

City of Carmel-by-the-Sea, California

Fiscal Year 2013-2014

Adopted Operating Plan & Budget



June 11, 2013

Front Cover

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City of Carmel-by-the-Sea

Fiscal Year 2013-2014

Operating Plan – Adopted Budget

Adopted Tuesday, June 11, 2013

by the

Carmel-by-the-Sea City Council

Jason Burnett, Mayor

Ken Talmage, Mayor Pro-Tem

Victoria Beach, Councilmember

Steve Hillyard, Councilmember

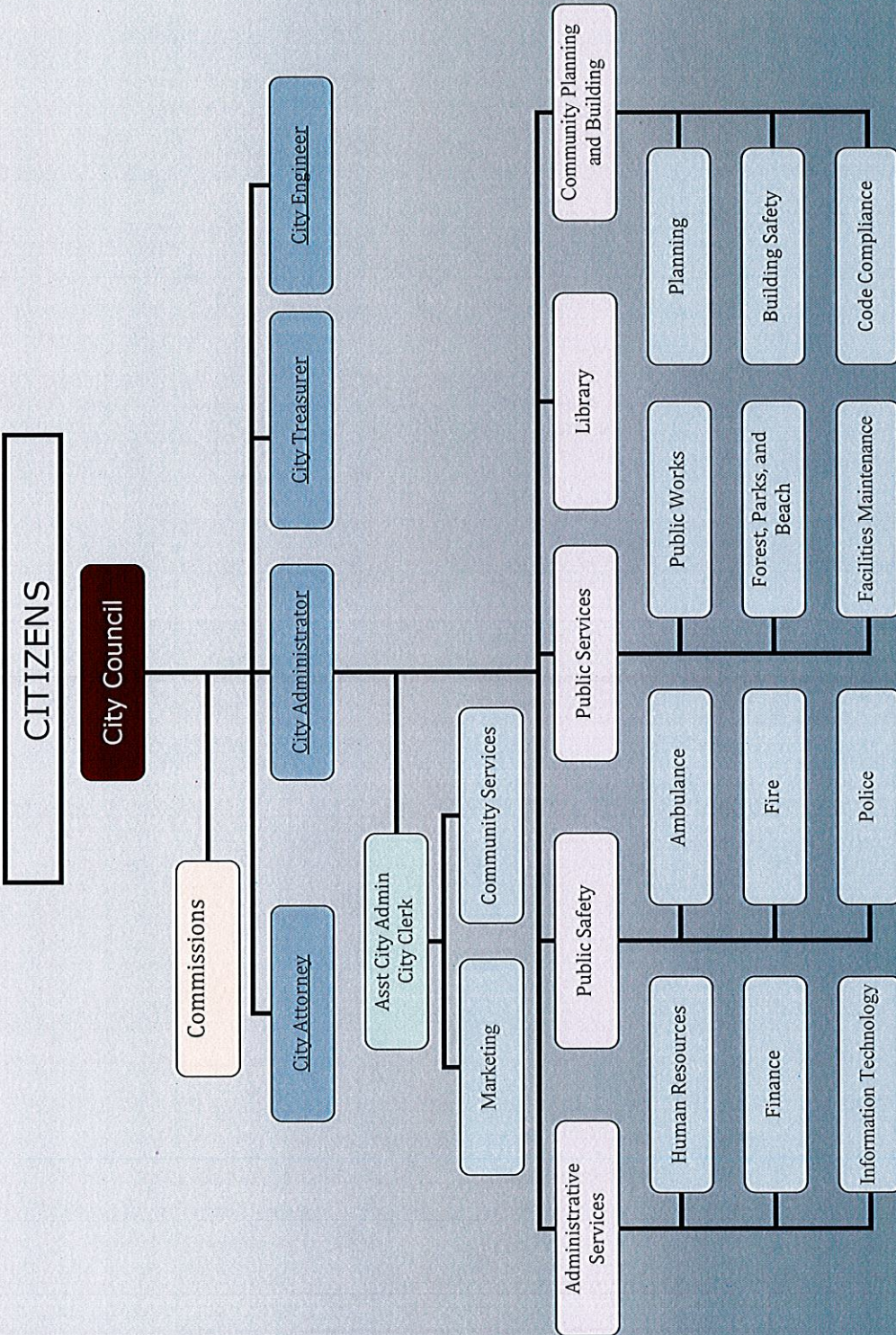
Carrie Theis, Councilmember

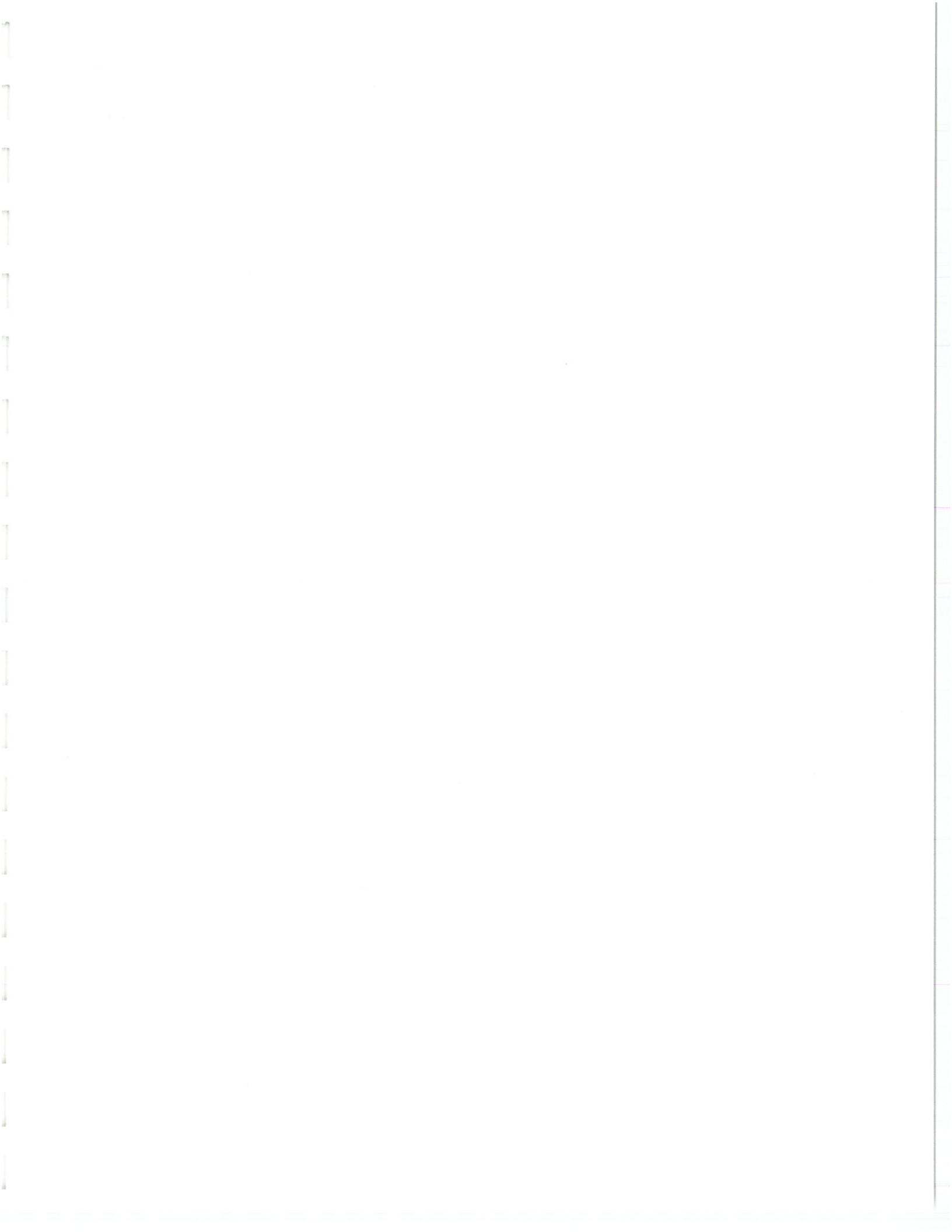
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City of Carmel-by-the-Sea





EXECUTIVE SUMMARY

June 12, 2013

The Honorable City Council
 City of Carmel-by-the-Sea
 Carmel City Hall
 Carmel, California 93921

Dear Mayor Burnett and Council Members:

The Fiscal Year 2013-2014 operating plan and adopted budget is prepared based on your direction at the June 11, 2013 budget adoption hearing. This document serves as a policy document, financial plan, operations guide, and communications device. It includes seven sections. First, this budget message which includes an executive summary, five-year financial forecast, city goals and objectives and the policy planning and management system in place to meet the goals and objectives, and discussion of key issues affecting the budget. Second, a statistical section describing the organization, our community, and population; this information provides context for the upcoming fiscal year. Third, a summary section providing summary schedules of the proposed budget including revenue, expenditure, staffing, and debt service summaries. The fourth section includes the department pages describing the operations, proposed budget, staffing, goals and objectives, and performance data for each department. Fifth, the proposed capital expenditures and description of projects. The sixth section includes the City's financial policies. The final section is a glossary of terms and acronyms. The budget document is geared toward providing clear and transparent information in a format that explains the link between City Council objectives and departmental operations.

The adopted budget is an \$18.2 million operating plan and is balanced. The budget grows by \$3.3 million from the prior year budget mostly as a result of the voter approved one-percent sales tax increase (Measure D). This additional funding is allocated in accordance with the Service Level Sustainability Plan identified by the City

Budget at a Glance				
	2011-12	2012-13	2012-13	2013-14
Dollars in millions	Actual	Revised	Estimated	Adopted
Total Revenues	\$14.15	\$13.90	\$ 15.43	\$ 17.66
Other Financing Sources	\$ 7.75	\$ 1.00	\$ 0.76	\$ 0.56
Total Sources	\$21.90	\$14.90	\$ 16.19	\$ 18.22
Total Expenditures	\$15.26	\$14.50	\$ 14.86	\$ 17.73
Designated for Future Use	\$ 7.75	\$ 0.39	\$ 1.33	\$ 0.48
Total Uses	\$23.01	\$14.89	\$ 16.19	\$ 18.21
Staffing FTEs	74.20	71.69	69.30	75.72

Council and presented to voters prior to the election. That plan, which this adopted budget comports with, calls for using additional Measure D funding for priority services, deferred maintenance of infrastructure and roads, capital investment, debt repayment, and stabilization

of reserves. Capital investment is less than what was proposed in the Capital Improvement Plan but this adopted budget includes the additional funding for street and road repair as directed by the City Council when reviewing the Capital Improvement Plan. Staffing grows by 4.03 full-time equivalent employees. The primary reason for the increased staff is to meet the requirements of completing 50% more capital improvements, in dollar terms, and twice the number of projects than in the prior year.

The Fiscal Year 2013-2014 proposed budget was delivered to the City Council on time and with craftsmanship by the City's staff. Direction by the City Council in developing goals and objectives provided important guidance in the prioritization of programs. The City Council was able to deliberate the content of the proposed budget and adopt the Fiscal Year 2013-2014 Operating Plan and Budget on time and prior to the start of the fiscal year.

Staff appreciates the City Council's support of its efforts and accomplishments. The City Council's leadership in developing a less expensive retirement tier plus implementation of the additional sales tax revenue enabled the City to chart a course to stability and quality service to residents, businesses, and visitors of Carmel-by-the-Sea.

Respectfully prepared,

A handwritten signature in black ink, appearing to read 'JS', with a stylized flourish extending to the right.

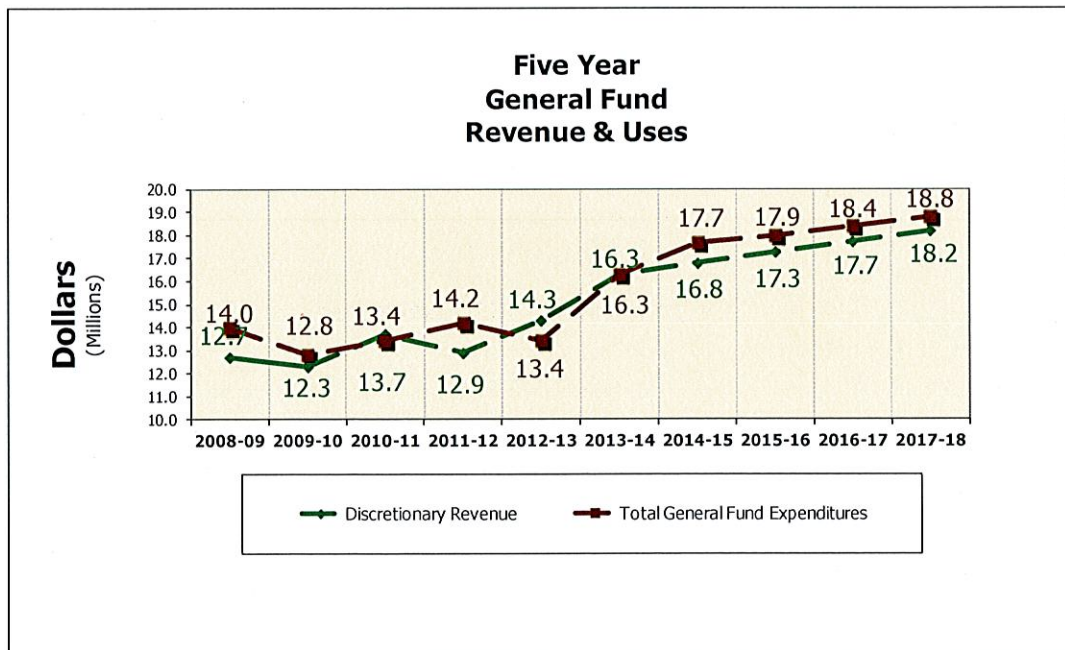
Jason Stilwell
City Administrator

FINANCIAL FORECAST OVERVIEW

The City Council receives the five-year financial report annually at the initial stages of the budget development process. The forecast is updated annually and included in the budget document. In general, this year's five-year forecast is healthier than prior forecasts. The improved forecast is primarily attributed to the voter's November 2012 approval of Measure D, a ten-year one-percent sales tax rate increase. In addition, the City continues to see strengthening economic conditions leading to increasing revenue projections during the forecast period.

Revenue growth rates are projected to rise gradually during the forecast period. The forecast anticipates increasing expenditures to maintain or enhance levels of service and meet the requirements of safely and cost effectively maintaining existing community infrastructure.

The five-year forecast shows a steady gap between revenues and expenditures as a result of projected capital expenditures and service level increases. Although the projected level of capital expenditures and service level enhancements is quantified, absent additional revenue, the projected levels of expenditures would need to be less. The forecast includes Measure D revenues and additional anticipated expenditure increases consistent with the Service Level Sustainability Plan. The adopted fiscal year 2013-2014 budget is balanced. The projected gap averages \$700,000 per year during the forecast period. The past action by the City Council to implement retirement reform, debt service restructuring, and restructuring of the organization, coupled with Measure D, are providing anticipated enhancements in services, investment in our community, and improvements in future fiscal years.



Forecast Revenue Detail

The revenue forecast projects Fiscal Year 2013-14 will see continued modest growth in the City's discretionary revenues. Property taxes show increases above budget projections for fiscal year 2012-2013 and are anticipated to continue rising in future fiscal years. Transient Occupancy Taxes and Sales Taxes also have increases projected. Given historical revenue patterns and available forecasts for local and state economic data, an increase of 2.53% in discretionary revenues, net Measure D, is estimated in Fiscal Year 2013-14, compared to Fiscal Year 2012-13 estimates. When including Measure D, Fiscal Year 2013-14 revenue is anticipated to increase by 21.35% from the previous year budget or 13.79% from current year estimates. Annual revenue growth rates continue to be projected at approximately 3.00% annually through Fiscal Year 2015-16 and in the 5% range for fiscal years 2016-17 and 2017-18.

FIVE-YEAR FY 2012-13 through FY 2017-18 DISCRETIONARY REVENUE PROJECTIONS
in millions of dollars

Revenue Source (Dollars in Millions)	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Actual	FY10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 12-13 Estimate	FY 13-14 Proposed	FY 14-15 Projected	FY 15-16 Projected	FY 16-17 Projected	FY 17-18 Projected
Property Tax	\$3,726	\$3,867	\$4,066	\$4,189	\$4,158	\$4,265	\$4,347	\$4,506	\$4,710	\$4,804	\$4,876	4,961	\$5,060
Transient Occupancy Tax	4,209	4,395	3,787	3,799	4,003	4,178	4,463	4,660	4,846	4,992	5,167	5,321	\$5,481
Sales Tax	2,143	2,340	2,181	1,620	1,806	1,723	2,051	2,051	2,113	2,213	2,308	2,377	\$2,446
Measure D								0,490	2,113	2,213	2,308	2,377	\$2,446
Business License Tax	0,333	0,627	0,609	0,551	0,526	0,514	0,500	0,492	0,497	0,507	0,517	0,533	\$0,551
Fees and Permits	0,488	0,492	0,369	0,448	0,391	0,451	0,431	0,422	0,435	0,446	0,458	0,471	\$0,483
Interest, Rents, Parking Lots	0,694	0,633	0,386	0,250	0,235	0,237	0,229	0,229	0,231	0,234	0,237	0,241	\$0,247
Franchise Fees	0,466	0,426	0,467	0,453	0,477	0,407	0,513	0,513	0,547	0,558	0,569	0,580	\$0,592
Intergovernmental	0,376	0,369	0,382	0,387	0,459	0,369	0,072	0,347	0,419	0,427	0,435	0,444	\$0,453
Other Revenue & Sources	1,121	0,472	0,461	0,607	1,637	0,744	0,798	0,585	0,357	0,376	0,388	0,405	\$0,423
TOTAL	13,556	13,621	12,708	12,304	13,692	12,887	13,404	14,295	16,266	16,769	17,262	17,712	18,183
Dollar Change Per Year	\$1,319	\$0,065	-\$0,913	-\$0,404	\$1,388	-\$0,805	\$0,517	\$1,408	\$1,971	\$0,503	\$0,493	\$0,449	\$0,471
GROWTH RATES:													
Property Tax	11.36	3.78	5.15	3.03	-0.74	2.56	1.93	5.66	4.52	2.00	1.50	1.75	2.00
Transient Occupancy Tax	8.51	4.42	-13.83	0.32	5.37	4.36	6.83	11.54	4.00	3.00	3.50	3.00	3.00
Sales Tax	-1.20	9.19	-6.79	-25.72	11.48	-4.61	19.06	19.06	3.00	4.75	4.30	3.00	2.90
Measure D									3.00	4.75	4.30	3.00	2.90
Business License Tax	-19.95	88.29	-2.87	-9.52	-4.54	-2.21	-2.79	-4.35	1.00	2.00	2.00	3.00	3.50
Fees and Permits	-11.75	0.82	-25.00	21.41	-12.72	15.24	-4.35	-8.35	3.00	2.60	2.75	2.75	2.50
Interest, Rents, Parking Lots	38.25	-8.79	-39.02	-35.23	-6.00	0.80	-3.33	-3.33	1.00	1.00	1.25	2.00	2.25
Franchise Fees	17.09	-8.58	9.62	-3.00	5.30	-14.77	26.18	26.18	6.60	2.00	2.00	2.00	2.00
Intergovernmental	-8.96	-1.86	3.52	1.31	18.60	-19.62	-80.49	-5.93	20.60	2.00	2.00	2.00	2.00
Other Revenue & Sources	99.82	-57.89	-2.33	31.67	169.69	-54.53	7.21	-21.41	-39.00	5.50	3.00	4.50	4.50
TOTAL % Change from Prior Yr	10.78	0.48	-6.70	-3.18	11.28	-5.88	4.01	10.93	13.79	3.09	2.94	5.62	5.33

REVENUE PROJECTION ASSUMPTIONS

Property Taxes

Proposition 13 allows an annual maximum increase of 2% on properties that have not declined below their assessed value. As a result of a number of properties, values in the City declined below their assessed valuation, a slow recovery in this revenue source was anticipated in Fiscal Year 2012-13. The latest data suggests an estimated increase of 5.66% compared to Fiscal Year 2011-12 actual. The revenue projection for Real Property Tax is primarily based on the annual County Assessor's Office estimate of assessed values, which is provided before May 10th each year. The difference between the estimate in May and the actual certification in August is generally small. An average future growth rate of 2.35% is projected during the forecast period.

Transient Occupancy Tax

This source of revenue is highly dependent on tourism and the availability of lodging in the City. The revenue is based on a 10% tax rate applied to occupancy and room rates of the City's overnight lodging facilities. Transient occupancy tax revenue is projected to increase by 4% in Fiscal Year 2013-14 compared to the Fiscal Year 2012-13 estimate. Moderate growth is projected thereafter. The projected Fiscal Year 2014-15 growth rate is 3.0% with a sustainable growth rate of 3.17% on average thereafter.

Retail Sales Tax

The Fiscal Year 2012-13 budget and estimate are 19.06% higher than the prior year. Subsequent fiscal years show continued modest growth of sales tax as the economy continues to solidify. The projected Fiscal Year 2013-14 growth rate is 3.00% with 3.74% average growth thereafter. Measure D is projected to mirror the City's one-percent Bradley-Burns tax. The City cross compares three methods of analysis for sales tax projections: 1) a statistical and probability analysis based on standard deviation of historic revenue, 2) sales tax monitoring and retail analysis, and 3) trend analysis.

Business License Tax

The City's municipal code requires every person commencing or carrying on a business within this City shall pay a license tax. Each year in June, the City sends out renewal notices for the new fiscal year starting in July. Business License Tax is based on an annual tax of \$1.00 per \$1,000 of revenue from gross sales/services. The forecast projects one-percent growth in this revenue in Fiscal Year 2013-14 with inflationary growth thereafter.

Additional revenue growth in this source may be possible with a successful outreach program.

Fees and Permits

This revenue category primarily includes building permit fees and planning permit fees. Parking and other permit revenues are also included in this category. Fee and permit revenue is volatile and dependent on economic conditions. While this revenue has experienced an average negative growth rate during the past six years, this revenue source is projected to have a positive growth rate during the forecast period as building permit activity rebounds.

Interest, Rents, Parking Lots

This category broadly includes revenue from City assets including interest earnings on savings and investment, facility use and rent, and revenue from the north Sunset Center parking lot. This category has had an average negative growth rate of 15% for the six most recent years. The budget anticipates continued negative growth. Future growth rates are anticipated to be steady and modest averaging 1.5% annually.

Franchise Fees

About 42% of these revenues come from the garbage collection franchise, 26% of these revenues come from cable television franchises, and the other 32% are from water, gas and electric utilities. Future growth rates are dependent on cable revenues and low inflation in prices for gas and electricity. Franchise fee revenues are projected to experience growth during the forecast period at approximately the rate of growth of the Consumer Price Index in the subsequent years. This revenue category may exceed forecast expectations or may be impacted by a renegotiated garbage franchise. Estimates will be revised if growth trends demonstrate a rate higher than inflation.

Intergovernmental

Intergovernmental revenue is both dependent on economic conditions and on State budget constraints. This category primarily includes vehicle license fee revenue. Statewide revenues from the vehicle license fee fund city and county services. However, the State Legislature controls the tax rate and the allocation among local governments. In 2004, the Legislature permanently reduced the vehicle license fee tax rate and eliminated State general fund backfill to cities and counties. Cities and counties subsequently received additional transfers of property tax revenues in lieu of vehicle license fees. SB89 of 2011 eliminated, effective July 1, 2011, vehicle license fee revenue allocated under California

Revenue and Taxation Code 11005 to cities. As a part of the Legislature's efforts to solve the State's chronic budget problems, the bill shifted all city vehicle license fee revenues to fund law enforcement grants that previously had been paid by a temporary State tax and – prior to that – by the State general fund. The League of California Cities challenged this action in court as a Constitutional violation. Cities were instructed to expect zero vehicle license fee revenues in 2011-12 and in subsequent years unless and until there is a change in law. However, with the passage of Proposition 30, the State reimbursed vehicle license fee revenue to the City. It is unclear how predictable this revenue will be in the future but the forecast anticipates the revenue to continue being remitted to the City during the forecast period.

Other Revenues

This category has four main components: 1) Grants, 2) Transfers, 3) Charges for services, and 4) various miscellaneous revenues. Grant revenue is volatile from year to year. The Other Revenue category in the forecast assumes base-level revenue and does not include significant transfers into the General Fund or use of fund balance. Transfers may be completed that are project specific or are necessary to meet unanticipated expenditure requirements. Charges for service and various miscellaneous revenues are estimated to generate \$350,000 annually going forward.

Forecast Expenditure Detail

The expenditure forecast depicts how the General Fund discretionary revenue is anticipated to be appropriated. Discretionary revenue is primarily spent as departmental base to fund operations. The remaining discretionary revenue is either invested in capital improvements for one-time needs or used to fund required debt service obligations. The forecast is comprised of three categories: 1) non-salary changes, 2) changes in debt payments, and 3) salary and benefit changes.

FIVE-YEAR FY 2012-13 through 17-18 General Fund Expenditures													
in millions of dollars													
	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	Average
	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Proposed	Projected	Projected	Projected	Projected	Annual
													Growth
Departmental	10.893	11.954	12.129	12.120	11.873	11.931	12.589	13.630	14.974	15.276	15.674	16.181	
Capital Investments		1.017	1.288	0.076	1.056	1.454	0.000	0.473	0.914	1.098	1.098	1.098	
Debt Service and Obligations	0.759	0.797	0.566	0.604	0.513	0.815	0.815	0.815	1.464	1.176	1.104	1.101	
Non-Salary changes								0.219	0.040	0.040	0.050	0.050	
Change in debt payments								0.649	-0.288	-0.072	0.003	0.001	
Salary and benefit changes								0.475	0.551	0.429	0.454	0.365	
Annual Total	11.652	13.768	13.983	12.800	13.442	14.200	13.404	16.262	17.655	17.948	18.383	18.797	
BASE GROWTH RATES:													
TOTAL % Change from Prior Yr	0.1%	18.2%	1.6%	-8.5%	5.0%	5.6%	-5.6%	21.3%	31.7%	10.4%	13.0%	6.5%	8.28%
Capital Contributions	Gray information is included as part of the base budget above but are here for historical detail												
Measure D: Road Maintenance								0.584					
Measure D: Capital Improvements								0.517	(0.861)				
Capital Improvements								(0.660)	1.045				
Non-Salary Cost													
Fire Contract						0.854	1.768	0.089	0.040	0.040	0.050	0.050	
Ambulance						0.462	0.421	0.080					
SCC Contract				0.680	0.650	0.750	0.600	0.050					
Debt Service and Obligations													
Debt Service					0.513	0.513	0.513						
Pension Obligation Bonds								0.703	(0.004)	(0.001)	0.003	0.001	
Lease Payments						0.302	0.302	(0.053)	(0.284)	(0.071)			
Salary & Benefit changes													
Salaries	0.434	0.254	(0.189)	0.444	(0.070)	0.090	(0.381)	0.520	0.389	0.262	0.275	0.174	
Health	0.153	0.048	0.001	0.025	0.032	0.018	(0.018)	0.045	0.072	0.079	0.087	0.096	
Retirement	0.102	0.083	(0.042)	0.131	0.000	0.042	(0.531)	0.041	0.044	0.039	0.041	0.043	
Other	(0.684)	0.536	0.331	(0.436)	0.082	0.151	(0.327)	(0.131)	0.046	0.048	0.051	0.053	
Total Annual GFC Increase	0.01	2.12	0.22	-1.18	0.64	0.76	-0.80	2.86	4.25	1.69	2.12	1.14	
Total Cumulative \$ Change from FY 06-07 Actual		2.12	2.33	1.15	1.79	2.55	1.75	4.61	6.00	6.30	6.73	7.14	

The Five-Year Expenditure Projections table includes both actual and projected numbers. The actual numbers, including those in the Adopted Fiscal Year 2012-13 Budget, are to the left of the vertical double line while forecast projections are to the right of the vertical double line. The top portion of the table includes aggregate numbers of the three uses of General Fund revenue. The details of that spending are at the bottom portion of the table.

The numbers in the grey box are presented only for historical comparison and are part of the aggregate numbers in the top section of the table.

Non-Salary

Non-salary cost increases include shifts in the City's use of funding to maintain the Fire Department's level of service by entering into a contract agreement with the City of Monterey and to maintain the City's fire-ambulance service. The other non-salary cost increase projected is to allocate funding on an ongoing basis to Sunset Center Inc. related to operating the Sunset Cultural Center.

Debt Service

Debt service payments are anticipated to decline slightly during the forecast period as vehicle lease payments end. The forecast projects a revised strategy for funding vehicle purchases moving from lease purchase of vehicles back to a vehicle replacement purchase program. The forecast includes the increase in debt service related to the refinancing of the pension obligation. The debt service for the pension obligation bond is approximately \$700,000 annually, the certificate of participation payment for the Sunset Center improvements is \$513,000 annually.

Salary and Benefits

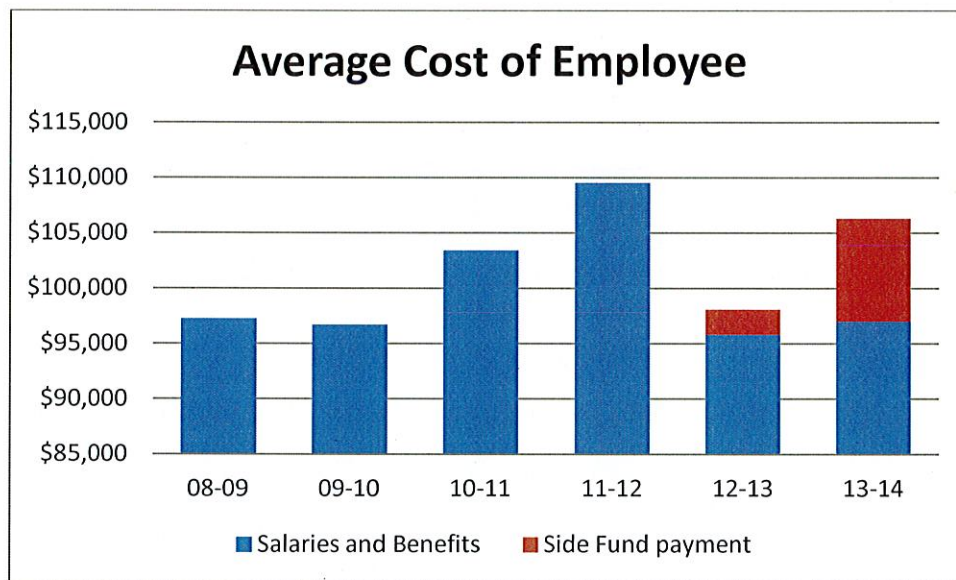
The salary and benefit increases include anticipated personnel related expenditures. They are determined based on negotiated Memoranda of Understanding (MOUs), health insurance; retirement benefit cost projections, and mandated costs such as workers compensation and Social Security contributions. The assumptions behind these increases include: 1) certain net increase in FTE to enhance services in accordance with the Service Level Sustainability Plan and consistent with Measure D funding, 2) no enhancements of health or retirement benefits, and 3) costs associated with salaries to remain relatively flat but with flexibility in the forecast for the City Council to act on a revision of the salary plan.

Employee health insurance costs have been rising at an average a rate of 2% over the past five years even with staffing reductions. The forecast projects health insurance costs will increase on an annual average rate of 11% as the City continues to implement cost avoidance and management strategies.

The average annual increases in CalPERS retirement rates have been 7.31% since Fiscal Year 2005-06. The investment losses during Fiscal Year 2008-09 have a significant impact on the Fiscal Year 2012-13 retirement rate paid by the City. Smoothing formulas enable the rates to increase more modestly in future years (5.25% average annual increases). The

ameliorative measures already taken by the City Council provide downward pressure on the future growth rate. However, CalPERS has adopted a lower assumption rate which will cause rates to increase in Fiscal Year 2013-14. The side fund payment is no longer included in the retirement rate paid to CalPERS. State and local governments will pick up more of the cost of employee pensions starting in fiscal year 2015-16 under new smoothing and amortization policies adopted by the CalPERS Board of Administration on April 17, 2013.

Other salary and benefit costs include all personnel costs other than salaries, health insurance, and retirement rates. Medicare, workers compensation, life, and unemployment insurance premiums, and other MOU obligations are included in this category. The average annual growth rate has been 4.09% for the past six years. The total cost of these is approximately \$1.1 million annually and the assumed growth rate is 4.5% annually.



CITY GOALS AND OBJECTIVES

The City Council, on an annual basis coinciding with the start of the budget development cycle, adopts objectives, goals, and identifies key initiatives. The City Council adopted four objectives and eight key initiatives. The key initiatives derive from the goals and objectives and are expected to be completed or substantially under way in 2013. The objectives are identified in the appropriate department budget pages and the key initiatives are included in the operating budget or capital budget, as appropriate.

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

- Effectively manage revenue sources to support services to the community.
- Focus on enhancing quality of life for residents
- Focus on enhancing and marketing the community as a destination for overnight visitors, boutique conferences, and ecotourism.
- Maintain a leadership role in the region on issues that are vital to the community.

Organizational Effectiveness

- Direct organizational performance through 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 creating 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 have to determine where to allocate limited taxpayer resources.

The following key initiatives derive from the four organizational objectives above. These initiatives have a beginning and an end and are designed to be completed or substantial progress made during 2013.

