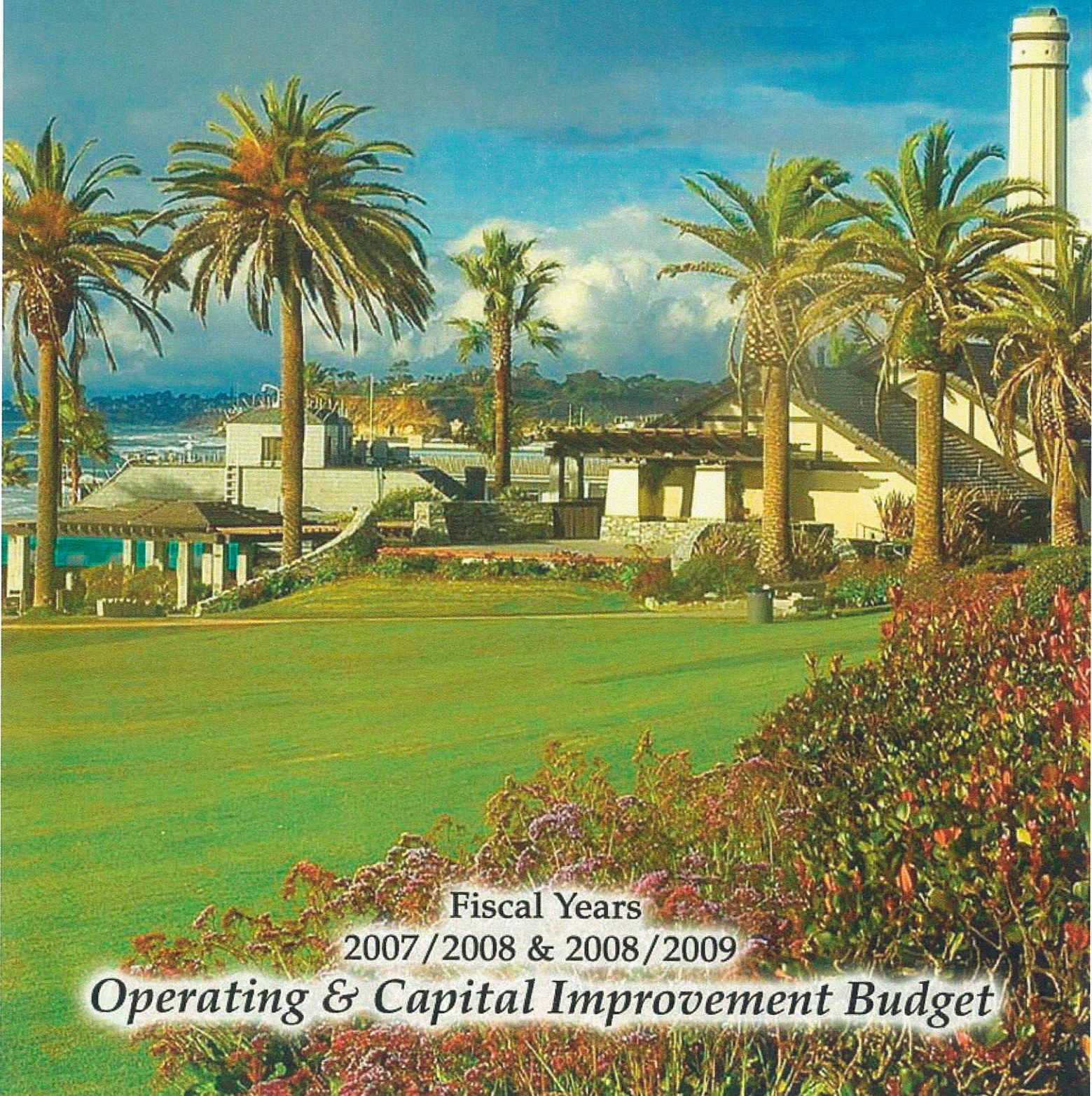


City of Del Mar *California*



Fiscal Years
2007/2008 & 2008/2009

Operating & Capital Improvement Budget

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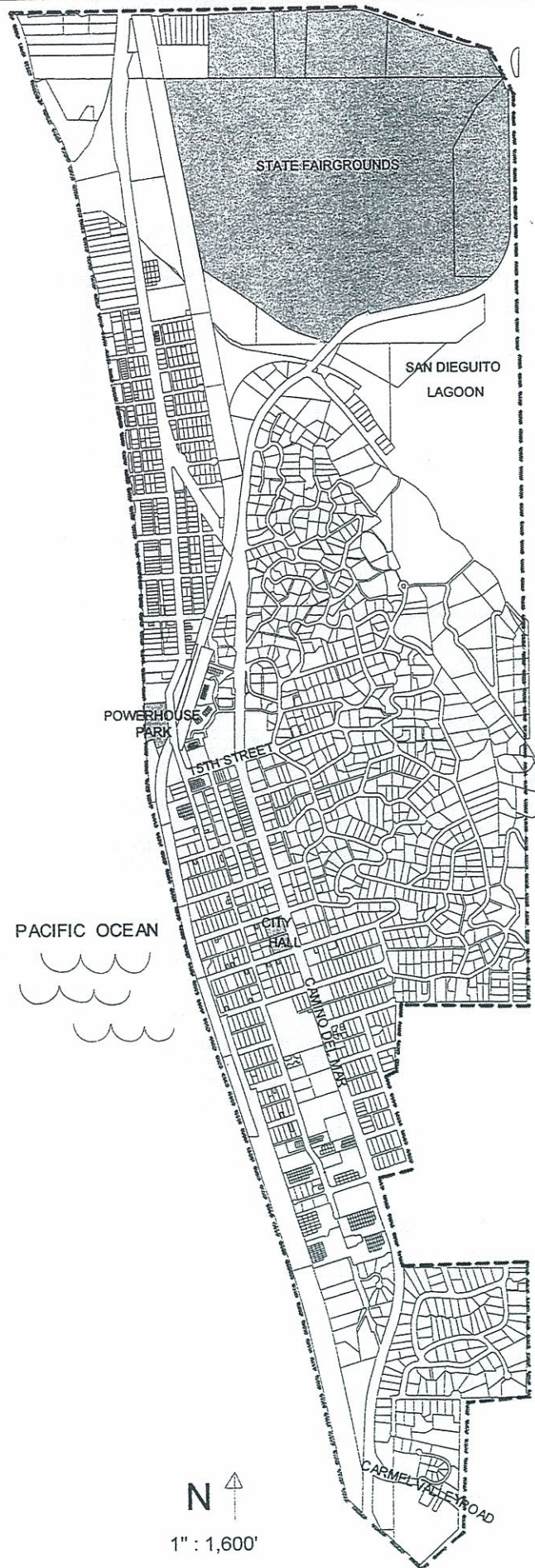
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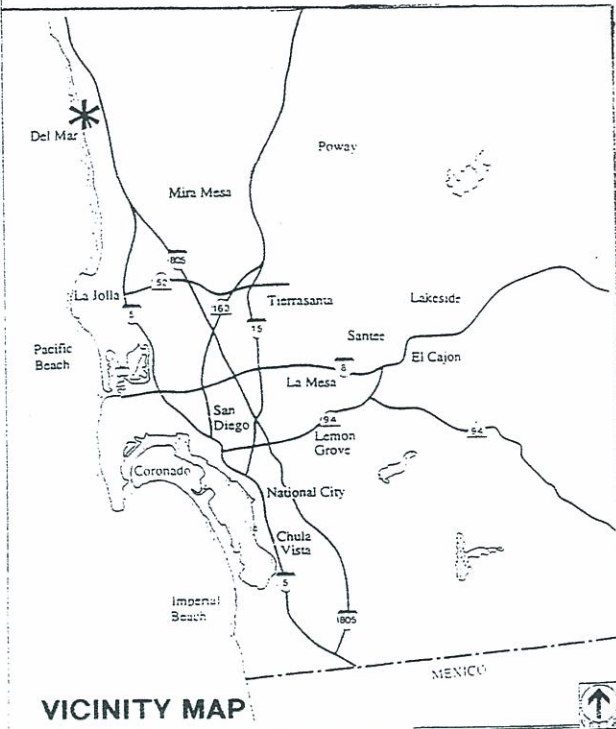
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CITY OF DEL MAR



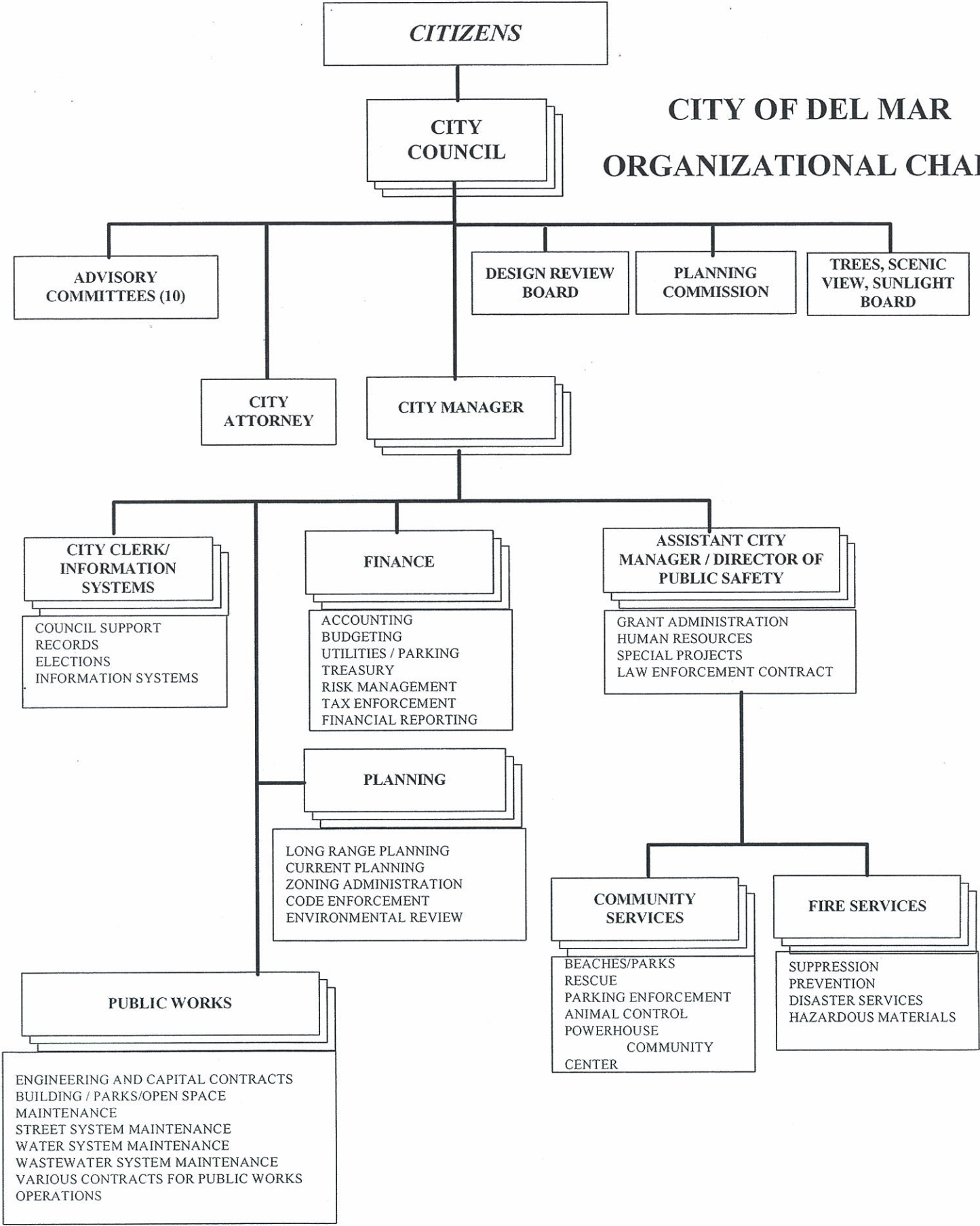
PACIFIC OCEAN



VICINITY MAP

N
1" : 1,600'

CITY OF DEL MAR ORGANIZATIONAL CHART



CITIZENS

CITY COUNCIL

ADVISORY COMMITTEES (10)

DESIGN REVIEW BOARD

PLANNING COMMISSION

TREES, SCENIC VIEW, SUNLIGHT BOARD

CITY ATTORNEY

CITY MANAGER

CITY CLERK/ INFORMATION SYSTEMS

COUNCIL SUPPORT
RECORDS
ELECTIONS
INFORMATION SYSTEMS

FINANCE

ACCOUNTING
BUDGETING
UTILITIES / PARKING
TREASURY
RISK MANAGEMENT
TAX ENFORCEMENT
FINANCIAL REPORTING

PLANNING

LONG RANGE PLANNING
CURRENT PLANNING
ZONING ADMINISTRATION
CODE ENFORCEMENT
ENVIRONMENTAL REVIEW

PUBLIC WORKS

ENGINEERING AND CAPITAL CONTRACTS
BUILDING / PARKS/OPEN SPACE
MAINTENANCE
STREET SYSTEM MAINTENANCE
WATER SYSTEM MAINTENANCE
WASTEWATER SYSTEM MAINTENANCE
VARIOUS CONTRACTS FOR PUBLIC WORKS
OPERATIONS

