting Foundation) to establish standards of financial accounting and reporting for state and local governmental entities. Its standards guide the preparation of external financial reports of those entities. The Foundation is responsible for selecting the members of the GASB and its Advisory Council, funding their activities, and exercising general oversight (except with regard to the GASB's resolution of technical issues).

Governmental Activities: Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues, and usually reported in governmental and internal service funds.

Government Finance Officers Association: An international professional governmental finance association. The GFOA distinguished budget award presentation is an attainable goal set by the majority of municipalities in the United States.

Governmental Fund: A major fund type generally used to account for tax-supported activities. Governmental funds use the modified accrual basis of accounting. The City of Carmel-by-the-Sea uses four types of governmental funds: general, special revenue, debt service, and capital projects funds.

Grant: Contributions of cash or other assets donated from one governmental agency or organization to another, and usually restricted for a specific purpose. Typically, these contributions are made to local governments from state and federal governments.

Infrastructure: Facilities that support the daily life and growth of the City, for example, roads, waterlines, sewers, public buildings, parks and airports.

Interfund Reimbursements: Payments from one fund to another to reimburse costs to the recipient fund.

Interfund Transfers: Payments from one fund to another to finance the operations of the recipient fund.

Internal Service Fund: Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost-reimbursement basis. See also Proprietary Fund.

Liability: Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed or refunded at some future date. Note: the term does not include encumbrances.

Line-Item Budget: A budget that lists detailed expenditure categories separately, along with the amount budgeted for each specified category. The City of Carmel-by-the-Sea uses program rather than line-item budgeting; however, detailed line-item accounts are maintained and recorded for financial reporting and control purposes.

Major Object: Categorized groupings of individual line-item expenditures that are similar in nature. For example, the City's major object categories include salaries and benefits, supplies and services, special projects, non-capital equipment, capital equipment, and miscellaneous.

Mandate: Legislation passed by the state or federal government requiring action or provision of services and/or programs. Examples include the Americans with Disabilities Act, which requires actions such as physical facility improvements and provision of specialized transportation services.

Materials and Supplies: A category of expenditures which includes goods or services that are consumed in achieving cost center objectives.

Modified Accrual Basis of Accounting: Under the modified accrual basis, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction that can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Those revenues susceptible to accrual include property taxes remitted within 60 days after year-end, interest on investments, and certain intergovernmental and other revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. All governmental fund types, expendable trust funds and agency funds use the modified accrual basis of accounting.

Objective: Quantified, outcome-based statements of what will be accomplished during the budget year. These annual performance goals are specific, measurable, time-bound, and realistic, yet challenging. Objectives cover day-to-day activities as well as one-time initiatives.

Operating Budget: A plan of financial operations embodying an estimate of planned expenditures for a given period (typically a fiscal year) and the proposed means for financing them (revenue estimates). The annual operating budget, as distinguished from the capital program budget, is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. The City of Carmel-by-the-Sea generally adopts a two-year financial plan that includes the adoption of actual budget appropriations for the first year of the financial plan, and recommendations for year two.

Operating Deficit: The deficiency of operating revenues under expenditures during a single accounting period.

Operating Surplus: The excess of operating revenues over operating expenditures during a single accounting period.

Ordinance: A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the city.

Other Financial Sources: A category of revenues which includes operating (interfund) transfers-in, appropriated reserves and appropriated fund balance.

Other Financial Uses: A category of expenditures which includes operating (interfund) transfers-out and the reserve for contingency.

Outstanding Bonds: Bonds not yet retired through principal and interest payments.

Performance Measure: Quantifiable indicators that measure program workload or progress in achieving program objectives.

Position: All legal regular positions, whether funded or unfunded, multiplied by the percent of time authorized.

Program: A group of activities, operations or organizational units organized to accomplish specific purposes, goals or objectives. It is a distinct functional unit within a department, consisting of a significant service provided using City resources.

Program Budgeting: A method of budgeting that focuses on services provided to customers at the functional (or program) level.

Proposed Budget: This refers to the status of an annual budget, which has been submitted by the City Administrator and is pending public review and City Council adoption.

Proprietary Fund: A major fund type used to account for operations that are financed and operated in a manner similar to private sector enterprises, in that goods and services are provided to the general public (external users) or other City departments (internal users), and the costs of which are financed or recovered primarily through fees and service charges charged directly to the users of the goods and services. Proprietary funds use the accrual basis of accounting.

Reserves: Accumulated funds legally restricted or otherwise designated by management and/or City Council for specific purposes. See also Fund Balance.

Resolution: An order of the City Council requiring less legal formality than an ordinance.

Revenue Bond: A bond sold to construct a project that will produce revenues pledged for the repayment of principal and related interest.

Revenues: Total amount of income received, earned, or otherwise available for appropriation.

Self-Insurance: A term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or the activity of the agency.

Service Charge: See User Fee.

Special Revenue Fund: A governmental fund type used to account for the proceeds from specific revenue sources, other than trusts or major capital projects, that are legally restricted to expenditures for specific purposes. See also Governmental Fund.

Traffic Safety: Violation fines and penalties which by State law money must be used for traffic safety related expenditures including traffic enforcement and capital projects.