Key initiatives in 2013 are:

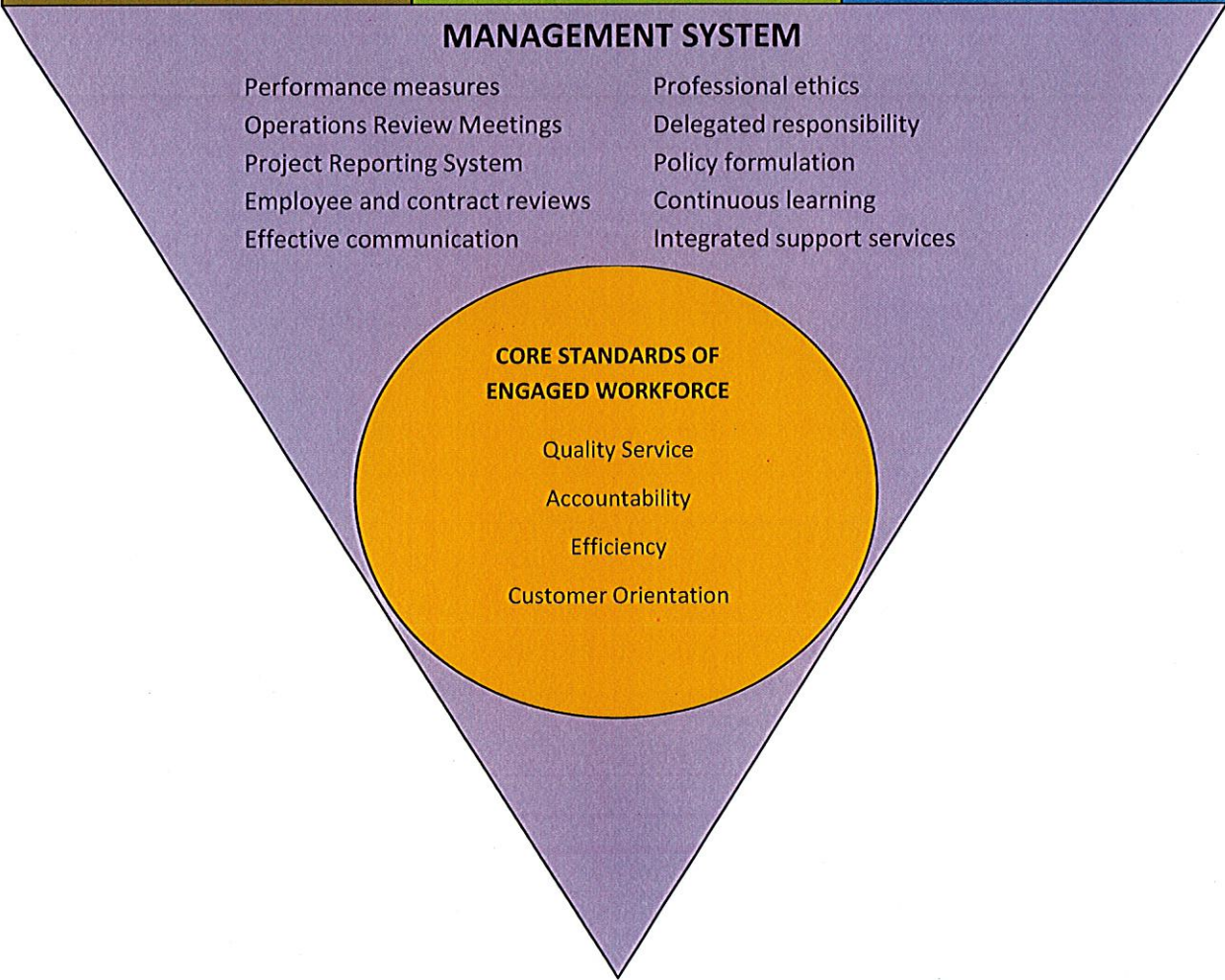
- Update parking management plans and studies to enable the City to consider parking policies in 2013 and potential modifications in 2014.
- Review implementation of Shoreline Management Plan and Forest Management Plan and update as necessary, including attention to rights-of-way and trail connectivity.
- Maintain a leadership role in developing a long-term solution to the region's water supply while continuing to pursue a replacement and replenishment regional water supply and developing additional local water conservation and non-potable water supply alternatives.
- Obtain estimates and develop a plan to address the extent to which the City's pension assets are insufficient to cover the costs of the benefits.
- Complete contract update for the effective operation of the Sunset Cultural Center.
- Update and begin implementation of Information Technology strategic plan including updating obsolete technology and encouraging interactive government projects.
- Allocate Measure D funds in the spirit in which the voters passed the initiative and document for the public.
- Begin the development of a comprehensive facilities use plan and inventory.

POLICY PLANNING AND MANAGEMENT SYSTEM

Effective implementation of the City Council's goals is achieved by the use of a policy planning and management system. In such a system the City Council annually develops goals consisting of objectives and key initiatives. In addition, the City Council updates and adopts policy plans, based on the anticipated schedule below, for service areas or functions that further refine policy objectives in the City's operations. A management system then drives implementation of the City's goals and policy plan objectives. The management system takes a systematic approach to policy implementation and is predicated on certain core standards of an engaged workforce: quality service, accountability, efficiency, and customer orientation.

Carmel by-the-Sea Policy Planning and Management System

OBJECTIVES	2013 KEY INITIATIVES	POLICY PLANS
Community Character	Parking management	Operating Plan
Long-term Vitality	Review Shoreline Management Plan and Forest Management Plan	Capital Improvement Plan
Organizational Effectiveness	Water supply and conservation	Human Resource Plan
Fiscal Stability	Pension liability	Information Tech Plan
	Sunset Cultural Center operating agreement	General Plan and elements
	Information Technology Plan and interactive government projects	Destination Marketing Plan
	Properly allocate Measure D funding	Emergency Operation Plan
	Facilities Use Plan and inventory	Local Coastal Program
		Design Guidelines
		Water Conservation
		Parking Management
		Library Strategic Workplan
		Forest Management
		Shoreline Management
		Pavement Management
		Sidewalk Management
		Storm Water Facility Use



POLICY PLAN	Last	Rvw	TIMELINE							
	Update	Freq.	2012	2013	2014	2015	2016	2017	2018	2019
OPERATING PLAN	Jun-12	Annual	[Adoption Period]							
CAPITAL IMPROVEMENT PLAN	Mar-12	Annual	[Adoption Period]							
HUMAN RESOURCES		Biannual	[Review]	[Adoption]		[Adoption]		[Adoption]		[Adoption]
INFORMATION TECHNOLOGY		3 years	[Review]	[Adoption]			[Adoption]			[Adoption]
GENERAL PLAN										
LAND USE	Oct-04	10 yrs				[Adoption]				
COASTAL ACCESS	Oct-04	10 yrs				[Adoption]				
COASTAL RESOURCE MANAGEMENT	Oct-04	10 yrs				[Adoption]				
HOUSING	2010	5 yrs				[Adoption]				
CIRCULATION	2009	10 yrs								[Adoption]
PUBLIC FACILITIES	2009	10 yrs								[Adoption]
OPEN SPACE/CONSERVATION	2009	10 yrs								[Adoption]
ENVIRONMENTAL SAFETY	2009	10 yrs								[Adoption]
NOISE	2009	10 yrs								[Adoption]
DESTINATION MARKETING PLAN	2013	3 yrs	[Review]	[Adoption]			[Adoption]			
EMERGENCY OPERATIONS PLAN	Jun-11	Biannual	[Adoption]			[Adoption]		[Adoption]		[Adoption]
DEPARTMENTAL										
ADMINISTRATIVE SERVICES										
includes: human resources										
includes: information technology										
CITY ADMINISTRATOR										
includes: operating plan										
includes: capital improvement plan										
includes: economic development/marketing										
CITY COUNCIL										
Annual Goal Setting	Jan-13	Annual	[Adoption Period]							
COMMUNITY PLANNING AND BUILDING										
includes: General Plan and elements										
Local Coastal Program	2004									
Design Guidelines (Residential)	May-01	10 yrs								
Design Guidelines (Commercial)	Jan-00	10 yrs								
Water Conservation	Sep-12	Annual	[Adoption Period]							
Parking Management			[Review]	[Adoption]						
LEGAL										
LIBRARY										
Strategic Workplan	Jan-13	3 yrs	[Review]	[Adoption]			[Adoption]			[Adoption]
PUBLIC SAFETY										
includes: Emergency Operations										
PUBLIC SERVICES										
Forest Management	Mar-01	10 yrs		[Review]	[Adoption]					
Shoreline Management	Feb-04	10 yrs		[Review]	[Adoption]					
Pavement Management	2007	10 yrs		[Review]	[Adoption]					
Sidewalk Management		10 yrs		[Review]	[Adoption]					
Storm Water		10 yrs		[Review]	[Adoption]					
Facility Use		10 yrs		[Review]	[Adoption]					

[Review Period] = review period [Adoption Period] = adoption period

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. Three key issues affecting the City's budget are 1) deteriorated service levels and infrastructure, 2) Measure D revenue and services, and 3) the cost of providing retirement benefits.

Deteriorated Service Levels and Infrastructure

A main cost driver in the adopted budget is funding to maintain service levels and fund deferred maintenance of infrastructure. Service levels degraded and the deferred costs of maintaining the City's infrastructure spiked during the recent past as the recessionary economy squeezed the City's budget capabilities.

The next several years will require focus on maintaining the community's quality of life, reconstituting the eroded services to meet policy plan outcomes, and repairing and maintaining the City's neglected roads, buildings, and infrastructure.

A primary area of focus of the City Council in its annual goals and its ongoing policy planning is updating and maintaining current policy plan documents. The majority of the 2013 key initiatives focus on policy planning. To assure the policy plans are faithfully executed staff utilizes the policy planning and management system described above. One result of this systematic approach has been an increased recognition and quantification of the City's service level, financial and infrastructure liabilities.

The policy planning process is shedding light on how the City's services currently are relative to policy goals and how much the cost of maintaining the City's roads, facilities, and other infrastructure has increased. There are large financial impacts of not maintaining a basic service level. In addition, the cost of deferred maintenance grows nearly exponentially if neglected.

The next several years will require focus on maintaining the community's quality of life, reconstituting the eroded services to meet policy plan outcomes, and repairing and maintaining the City's neglected roads, buildings, and infrastructure. The proposed fiscal year 2013-2014 budget and the subsequent yearly projected budgets seek to create such an alignment between funding requirements and this long term vitality.

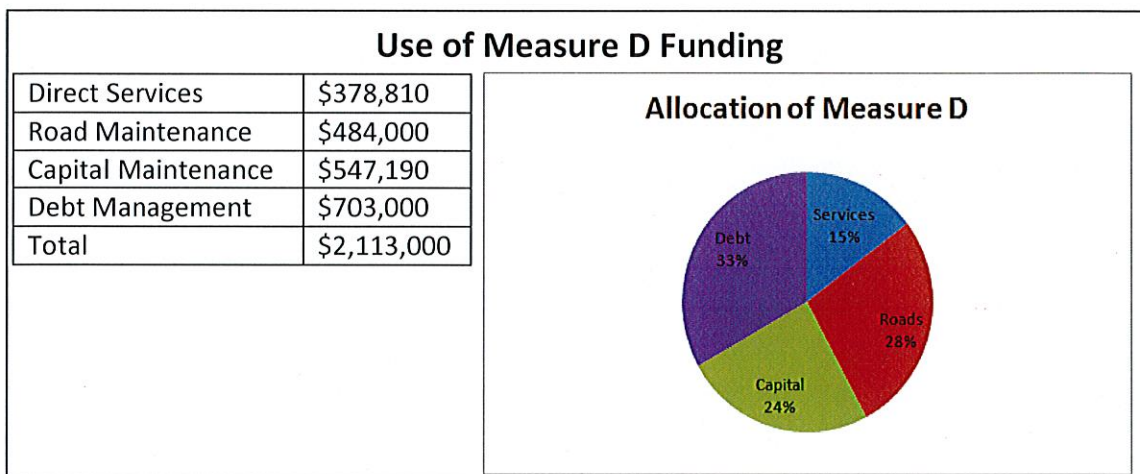
Service Level Sustainability Plan

In 2012 the City Council devised a Service Level Sustainability Plan to identify needs and costs for stabilizing the City’s services that had deteriorated as a result of the recessionary economy. The Plan called for stabilizing service levels, refunding and repaying debt service obligations, investing in the City’s roads and infrastructure as required to avoid more costly future expenses, and preserving the City’s vital reserves. Three cornerstones to fund the Service Level Sustainability Plan were 1) expenditure reforms, 2) a hospitality improvement district, and 3) Measure D.

The City Council took the lead in a number of vital expenditure reforms that will provide long-term savings. The City adopted a second tier, lower cost retirement plan for new employees; entered into a shared services agreement for fire services with the cities of Monterey and Pacific Grove; and reorganized the City to broaden the scope of departments and reduce the number of management positions required to maintain effective accountability for services.

The hospitality improvement district was approved by the City Council as a component to meeting the City’s economic development strategy of “heads on beds.” A close analysis of the City’s revenue demonstrates that the overnight visitor is a central driver of transient occupancy tax and sales tax revenues to the City. The City Council, working collaboratively with the Carmel Chamber of Commerce, Carmel Innkeepers Association, and residents, developed the hospitality improvement district as a method of funding outreach and marketing of the City as a small conference location that provides excellent overnight accommodations, dining, and leisure activities for conferees.

Voters approved a ten-year local sales tax rate increase of one-percent in November 2012. This rate increase, known as Measure D will double the City’s sales tax revenue and realign the proportion of that source of revenue with the City’s other two primary sources of revenue – property taxes and transient occupancy taxes.



This adopted budget allocates Measure D funding in accordance with the vision set by the City Council in June 2012 and approved by voters with the passage of Measure D. The budget allocates funding for services, road maintenance, capital maintenance, debt management, and reserves. The City Council updated the City's reserve policies in early 2013 and this proposed budget does not draw from reserves.

Cost of Providing Retirement Benefits

The cost of providing a defined benefit retirement plan to City employees through CalPERS has steadily increased. In addition, the costs increased significantly as a result of the investment losses related to the 2008 economic downturn. Addressing the cost of providing retirement benefits has been a concerted priority of the City. In 2011 a blue ribbon panel of residents examined the issue and developed a report with four recommendations. Since then the City Council has been acting on the Committee's recommendations.

The City Council adopted a resolution to change the employee retirement benefit program and establish a two-tier Public Employee Retirement System (PERS) for miscellaneous and public safety employees hired after April 16, 2012. Salary projections used for this budget demonstrate that this second tier is projected to reduce the City's cost of providing retirement benefits to new employees by more than \$36,411. These are ongoing savings that will increase as employee turnover continues.

Cost of retirement is expected to sharply increase in fiscal year 2015-2016. State and local governments will pick up more of the cost of employee pensions under new "smoothing" and amortization policies adopted by the CalPERS Board of Administration on April 17, 2013.

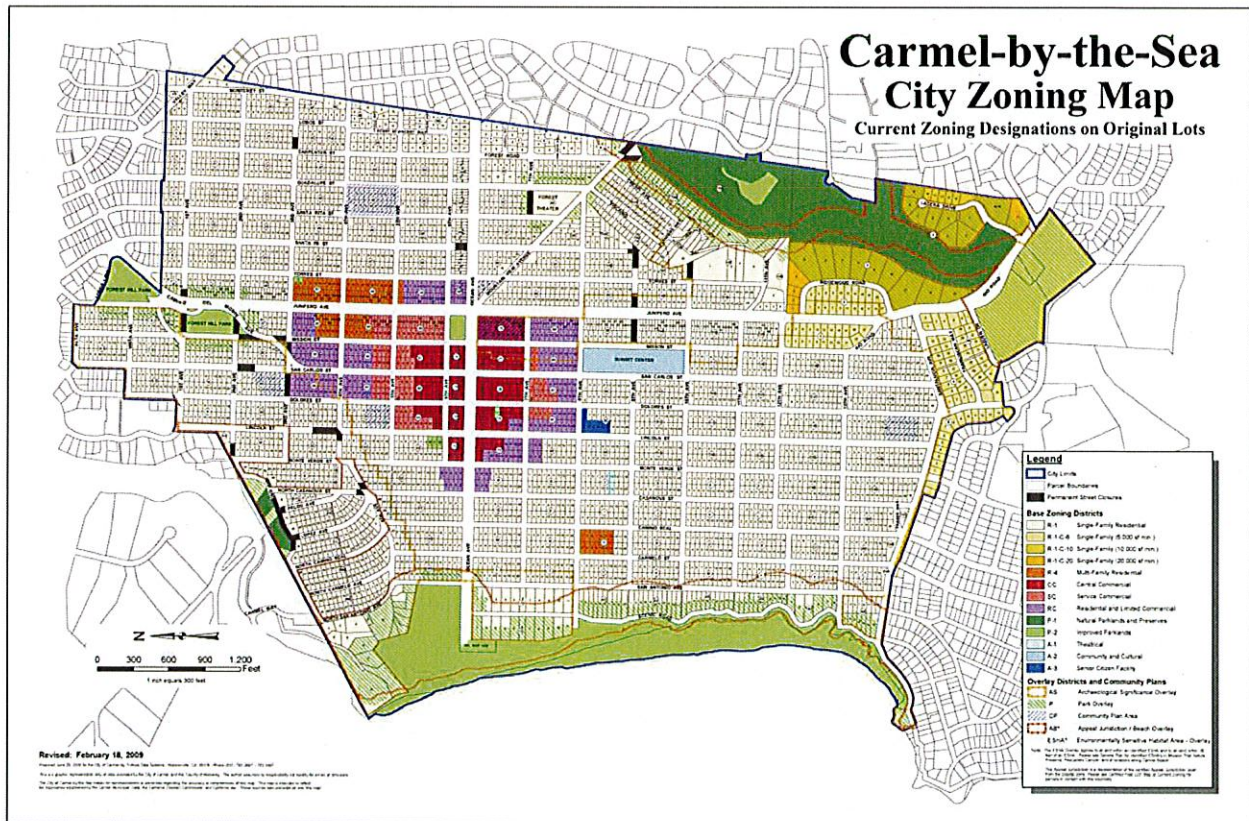
The changes are part of CalPERS' efforts to close its unfunded liability, which is estimated at \$87 billion. Under the new policies, CalPERS will spread its gains and losses over five years, instead of its current practice of spreading them over a 15-year so-called "smoothing" period. The pension also would calculate its financial obligations on a fixed 30-year payoff schedule, rather than rolling the liabilities forward indefinitely as it currently does.

The result for employers statewide is an early estimated increase in employee pension payments of about \$5 billion in fiscal year 2015-16, rising to more than \$7.4 billion in 2020-21. CalPERS estimates that under the new policies, a public employer's median contribution rate for the next 10 years for a miscellaneous plan would increase significantly (by estimates of up to 50%). For safety plans, the median contribution rate could increase to 39.5%. For each dollar in payroll to employees, the employer contribution to CalPERS to cover the existing cost of retirement benefits would be twenty four cents for general employees and forty cents for public safety employees. Such an increase will cost the City of Carmel-by-the-Sea an additional \$200,000 annually.

STATISTICAL PROFILE

Located 120 miles south of San Francisco on the Monterey Peninsula, Carmel-by-the-Sea is renowned for its rich beauty and prides itself on its white sand beach, urban forest and natural parklands all within a one-square-mile, built-out community. Monterey pines, live oaks, and Monterey cypress provide an abundant tree canopy throughout the City. The City has average household incomes and property values that exceed the State's mean. The median age of its residents is 60 years. The Carmel area offers outstanding educational opportunities through the Carmel Unified School District as well as institutions of higher learning on the Monterey Peninsula.

Incorporated in 1916 as a General Law City, Carmel is organized as a Council/City Administrator form of government. The City Council is composed of a Mayor plus four Council Members, all of whom are elected-at-large. The Mayor serves a two-year term and the Council Members serve four-year, overlapping terms with municipal elections held in April of each even-numbered year. The Council provides community leadership, develops policies to guide the City in the delivery of services, and encourages citizen understanding and involvement.



STATISTICAL DATA

Population figures for the City:

Population today is estimated at 3,859 up from 3,722 during the 2010 Census. There are 3,420 housing units, of which 2,183 are owner-occupied.

Source: Demographics NOW, Gale Cengage Learning

10-year growth rate:

2000 Census population was 4,081. This is a drop of almost 9%. The 2012 estimate is 3,859 and the 2017 projection is 3,869.

1920	1930	1940	1950	1960	1970	1980	1990	2000	2010
638	2,248 (+252%)	2,806 (+25%)	4,351 (+55%)	4,580 (+5%)	4,525 (-1%)	4,707 (+4%)	4,209 (-11%)	4,081 (-3%)	3,722 (-9%)

Source: Demographics NOW

Demographic data:

414 people (11%) under the age of 19
 80 people (2%) aged 20 to 24
 541 people (14%) aged 25 to 44
 1,375 people (36%) aged 45 to 64
 1,449 people (37%) aged 65 or older.

Median age 60 years.
 100 females per 69 males.

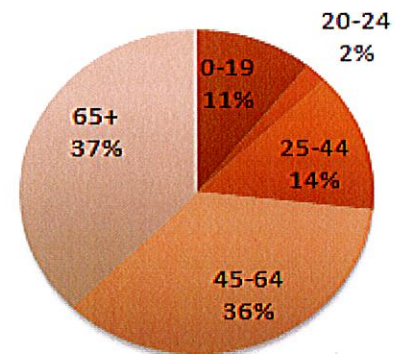
Ethnicity data of our residents:

3,605 (93.4%) White
 11 (0.3%) Black
 8 (0.2%) Native American
 118 (3.0%) Asian
 117 (2.9%) Other or > Race

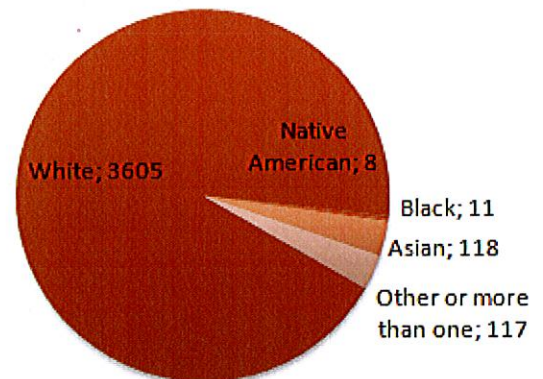
Reported Origin:
 175 (4.5%) Hispanic or Latino
 3,684 (95.4%) Not Hispanic or Latino.

Source: Demographics NOW

City of Carmel-by-the-Sea Population Age



Ethnicity of Residents



Unemployment rate:

Carmel-by-the-Sea has a current unemployment rate of 2.4%. This compares to a Monterey County rate of 13.5%. However, an estimated 40.8% of Carmel’s population is not in the labor force (see Demographic Data Summary).

Source: Unemployment data is from the February 2013 Monthly Labor Force Data for Cities and Census Designated Places (CDP) report from the Labor Market Information Division of the California Employment Development Department.

Household income:

	2000	2012 estimate	2017 projection
Avg. household income	\$89,228	\$115,180	\$129,165
Median household income	57,731	76,770	84,560
Per Capita Income	49,906	65,162	73,154

Source: Demographics NOW

BUSINESS DATA

Three Largest Revenue Sources:

Revenue Source (Dollars in Millions)	FY05-06 Actual	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Actual	FY10-11 Actual	FY11-12 Actual
Property Tax	\$3.346	\$3.726	\$3.867	\$4.066	\$4.189	\$4.158	\$4.265
Transient Occupancy Tax	3.879	4.209	4.395	3.787	3.799	4.003	4.178
Sales Tax	2.169	2.143	2.340	2.181	1.620	1.806	1.723

Source: City of Carmel-by-the-Sea

Property tax and median home price information:

Average 2012 sales price for single family homes	\$1,303,031
Average 2012 property taxes for a single family residence	\$14,333
Average 2012 sales price for condos	\$440,038
Average 2012 condo property tax	\$4,840

Source: Monterey County Association of Realtors

Secured property tax value	\$3,001,630,584
Unsecured property tax value	<u>\$28,759,821</u>
Total Taxable Value Carmel-by-the-Sea	\$3,030,390,405

Carmel-by-the-Sea percentage of \$1.00 Countywide tax levy 0.903411

Source: Monterey County Auditor-Controller: Tax Rates for Fiscal Year 2012-2013

Transient Occupancy Tax Generators:

Hotels & Inns	45
Number of rooms	966
Hotels with Restaurants	6

Source: Carmel Innkeepers Association

Tax Year	Occupancy Rate	Daily Room Rate
1991-1992	69.75%	
1992-1993	69.50%	
1993-1994	70.75%	
1994-1995	69.10%	
1995-1996	74.68%	114.12
1996-1997	76.60%	120.88
1997-1998	73.53%	127.81
1998-1999	73.08%	135.83
1999-2000	74.06%	146.82
2000-2001	70.22%	155.21
2001-2002	65.10%	154.66
2002-2003	61.58%	153.18
2003-2004	61.49%	155.84
2004-2005	61.44%	161.10
2005-2006	62.52%	168.84
2006-2007	64.03%	177.72
2007-2008	64.74%	182.95
2008-2009	60.14%	170.03
2009-2010	57.19%	176.83
2010-2011	61.00%	176.28
2011-2012	66.14%	178.42
2012-2013	64.16% (est)	188.23 (est)

Sales Tax Generators:

<u>Business Type Description</u>	<u>Count</u>	<u>Business Type Description</u>	<u>Count</u>
Specialty Stores	84	Government/Social Org.	7
Art/Gift/Novelty Stores	83	Package Liquor Stores	7
Personal Services	56	Shoe Stores	4
Home Furnishings	50	Hotels Serving Alcohol	3
Business Services	40	Food Stores - Non Grocery	2
Jewelry Stores	37	Service Stations	2
Restaurants Serving Alcohol	34	Men's Apparel	2
Family Apparel	33	Wineries	2
Women's Apparel	31	Auto Repair Shop	2
Restaurants Serving Beer and Wine	30	Grocery Stores Beer/Wine	1
Restaurants No Alcohol	13	Grocery Stores Liquor	1
Stationery/Book Stores	13	Drug Stores	1
Second-hand/Resale Stores	12	All Others	141
		Total All Groups	691

Source: HdL Companies

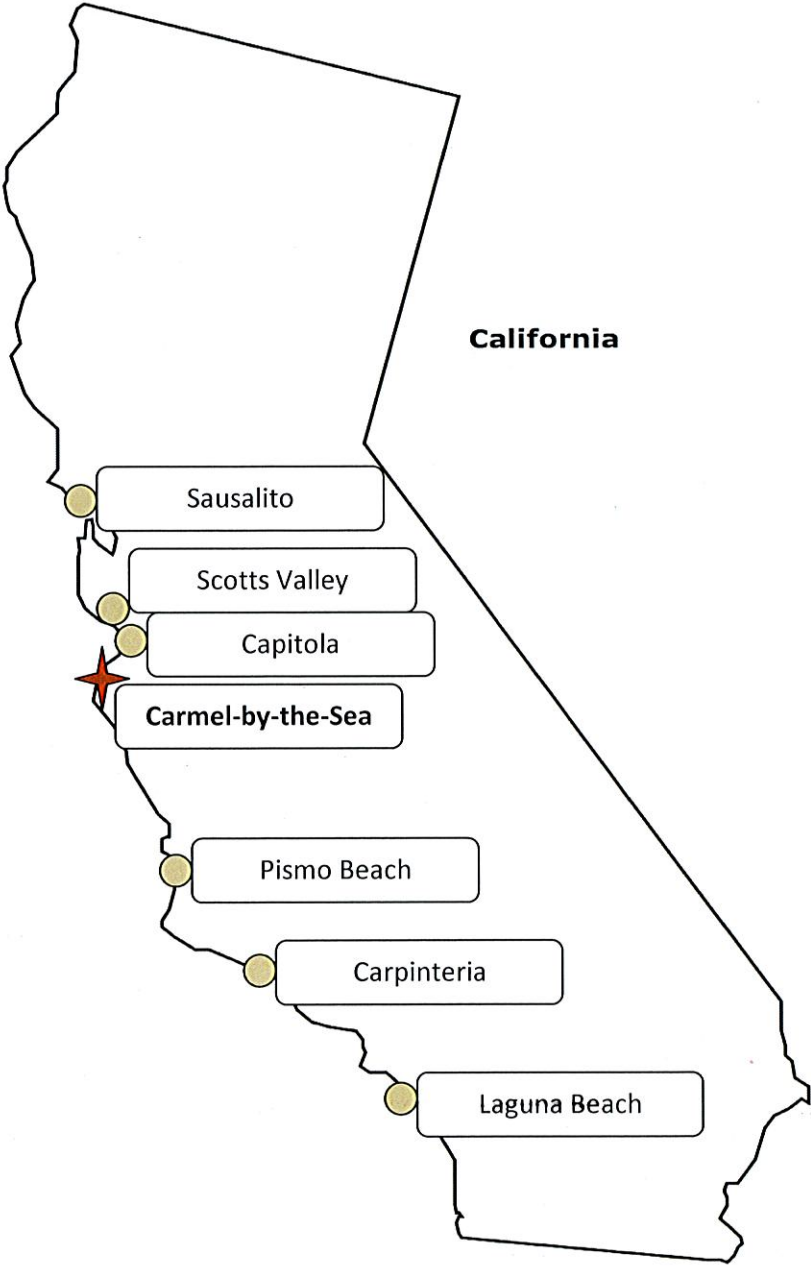
Largest Employers in the City of Carmel-by-the-Sea:

Company Name	Address	Primary SIC Business Description	# of Employees (Corporate)
CITY OF CARMEL-BY-THE-SEA	MONTE VERDE S OF OCEAN AVE	Government	150
MITCHELL GROUP	7TH & DOLORES	Real estate brokers and agents	110
INNS BY THE SEA	4TH AVE & SAN CARLOS ST	Hotels and Motels	100
ALAIN PINEL REALTORS	JUNIPERO S OF 5TH	Real estate brokers and agents	65
IL FORNAIO	OCEAN AVENUE AND MONTE VERDE	Ethnic Food Restaurants	50
HOGS BREATH INN	SAN CARLOS ST	Steak restaurant	50
FLAHERTY'S OYSTER BAR	6TH AVE & SAN CARLOS ST	Eating and Drinking Places	45
SIMIC GALLERIES	SAN CARLOS AND 6TH AVE	Museums and Art Galleries	45
PINE INN HOTEL	OCEAN AVE	Hotels and Motels	40
ANTON & MICHEL RESTAURANT	MISSION S OF OCEAN AVE	Eating and Drinking Places	30
CYPRESS INN HOTEL	CORNER OF 7TH & LINCOLN	Inns	30
JACK LONDONS BAR & GRILL	DOLORES ST & 5TH AVE	Eating and Drinking Places	30
JEMATE CORP	5TH AVENUE AND DOLORES	Eating and Drinking Places	30
KRIS KRINGLE OF CARMEL	OCEAN AVE & SAN CARLOS ST	Gift, Novelty, and Souvenir Shops	28
TERRACE GRILL	8TH AVE & CAMINO REAL	Eating and Drinking Places	27
PIATTI RISTORANTE (Now Vesuvio)	6TH AVENUE AND JUNIPERO AVE	Ethnic Food Restaurants	27
BANANA REPUBLIC	MISSION ST & OCEAN AVE	Family Clothing Stores	25
NIELSEN BROTHERS MARKET, INC	7TH & SAN CARLOS	Grocery stores, independent	25
CARMEL BAYVIEW INN	5TH & 6TH JUNIPERO	Commercial and industrial building	25
JUNIPERO SERRA SCHOOL	2992 LASUEN DR	Public Elementary and Secondary Schools	24
PERNILLE RESTAURANT	6TH AVE & SAN CARLOS ST	Eating and Drinking Places	23
NORMANDY INN	OCEAN AVE	Bed and breakfast inn	22
ISIS MANAGEMENT INC	MISSION & OCEAN AVE	French restaurant	22
CARMEL FOUNDATION	LINCOLN & 8TH	Senior citizen center or association	20
ALEX KAY ENTERPRISES	JUNIPERO & 6TH	Grocery stores, independent	20
GRASINGS COASTAL CUISINE	57 MISSION AND 6TH AVE	Eating and Drinking Places	20
COACH AT CARMEL	SAN CARLOS ST & OCEAN AVE	Luggage and Leather Goods Stores	18
ADOBE INN	DOLORES ST & 8TH AVE	Hotels and Motels	18

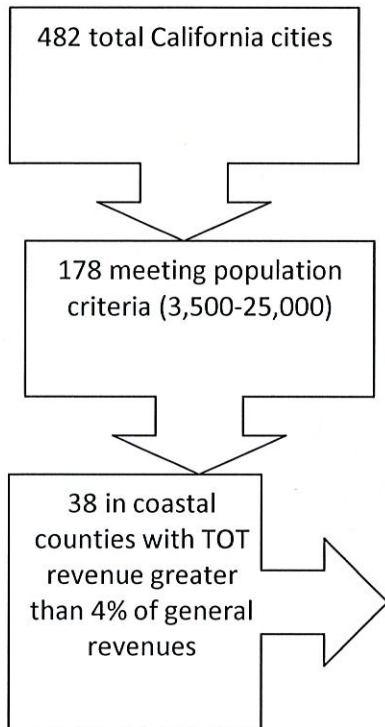
Source: HdL Companies

BENCHMARK CITIES

Carmel-by-the-Sea recognizes that on occasion comparing similarly situated communities can be useful when examining delivery of services, financial capacity, economic health and other comparable data. The six benchmark cities of Capitola, Carpinteria, Laguna Beach, Pismo Beach, Sausalito, and Scotts Valley are the City of Carmel-by-the-Sea’s benchmark cities considered to have common characteristics.