ASSISTANT CITY MANAGER / DIRECTOR OF PUBLIC SAFETY

GRANT ADMINISTRATION
HUMAN RESOURCES
SPECIAL PROJECTS
LAW ENFORCEMENT CONTRACT

COMMUNITY SERVICES

BEACHES/PARKS
RESCUE
PARKING ENFORCEMENT
ANIMAL CONTROL
POWERHOUSE
COMMUNITY CENTER

FIRE SERVICES

SUPPRESSION
PREVENTION
DISASTER SERVICES
HAZARDOUS MATERIALS

CITY COUNCIL

Carl Hilliard
Mayor

Dave Druker
Deputy Mayor

Crystal Crawford
Councilmember

Richard Earnest
Councilmember

Henry Abarbanel
Councilmember

CITY MANAGER

Lauraine Brekke-Esparza

**INTERIM ASSISTANT CITY MANAGER AND
DIRECTOR OF PUBLIC SAFETY**

Lin Wurbs

CITY ATTORNEY

Tamara Smith

**DIRECTOR OF PLANNING AND
COMMUNITY DEVELOPMENT**

Linda Niles

**CITY CLERK AND
INFORMATION SYSTEMS DIRECTOR**

Mercedes Martin

FINANCE DIRECTOR/TREASURER

Kim Krause

PUBLIC WORKS DIRECTOR

David Scherer

SHERIFF CAPTAIN

Don Fowler

CITY ENGINEER

Carmen Kasner

CITY OF DEL MAR

CITIZEN BOARDS, COMMISSIONS AND ADVISORY COMMITTEES As of 07/01/2007

PLANNING COMMISSION	DESIGN REVIEW BOARD
Marc Filanc, Chair	Bill Michalsky, Chair
Hershell Price, Vice Chair	T. Pat Stubbs, Vice Chair
Rick Ehrenfeld	Lee Haydu
John Kerridge	Nathan McKay
Robin Nordhoff	Donald Mosier
	Brittany Oates
	Walter Papciak

COMMUNICATIONS/TECHNICAL ADVISORY COMMITTEE	FINANCE COMMITTEE
Michael Dolan, Chair	Vacant, Chair
Mike Bosworth	Brad Allison
Pete Glaser	Terry Sinnott
Walter Papciak	Vacant
Preston Vorliceck	Vacant
David Druker, Council Liaison	Henry Abarbanel, Council Liaison
Carl Hilliard, Council Liaison	Richard Earnest, Council Liaison

PARKS AND RECREATION COMMITTEE	TRAFFIC AND PARKING COMMITTEE
Rebecca Dembitsky, Chair	Terry Plowden, Chair
Pat Jacoby, Secretary	Steven McDowell, Vice Chair
Karen Lockwood	Jeremy Hollins
Alan Rubin	Carmel Myers
Carol Steblay	Edward Yuskienicz
Crystal Crawford, Council Liaison	David Druker, Council Liaison
David Druker, Council Liaison	Carl Hilliard, Council Liaison

RAIL TRANSPORTATION ADVISORY COMMITTEE	ENERGY ISSUES ADVISORY COMMITTEE
Charles Spears, Chair	Edwin Fields, Chair
Jim Eckmann, Vice Chair	Bruce Bekkar
Jim Benedict	Allan Wegner
Alex Kirkpatrick	Vacant
Lew Lipton	Vacant
Henry Abarbanel, Council Liaison	Henry Abarbanel, Council Liaison
David Druker, Council Liaison	Carl Hilliard, Council Liaison

CITY OF DEL MAR

CITIZEN BOARDS, COMMISSIONS AND ADVISORY COMMITTEES As of 07/01/2007

SAN DIEGUITO LAGOON PRESERVATION COMMITTEE	FAIRGROUNDS MASTER PLAN AD HOC ADVISORY COMMITTEE
Dawn Rawls, Chair	Steve Dime
Liz Dernetz	Brooke Eisenberg-Pike
Brooke Eisenberg-Pike	Bud Emerson
John Graybill	Mike McLoughlin
Lee Haydu	Jan McMillan
Justin Kulongoski	Barbara Stegman
Jan McMillan	David Winkler
Bill Michalsky	Jacqueline Winterer
Freda Reid	Crystal Crawford, Council Liaison
Crystal Crawford, Council Liaison	Carl Hilliard, Council Liaison
Richard Earnest, Council Liaison	

GAS STATION STEERING COMMITTEE	HOUSING SUBSIDY COMMITTEE
Brooke Eisenberg-Pike	Bud Emerson, Chair
Deborah Groban	Don Countryman
Andrew Lloyd	Harold Feder
Art Olson	Conrad Herring
Dwight Worden	Larry Richards
David Druker, Council Liaison	Nelda Smart
Richard Earnest, Council Liaison	Florence Stevens

2004-2009 HOUSING ELEMENT AD-HOC ADVISORY COMMITTEE	AIRPORT ADVISORY COMMITTEE
Bud Emerson	Larry Brooks
Conrad Herring	Jim Coleman
Robin Nordhoff	Carmel Myers
Barbara Stegman	Vacant
Crystal Crawford, Council Liaison	Vacant
David Druker, Council Liaison	

ABOUT DEL MAR

“Where the turf meets the surf”



Del Mar has always been a popular beach community, but over the years, the village has grown to be a permanent home for about 4500 residents. This small town of just two square miles includes winding tree-lined residential streets, 2.2 miles of beachfront fronted by bluffs, homes and beautiful parks, and a business area that straddles Camino Del Mar. With a year round average annual temperature of 72, residents consider Del Mar to be the perfect place to live.

The University of California, San Diego sits on the Torrey Pines Mesa several miles south of Del Mar on bluffs overlooking the Pacific Ocean. Proximity to the University has made Del Mar attractive to faculty and staff alike. The median age of Del Mar residents is 46.6, median household income is \$108,365, and the median educational level is a Bachelor's degree.

The landmark 22nd District Agricultural Association, commonly referred to as the Fairgrounds, was, when it was built in 1936, an important event for the City. The country was in the depths of the depression, and the Fairgrounds was seen as a “shot in the arm” to revive interest in Del Mar and increase land prices. Approval of pari-mutuel wagering in California triggered additional interest, and with assistance from the Worker's Progress Administration (WPA), the deal to build the Fairgrounds was closed.

Immediately, horse racing aficionados set about establishing a major racetrack for thoroughbred racing at the site. Bing Crosby, whom many will remember as a popular singer and movie actor, was the first president of the Del Mar Turf Club. Over the years, the Del Mar Race Track became a popular destination for Hollywood stars, and some of them, notably Jimmy Durante and Desi Arnaz, were also residents. The Del Mar Thoroughbred Club continues its racing meet for approximately seven weeks each summer attracting the best horses to Del Mar along with large numbers of racing fans.

The Fairgrounds continues to be a major presence in the City, and several years ago doubled the size of the grandstand and completed substantial remodeling of the facilities. Each year the County Fair runs for two weeks in June with thoroughbred racing beginning shortly thereafter and running through early September.

However, more important and enduring is the natural beauty of the City and the 2.2 mile stretch of incomparable beach that lures so many each summer. Del Mar takes considerable pride in the quality of our beaches and in the care of visitors provided through extensive lifeguard coverage.

Two of Del Mar's older buildings have now been remodeled for community activities. The St. James church, later a restaurant and office building, now houses the unique Del Mar Library complete with a large computer center, private reading areas, and a children's room. The Powerhouse building at the beach, which has been through many iterations over the years, formally opened as the Del Mar Community Center in December 1999. Both facilities were made possible in large part because of the commitment of our residents and their generous contributions.

As is evident from the support of the people of Del Mar, our most valuable resource is the residents of the community who have pride in their community and remain committed to maintain its quality life style.

MISCELLANEOUS STATISTICS
JUNE 30, 2007

Date of Incorporation	July 15, 1959
Form of Government	Council/Manager Charter City
Population	4,524
Median Age	46.6
Median Household Income	\$108,365
Per Cent with Bachelor's Degree or Higher	73%
Per Cent with Graduate or Professional Degree	37%
Area	2 square miles
Climate:	
Average annual high temperature	70.5
Average annual low temperature	57
Annual precipitation	9.3"
Fire protection:	
Stations	1
Firefighters and officers	9
Fire incident responses	307
Emergency medical incident responses	606
Traffic collisions/Rescue Incidents	158
Public service calls	59
Fire inspections	142
Culture and leisure:	
Parks	6 acres in 3 parks
Passive/Active Recreation Areas	296.99 acres including 200 acres Fairgrounds/Racetrack
Miles of beaches	2.2
Beach attendance	Approximately 3,000,000
Tennis Courts	2
Basketball Courts	1
Libraries/Number of Volumes	1/2,000

MISCELLANEOUS STATISTICS
JUNE 30, 2007
(continued)

Hotels:		
Major hotel rooms		352
Average occupancy		72%
Average persons per stay		2
Average nights per stay		2
Average room rate		\$185
Education:		
Schools:		
Private		1
Miles of streets		22.5
Street Lights		58
Water System:		
Service connections		1,726
Fire Hydrants		300
Miles of sanitary sewers		18
Employees:		
Full-time		52





July 1, 2007

CITY COUNCIL
CITY OF DEL MAR

RE: Adopted Operating & Capital Budgets FY 2007/08 & 2008/09

HONORABLE MAYOR AND CITY COUNCILMEMBERS:

INTRODUCTION

I am pleased to present your approved two-year expenditure plan for the upcoming fiscal years 2007/08 and 2008/09. The Adopted Budget, excluding the Utility Funds and the Capital Improvement Fund, amounts to \$10.7 million in 2007/08 and the Budget prepared for 2008/09 is \$10.8 million. The Adopted Budget is balanced and achieves the Council's goal of a minimum 10% General Fund contingency reserve. As important, the Budget meets the Council's new, specific financial objective (informally referred to as the "Finnell Plan") of capping the growth of general government operating expenditures as a percentage of the projected growth of revenues in order to continue to address capital needs and to build a capital reserve.

The Adopted Budget is balanced because your management team has carefully scrutinized every line item and every expense (zero-based budgeting) while still trying to maintain adequate service levels to the community. The Budget is balanced because we continue to closely examine the way we do business, because we are willing to modify some of our long-term plans, because, unlike most cities in this County, we have employees who have agreed to share significantly in the costs of health and retirement benefits, and because we continue to seek creative alternatives. While not readily apparent, the organizational changes made several years ago in the Fire Department, Community Services and in Traffic Enforcement are still reaping financial benefits. The blended motorcycle/sedan traffic unit and the periodic use of additional traffic units on an overtime basis have helped maximize our public safety resources. Not only do we continue to partner with Solana Beach for management of our Fire Department, but we are again sharing technical personnel in our computer operations. In Community Services, we have outsourced our beach and park maintenance services to see if we can not only save money, but also maintain a high level of performance and customer satisfaction.

It is increasingly difficult to find creative and money saving alternatives; however, because of the relentlessly increasing requirements that are imposed on local government by the State and Federal government. New, more stringent and exceptionally costly clean water regulations were adopted by the San Diego Regional Water Quality Control Board earlier this year, with no exceptions for small cities. In



addition, the costs of memberships in various regional organizations continue to increase (such as membership in the San Dieguito River Valley Joint Powers Authority), and we continue to be asked to support new regional services, such as the 2-1-1 system. Lastly, the costs of services for which we contract (Sheriff's law enforcement and landscape maintenance) continue to increase with no regard to the Council's imposed expenditure cap.

BUDGET HIGHLIGHTS

Revenues

As the Council is well aware, the City has three major revenue sources: Property Tax, Sales Tax and Transient Occupancy Tax (TOT) – the latter more popularly referred to as the “hotel/motel” tax. These three revenue sources provide over 50% of our General Fund revenue for most City services programs. Property taxes in Del Mar have been a consistently stable source of revenue for the General Fund and are our single largest revenue. We are projecting that revenues from property taxes will increase by 8% next year. What many people do not understand, however, is that the City receives only about 11.6% of the property taxes paid by an individual homeowner to the County. The biggest recipients of property taxes are the school districts and the County itself. If a single family home in Del Mar, with an assessed valuation of \$1 million, pays \$10,000 in property taxes, the City of Del Mar receives just \$1,160 of that amount!

The second largest source of revenue is from the Transient Occupancy Tax which was increased to 10.5% by Del Mar voters in 2002. This is a tax paid by hotel/motel patrons on their nightly room rate. We are projecting some growth in this source for the next two years, although we do not expect any new hotels to be built in the next few years. We do know that the Fairgrounds is talking about building a hotel on State property and we also know that the Inn L'Auberge may close in late 2007 to do some remodeling. Neither possibility is included in our estimates. However, we have increased the Revenue Loss Reserve (discussed later in this letter) to further ensure ourselves against unforeseen losses. Sales Tax revenue continues to be weak and points to the need to continue our efforts to revitalize and re-energize the City's retail base. If it were not for the strength of our restaurant sales, our projections would look even more pessimistic for the next two years.

**Major Revenue Sources
 2004-2009**

Revenue Source	Actual 2004/05	Actual 2005/06	Amended 2006/07	Projected 2007/08	Projected 2008/09
Property Tax	\$2,397,085	\$2,711,072	\$3,000,000	\$3,240,000	\$3,500,000
Sales Tax	\$1,496,119	\$1,602,194	\$1,699,400	\$1,682,000	\$1,766,000
TOT	\$1,488,935	\$1,564,641	\$1,661,300	\$1,733,000	\$1,794,000
TOTAL	\$5,382,139	\$5,877,907	\$6,360,700	\$6,655,000	\$7,060,000

The chart above summarizes what we have received from our three major revenue sources in the last several years and what we project for the next two years. What is clear is that Del Mar cannot survive on the strength of property taxes alone. Revenue from property taxes is estimated to be about \$3.2 million in 2007/08....but the anticipated expenditures for police and fire (the most basic of City services) will cost us about \$3.5 million next year. An analysis that the Council should consider asking the City's Finance Advisory Committee to undertake is how Del Mar's overall tax burden compares to other neighboring communities. There are no fire assessment districts in Del Mar as there are in Solana Beach or Rancho Santa Fe; no street lighting and landscaping districts as there are in San Diego; no Mello-Roos or other types of "special" taxes as there are in communities like Fairbanks Ranch and Carmel Valley. Such an analysis might prove enlightening and might help our residents understand why the City does not have the financial ability to fund certain projects and activities.

General Fund Reserves

The Adopted Budget is balanced and all critical reserves have been either enhanced, maintained or fully funded due to the expenditure discipline imposed by the "Finnell Plan." The Revenue Loss Reserve has been increased by \$250,000 to \$750,000. The Equipment Replacement Reserve is fully funded at almost \$700,000; the Open Space Acquisition Reserve retained at \$440,000; the Worker's Compensation Reserve retained at \$800,000 and the Capital Reserve increased by \$177,000 to \$560,000. In addition, as stated earlier, the fiscal year end contingency reserve is estimated at 10.44%. **If the Revenue Loss Reserve is added to the projected General Fund Contingency Reserve, the percentage increases to about 18.6% of the General Fund.** These reserves are testimony to the conservative approach to budgeting that this and previous Councils have insisted upon, and provide an excellent cushion should unforeseen calamities strike or if revenue projections do not materialize.