Transient Occupancy Tax (TOT): Tax collected by hotel operators and imposed on hotel guests for transient lodging (30 days or less) within the City. The current TOT rate is 10%.

User Fee: The voluntary payment of a fee for direct receipt of a public service by the party directly benefiting from service.

APPENDIX: List of Acronyms

ABC Alcoholic Beverage Control

ACCEL Authority of California Cities Excess Liability

ADA Americans with Disabilities Act

AF Acre Feet

ALS Advanced Life Support

AMBAG Association of Monterey Bay Area Governments

AMR American Medical Response

A/P Accounts Payable

APWA American Public Works Association

ARRA American Recovery and Reinvestment Act

BLS Basic Life Support

BPO Blanket Purchase Order

C&D Recycling Construction and demolition recyclable waste

CA-DHS California Department of Health Services

CAD Computer Aided Dispatch System

CAFR Comprehensive Annual Financial Report

CAL-ID State of California's automated fingerprinting identification system

CALPERS California Public Employees' Retirement System (CalPERS) is an agency of the State of California that administers the City's retirement plans

CAO Carmel-by-the-Sea City Administrator Office

CAPER Consolidated Annual Performance Report

CARB California Air Resources Board

CCC Combined Communications Center

CCTV Closed Circuit Television

CCWA Central Coast Water Authority

CDBG Community Development Block Grant

CEQA California Environmental Quality Act

CERT Community Emergency Response Training

CIP Capital Improvement Program

CMC Carmel-by-the-Sea Municipal Code

COP Citizen-Oriented Policing

COP Certificate of Participation

COPS Community Oriented Problem Solving

CPBD Carmel-by-the-Sea Community Planning and Building Department

CPD Carmel-by-the-Sea Police Department

CPUC California Public Utilities Commission

CRFA Carmel Regional Fire Ambulance

CSMFO California Society of Municipal Finance Officers

CWQCB California Water Quality Control Board

DA District Attorney

D.A.R.E. Drug Awareness Resistance Education

DOJ Department of Justice

DUI Driving Under the Influence

EE Employee

EIR Environmental Impact Report

EMS Emergency Medical Services

EMSA Emergency Medical Services Agency, an agency of Monterey County

EMT Emergency Medical Technician

ENF Enforcement

EOC Emergency Operations Center

EPA Environmental Protection Agency

ERAF Educational Revenue Augmentation Fund

FBI Federal Bureau of Investigation

FMLA Family and Medical Leave Act

FMS Financial Management System

FORA Fort Ord Reuse Authority

FTE Full-time Equivalent Job Position

FY Fiscal Year

FYE Fiscal Year End

GAAP Generally Accepted Accounting Principles

GASB 34 Governmental Accounting Standards Board Statement No. 34

GASB Governmental Accounting Standards Board

GFOA Government Finance Officers' Association

GIS Geographical Information Systems

GOA Gone on Arrival

GPU General Plan Update

HBRR Federal Highway Bridge Replacement and Rehabilitation funds

HHW Hazardous Household Waste

HLC Historic Landmarks Commission

HML Harrison Memorial Public Library

HOME Federal Home Investment Partnership Program

HUD Housing and Urban Development

ICMA International City/County Management Association

IIPP Injury and Illness Prevention Program

IOD Injury on Duty

IPM Integrated Pest Management

JPA Joint Powers Authority

LAFCO Local Agency Formation Commission

LAIF Local Agency Investment Fund

LEA Local Enforcement Agency

LED Light-Emitting Diode

LEED Leadership in Energy and Environmental Design

LIUNA Laborers' International Union of North America

LUFT Leaking Underground Fuel Tank

MCCVB Monterey County Conference and Visitors' Bureau

MDC Mobile Data Computer

MPRWA Monterey Peninsula Regional Water Authority

MRE Mobile Reporting Equipment

MOU Memorandum of Understanding

MST Monterey-Salinas Transit District

NIMS National Incident Management System

NPDES National Pollution Discharge Elimination System

OSH Occupational Safety and Health

OSHA Occupational Safety and Health Administration

PC Planning Commission

PERS Public Employee Retirement System

PG&E Pacific Gas and Electric

PM Planned Maintenance

POB Pension Obligation Bond

POST Police Officers' Standards & Training

PQI Pavement Quality Index

PRT Pre-Application Review Team

PSA Public Service Announcement

PUC Public Utilities Commission

RFP Request for Proposal

RFQ Request for Qualifications

RMS Records Management System

RWQCB California Regional Water Quality Control Board

SCC Sunset Cultural Center

SEMS Standardized Emergency Management System

SMU Site Mitigation Unit

SOP Standard Operating Procedures

STIP State Transportation Improvement Project funds

SWPPP Storm Water Pollution Prevention Plan

TAMC Transportation Agency of Monterey County

TDA Transportation Development Act

TOT Transient Occupancy Tax

USGS U.S. Geological Services

USPS United States Postal Service

UST Underground Storage (Fuel) Tanks

UUAD Underground Utility Assessment District

UUT Utility Users' Tax

VAPP Visual Arts in Public Places

VOIP Voice Over Internet Protocol

WAN Wide Area Network