Common characteristics of the benchmark cities
Population between 3,500 and 25,000
Located in a coastal county of California
Tourism is an important part of economy
Strong "sense of place/quality of life" community
Similar scope of services ("hybrid delivery:" provides safety and posterity services but does not provide enterprise services like water, sewer, transit, harbors or airports)
Management/governance reputation
Slow growth

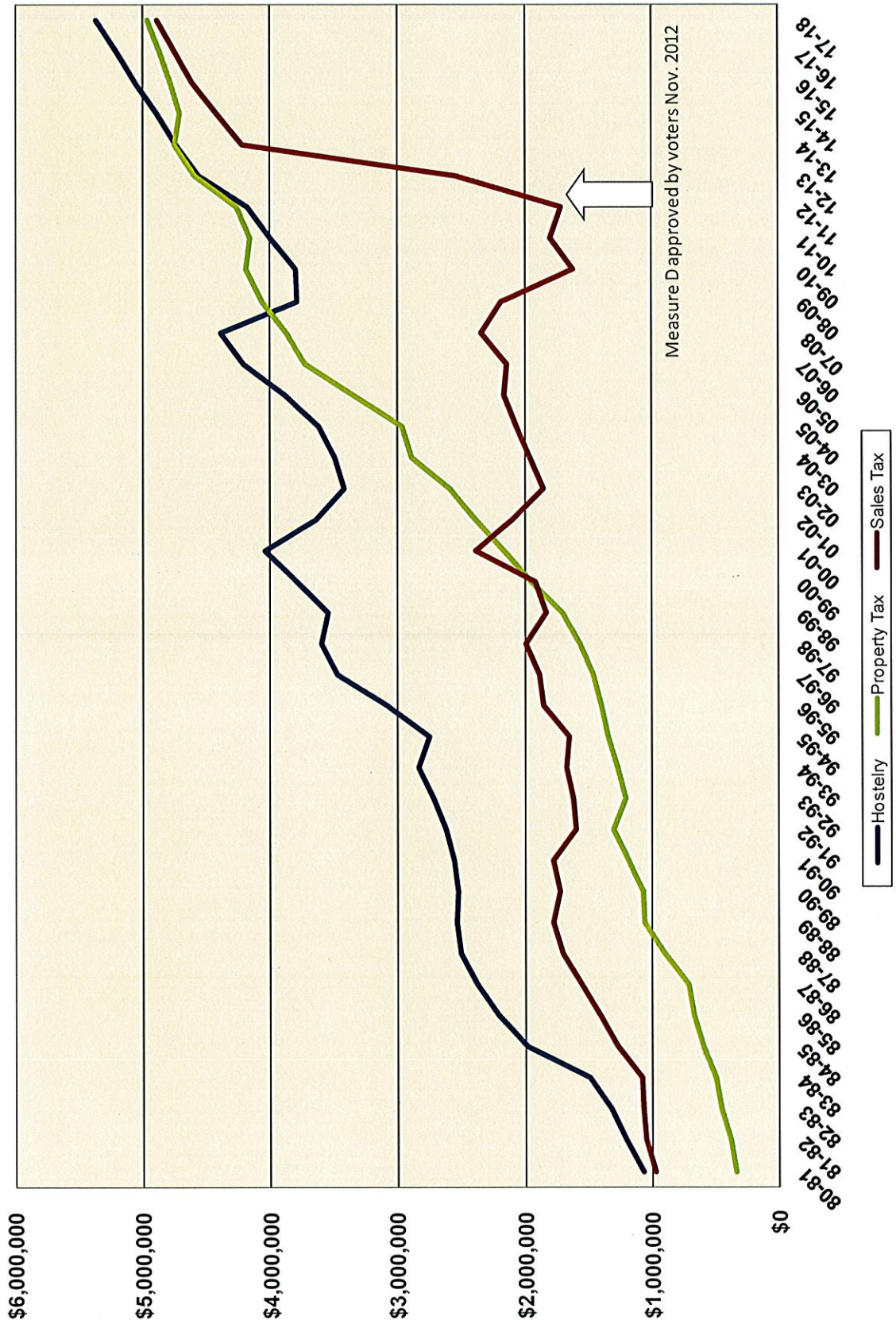


20 have strong quality of life or sense of place

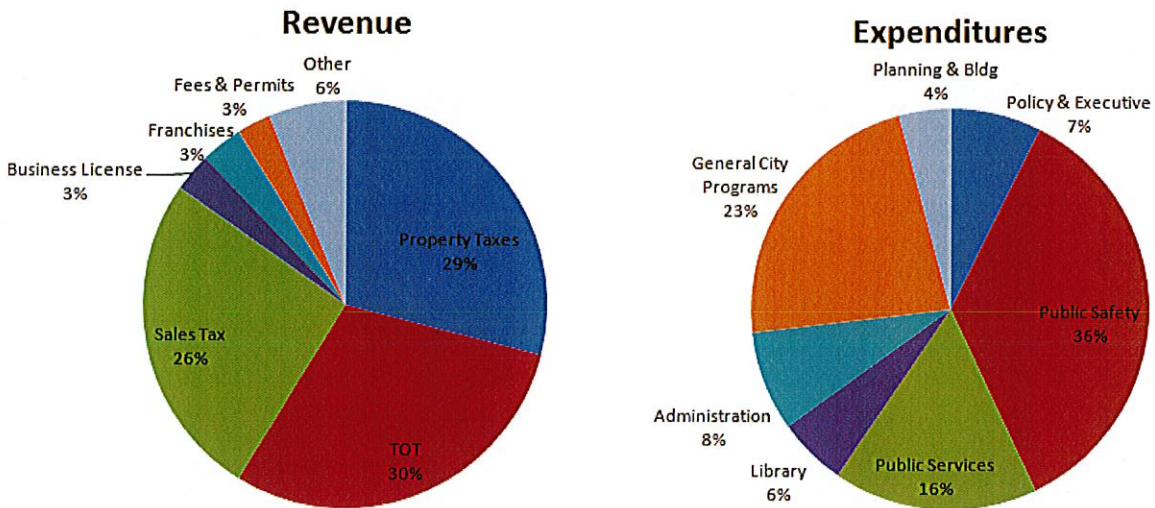
The final italicized six provide similar services and are slow growth with a good reputation of management and governance

City	County	Population
Calistoga	Napa	5,188
<i>Capitola</i>	<i>Santa Cruz</i>	9,992
Carmel	Monterey	3,859
<i>Carpinteria</i>	<i>Santa Barbara</i>	13,104
Del Mar	San Diego	4,187
Half Moon Bay	San Mateo	11,415
Healdsburg	Sonoma	11,475
<i>Laguna Beach</i>	<i>Orange</i>	22,792
Larkspur	Marin	12,014
Malibu	Los Angeles	12,683
Marina	Monterey	19,808
Morro Bay	San Luis Obispo	10,329
Pacific Grove	Monterey	15,114
<i>Pismo Beach</i>	<i>San Luis Obispo</i>	7,708
<i>Sausalito</i>	<i>Marin</i>	7,116
Sebastopol	Sonoma	7,423
<i>Scotts Valley</i>	<i>Santa Cruz</i>	11,640
Solana Beach	San Diego	12,945
Sonoma	Sonoma	10,711
St. Helena	Napa	5,849
Tiburon	Marin	9,031

City of Carmel-by-the-Sea Top Three Revenues



SUMMARY SCHEDULES



EXPENDITURE SUMMARY BY DEPARTMENT

General Fund Department	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
CITY COUNCIL	\$ 97,078	\$ 108,361	\$ 151,356	\$ 116,733	\$ 171,621	\$ 223,197	\$ 229,683
LEGAL	358,504	452,277	315,718	250,395	379,719	305,170	305,475
CITY ADMINISTRATOR OFFICE	758,854	799,302	811,144	683,905	703,571	705,143	751,945
COMMUNITY SERVICES	96,779	95,440	123,863	73,042	127,086	189,605	230,075
MARKETING & ECONOMIC DEVELOPMENT	317,983	361,458	306,735	304,587	356,800	322,260	326,550
GENERAL CITY PROGRAMS	1,590,454	1,319,060	1,955,945	3,279,796	4,281,736	4,012,501	3,661,471
ADMINISTRATIVE SERVICES	889,192	999,149	1,194,766	1,299,723	1,401,663	1,660,380	1,716,779
TREASURER	2,400	1,600	2,400	2,600	2,400	2,400	2,400
COMMUNITY PLANNING AND BUILDING	571,994	599,918	600,960	578,670	725,185	753,570	788,841
PUBLIC SERVICES							
ENGINEERING	7,745	3,338	10,800	4,914	10,800	10,800	10,800
FACILITIES MAINTENANCE	459,899	484,909	473,024	485,124	641,484	797,898	906,448
PUBLIC WORKS	1,122,225	1,137,360	1,138,623	1,106,307	1,263,558	1,415,310	1,474,990
FOREST, PARKS AND BEACH	524,100	472,795	543,088	464,608	502,036	643,081	660,425
PUBLIC SAFETY							
FIRE	2,106,440	1,837,326	1,886,099	1,766,835	1,919,181	1,982,985	2,021,478
POLICE	2,744,132	2,863,929	3,126,596	3,006,845	3,177,910	3,573,205	3,733,714
HARRISON MEMORIAL LIBRARY	969,482	910,722	956,427	954,747	966,177	1,054,594	1,127,916
GENERAL FUND DEPARTMENT TOTAL	\$ 12,617,261	\$ 12,446,944	\$ 13,597,545	\$ 14,378,831	\$ 16,630,926	\$ 17,652,100	\$ 17,948,988
Ambulance Fund Department							
PUBLIC SAFETY							
AMBULANCE FUND	-	377,688	782,576	835,410	1,086,635	1,152,442	1,200,839
AMBULANCE FUND DEPARTMENT TOTAL	\$ -	\$ 377,688	\$ 782,576	\$ 835,410	\$ 1,086,635	\$ 1,152,442	\$ 1,200,839

REVENUE AND OTHER SOURCES

GENERAL FUND									
Actual	Actual	Actual			Rev. Budget	Estimate	Adopt Bud	Budget	Budget
09-10	10-11	11-12		Account	12-13	12-13	13-14	14-15	15-16
TAX REVENUE									
\$ 3,869,050	\$ 3,824,941	\$ 4,264,610	Property Tax - Secured	01-31801	\$ 3,976,000	\$ 4,215,825	\$ 4,333,090	\$ 4,419,752	\$ 4,486,048
153,972	156,577	150,546	Property Tax - Unsecured	01-31802	170,000	174,669	172,533	175,984	\$ 178,623
39,602	39,849	22,514	Property Tax - Unitary	01-31803	41,000	44,529	41,611	42,443	\$ 43,080
126,665	136,422	129,890	Property Transfer Tax	01-31805	160,000	193,035	162,384	165,632	168,116
\$ 4,189,289	\$ 4,157,789	\$ 4,567,560	Total Property Taxes		\$ 4,347,000	\$ 4,628,057	\$ 4,709,618	\$ 4,803,810	\$ 4,875,867
3,830,432	3,878,772	4,390,816	Hostelry Tax Revenues	01-55002	4,463,000	4,579,137	4,846,000	4,992,000	5,167,000
1,619,968	1,805,510	1,743,748	Sales & Use Tax	01-31811	2,162,163	2,211,453	4,226,000	4,426,000	4,616,000
550,666	526,251	514,374	Business License Tax	01-31820	500,000	560,376	497,000	506,940	517,079
\$ 10,190,355	\$ 10,368,322	\$ 11,216,500	Subtotal:		\$11,472,163	\$11,979,023	\$14,278,618	\$14,728,750	\$15,175,946
FRANCHISE FEES									
193,320	195,355	221,907	Garbage	01-32801	208,169	197,124	212,332	216,579	220,911
121,861	130,722	140,777	Cable Television	01-32802	132,029	139,721	134,670	137,363	140,110
91,832	98,540	77,745	Gas & Electric	01-32803	120,000	85,744	122,400	124,848	127,345
45,922	51,980	51,245	Water	01-32804	52,500	78,375	78,000	79,560	80,356
\$ 452,935	\$ 476,597	\$ 491,674	Subtotal:		\$ 512,698	\$ 500,965	\$ 547,402	\$ 558,350	\$ 568,721
FEES AND PERMITS									
36,159	25,688	17,645	Business Application Fees	01-33351	25,000	16,988	26,000	27,000	27,743
4,965	7,542	14,780	Parking Stall Use Permits	01-33402	8,000	22,495	9,000	10,000	10,275
268,401	216,959	263,805	Building Permits	01-33404	226,000	254,374	235,000	238,000	244,545
91,642	90,430	84,934	Planning Permits	01-33405	105,000	102,800	100,000	105,000	107,888
3,764	6,423	6,551	Building Trade Permits	01-33407	8,000	5,834	10,000	11,000	11,303
9,615	11,928	9,225	Encroachment Permits	01-33408	11,000	15,175	12,000	12,000	12,330
1,235	(1,062)	-	Passenger Driver Permits	01-33527	1,500	-	1,500	1,500	1,541
11,760	11,335	10,640	Parking Permits	01-33528	12,000	10,360	18,000	18,000	18,495
14,420	14,720	14,380	Other Licenses & Permits	01-33549	15,000	14,740	15,500	15,750	16,183
-	-	-	Community Services Perm	01-40726	11,000	-	-	-	-
6,395	6,775	8,290	Tree Removal Permit	01-33626	8,000	8,475	8,000	8,000	8,000
\$ 448,356	\$ 390,738	\$ 430,250	Subtotal:		\$ 430,500	\$ 451,241	\$ 435,000	\$ 446,250	\$ 458,302
FINES & FORFEITURES									
16,843	19,237	17,793	Court Fines (Criminal & Co	01-34801	25,000	15,918	25,750	26,536	27,345
164	77	114	Other Fines & Forfeitures	01-34802	200	729	210	250	250
\$ 17,007	\$ 19,314	\$ 17,907	Subtotal:		\$ 25,200	\$ 16,648	\$ 25,960	\$ 26,786	\$ 27,595
USE OF MONEY & PROPERTY									
41,596	29,368	18,459	Interest	01-35801	25,000	24,112	25,250	25,503	25,758
33,496	33,361	36,708	Rents	01-35805	34,300	35,860	34,500	34,600	34,600
175,218	172,215	181,716	Parking Lot Fees	01-35825	170,000	214,939	171,300	174,726	176,221
\$ 250,310	\$ 234,944	\$ 236,882	Subtotal:		\$ 229,300	\$ 274,911	\$ 231,050	\$ 234,829	\$ 236,579
CHARGES FOR SERVICES									
1,144	1,715	1,022	Administration	01-36276	2,500	1,290	2,550	2,601	2,653
1,363	1,315	1,729	Administrative Services	01-36351	1,500	3,701	1,530	1,561	1,592
662	895	1,643	Planning	01-36401	500	7,285	400	400	400
47,584	47,642	35,484	Police	01-36526	48,000	35,602	48,960	49,939	50,938
\$ 50,753	\$ 51,567	\$ 39,878	Subtotal:		\$ 52,500	\$ 47,878	\$ 53,440	\$ 54,501	\$ 55,583

(Revenue detail continued on the following page)

REVENUE AND OTHER SOURCES

Actual 09-10	Actual 10-11	Actual 11-12		Account	Rev. Budget 12-13	Estimate 12-13	Adopt Bud 13-14	Budget 14-15	Budget 15-16
REVENUE FROM AGENCIES									
\$ 2,833	\$ 2,083		Abandoned Vehicle Abate	01-37526	\$ 3,000	\$ -	\$ 3,060	\$ 3,121	\$ 3,184
5,093	1,861	15,250	Post Reimbursement	01-37529	6,900	26,090	7,038	7,179	7,322
352,139	353,246	170,338	Motor Vehicle In Lieu	01-37801	72,015	294,765	346,000	352,920	359,273
24,086	29,038	3,921	Hoptr	01-37804	30,000	24,118	30,600	31,212	31,836
1,029	38	-	Damage Restitution	01-37805	500	520	510	520	531
48	64,512	19	State Mandates	01-37810	30,000	2,713	30,600	31,212	31,836
1,430	-	(70)	Other Agencies	01-37899	1,300	4,405	1,326	1,353	1,380
\$ 386,658	\$ 450,778	\$ 189,458	Subtotal:		\$ 143,715	\$ 352,610	\$ 419,134	\$ 427,517	\$ 435,361
GRANTS									
14,649	8,128	7,311	Public Safety - Prop 172	01-38526	15,000	9,500	15,000	15,000	15,000
105,394	-	-	Citizens Option For Public	01-38528	-	-	-	-	-
36,547	-	-	Traffic Congestion Relief	01-38590	-	-	-	-	-
-	-	179,420	TAMC	01-38899	-	-	-	-	-
10,000	-	-	MPRPD		-	-	-	-	-
74,600	-	-	4th Ave Riparian Habitat	01-38994	-	-	-	-	-
900	-	-	TAMC		-	-	-	-	-
\$ 242,090	\$ 8,128	\$ 186,731	Subtotal:		\$ 15,000	\$ 9,500	\$ 15,000	\$ 15,000	\$ 15,000
RECREATION USE FEES									
950	3,400	20,350	Programs	01-40726	3,500	5,530	3,500	3,500	3,500
6,670	6,630	8,755	Facility Use	01-40727	6,700	9,345	6,866	7,029	7,196
\$ 7,620	\$ 10,030	\$ 29,105	Subtotal:		\$ 10,200	\$ 14,875	\$ 10,366	\$ 10,529	\$ 10,696
MISCELLANEOUS REVENUE									
38,236	-	112,019	Miscellaneous	01-46801	35,000	136,021	35,700	36,414	37,142
54,334	89,796	-	Donations	01-46801	86,266	3,884	90,000	100,000	100,000
\$ 92,570	\$ 89,796	\$ 112,019	Subtotal:		\$ 121,266	\$ 139,905	\$ 125,700	\$ 136,414	\$ 137,142
TRANSFER FROM OTHER FUNDS									
-	96,105	100,000	Gas Tax (See Gas Tax Fund)	01-48003	74,950	80,381	124,256	130,000	141,000
280	-	21	Debt Service	01-48008	-	-	-	-	-
62,734	-	255,273	Road Impact Fee	01-48010	-	-	-	-	-
196,864	121,139	111,649	Traffic Safety	01-48012	140,352	140,352	-	-	-
104,200	-	-	Capital Projects Reserve	01-48013	-	-	-	-	-
55,000	40,000	-	Benefit Liability	01-48016	70,000	70,000	-	-	-
80,000	60,000	20,000	Workers Compensation	01-48017	60,000	60,000	-	-	-
80,676	300,000	-	Budget Stability	01-48018	160,000	160,000	-	-	-
-	104,912	61,590	Grant Funds	01-48021	50,000	50,000	-	-	-
25,000	-	-	Community Svcs Deposit Acct 50-24050-0684	01-48050	25,000	25,000	-	-	-
4,700	-	-	Arts & Craft Deposit Acct 50-24050-0733	01-48050	4,700	4,700	-	-	-
14,000	-	-	Mayors Youth Fund 50-24050-0726	01-48050	-	-	-	-	-
-	2,410	-	Forest Theater Fund	01-48060	-	-	-	-	-
\$ 592,178	\$ 724,566	\$ 548,534	Subtotal:		\$ 585,002	\$ 590,433	\$ 124,256	\$ 130,000	\$ 141,000
12,730,832	12,824,780	13,498,939	Total Sources		13,597,544	14,377,989	16,265,926	16,768,925	17,261,925

REVENUE DEFINITIONS

GENERAL FUND

PROPERTY TAX: The valuation of property in the City is determined by the Monterey County Tax Assessor, except for Public Utility property, which is assessed by the State Board of Equalization. As defined by Article XIII A of the California Constitution (commonly known as "Proposition 13"), assessed values are stated at 100% of full cash value. The County levies a base tax of \$1 per \$100 of assessed valuation (subject to annual growth limitations of 2%). Carmel-by-the-Sea's share of the \$1 is approximately 9.0%.

SALES & USE TAX: In accordance with the California Revenue & Taxation Code and the Bradley-Burns Uniform Local Sales Use Tax Law of 1955, the State of California imposes a 7.25% Sales & Use Tax on taxable sales in the City. The City receives 1% of the levy with the remaining funds being shared by the State and County. Carmel-by-the-Sea voters approved a 1% local option sales tax for a ten-year period beginning in 2013 (Measure D) bringing the total imposed tax to 8.25% with the City's share being 2%.

FRANCHISE TAX: The City imposes fees on gas, electric, water, garbage, and cable television companies for the privilege of using City streets and pipelines.

TRANSIENT OCCUPANCY TAX: The Carmel Municipal Code authorizes the City to levy a tax for the privilege of occupying lodgings on a transient basis. The current rate is 10%.

REAL PROPERTY TRANSFER TAX: The Carmel Municipal Code Section 3.24 authorizes the imposition of a transfer tax, on real property sold within the City, at the rate of \$0.275 per \$500 of purchase price in excess of \$100.

BUSINESS LICENSE FEES: Chapter 5.04 of the Carmel Municipal Code requires a Business License as a prerequisite for conducting businesses, trade, calling, profession, or occupation in the City. The Code further imposes an annual License Fee for the privilege of conducting such businesses at differing rates among several general classifications.

BUILDING, PLUMBING & ELECTRICAL PERMITS: The Community Planning and Building Safety Department issues building, plumbing and electrical permits for construction of residential and commercial/industrial structures to ensure Code compliance.

FINES & FORFEITURES: The California Vehicle Code and the Carmel Municipal Code mandate and/or allow for the imposition of civil penalties for parking violations. These penalties are collected by the City. Fines assessed for moving violations of the California Vehicle Code and non-parking violations of the Carmel Municipal Code are collected by the Monterey County Superior Court and partially remitted to the City. Library fines are charged for overdue and damaged books and materials.

INTEREST ON INVESTMENTS: Earnings from the prudent investment of idle funds are a source of revenue for the City. The City pools its available cash and invests in various instruments allowed under the City's Investment Policy, which is governed by State law. Earnings are allocated to various funds on the basis of proportionate cash balances.

MOTOR VEHICLE IN LIEU: Pursuant to Section 11005 of the Revenue and Taxation Code, the City receives a portion of the Motor Vehicle License Fees collected by the State of California Department of Motor Vehicles.

CHARGES FOR SERVICES: Fees are charged by several City Departments for a variety of public services as described below:

Community Planning and Building Safety - Fees are collected for services such as zoning and planning, plan checks, plan retention, environmental assessment, encroachment permits and other planning services.

Public Services - Fees collected for this department include charges for public works services, tree permits, storm water utility fees, and excavation permits.

Library - The Harrison Memorial Library collects fees for a host of services which include lost and damaged books, non-resident library cards, use of computer facilities and use of meeting rooms.

Public Safety - Police department fees are charged for filming detail, false alarms, fingerprinting and the Diversion Program. Ambulance charges transportation service fees. The Carmel Municipal Code authorizes several fire department fees such as special fire services, hazardous materials inspections and responses, annual fire and fire permit inspections, and fire protection equipment inspections.

OTHER REVENUES: These include reimbursements for self-insurance, SB-90, and property damage; sales of surplus property; donations; refunds; and administrative fees from the Water Fund.

TRAFFIC SAFETY FUND

The City receives a portion of Vehicle Code violation fines and penalties collected by the Monterey County Superior Court. By State law, this money must be used for traffic safety related expenditures including traffic enforcement and capital projects.

STATE GAS TAX FUND

The City is allocated a share of revenues derived from the State Highway Users Tax Account Sections 2105, 2106, 2107 and 2107.5.

CAPITAL PROJECTS FUND

Monies are transferred from various funds to this fund for City capital improvement projects approved by the City Council.

CHARACTER OF EXPENDITURES

Description	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
SALARIES	4,628,884	4,341,919	4,193,512	4,116,460	4,858,529	5,634,718	5,962,498
OVERTIME	497,813	423,288	226,420	145,146	173,200	169,700	159,810
HOLIDAY IN-LIEU	86,280	97,952	68,000	81,973	99,526	110,104	115,609
UNIFORM ALLOWANCE	19,722	20,248	21,742	20,868	22,068	23,232	22,596
SOCIAL SECURITY	15,960	14,904	18,467	13,750	17,028	17,448	18,012
MEDICARE	65,410	59,694	60,055	56,461	66,909	77,549	82,171
RETIREMENT	1,181,496	1,156,382	714,172	807,017	732,863	815,791	862,109
MEDICAL PROGRAM	677,414	695,127	677,718	712,854	722,673	917,474	1,026,963
LIFE INSURANCE	9,352	8,796	8,704	8,265	8,008	9,158	9,694
WORKERS COMPENSATION	219,806	156,283	277,911	279,409	242,034	261,397	274,467
DEFERRED COMPENSATION	15,050	23,532	23,400	22,895	31,782	33,030	32,730
MOU OBLIGATIONS	16,070	13,170	46,693	19,966	55,619	55,619	55,619
UNEMPLOYMENT	926	381	9,000	106	9,000	9,000	9,000
PART-TIME ASSISTANCE	388,072	361,836	407,612	290,761	304,829	281,482	308,934
PAID CALL FIREFIGHTERS	(9)	-	-	-	-	-	-
GROUP LTD	1,600	1,053	-	-	-	-	-
Salaries and Benefits	7,823,846	7,374,565	6,753,405	6,575,931	7,344,067	8,415,702	8,940,211
UTILITIES	187,775	203,706	211,708	185,513	230,500	234,580	240,610
TRAINING/PERSONAL EXP.	18,736	22,092	43,800	28,354	25,800	27,200	28,400
CLOTHING EXPENSE	17,432	12,621	15,191	15,832	15,500	16,100	16,100
PERMITS,LICENSES & FEES	7,662	6,897	8,197	10,462	9,200	9,300	9,400
DUES/MEMBERSHIPS	7,434	11,027	10,580	15,028	11,730	11,965	12,204
CREDIT CARD BANK FEES	52,223	59,524	90,580	90,877	98,764	99,800	99,800
DOCUMENTS/PUBLICATIONS	10,717	6,051	7,987	2,802	8,060	8,030	8,030
TELEPHONE	44,305	42,791	44,770	46,984	42,000	43,000	43,400
RADIO EXPENSE	2,142	3,690	11,700	1,536	2,450	2,450	2,450
POSTAGE	7,572	7,285	9,517	3,879	9,788	10,000	10,000
PRINTING	7,119	9,303	13,066	12,943	13,800	14,600	14,600
ADVERTISING	4,809	5,555	6,925	8,407	9,000	9,000	9,000
RENT/LEASE EQUIPMENT	18,294	1,871	2,300	178	1,100	1,650	1,200
OFFICE MACHINE SUPPLIES	9,054	7,332	9,145	5,986	8,750	9,500	9,500
OFFICE SUPPLIES	12,188	8,257	8,459	9,805	8,900	9,016	9,107
CUSTODIAL SUPPLIES	11,306	11,187	13,577	16,030	15,000	16,000	16,000
MATERIALS/SUPPLIES	82,049	92,517	114,205	89,265	115,000	123,000	132,000
FUEL	67,141	97,382	75,000	58,168	78,750	82,688	86,822
AUTOMOTIVE PARTS	6,426	4,327	10,177	5,578	5,000	6,500	7,000
TIRES/TUBES	3,348	2,299	5,968	2,449	4,500	4,500	4,500
EQUIPMENT MAINTENANCE	100,850	78,127	95,944	66,547	84,950	107,459	107,729
OUTSIDE LABOR	324,424	191,859	238,700	227,541	274,500	353,866	354,933
PROFESSIONAL SERVICES	371,588	453,607	460,773	339,054	404,000	334,000	319,000
CONTRACTUAL SERVICES	664,618	1,139,550	2,373,299	2,279,575	2,351,731	2,469,010	2,510,607
TOOLS/EQUIPMENT	6,892	6,495	10,255	5,898	7,700	8,400	8,700
COMMUNITY ACTIVITIES	34,710	21,976	38,750	19,703	38,500	45,500	78,500
STORM WATER RUNOFF PROG EXP	48,089	73,015	94,000	109,190	135,000	150,000	150,000
PHOTOGRAPHIC SUPPLIES	94	193	850	770	-	-	-
SAFETY EQUIPMENT	10,954	19,185	18,576	12,873	17,500	17,500	17,500
OFFICIAL PUBLIC MEETINGS	1,288	599	1,500	-	500	500	500
OPERATIONAL SUPPLIES/SERVICE	8,553	5,421	12,141	3,017	9,700	9,700	9,700
RECRUITMENT	364	3,886	3,000	19,025	3,000	3,000	3,000
PRE-EMPLOYMENT	2,798	16,870	5,000	4,125	5,000	5,000	5,000
EMPLOYEE ASSISTANCE PROGRAM	2,158	1,183	3,713	-	2,200	2,200	2,200
EMPLOYEE IMMUNIZATION PROGRAM	997	1,940	2,500	1,545	2,500	2,500	2,500
ERGONOMIC STUDIES/MODIFICATION	-	1,137	2,122	2,235	2,500	2,500	2,500
REGIONAL DESTINATION MARKETING	180,313	177,022	180,000	177,852	180,000	180,000	180,000
REGIONAL AMBULANCE SUBSIDY	300,000	258,733	-	-	-	-	-
MCCVB CONTRACT	103,078	114,084	119,235	119,235	136,800	142,260	146,550
MAIL SERVICE CONTRACT	57,123	53,262	60,000	52,074	53,100	55,224	55,224
COUNCIL DISCRETIONARY	4,774	10,492	20,000	1,438	61,050	83,535	86,025
ELECTION	(40)	27,450	18,000	12,636	50,000	-	32,000
CARMEL CHAMBER OF COMMERCE	20,000	15,000	7,500	7,500	40,000	-	-
TROLLEY SERVICE	14,592	55,352	-	-	-	-	-
AUDITS	32,669	32,002	36,601	19,206	27,500	27,500	27,500
BUDGET PREPARATION	-	-	318	-	-	-	-
WORKERS COMP-SELF-FUNDED CLAIMS RUN-OUT	12,738	17,400	25,740	16,225	20,000	20,000	20,000
LIABILITY INSURANCE	255,442	296,931	286,762	355,103	324,500	385,000	385,000
RETIREE INSURANCE PROGRAM	36,600	37,906	34,798	42,638	39,000	42,000	44,000
EMPLOYEE RECOGNITION	5,347	5,596	6,200	5,664	6,500	6,500	6,500
EMERGENCY RESPONSE TRAINING	1,291	(699)	-	-	-	-	-
EOC SUPPLIES/SERVICE	1,400	59	-	-	7,500	12,000	12,000
FIRE EQUIPMENT/SUPPLIES	15,985	4,556	7,416	4,384	-	7,564	7,715
MEDICAL SUPPLIES	5,540	6,234	6,000	6,453	-	6,000	6,000
HYDRANT MAINTENANCE	-	1,182	650	-	1,300	1,300	1,300
SCC SUBSIDY	-	-	-	-	-	-	-
FINE ART MAINT/PRESERVE	-	10,000	5,000	1,522	5,000	5,000	5,000
Services and Supplies	3,202,961	3,753,319	4,888,195	4,523,104	5,005,123	5,223,897	5,347,305
TOTAL	11,026,807	11,127,884	11,641,600	11,099,035	12,349,190	13,639,599	14,287,518
Grants	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Transfer to Capital Improvement	-	-	-	472,607	1,918,994	1,558,178	1,159,752
To Long Term Budget Stability Reserve	-	-	322,579	1,328,295	-	-	-
Facility Improvement	31,400	31,289	32,289	40,481	42,426	43,275	43,924
Debt Service	536,609	537,771	710,048	709,765	1,245,206	1,240,106	1,238,456
Benefit Liability	72,445	-	-	-	-	-	-
Salary Savings	-	-	(130,150)	-	-	-	-
to CRFA	300,000	-	-	-	-	-	-
Ambulance	-	-	421,179	128,648	425,110	420,942	469,339
SCC Subsidy	650,000	750,000	600,000	600,000	650,000	750,000	750,000
SUBTOTAL	1,590,454	1,319,060	1,955,945	3,279,796	4,281,736	4,012,501	3,661,471
TOTAL USES	12,617,261	12,446,944	13,597,545	14,378,831	16,630,926	17,652,100	17,948,988