We have taken the unusual step of increasing the Revenue Loss Reserve as a prudent measure if the remodeling plans for the City's only 5-star hotel, the Inn L'Auberge, require the closure of the Hotel for an extended period. Such closure would mean the loss of a significant amount of TOT revenue, and we believe that increasing the Reserve in the face of such a possibility is both prudent and necessary. This Reserve

may also have to be tapped if the final contract negotiations with the Sheriff result in higher costs than what we have budgeted. There are always unknowns to contend with; but with more-than-adequate reserves, conservative revenue estimates, a conservative spending plan and our quarterly tracking and reporting of revenues and expenditures, we believe we have the ability to react quickly to make mid-course corrections, if necessary.

Reserves in the City's two enterprise funds present a marked contrast. The healthy reserve in Water will allow us to fund major roof replacement of two of the City's four reservoirs. However, we are not meeting our reserve targets in the Sewer Fund. This may be due to the revenue forecasting model employed by the City's sewer rate consultant in 2003. We will address this problem in the next utility rate review in 2008/09.

EXPENDITURE HIGHLIGHTS

Department Budget

In order to meet the Council's objective of capping increases in operational expenditures to allow a 1.4% differential between revenue and expenditure growth, all department budgets were carefully reviewed and scrutinized. With general government fund revenue projected to grow overall by 4.1%, expenses in the operating funds were capped at 2.7%. The difference between revenue growth and the expenditure cap (4.1%-2.7%), equals the amount of money available to spend on capital projects or to "save" in the Capital Project Reserve.

Contributing to the overall reduction in 2007/08 is the recalculation of the Worker's Compensation rates, as a result of the actuarial study that was performed this fiscal year. As recommended by our consultants, we have lowered the rates by approximately 50% as we no longer need to "grow" the reserve, which has resulted in a \$200,000 savings in each of the next two fiscal years.

I am pleased to inform the Council that "bottom line" we have succeeded in reducing expenditures in both years to a greater degree than the "cap" would have allowed, allowing us to allocate \$250,000 to the Revenue Loss Reserve and just under \$1 million to capital projects and the Capital Reserve in 2007/08, and an additional \$1.2 million in Capital Projects/Reserve in 2008/09.

Capital Improvement Program

Although we are pleased to be able to recommend investing almost \$700,000 of General Funds in capital projects, the 2007/08 CIP budget continues to be very lean in comparison to the City's overall needs, so we have attempted to focus those funds strategically – where we have the greatest need or risk, or where we can leverage other

grants from other agencies. A total of \$690,000 of General and Open Space Funds are being allocated primarily to Annual Street Rehabilitation, ADA improvements and continued work on the North Torrey Pines Bridge. An additional \$177,000 will be put in the Capital Fund Reserve to build those funds back up so that we can take on one of our larger long term CIP improvement projects. We continue to seek grants for some of our major projects, but with staff limitations those efforts have not been significant. Our Water and Sewer Capital Funds are going to be focused on major system upgrades with final design of the 21st Street Pump Station and roof replacements at our two concrete reservoirs.

Projects in the Open Space Fund include \$20,000 for maintenance and rehabilitation at the Tot Lot. It was initially thought that the Tot Lot work would include the replacement of the existing wood chips with new wood chips and an enhanced drainage system, but a very recent court ruling in Northern California may change that strategy. Staff will work with the Friends of the Powerhouse and the Parks and Recreation Committee once more information on the court ruling is available. The Open Space Fund also includes \$40,000 to initiate the replacement of the 29th Street End Seawall. The seawall at this location currently encroaches slightly into the Beach Overlay Zone, and is therefore out of conformance with the City's shoreline protection area (SPA) line. This project is included in the 2007/08 Budget to coincide with the timing of beach access improvements at that location, required of Southern California Edison as part of the Lagoon Restoration Project. This will minimize construction impacts in the area and possibly spur the adjoining residents to complete their own necessary seawall replacements or installations as they see the City proceeding with the work.

The Open Space Capital Budget also includes revitalization efforts at Seagrove and Sea Cliff Parks, if grants and private contributions materialize. The work would consist of the addition of a number of new benches, additional lighting, and reconstruction of portions of the existing pathway to address requests made by the Parks and Recreation Committee a few years ago and to bring the Parks into compliance with current ADA requirements. The intent is that the estimated \$300,000 cost of this project will be funded entirely through grants and donations. If these grants are not forthcoming, the project will not proceed.

We are also proactively responding to water conservation recommendations provided by the Department of Water Resources by replacing the manual valves and aging drip systems in our City medians and parks. It is anticipated that County Water Authority grants will be available for 50% of the cost of this project. The \$30,000 budgeted in Open Space and the General Fund are for the anticipated City match requirements.

Once again, the focus on expenditures in the General Fund is primarily on street resurfacing, however we anticipate an increase in activity on our North Torrey Pines Bridge Project. This year we expect to continue our ongoing coordination with CALTRANS to obtain the appropriate project approvals and hopefully to begin

environmental processing for seismic upgrades to this historic structure. The \$800,000 shown in this year's budget includes \$500,000 of carryover funds from FY07, \$240,000 in grant money and an additional \$60,000 in General Fund.

For FY08 we have budgeted \$583,000 for the Annual Street Resurfacing Program, \$228,000 of which is TransNet dollars. As noted in previous years, the renewal of TransNet does provide a source of grant funding to assist with our street-related needs, however, our streets continue to degrade faster than we are able to repair them and with the increase in construction costs and the steadily rising price of oil, the TransNet allocation does not come close to covering the cost of repairing and maintaining our streets. It has now been nearly 10 years since any full overlay projects have been done in the City. Staff has been doing a lot of patching to fix the worst areas. It is working, but eventually significant re-construction will be required. It should also be noted that in FY09, TransNet II begins which constrains our expenditures and requires a higher maintenance of effort responsibility than has historically been required of the City. In order to continue to receive TransNet funds, the City will need to spend every year at least as much as we spent in the baseline year on our streets and roads, plus the difference in costs due to construction inflation. The audit of that required expenditure is just beginning so we will not know the actual impact for a few months. Cutting or holding our General Fund CIP allocations steady, while inflation and construction costs continue to rise, will result in our maintenance requirements rapidly outpacing our ability to keep up, which means we could lose TransNet funding. Additionally, at least 70% of the funds must be spent on major improvements, not patching. We are proposing for a couple years to use TransNet as our local match for the North Torrey Pines Bridge Project and some necessary bridge rehabilitation on the Camino del Mar Bridge over the San Dieguito River for FY09.

In response to increased pressure from the Federal Department of Justice, we are increasing spending to address the City's ongoing efforts toward ADA compliance. FY08 and FY09 each include \$100,000 for City-wide ADA improvements. Fiscal year 07/08 funds will be combined with FY09's to complete the last remaining segment in the Camino Del Mar Sidewalk Project from 4th to 9th Street, as well as improvements at the intersection of Camino Del Mar and Del Mar Heights Road/4th Street, depending on bids received.

Another new project is the repair of portions of the roof at the City Library, for which \$40,000 has been allocated. Since the restoration of the City Library in the late 1990's, portions of the roof have deteriorated and are now in need of replacement. Staff has consulted with a local architect and roofing contractor to evaluate the extent of the repair effort, and it is our hope that the proposed repairs will provide an additional 10 years of service life to the existing roof before a complete replacement is required.

In March and April of 2007, Council authorized the initiation of proceedings for the formation of new undergrounding districts affecting approximately 415 homes. The

FY08 budget includes \$136,450 and \$64,450 of funds advanced by the City for the North Hills Undergrounding District and the Sunset Undergrounding District, respectively. If these assessment districts are successfully formed after a vote of the property owners, the \$210,000 advanced with these two projects will eventually be reimbursed to the City.

The Water and Sewer Capital Program emphasizes upgrading/maintaining existing major facilities. While the City's water and sewer infrastructure is generally in very good condition, certain key facilities in both systems are in critical need of renovation. The FY08 Water CIP includes funds to initiate the substantial task of evaluating and replacing the roof at the 11th Street Reservoir. The \$1,000,000 budgeted includes structural evaluation, Design Review Board processing and the design and construction of a prefabricated aluminum dome roof at this location. Staff plans to process through DRB both the 11th Street Reservoir Roof replacement and the Zuni Reservoir Roof replacement (budgeted for FY09) at the same time. Happily, we have sufficient reserves built up in the Water Fund to handle these two costly projects.

Staff is also working on the final design for the replacement of the 21st Street Pump Station. The \$250,000 included in the FY08 Sewer Fund is for the completion of the conceptual design for this important facility. Staff will be bringing back a proposed financing strategy to minimize the construction cost impact on the rate payers.

Work Force Issues

The Adopted Budget reflects the same level of staffing, 52 full-time employees, as in 2006/07. However, Council is aware that both employees in our Code Enforcement Division have resigned. Their departures create an opportunity to re-examine how we do business and to see if there are organizational changes that can be made to save money and improve service. This will be the subject of a separate report to Council. In addition, if our outsourcing experiment in beach and parks maintenance survives the test of the summer, we will eliminate a position in Community Services.

Council needs to understand how difficult it is to "hold the line" on the number of employees because demands do not decrease, they increase continually. The demand for service at our beaches and parks has increased every year, posing major public safety and health challenges. If we cannot find ways to increase revenues, or if we lose existing revenues, the Council may have to seriously consider some of the service level changes to lifeguarding and beach maintenance that were described in the Blue Pages at the end of the Proposed Budget. The City could use the services of a grant writer to help hunt for outside funding; we could use a public information officer as do other cities to help keep our residents informed and aware of what is happening in their city. We could beef up traffic enforcement and Sheriff's patrol units. We could add analytical manpower to allow department heads more freedom to better manage their departments and to address specific special projects of the Council. We could be

making investments in technology to streamline some of our systems and make them more user friendly. We could have full-time paramedics in the Fire Department. We could do a lot more. But "a lot more" requires additional monies that we do not have. So instead, we stretch the existing staff thinner and thinner to continue to provide basic services and to try to address new objectives.

The Adopted Budget continues the "cost sharing" provisions resulting from employee labor negotiations last year. Per our negotiated agreements, the 07/08 Budget incorporates a 3% increase for all represented employees and a 2% increase for firefighters; the 08/09 Budget includes a 2.5% increase for all represented employees. The current agreement with our firefighters expires in September 2007 and we will be in negotiations with that group shortly before then. As we have done for more than a decade, non-represented employees will be treated the same as our represented employees. The costs of these salary increases amounted to \$77,300 in all Governmental Funds for 2007/08 and \$53,300 for 08/09.

Our employees will continue to pay 25% of premium increases for "employee only" health benefits, in place of our prior system which placed 100% of these costs on the City. Additionally, City contributions toward the employee cafeteria benefits program have been frozen for the majority of employees in the organization, with only minor increases for those employees who have elected dependent coverage during the term of the agreement. Even for those employees with dependents insured, the City's contributions have been scaled back in comparison to past years. The 3% at 60 Retirement Benefit, which was new with last year's agreement, requires most City employees to contribute an 8% payroll deduction to cover the majority of the added costs resulting from this upgrade in retirement benefits. While most cities in the County offer this benefit at no cost to their employees, only Vista and Del Mar require the maximum employee contribution.

The Budget includes no reclassifications of any existing positions. However, for the past several years, the salaries of our senior management team have fallen far below what other cities are paying for similar positions. Per Council directive, we have benchmarked and tried to keep our rank and file employees competitive with their peers in other cities, but have not done the same for our senior managers. Therefore, I recommended and Council approved an additional 5% salary increase in each of the next two years in the salary ranges for eight members of our management team. This adjustment (which will cost the City \$40,000 each year) still does not allow us to achieve parity with even the smallest cities in the region (Solana Beach and Imperial Beach), but is a way to recognize our staff's continuing contribution to the safety, security and well-being of the community and to the accomplishment of Council goals and objectives.

BUDGET FORMAT

The format of the Adopted Budget is essentially the same as previous years. The Council's Goals and Objectives form the foundation for the budget proposals and those goals/objectives are included at the beginning of the document. Following Council's goals/objectives are fund summaries and revenue projections by each revenue source.

The Budget is then organized by department. Each department is introduced by a statement of its mission or purpose. A brief summary of departmental accomplishments in the past fiscal year, as well as a summary of the expected goals/objectives to be accomplished in the next two fiscal years are also included. Any proposed changes in the services offered by each department are highlighted in the section entitled "Service Level Changes." The Budget for each department follows with considerable footnoting to explain significant changes. Finally, to be utterly transparent to the public, line item detail for each department and program is also included.

TRANSITIONS, CHALLENGES & PARTNERSHIPS

Every year is not without its challenges, its disappointments and its successes. Some of these challenges were anticipated but a number of them were not. We are heading into the new fiscal period with a new member of the Council – new, but not new – as former two-term Councilmember, Richard Earnest, assumes the seat recently vacated by Jerry Finnell. The City continues to be challenged financially, and finding sufficient revenues to continue to serve the community and accomplish some key objectives will require diligence and perseverance. Major issues will require attention including:

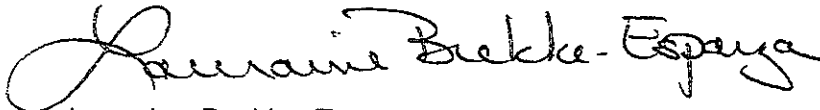
- Gas Station Site Development
- City Hall Site Development
- Downtown Development, including the possible adoption of a Horizontal Overlay Zone and other changes to the City's Zone Code to facilitate economic revitalization
- Clean Water Fee Approval
- Financial Outreach and Community Education
- Citywide WiFi network installation

...to name only a few. This Council has a lot on its plate, but the Council has never shirked its responsibilities. Everything can be accomplished, provided that you do not try to accomplish too much at the same time.

City Council
Adopted Budgets 07/08 & 08/09
July 1, 2007

I wish to thank all the management team, particularly Kim Krause, our Finance Director, for their good work in the preparation and finalization of this expenditure plan.