MAJOR FUND BUDGET SUMMARY

Description	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
GENERAL FUND							
<i>Source of Funds</i>							
Taxes	10,368,322	11,216,500	11,472,163	11,979,023	14,278,618	14,728,750	15,175,946
Franchise Fees	476,597	491,674	512,698	500,965	547,402	558,350	568,721
Fees & Permits	390,738	430,250	430,500	451,241	435,000	446,250	458,302
Fines & Forfeit	19,314	17,907	25,200	16,648	25,960	26,786	27,595
Intergovernmental	450,778	189,458	143,715	352,610	419,134	427,517	435,361
Other	394,465	604,616	428,266	917,802	559,812	581,273	596,000
Use of Prior Funds	724,566	548,534	585,002	159,700	-	-	-
	12,824,780	13,498,939	13,597,544	14,377,989	16,265,926	16,768,925	17,261,925
<i>Uses of Funds</i>							
Policy & Executive	1,214,436	1,359,940	1,278,218	1,051,034	1,254,911	1,233,511	1,287,102
Public Safety	4,850,572	4,701,255	5,012,695	4,773,680	5,097,091	5,556,190	5,755,192
Public Services	2,113,969	2,098,402	2,596,133	2,438,583	2,417,877	2,867,089	3,052,663
Library	969,482	910,722	956,427	954,747	966,177	1,054,594	1,127,916
Admin Services	891,592	1,000,749	1,197,166	1,302,323	1,404,063	1,662,780	1,719,179
Planning & Bldg	571,994	599,918	600,960	578,670	725,185	753,570	788,841
General City Programs	753,845	781,289	923,318	769,129	1,117,536	1,214,217	1,263,263
Debt Service	536,609	537,771	710,048	709,765	1,245,206	1,240,106	1,238,456
Capital Outlay	220,932	-	-	472,607	1,918,994	1,558,178	1,159,752
Other Uses	493,830	456,898	322,579	1,328,295	483,886	511,865	556,624
	12,617,261	12,446,944	13,597,544	14,378,833	16,630,926	17,652,100	17,948,988
GAS TAX FUND							
<i>Source of Funds</i>							
Taxes	64,117	114,833	72,450	103,425	124,256	130,000	137,000
Interest	-	554	2,500	-	-	-	-
	64,117	115,387	74,950	103,425	124,256	130,000	137,000
<i>Uses of Funds</i>							
Salaries and Benefits	44,674	28,939	-	-	-	-	-
Materials & Supplies	5,600	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Transfer to General	-	100,000	74,950	78,121	124,256	130,000	137,000
	50,274	128,939	74,950	78,121	124,256	130,000	137,000
CAPITAL PROJECTS FUND							
<i>Source of Funds</i>							
Grants	-	247,978	465,632	35,632	417,500	223,500	191,000
Intergovernmental	-	291,000	370,000	96,000	-	120,000	-
Fees	-	-	305,600	180,000	202,200	326,200	274,300
Transfer in	220,932	-	-	110,000	2,076,494	1,558,178	1,159,752
Use of Prior Funds	-	1,058,918	651,758	426,178	-	-	-
Interest	-	-	-	-	-	-	-
	220,932	1,597,896	1,792,990	847,810	2,696,194	2,227,878	1,625,052
<i>Uses of Funds</i>							
Capital Outlay	1,085,637	1,597,896	1,792,990	847,810	2,696,194	2,227,878	1,625,052
Designated for Future	-	-	-	-	-	-	-
	1,085,637	1,597,896	1,792,990	847,810	2,696,194	2,227,878	1,625,052
AMBULANCE FUND							
<i>Source of Funds</i>							
Call Income	-	497,636	370,000	695,016	655,025	725,000	725,000
Transfer in	-	-	433,179	140,394	429,110	424,942	473,339
Debts Recovered	-	-	-	-	2,500	2,500	2,500
	-	497,636	803,179	835,410	1,086,635	1,152,442	1,200,839
<i>Uses of Funds</i>							
Salaries and Benefits	-	339,144	571,944	685,785	953,135	1,023,378	1,071,251
Materials & Supplies	-	38,544	210,632	149,625	133,500	129,064	129,588
	-	377,688	782,576	835,410	1,086,635	1,152,442	1,200,839

STAFFING

Position Detail			FY 2011-2012		FY 2012-2013		FY 2013-2014	
Department	Program	Title	Position	FTE	Position	FTE	Position	FTE
Administrative Services	Treasurer	City Treasurer (contract)	-	-	-	-	-	-
Administrative Services	Administration	Administrative Services Director	1.00	0.00	1.00	1.00	1.00	1.00
Administrative Services	Administration	Administrative Services Coordinator	1.00	0.75	1.00	0.75	1.00	1.00
Administrative Services	Finance	Finance Specialist	1.00	1.00	1.00	0.75	1.00	0.75
Administrative Services	Finance	Office Assistant	1.00	0.53	1.00	0.53	1.00	0.30
Administrative Services	Finance	Finance Officer	-	-	-	-	1.00	1.00
Administrative Services	Finance	Finance Analyst	-	-	-	-	1.00	0.00
Administrative Services	Human Resources	HR Analyst	-	-	-	-	1.00	1.00
Administrative Services	Human Resources	Finance Specialist	1.00	0.40	1.00	0.40	-	-
Administrative Services	Human Resources	Finance Specialist	1.00	0.18	1.00	0.17	1.00	0.23
Administrative Services	Information Technology	Information Systems/Network Mgr.	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Services	Information Technology	Automated Systems Tech.	1.00	1.00	1.00	1.00	1.00	1.00
City Council	City Council	Mayor	1.00	1.00	1.00	1.00	1.00	1.00
City Council	City Council	Council Member	4.00	4.00	4.00	4.00	4.00	4.00
City Administrator Office	Administration	City Administrator	1.00	1.00	1.00	1.00	1.00	1.00
City Administrator Office	Administration	Asst. City Administrator/City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
City Administrator Office	City Clerk	Administrative Manager	1.00	1.00	1.00	1.00	1.00	1.00
City Administrator Office	Community Services	Community Services Asst.	1.00	0.50	1.00	0.50	1.00	0.75
City Administrator Office	Community Services	Community Services Asst.	-	-	-	-	1.00	0.50
City Administrator Office	Community Services	Office Assistant	1.00	1.00	1.00	0.50	-	-
City Administrator Office	Community Services	Class Instructor	1.00	0.18	1.00	0.18	1.00	0.18
City Administrator Office	Marketing	Marketing Coordinator (contract)	-	-	-	-	-	-
Community Planning & Building	Building	Building Official	1.00	1.00	1.00	1.50	1.00	1.00
Community Planning & Building	Code Compliance	Admin Coordinator/Code Compliance	1.00	1.00	1.00	0.50	1.00	1.00
Community Planning & Building	Planning	Planning and Building Services Dir.	-	-	-	-	1.00	1.00
Community Planning & Building	Planning	Planning and Building Services Mgr.	1.00	1.00	1.00	1.00	-	-
Community Planning & Building	Planning	Senior Planner	1.00	1.00	1.00	1.00	1.00	1.00
Community Planning & Building	Planning	Finance Specialist	ASD	0.60	ASD	0.60	1.00	1.00
Community Planning & Building	Planning	Planning Technician	1.00	0.00	1.00	0.00	1.00	0.00
Legal	City Attorney	City Attorney	1.00	0.44	1.00	0.44	1.00	0.44
Library	Administration	Library Director	1.00	1.00	1.00	1.00	1.00	1.00
Library	Administration	Office Assistant	1.00	0.30	1.00	0.30	1.00	0.30
Library	Circulation	Circulation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Library	Circulation	Librarian II	-	-	-	-	1.00	1.00
Library	Circulation	Library Assistant	5.00	4.11	5.00	4.11	4.00	3.11
Library	Local History	Librarian II	1.00	1.00	1.00	1.00	1.00	1.00
Library	Reference	Librarian II	1.00	1.00	1.00	1.00	1.00	1.00
Library	Reference	Librarian I	3.00	1.11	3.00	1.11	3.00	1.06
Library	Youth Services	Librarian II	1.00	1.00	1.00	1.00	1.00	1.00
Library	Youth Services	Library Asst.	2.00	1.18	2.00	1.18	2.00	1.18

(Position detail continued on the following page)

Department	Program	Title	Position	FTE	Position	FTE	Position	FTE
Public Safety	Public Safety	Public Safety Director/Police Chief	-	-	-	-	1.00	1.00
Public Safety	Public Safety	Administrative Assistant	-	-	-	-	1.00	-
Public Safety	Ambulance	Paramedic-Firefighter	-	-	5.00	4.00	6.00	6.00
Public Safety	Ambulance	EMT-Firefighter	-	-	1.00	1.00	-	-
Public Safety	Ambulance	Per-Diem Paramedic Firefighter	-	-	-	-	-	-
Public Safety	Ambulance	Finance Specialist	-	-	ASD	0.25	ASD	0.25
Public Safety	Fire	Command staff	-	-	-	-	-	-
Public Safety	Fire	Engine Company	9.00	9.00	-	-	-	-
Public Safety	Police	Police Chief	1.00	1.00	1.00	1.00	-	-
Public Safety	Police	Commander	1.00	1.00	1.00	1.00	1.00	1.00
Public Safety	Police	Sergeant	2.00	2.00	3.00	3.00	3.00	3.00
Public Safety	Police	Corporal/Training Officer	1.00	1.00	1.00	1.00	1.00	1.00
Public Safety	Police	Police Officer	8.00	8.00	8.00	8.00	8.00	8.00
Public Safety	Police	Police Officer Reserves	4.00	0.52	4.00	0.52	4.00	0.52
Public Safety	Police	Public Services Officer	5.00	5.00	5.00	5.00	5.00	5.00
Public Safety	Police	Community Services Officer	2.00	2.00	2.00	2.00	3.00	2.00
Public Safety	Police	Community Services Asst.	CAO	0.25	CAO	0.25	CAO	0.25
Public Services	Public Services	Public Services Mgr.	-	-	1.00	-	1.00	1.00
Public Services	Public Services	Project Manager	-	-	-	-	1.00	1.00
Public Services	Public Services	Finance Specialist	-	-	-	-	1.00	-
Public Services	Public Services	Maintenance Worker	-	-	-	-	1.00	-
Public Services	City Engineer	City Engineer (contract)	-	-	-	-	-	-
Public Services	Facilities Maintenance	Facilities Maintenance Mgr.	1.00	1.00	1.00	1.00	-	-
Public Services	Facilities Maintenance	Facilities Maintenance Worker	1.00	1.00	1.00	1.00	1.00	1.00
Public Services	Facilities Maintenance	Community Services Asst.	CAO	0.25	CAO	0.25	-	-
Public Services	Forest, Parks & Beach	City forester	1.00	1.00	1.00	1.00	1.00	1.00
Public Services	Forest, Parks & Beach	Tree Care Specialist	2.00	1.00	2.00	1.00	2.00	1.00
Public Services	Forest, Parks & Beach	Forest Care Worker	2.00	0.90	2.00	0.90	2.00	0.90
Public Services	Public Works	Public Works Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Public Services	Public Works	Street Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Public Services	Public Works	Senior Maintenance Worker	4.00	4.00	4.00	4.00	5.00	5.00
Public Services	Public Works	Maintenance Worker	1.00	1.00	1.00	1.00	1.00	1.00
Public Services	Public Works	Gardener	1.00	1.00	1.00	1.00	-	-
TOTAL			89.00	74.20	88.00	71.69	95.00	75.72

Note: Employees are assigned to a single position; positions are shown in home department; FTE shown where service is performed

DEBT AND RETIREMENT LIABILITIES

Principal Gen Fund Acct #	L-T Debt Fund Acct #	Description	Orig Date	Note/Contract Number	Original Amount	Term/ Final Maturity	Interest Rate	Payments	Beginning Balance 7/1/13	Principal Payments	Ending Balance 6/30/14	Interest Payments
CERTIFICATES OF PARTICIPATION												
01-91809	90-25000	Series 2010 Sunset Ctr Bonds	10/28/2010	6711920704	\$7,575,000.00	11/1/2031	2% - 4%	\$ 512,612.50	\$ 7,010,000.00	\$ 290,000.00	\$ 6,720,000.00	\$222,612.50
											\$ -	
GENERAL OBLIGATION BONDS												
90-25000		Series 2012 Pension Obligation Bonds	11/29/2012	CDIAC 2012-1797	\$6,280,000.00	6/1/2023	55% - 3.1%	\$ 702,593.00	\$ 6,165,000.00	\$ 580,000.00	\$ 5,585,000.00	\$122,593.00
Next Generation Radio Project Financing (Countywide)												
01-91813	90-25015	Next Generation Project Financing	4/23/2009	MoCo Agmt	\$ 381,440.14	6/30/2027	0	\$ 29,664.00	\$ 338,386.00	\$ 21,668.00	\$ 316,718.00	\$ -
											\$ -	
											\$ -	
CAPITAL LEASE OBLIGATIONS												
01-88823	90-25036	Cal First Lease - Fire Engine	4/11/2009	8101221	\$ 269,049.37	7/1/2015	0.870%	\$ 70,551.79	\$ 201,720.05	\$ 65,623.77	\$ 136,096.28	\$ 4,978.02
01-88821	90-25045	Cal First Lease - Ambulance	4/1/2010	8101221	\$ 150,759.98	12/1/2013	0.297%	\$ 32,261.05	\$ 30,901.40	\$ 30,901.40	\$ -	\$ 1,359.65
01-88579		Cal First Lease - Sweeper	4/1/2010	8101221	\$ 140,486.78	7/15/2013	0.297%	\$ 47,953.77	\$ 46,584.19	\$ 46,584.19	\$ -	\$ 1,369.59
01-88827		Cal First Lease - Chipper Truck	10/1/2011	8101221	\$ 63,834.01	7/15/2013	0.297%	\$ 21,789.11	\$ 21,166.79	\$ 21,166.79	\$ -	\$ 622.32
01-88534		Cal First Lease - PD Go4 Interceptor	10/1/2011	8101221	\$ 33,177.55	7/15/2013	0.297%	\$ 11,324.83	\$ 11,001.38	\$ 11,001.38	\$ -	\$ 323.45
01-88531		Cal First Lease - PD Expedition	10/1/2011	8101221	\$ 47,988.44	7/15/2013	0.297%	\$ 16,380.38	\$ 15,912.54	\$ 15,912.54	\$ -	\$ 467.84
01-88578	90-25039	Caterpillar Financial	12/1/2010	001-0582681-000	\$ 126,613.81	12/1/2013		\$ 37,573.81	\$ 37,573.81	\$ 37,573.81	\$ -	\$ -
COMPENSATED ABSENCES												
Various	90-25040	Vacations, Sick, Comp Time Due to EE's	N/A	N/A	N/A	N/A	N/A	\$ -	\$ 538,371.00	\$ -	\$ 538,371.00	N/A
GRAND TOTALS L-T DEBT ACCOUNTS												
								\$ 1,482,704.24	\$ 14,416,617.16	\$ 1,120,431.88	\$ 13,296,185.28	\$ 354,276.36
OPERATING LEASE OBLIGATIONS												
01-88822		IKON Copier Lease - Canon IRCS180 (City Hall)	7/1/2012		\$ 13,932.00	7/1/2015		\$ 387.00	\$ 13,932.00		\$ 13,932.00	
01-88820		Credit Card Machine Lease	9/12/2006	0412-039158	\$21/month to month			\$ 387.00	\$ 13,932.00	\$ -	\$ 13,932.00	
		Total - Operating Lease Obligations			\$ 13,932.00							
		Total Debt Obligations						\$ 1,483,091.24	\$ 14,430,549.16	\$ 1,120,431.88	\$ 13,310,117.28	

CALPERS
California Public Employees Retirement System
Annual Valuation Report
October 2012 report of June 30, 2011 annual valuation

	Miscellaneous Plan	Safety Plan	Total
2012-2013			
Rate Plan	2% at 55	3% at 50	
Total members	187	92	279
Required employer rate	20.058%	35.367%	
Employer Contribution	626,365	768,362	1,394,727
Funded Ratio (AVA Basis)			

2013-2014			
Rate Plan	2% at 55	3% at 50	
Total members	182	90	272
Required employer rate	20.868%	37.778%	
Member rate	15.421%	27.767%	
Employer Contribution	653,695	775,653	1,429,348
Unfunded liability (AVA Basis)	5,250,016	5,915,496	11,165,512
Funded Ratio (AVA Basis)	83.0%	76.6%	
Unfunded liability (MVA Basis)	7,931,068	7,968,532	15,899,600
Funded Ratio (MVA Basis)	74.3%	68.4%	
Plans accrued liability (6/30/2011)	30,816,257	25,228,152	56,044,409
Unfunded termination liability	19,458,921	20,038,258	39,497,179
Termination funded ratio	54.1%	46.3%	

2014-2015			
Required employer rate estimate	21.70%	39.60%	
Member rate			

Assumed inflation rate: 2.75%
Discount rate: 7.50%
Termination discount rate: 4.82%

Carmel-by-the-Sea has two retirement plans, one for safety and one for miscellaneous employees. Since each plan has less than 100 active members they are required to participate in a risk pool

FUND BALANCE

		Ending 6/30/2012 Balance	Estimated 7/1/2013 Balance	FY13/14 Interest/ Other Income	Releases & Transfers In/Out	Estimated 6/30/2014 Balance
8	Debt Service	\$ 400,007	\$ 400,003			\$ 400,003
16	Benefit Liability	414,293	344,293		-	\$ 344,293
28	Debt Reduction	715,804	715,804		-	\$ 715,804
13	Capital Improvements	865,219	877,771		-	\$ 877,771
17	Workers' Compensation	238,107	176,103		-	\$ 176,103
18	Operating Reserve	1,916,165	1,916,165		-	\$ 1,916,165
22	Natural Disaster	250,000	250,000			\$ 250,000
25	OPEB Liability	215,820	215,820		417,774	\$ 633,594
50	Deposits	445,789	416,089			\$ 416,089
1	Long Term Budget Stability	1,376,762	2,711,988		(410,684)	\$ 2,301,304
		150,000	150,000			150,000
		200,000	200,000			200,000
2	Hostelry	831,484	867,846			\$ 867,846
3	Gas Tax	168,199	166,940			\$ 166,940
4	Parking In-Lieu	698,085	698,086			\$ 698,086
12	Traffic Safety	6,024	6,024			\$ 6,024
20	Road Impact Fees	75,271	68,720			\$ 68,720
21,31,32,33	Grants - Various	161,594	141,679			\$ 141,679
51	Employee Benefits Plan	32,655	32,655			\$ 32,655
60	Forest Theater	83,219	91,779		8,000	\$ 99,779
7	Ambulance	124,328	124,327			\$ 124,327
		9,368,824	10,572,093		15,090	10,587,183

OTHER FUNDS

GAS TAX FUND		Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
Revenue	Description	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
03- 55003-001	GAS TAX - SECTION 2106	\$ 17,187	\$ 13,220	\$ 15,250	\$ 13,870	\$ 17,503	\$ 16,000	\$ 17,000
03- 55003-003	GAS TAX - SECTION 2107	28,751	26,789	31,500	29,697	28,530	31,000	33,000
03- 55003-004	GAS TAX - SECTION 2107.5	-	1,000	1,000	1,000	1,000	1,000	1,000
03- 55003-005	GAS TAX - SECTION 2105	18,179	18,664	24,700	18,859	19,163	22,000	26,000
03- 55003-0015	PROPOSITION 1B	-	-	-	-	-	-	-
03- 55003-0020	GAS TAX - SECTION 2103	-	55,160	-	40,000	58,060	60,000	60,000
03- 10999	GAS TAX FUND INTEREST ACCRUED	-	554	2,500	-	-	-	-
		\$ 64,117	\$ 115,387	\$ 74,950	\$ 103,425	\$ 124,256	\$ 130,000	\$ 137,000

GAS TAX FUND		Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
Expenditure	Description	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
03- 76010	SALARIES	\$ 25,803	\$ 25,988		\$ 23,775			
03- 76011	OVERTIME	930	325		175			
03- 76013	UNIFORM ALLOWANCE	93	102		90			
03- 76015	MEDICARE	550	-					
03- 76016	RETIREMENT	9,013	-					
03- 76017	MEDICAL PROGRAM	6,009	-					
03- 76018	LIFE INSURANCE	108	-					
03- 76019	WORKERS COMPENSATION INS.	1,928	2,344		1,084			
03- 76020	DEFERRED COMPENSATION	-	-					
03- 76021	MOU OBLIGATIONS	240	180		180			
03- 76022	UNEMPLOYMENT							
03- 76023	PART-TIME ASSISTANCE							
03- 76025	GROUP LTD							
		44,674	28,939	-	25,304	-	-	-
03- 76045	MATERIALS & SUPPLIES	5,600						
03-		5,600	-	-	-	-	-	-
		\$ 50,274	\$ 28,939	\$ -	\$ 25,304	\$ -	\$ -	\$ -
	SURPLUS/(DEFICIT)	\$ 13,843	\$ 86,448	\$ 74,950	\$ 78,121	\$ 124,256	\$ 130,000	\$ 137,000

GAS TAX FUND		Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
Transfers-to	Description	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
03-	TRANSFER TO GENERAL FUND	-	100,000	74,950	78,121	124,256	130,000	137,000
03-	TRANSFER TO CAPITAL FUND	-	-	-	-	-	-	-
		\$ -	\$ 100,000	\$ 74,950	\$ 78,121	\$ 124,256	\$ 130,000	\$ 137,000
	SURPLUS/(DEFICIT) w/ TRANSFERS	\$ 13,843	\$ (13,552)	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL PROJECTS FUND

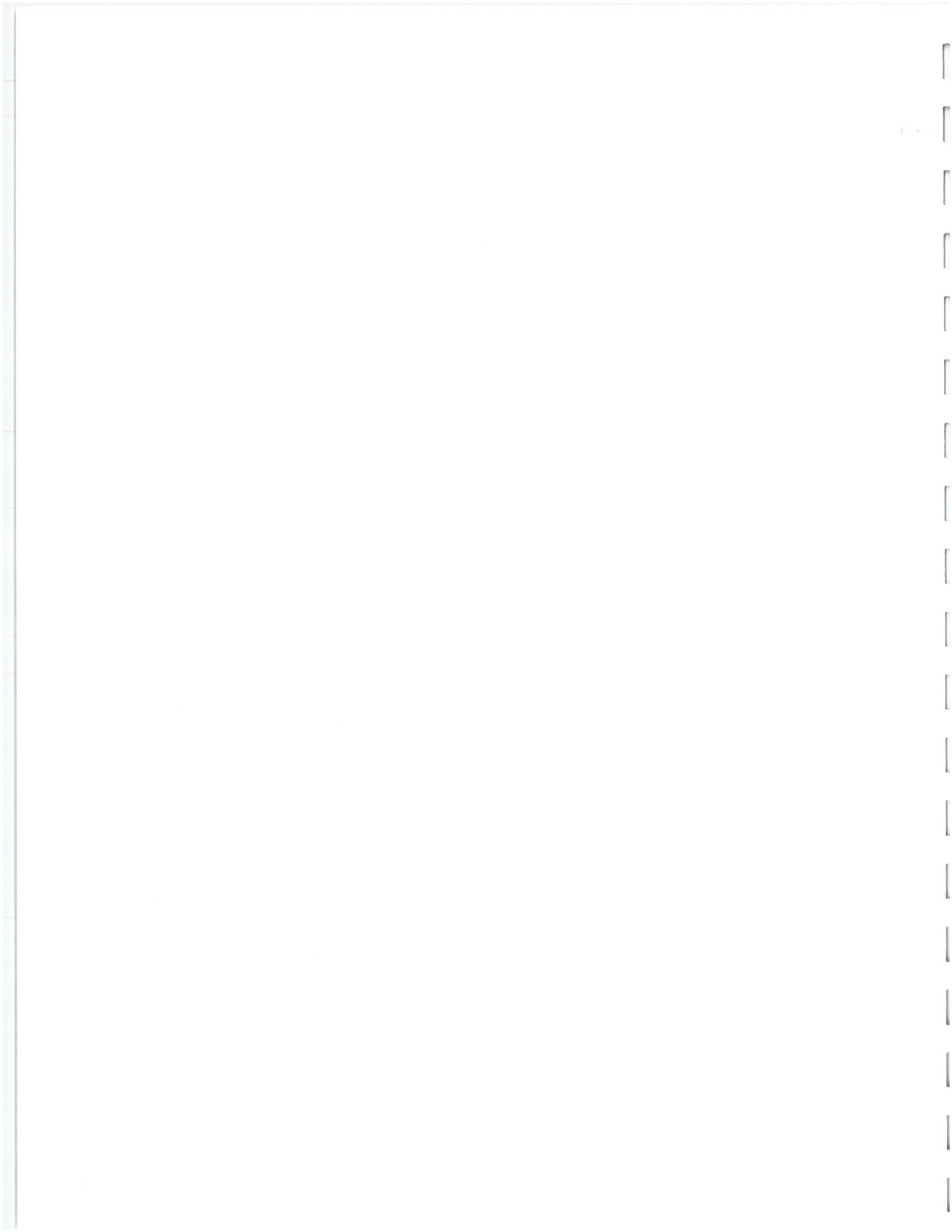
Revenue	Description	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
13- 21-38000	GRANTS	\$ -	\$ 247,978	\$ 465,632	\$ 35,632	\$ 417,500	\$ 213,500	\$ 181,000
13- 01-46801-0004	DONOR OPPORTUNITY					17,500	10,000	10,000
13- 01-37801	INTERGOVERNMENTAL - STATE	-	291,000	370,000	96,000	-	120,000	-
13- 01-31811-9000	MEASURE D					1,031,190	963,800	861,700
13- 21-33409	ROAD IMPACT FEES	-	-	195,952	180,000	202,200	176,200	124,300
13-	SCC RETAINAGE	-	100,000	75,352	-			
13- 12-55012	TRAFFIC SAFETY	-	-	109,648	110,000	140,000	150,000	150,000
	RELEASE OF FUND BALANCE	-	958,918	576,406	426,178			
	VEHICLE REPLACEMENT FUND				-		-	-
13- 13-48001	TRANSFER FROM GENERAL FUND	220,932		-		887,804	594,378	298,052
		220,932	1,597,896	1,792,990	847,810	2,696,194	\$ 2,227,878	\$ 1,625,052

CAPITAL PROJECTS FUND

Expenditure	Project Description	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
13-	CAPITAL OUTLAY	\$ 1,085,637	\$ 1,597,896	\$ 1,792,990	\$ 847,810	\$ 2,696,194	\$ 2,227,878	\$ 1,625,052
13-	DESIGNATED FOR FUTURE							
13-		1,085,637	\$ 1,597,896	\$ 1,792,990	\$ 847,810	\$ 2,696,194	\$ 2,227,878	\$ 1,625,052
	SURPLUS/(DEFICIT)	\$ (864,705)	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -

CONSOLIDATED AND FUND FINANCIAL SCHEDULE

	Major Funds				Non-Major Funds				Total All Funds						
	General Fund, Capital Projects		Library, Ambulance, Parking		Road Impact, Gas Tax, Traffic Safety, Grants, Debt Service		Forest Theater		Actual		Estimate		Approved		
	Actual	Estimate	Approved	FY 2011-12	Estimate	Approved	FY 2011-12	Estimate	Approved	FY 2011-12	Estimate	Approved	FY 2012-13	Approved	FY 2013-14
Financial Sources															
Taxes	11,497,256	12,479,988	14,826,020												
Licenses and permits	430,250	451,241	435,000												
Fines and Forfeitures	27,385	16,648	25,960												
Intergovernmental Revenue	419,326	362,110	419,134	10,764	-	4,000									
Charges for Service	60,228	47,878	53,440	516,790	695,016	657,525									
Interest and Other Revenue	226,616	274,911	231,050	3,168	-	-									
Contributions	26,830	139,905	90,000	302,330											
Other revenues	93,944	14,875	61,066												
Appropriation from Reserves		319,700													
Interfund Transfer In	6,282,820	270,733	901,456	886,513	1,095,141	1,391,287									
Total Financial Sources	19,064,655	14,377,989	17,043,126	1,719,565	1,790,157	2,052,812	579,832	709,765	1,245,206	23,647	25,770	24,000	21,897,545	17,174,414	21,266,600
Financial Uses															
General Government	3,122,302	2,817,899	2,689,773												
Public Safety	2,985,740	4,773,680	5,097,091	377,688	835,410	1,086,635									
Comm Plan & Building	2,633,987	578,670	1,493,755												
Public works	1,137,360	1,973,975	1,263,558				28,939								
Forest, parks and beach	1,122,795	464,608	502,036												
Culture and recreation	125,635	-	-	1,168,039	954,747	966,177									
Economic development	361,458	304,587	316,800												
Capital Improvements	1,599,462	472,607	3,036,530												
Debt Service															
Contingencies															
Reserves															
Interfund Transfer Out	7,212,155	1,804,906	2,636,493												
Total Financial Uses	20,300,894	13,190,932	17,036,036	1,545,727	1,790,157	2,052,812	537,010	270,733	901,456	15,995	17,209	16,000	23,007,170	15,978,796	21,251,510
Net Increase (Decrease) in Fund Balance/Net Assets	(1,236,239)	1,187,057	7,090	173,838	-	-	(54,876)	-	-	7,652	8,560	8,000	(1,109,625)	1,195,617	15,090
Fund Balance/Net Asset July 1	8,495,800	7,259,561	8,446,618	1,167,136	1,340,974	1,340,974	823,165	768,289	768,289	-	7,652	16,212	10,486,101	9,376,476	10,572,093
Fund Balance / Net Assets	7,259,561	8,446,618	8,453,708	1,340,974	1,340,974	1,340,974	768,289	768,289	768,289	7,652	16,212	24,212	9,376,476	10,572,093	10,587,183



DEPARTMENT DETAIL

CITY COUNCIL

Summary and Overview:

The City Council provides quality public services to the people of Carmel-by-the-Sea in response to their need for a healthy, safe, and prosperous environment. The City Council is the governing body of the City responsible for making the laws and regulations of the City of Carmel-by-the-Sea.

The City Council is a five-member legislative body elected by the residents of Carmel-by-the-Sea. The Council's purpose is to establish policy and to ensure success of governmental operations. The Council appoints the City Administrator, City Attorney, City Treasurer, and the City Engineer. The Council approves the municipal budget and is responsible for review and adoption of local laws by passage of ordinances.



Staffing	Position	FTE
Mayor	1	1
Councilmembers	4	4
Total	5	5

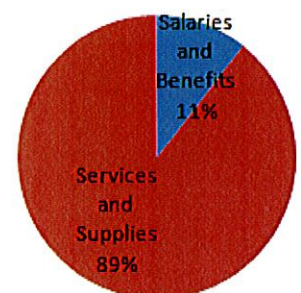
Goals and Objectives:

Serve the residents of the City of Carmel-by-the-Sea by formulating and enacting public policy and by providing the leadership necessary to meet community needs.

Performance Measures:

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Set City goals and objectives	Yes	Yes	Yes	Yes
Conduct annual performance reviews of staff appointees	4/4	4/4	4/4	4/4
Agenda items added after agenda review	12	0	0	0
Average length of City Council meetings	4:11	4:00	3:30	3:30

City Council
Expenditures by Category



CITY COUNCIL

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
60010 SALARIES	\$ 7,800	\$ 7,488	\$ 7,200	\$ 7,190	\$ 7,200	\$ 9,600	\$ 9,600
60014 SOCIAL SECURITY	484	471	447	446	446	595	595
60015 MEDICARE	113	111	104	104	104	112	118
60017 MEDICAL PROGRAM	36,883	42,416	42,565	23,797	13,568	39,743	43,717
60019 WORKERS COMPENSATION	395	316	427	300	289	312	328
	45,675	50,802	50,743	31,837	21,607	50,362	54,358
60033 DUES/MEMBERSHIPS	44,786	45,473	78,313	84,636	87,664	88,000	88,000
60036 TELEPHONE	376	418	450	76	450	450	450
60073 OFFICIAL PUBLIC MEETINGS	1,288	599	1,500	-	500	500	500
60095 OPERATIONAL SUPPLIES/SERVICE	179	577	350	183	350	350	350
60207 COUNCIL DISCRETIONARY	4,774	10,492	20,000	1,438	61,050	83,535	86,025
	51,403	57,559	100,613	86,333	150,014	172,835	175,325
	\$ 97,078	\$ 108,361	\$ 151,356	\$ 118,170	\$ 171,621	\$ 223,197	\$ 229,683

FY 2013 – 2014 Adopted Composition of Dues and Memberships

MPRWA	\$38,900
AMBAG	3,682
League of Cities	300
FORA	14,000
County Mayors Assoc	1,100
MBUAPCA	931
TAMC	1,351
LAFCO	9,000
Comm Human Services	13,400
Unassigned	5,000

FY 2013 – 2014 Adopted Council Discretionary

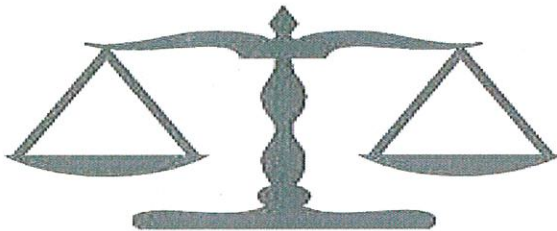
Sober Grad Night	1,000
Suicide Prevent	1,000
Carmel High School	1,000
Sponsored City Events	3,500
City Meetings	2,500
Acknowledgements	1,000
Veterans Cemetery	15,000
MEarth	13,400
Centennial Celebration	10,000
Carmel Heritage	8,500
United Way 211	1,000
County Film Commission	500
Unassigned	2,650

In addition to this support, the City provides direct support to organizations through fee waivers.

LEGAL

Summary and Overview:

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 for the City of Carmel-by-the-Sea.



Staffing	Position	FTE
Legal	1	0.44
Total	1	0.44

Goals and Objectives:

Maintain the legal integrity of the City.

Advise and advocate to protect and promote clients' policies and actions.

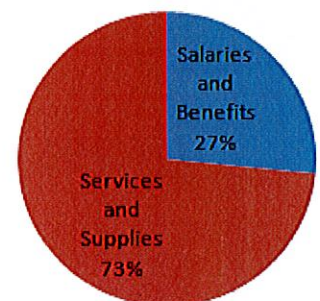
Serve as City's civil lawyers.

Preserve and maintain village character in Carmel through clear land use policies, appropriate zoning regulations, detailed design guidelines, and equitable and consistent code compliance.

Performance Measures:

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Resolve 100% of litigation cases without any payment to plaintiff	100%	100%	100%	100%
Provide advice on an estimated number of agenda items per year	184	225	230	230
Respond to 100% of legal requests by negotiated target date	100%	100%	100%	100%

Legal
Expenditures by Category



LEGAL

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
61010 SALARIES	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000	\$ 90,000
61014 SOCIAL SECURITY	5,580	5,580	5,580	5,580	5,580	5,580	5,580
61015 MEDICARE	1,305	1,305	1,305	1,305	1,305	1,409	1,480
61016 RETIREMENT							
61019 WORKERS COMP INSURANCE	4,915	3,647	5,333	3,786	4,334	4,681	4,915
	101,800	100,532	102,218	100,671	101,219	101,670	101,975
61034 DOCUMENTS/PUBLICATIONS	5,034	2,578	3,500	1,000	3,500	3,500	3,500
61051 PROFESSIONAL SERVICES	251,670	349,167	210,000	148,724	275,000	200,000	200,000
	256,704	351,745	213,500	149,724	278,500	203,500	203,500
	\$ 358,504	\$ 452,277	\$ 315,718	\$ 250,395	\$ 379,719	\$ 305,170	\$ 305,475

CITY ADMINISTRATOR OFFICE

Summary and Overview:

The City Administrator is appointed by the City Council to manage the municipal operation. The City Administrator is charged by the Municipal Code with the responsibility for all personnel matters. The City Administrator implements policy established by official actions of the City Council and directs and coordinates the preparation and presentation of the municipal budget.

The City Administrator Office provides functional oversight of the City Clerk, Marketing, and Community Services programs. The City Clerk is the official recorder of all City Council actions and the custodian of all municipal documents.



Staffing	Position	FTE
Admin	2	2
City Clerk	1	1
Marketing	0	0
Community Svcs	3	1.43
Total	6	4.43

Goals and Objectives:

The City Administrator Office (CAO) exercises overall responsibility for sound and effective management of City government pursuant to Council policy and the adopted budget. While the entirety of adopted objectives and goals drives the CAO programs, the CAO's strategic actions align primarily with the following adopted goals and objectives:

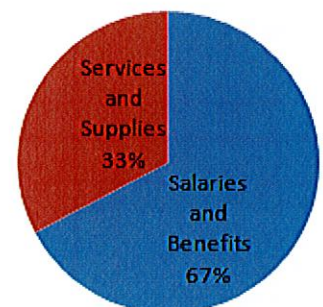
Promote efficiency through an organizational culture that identifies and implements process improvements and strives to develop more efficient methods of providing service and utilizing taxpayer dollars

Direct organizational performance through a structure that is responsive to meeting internal operational needs and objectives and the delivery of high-quality customer service

Performance Measures:

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Conduct quarterly operational review meetings	24	24	24	24
Complete Department manager performance reviews before due date	9	6	6	6
% Public Records Act requests processed within 10 days	64/64	50/50	50/50	50/50
% of error free City Council agendas	100%	100%	100%	100%
	39%	80%	100%	100%

City Administrator Expenditures by Category



CITY ADMINISTRATOR OFFICE

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
64010 SALARIES	\$ 361,181	\$ 416,590	\$ 373,771	\$ 383,434	\$ 359,928	\$ 388,722	\$ 408,158
64011 OVERTIME	-	-	-	-	-	-	-
64015 MEDICARE	5,111	5,359	5,306	5,306	5,306	5,730	6,017
64016 RETIREMENT	55,732	69,460	50,762	51,593	38,804	41,132	43,189
64017 MEDICAL PROGRAM	34,544	37,847	40,861	47,495	45,777	50,355	55,390
64018 LIFE INSURANCE	390	403	443	403	399	417	436
64019 WORKERS COMPENSATION INS.	13,218	15,028	22,148	15,922	8,669	9,363	9,831
64020 DEFERRED COMPENSATION	5,550	5,775	7,500	7,500	7,500	7,500	7,500
64021 MOU OBLIGATIONS	5,086	4,950	6,000	6,000	6,000	6,000	6,000
64022 UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
64023 PART-TIME ASSISTANCE	-	-	-	-	-	-	-
	480,812	555,412	507,791	517,653	473,383	510,219	537,521
64026 UTILITIES	8,842	9,388	11,000	9,998	11,000	12,000	13,000
64030 TRAINING/PERSONAL EXP.	18,736	22,092	43,800	28,354	12,000	13,000	14,000
64032 PERMITS,LICENSES & FEES	700	521	500	297	700	800	900
64033 DUES/MEMBERSHIPS	4,500	10,083	8,000	5,153	6,200	6,200	6,200
64034 DOCUMENTS/PUBLICATIONS	737	79	500	-	500	500	500
CA Elections Code & League of California Cities publications							
64036 TELEPHONE	12,601	12,540	14,000	13,517	12,200	12,800	13,200
64038 POSTAGE	6,954	7,076	9,017	3,525	9,288	9,500	9,500
64039 PRINTING	2,473	2,968	2,600	3,265	4,200	4,500	4,500
64040 ADVERTISING	2,844	2,914	3,925	5,858	6,000	6,000	6,000
64042 OFFICE MACHINE SUPPLIES	54	62	750	-	300	300	300
64043 OFFICE SUPPLIES	5,255	2,407	3,011	3,239	3,600	3,000	3,000
64049 EQUIPMENT MAINTENANCE	78	-	250	-	250	250	250
64051 PROFESSIONAL SERVICES	53,346	25,874	65,000	20,353	35,000	45,000	30,000
64053 CONTRACTUAL SERVICES	102,563	66,907	60,000	7,939	25,000	25,000	25,000
COMMUNITY ACTIVITIES							
(combine with 64095)	-	-	-	-	-	-	-
64095 OPERATIONAL SERVICE/SUPPLIES	1,276	267	3,000	44	850	850	850
64204 MAIL SERVICE CONTRACT	57,123	53,262	60,000	52,074	53,100	55,224	55,224
64300 ELECTION	(40)	27,450	18,000	12,636	50,000	-	32,000
	278,042	243,890	303,353	166,252	230,188	194,924	214,424
	\$ 758,854	\$ 799,302	\$ 811,144	\$ 683,905	\$ 703,571	\$ 705,143	\$ 751,945

MARKETING & ECONOMIC DEVELOPMENT

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
85200 REGIONAL DESTINATION MARKETING	\$ 180,313	\$ 177,022	\$ 180,000	\$ 177,852	\$ 180,000	\$ 180,000	\$ 180,000
85203 MCCVB CONTRACT	103,078	114,084	119,235	119,235	136,800	142,260	146,550
85301 CARMEL CHAMBER OF COMMERCE	20,000	15,000	7,500	7,500	40,000	-	-
85302 TROLLEY SERVICE	14,592	55,352	-	-	-	-	-
	\$ 317,983	\$ 361,458	\$ 306,735	\$ 304,587	\$ 356,800	\$ 322,260	\$ 326,550

Performance

	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Conde Nast Reader's Choice rating/rank	77.6/10	80/9	85/8	85/8
Opt-in eblast subscribers	23,931	30,000	40,000	45,000
CarmelCalifornia.com web referrals to innkeepers	539,752	550,000	550,000	550,000

COMMUNITY SERVICES

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
82010 SALARIES	\$ 37,031	\$ 34,206	\$ 27,144	\$ 29,497	\$ 27,144	\$ 87,947	\$ 92,344
82014 SOCIAL SECURITY	239	228	564	184	1,128	609	640
82015 MEDICARE	875	1,121	1,625	904	1,242	1,712	1,797
82016 RETIREMENT	8,604	12,573	7,656	7,818	7,316	10,857	11,399
82017 MEDICAL PROGRAM	4,200	5,218	-	4,025	5,000	20,644	22,708
82018 LIFE INSURANCE	156	196	313	144	178	260	272
82019 WORKERS COMPENSATION INS.	1,817	1,924	3,282	2,330	6,242	6,741	7,078
82020 DEFERRED COMPENSATION	-	87	300	-	-	-	-
82021 MOU OBLIGATIONS	-	-	10,406	-	5,186	5,186	5,186
82022 UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
82023 PART-TIME ASSISTANCE	3,850	3,675	28,249	3,572	30,000	5,000	5,000
	56,772	59,228	80,540	48,474	84,436	139,955	147,425
82026 UTILITIES	5,895	6,162	6,365	5,258	5,000	5,000	5,000
82030 TRAINING	-	-	-	-	1,000	1,000	1,000
82033 DUES AND MEMBERSHIP	-	-	-	-	-	-	-
82036 TELEPHONE	1,676	671	1,200	597	850	850	850
82039 PRINTING	-	-	100	-	100	100	100
82042 OFFICE MACHINE SUPPLIES	-	149	300	-	300	300	300
82043 OFFICE SUPPLIES	326	377	358	492	400	400	400
82053 CONTRACTUAL SERVICES	-	-	-	370	-	-	-
82055 COMMUNITY ACTIVITIES	32,110	18,853	35,000	17,851	35,000	42,000	75,000
82950 FINE ART MAINT/PRESERVE	-	10,000	-	-	-	-	-
	40,007	36,212	43,323	24,568	42,650	49,650	82,650
	\$ 96,779	\$ 95,440	\$ 123,863	\$ 73,042	\$ 127,086	\$ 189,605	\$ 230,075

GENERAL CITY PROGRAMS

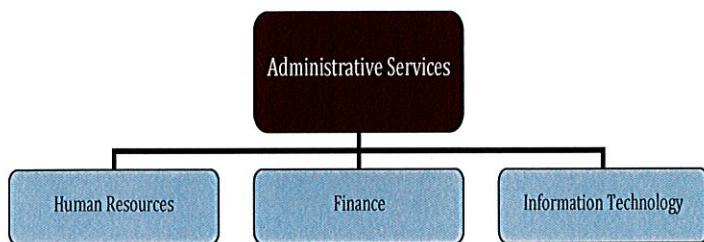
Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
PROPERTY TAX ASSESSMENTS	\$ 31,400	\$ 31,289	\$ 32,289	\$ 40,481	\$ 42,426	\$ 43,275	\$ 43,924
TRANSFER TO CAPITAL PROJECTS	-	-	-	472,607	1,918,994	1,558,178	1,159,752
TO LONG TERM BUDGET STABILITY	-	-	322,579	1,328,295	-	-	-
TRANSFER TO AMBULANCE FUND	-	-	421,179	128,648	425,110	420,942	469,339
DEBT SERVICE	536,609	537,771	710,048	709,765	1,245,206	1,240,106	1,238,456
SALARY SAVINGS	-	-	(130,150)	-	-	-	-
BENEFIT LIABILITY	72,445	-	-	-	-	-	-
SUNSET CENTER SUBSIDY	650,000	750,000	600,000	600,000	650,000	750,000	750,000
	\$ 1,590,454	\$ 1,319,060	\$ 1,955,945	\$ 3,279,796	\$ 4,281,736	\$ 4,012,501	\$ 3,661,471

FY 2013-2014 appropriation includes \$50,000 for SCC northwing operations

ADMINISTRATIVE SERVICES

Summary and Overview:

The Administrative Services Department is responsible for implementing and managing finance programs, information technology and personnel management. Management responsibilities include financial oversight, insurance programs, risk management, asset management, budget preparation, administration of payroll, business license processing and renewals, hiring a qualified workforce, employee development and safety programs, personnel evaluation programs, employee assistance and coordination of the City's Workers' Compensation claims program. The Information Technology division is charged with the development, planning, coordination and management of the City wide computer system and telephone system. The Department coordinates administratively with the City Treasurer. The Treasurer's responsibilities are to coordinate the management of City investments with the Department, to maximize income from those investments, to review monthly bank statements and to provide the City Council with monthly investment reports.



Staffing	Position	FTE
Admin	2	2
Finance	4	2.05
Human Resources	2	1.23
Information Tech	2	2
Total	10	7.28

Goals and Objectives:

Enhance organizational performance through implementing a structure that is innovative and responsive to meeting internal operational needs, objectives and the delivery of high-quality customer service

Ensure compliance with financial reporting and purchasing ordinances

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 developing a performance review process that will ensure and promote the goals of the organization

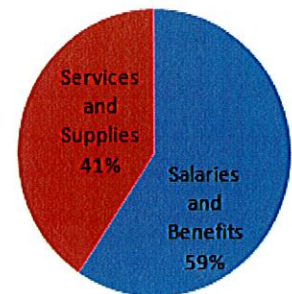
Promote efficiency through an organizational culture that identifies and implements process improvements and strives to develop more efficient methods of providing service and utilizing taxpayer dollars

Develop and implement the IT strategic technology plan

Performance Measures:

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
% employee performance reviews completed on time	38%	95%	95%	95%
# of worker comp claims (new/open)	11/3	8/3	5/0	5/0
Complete Regular workforce safety training	-	80%	85%	85%
# of Budget Revisions	16	10	10	10
Respond to help desk calls 85% of the time within 1 hr	-	90%	95%	95%
Resolve 90% of level 1 service requests the same day	-	95%	95%	95%

Administrative Services
Expenditures by Category



ADMINISTRATIVE SERVICES

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
67010 SALARIES	\$ 250,563	\$ 258,728	\$ 372,352	\$ 321,321	\$ 610,115	\$ 747,971	\$ 785,370
67011 OVERTIME	-	-	-	-	-	-	-
67014 SOCIAL SECURITY	-	-	-	-	-	-	-
67015 MEDICARE	4,646	4,248	6,783	5,101	9,401	11,457	12,029
67016 RETIREMENT	63,090	60,834	49,590	49,520	63,594	76,785	80,625
67017 MEDICAL PROGRAM	39,529	48,209	67,051	64,331	83,873	113,660	125,026
67018 LIFE INSURANCE	534	599	755	664	853	1,058	1,105
67019 WORKERS COMPENSATION INS.	17,146	13,500	26,352	26,249	17,338	18,725	19,661
67020 DEFERRED COMPENSATION	400	1,225	1,500	2,875	7,950	7,950	7,950
67021 MOU OBLIGATIONS	-	-	1,408	2,338	6,509	6,509	6,509
67022 UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
67023 PART-TIME ASSISTANCE	71,743	76,625	72,353	63,942	35,000	30,000	30,000
	447,651	463,968	599,144	536,341	835,633	1,015,115	1,069,275
67032 CREDIT CARD BANK FEES	7,434	11,027	10,580	15,028	11,730	11,965	12,204
67033 DUES/MEMBERSHIPS	10	385	1,000	420	1,000	1,000	1,000
67034 DOCUMENTS/PUBLICATIONS	272	240	106	489	500	500	500
67036 TELEPHONE	1,629	1,563	2,100	1,276	2,000	2,500	2,500
67039 PRINTING	229	1,497	1,545	1,639	2,000	2,000	2,000
67042 OFFICE MACHINE SUPPLIES	6,208	4,061	6,000	4,290	6,000	6,000	6,000
67043 OFFICE SUPPLIES	3,462	2,172	1,099	3,042	1,100	1,100	1,100
67045 MATERIALS/SUPPLIES	16,118	19,841	22,500	17,491	25,000	25,000	25,000
67049 EQUIPMENT MAINTENANCE	10,874	7,068	8,500	10,817	8,500	8,500	8,500
67051 PROFESSIONAL SERVICES	15,769	29,282	87,800	84,780	10,000	25,000	25,000
67053 CONTRACTUAL SERVICES	30,423	43,194	47,638	158,344	65,500	65,500	65,500
67100 RECRUITMENT	364	3,886	3,000	19,025	3,000	3,000	3,000
67110 PRE-EMPLOYMENT	2,798	16,870	5,000	4,125	5,000	5,000	5,000
67120 EMPLOYEE ASSISTANCE PROGRAM	2,158	1,183	3,713	-	2,200	2,200	2,200
67130 EMPLOYEE IMMUNIZATION PROGRAM	997	1,940	2,500	1,545	2,500	2,500	2,500
67170 ERGONOMIC STUDIES/MODIFICATION	-	1,137	2,122	2,235	2,500	2,500	2,500
67400 AUDITS	32,669	32,002	36,601	19,206	27,500	27,500	27,500
67401 BUDGET PREPARATION	-	-	318	-	-	-	-
WORKERS COMP-SELF-FUNDED							
67424 CLAIMS RUN-OUT	12,738	17,400	25,740	16,225	20,000	20,000	20,000
67425 LIABILITY INSURANCE	255,442	296,931	286,762	355,103	324,500	385,000	385,000
67426 RETIREE INSURANCE PROGRAM	36,600	37,906	34,798	42,638	39,000	42,000	44,000
67428 EMPLOYEE RECOGNITION	5,347	5,596	6,200	5,664	6,500	6,500	6,500
	441,541	535,181	595,622	763,382	566,030	645,265	647,504
	\$ 889,192	\$ 999,149	\$ 1,194,766	\$ 1,299,723	\$ 1,401,663	\$ 1,660,380	\$ 1,716,779

TREASURER

Description	Actual	Revised	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	Budget FY 2011-12	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
63010 SALARIES								
63014 SOCIAL SECURITY								
63015 MEDICARE								
63053 CONTRACTUAL SERVICES	2,400	2,400	1,600	2,400	2,600	2,400	2,400	2,400
	2,400	2,400	1,600	2,400	2,600	2,400	2,400	2,400
	\$ 2,400	\$ 2,400	\$ 1,600	\$ 2,400	\$ 2,600	\$ 2,400	\$ 2,400	\$ 2,400

COMMUNITY PLANNING AND BUILDING

Summary and Overview:

The Department of Community Planning and Building is responsible for the management of land use and environmental quality in Carmel-by-the-Sea. The planning function 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 Department also provides staff support to the Planning Commission and the Historic Resources Board.

The Building function is responsible for review of construction plans and inspections of City and private development projects to ensure compliance with building codes. Enforcement of zoning, design, building and fire codes are also a responsibility of the Department.



Staffing	Position	FTE
Planning	4	3
Code Compliance	1	1
Building	1	1
Total	6	5

Goals and Objectives:

Provide quality customer service with appropriate regulatory oversight

Preserve and maintain village character in Carmel through clear land use policies, appropriate zoning regulations, detailed design guidelines and equitable and consistent code compliance

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

Promote community cleanliness to protect, conserve and enhance the unique natural beauty and resources of the village

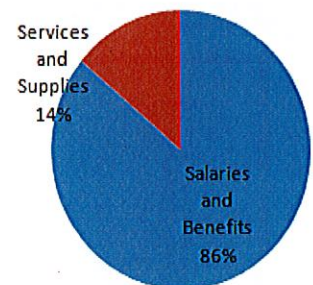
Preserve and maintain community character through implementing a public outreach program to address improving the appearance of the City's public rights-of-way

Performance Measures:

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Review all design review applications for completeness within 2 weeks	85%	90%	95%	95%
Provide building permit plan check corrections w/in 4 wks	90%	95%	98%	98%
Avg. 2 days from first code complaint to investigation	75%	85%	90%	95%
Complete 100% of inspections within three business days of request	90%	95%	98%	98%

Community Planning & Building

Expenditures by Category



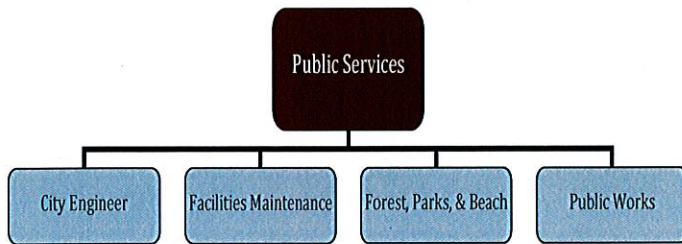
COMMUNITY PLANNING AND BUILDING

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
69010 SALARIES	\$ 353,876	\$ 357,982	\$ 285,667	\$ 320,347	\$ 450,492	\$ 486,531	\$ 510,858
69011 OVERTIME	1,692	1,545	2,000	6,000	2,000	3,500	3,500
69013 UNIFORM ALLOWANCE	220	264	264	264	264	264	264
69014 SOCIAL SECURITY	-	-	-	-	-	-	-
69015 MEDICARE	5,326	5,454	4,532	5,333	5,424	5,858	6,151
69016 RETIREMENT	71,639	84,708	53,194	56,526	45,816	48,565	50,993
69017 MEDICAL PROGRAM	55,035	61,800	61,425	65,932	65,983	72,581	79,839
69018 LIFE INSURANCE	703	729	729	597	611	638	667
69019 WORKERS COMPENSATION INS.	15,266	13,929	21,124	16,079	17,338	18,725	19,661
69020 DEFERRED COMPENSATIONS	550	1,565	1,500	1,080	1,380	1,380	1,380
69021 MOU OBLIGATIONS	2,400	2,400	6,703	2,400	8,727	8,727	8,727
69022 UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
69023 PART-TIME ASSISTANCE	-	-	48,500	-	25,000	25,000	25,000
	506,707	530,376	486,637	474,558	624,035	672,770	708,041
69031 CLOTHING EXPENSE	250	250	250	-	250	250	250
69033 DUES/MEMBERSHIPS	715	639	1,200	495	1,200	1,200	1,200
69034 DOCUMENTS/PUBLICATIONS	2,845	700	2,000	-	2,000	1,500	1,500
69036 TELEPHONE	4,362	5,042	4,200	4,864	4,500	4,400	4,400
69039 PRINTING	1,914	2,231	3,200	2,948	3,500	3,500	3,500
69040 ADVERTISING	1,965	2,641	3,000	2,549	3,000	3,000	3,000
69042 OFFICE MACHINE SUPPLIES	236	408	500	395	500	750	750
69043 OFFICE SUPPLIES	726	704	800	1,052	1,000	1,000	1,000
69049 EQUIPMENT MAINTENANCE	100	-	200	-	200	200	200
69051 PROFESSIONAL SERVICES	46,632	49,284	88,973	85,197	75,000	55,000	55,000
69053 CONTRACTUAL SERVICES	5,416	7,382	9,500	6,384	9,500	9,500	9,500
69055 COMMUNITY ACTIVITIES	-	-	250	-	-	-	-
69095 OPERATIONAL SERVICES/SUPPLIES	126	261	250	228	500	500	500
	65,287	69,542	114,323	104,112	101,150	80,800	80,800
	\$ 571,994	\$ 599,918	\$ 600,960	\$ 578,670	\$ 725,185	\$ 753,570	\$ 788,841

PUBLIC SERVICES

Summary and Overview:

The Public Services Department is responsible for implementing and managing the City's engineering programs, Facilities Maintenance, Public Works, and Forest, Parks and Beach. The City Engineer provides technical expertise, advice, scope, design and supervision of City road and drainage construction projects, flood control programs and other special engineering services. Facilities Maintenance is responsible for the repair, renovation and ongoing maintenance of approximately 145,000 square feet of City-owned buildings and other structures on public property. Public Works is responsible for the maintenance of all municipal infrastructure including construction, improvement and repair of streets, sidewalks, pathways, and storm drainage systems, installation of traffic signs, painting of street markings, and the maintenance of the City's vehicle and equipment motor pool. Forest, Parks and Beach manages and maintains the City's urban forest, parks and beach to preserve the windbreak protection, abate soil erosion, enhance the natural beauty, and maintain the outdoor recreational facilities of the community.



Staffing	Position	FTE
Public Services	4	2
City Engineer	0	0
Facilities	1	1
Forest Park Beach	5	2.9
Public Works	8	8
Total	18	13.9

Goals and Objectives:

Promote community cleanliness to protect, conserve and enhance the unique natural beauty and resources of the village

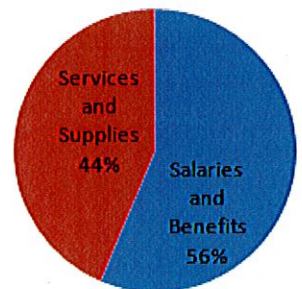
Focus on accountability, efficiency and quality customer service through the individual performance of employees; connecting employee work to the business and strategy of the organization and creating a performance process that will ensure and promote the goals of the organization

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

In 2013-14, the Department will focus on implementing and assessing the policies contained in the Shoreline Management and Forest Management Plans; completing a comprehensive facilities use inventory and assessing the current pavement condition of City streets to prepare for major road and sidewalk improvements

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Custodial expenditure per square foot	\$ 0.95	\$ 0.85	\$ 0.80	\$ 0.80
% of City tree receiving preventative maintenance	5%	7%	10%	15%
% of lane miles with a Pavement Condition Index of 70 or greater	56%	60%	65%	70%
Yards of materials removed from city streets annually	750	775	800	825
Average rating of cleanliness of beaches and parks (1=good and 5=poor)	-	3	2	2

Public Services
Expenditures by Category



FACILITIES MAINTENANCE

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
70010 SALARIES	\$ 140,888	\$ 173,855	\$ 104,704	\$ 137,105	\$ 255,098	\$ 365,606	\$ 434,910
70011 OVERTIME	861	755	-	550	450	450	560
70013 UNIFORM ALLOWANCE	528	462	528	264	264	264	528
70015 MEDICARE	993	733	744	1,393	3,760	5,371	6,383
70016 RETIREMENT	26,680	25,205	7,233	11,255	24,220	35,023	42,304
70017 MEDICAL PROGRAM	16,530	18,470	16,721	21,406	41,414	68,585	93,186
70018 LIFE INSURANCE	313	261	313	313	379	565	733
70019 WORKERS COMPENSATION INS.	6,300	6,710	9,167	6,507	14,448	15,604	16,384
70020 DEFERRED COMPENSATION	-	600	600	300	3,000	3,300	3,600
70021 MOU OBLIGATIONS	1,200	-	4,692	1,608	4,200	4,200	4,200
70022 UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
70023 PART-TIME ASSISTANCE	22,205	2,872	-	-	-	-	-
	216,498	229,923	145,702	180,702	348,234	499,968	603,788
70026 UTILITIES	49,569	50,705	55,900	42,000	56,000	57,680	59,410
70030 TRAINING	-	-	-	-	200	200	200
70031 CLOTHING EXPENSE	344	471	350	315	150	150	150
70036 TELEPHONE	1,485	700	1,500	1,638	1,500	1,500	1,500
70044 CUSTODIAL SUPPLIES	11,040	11,128	13,577	16,030	15,000	16,000	16,000
70045 MATERIAL/SUPPLIES	26,280	28,273	40,000	15,245	30,000	32,000	35,000
70050 OUTSIDE LABOR	74,192	60,910	75,000	76,527	80,000	80,000	80,000
70053 CONTRACTUAL SERVICES	80,052	102,411	140,595	152,668	110,000	110,000	110,000
70054 TOOLS/EQUIPMENT	439	388	400	-	200	200	200
70095 OPERATIONAL SERVICES/SUPPLIES	-	-	-	-	200	200	200
	243,401	254,986	327,322	304,423	293,250	297,930	302,660
	\$ 459,899	\$ 484,909	\$ 473,024	\$ 485,124	\$ 641,484	\$ 797,898	\$ 906,448

FOREST, PARKS AND BEACH

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
78010 SALARIES	\$ 169,295	\$ 162,466	\$ 184,068	\$ 157,947	\$ 163,068	\$ 229,717	\$ 241,203
78011 OVERTIME	-	-	-	120	750	750	750
78013 UNIFORM ALLOWANCE	574	528	528	528	528	792	792
78014 SOCIAL SECURITY	2,578	2,629	2,810	2,781	2,849	3,077	3,231
78015 MEDICARE	1,473	1,365	1,438	1,405	1,448	2,345	2,462
78016 RETIREMENT	32,795	34,422	24,572	26,442	17,767	24,641	25,873
78017 MEDICAL PROGRAM	5,292	7,998	7,492	13,456	8,229	22,579	24,837
78018 LIFE INSURANCE	325	492	286	558	257	384	401
78019 WORKERS COMPENSATION INS.	10,579	8,477	12,349	8,766	14,448	15,604	16,384
78020 DEFERRED COMPENSATION	-	675	600	640	600	900	900
78021 MOU OBLIGATIONS	1,200	1,200	4,692	1,920	4,692	4,692	4,692
78022 UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
78023 PART-TIME ASSISTANCE	41,586	42,407	52,826	42,316	45,000	15,000	15,000
	265,697	262,659	292,661	256,879	260,636	321,481	337,525
78026 UTILITIES	1,094	784	1,804	673	1,000	1,200	1,200
78030 TRAINING	-	-	-	-	1,000	1,200	1,200
78031 CLOTHING EXPENSE	647	497	1,013	517	600	1,000	1,000
78032 LICENSES, FEES, PERMITS	-	-	797	200	-	-	-
78033 MEMBERSHIPS/DUES	620	495	617	410	1,000	1,700	1,700
78034 DOCUMENTS/PUBLICATIONS	-	134	86	25	100	100	100
78036 TELEPHONE	534	385	410	436	500	500	500
78039 PRINTING	-	101	1,328	1,382	500	500	500
78041 RENT/LEASE EQUIPMENT	1,298	1,710	1,710	-	500	1,000	500
78045 MATERIAL AND SUPPLIES	6,385	3,846	6,705	6,721	10,000	11,000	12,000
78050 OUTSIDE LABOR	140,282	85,255	125,000	93,783	125,000	167,000	168,000
78053 CONTRACTUAL SERVICES	106,622	116,371	109,400	102,762	100,000	135,000	135,000
78054 TOOLS/EQUIPMENT	479	126	720	145	500	700	500
78057 SAFETY EQUIPMENT	255	390	666	624	500	500	500
78095 OPERATIONAL SERVICES/SUPPLIES	187	42	121	51	200	200	200
	258,403	210,136	250,427	207,729	241,400	321,600	322,900
	\$ 524,100	\$ 472,795	\$ 543,088	\$ 464,608	\$ 502,036	\$ 643,081	\$ 660,425

PUBLIC WORKS

Description		Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
76010	SALARIES	\$ 478,744	\$ 493,556	487,512	444,750	516,452	\$ 557,768	\$ 585,657
76011	OVERTIME	4,020	6,175	4,420	6,000	5,000	5,000	5,000
76013	UNIFORM ALLOWANCE	1,922	1,944	2,112	2,112	2,112	2,112	2,112
76015	MEDICARE	5,374	5,357	6,213	5,191	5,994	6,473	6,797
76016	RETIREMENT	102,724	121,550	87,860	85,366	56,282	59,659	62,642
76017	MEDICAL PROGRAM	81,818	90,703	94,447	105,267	114,172	125,589	138,148
76018	LIFE INSURANCE	1,090	1,155	1,198	997	1,088	1,137	1,188
76019	WORKERS COMPENSATION INS.	19,414	5,775	31,555	36,136	45,656	49,308	51,774
76020	DEFERRED COMPENSATIONS	-	2,332	2,400	2,100	2,352	2,400	2,400
76021	MOU OBLIGATIONS	4,984	3,420	4,800	5,700	3,600	3,600	3,600
76022	UNEMPLOYMENT	-	-	1,000	-	1,000	1,000	1,000
76023	PART-TIME ASSISTANCE	-	-	-	-	-	-	-
		700,090	731,967	723,517	693,619	753,708	814,047	860,318
76026	UTILITIES	45,377	64,231	50,883	66,207	74,000	75,000	78,000
76030	TRAINING	-	-	-	-	1,600	1,800	2,000
76031	CLOTHING EXPENSE	3,839	3,257	2,578	3,909	3,500	3,700	3,700
76032	PERMITS, LICENSES & FEES	6,908	6,339	6,900	9,965	8,500	8,500	8,500
76033	DUES/MEMBERSHIPS	100	135	350	210	350	350	350
76034	DOCUMENTS/PUBLICATIONS	-	-	35	24	100	100	100
76036	TELEPHONE	2,933	3,043	4,010	3,765	1,500	1,500	1,500
76041	RENT/LEASE EQUIPMENT	16,996	161	590	178	600	650	700
76042	OFFICE MACHINE SUPPLIES	-	82	95	43	150	150	150
76043	OFFICE SUPPLIES	-	237	191	177	200	225	250
76045	MATERIALS/SUPPLIES	33,266	40,557	45,000	49,808	50,000	55,000	60,000
76046	FUEL	67,141	97,382	75,000	58,168	78,750	82,688	86,822
76047	AUTOMOTIVE PARTS/SUPPLIES	5,606	3,363	9,177	5,303	5,000	5,500	6,000
76048	TIRES/TUBES	3,348	2,299	5,968	2,449	4,500	4,500	4,500
76049	EQUIPMENT MAINTENANCE	83,369	64,104	77,250	48,082	70,000	85,000	85,000
76050	OUTSIDE LABOR	94,254	33,445	30,000	47,004	60,000	100,000	100,000
76053	CONTRACTUAL SERVICES	4,921	9,059	5,150	2,131	10,000	20,000	20,000
76054	TOOLS/EQUIPMENT	2,119	2,449	3,819	3,663	3,000	3,500	4,000
76055	STORM WATER RUNOFF PROG EXP	48,089	73,015	94,000	109,190	135,000	150,000	150,000
76057	SAFETY EQUIPMENT	3,769	2,235	4,010	2,273	3,000	3,000	3,000
76095	OPERATIONAL SERV/SUPPLIES	100	0	100	139	100	100	100
		422,135	405,393	415,106	412,688	509,850	601,263	614,672
		\$ 1,122,225	\$ 1,137,360	\$ 1,138,623	\$ 1,106,307	\$ 1,263,558	\$ 1,415,310	\$ 1,474,990

ENGINEERING

Description		Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	Estimate FY 2012-13	Adopted Budget FY 2013-14	Projected Budget FY 2014-15	Projected Budget FY 2015-16
62051	PROFESSIONAL SERVICES	\$ 4,171	\$ -	\$ 9,000	\$ -	\$ 9,000	\$ 9,000	\$ 9,000
62053	CONTRACTUAL SERVICES	3,574	3,338	1,800	4,914	1,800	1,800	1,800
		7,745	3,338	10,800	4,914	10,800	10,800	10,800
		\$ 7,745	\$ 3,338	10,800	4,914	\$ 10,800	\$ 10,800	\$ 10,800

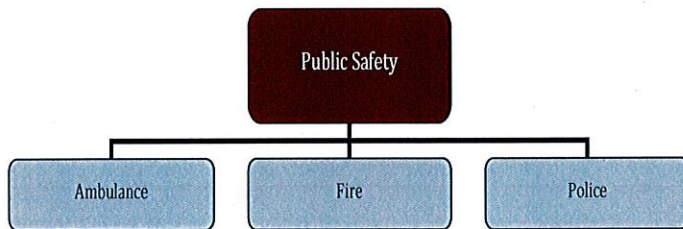
PUBLIC SAFETY

Summary and Overview:

Carmel Fire Ambulance provides advanced life support ambulance service to the residents of Carmel-by-the-Sea and is the nearest ambulance to areas adjacent to the City. The ambulance is staffed by paramedic-firefighters and emergency medical technician-firefighters to provide front line medical emergency response and all-hazard response as a key component of the City's public safety services.

The Fire Department's primary responsibility is to save lives and protect property through the prevention and control of fires. This responsibility encompasses other emergencies including medical, automobile accidents, hazardous material spills, natural gas leaks, downed power lines, flooding and minor electrical problems.

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 and visitors to live in peace and safety.