Sincerely,

A handwritten signature in black ink that reads "Lauraine Brekke-Esparza". The signature is written in a cursive style with a large, looping initial "L".

Lauraine Brekke-Esparza
City Manager





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Del Mar
California**

For the Biennium Beginning

July 1, 2005

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Del Mar, California for its biennial budget for the biennium beginning July 1, 2005. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

*California Society of
Municipal Finance Officers*

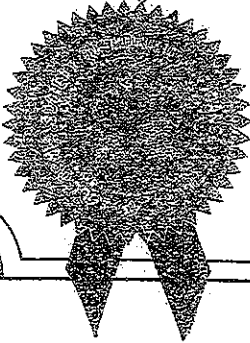
**Certificate of Award
For
Excellence in Operating Budgeting
Fiscal Year 2005-2006**

The California Society of Municipal Finance Officers (CSMFO) proudly presents this certificate to

The City of Del Mar

For meeting the criteria established to achieve the EXCELLENCE AWARD in the OPERATING BUDGET CATEGORY.

February 23, 2006



[Signature]

President

[Signature]

Agnes Walker, Chair
Budgeting & Financial Management



RESOLUTION NO. 2007- 25

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF DEL MAR, CALIFORNIA ADOPTING THE FISCAL YEAR 2007/08
OPERATING AND CAPITAL IMPROVEMENT BUDGET


WHEREAS, the City Council has reviewed the recommendations for the fiscal year 2007/08 Operating and Capital Improvement Budget during the Budget Workshops held on May 24 and May 25, 2007; and

WHEREAS, the City Council has been presented with and has reviewed and approved a Capital Improvement Program for fiscal year 2007/08 along with additional recommendations and appropriations setting the levels of reserves and other related expenditures.

NOW, THEREFORE, BE IT RESOLVED, that the City Council does hereby approve and adopt the fiscal year 2007/08 Budget for the City of Del Mar including the necessary appropriations as shown on Exhibit 1 entitled "City of Del Mar 2007/08 Operating and Capital Improvement Budget.

BE IT FURTHER RESOLVED, that the City Manager has the authority to move appropriations between programs as long as the total dollars do not exceed that approved by the City Council.

PASSED AND ADOPTED by the City Council of the City of Del Mar, California, this 18th day of June, 2007.



CARL HILLIARD, Mayor

ATTEST AND CERTIFICATION:

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, MERCEDES MARTIN, City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of Resolution 2007- 25, adopted by the City Council of the City of Del Mar, California at a Regular Meeting held the 18th day of June, 2007, by the following vote:

AYES: Councilmembers Crawford, Druker, Earnest; Mayor Hilliard
NOES: None
ABSTAIN: None
ABSENT: Councilmember Abarbanel



MERCEDES MARTIN, City Clerk

RESOLUTION NO. 2007- 26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA AMENDING THE COMPENSATION PLANS FOR THE PROFESSIONAL AND MANAGEMENT, GENERAL AND FIRE EMPLOYEES, AND CITY ATTORNEY AGREEMENT.

WHEREAS, the City Council has been presented with and has reviewed the compensation plans for Professional, Management, and General Employees for inclusion in the FY 2007/08 budget;

NOW, THEREFORE, BE IT RESOLVED, that the City Council does hereby approve and adopt the proposed compensation plan for the Professional, Management, and General Employees as shown in Exhibit One.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City Council does hereby approve the agreement, dated June 18, 2007, with McDougal, Love, Eckis, Smith Boehmer and Foley for City Attorney services.

PASSED, APPROVED AND ADOPTED, at a Regular Meeting of the Council of the City of Del Mar, California, this 18th day of June 2007.


CARL HILLIARD, MAYOR

ATTEST AND CERTIFICATION:

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, MERCEDES MARTIN, City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2007-26, adopted by the City Council of the City of Del Mar, California, at a Regular Meeting held the 18th day of June, 2007 by the following vote:

AYES: Councilmembers Crawford, Druker, Earnest;
Mayor Hilliard
NOES: None
ABSENT: Councilmember Abarbanel
ABSTAIN: None


MERCEDES MARTIN, CITY CLERK

RESOLUTION NO. 2007-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, ESTABLISHING THE PROPERTY TAX RATE AND FIXED CHARGE ASSESSMENTS FOR BONDED INDEBTEDNESS FOR FISCAL YEAR 2007/08.

WHEREAS, the total net taxable secured and unsecured assessed valuation of the City is now estimated at \$2,101,500,000 full value; and

WHEREAS, the amount of revenue to be raised from the tax base, according to the voter approved bonded indebtedness, thereby established the rate of property tax required.

NOW, THEREFORE, BE IT RESOLVED that the property tax rate for the City of Del Mar for the fiscal year ending June 30, 2008, be and hereby is established at \$.01047 per \$100 assessed value which shall be apportioned in the following amount. (Exhibit 1)

WILDFIRE PROTECTION 1999 GENERAL OBLIGATION BONDS:

\$0.01047 PER \$100 ASSESSED VALUE

BE IT FURTHER RESOLVED that whereby Special Assessment District Special Reassessment District 99-1 (Seawall Construction), requires a flat charge assessment to be raised for bonded indebtedness that Exhibit 2 be approved as the flat charge assessment for the 2007/08 fiscal year.

BE IT FURTHER RESOLVED that whereby Special Assessment District 2005-01 (Ocean View/Pines Utility Undergrounding), requires a flat charge assessment to be raised for bonded indebtedness that Exhibit 3 be approved as the flat charge assessment for the 2007/08 fiscal year.

PASSED AND ADOPTED by the City Council of the City of Del Mar, at a Regular Meeting held the 18th day of June, 2007.


CARL HILLIARD, MAYOR

ATTEST AND CERTIFICATION:

**STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR**

I, MERCEDES MARTIN, City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No 2007-27, adopted by the City Council of the City of Del Mar, California, at a regular Meeting held the 18th day of June, 2007 by the following vote:

AYES: Councilmembers Crawford, Druker, Earnest; Mayor Hilliard

NOES: None

ABSENT: Councilmember Abarbanel

ABSTAIN: None


MERCEDES MARTIN, CITY CLERK

RESOLUTION NO. 2007-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2007/08.

WHEREAS, Constitutional Article XII-B (Propositions 4 and 111) places an appropriations limitation on State and Local Government; and

WHEREAS, this appropriations limitation is based on proceeds of taxes adjusted annually from the base year 1986/87 by either the population growth factor for the City of Del Mar or for the County of San Diego, and by either the change in the California Per Capita Personal Income or the change in Non-Residential Construction for the City of Del Mar; and

WHEREAS, the City has received inflation and population data from the State Department of Finance to calculate the Fiscal Year 2007/08 Appropriations Limit; and

WHEREAS, the City Council of the City of Del Mar wishes to select those options providing the greatest ratio of change as shown below:

Change in California Per Capita Personal Income <u>(inflation factor)</u>	County Population Change <u>(population factor)</u>	<u>Factor</u>
1.0442	1.0122	1.0569

NOW, THEREFORE, BE IT RESOLVED, that the appropriations limit be established at \$17,669,948 and that the City Council does hereby adopt the annual appropriations limitation for Fiscal Year 2007/08, and selects the options for calculation using the population growth of the County of San Diego and the change in California per Capita Personal Income.

PASSED AND ADOPTED by the City Council of the City of Del Mar, at a Regular Meeting held the 18th day of June, 2007.


CARL HILLIARD, MAYOR

ATTEST AND CERTIFICATION:

**STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR**

I, MERCEDES MARTIN, City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2007-28, adopted by the City Council of the City of Del Mar, California, at a regular Meeting held the 18th day of June, 2007 by the following vote:

AYES: Councilmembers Crawford, Druker, Earnest;
Mayor Hilliard
NOES: None
ABSENT: Councilmember Abarbanel
ABSTAIN: None



MERCEDES MARTIN, CITY CLERK

RESOLUTION NO. 2007-29

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF DEL MAR SETTING FORTH
THE CITY OF DEL MAR'S INVESTMENT POLICY
FOR FISCAL YEAR 2007/08

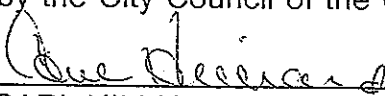
WHEREAS, the City Council, pursuant to Title 5, Division 2, Part 1 of the Government Code of the State of California, is authorized to invest surplus monies belonging to the City as is more particularly set out in Section 53601 of said Code; and

WHEREAS, the City Council, pursuant to Section 53607 of the Government code is authorized to delegate said authority to the City Treasurer; and

WHEREAS, the City Council, pursuant to Title 5, Division 1, Part 1 of the Government Code of the State of California, is required to review an annual statement of Investment Policy as more particularly set out in Section 53646 of said Code.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Del Mar does hereby authorize the City Treasurer to invest surplus monies belonging to the City of Del Mar and adopt the statement of Investment Policy detailed in Exhibit 1 of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Del Mar, this 18th day of June 2007.



CARL HILLIARD, Mayor

ATTEST AND CERTIFICATION

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, MERCEDES MARTIN, City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of Resolution 2007-29, adopted by the City Council of the City of Del Mar, California at a Regular Meeting held the 18th day of June 2007, by the following vote:

AYES: Councilmembers Crawford, Druker, Earnest; Mayor Hilliard
NOES: None
ABSENT: Councilmember Abarbanel
ABSTAIN: None



MERCEDES MARTIN, City Clerk

BUDGET PROCESS

The City of Del Mar’s budget process is an on-going, dynamic activity involving City Council, City staff, and City residents. While each year’s budget process includes certain specific steps in the development of the current year’s figures, the budget also addresses both short-term and long-term goals as well as policy matters.

The budget process begins each year with a Council goal-setting workshop early in the calendar year and is completed with the budget adoption in June. Residents of the City of Del Mar are actively involved in determining the policies and direction of the City and in developing long-term priorities designed to enhance the natural beauty of the City and to anticipate infrastructure maintenance. This budget document attempts to communicate to readers that those priorities are considered in the budget process.

The City’s budget provides the structural basis for general operations, capital improvement projects, and overall financial planning. This document is a link between prior and future years with regard to planning the financial future of the City and to measure the distance we have traveled to accomplish our goals. In 1999, the Council approved our first two-year budget as an additional tool for long-range financial planning. Prior to FY 2006/07, Del Mar’s two-year budget was best described as a “rolling” two-year budget, as Council went through a complete budget process annually. In FY 2006/07, staff analyzed the second year of the two-year request and prepared an update for Council adoption. It is anticipated that the City will continue that cycle, as it is a significant cost savings.

The following table illustrates the budget process:

BUDGET PROCESS STEPS	Feb	Mar	Apr	May	Jun
City Council Goal Setting		X			
Departments Submit Budget Requests to Finance		X			
City Manager Reviews Requests with Finance Director and Department Heads			X		
City Manager Submits Proposed Budget to City Council				X	
City Council Conducts Budget Workshops				X	
City Council Adopts Budget					X

As noted in the chart above, the City follows a process in developing the annual budget that allows for maximum citizen input. A goal-setting workshop initiates this annual process and provides the essential framework around which staff works to propose a budget for Council deliberation. Public comment, vital to articulating the goals, is encouraged, and because the Del Mar citizenry is active and involved, this session is generally well attended.

The second major activity of the budget process is the two-day budget workshop during which the Council receives daily public input, hears presentations from all department heads on proposed budgets, evaluates revenue estimates, thoroughly reviews the proposed capital projects, and makes decisions regarding the final budget. The City Manager incorporates the Council's decisions into the budget and presents the final budget at a regularly scheduled Council meeting in June. Copies of the budget are available for public review at City Hall, the local library and on the City's website.

A majority of the Council, at least three out of the five, must vote to approve the budget. Generally, however, there is strong consensus and final votes on the budget have not been controversial. The budget is adopted at the program level for operating expenditures, the project level for capital expenditures and on a line item basis for revenues. This budget was approved by Council at their regularly scheduled meeting on June 18, 2007.

Budget Reviews

The budget is monitored monthly by the Finance Department and Department Heads using the Treasurer's Report, which compares actual revenues and expenditures to-date with budgeted amounts. On a quarterly basis, the Finance Department completes a comprehensive report to the City Council, and subject to majority Council approval, adjusts budget figures to incorporate financial information that was not available at the time the budget was adopted and to provide funds for unanticipated events. These reports are usually reviewed by the Finance Committee, which may make recommendations for Council consideration.

Outside the context of the quarterly reviews, Council may amend the budget upon approval of a resolution to do so. The City Manager has the authority to approve budget transfers between programs within the same fund, but only Council may authorize transfers between funds. Department heads may transfer funds between accounts within a specific program under their direction with the exception of personnel and capital expenditures, which must also be approved by the City Manager.

Basis of Accounting

The financial statements are prepared in accordance with Generally Accepted Accounting Principles. All general government funds are accounted for on a modified accrual basis, which means that revenues are recognized when they become susceptible to accrual, that is, when they are measurable and available to finance

expenditures of the current period; expenditures are recognized when the fund liability is incurred. Enterprise funds (Water, Sewer, and Clean Water) are accounted for on a full accrual basis, which is similar to accounting for a business. Revenues and expenditures are recorded for the period in which the transactions are earned.

Basis of Budgeting

The basis for budgeting is modified accrual for the governmental funds. Our Water, Sewer and the Clean Water Enterprise funds are budgeted on the full accrual basis. Departments may encumber, and the City budgets as expenditures, those items that are under contract at the end of the fiscal year or associated with an outstanding purchase order. Encumbrances are re-budgeted in the following fiscal year with the Fourth Quarter Financial Report.

BUDGET POLICIES

The City Council, and by direction the City Manager, have developed and continue to re-assess guiding principles that set the course of the budget preparation. As part of a yearly goal-setting workshop, the City Council reaffirms and re-evaluates the policies that govern budget development. This goal setting session allows for shifts in direction to respond to changes in the fiscal and political climate from within the City and from other governmental entities, whose decisions can directly affect the resources of the City. These principles have as their basis the imperative to provide necessary services, to maximize the City's resources, to plan for future improvements, and to meet goals in the context of realistic revenue projections. Department Heads are responsible for initiating program budgets within the context of policy guidelines and goals established by the City Council. The City Manager carefully evaluates requested departmental budgets to ensure they effectively address stated goals. The following policies provide the framework for budget development and guide the decision-making process:

Financial Policies

It is the City's policy and practice to complete a budget that is balanced and has a minimum 10% contingency reserve in the General Fund in order to ensure the City's continuing financial health. The contingency reserve calculation is the percent the ending unreserved balance is of the total of General Fund and Gas Tax expenditures. As part of the budget adoption process in June 2000, the City Council approved an expanded reserve policy providing for, in addition to the 10% minimum contingency reserve, a mandatory review of reserves should the contingency reserve reach 20%. Council may consider one-time expenditures that do not increase recurring operating costs; increase or establish new reserves to address future goals; or establish new programs but only in the context of multi-year revenue and expenditure projections. Quarterly financial reports to Council also allow for close monitoring of the estimated revenues and budgeted expenditures, and offer an opportunity to make corrections if needed.

The City fully funds the replacement cost of equipment and vehicles through an Equipment Replacement Reserve in the General Fund. Each equipment purchase is “depreciated”, using the estimated replacement cost, over the normal life of the item. The total of the annual depreciation is transferred from the General Fund Contingency Reserve to the Equipment Replacement Reserve. The annual purchase of replacement equipment is funded from that reserve.

In 2007, the Council adopted a financial objective to provide funding for future capital projects. This objective was in response to the results of a 20-year forecast of revenues, operating expenditures and capital projects. Because funding for future capital projects was inadequate, the financial objective caps the growth of operating expenditures as a percentage of the projected growth of revenues. The 2007/08 and 2008/09 budgets meet this financial objective.

Cash Management

The basic tool for management of the City’s cash is the investment policy approved annually by the City Council in compliance with State of California law. Staff monitors cash daily in order to maximize investment opportunities. Bank balances include only cash necessary to cover daily needs, and excess cash is invested in the State Local Agency Investment Fund (LAIF) for liquidity purposes. Balances average \$1 million primarily to cover emergency needs. The remaining funds are invested in government agencies and corporate notes, laddered to coincide with significant debt service payments. Interest rates have greatly improved over the last year and our new investments range from three to five years to take advantage of the current market.

Debt Policy/ Capital Financing

The City’s policy is to incur debt only in certain specific instances. Borrowing is restricted to the financing of large capital projects. Several factors are considered prior to making a decision to debt finance. Staff evaluates whether there are continuing revenues sufficient to service the debt, the potential cost in increased construction costs resulting from a delay, the current market conditions, and any additional on-going operational costs that will result from a new facility or project. The City has limited debt obligations, and most capital improvements are completed on a pay as you go basis. Exceptions to that included the financing of the Community Library and the Powerhouse Community Center. Another project that might be financed through debt issuance is the construction of the 21st Street Pump Station.

Conservative Revenue Estimates

The Finance Director is responsible for preparing the revenue estimates for the new budget document. Using a variety of sources including historical trends and information obtained from County, State and other governmental organizations, the goal is to have realistic projections that are still conservative. Current revenues must exceed current

expenditures in order to achieve a balanced budget, and the City believes fiscal conservatism provides a strong basis from which to achieve other budget policies. Additional detail regarding the revenue assumptions used in preparing this budget may be found in the General Fund Revenue Analysis included in the Budget Summary.

Provide Necessary Services

The City Council and staff continue to actively promote cost effective means of providing necessary services to the residents of the City. The budget receives careful scrutiny to ensure streets and roads are maintained and cleaned, that trash is picked up, that utility service is provided in the most cost-effective, equitable manner, and that residents are assured a safe community. Del Mar is a community of considerable natural beauty with the ocean and spacious beaches at our doorstep and winding densely vegetated hillsides that overlook the sea. Such natural attractions also draw visitors to the City who, through patronage of local businesses, provide sales tax and transient occupancy tax revenues to the City. Maintenance and enhancement of the City's beaches and parks is included in the overall policy direction, and each budget reflects that commitment.

Future Planning

The City prepares a two-year operational budget and a five-year capital improvement budget every other year. Because the Council cannot adopt a two-year budget by State law, the second year request and the five-year capital plan are analyzed and presented for Council review during the budget process of the second year. Significant adjustments require a thorough justification when presented to the Council.

In conjunction with the capital improvements in the enterprise funds, utility rates for both water and sewer were adopted in 2004 for five years for the first time. Revenue projections and their impact on reserves were estimated for the five-year period to evaluate the feasibility of the proposed capital projects. Because of the Bighorn court decision in July 2006, utility rates are now subject to the majority protest requirements of Prop 218. The Council held a majority protest hearing in January 2007 and ratified the current rate schedule. As a result of the citizen feedback, the adopted budget includes funds for preparation of a new cost allocation study and the proposed 2008/09 budget includes funds for new utility rate studies.

The City Council's emphasis on long-range planning is addressed annually in the goal setting session. Council also adopted a long-term solution for funding capital needs by adopting a new financial objective that limits the growth of operating expenditures as a percentage of the growth of revenues, which is explained in the financial policy section of this narrative.

City facilities, while located on valuable property, are very old, crowded and in need of significant upgrades. Council is concerned about providing for a means of financing the most critical needs with a plan that will include the necessary financial analysis. The

City's fire station is located on the grounds of the 22nd District Agricultural Association (Fairgrounds). Council negotiated a lease agreement with the Fairgrounds in which Fairgrounds officials stipulated that should the existing location of the fire station be needed to implement their Master Plan currently under review, the City would be given 24 months notice to vacate, if an acceptable site on Fairgrounds property could not be located. In the meantime, the City pays the Fairgrounds over \$60,000 annually for the use of inadequate facilities.

In addition, the City Hall facility, formerly a Catholic school, no longer provides adequate space for necessary activities, and the City has resorted to modular buildings to continue to deliver service. The Council has been struggling for a number of years to come to a decision about the appropriate use of the site. Citizen advisory committees have been appointed to help Council assess the options and in mid-2003, hopes were high that the City needs for office space could be combined with the Del Mar Union School District's similar needs for office space and addressed through joint use agreements. Today, after much discussion with the Del Mar Union School District Board, those plans have been abandoned and the City has signed a Purchase Agreement with the School District to purchase the District's five-acre parcel for \$8.5 million. Private fundraisers have pledged to raise the money.

The Lifeguard Headquarters also needs to be replaced. The facility is too small for the number of people served and is in disrepair. The City hired an architect to design a new facility and has received approval from the Design Review Board. The plan is the basis for submittal of grant requests to the Coastal Conservancy and citizens are prepared to raise funds for the City's grant match.

**PROPOSITION 4
GANN APPROPRIATIONS LIMIT**

Article XIII-B of the California State Constitution places limits on the amount of revenue that can be spent by all entities of government. It is the City's responsibility to annually calculate its appropriations limit, which became effective in fiscal year 1978/79 and can be increased by factors including the change in population, the change in the California Per Capita Personal Income or the local change in property tax assessments due to non-residential construction.

The law provides for voter approval of an override that allows cities to exceed their appropriations limit. In November 1992, Del Mar voters approved such an override that was effective for four years ending in fiscal year 1995/96.

Substantial improvements at the Fairgrounds in 1992, including the construction of additional grandstands at the racetrack, ultimately allowed the City to increase its appropriations limit to a point where we believe there will be no need for future voter approval of an override.

With the adoption of the fiscal year 2007/08 budget, the appropriation limit for the City of Del Mar is \$17,669,948, which is \$10,085,903 over the proceeds of taxes.

On the next page, the reader will find the calculation of the proceeds of taxes.

CITY OF DEL MAR
 CALCULATION - PROCEEDS OF TAXES
 FY 2007/08

<u>FUND</u>	<u>ESTIMATED 2007/08</u>	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>
<u>GENERAL FUND</u>			
PROPERTY TAX	3,240,000 t	3,240,000	
PROPERTY TAX IN LIEU OF VLF	329,000 t	329,000	
SALES AND USE TAX	1,241,000 t	1,241,000	
PROPERTY TAX IN LIEU OF SALES TAX	441,000 t	441,000	
TRANSIENT OCCUPANCY TAX	1,733,000 t	1,733,000	
FRANCHISE TAXES	310,000 np		310,000
BUSINESS LICENSE TAX	200,000 t	200,000	
REAL PROPERTY TRANSFER TAX	100,000 t	100,000	
SALES TAX - SAFETY	77,200 np		77,200
LICENSES & PERMITS	70,000 t	70,000	
MOVING VIOLATIONS	247,500 np		247,500
PENALTIES	1,500 np		1,500
PARKING VIOLATIONS	650,000 np		650,000
ADMINISTRATIVE CITATIONS	5,000 np		5,000
INVESTMENT EARNINGS - PROPERTY TAX	5,000 np		5,000
INVESTMENT EARNINGS - HOUSING	25,000 np		25,000
INVESTMENT EARNINGS - SELF INSURANCE	2,000 np		2,000
RENTAL INCOME	45,600 np		45,600
PARKING METER INCOME	420,000 np		420,000
VEHICLE LICENSE FEE	26,200 t	26,200	
HOMEOWNER EXEMPT	25,000 t	25,000	
OFF HWY IN-LIEU	100 t	100	
COMMUNITY DEVELOPMENT BLOCK GRANT	19,000 np		19,000
SOLANA BEACH CONTRACT	30,000 np		30,000
STATE GRANTS	- np		-
FEDERAL GRANTS	- np		-
ON-TRACK PARAMUTUAL	85,000 np		85,000
OFF-TRACK PARAMUTUAL	75,000 np		75,000
SOLID WASTE	3,000 np		3,000
CHARGES FOR PLANNING SERVICES	558,545 np		558,545
HOUSING IN LIEU	35,000 np		35,000
ADMINISTRATIVE CHARGE	371,700 np		371,700
NUISANCE ALARM REIMBURSEMENT	2,500 np		2,500
BOOKING FEES RETURN	9,000 np		9,000
MISCELLANEOUS	60,000 np		60,000
SUB-TOTAL GENERAL FUND	10,442,845	7,405,300	3,037,545
GENERAL INTEREST	160,000	113,460	46,540
TOTAL GENERAL FUND	10,602,845	7,518,760	3,084,085
<u>LIBRARY FUND</u>			
CONTRIBUTIONS	77,250 np		77,250
CONTRIBUTIONS - FRIENDS	1,500 np		1,500
TOTAL LIBRARY FUND	78,750	-	78,750

CITY OF DEL MAR
 CALCULATION - PROCEEDS OF TAXES
 FY 2007/08

<u>FUND</u>	<u>ESTIMATED 2007/08</u>	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>
<u>GAS TAX FUND</u>			
INVESTMENT EARNINGS	4,000 np		4,000
STATE GAS TAX	103,000 np		103,000
STATE GRANTS	- np		-
PERS SURPLUS/INTEREST	- np		-
FRANCHISE FEE	27,000 np		27,000
MISCELLANEOUS	- np		-
TOTAL GAS TAX FUND	134,000	-	134,000
<u>OPEN SPACE FUND</u>			
CONSTRUCTION TAX	20,000 t	20,000	
PERMITS	410,000 np		410,000
ON-TRACK PARAMUTUAL	62,300 np		62,300
OFF-TRACK PARAMUTUAL	45,000 np		45,000
STATE GRANTS	30,000 np		30,000
FEDERAL GRANTS	- np		-
LOCAL GRANTS	- np		-
CONTRIBUTIONS	343,700 np		343,700
SUB-TOTAL OPEN SPACE FUND	911,000	20,000	891,000
INVESTMENT EARNINGS	13,000	285	12,715
TOTAL OPEN SPACE FUND	924,000	20,285	903,715
<u>SUPPLEMENTAL LAW FUND</u>			
SUPPLEMENTAL LAW GRANT	100,000 np		100,000
TOTAL SUPPLEMENTAL LAW	100,000	-	100,000
<u>REGIONAL COMMUNICATIONS FUND</u>			
PROPERTY TAX	45,000 t	45,000	
TOTAL REGIONAL COMMUNICATIONS	45,000	45,000	-
<u>WILDFIRE PROTECTION DEBT SERVICE FUND</u>			
PROPERTY TAX	165,000 np		165,000
INVESTMENT EARNINGS	5,000 np		5,000
TOTAL WILDFIRE DEBT	170,000	-	170,000

CITY OF DEL MAR
 CALCULATION - PROCEEDS OF TAXES
 FY 2007/08

<u>FUND</u>	<u>ESTIMATED 2007/08</u>	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>
<u>CAPITAL IMPROVEMENT FUND</u>			
FEDERAL GRANTS	328,000 np		328,000
STATE GRANTS	- np		-
LOCAL GRANTS	30,000 np		30,000
INVESTMENT EARNINGS	20,000 np		20,000
TOTAL CAPITAL IMPROVE FUND	378,000	-	378,000
<u>PROP 42 FUND</u>			
STATE GRANTS	- np		-
INVESTMENT EARNINGS	- np		-
TOTAL PROP 42 FUND	-	-	-
<u>TRANSNET FUND</u>			
TRANSNET	228,000 np		228,000
INVESTMENT EARNINGS	- np		-
TOTAL TRANSNET FUND	228,000	-	228,000
TOTAL GENERAL GOVERNMENT	12,660,595	7,584,046	5,076,549
<u>WORKER'S COMPENSATION FUND</u>			
CONTRIBUTIONS	235,000 np		235,000
INVESTMENT EARNINGS	19,000 np		19,000
TOTAL WORKER'S COMPENSATION FUND	254,000	-	254,000
<u>WATER UTILITY FUND</u>			
PENALTIES	10,000 np		10,000
INVESTMENT EARNINGS	45,000 np		45,000
WATER SALES	1,575,000 np		1,575,000
READY TO SERVICE CHARGE	803,000 np		803,000
CURRENT SERVICE FEES	10,000 np		10,000
GRANT FUNDS	- np		-
CONTRIB. IN AID	- np		-
PERS SURPLUS/INTEREST	- np		-
MISCELLANEOUS	20,000 np		20,000
INTEREST BOND PROCEEDS	10,000 np		10,000
TOTAL WATER FUND	2,473,000	-	2,473,000

CITY OF DEL MAR
 CALCULATION - PROCEEDS OF TAXES
 FY 2007/08

<u>FUND</u>	<u>ESTIMATED 2007/08</u>	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>
<u>CLEAN WATER FUND</u>			
PENALTIES	1,000 np		1,000
INVESTMENT EARNINGS	2,400 np		2,400
SERVICE CHARGES	301,200 np		301,200
	<hr/>		<hr/>
TOTAL CLEANWATER FUND	304,600	-	304,600
<u>SEWER UTILITY FUND</u>			
PENALTIES	10,000 np		10,000
INVESTMENT EARNINGS	15,000 np		15,000
SERVICE CHARGES	1,180,800 np		1,180,800
USAGE CHARGES	1,324,000 np		1,324,000
INCLUSION FEES	6,000 np		6,000
CONTRIB IN AID	- np		-
PERS SURPLUS/INTEREST	- np		-
MISCELLANEOUS	5,000 np		5,000
CITY OF SAN DIEGO	30,000 np		30,000
INTEREST BOND PROCEEDS	25,000 np		25,000
	<hr/>		<hr/>
TOTAL SEWER FUND	2,595,800	-	2,595,800
	<hr/>		<hr/>
TOTAL ALL FUNDS	18,287,995	7,584,046	10,703,949
	<hr/>		<hr/>
PROP 4 LIMIT		17,669,948	
		<hr/>	
OVER/(UNDER) LIMIT		(10,085,903)	
		<hr/>	

CITY COUNCIL GOALS

Background

Del Mar is a beach community of approximately 4,500 residents. Because of its proximity to the University of California, San Diego, the City attracts well-educated residents many of whom become very involved in their community. Del Mar residents take an active part in budget goal setting and workshop sessions in addition to contributing through participation on various advisory committees.