Staffing	Position	FTE
Ambulance	6	6.25
Fire	0	0
Police	25	20.77
Public Safety	2	1
Total	33	28.02

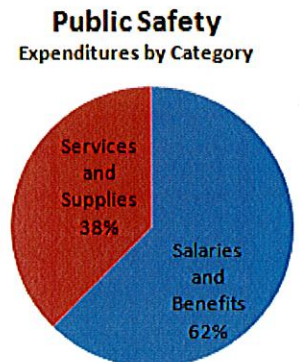
Goals and Objectives:

Promote community cleanliness to protect, conserve and enhance the unique natural beauty and resources of the village

Focus on accountability, efficiency and quality customer service through the individual performance of employees; connecting employee work to the business and strategy of the organization and creating a performance process that will ensure and promote the goals of the organization

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

Ambulance Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
% code-3 ambulance calls within CBTS with a response time of 5 mins or less from dispatch to arrival	95%	95%	95%	95%
% patients in need of advanced life support within CBTS that receive treatment within 5 mins or less from ambulance dispatch to arrival	95%	95%	95%	95%
% Full cardiac arrest patients within CBTS with a pulse upon delivery to the hospital	40%	40%	40%	40%
Annual ambulance transport fee recovery rate	53%	53%	53%	53%



AMBULANCE FUND

Revenue	Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
		FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
07- 55007	CALL INCOME (IN-City)	0	\$ 497,636	\$ 370,000	\$ 695,016	\$ 655,025	\$ 725,000	\$ 725,000
07-	CALL INCOME (OUT-City)	0						
07-	BAD DEBTS RECOVERED	0				2,500	2,500	2,500
		\$ -	\$ 497,636	\$ 370,000	\$ 695,016	\$ 657,525	\$ 727,500	\$ 727,500

AMBULANCE FUND

Expenditure	Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
		FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
07- 73010	SALARIES	0	\$ 135,949	\$ 269,201	\$ 305,808	\$ 468,551	\$ 506,035	\$ 531,337
07- 73011	OVERTIME	0	69,090	55,000	103,712	70,000	70,000	65,000
07- 73012	HOLIDAY IN-LIEU	0	11,054	13,000	33,532	40,807	44,072	46,275
07- 73013	UNIFORM ALLOWANCE	0	-	3,000	-	3,000	3,000	3,000
07- 73014	SOCIAL SECURITY	0	3,217	4,629	2,315	4,501	4,861	5,104
07- 73015	MEDICARE	0	3,659	6,400	7,108	9,076	9,802	10,292
07- 73016	RETIREMENT	0	47,992	62,472	94,279	146,957	155,774	163,563
07- 73017	MEDICAL PROGRAM	0	561	62,564	20,468	84,898	93,388	102,727
07- 73018	LIFE INSURANCE	0	319	782	640	897	937	980
07- 73019	WORKERS COMPENSATION INS.	0	-	20,396	35,851	45,656	49,308	51,774
07- 73020	DEFERRED COMPENSATION	0	-	1,500	-	1,800	1,800	1,800
07- 73021	MOU OBLIGATIONS	0	-	2,000	-	2,000	2,000	2,000
07- 73022	UNEMPLOYMENT	0	-	1,000	-	1,000	1,000	1,000
07- 73023	PART-TIME ASSISTANCE	0	13,696	33,600	14,283	-	5,000	5,000
07- 73024	Per Diem Paramedic / FF	0	53,607	35,000	67,789	72,592	75,000	80,000
07- 73025	GROUP LTD	0	-	1,400	-	1,400	1,400	1,400
		0	339,144	571,944	685,785	953,135	1,023,378	1,071,251
07- 73026	UTILITIES	0	861	3,500	4,159	3,700	3,774	3,849
07- 73030	TRAINING	0	-	500	628	3,000	3,000	3,000
07- 73032	PERMITS, LICENSES & FEES	0	-	300	903	500	500	500
07- 73033	DUES/MEMBERSHIPS	0	-	150	134	300	300	300
07- 73036	TELEPHONE	0	165	100	384	400	400	400
07- 73038	POSTAGE	0	-	500	73	100	150	150
07- 73043	OFFICE SUPPLIES	0	154	2,500	262	500	500	500
07- 73047	AUTOMOTIVE PARTS	0	-	2,500	2,115	4,000	4,000	4,000
07- 73049	EQUIPMENT MAINTENANCE	0	2,876	3,500	7,334	5,000	5,000	5,000
07- 73050	OUTSIDE LABOR	0	-	3,000	1,367	3,000	3,000	3,000
07- 73053	CONTRACTUAL SERVICES	0	10,677	24,050	43,302	50,000	50,000	50,000
07- 73053-0006	CONTRACTUAL SERVICES (Montbrey)	0	-	146,732	59,777	25,000	25,000	25,000
07- 73057	SAFETY EQUIPMENT	0	-	3,800	860	10,000	5,000	5,000
07- 73603	MEDICAL SUPPLIES	0	17,097	22,000	28,184	22,000	22,440	22,889
07- 73110	PRE-EMPLOYMENT	0	6,714	-	143	6,000	6,000	6,000
07-		0	38,544	210,632	149,625	133,500	129,064	129,588
		\$ -	\$ 377,688	\$ 782,576	\$ 835,410	\$ 1,086,635	\$ 1,152,442	\$ 1,200,839
	SURPLUS/(DEFICIT)	\$ -	\$ 119,948	\$ (412,576)	\$ (140,394)	\$ (429,110)	\$ (424,942)	\$ (473,339)

AMBULANCE FUND

Transfers-in	Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
		FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
07- 49007	TRANSFER FROM CSA 74	0	\$ 1,907	\$ 12,000	\$ 11,746	\$ 4,000	\$ 4,000	\$ 4,000
07- 49007	TRANSFER FROM GENERAL FUND	-	-	421,179	128,648	425,110	420,942	469,339
07-	RELEASE OF FUND BALANCE	0	-	-	-	-	-	-
		\$ -	\$ 1,907	\$ 433,179	\$ 140,394	\$ 429,110	\$ 424,942	\$ 473,339
	SURPLUS/(DEFICIT) w/ TRANSFERS	\$ -	\$ 121,855		\$ (0)	\$ -	\$ 0	\$ (0)

FIRE

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
72010 SALARIES	\$ 787,958	\$ 384,603	\$ -	\$ -	\$ -	\$ -	\$ -
72011 OVERTIME	235,392	169,871	-	-	-	-	-
72012 HOLIDAY IN-LIEU	32,424	20,491	-	-	-	-	-
72013 UNIFORM ALLOWANCE	5,400	2,700	-	-	-	-	-
72015 MEDICARE	11,181	5,580	-	-	-	-	-
72016 RETIREMENT	268,094	147,746	-	-	-	-	-
72017 MEDICAL PROGRAM	110,680	86,291	-	-	-	-	-
72018 LIFE INSURANCE	1,450	756	-	-	-	-	-
72019 WORKERS COMPENSATION INS.	39,905	20,555	-	-	-	-	-
72020 DEFERRED COMPENSATION	2,700	1,525	-	-	-	-	-
72022 UNEMPLOYMENT	242	-	-	-	-	-	-
72023 PART-TIME ASSISTANCE	52,818	22,829	-	-	-	-	-
72024 PAID CALL FIREFIGHTERS	(9)	-	-	-	-	-	-
72025 GROUP LTD	1,600	1,053	-	-	-	-	-
	1,549,835	864,000	-	-	-	-	-
72026 UTILITIES	11,032	9,799	6,644	6,930	8,500	8,700	9,000
72031 CLOTHING	207	370	-	-	-	-	-
72032 PERMITS, LICENSES & FEES	54	37	-	-	-	-	-
72033 DUES/MEMBERSHIPS	603	1,500	-	-	-	-	-
72034 DOCUMENTS/PUBLICATIONS	350	762	-	-	-	-	-
72036 TELEPHONE	5,513	5,580	5,000	6,395	6,000	6,000	6,000
72037 RADIO EXPENSE	1,389	2,219	10,600	1,000	1,350	1,350	1,350
72038 POSTAGE	39	107	-	-	-	-	-
72039 PRINTING	37	100	293	-	-	-	-
72042 OFFICE MACHINE SUPPLIES	450	1,065	-	-	-	-	-
72043 OFFICE SUPPLIES	210	203	-	-	-	-	-
72044 CUSTODIAL SUPPLIES	266	59	-	-	-	-	-
72047 AUTOMOTIVE PARTS	820	964	1,000	275	-	1,000	1,000
72049 EQUIPMENT MAINTENANCE	5,048	2,816	7,244	5,358	-	7,389	7,537
72050 OUTSIDE LABOR	4,977	2,611	2,700	1,557	3,500	3,500	3,500
72053 CONTRACTUAL SERVICES	192,629	263	23,650	16,339	20,000	20,000	20,000
72053-0006 CONTRACTUAL SERVICES (Monterey)		663,700	1,801,166	1,714,463	1,857,531	1,894,682	1,932,576
72054 TOOLS/EQUIPMENT/SUPPLIES	1,731	1,076	2,316	148	1,500	1,500	1,500
72055 COMMUNITY ACTIVITIES	1,100	1,353	1,500	1,491	2,000	2,000	2,000
72057 SAFETY EQUIPMENT	1,713	5,736	5,000	2,042	5,000	5,000	5,000
72095 OPERATIONAL SERVICES/SUPPLIES	4,218	2,941	4,920	-	5,000	5,000	5,000
72202 REGIONAL AMBULANCE SUBSIDY	300,000	258,733	-	-	-	-	-
72600 EMERGENCY RESPONSE TRAINING	1,291	(699)	-	-	-	-	-
72601 EOC SUPPLIES/SERVICE	1,400	59	-	-	7,500	12,000	12,000
72602 FIRE EQUIPMENT/SUPPLIES	15,985	4,556	7,416	4,384	-	7,564	7,715
72603 MEDICAL SUPPLIES	5,540	6,234	6,000	6,453	-	6,000	6,000
72604 HYDRANT MAINTENANCE	-	1,182	650	-	1,300	1,300	1,300
	556,605	973,326	1,886,099	1,766,835	1,919,181	1,982,985	2,021,478
	\$ 2,106,440	\$ 1,837,326	\$ 1,886,099	\$ 1,766,835	\$ 1,919,181	\$ 1,982,985	\$ 2,021,478

Fire Performance

	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Total Fire expen per capita (excludes ambulance)	\$ 471.39	\$497.28	\$513.86	\$523.83
Annual % of code-3 fire calls within CBTS with a response time of 5 mins or less from dispatch to time of arrival	95%	95%	95%	95%
Annual % of structure fires within CBTS contained to room, or structure of origin	80%	80%	80%	80%
Annual compliance of 300 life and fire safety inspections	98%	98%	98%	98%

POLICE

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
74010 SALARIES	\$ 1,432,466	\$ 1,504,175	\$ 1,762,496	\$ 1,680,347	\$ 1,784,032	\$ 2,028,255	\$ 2,129,667
74011 OVERTIME	255,848	244,942	220,000	132,476	165,000	160,000	150,000
74012 HOLIDAY-IN-LIEU	53,856	77,461	68,000	81,973	99,526	110,104	115,609
74013 UNIFORM ALLOWANCE	11,078	14,350	18,310	17,700	18,900	19,800	18,900
74014 SOCIAL SECURITY	-	-	-	-	-	-	-
74015 MEDICARE	19,759	20,701	22,762	21,462	22,924	26,281	27,595
74016 RETIREMENT	438,017	483,028	349,502	424,497	413,801	449,950	472,448
74017 MEDICAL PROGRAM	221,153	224,816	258,682	289,145	265,868	317,072	348,779
74018 LIFE INSURANCE	3,023	2,972	3,259	3,300	2,992	3,411	3,564
74019 WORKERS COMPENSATION INS.	62,570	37,866	105,921	134,761	101,136	109,227	114,688
74020 DEFERRED COMPENSATION	5,550	5,400	6,300	5,400	6,300	6,900	6,300
74021 MOU OBLIGATIONS	-	-	6,792	0	8,521	8,521	8,521
74022 UNEMPLOYMENT	-	-	1,000	0	1,000	1,000	1,000
74023 PART-TIME ASSISTANCE	5,998	23,474	25,000	10,720	25,000	35,000	35,000
	2,509,318	2,639,185	2,848,024	2,801,781	2,915,000	3,275,520	3,432,071
74026 UTILITIES	39,475	38,428	44,112	34,639	40,000	40,000	40,000
74030 TRAINING					10,000	10,000	10,000
74031 CLOTHING EXPENSE	12,145	7,776	11,000	11,091	11,000	11,000	11,000
74033 DUES/MEMBERSHIPS	889	814	1,100	990	1,350	1,350	1,350
74034 DOCUMENTS/PUBLICATIONS	1,479	1,558	1,760	1,264	1,360	1,830	1,830
74036 TELEPHONE	13,196	12,849	11,900	14,420	12,500	12,500	12,500
74037 RADIO EXPENSE	753	1,471	1,100	536	1,100	1,100	1,100
74038 POSTAGE	579	102	500	354	500	500	500
74039 PRINTING	2,466	2,406	4,000	3,709	3,500	4,000	4,000
74042 OFFICE MACHINE SUPPLIES	2,106	1,505	1,500	1,258	1,500	2,000	2,000
74043 OFFICE SUPPLIES	2,209	2,157	3,000	1,803	2,600	3,291	3,357
74049 EQUIPMENT MAINTENANCE	1,381	4,139	2,500	2,290	6,000	6,120	6,242
74050 OUTSIDE LABOR	10,719	9,638	6,000	8,670	6,000	3,366	3,433
74053 CONTRACTUAL SERVICES	136,018	125,325	172,000	110,661	150,000	185,128	188,831
74054 TOOLS/EQUIPMENT	2,124	2,456	3,000	1,942	2,500	2,500	2,500
74055 COMMUNITY ACTIVITIES	1,500	1,770	2,000	361	1,500	1,500	1,500
74056 PHOTOGRAPHIC SUPPLIES	91	193	800	770	-	-	-
74057 SAFETY EQUIPMENT	5,217	10,824	8,900	7,934	9,000	9,000	9,000
74095 OPERATIONAL SERVICES/SUPPLI	2,467	1,333	3,400	2,372	2,500	2,500	2,500
	234,814	224,744	278,572	205,064	262,910	297,685	301,643
	\$ 2,744,132	\$ 2,863,929	\$ 3,126,596	\$ 3,006,845	\$ 3,177,910	\$ 3,573,205	\$ 3,733,714

Police Performance

FY 12-13 est FY 13-14 FY 14-15 FY 15-16

Annual total police calls with a response time of 5 mins or less from dispatch to arrival	95%	95%	95%	95%
Average dispatch process time	45 sec	45 sec	45 sec	45 sec
Student completion of the Carmel diversion program	90%	90%	90%	90%
Maintain UCR Crime clearance rate at or above	25%	25%	25%	25%

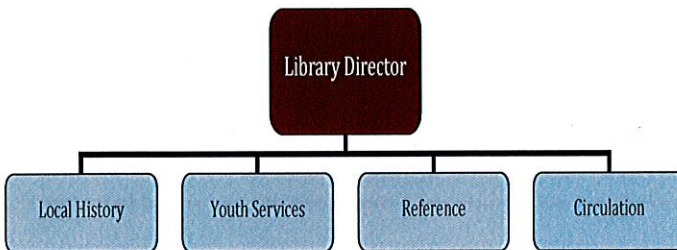
LIBRARY

Summary and Overview:

Harrison Memorial Library and the Park Branch are governed by a five-member Board of Trustees appointed by the City Council. The Library's collection of more than 80,000 items includes books, e-books, movies, recorded books, and large print materials; emphases include the history of Carmel-by-the-Sea, travel, art and medical reference.

The library provides leisure reading, educational materials, reference services, and children's programs to residents of Carmel-by-the-Sea and throughout Monterey County as well as community visitors, and offers an outreach program that delivers books to the homebound in the Carmel area.

The Harrison Memorial Library Board of Trustees, the Carmel Public Library Foundation (CPLF), and the City work together in partnership to ensure that the Harrison Memorial Library continues to be an important, integral and vital part of our community. The goal of this partnership is to sustain the historic tradition of providing free public library service of excellent quality for the residents and visitors of the City of Carmel and the Monterey Peninsula.



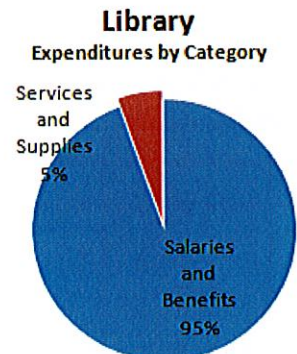
Staffing	Position	FTE
Admin	2	1.3
Local History	1	1
Youth Services	3	2.18
Reference	4	2.06
Circulation	6	5.11
Total	16	11.65

Goals and Objectives:

- Enhance the user experience by making the library more accessible, convenient and easy to use
- Provide a variety of interesting and informative programs for all ages
- Use technology to enhance and support public service to the community
- Implement solutions that promote staff efficiency and effective workflow
- Modify library spaces to provide a more welcoming and functional environment

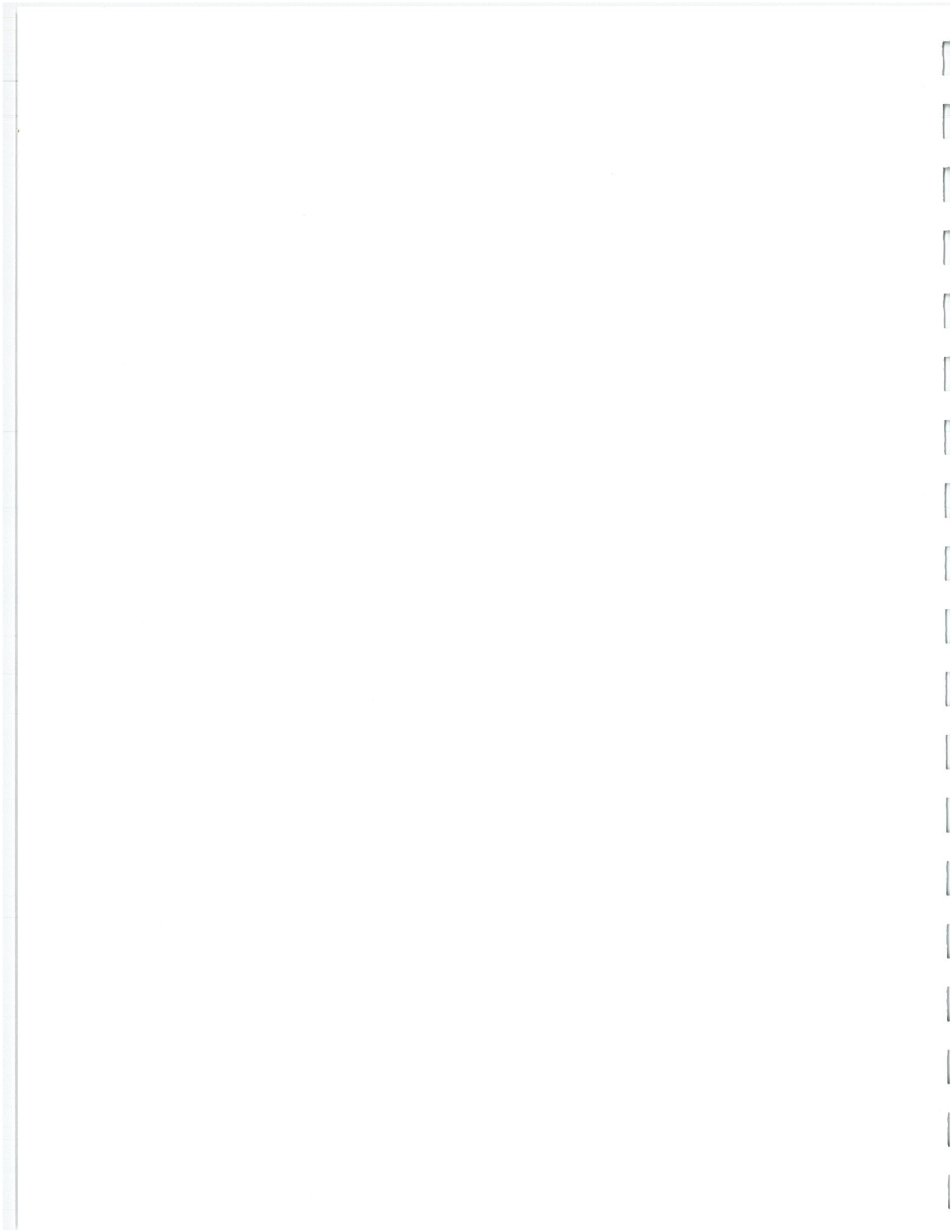
Performance Measures:

Performance	FY 12-13 est	FY 13-14	FY 14-15	FY 15-16
Total Circulation	145,000	148,000	151,000	154,000
Program Attendance	3,000	3,150	3,300	3,500
Citizen Rating of Library Service	94%	94%	94%	94%
Citizen Rating of Public Programs	94%	94%	94%	94%



HARRISON MEMORIAL LIBRARY

Description	Actual	Actual	Revised	Estimate	Adopted	Projected	Projected
	FY 2010-11	FY 2011-12	Budget FY 2012-13	FY 2012-13	Budget FY 2013-14	Budget FY 2014-15	Budget FY 2015-16
84010 SALARIES	\$ 519,082	\$ 458,270	\$ 498,598	\$ 544,522	\$ 595,000	\$ 642,600	\$ 674,730
84014 SOCIAL SECURITY	7,079	5,996	9,065	4,759	7,025	7,587	7,966
84015 MEDICARE	9,254	8,360	9,243	8,957	10,001	10,801	11,341
84016 RETIREMENT	114,121	116,856	83,803	94,000	65,262	69,178	72,637
84017 MEDICAL PROGRAM	71,750	71,359	88,475	78,000	78,788	86,667	95,333
84018 LIFE INSURANCE	1,368	1,233	1,408	1,289	1,252	1,289	1,328
84019 WORKERS COMPENSATION INS.	28,281	28,556	40,252	28,573	12,136	13,107	13,762
84020 DEFERRED COMPENSATIONS	300	4,348	2,700	3,000	2,700	2,700	2,700
84021 MOU OBLIGATIONS	1,200	1,200	1,200	-	8,184	8,184	8,184
84022 UNEMPLOYMENT	684	381	1,000	106	1,000	1,000	1,000
84023 PART-TIME ASSISTANCE	189,872	189,954	180,684	170,211	144,829	171,482	198,934
	942,991	886,513	916,427	933,417	926,177	1,014,594	1,087,916
84026 UTILITIES	26,491	24,209	35,000	19,808	35,000	35,000	35,000
84060 FINE ART MAINT/PRESERVE			5,000	1,522	5,000	5,000	5,000
	26,491	24,209	40,000	21,330	40,000	40,000	40,000
	\$ 969,482	\$ 910,722	\$ 956,427	\$ 954,747	\$ 966,177	\$ 1,054,594	\$ 1,127,916



CAPITAL SUMMARY

CAPITAL IMPROVEMENTS IN THE ADOPTED BUDGET

The annual budget adopted by the City Council appropriates funding for capital projects, improvements, and outlays. This adopted budget allocates funding to the projects identified in year one of the recommended Five Year Capital Improvement Plan (CIP) with minor modification. Funded year one projects included in this proposed budget total \$2.7 million.

FUNDING SOURCE SUMMARY

Source	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Donor Opportunity	17,500	10,000	10,000	660,000		697,500
GF: Capital Improvements	887,804	594,378	298,052	350,176	591,500	2,721,910
Grants	417,500	213,500	181,000	341,000	169,000	1,322,000
Intergovernmental		120,000				120,000
Measure D	1,031,190	963,800	861,700	925,500	485,500	4,267,690
Road Impact Fund	202,200	176,200	124,300	57,500	57,500	617,700
Traffic Safety	140,000	150,000	150,000	150,000	150,000	740,000
Unfunded		3,207,500	90,000	0		3,297,500
GRAND TOTAL	2,696,194	5,435,378	1,715,052	2,484,176	1,453,500	13,784,300

CAPITAL IMPROVEMENT PLAN FISCAL YEARS 2013- 2018

The CIP for fiscal years 2013-2014 through 2017-2018 was submitted to the City Council on March 19, 2013 and reviewed by the Planning Commission for General Plan consistency on April 10, 2013. The CIP is a compilation of projects intended to implement various plans including community plans, facilities plans, and the City's General Plan. Projects in the CIP quantify current and future capital needs. Accordingly, it includes projects for new and improved buildings and facilities, road improvements and parks, and vehicles and equipment. Because the CIP includes estimates of all capital needs, it provides the basis for setting priorities, reviewing schedules, developing funding policy for proposed improvements, monitoring and evaluating the progress of capital projects, and informing the public of projected capital improvements and unfunded needs.

Projects included in the CIP are non-recurring, have a long service life, are generally over \$10,000 and will be under way (or should be under way, but are partially or entirely unfunded) during fiscal year 2013-2014 through fiscal year 2017-2018. Although the CIP covers a five-year planning period, it is updated annually to reflect ongoing changes as new projects are added, existing projects modified, and completed projects removed from the program document.

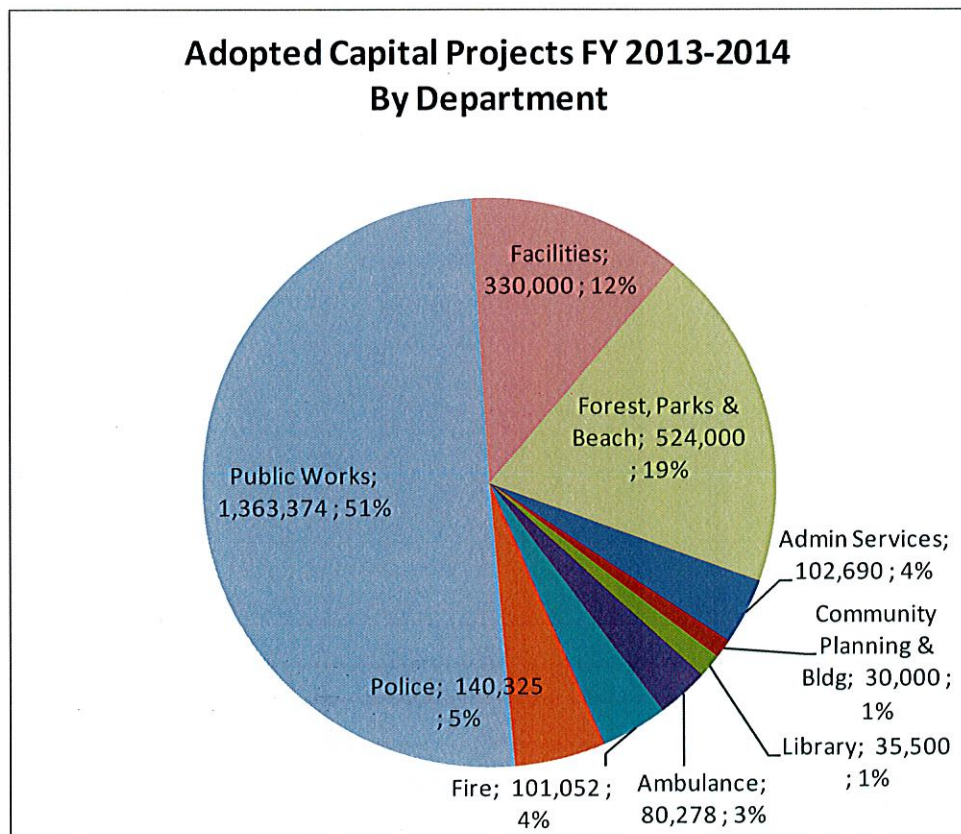
The CIP does not appropriate funds; rather, it serves as a planning/budgeting tool, proposing Capital Budget appropriations to be recommended for adoption within the City's fiscal year 2013-2014 operating budget. The individual projects presented serve to support the four objectives of the City Council's annual project priorities.

OVERVIEW OF THE PROPOSED CIP

The City Administrator's Office prepares the CIP based on capital project submittals by each department. The Office conducts an internal review of the proposed projects through meetings comprised of department representatives.

The fiscal year 2013-2018 CIP contains 73 projects including several projects that are new this year. Of this total, 65 projects are fully funded, 6 are partially funded, and 2 are currently unfunded. A funded project is one that has identified specific funding to implement the program. An unfunded project is one that has been identified in the CIP as a need but has no funding secured to implement the program.

This year's total Five Year CIP identifies projects totaling \$13.9 million. A major portion of the project totals in the CIP are made up of \$3.5 million for Citywide concrete and surface treatment (road) programs and \$6.2 million for Preventive Maintenance – buildings and facilities and rehabilitation programs. Other large projects include vehicle replacements, information technology upgrades, \$275,000 for construction of the Scenic Road restroom, and \$155,000 for storm draining diversion related to new state regulations.



City of Carmel-by-the-Sea, CA

FY 2013-2014 Projects

'13/'14 thru '17/'18

PROJECTS BY FUNDING SOURCE

Source	Project#	Urgency	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Donor Opportunity								
Sunset Center Wood Patio Stage Replacement	FAC-1213-08	3	10,000					10,000
Forest Theater Renovation	FAC-1213-21	1				475,000		475,000
Scout House Renovations	FAC-1314-02	3				175,000		175,000
Beach Fire Baskets	FPB-1213-04	3		10,000	10,000	10,000		30,000
Park Branch Library Book Return	LIB-1314-01	3	7,500					7,500
Donor Opportunity Total			17,500	10,000	10,000	660,000		697,500
GF: Capital Improvements								
Ambulance Lease Purchase	AMB-1112-01	1	32,261					32,261
Replace Ambulance Vehicle	AMB-1213-01	5					150,000	150,000
Diesel Filter System	AMB-1213-03	2	8,000					8,000
Hydraulic Stretcher	AMB-1314-01	2		17,142				17,142
Physio Control LifePak Cardiac Monitor/Defib	AMB-1314-02	1	28,017					28,017
Software Upgrade	ASD-1112-01	4			25,000			25,000
Voice over IP Telephone System	ASD-1213-03	2		54,000				54,000
Financial System Upgrades - Cloud-based	ASD-1314-01	1	41,000					41,000
Network Equipment	ASD-1314-04	2		12,500	6,500	0	6,500	25,500
Network Spare/Replacement Equipment	ASD-1314-05	2	10,000				5,000	15,000
ASBS Dry Weather Diversion	CPB-1213-03	1		35,000				35,000
PD/PW Re-Painting	FAC-1213-02	5			27,000			27,000
PW Garage Roll-Up Door Replacement	FAC-1213-03	3				10,000		10,000
PD HVAC Replacement and Re-Roof	FAC-1213-04	1		50,000				50,000
Sunset Center Bach Offices Building Re-Roof	FAC-1213-09	4				25,000		25,000
Sunset Center Planter Re-construction	FAC-1213-10	2		27,000				27,000
Sunset Center Re-painting	FAC-1213-14	3		25,000				25,000
Harrison Memorial Library Re-painting Project	FAC-1213-16	3				28,000		28,000
Card Key Security System	FAC-1213-20	5			25,000			25,000
Sunset Center Door Replacement	FAC-1314-04	3		35,000				35,000
Fire Engine Lease Purchase (09/10)	FIRE-1112-03	1	70,552	70,552	70,552			211,656
Diesel Filter System	FIRE-1213-01	2	12,500					12,500
F650/chipper	FPB-1112-04	3		68,000				68,000
Scenic Rd. Restrooms	FPB-1213-06	3	125,000					125,000
Replace Forester Truck	FPB-1213-07	3			30,000			30,000
4th Avenue Irrigation Meter	FPB-1314-01	3	20,000					20,000
Art Appraisal	LIB-1213-01	3	18,000					18,000
Park Branch Library Painting - Interior	LIB-1213-03	4			18,000			18,000
Park Branch Basement Restoration	LIB-1314-02	1	10,000					10,000
Parking Scooter	POL-1314-01	2		40,184				40,184
Patrol Vehicles	POL-1314-02	2		80,000	61,000	93,000	130,000	364,000
GPS & License Plate Recognition	POL-1314-03	4				104,176		104,176
Parking Management Study	POL-1314-04	2	25,000					25,000
Street Sweeper Lease Purchase	PW-1112-003	2	47,954					47,954
Paint/Sign Truck	PW-1213-02	1	95,000					95,000

Source	Project#	Urgency	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Gardener Trucks	PW-1213-04	3			35,000			35,000
Dump Truck	PW-1213-05	3				90,000		90,000
Water Truck	PW-1213-06	3		80,000				80,000
Guadalupe to 5th Storm Drain	PW-1213-07	1					300,000	300,000
Santa Fe & 4th Storm Drain	PW-1213-08	1	300,000					300,000
Caterpillar Loader Lease Purchase	PW-1213-09	2	44,520					44,520
GF: Capital Improvements Total			887,804	594,378	298,052	350,176	591,500	2,721,910

Grants

Self Contained Breathing Apparatus	AMB-1213-04	1	12,000					12,000
Del Mar Master Plan - Phase II	CPB-1213-02	5		25,000				25,000
Water Conservation Projects	CPB-1314-01	5	10,000	10,000	10,000			30,000
Forest Theater Renovation	FAC-1213-21	1	200,000					200,000
Scout House Renovations	FAC-1314-02	3				175,000		175,000
Self Contained Breathing Apparatus	FIRE-1213-04	1	18,000					18,000
Scenic Rd. Restrooms	FPB-1213-06	3	150,000					150,000
Dunes Habitat Restoration	FPB-1314-02	3		16,000	16,000	16,000	19,000	67,000
City Hall Cistern	FPB-1314-03	3	25,000					25,000
Shoreline Assessment and Implementation	FPB-1314-04	2		15,000	15,000	10,000	10,000	50,000
Trash Can Refurbishment and Replacement	FPB-1314-06	4	2,500	7,500				10,000
Bikeway Projects	PW-1314-01	3		140,000	140,000	140,000	140,000	560,000
Grants Total			417,500	213,500	181,000	341,000	169,000	1,322,000

Intergovernmental

ASBS Dry Weather Diversion	CPB-1213-03	1		120,000				120,000
Intergovernmental Total				120,000				120,000

Measure D

Website Update	ASD-1213-04	2	35,000				35,000	70,000
Legislative Management Suite - Paperless Agenda	ASD-1314-02	1	16,690					16,690
Permit Tracking software	CPB-1112-03	2	20,000					20,000
PD/PW Roof/Patio Replacement	FAC-1213-01	1	75,000	500,000				575,000
PD HVAC Replacement and Re-Roof	FAC-1213-04	1			350,000			350,000
Forest Theater Renovation	FAC-1213-21	1				475,000		475,000
City Hall Renovations	FAC-1314-01	3	30,000					30,000
Sunset Center Railing Replacement	FAC-1314-03	1	15,000					15,000
Tennis Court Renovation	FPB-1112-03	1	55,000					55,000
Beach Stair Maintenance	FPB-1213-01	1	24,000	24,000	24,000	24,000	24,000	120,000
Mission Trail Park Water Tank	FPB-1213-02	3			35,000			35,000
Rio Park Improvements	FPB-1213-05	4		50,000	50,000			100,000
Waterfront Area Signs	FPB-1213-08	3		32,000				32,000
Dunes Habitat Restoration	FPB-1314-02	3	24,500					24,500
Shoreline Assessment and Implementation	FPB-1314-04	2	20,000					20,000
Mission Trail Entrance	FPB-1314-05	2	48,000					48,000
Trash Can Refurbishment and Replacement	FPB-1314-06	4	30,000					30,000
Park Branch Library carpeting	LIB-1112-01	4			43,000			43,000
Park Branch Basement Restoration	LIB-1314-02	1		15,000				15,000
Kenwood Radio Purchase & Encryption	POL-1314-05	1	104,000					104,000
Street and Road Projects	PW-1112-01	1	484,000	307,800	359,700	426,500	426,500	2,004,500
Gardener Trucks	PW-1213-04	3		35,000				35,000
Bikeway Projects	PW-1314-01	3	50,000					50,000

Source	Project#	Urgency	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D Total			1,031,190	963,800	861,700	925,500	485,500	4,267,690
Road Impact Fund								
Street and Road Projects	PW-1112-01	1	202,200	176,200	124,300	57,500	57,500	617,700
Road Impact Fund Total			202,200	176,200	124,300	57,500	57,500	617,700
Traffic Safety								
Street and Road Projects	PW-1112-01	1	140,000	150,000	150,000	150,000	150,000	740,000
Traffic Safety Total			140,000	150,000	150,000	150,000	150,000	740,000
Unfunded								
Energy Efficient Vehicle	CPB-1112-02	4			25,000			25,000
PD/PW Roof/Patio Replacement	FAC-1213-01	1		500,000				500,000
City Hall Renovations	FAC-1314-01	3		0	0	0		0
Scout House Renovations	FAC-1314-02	3			50,000			50,000
Trash Can Refurbishment and Replacement	FPB-1314-06	4		7,500	15,000			22,500
Park Branch Basement Restoration	LIB-1314-02	1		2,000,000				2,000,000
Parking Management Study	POL-1314-04	2		700,000				700,000
Unfunded Total				3,207,500	90,000	0		3,297,500
GRAND TOTAL			2,696,194	5,435,378	1,715,052	2,484,176	1,453,500	13,784,300

Project Number	Project Name	Dept Name	2013-2014	Page Number
ASD-1213-04	Website Update	Administrative Services	\$ 35,000	E-7
ASD-1314-01	Financial System Upgrades - Cloud-based	Administrative Services	\$ 41,000	E-8
ASD-1314-02	Legislative Management Suite - Paperless Agenda	Administrative Services	\$ 16,690	E-9
ASD-1314-05	Network Spare/Replacement Equipment	Administrative Services	\$ 10,000	E-10
CPB-1112-03	Permit Tracking software	Community Planning & Bldg	\$ 20,000	E-11
CPB-1314-01	Water Conservation Projects	Community Planning & Bldg	\$ 10,000	E-12
LIB-1213-01	Art Appraisal	Library	\$ 18,000	E-13
LIB-1314-01	Park Branch Library Book Return	Library	\$ 7,500	E-14
LIB-1314-02	Park Branch Basement Restoration	Library	\$ 10,000	E-15
AMB-1112-01	Ambulance Lease Purchase	Safety: Ambulance	\$ 32,261	E-16
AMB-1213-03	Diesel Filter System	Safety: Ambulance	\$ 8,000	E-17
AMB-1213-04	Self Contained Breathing Apparatus	Safety: Ambulance	\$ 12,000	E-18
AMB-1314-02	Physio Control LifePak Cardiac Monitor/Defib	Safety: Ambulance	\$ 28,017	E-19
FIRE-1112-03	Fire Engine Lease Purchase (09/10)	Safety: Fire	\$ 70,552	E-20
FIRE-1213-01	Diesel Filter System	Safety: Fire	\$ 12,500	E-21
FIRE-1213-04	Self Contained Breathing Apparatus	Safety: Fire	\$ 18,000	E-22
POL-1213-01	Parking Vehicle lease purchase	Safety: Police	\$ 11,325	E-23
POL-1314-04	Parking Management Study	Safety: Police	\$ 25,000	E-24
POL-1314-05	Kenwood Radio Purchase & Encryption	Safety: Police	\$ 104,000	E-25
PW-1112-003	Street Sweeper Lease Purchase	Services: Public Works	\$ 47,954	E-26
PW-1112-01	Street and Road Projects	Services: Public Works	\$ 826,200	E-27
PW-1213-02	Paint/Sign Truck	Services: Public Works	\$ 95,000	E-28
PW-1213-08	Santa Fe & 4th Storm Drain	Services: Public Works	\$ 300,000	E-29
PW-1213-09	Caterpillar Loader Lease Purchase	Services: Public Works	\$ 44,520	E-30
PW-1314-01	Bikeway Projects	Services: Public Works	\$ 50,000	E-31
FAC-1213-01	PD/PW Roof/Patio Replacement	Services: Facilities	\$ 75,000	E-32
FAC-1213-08	Sunset Center Wood Patio Stage Replacement	Services: Facilities	\$ 10,000	E-33
FAC-1213-21	Forest Theater Renovation	Services: Facilities	\$ 200,000	E-34
FAC-1314-01	City Hall Renovations	Services: Facilities	\$ 30,000	E-35
FAC-1314-03	Sunset Center Railing Replacement	Services: Facilities	\$ 15,000	E-36
FPB-1112-03	Tennis Court Renovation	Srvs: Forest, Parks, & Beach	\$ 55,000	E-37
FPB-1213-01	Beach Stair Maintenance	Srvs: Forest, Parks, & Beach	\$ 24,000	E-38
FPB-1213-06	Scenic Rd. Restrooms	Srvs: Forest, Parks, & Beach	\$ 275,000	E-39
FPB-1314-01	4th Avenue Irrigation Meter	Srvs: Forest, Parks, & Beach	\$ 20,000	E-40
FPB-1314-02	Dunes Habitat Restoration	Srvs: Forest, Parks, & Beach	\$ 24,500	E-41
FPB-1314-03	City Hall Cistern	Srvs: Forest, Parks, & Beach	\$ 25,000	E-42
FPB-1314-04	Shoreline Assessment and Implementation	Srvs: Forest, Parks, & Beach	\$ 20,000	E-43
FPB-1314-05	Mission Trail Entrance	Srvs: Forest, Parks, & Beach	\$ 48,000	E-44
FPB-1314-06	Trash Can Refurbishment and Replacement	Srvs: Forest, Parks, & Beach	\$ 32,500	E-45

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Administrative Services

Contact Admin Srvs Director

Type Equipment

Useful Life 5 years

Category Equipment: Computers

Urgency 2 Very Important

Project # ASD-1213-04
Project Name Website Update

Account # 13-88277

Description **Total Project Cost:** \$70,000
 Update the present website to the latest technology including social media.

Justification
 Provide better service to the world and the citizens of Carmel-by-the-Sea. The present website does not have the latest technology of social networking. This addition would make the website more user friendly and would improve emergency preparedness. The website would create an environment that will allow for simpler and cost effective updates

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	35,000				35,000	70,000
Total	35,000				35,000	70,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	35,000				35,000	70,000
Total	35,000				35,000	70,000

Budget Impact/Other
 No change.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Administrative Services
Contact Admin Srvs Director
Type Software or Subscription
Useful Life 15 years
Category Software: Subscriptions
Urgency 1 Critical

Project # ASD-1314-01
Project Name Financial System Upgrades - Cloud-based

Account # 13-88351

Description **Total Project Cost: \$41,000**

Replaces financial software that has been in use by the City for many years. The current software was developed in the 70's, and while it is still usable, its functionality is minimal, and doesn't take advantage of most of the technology advances of the last 20 years. The proposed new system is a fully integrated, self-serve system that will serve as the backbone for the financial portion of the overall IT infrastructure.

The new system will be a fully integrated and comprehensive solution designed to address all facets of financial management including general ledger, audit trail, reconciliations and electronic transfers, purchasing integration, and permitting processes. The system will fully integrate with Human Resources and Payroll, as well as provide on-line documentation, workflow capability and supports e-government capabilities, i.e., more accessible, more convenient, more responsive, more cost effective and more geared toward customer satisfaction.

Justification

The existing accounting software is no longer being upgraded. The City continues to receive some support but the underlying software code is outdated. While it completes tasks that have been historically needed by the City (pays bills, makes deposits, keeps a basic set of books from which financial statements can be prepared, etc.), its structure is antiquated and does not provide City staff the ability to "slice and dice" our database to facilitate, collect and analyze information to make informed decisions more efficiently.

A new system would have, among other things (1) the ability to be accessed remotely, (2) the ability to produce many more reports, along with the ability to design new reports, as needed, (3) the ability to keep track of City projects more effectively, (4) the ability to internally produce GASB 34 compliant financial statements, (5) the ability to integrate a document management system, (6) the ability to integrate with a complete Human Resources module with "self-serve" web portal access to City staff, (7) have a purchase order system that requires multi-level approval so that budget line items are not exceeded, among many other benefits detailed in the Description portion of this analysis.

A new financial software system would address organizational performance through a structure that is responsive to meeting internal operational needs and objectives and the delivery of high-quality customer service by implementing (1) a rigid purchase order system that is budget-constrained and requires multiple levels of approval authority, (2) a system that can be accessed remotely by staff to assist customers/citizens with issues, and (3) a reporting system that would best suit the needs of City leaders and staff by providing information that is more complete and more timely than is currently possible.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Computer Software/Hardware	41,000					41,000
Total	41,000					41,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	41,000					41,000
Total	41,000					41,000

Budget Impact/Other

The subscription model requires the payment of a fee annually to provide service.

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total	Future
Subscription Fees	11,100	11,100	11,100	11,100	11,100	55,500	11,100
Total	11,100	11,100	11,100	11,100	11,100	55,500	Total

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Administrative Services

Contact Admin Srvs Director

Type Software or Subscription

Useful Life 15 years

Category Software: Subscriptions

Urgency 1 Critical

Project # ASD-1314-02
Project Name Legislative Management Suite - Paperless Agenda

Account # 13-88278

Description **Total Project Cost:** \$16,690
 Software that provides transition to automated and paperless agenda process. It streamlines agenda development, automatically notifies approvers, connects agenda data to remote devices (tablets, iPads, laptops) for remote access, allows for the collecting and storing of electronic documents in one repository (all automatically tagged and indexed), allows for easy tracking of agenda materials and attachments from inception through approvals and actions taken, and a much more streamlined approach to public records requests.

Justification
 The implementation of a legislative management suite to bring automation, workflow management and document management to Council agenda arena assists the City become more streamlined and more transparent.
 The City's 2013 adopted objectives of Organizational Effectiveness and Fiscal Stability are both addressed via streamlining processes and providing more transparent processes. This type of system assists in streamlining processes by (1) providing remote access, (2) providing the ability to make online annotations and approvals of legislative documents, (3) providing automatic tagging and indexing of legislative documents, (4) reducing paper consumption, (5) and providing the ability for continuous workflow between Council sessions.
 This type of system would also help with making the City's processes more transparent to the public by providing more automated public records access and an easy to use, self serve, online legislative portal for the public.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Computer Software/Hardware	16,690					16,690
Total	16,690					16,690

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	16,690					16,690
Total	16,690					16,690

Budget Impact/Other
 Increase FY13-14 CIP expenditures by \$26,050. and monthly operating expenses by \$780. Offsetting these expenditures would be time saved by the City Clerk's office in managing legislative agendas, minutes and supporting documents.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Administrative Services

Contact Admin Svcs Director

Type Equipment

Useful Life 5 years

Category Equipment: Computers

Urgency 2 Very Important

Project # ASD-1314-05
Project Name Network Spare/Replacement Equipment

Account # 13-88302

Description

Total Project Cost: \$15,000

Purchase of equipment/software that is outlined in IT Equipment Replacement Plan (ITERP). At this point, mostly includes web-enabled printers.

Justification

As a part of the Information Technology Strategic Plan, the IT Equipment Replacement Plan calls for the replacement of hardware and software at the end of its effective life, as well as providing for a stock of certain equipment to act as an emergency safety measure in the event that equipment or software fails unexpectedly. This capital expense is in line with the IT Equipment Replacement Plan as it has been modified to reflect changes in the IT Strategic Plan due to initiative of utilizing more cloud-based services.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Computer Software/Hardware	10,000				5,000	15,000
Total	10,000				5,000	15,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	10,000				5,000	15,000
Total	10,000				5,000	15,000

Budget Impact/Other

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Community Planning & Bldg

Contact Comm. Planning & Bldg Dir

Type Equipment

Useful Life 10 years

Category Equipment: Computers

Urgency 2 Very Important

Project # CPB-1112-03
Project Name Permit Tracking software

Account # 13-88409

Description **Total Project Cost: \$20,000**
 Purchase of software to track building and planning permits, prepare inspection reports, and other reports for the Planning and Building Department. Permit tracking software will assist with tracking and managing all land use and community development activities, while speeding up the process and reducing errors. These activities include the issuance of planning and building permits, tracking of inspections, code enforcement and more. Ideally the software will interface with the software used for City administration.

Justification
 Planning permits are currently tracked through an outdated Microsoft Access program that often has glitches and problems. Building permits are tracked through an Excel spreadsheet but all permit inspections and actual permits are prepared on a type writer. Having an updated software system will enable all staff to be more efficient, eliminate the need for antiquated equipment, and improve tracking and reporting.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	20,000					20,000
Total	20,000					20,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	20,000					20,000
Total	20,000					20,000

Budget Impact/Other
 Ongoing costs would include software licensing and maintenance. Improvements would be realized in customer service and less filing and storage space but those would not directly translate to operating budget savings.

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Maintenance		1,000	1,000	1,000	1,000	4,000
Total		1,000	1,000	1,000	1,000	4,000

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Community Planning & Bldg

Contact Comm. Planning & Bldg Dir

Type Improvement

Useful Life 25 years

Category Unassigned

Urgency 5 Future Consideration

Project # CPB-1314-01

Project Name Water Conservation Projects

Account # 13-88410

Description

Total Project Cost: \$30,000

In 2011 the City Council adopted a Water Conservation Plan. The purpose of the plan is to assess the City's current water usage and identify opportunities for water conservation projects. Projects may include retrofitting City facilities and irrigation systems, public outreach and the construction of rain harvesting systems. The City would first seek out grants as a potential source of funding.

Justification

In October, 2009 the State Water Control Resources Board issued a Cease and Desist Order requiring that Cal-Am cease its unauthorized diversions by December 31, 2016. With the unresolved issues related to finding a regional water solution, it is important that the City of Carmel-by-the-Sea be proactive in determining how to prepare for a restricted water supply in the future.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	10,000	10,000	10,000			30,000
Total	10,000	10,000	10,000			30,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Grants	10,000	10,000	10,000			30,000
Total	10,000	10,000	10,000			30,000

Budget Impact/Other

New water projects would require regular maintenance and repair.

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Maintenance	0					0
Total	0					0

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Library
Contact Library Director
Type Maintenance
Useful Life 5 years
Category Unassigned
Urgency 3 Important

Project # LIB-1213-01
Project Name Art Appraisal

Account # 13-88778

Description **Total Project Cost:** \$18,000
 This project involves the routine appraising and inventorying of City artwork for insurance purposes.

Justification
 Regular insurance appraisals are necessary to protect the City's artwork in case of damage, theft, loss, etc. According to the Deaccession Policy for the Art Collection, City of Carmel-by-the-Sea, the City has determined that the art collection shall be appraised every five years. The last appraisal was done in 2007.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Planning/Design	18,000					18,000
Total	18,000					18,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	18,000					18,000
Total	18,000					18,000

Budget Impact/Other
 None

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Library

Contact Library Director

Type Equipment

Useful Life 25 years

Category Equipment: Miscellaneous

Urgency 3 Important

Project # LIB-1314-01
Project Name Park Branch Library Book Return

Account # 13-88776

Description

Total Project Cost: \$7,500

This project involves replacing the book return in the Park Branch library parking lot with a new unit that includes a lighter interior transport cart with caster wheels and an ergonomically designed handle.

Justification

The interior steel transport cart of the present book return weighs approximately 100 pounds unloaded and its wheels do not swivel. The distance from the book return to the building is 105 feet; it is necessary to pull the cart around a corner to get to the building entrance. New transport carts are constructed from aluminum and weigh approximately 44 pounds. The design of the cart eliminates the need for hunching over to lift materials, the wheels swivel to turn corners easily, and it features an ergonomically designed wide handle. Employees will be able to transport heavy loads without physical strain or injury.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	7,500					7,500
Total	7,500					7,500

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Donor Opportunity	7,500					7,500
Total	7,500					7,500

Budget Impact/Other

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Library
Contact Library Director
Type Maintenance
Useful Life n/a
Category Buildings
Urgency 1 Critical

Project # LIB-1314-02
Project Name Park Branch Basement Restoration

Account # 13-88777

Description

Total Project Cost: \$2,025,000

This project involves determining what would be necessary to get the Park Branch Library basement in usable condition, and potentially capturing and diverting the water from the underground stream underneath the basement for use by the City. The project would be completed in phases. The first phase would include hiring a consultant to determine all the necessary facets of the project and how much full rehabilitation would cost. The construction phase is an estimate of costs to bring the space back to sustainable usability.

Justification

The Park Branch Library basement constitutes over 1,000 square feet of unusable space. The French Drain underneath the building is backed up and that section of the building suffers from water intrusion in rainy weather. That section of the basement requires immediate remediation. It will be necessary to mitigate the water intrusion to make the environment safe and to prevent further deterioration of that section of the building.

The 2013-2014 phase of the project is to examine alternatives to solve and remediate the problem. The 2014-2015 phase includes remediation and a placeholder for repair. The repair placeholder will be refined based on the findings from the 2013-2014 study.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Planning/Design	10,000	15,000				25,000
Construction/Maintenance		2,000,000				2,000,000
Total	10,000	2,015,000				2,025,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	10,000					10,000
Measure D		15,000				15,000
Unfunded		2,000,000				2,000,000
Total	10,000	2,015,000				2,025,000

Budget Impact/Other

FY 2013-2014 Projects
City of Carmel-by-the-Sea, CA

Data in Year '13/'14

Department Safety: Ambulance
Contact Public Safety Director
Type Equipment
Useful Life 15 years
Category Vehicles
Urgency 1 Critical

Project # AMB-1112-01
Project Name Ambulance Lease Purchase

Account # 13-88821

Description **Total Project Cost:** \$129,044
 Annual lease purchase payments for 2010 ambulance.

Justification
 The ambulance was purchased with a five year lease of \$32,206 annually with the final payment in fiscal year 2013-2014 (payment #1 was made by CRFA).

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
96,783	Equip/Vehicles/Furnishings	32,261					32,261
Total	Total	32,261					32,261

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
96,783	GF: Capital Improvements	32,261					32,261
Total	Total	32,261					32,261

Budget Impact/Other
 Annual cost for fuel is estimated to be approximately \$2,500. Maintenance for this vehicle remains under warranty.

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Supplies/Materials	2,500	2,500	2,500	2,500	2,500	12,500
Total	2,500	2,500	2,500	2,500	2,500	12,500

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Ambulance

Contact Public Safety Director

Type Equipment

Useful Life 20 years

Category Equipment: Miscellaneous

Urgency 2 Very Important

Project # AMB-1213-03

Project Name Diesel Filter System

Account # 13-88480-0001

Description

Total Project Cost: \$8,000

Install a Diesel Filter System on ambulance 7166

Justification

Install a diesel exhaust filter system on the frontline ambulance. The diesel removal system exceeds all established permissible exposure limits as stated by NIOSH/OSHA. This system provides a diesel exhaust filtration, while in the station, or on an incident. The current system only provides filtration while in the station and not in the field. The system removes dangerous diesel exhaust gases and addresses emissions for a cleaner environment. The diesel system is automatic and vehicle-mounted to remove toxic diesel exhaust gases wherever the ambulance goes.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	8,000					8,000
Total	8,000					8,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	8,000					8,000
Total	8,000					8,000

Budget Impact/Other

Once the project is complete, the current system in the station can be removed. This will have a future budget saving due to the maintenance cost.

FY 2013-2014 Projects
City of Carmel-by-the-Sea, CA

Data in Year '13/'14

Department Safety: Ambulance
Contact Public Safety Director
Type Equipment
Useful Life 15 years
Category Equipment: Miscellaneous
Urgency 1 Critical

Project # AMB-1213-04
Project Name Self Contained Breathing Apparatus

Account # 13-89478

Description **Total Project Cost:** \$24,000
 Replace current Self Contained Breathing Apparatus (SCBA)

Justification
 The Monterey Fire Department is currently pursuing a regional grant for the replacement of all SCBAs in the department. If the grant is awarded there will be no cost to the City of Carmel-by-the Sea. If the grant is not awarded, funding would need to be provided to bring the department's SCBAs in compliance with current standards. This is a two year program; we will be purchasing half of the units the first year and the remainder the second.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
12,000	Equip/Vehicles/Furnishings	12,000					12,000
Total	Total	12,000					12,000

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
12,000	Grants	12,000					12,000
Total	Total	12,000					12,000

Budget Impact/Other

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Ambulance
Contact Public Safety Director
Type Equipment
Useful Life 10 years
Category Equipment: Miscellaneous
Urgency 1 Critical

Project # AMB-1314-02
Project Name Physio Control LifePak Cardiac Monitor/Defib

Account # 13-88481

Description **Total Project Cost:** \$28,017
 Replaces non-servicable and non-standardized cardiac heart monitor currently used as a back up to our front line ambulance unit. This item was included in the 2012-2013 CIP but has been revised with a new project number.

Justification
 Currently Carmel Fire Ambulance is using the outdated heart monitor as the back up unit. This monitor has become antiquated and expensive to continue using as back up piece of equipment and the manufacturer stopped providing service to this unit. Having dissimilar heart monitors requires greater inventory expenses to maintain. In 2010, Monterey County adopted new medical protocols for STEMI patients with cardiac related symptoms. This became mandatory for all ALS providers and required rapid assessment and delivery of cardiac information to the STEMI receiving facilities, to include transmission of cardiac information. The replacement LP-15 will ensure that we have standardized equipment allowing us to quickly upstaff our back up ambulance and continue to provide the mandated cardiac information to the STEMI receiving centers as needed. CFA has the ability to purchase the LP-15 Heart Monitor at a discount using the "Pass Through" from the Monterey County ambulance contractor American Medical Response (AMR).

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	28,017					28,017
Total	28,017					28,017

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	28,017					28,017
Total	28,017					28,017

Budget Impact/Other

FY 2013-2014 Projects
City of Carmel-by-the-Sea, CA

Data in Year '13/'14

Department Safety: Fire
Contact Public Safety Director
Type Equipment
Useful Life 15 years
Category Vehicles
Urgency 1 Critical

Project # FIRE-1112-03
Project Name Fire Engine Lease Purchase (09/10)

Account # 13-88823

Description **Total Project Cost:** \$352,760
 Lease payment for Fire engine purchased in FY 09/10. Final payment is scheduled for July 1, 2015.

Justification

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
141,104	Equip/Vehicles/Furnishings	70,552	70,552	70,552			211,656
Total	Total	70,552	70,552	70,552			211,656

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
141,104	GF: Capital Improvements	70,552	70,552	70,552			211,656
Total	Total	70,552	70,552	70,552			211,656

Budget Impact/Other
 Some additional maintenance and fuel costs.

Prior	Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total	Future
30,000	Maintenance	15,000	15,000	15,000	15,000	15,000	75,000	15,000
Total	Total	15,000	15,000	15,000	15,000	15,000	75,000	Total

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Fire
Contact Public Safety Director
Type Equipment
Useful Life 20 years
Category Equipment: Miscellaneous
Urgency 2 Very Important

Project # FIRE-1213-01
Project Name Diesel Filter System

Account # 13-88480

Description **Total Project Cost:** \$25,000
 Install a Diesel Filter System on two engines.

Justification
 Install a diesel exhaust filter system on the two frontline engines. The current system (Plymovent) only provides filtration while in the station and not in the field. The new diesel removal system, will exceeds all established permissible exposure limits as stated by NIOSH/OSHA. In addition, the system will provide a diesel exhaust filtration, while in the station, or on an incident. This system removes dangerous diesel exhaust gases and addresses emissions for a cleaner environment. The Ward diesel filter system is automatic and vehicle-mounted and is designed to remove toxic diesel exhaust gases wherever the apparatus goes.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
12,500	Equip/Vehicles/Furnishings	12,500					12,500
Total	Total	12,500					12,500

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
12,500	GF: Capital Improvements	12,500					12,500
Total	Total	12,500					12,500

Budget Impact/Other
 The installation of the exhaust removal system is to provide for a cleaner environment, and remove the current exhaust system in the station. Once the project is complete, the current system in the station can be removed. This will have a future budget savings due to the maintenance cost.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Fire
Contact Public Safety Director
Type Equipment
Useful Life 15 years
Category Equipment: Miscellaneous
Urgency 1 Critical

Project # FIRE-1213-04
Project Name Self Contained Breathing Apparatus

Account # 13-88479

Description	Total Project Cost: \$36,000
Replace current Self Contained Breathing Apparatus (SCBA)	

Justification
 The Monterey Fire Department is currently pursuing a regional grant for the replacement of all SCBAs in the department. If the grant is awarded there will be no cost to the City of Carmel-by-the Sea. If the grant is not awarded, funding would need to be provided to bring the department's SCBAs in compliance with current standards. This is a two year program; we will be purchasing half of the units the first year and the remainder the second.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
18,000	Equip/Vehicles/Furnishings	18,000					18,000
Total	Total	18,000					18,000

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
18,000	Grants	18,000					18,000
Total	Total	18,000					18,000

Budget Impact/Other

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Police
Contact Public Safety Director
Type Equipment
Useful Life 15 years
Category Vehicles
Urgency 2 Very Important

Project # POL-1213-01
Project Name Parking Vehicle lease purchase

Account # 13-88531

Description **Total Project Cost:** \$33,975
 Replacement of the GO-4, Model BT-57, Three Wheel scooter with a four cylinder engine. The vehicle is gas powered and is equipped with an automatic transmission. The replacement is necessary due to the vehicle being ten years old and the amount of mileage and wear and tear on the vehicle.

Justification
 This request is to replace vehicle C-9 which was purchased in 2002 and is well beyond the five year limit. The vehicle currently has 34,218 miles on its odometer. Because of its age and condition, a significantly greater chance of mechanical breakdown requiring costly repair can be anticipated in the not too distant future. Replacement of this vehicle will continue our policy of rotating vehicles before they become too costly to maintain.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
22,650	Equip/Vehicles/Furnishings	11,325					11,325
Total	Total	11,325					11,325

Prior
 33,975
Total

Budget Impact/Other
 Included in the annual expenditure projections is a 3-year lease of a parking patrol vehicle at \$11,325 ending December 1, 2013;

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Police
Contact Public Safety Director
Type Equipment
Useful Life 10 years
Category Equipment: Miscellaneous
Urgency 2 Very Important

Project # POL-1314-04
Project Name Parking Management Study

Account # 13-88540

Description **Total Project Cost:** \$750,000
 Update parking environmental and management study for the City of Carmel as identified as a City Council key initiative and potentially initiate a project in 2014-2015.

Justification
 The last study (Walker Study) was completed in January 2000. This project calls for an update of a parking management program for the City which will require an updated parking study to assess and minimize all environmental impacts of project development and implementation. Funding in 2014-2015 is placeholder funding for a project should one be identified in the planning process.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
25,000	Planning/Design	25,000					25,000
	Equip/Vehicles/Furnishings		700,000				700,000
Total	Total	25,000	700,000				725,000

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
25,000	GF: Capital Improvements	25,000					25,000
	Unfunded		700,000				700,000
Total	Total	25,000	700,000				725,000

Budget Impact/Other
 Budget impacts are to be determined depending on the identified Phase II project, if any.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Safety: Police
Contact Public Safety Director
Type Equipment
Useful Life 5 years
Category Vehicles
Urgency 1 Critical

Project # POL-1314-05
Project Name Kenwood Radio Purchase & Encryption

Account # 13-88539

Description **Total Project Cost: \$104,000**

Purchase of radios for public works as part of the NGEN project. These radios will replace older model radios that will no longer work after July 1st 2013 due to the switch from broadband service to narrowband radio service. The purchase of the radios will include two vehicle radios and twelve handheld radios to be used by public works. Radios purchased after the true up count is complete will result in an additional per radio cost of \$4000.00.

Encryption is the blocking of radio transmissions through a system that scrambles the signal so people with scanners cannot listen to police traffic. Encryption has been adopted by all of the agencies within the county and is required in our radios so we can both listen and communicate with outside agencies. The encryption would be installed in 50 department radios to include, patrol handhelds, vehicles, dispatch, and EOC stations.

Justification

The FCC is requiring all emergency services nationwide to switch the radio bandwidth usage from a broadband service to narrow banding. Our Public Works Department Radios are not in compliance with the narrow banding and we will need to purchase new radios to meet the requirements of the FCC. Encryption of the radios is necessary to maintain communication with all of the other agencies in our county. Without encryption we will not be able to hear or talk to any other agencies. \$32,000 for Radios & \$72,000 for Encryption.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	104,000					104,000
Total	104,000					104,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	104,000					104,000
Total	104,000					104,000

Budget Impact/Other

FY 2013-2014 Projects
City of Carmel-by-the-Sea, CA

Data in Year '13/'14

Department Services: Public Works
Contact Public Srvs Dir.
Type Equipment
Useful Life 10 years
Category Vehicles
Urgency 2 Very Important

Project # PW-1112-003
Project Name Street Sweeper Lease Purchase

Account # 13-88814

Description **Total Project Cost: \$143,862**
 Leased new sweeper in 2011 for use on all City roadways.

Justification
 Sweeper is necessary for improved storm drainage, water quality, community cleanliness.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
95,908	Equip/Vehicles/Furnishings	47,954					47,954
Total	Total	47,954					47,954

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
95,908	GF: Capital Improvements	47,954					47,954
Total	Total	47,954					47,954

Budget Impact/Other
 Annual cost of leasing the sweeper and ongoing maintenance and fueling costs. Final lease payment is December 2013.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Public Works

Contact Public Svcs Dir.

Type Improvement

Useful Life 25 years

Category Street Reconstruction

Urgency 1 Critical

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

Account # 13-89585

Description	Total Project Cost: \$3,667,800
<p>This project involves the patching and overlay of various street projects and miscellaneous sidewalk repairs. The overlay priorities identified for fiscal year 2013-14 are listed below: Jane Powers Walkway (\$6,000); Santa Fe North of Ocean cul de sac (\$7,000); Junipero to 9th and 10th (\$9,000); Lobos to 1st and 2nd (\$34,000); Guadalupe 6th to Ocean (\$12,000); Guadalupe 7th to Mountain View (\$48,600); Dolores 5th to Ocean (\$75,800); Dolores 7th to 8th (\$142,300); San Carlos Ocean to 8th (\$175,000); Lincoln to 4th and 5th (\$44,300); 12th to Junipero to San Carlos (unfunded); Santa Rita 2nd north to City limits (\$51,000); 7th Guadalupe to Forest (\$31,800); 3rd East to City Limit (\$11,700) and Carpenter 2nd to Ocean (\$177,700) and various sidewalk repairs (if \$ available)</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. In addition, funding for sidewalk projects will allow the City to respond to needed sidewalk repairs and replacements by using in-house staff and contractors as needed.</p>

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
305,600	Planning/Design	126,800	95,350	95,350	95,350	63,400	476,250
	Construction/Maintenance	699,400	538,650	538,650	538,650	570,600	2,885,950
Total	Total	826,200	634,000	634,000	634,000	634,000	3,362,200

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
305,600	Measure D	484,000	307,800	359,700	426,500	426,500	2,004,500
	Road Impact Fund	202,200	176,200	124,300	57,500	57,500	617,700
Total	Total	826,200	634,000	634,000	634,000	634,000	3,362,200

Budget Impact/Other
<p>Additional patching and sweeping costs ongoing. Further community involvement should be sought regarding streetscaping aspects (at additional cost).</p>

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total	Future
Staff Cost			2,000	2,000	2,000	6,000	2,200
Supplies/Materials			200	200	200	600	
Total			2,200	2,200	2,200	6,600	

FY 2013-2014 Projects
City of Carmel-by-the-Sea, CA

Data in Year '13/'14

Department Services: Public Works
Contact Public Srvs Dir.
Type Equipment
Useful Life 20 years
Category Vehicles
Urgency 1 Critical

Project # PW-1213-02
Project Name Paint/Sign Truck

Account # 13-88582

Description **Total Project Cost:** \$95,000
 Purchase new Ford F-350 1-ton utility bed truck including paint system and hydraulic system necessary for full replacement of the existing truck.