At the beginning of each budget year in February or March, it is customary for the City Council to conduct a public workshop to establish the priority goals that will provide the framework for budget development. As a result of that meeting, Council has established the following goals and objectives. This budget addresses many of these goals.

The graphic on the following pages illustrates the goals determined by the City Council. Using these goals as a guideline, each Department develops a Work Program including tasks necessary to complete Council goals and tracks progress towards meeting those goals throughout the year. The City Council adopts the work program at the beginning of the fiscal year and reviews the Work Program in six months in conjunction with the mid-year financial review. This process has served the City well in providing a tool that focuses on City priorities and monitors staff progress in implementation of the directions Council has set.

DEL MAR CITY COUNCIL 2007/08 AND 2008/09 GOALS



COUNCIL MISSION STATEMENT

The mission of the Del Mar City Council is to serve as the representative body that determines the local and regional needs of its citizens, sets goals, makes general policy, and exercises its responsibility to retain and enhance the special character of Del Mar based on the Community Plan.

CITY VISION STATEMENT

The vision for the city of Del Mar is to be a residential community with a vibrant downtown and a tranquil place of natural beauty where residents and visitors feel safe and enjoy opportunities for recreation and entertainment.

GOALS & OBJECTIVES

- GOAL 1: **Preserve and enhance the community character of the city with emphasis on natural resources****
- 1.1 Downtown Revitalization**
 - 1.2 Community Plan Update**
 - 1.3 San Dieguito Lagoon Restoration Project**
 - 1.4 Utility Undergrounding**
 - 1.5 Telecommunications**
 - 1.6 Property Acquisition: Del Mar Union School District (Shores) Property**
- GOAL 2: **Manage the City's resources in a fiscally sound and prudent manner in order to protect the public's health, safety and welfare****
- 2.1 Balanced Budget**
 - 2.2 General Government Expenditure Cap & Infrastructure Financing**
 - 2.3 Community Education/Outreach for Greater Fiscal Transparency**

DEL MAR CITY COUNCIL 2007/08 AND 2008/09 GOALS



- GOAL 3:** Communicate effectively with and engage the community
- 3.1 Community Education/Outreach for Greater Fiscal Transparency (see 2.3 above)
- GOAL 4:** Provide leadership to influence decisions that impact the local and regional communities
- 4.1 Del Mar Fairgrounds / 22nd District Agricultural Association
 - 4.2 Regional Issues
 - 4.3 Appointments to City & Regional Committees
 - 4.4 Double Tracking

GENERAL FUND REVENUES

GENERAL FUND REVENUE ANALYSIS

The City of Del Mar derives revenue from a variety of sources; however, the primary sources of revenue in the General Fund are taxes on property, on hotel rooms (transient occupancy tax), and on the sale of goods. Del Mar is almost completely built out; therefore, revenue growth is generally the result of increases in assessed valuation, hotel room rate increases and additional commercial sales activity.

Del Mar's revenues are just starting to recover from the economic aftermath caused by the events of September 11, 2001; however, the growth in Sales Tax and Transient Occupancy Tax (TOT) has not kept pace with inflation.

Proposition 1A, which made it much more difficult for the State to redirect/usurp local property taxes as it had done in the past, was passed by the California voters in November 2004. In order to gain State support for the proposition, all cities were required to "contribute" additional property taxes to the State. Del Mar's portion was \$135,000 in both fiscal year 2004/05 and 2005/06.

California voters also passed Proposition 57 in March 2004, which allowed the State to purchase bonds to reduce the State budget deficit. The Legislature enacted provisions that changed how sales and use taxes and other revenues are distributed to schools and local governments effective July 1, 2004. These provisions resulted in new revenue "swapping" procedures commonly known as the "triple flip". The "triple flip" will remain in effect until the State Director of Finance notifies the Board of Equalization that the State's bond obligations have been satisfied. Most finance professionals in the State do not anticipate that happening in the next twenty years.

The section below briefly describes the primary General Fund revenue sources, the basis of the revenue estimates, and additional information on events that affect our projections. In reviewing the revenue estimates in the current fiscal year, we also consider projections for the coming fiscal years.

TAX REVENUE

PROPERTY TAX

Property tax comprises approximately 31% of General Fund revenues. In fiscal year 2006/07, the City's assessed valuation exceeded \$2 billion for the first time. The County of San Diego provides assessed valuation information to the City, and the City's revenue projections are made in large part on the basis of that information. We also consider historical growth, which includes the re-sale and development of property. As an affluent and desirable beach community, property values in Del Mar continue to grow substantially, and re-sales contribute to large increases in assessed valuation, as illustrated in the five-year graph. The City has little growth due to development, as

there are very few vacant lots. Some development occurs when an older home is demolished and replaced with a new home

The basic property tax rate in California is 1% of assessed valuation, as determined by the passage of Proposition 13 in 1978. This means that for a house assessed at \$1,000,000, the basic property tax is \$10,000. Of that total, the City receives approximately \$1,160 or 11.6% of the total property tax assessed. Proposition 13 also restricted the increase in assessed valuation to the lower of the annual change in the Consumer Price Index (CPI) or 2%.

SALES TAX

Sales tax is a major revenue source and comprises approximately 16% of General Fund revenues. This is a reduction from 19% in fiscal 2000/01. The current Sales tax rate in San Diego County is 7.75%, and the City receives 1% of the total sales in our jurisdiction. On a quarterly basis, the State Board of Equalization (SBOE) provides detailed reporting, by business, of the sales tax collected during the quarter. With the assistance of reports provided by a consultant retained to put the SBOE information in a usable format, the City can more accurately estimate revenues by analyzing the trends by business category and location.

The character of Del Mar has a significant impact on sales tax revenue. The City, which is only 2 square miles, has a village-like atmosphere, with very little vacant land for development. Retailers are often individual proprietors, and there are no supermarkets, department stores or automobile dealers. There are only a couple of national retailers in the City.

Del Mar's restaurants are known for superior dining and generate 46% of the sales tax revenue. However, Del Mar's retail sector has struggled since September 11, 2001. Seventy percent (70%) of all Del Mar's sales tax is generated by the top 25 businesses. Thirteen of the top 25 businesses are restaurants. In order to improve retail sales, the City Council is collaborating with the Del Mar Village Association (comprised of business and residential members) on a long-term revitalization plan to attract businesses and customers to the downtown.

The presence of the 22nd District Agricultural Association (22nd DAA), with occasional automobile and recreational vehicle sales, an annual Fair, and thoroughbred racing, offers unique sales tax opportunities and room for growth that is not available in other areas of the City. However, even those revenues have been flat in recent quarters.

Based on the analysis of the sales tax consultant and City staff, sales tax revenue estimates are 1% less than FY 2006/07.

TRANSIENT OCCUPANCY TAX

Transient Occupancy Tax (TOT) is collected at each hotel and motel in the City for overnight stays that are less than 31 days. TOT revenues are approximately 16.3% of General Fund revenues. In fiscal 2000/01, TOT revenues represented 20.6% of General Fund revenues.

Our current estimate for FY 2007/08 is 3% more than the previous year. Revenues for FY 2006/07 increased 7.5% over FY 2005/06 due to increased room rates. Hotel occupancy rates have been 71-72% for the past three years.

A major cause for concern this fiscal year is the anticipated six-month closure of the City's largest hotel for remodeling. Because the specifics were unknown at the time the budget was adopted, the City added \$250,000 to the Revenue Loss Reserve in anticipation of this event; however, the impact may be much more significant.

OTHER TAXES

Other taxes are 9.6% of General Fund revenues. This category includes franchise taxes of \$310,000 for the gas, electric, trash and cable franchises that operate in the City. These estimates are based on the current projections increased by the historical growth rate.

Also included is Property Tax in Lieu of Vehicle License Fees for \$329,000, which is a 3% increase over the prior year. Beginning in FY 2005/06, the State "swapped" Motor Vehicle in Lieu with this revenue source. The Real Property Transfer Tax estimate of \$100,000 is an average of historical revenues and staff's assumption that property turnover will continue at historical levels.

The effects of AB 304 and corresponding losses at the Fairgrounds have over the last several years significantly reduced the Business License Tax, noted earlier in this report. Business license revenue, estimated at \$200,000, now constitutes about 1.8% of General Fund revenues. Estimates are based in large degree on historical information together with estimates for new business revenues.

OTHER REVENUES

PARKING FEES, FINES AND FORFEITURES

Fines and Forfeitures are revenues collected primarily from **Parking Violations**, but for purposes of analysis, we have included **Parking Meter** coin revenue as well. Projected revenue estimates are 12.5% of the General Fund.

Parking estimates are based on historical information as well as estimated increases in beach attendance, but are always subject to the unpredictable nature of the weather. With significant demands for parking because of the beach, metered parking helps to ensure turnover and allow more visitors the opportunity to find parking. These revenues grew by 5.5% and 6.1% the past two years although there was a 50 cent per hour rate increase (33%) in FY 2005/06. Staff has been unable to determine why revenue did not grow concurrently with the rate increase.

Revenue from Parking Violations is estimated to be \$650,000 for FY 2007/08.

In FY 2004/05, the City Council approved the installation of red light cameras at certain intersections in Del Mar as a safety measure to reduce red light violations. Estimated revenue for FY 2007/08 is \$162,500, with offsetting expenditures of \$120,000.

REVENUES FROM THE USE OF ASSETS

The two revenue sources in this category are **Investment Earnings** and **Rental Income**. Trends, the current economic climate, and historical information are used to calculate these estimates. Investment Earnings can be volatile depending on market conditions; however, earnings were much improved in the past fiscal year. These estimates are conservative at \$192,000 and assume no changes in the market from FY 2006/07. Rental income of \$45,600 reflects several rental agreements that are fixed for the term of the contract.

REVENUE FROM OTHER AGENCIES

These revenue sources include State and Federal funds, both subventions and grants, and the pari-mutuel activity at the 22nd DAA, both on and off-track. As noted previously, on track **Pari-mutuel** revenues declined significantly as a result of AB 304 implementation. This source, which in 1995/96 comprised approximately 6% of General Fund revenues, is projected to be .8% in 2007/08. Not only are these revenues subject to the effects of the legislation, decreases in the past have also resulted from reductions in attendance primarily attributed to gaming on Indian reservations. That trend appears to have stabilized and estimates for fiscal 2007/08 reflect no changes. Estimates are based on historical information with additional projections provided by the 22nd DAA.

This revenue category also includes \$30,000 paid by the City of Solana Beach for Information Technology Services provided by Del Mar staff.

CHARGES FOR SERVICES

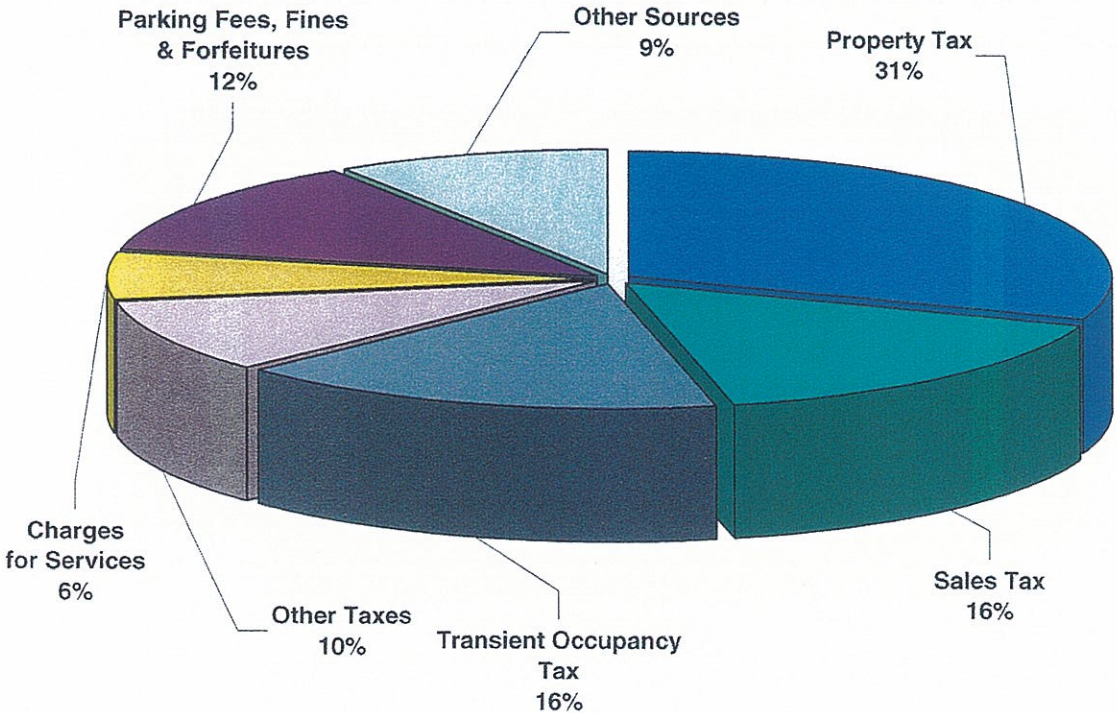
These revenues come from a variety of activities including planning and development fees. Because the City has very little new development, this is not a significant revenue source. Estimates are based primarily on historical information in conjunction with anticipated building levels. The City Council increased fees in FY 2005/06 to more

closely reflect actual staff costs of processing permits. The City now contracts with a private company for issuance of building permits, a function previously completed by the County of San Diego. The estimated revenue of \$247,780 for Building Services and \$90,000 for Engineering Services is mostly offset by the costs of the outside contractors that operate each program. Estimated Planning Services revenue is \$220,765.