Justification
 The existing vehicle used for striping and painting the City streets and parking lots is a 1994 Ford utility. Repairs are estimated at between \$8-12,000 to retrofit the existing truck for future use. Past repairs have been extensive on the painting system and hydraulics due to age and wear.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	95,000					95,000
Total	95,000					95,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	95,000					95,000
Total	95,000					95,000

Budget Impact/Other
 Continued maintenance will only extend an increasing cost to keep this vehicle in operation thereby costing the City more that it is worth and the repairs will only increase with age. The new vehicle will be covered by a 5 year 100,000 mile warranty per State bid and any maintenance beyond that point will be covered by the regular maintenance budget accounts.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Public Works

Contact Public Svcs Dir.

Type Improvement

Useful Life 25 years

Category Storm Drainage

Urgency 1 Critical

Project # PW-1213-08

Project Name Santa Fe & 4th Storm Drain

Account # 13-89583-0001

Description

Total Project Cost: \$300,000

Reroute storm drain from Santa Fe and 4th to Torres and 5th.

Justification

Currently the storm water runs between and under houses with a potential flooding risk. It is impossible to check or maintain.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	300,000					300,000
Total	300,000					300,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
GF: Capital Improvements	300,000					300,000
Total	300,000					300,000

Budget Impact/Other

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Public Works

Contact Public Srvs Dir.

Type Equipment

Useful Life 15 years

Category Vehicles

Urgency 2 Very Important

Project #	PW-1213-09
Project Name	Caterpillar Loader Lease Purchase

Account # 13-88578

Description

Total Project Cost: \$133,560

Annual lease payments for a Caterpillar loader

Justification

Three-year lease ending December 8, 2013 with annual payments of \$44,520.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
89,040	Equip/Vehicles/Furnishings	44,520					44,520
Total	Total	44,520					44,520

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
89,040	GF: Capital Improvements	44,520					44,520
Total	Total	44,520					44,520

Budget Impact/Other

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Public Works

Contact Public Svcs Dir.

Type Improvement

Useful Life 20 years

Category Street Construction

Urgency 3 Important

Project # PW-1314-01
Project Name Bikeway Projects

Account # 13-89587

Description **Total Project Cost:** \$610,000
 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 is currently being produced to develop a plan to connect Carmel to the regional system of bicycle and pedestrain 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.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Planning/Design	30,000					30,000
Construction/Maintenance	20,000	140,000	140,000	140,000	140,000	580,000
Total	50,000	140,000	140,000	140,000	140,000	610,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Grants		140,000	140,000	140,000	140,000	560,000
Measure D	50,000					50,000
Total	50,000	140,000	140,000	140,000	140,000	610,000

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 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Facilities

Contact Public Srvs Dir.

Type Improvement

Useful Life 25 years

Category Buildings

Urgency 1 Critical

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

Account # 13-89431-0001

Description

Total Project Cost: \$1,075,000

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. It includes a new engineering study to be conducted using laser technology to determine the extent of damage to the reinforcing steel within the structure.

Justification

This item has long been identified as a necessary and paramount matter for repairs. The previous Building Official conducted several inspections and reports on this matter. 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.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Planning/Design	75,000					75,000
Construction/Maintenance		1,000,000				1,000,000
Total	75,000	1,000,000				1,075,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	75,000	500,000				575,000
Unfunded		500,000				500,000
Total	75,000	1,000,000				1,075,000

Budget Impact/Other

Currently City staff conduct patch type repairs in an effort to stop some of the leaks. However, the leaking persists. Future impact would be extensive should the structure fail.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Facilities

Contact Public Svcs Dir.

Type Maintenance

Useful Life 25 years

Category Buildings

Urgency 3 Important

Project # FAC-1213-08

Project Name Sunset Center Wood Patio Stage Replacement

Account # 13-88691

Description

Total Project Cost: \$10,000

Replace the existing wood stage located outside the Bingham/Chapman rooms on the exterior patio area.

Justification

The existing stage is approximately 30 years old and is rotted and deteriorated beyond repair. It is used regularly by occupants of the complex for rehearsals and performances on the patio. It is an integral part of the complex.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	10,000					10,000
Total	10,000					10,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Donor Opportunity	10,000					10,000
Total	10,000					10,000

Budget Impact/Other

Current maintenance has become a patch and repair matter as needed. Future maintenance would be less the first few years of use and then handled through regular maintenance by City staff.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Facilities

Contact Public Svcs Dir.

Type Improvement

Useful Life 20 years

Category Buildings

Urgency 1 Critical

Project # FAC-1213-21
Project Name Forest Theater Renovation

Account # 13-89676

Total Project Cost: \$1,150,000

Description

Broadly defined, the scope of work includes: 1) demolition and reconstruction of all of the stage area except the existing understage concrete structure which currently houses the Children's Experimental Theater, dressing rooms, storage space, etc.; 2) demolition and reconstruction of the audience seating area; 3) demolition and reconstruction of a show production booth with a new subterranean level; 4) demolition and reconstruction of the concession building, restrooms, box office, and pathways to the various buildings, audience seating, and stage so all are ADA compliant; and 5) demolition and reconstruction of the parking area.

Justification

This historic asset requires maintenance upgrades to meet current needs of the theater and to facilitate access for the visiting public. The renovation components of both phases can be segregated and accomplished at later dates based on budgetary constraints

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Planning/Design	20,000					20,000
Construction/Maintenance	180,000			950,000		1,130,000
Total	200,000			950,000		1,150,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Donor Opportunity				475,000		475,000
Grants	200,000					200,000
Measure D				475,000		475,000
Total	200,000			950,000		1,150,000

Budget Impact/Other

None

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Facilities

Contact Public Svcs Dir.

Type Improvement

Useful Life 10 years

Category Buildings

Urgency 3 Important

Project # FAC-1314-01
Project Name City Hall Renovations

Account # 13-89426

Description **Total Project Cost:** \$30,000
 This project involves fumigating City Hall, refinishing the redwood walls of the Council Chambers, cleaning the exterior of the building and replacing chairs in City Hall offices and Chambers.

Justification
 Maintenance of City Hall Chambers is needed to preserve the building while new chairs are needed for City Hall Offices and Chambers to create comfortable seating for City staff and the public. The redwood walls were last sealed in 1985.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	20,000					20,000
Equip/Vehicles/Furnishings	10,000					10,000
Total	30,000					30,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	30,000					30,000
Unfunded		0	0	0		0
Total	30,000	0	0	0		30,000

Budget Impact/Other
 This involves a one-time cost associated with the purchase of new chairs and the cost of contractual services for renovations.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Services: Facilities

Contact Public Svcs Dir.

Type Maintenance

Useful Life 10 years

Category Buildings

Urgency 1 Critical

Project # FAC-1314-03

Project Name Sunset Center Railing Replacement

Account # 13-88693

Total Project Cost: \$15,000

Description

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	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	15,000					15,000
Total	15,000					15,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	15,000					15,000
Total	15,000					15,000

Budget Impact/Other

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

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Equipment

Useful Life 15 years

Category Park: Forest Hills

Urgency 1 Critical

Project # FPB-1112-03

Project Name Tennis Court Renovation

Account # 13-89626

Description

Total Project Cost: \$55,000

Renovation of the tennis courts in Forest Hill Park with a new 2-3 inches asphalt overlay to level the courts, new net posts, and a new playing surface.

Justification

Surface cracks are present in both courts particularly in the doubles lane of the western court. Several areas of depression are scattered around both courts, which cause inconsistent play and increase the risk of player injury. While play still occurs on the courts, disruptions in consistent play occur due to the uneven surface conditions. Continued deterioration of playing surface will eventually render it unsuitable for safe tennis play and increase liability exposure to the City.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	55,000					55,000
Total	55,000					55,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	55,000					55,000
Total	55,000					55,000

Budget Impact/Other

Increase of 8% from last estimate for cost of asphalt material. The playing surface of the courts was last resurfaced in 1995.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Maintenance

Useful Life 10 years

Category Beach

Urgency 1 Critical

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

Account # 13-89627

Total Project Cost: \$120,000

Description

Many of the hardware and wood elements of the stairs along the waterfront are showing significant degradation due to salt exposure, oxidation and age. Periodic 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.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	24,000	24,000	24,000	24,000	24,000	120,000
Total	24,000	24,000	24,000	24,000	24,000	120,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	24,000	24,000	24,000	24,000	24,000	120,000
Total	24,000	24,000	24,000	24,000	24,000	120,000

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.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Project #	FPB-1213-06
Project Name	Scenic Rd. Restrooms

Type Improvement

Useful Life 25 years

Category Beach

Urgency 3 Important

Account # 13-89430

Description	Total Project Cost: \$379,182
<p>This project includes the removal of the existing temporary restroom facility and the construction of a new facility. The project was approved by the Planning Commission in November 2012 and the City Council authorized \$48,500 to be spent on construction drawings. The funding will come from Measure D. The City has applied for a grant from the Coastal Conservancy and expects to receive a minimum of \$100,000 to assist with the estimated \$200,000-300,000 construction cost.</p>	

Justification
<p>Carmel Beach is a highly popular visitor destination and is world renowned for its scenic beauty. The Scenic Pathway offers a unique pedestrian experience as it meanders along the beach bluffs. The pathway is heavily used, providing a complementary experience to the sandy beach. The City's General Plan contains numerous polices regarding maintaining and enhancing access and recreational opportunities in this area.</p> <p>Goal G4-3 of the General Plan encourages the City to provide adequate facilities to serve the needs of the public along the beach. Policy P4-41 states, "Retain the current second restroom facility at Santa Lucia Avenue until it can be replaced by a permanent site." Temporary restrooms were installed near the intersection of Scenic Road and Santa Lucia Avenue.</p>

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
104,182	Construction/Maintenance	275,000					275,000
Total	Total	275,000					275,000

Prior	Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
104,182	GF: Capital Improvements	125,000					125,000
	Grants	150,000					150,000
Total	Total	275,000					275,000

Budget Impact/Other
<p>Cleaning crew is estimated to cost \$13,300 annually for service three times per day, paper product supplies, and minor maintenance.</p>

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total	Future
Maintenance		13,300	13,300	13,300	13,300	53,200	13,300
Total		13,300	13,300	13,300	13,300	53,200	Total

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Equipment

Useful Life 25 years

Category Equipment: Miscellaneous

Urgency 3 Important

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

Account # 13-89636

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	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	20,000					20,000
Total	20,000					20,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	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.

Prior	Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
1,865	Maintenance	2,500	2,500	2,500	2,500		10,000
Total	Total	2,500	2,500	2,500	2,500		10,000

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Maintenance

Useful Life 5 years

Category Park Improvements

Urgency 3 Important

Project # FPB-1314-02

Project Name Dunes Habitat Restoration

Account # 13-87602

Description

Total Project Cost: \$91,500

This project involves the removal of non-native species at the Dunes including ice plant, acacia and invasive grasses and the planting of native species, including 100 Tidestrom lupine plants at ten locations at North Dunes. The North Dunes restoration plan outlines a phased approach to the restoration process.

Justification

The Del Mar Master Plan and the North Dunes and Del Mar Dunes Habitat Restoration Plan addresses 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.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	24,500	16,000	16,000	16,000	19,000	91,500
Total	24,500	16,000	16,000	16,000	19,000	91,500

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Grants		16,000	16,000	16,000	19,000	67,000
Measure D	24,500					24,500
Total	24,500	16,000	16,000	16,000	19,000	91,500

Budget Impact/Other

Minor maintenance costs are currently included within the operating budget, including grant funding. Volunteer efforts also contribute to the removal of invasive plants. However, additional funding would pay for improvements as fencing, propagation and planting, removal of invasive plants and annual required monitoring.

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Improvement

Useful Life 15 years

Category Equipment: Miscellaneous

Urgency 3 Important

Project # FPB-1314-03
Project Name City Hall Cistern

Account # 13-89428

Description

Total Project Cost: \$25,000

This project involves the installation of a cistern beneath the parking lot at City Hall for irrigation of the recently installed landscape, completed in fiscal year 2012-13.

Justification

Water conservation is a Council adopted goal for fiscal year 2013 and the use of the cistern would allow for efficient irrigation of the City Hall landscaping. A design component of the landscape renovation at City Hall included the installation of a cistern beneath the parking lot to capture rainwater from the roof gutters for irrigation of the plants. The water is currently being captured to a central point adjacent to the parking lot. Electrical conduit is also in place to support the electric needs of the pump system

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Grants	25,000					25,000
Total	25,000					25,000

Budget Impact/Other

Bi-annual cleaning of the cistern and pump service would be required. Rebates by water purveyors would be sought for this project.

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Maintenance		1,500	1,500			3,000
Total		1,500	1,500			3,000

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Svcs Dir.

Type Improvement

Useful Life 10 years

Category Beach

Urgency 2 Very Important

Project # FPB-1314-04
Project Name Shoreline Assessment and Implementation

Account # 13-89649

Description **Total Project Cost:** \$70,000
 Based on a new shoreline assessment, various site improvements will be addressed along the Carmel Beach waterfront. These improvements will entail purchasing and planting of new plant material, irrigation improvements, mulching, replacement of rails, removal of old and overgrown plants, iceplant removal, pathway repairs and improvements, and a variety of other maintenance needs. 2013 marks the 25th anniversary of the Scenic Pathway.

Justification
 The implementation of the Shoreline Management Plan is a Council goal for 2013. An assessment will identify any aesthetic and safety improvements that need to be made to the beach and pathway. Once improvements are identified and prioritized, annual maintenance efforts will be included as part of the operational budget.

Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	20,000	15,000	15,000	10,000	10,000	70,000
Total	20,000	15,000	15,000	10,000	10,000	70,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Grants		15,000	15,000	10,000	10,000	50,000
Measure D	20,000					20,000
Total	20,000	15,000	15,000	10,000	10,000	70,000

Budget Impact/Other
 Once improvements are identified and prioritized, annual maintenance efforts will be included as part of the operational budget to address repairs and improvements that may arise throughout the year as well as to maintain any improvements made in the prior year.

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Improvement

Useful Life 25 years

Category Park: Mission Trail

Urgency 2 Very Important

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

Account # 13-89650

Description

Total Project Cost: \$48,000

Construction of a new stairway and a properly graded ramp for pedestrian access at the Mt. View entrance into Mission Trail Nature Preserve.

Justification

Currently, access into MTNP at the Mt. 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	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Construction/Maintenance	48,000					48,000
Total	48,000					48,000

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Measure D	48,000					48,000
Total	48,000					48,000

Budget Impact/Other

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

Budget Items	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Maintenance			800		800	1,600
Total			800		800	1,600

FY 2013-2014 Projects

Data in Year '13/'14

City of Carmel-by-the-Sea, CA

Department Srvs: Forest, Parks, & Beach

Contact Public Srvs Dir.

Type Maintenance

Useful Life 10 years

Category Unassigned

Urgency 4 Less Important

Project # FPB-1314-06

Project Name Trash Can Refurbishment and Replacement

Account # 13-89655

Description

Total Project Cost: \$62,500

This project involves the refurbishment of existing trash cans that are damaged or in need of repair as well as the addition of new trash cans designed to encourage recycling.

Justification

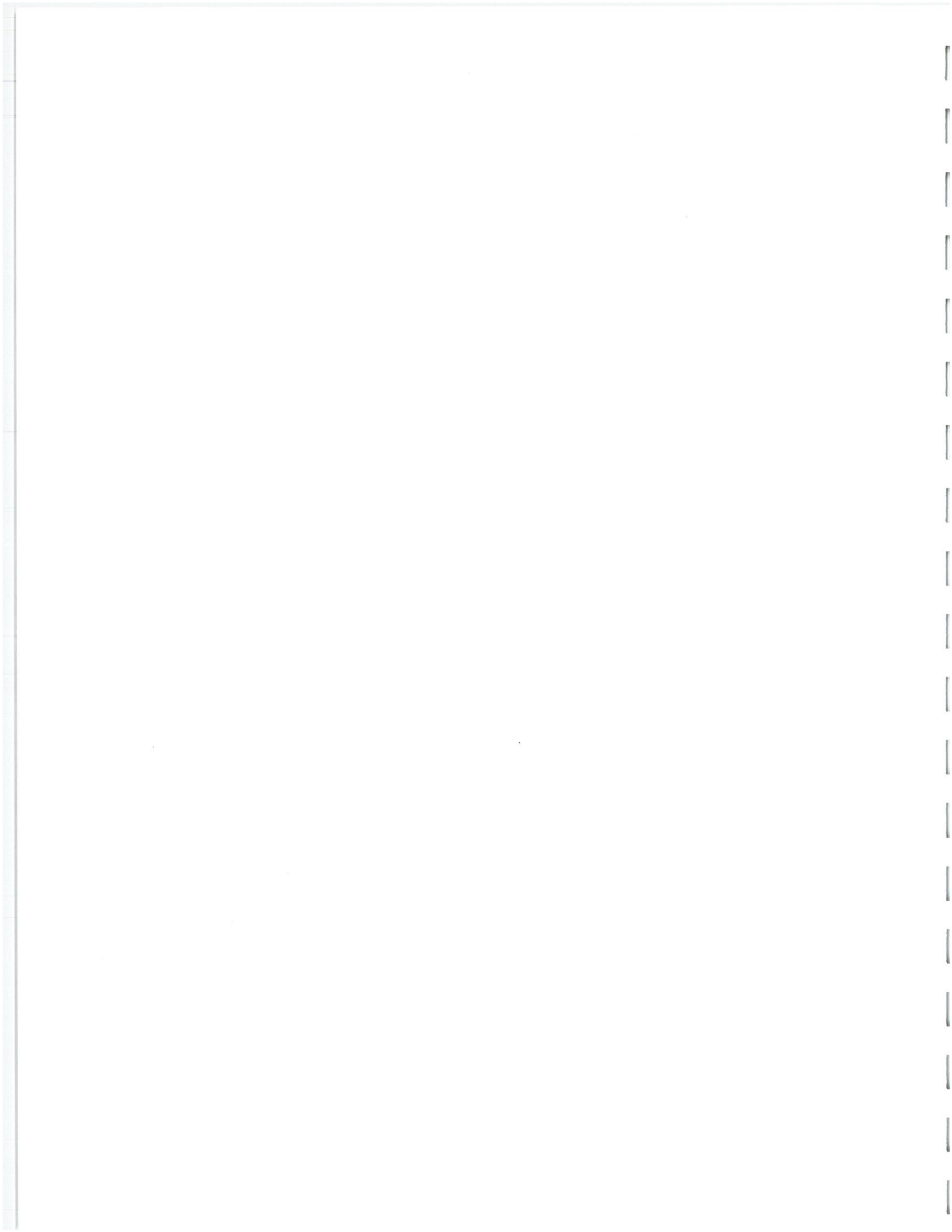
There are about trash cans through the City, many of which are in need of repair or replacement due to age and use. Many of these trash cans do not encourage recycling as all materials are comingled together. Various models of trash cans are being researched and locations are being identified for a pilot program to test various trash can models to increase recycling citywide.

Prior	Expenditures	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
15,000	Equip/Vehicles/Furnishings	32,500	15,000				47,500
Total	Total	32,500	15,000				47,500

Funding Sources	'13/'14	'14/'15	'15/'16	'16/'17	'17/'18	Total
Grants	2,500	7,500				10,000
Measure D	30,000					30,000
Unfunded		7,500	15,000			22,500
Total	32,500	15,000	15,000			62,500

Budget Impact/Other

The replacement of a current trash can costs about \$300 in materials and staff labor. New trash cans can cost \$3,000. Sources of funding include the franchise agreement, grants and donor opportunities.



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.

**CITY OF CARMEL-BY-THE-SEA
FISCAL YEAR 2013-2014
BUDGET CALENDAR**

<u>DATE</u>	<u>ACTIVITY</u>	<u>RESPONSIBILITY</u>
<u>DECEMBER 2012</u>		
21-31 December	Preparation of departmental worksheets	Finance Manager
<u>JANUARY 2013</u>		
8 January (Tues)	Submittal of 2013-14 Budget Calendar <i>(4:30 pm, City Hall Council Chambers)</i>	Regular City Council Meeting
8 January (Tues)	Adoption of 2013 City Goals <i>(4:30 pm, City Hall Council Chambers)</i>	Regular City Council Meeting
10 January (Thurs)	Budget "Team" kickoff meeting with City Administrator	Department staff
8 January through 4 February	Finance Specialist calculates departments' personnel/ payroll and benefits figures. Distribute to department directors for budget preparation.	Finance Specialist; Finance Manager; All Departments Directors
To be scheduled	Second quarter operational review meetings. <i>(9:00 a.m., City Hall Council Chambers)</i>	Department and program managers with City Administrator; Finance Manager
<u>FEBRUARY 2013</u>		
5 February (Tues)	Second Quarter 12-13 Financial Update <i>(4:30 pm, City Hall Council Chambers)</i>	Regular City Council Meeting
5 February (Tues)	Review and update financial policies <i>(4:30 pm, City Hall Council Chambers)</i>	Regular City Council Meeting
14 February (Thurs)	Department Managers' capital planning meeting <i>(10:00 a.m. City Hall Conference Room)</i>	City Administrator; Finance Manager; and All Department Directors/ Managers and members of their staff responsible for budget preparation <u>must attend.</u>

MARCH 2013

6 March (Wed)	Department budgets due including Excel worksheets, revenue projections, a complete funding analysis of departmental requests for Capital items and annual updated fee schedules.	Department Directors/Managers
9 March (Friday)	Capital Improvement Plan to City Council	City Administrator
19 March (Tues)	City Council Budget Workshop. City Council will receive and approve the Five-Year Financial Forecast and receive and refer to the Planning Commission the five-year Capital Improvement Plan at this workshop. <i>(4:30 p.m., City Hall Council Chambers)</i>	Special City Council Workshop
20 March (Wed)	City Administrator & Finance Manager meet to finalize proposed budget.	City Administrator; Finance Manager

APRIL 2013

2 April (Tues)	Proposed Budget submitted to City Administrator	Finance Manager
4 April (Thurs)	Department Managers' Retreat to review budget priorities. <i>(10:00 A.M., Sunset Center, Room to be determined)</i>	All Department Directors/Managers and other designated staff (Mandatory)
8 April (Mon)	Re-calculation of department budget proposals following Department Managers' Retreat.	City Administrator; Finance Manager
8-12 April	Draft budget document revisions by Finance Manager.	Finance Manager
10 April (Wed)	Planning Commission review 5-Year Capital Budget. <i>(4:00 p.m., City Hall Chambers)</i>	Planning Commission
11 April (Thurs)	City Administrator & Finance Manager meet to finalize draft budget.	City Administrator; Finance Manager
15 April (Mon)	Budget Team submits budget information for preliminary budget printing.	Budget Team

MAY 2013

7 May (Tues)	Council receives proposed operating plan and budget from the City Administrator. <i>(4:30 p.m., City Hall Council Chambers)</i>	Regular City Council Meeting
24 May (Fri)	Deadline for City Council to submit written questions regarding the proposed budget so that staff can research the questions.	City Council

JUNE 2013

11 June (Tuesday)	City Council public hearing to review/adopt budget <i>(4:30 p.m., City Hall Council Chambers)</i>	Special City Council Meeting
18 June (Tuesday)	City Council public hearing to review/adopt budget <i>(4:30 p.m., City Hall Council Chambers)</i>	Special City Council Meeting <i>(if budget not yet adopted)</i>

NOTE: Scheduled dates for City Council budget introduction, review and public hearings **are tentative and are subject to change.**

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.

Fund balance policy #7 calls for establishing a minimum level for each reserve fund. The City Council set the minimum level at its March 5, 2013 meeting. The chart below depicts how the proposed budget comports to the established minimum levels.

Current Policies and Estimates

		FY 13-14 Budget	Policy Target set by City Council	Difference actual to policy %	\$
Capital					
Non-road & lease expenditures					
3.5% of revenue		\$ 926,200	\$ 569,307	163%	356,893
Road maintenance		\$ 926,200	\$ 890,000	104%	36,200
Operating					
5% Revenue Buffer		\$ -	\$ 813,296	0%	(813,296)
Half-percent Discretionary		\$ 81,050	\$ 81,287	100%	(237)
3% Capital Outlay		\$ 568,977	\$ 487,978	117%	80,999
Reserves Reserves are either assigned (A); committed (C); or restricted (R)					
10% General Fund Reserve	C	\$ 1,566,165	\$ 1,626,593	96%	(60,428)
10% Hostelry Reserve	C	\$ 831,485	\$ 484,600	172%	346,885
Vehicle Replacement	A	\$ 150,000	\$ 194,500	77%	(44,500)
Technology Reserve	A	\$ 200,000	\$ 161,000	124%	39,000
Capital Reserve	C	\$ 913,989	\$ 2,773,360	33%	(1,859,371)
--other minimum levels--					
Debt Service	R	\$ 400,000	\$ 400,000	100%	-
Benefit Liability	C	\$ 414,293	\$ 350,000	118%	64,293
Debt Reduction	C	\$ 714,187	\$ 720,000	99%	(5,813)
Workers' Comp	C	\$ 239,012	\$ 200,000	120%	39,012
Natural Disaster	C	\$ 250,000	\$ 250,000	100%	-
OPEB Liability	C	\$ 1,500,000	\$ 1,500,000	100%	-
Long-term budget stability	A	\$ 1,545,133	\$ 500,000	309%	1,045,133
Other & Non General Fund Reserves					
Various Deposit Accounts	C	\$ 434,008	n/a		
Gas Tax	C	\$ 156,107	n/a		
Parking in-lieu	C	\$ 700,760	n/a		
Traffic Safety	C	\$ 6,024	n/a		
Road Impact Fees	C	\$ 59,496	n/a		
Grants	R	\$ 64,271	n/a		
Employee Benefits Plan	C	\$ 31,380	n/a		
Forest Theater	A	\$ 83,538	n/a		
Ambulance	A	\$ 119,948	n/a		
Debt					
Indebtedness less than 15% A.V.		\$ -	454,558,561	0.00%	(454,558,561)
8.25% of total expenditures		\$ 1,245,206	1,341,236	93%	(96,030)
Investment					
LAIF		\$ 5,592,163	n/a		
30% Certificate of Deposits		\$ 1,993,183	2,275,604	88%	(282,421)
15% Cost value limitation					
TVI		\$ 993,183	1,137,802	87%	(144,619)
WFB		\$ 1,000,000	1,137,802	88%	(137,802)

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council. Amounts in the *assigned* fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed.

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

UAD Underground Utility Assessment District

UUT Utility Users' Tax

VAPP Visual Arts in Public Places

VOIP Voice Over Internet Protocol

WAN Wide Area Network

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION 2013-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CARMEL-BY-THE-SEA ADOPTING THE BUDGET FOR FISCAL YEAR
2013-2014 OF THE 2013-2016 TRIENNIAL BUDGET**

WHEREAS, the City Council was presented a balanced Triennial Budget for Fiscal Years 2013-14 through 2013-16; and

WHEREAS, the City Council held public meetings to review and receive public comment on the Triennial Budget; and

WHEREAS, the City Council has approved certain special reserve and restricted funds for specific purposes as defined in the Municipal Code; and

WHEREAS, the City Council authorizes deposit accounts into and from which funds are received and disbursed, and maintained in the City's bank account; and

WHEREAS, the City Council approves FY 2013-2014 of the Five-Year Capital Program; and

WHEREAS, in accordance with California Government Code Section 53646, the Triennial Budget includes the City's Investment Policy approved on March 5, 2013; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES:

1. Adopt FY 2012-13 budget adjustment requests as attached;
2. Approve final budget adjustments to the FY 2013-14 Proposed Budget, including Attachment "A" budget balancing adjustments;
3. Adopt the budget for Fiscal Year 2013-2014 of the 2013-2016 Triennial Budget and place said budget on file at City Hall and on the City's Web Site;

4. Authorize the City Administrator to transfer the cumulative fiscal year end 2012-2013 budget surplus, with the exception of \$300,000 for the Santa Fe and 4th Storm Drain project, to the long-term budget stabilization reserve

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 11th day of June 2013 by the following roll call vote:

AYES:	COUNCIL MEMBERS:	BEACH, HILLYARD, TALMAGE THEIS & BURNETT
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE

SIGNED:



JASON BURNETT, MAYOR

ATTEST:



Heidi Burch, City Clerk

Fiscal Year 2012-2013		Budget Adjustment Requests		June 4th, 2013	
Adjust #	Department	Account	Account Description	Amount	Reason for Adjustment
1213-12	ADS	67051	Professional Services	\$ 60,000.00	unanticipated services
1213-13	Public Services-FM	70010	Salaries	\$ (50,000.00)	move to bottom-vacant position
	Public Services-FM	70053	Contractual Services	\$ 50,000.00	Contract for PW director
	Public Services-FPB	72010	Salaries	\$ 21,000.00	under budgeted
		74023	Parttime assistance	\$ 7,500.00	under budgeted
		74016	Retirement	\$ 1,500.00	under budgeted
	Public Services-PW	76010	Salaries	\$ (45,000.00)	over budgeted
		76016	Retirement	\$ 20,500.00	under budgeted
1213-14	Public Safety-Fire	01-72053	Contractual Services	\$ (75,000.00)	over budgeted on Monterey Contract (Ambulance)
	Public Safety-Amb	07-72010	Salaries	\$ 75,000.00	unanticipated salary increases & coverage due to staff shortages
1213-15	Comm Planning & Building	69010	Salaries	\$ (70,810.00)	
		69050	Professional Services	\$ 42,373.00	
		31013	Sales & Use tax revenue	\$ 37,663.00	
				\$ 1,794,505.00	
				\$ 328,273.00	
				\$ 1,705,505.00	
				\$ 403,273.00	
				\$ 157,025.00	
				\$ 90,595.00	
				\$ 140,912.00	
				\$ 36,344.00	
				\$ 23,072.00	
				\$ 502,012.00	
				\$ 67,360.00	
				\$ 87,860.00	
				\$ 356,477.00	
				\$ 46,000.00	
				\$ 2,124,500.00	
				\$ 2,162,163.00	

Resolution # _____

Name _____ Date _____

Jason Stillwell _____

Content Approved by Admin Services
Recommended by City Administrator
Authorized by City Council

**CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL**

RESOLUTION NO. 2013-26

**A RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING
REGARDING THE MAINTENANCE OF EFFORT REQUIREMENTS
RELATED TO PROPOSITION 172 FUNDING**

WHEREAS, the Local Public Safety Protection and Improvement Act of 1993 was approved as Proposition 172 by the voters at the statewide general election conducted on November 2, 1993, and authorized the imposition of a sales and use tax at the rate of one-half percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in this State on and after January 1, 1994, proceeds of which tax were specifically designated exclusively to help fund public safety activities and services; and

WHEREAS, Assembly Bill 2788 was enacted into State statute implementing "Maintenance of Effort" minimum expenditure requirements for public safety services in each community receiving Proposition 172 funds; and

WHEREAS, the City Council is required to establish the departments and municipal activities which they consider to be public safety services and officially designate those services by Council Resolution; and

WHEREAS, Resolution 95-122 established the Fire and Police Departments as the designated Public Safety Service Departments of the City of Carmel-by-the-Sea; and

WHEREAS, Proposition 172 allows for a jurisdictional exemption when total Maintenance of Effort funding falls below the Fiscal Year 1992-93 base year plus growth factor. The law requires that the legislative body of the City and the Directors of the designated public safety service departments must agree on or before the adoption of the budget for each fiscal year through a contractual memorandum of understanding to the reduced funding levels;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES:

1. Approve the Memorandum of Understanding between the City and Directors of the designated public safety service departments stating that the new fiscal year funding levels for operations will meet the Maintenance of Effort guidelines as provided in Proposition 172.

2. Authorize the Mayor to execute the Agreement on behalf of the legislative body of the City of Carmel-by-the-Sea.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 11th day of June 2013, by the following roll call vote:

AYES:	COUNCIL MEMBERS:	BEACH, HILLYARD, TALMAGE, THEIS & BURNETT
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE

SIGNED:



JASON BURNETT, MAYOR

ATTEST:



Heidi Burch, City Clerk

**MEMORANDUM OF UNDERSTANDING
REGARDING THE MAINTENANCE OF EFFORT REQUIREMENTS
RELATED TO PROPOSITION 172 FUNDING BETWEEN THE
CITY OF CARMEL-BY-THE-SEA LEGISLATIVE BODY AND THE
DIRECTORS OF THE DESIGNATED SAFETY SERVICE DEPARTMENTS**

Proposition 172 was passed and authorized a one-half cent public safety sales tax to help fund public safety activities and services.

Assembly Bill 2788 was enacted into state statute implementing "Maintenance of Effort" minimum expenditure requirements for public safety services in each community receiving Proposition 172 funds.

The City Council is required to establish the departments and municipal activities, which they consider to be public safety services by Resolution.

Resolution 95-122 established the Fire and Police Departments as the designated Public Safety Service Departments.

Proposition 172 allows for a jurisdictional exemption when total Maintenance of Effort funding falls below the Fiscal Year 1992-93 base year plus growth factor. The jurisdiction's (City of Carmel-by-the-Sea) legislative body and the Directors of the designated public safety service departments must agree through contractual memorandum of understanding to the reduced funding levels.

It is agreed that the fiscal year funding levels for operations of the safety departments of Fire and Police will meet the Maintenance of Effort guidelines as provided in AB 2788 and Proposition 172.

Executed this 11th day of June, 2013, at Carmel-by-the-Sea, California

Mike Calhoun
Public Safety Director

Jason Burnett, Mayor
City of Carmel-by-the-Sea
on behalf of the legislative body