OTHER REVENUE SOURCES

The primary source of revenue in this classification is the **Administrative Charge**, an allocation of \$371,700 from the Water and Sewer Enterprise funds based on an updated cost allocation study completed in FY 2002/03. **Housing in Lieu** revenues are received with lot splits for condominium development. This source is unpredictable and dependent upon that activity. Any housing revenues are allocated to the Housing in Lieu Reserve in the General Fund to be used to offset programs that provide shared housing opportunities as well as rental subsidy programs for low-income residents. **Miscellaneous** revenues from a number of different sources including dial a ride and nuisance alarm reimbursement comprise the remainder of the revenues, a small portion of the total.

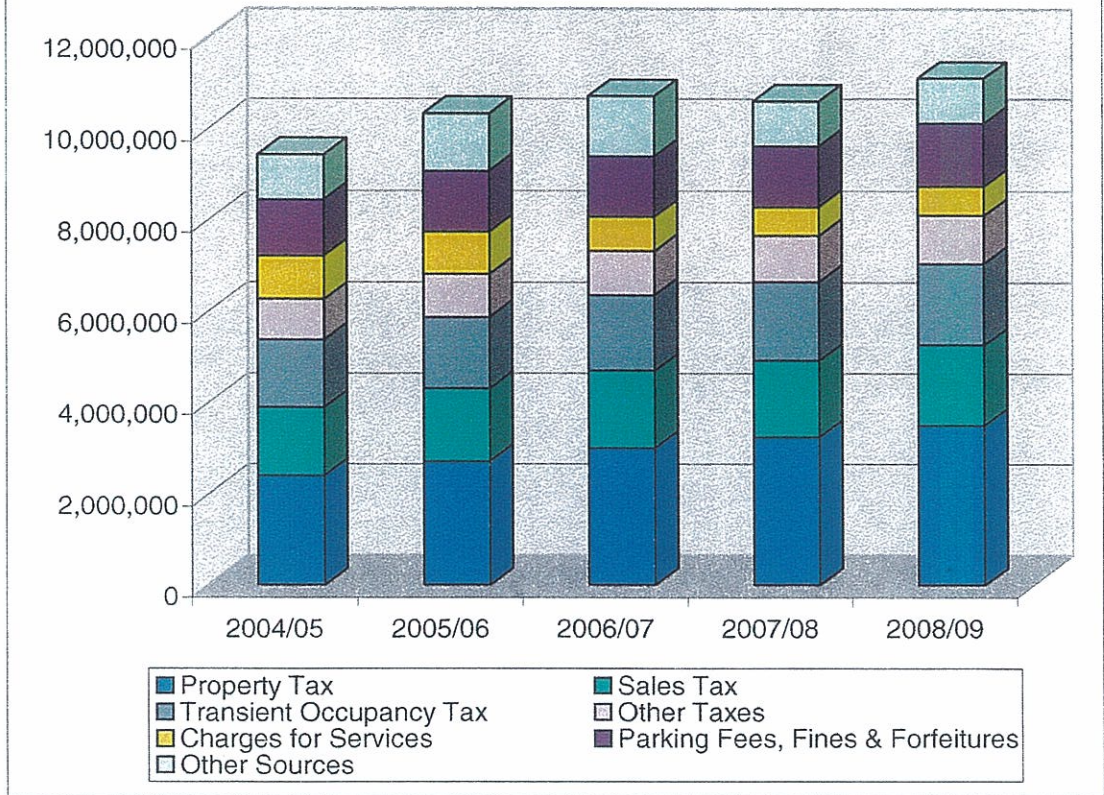
**City of Del Mar
Estimated General Fund Revenue
Fiscal Year 2007/08**



Property Tax	\$ 3,240,000
Sales Tax	1,682,000
Transient Occupancy Tax	1,733,000
Other Taxes	1,016,200
Charges for Services	628,545
Parking Fees, Fines & Forfeitures	1,324,000
Other Sources	979,100
	<hr/>

Total Estimated General Fund Revenue \$ 10,602,845

City of Del Mar General Fund Revenue Trend



**GENERAL GOVERNMENT &
GENERAL FUND
EXPENDITURES**

GENERAL FUND AND GENERAL GOVERNMENT EXPENDITURES ANALYSIS

The General Fund accounts for 48% of the City's expenditures and is primarily funded by taxes. The General Fund provides for the general cost of operating City government and includes the administrative programs of City Manager, City Clerk, Legal and Finance. Public Safety, Planning, Public Works Administration and Engineering are also included in the General Fund budget. Public Safety programs include Law and Traffic Enforcement, Fire and Lifeguard. Also included are regulatory programs such as Code Enforcement and Parking Enforcement.

Department heads are responsible for the preparation and management of program budgets under their direction. The City Council approves employee salary schedules each fiscal year. Fiscal year 2007/08 incorporates salary increases in accordance with the City's four-year agreement with the general employees bargaining unit and the final increase of the three-year agreement with the Fire bargaining unit. Fiscal year 2007/08 is the second year of a four-year agreement with the general employees and the agreement with the City's fire employees expires on September 30, 2007.

Several City services are provided by contract including law enforcement, City Attorney, City Engineer, and management of the Fire Department.

PUBLIC SAFETY

This category of expenditures, at 52% of the General Fund total, comprises the largest segment of the General Fund budget. It includes law and traffic enforcement activities, lifeguard services, fire protection, and several smaller public safety programs. Despite Del Mar's size, approximately two million people visit the City's beaches annually. The presence of the Fairgrounds results in many large events, reinforcing the importance of public safety. City Councils, past and present, have generously funded these programs to provide a safe community for both residents and visitors.

In our continuing efforts to be more efficient yet provide high levels of service, Del Mar contracts with the City of Solana Beach for management of our Fire Department. This agreement has been in place for approximately four years and continues to be an outstanding relationship. Since we began this arrangement, we have continued to explore service consolidations that would be even more cost effective and provide a higher level of service to Del Mar residents. In addition, the Department continues to certify staff as paramedics to improve the quality of service for medical calls.

The City contracts with the San Diego County Sheriff's Department for both law and traffic enforcement. In recent years, the costs of patrol services have increased significantly due to enhanced retirement benefits for deputies, inclusions of Deputy-initiated calls in the "beat factor" calculations, and other operational cost increases. Budgets for FY 2007/08 and 2008/09 reflect the latest projections based on continuation of the present costing formula; however, negotiations for a new five-year master contract with all contract cities served by the Sheriff are not yet complete.

Community Services staff analyzed staffing levels to determine the appropriate allocation that reflects the workload and activities of each program. This analysis resulted in the transfer of some full-time and seasonal salaries between programs such as Lifeguard Services, Parking Enforcement and the Ranger Program. Also affected by the staffing analysis is the Powerhouse Community Center, a general government program.

GENERAL GOVERNMENT

General government provides the basic support services for all City activities. This group of programs, including City Manager, Finance, City Clerk, Legal Services, Human Resources, and the City Council among others, provides for the general administrative services for all departments. General Government comprises 32% of General Fund expenditures.

PUBLIC WORKS

The public works category, at 3% of General Fund expenditures, includes both general public works and engineering. When general government funds are included, this category is 6% of the total and includes Streetlights and Signs, Street Maintenance, Street Landscaping, and Park Maintenance. The department has taken an active role in securing grants for a number of projects as well as implementing an effective cost recovery system.

PLANNING

In addition to the Planning Department, which is responsible for administration of all ordinances pertaining to land use and development in the City, this category also includes the programs for design review, planning commission, beach preservation, housing, building permits and inspections, and the San Dieguito Lagoon membership. This City function is the mechanism through which we are able to preserve the village-like quality in addition to the ocean views enjoyed by many residents. This function is 13% of the General Fund expenditures and has significant responsibility in the enforcement of ordinances, which are generally far more stringent than most California communities. Planning programs recover approximately 42% (\$468,545) of the cost in permit and inspection fees.

GENERAL CAPITAL IMPROVEMENTS

As discussed in the Budget Process section of this document, the City Council adopted a financial objective in 2007 to provide funding for future capital projects. This objective was in response to the results of a 20-year financial forecast of revenues, operating expenditures, and capital projects. Because funding for future capital projects was inadequate, the financial objective caps the growth of operating expenditures as a percentage of the projected growth of revenues. The FY 2007/08 and 2008/09 budgets meet this financial objective.

The FY 2007/08 capital budget includes a General Fund investment of almost \$700,000 that is primarily allocated to street rehabilitation, ADA improvements and continued work on the North Torrey Pines Bridge. The City is also increasing the Capital Reserve by \$177,000 for a larger long-term project in the future.

Projects included in the FY 2007/08 Open Space Fund include \$20,000 for drainage and structural rehabilitation for the Tot Lot; \$60,000 for park and open space irrigation controllers; \$40,000 for design services to relocate the City's seawall at the 29th street end; and \$300,000 for improvements to Seagrove and Sea Cliff Parks. The General Fund will provide \$90,000 in funding for these projects with an additional \$30,000 in grant funding from the San Diego County Water Authority for the irrigation controllers. The City will seek donations and grants for the entire \$300,000 required for the Seagrove and Sea Cliff Park improvements.

The only Open Space Fund project in FY 2008/09 is the relocation of the City's seawall at the 29th street end for an additional \$300,000 of General Fund money. This project will be done in conjunction with the beach access improvements being designed and constructed by Southern California Edison as part of the Lagoon Restoration Project.

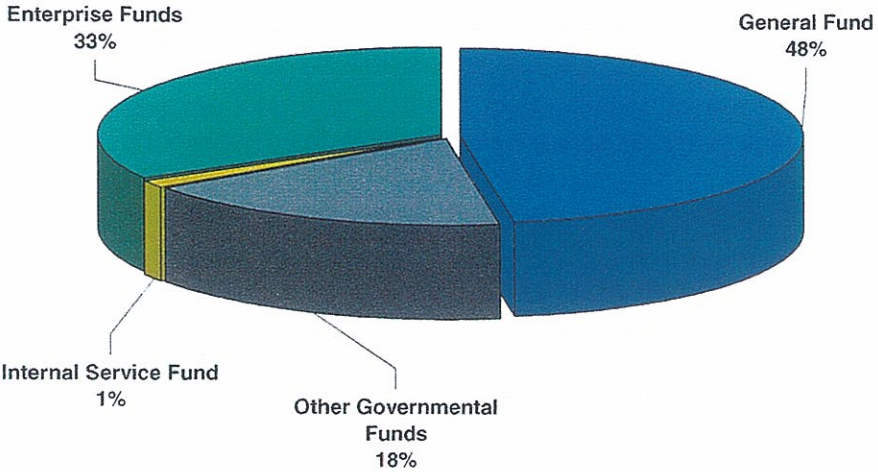
The 2007/08 General Capital Improvements facility projects include \$40,000 for partial replacement of the Library roof and \$15,000 for consultant assistance with grant applications for the new Beach Safety Center (aka 17th Street Lifeguard Headquarters).

Del Mar's beach is our main attraction and millions of visitors attest to its appeal. The main lifeguard tower at 17th Street does not meet the needs of the community or beach visitors. Not only does the actual tower need to be replaced, but we need seawalls, new restrooms, improved beach access, public parking and drainage facilities. The current estimated cost is more than \$5 million. The \$15,000 included in this budget is for assistance in seeking grant funding.

Del Mar's largest capital project is the seismic retrofit of the historical Torrey Pines Bridge. Grant funding in FY 2007/08 is estimated at \$240,000 with a General Fund contribution of \$60,000. The City expects \$560,000 in grant funding in FY 2008/09 and will use \$140,000 in Transnet II funds for the required match. This funding includes continued work with CALTRANS to receive the appropriate approvals and initiating the required environmental processing.

Other street projects in FY 2007/08 include \$583,000 for annual street resurfacing; \$88,000 for preliminary engineering on the maintenance and rehabilitation needs of the Camino Del Mar Bridge over the San Dieguito River; and \$100,000 for pedestrian and accessibility improvements. The entire Camino Del Mar Bridge project is expected to be funded by grants and \$228,000 of the annual street resurfacing project will come from Transnet funds. Fiscal year 2008/09 includes \$900,000 for the Camino Del Mar Bridge over the San Dieguito River, of which \$30,230 is from the General Fund, \$73,000 is funded by Transnet II and the remainder by federal grants. Street resurfacing and ADA improvements total \$516,461 in FY 2008/09, which is primarily General Fund money.

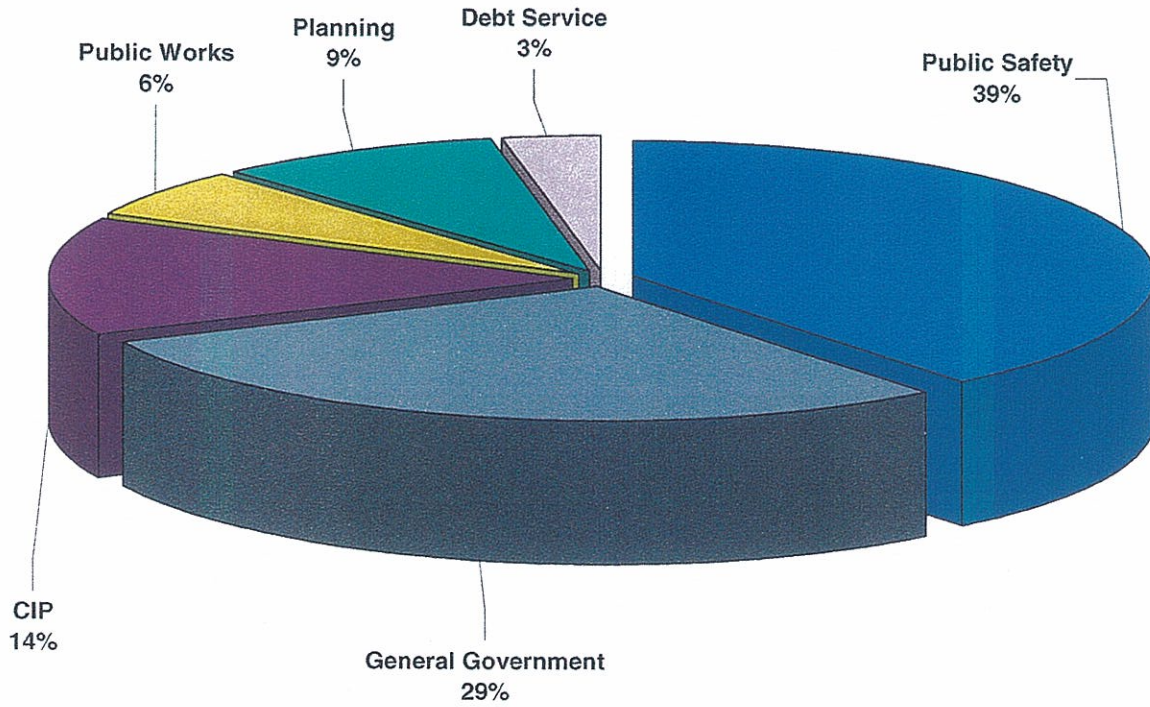
**City of Del Mar
Expenditures by Fund Type
Fiscal Year 2007/08**



General Fund	Other Governmental Funds
Internal Service Fund	Enterprise Funds

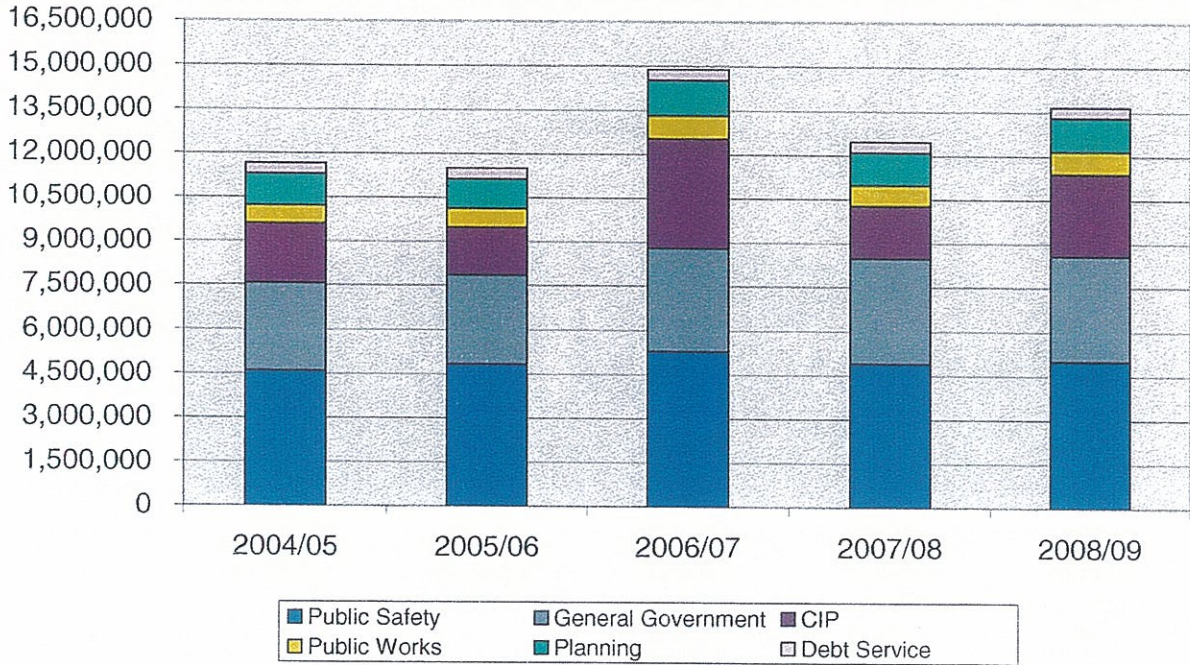
General Fund	\$ 8,924,895
Other Governmental Funds	3,374,260
Internal Service Fund	271,600
Enterprise Funds	<u>6,248,665</u>
Total Adopted Budget	<u>\$ 18,819,420</u>

**General Government Expenditures
(including Capital Reserve Contribution)
Fiscal Year 2007/08**

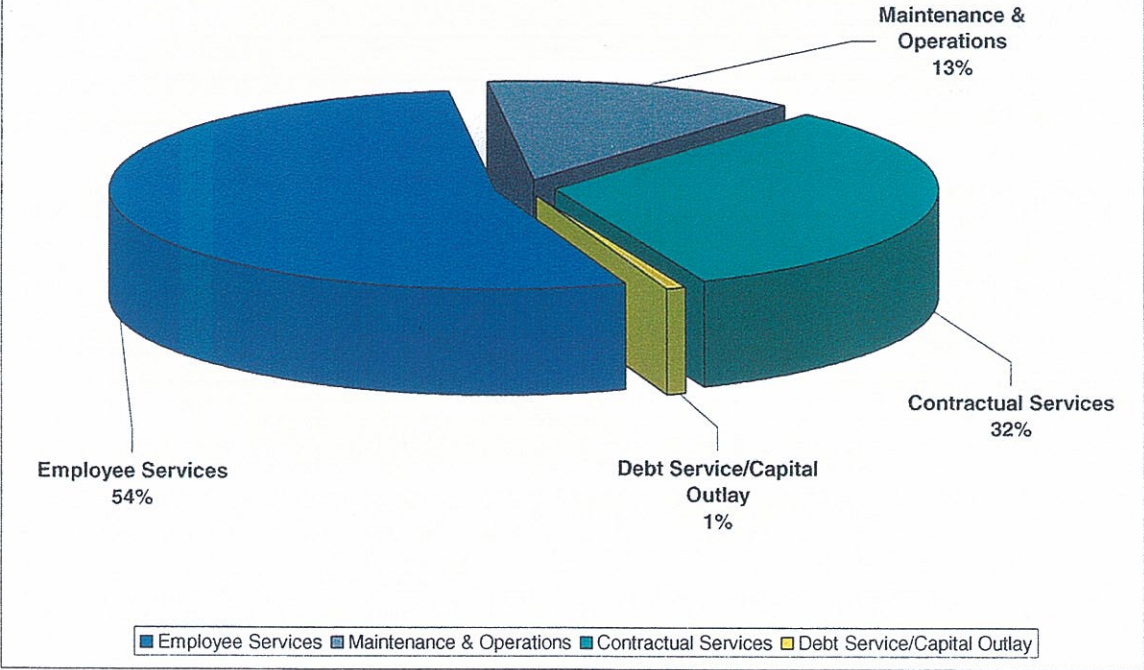


Public Safety	\$	4,896,854
General Government		3,585,471
Capital Improvement Projects		1,783,000
Public Works		721,905
Planning		1,116,461
Debt Service		372,464
		<hr/>
Total Expenditures	\$	<u>12,476,155</u>

General Government Expenditure Trend



**City of Del Mar
General Fund Expenditures by Type
Fiscal Year 2007/08**



Employee Services	\$ 4,788,471
Maintenance & Operations	1,194,145
Contractual Services	2,864,664
Debt Service	33,590
Capital Outlay	44,025
	\$ 8,924,895
Total Expenditures	\$ 8,924,895

CITY OF DEL MAR
GENERAL FUND FUND BALANCE
FISCAL YEARS 2004/05 to 2008/09

	Actual 2004/05	Actual 2005/06	Estimated 2006/07	Estimated 2007/08	Estimated 2008/09
Beginning Balance	3,523,130	3,251,999	3,770,778	3,335,591	3,301,602
Revenues					
Taxes	6,271,807	6,824,074	7,335,000	7,671,200	8,115,640
Licenses/Permits	302,691	356,492	166,750	70,000	70,000
Use of Assets	521,656	531,377	657,600	657,600	680,690
Intergovernmental	382,661	462,566	403,382	272,300	273,100
Charges for Services	652,837	568,445	580,109	558,545	568,100
Fines/Forfeitures	874,862	956,378	899,375	904,000	926,600
Other Revenues	427,644	679,057	672,376	469,200	480,350
Total Revenues	9,434,158	10,378,389	10,714,592	10,602,845	11,114,480
Expenditures					
General Government	3,182,054	3,103,479	3,733,013	3,592,169	3,723,982
Public Safety	4,413,828	4,659,946	5,042,764	4,658,595	4,751,323
Public Works	304,994	350,303	414,047	309,655	320,242
Non-Departmental	327,225	297,256	377,521	364,476	367,085
Total Expenditures	8,228,101	8,410,984	9,567,345	8,924,895	9,162,632
Net Transfers	(1,477,188)	(1,448,626)	(1,582,434)	(1,711,939)	(1,910,000)
Ending Balance	3,251,999	3,770,778	3,335,591	3,301,602	3,343,450

**CITY OF DEL MAR
FISCAL YEAR 2007 - 08
OPERATING AND CAPITAL IMPROVEMENT BUDGET
RESERVE SUMMARIES**

RESERVE TITLE	Beg. Balance 07/01/07 Estimated	Revenue FY 08	O & M Expenditures FY 08	CIP Expenditures FY 08	In FY 08	(Out) FY 08	Projected End Balance 06/30/08
GENERAL FUND							
CONTINGENCY	10.40% \$ 1,149,443	\$ 10,496,845	\$ (8,790,035)	\$ -	\$ 193,159	\$ (2,091,939)	\$ 957,473
RESTRICTED:							
HOUSING	733,563	104,000	(119,860)	-	-	-	717,703
SELF-INSURANCE	100,000	2,000	(15,000)	-	13,000	-	100,000
DESIGNATED:							
REVENUE LOSS	500,000	-	-	-	250,000	-	750,000
ENVIRONMENTAL TRUST	4,089	-	-	-	-	(4,089)	-
SOFTWARE LICENSING	36,000	-	-	-	-	(36,000)	-
UNDERGROUNDING RESERVE	50,000	-	-	-	-	(50,000)	-
LEAVE LIABILITY	105,041	-	-	-	-	-	105,041
EQUIPMENT REPLACEMENT	657,455	-	-	-	97,000	(83,070)	671,385
TOTAL GENERAL FUND	3,335,591	10,602,845	(8,924,895)	-	553,159	(2,265,098)	3,301,602
LIBRARY FUND							
CONTINGENCY	10,154	78,750	(73,217)	-	-	-	15,687
GAS TAX FUND							
CONTINGENCY	10,745	134,000	(412,250)	-	275,000	-	7,495
OPEN SPACE FUND							
CONTINGENCY	8,855	924,000	(838,665)	(420,000)	330,000	-	4,190
DESIGNATED:							
OPEN SPACE ACQUISITION	442,834	-	-	-	-	-	442,834
RIVERMOUTH OPENING	1,756	-	-	-	-	-	1,756
TREE RESERVE	63,700	-	-	-	-	-	63,700
SAND REPLENISHMENT	20,000	-	-	-	-	(20,000)	-
TOTAL OPEN SPACE FUND	537,145	924,000	(838,665)	(420,000)	330,000	(20,000)	512,480
SUPPLEMENTAL LAW FUND							
RESTRICTED	1,000	100,000	(214,719)	-	115,000	-	1,281
REGIONAL COMMUNICATIONS FUND							
RESTRICTED	3,718	45,000	(49,959)	-	5,000	-	3,759

**CITY OF DEL MAR
FISCAL YEAR 2007 - 08
OPERATING AND CAPITAL IMPROVEMENT BUDGET
RESERVE SUMMARIES**

RESERVE TITLE	Beg. Balance 07/01/07 Estimated	Revenue FY 08	O & M Expenditures FY 08	CIP Expenditures FY 08	In FY 08	(Out) FY 08	Projected End Balance 06/30/08
WILDFIRE PROTECTION BOND DEBT							
RESTRICTED	138,971	170,000	(179,450)	-	-	-	129,521
CAPITAL IMPROVEMENT FUND							
CONTINGENCY	9,879	378,000	-	(958,000)	600,000	-	29,879
RESERVE FOR CAPITAL	383,061	-	-	-	176,939	-	560,000
TOTAL CAPITAL IMPROVEMENT FUND	392,940	378,000	-	(958,000)	776,939	-	589,879
PROP 42 FUND							
RESTRICTED	-	-	-	-	-	-	-
TRANSNET I FUND							
RESTRICTED	-	228,000	-	(228,000)	-	-	-
TOTAL GENERAL GOVT	4,430,264	12,660,595	(10,693,155)	(1,606,000)	2,055,098	(2,285,098)	4,561,704
WORKERS' COMPENSATION FUND							
FUND BALANCE	822,189	254,000	(271,600)	-	-	-	804,589
WATER FUND							
FUND BALANCE	514,279	2,473,000	(2,040,352)	-	-	(733,000)	213,927
RESTRICTED:							
BOND SECURITY	229,973	-	-	-	-	-	229,973
CONTRIBUTED CAPITAL	4,028,272	-	-	-	-	-	4,028,272
WILDFIRE PROTECTION	21,604	-	-	-	-	-	21,604
DESIGNATED:							
SELF-INSURANCE	50,000	-	-	-	-	-	50,000
RATE STABILIZATION	188,996	-	-	-	-	-	188,996
CAPITAL REPLACEMENT	586,764	-	-	(1,045,000)	700,000	-	241,764
OPERATING RESERVE	85,837	-	-	-	13,000	-	98,837
EQUIPMENT REPLACEMENT	143,536	-	-	-	20,000	-	163,536
UTILITY PLANT IN SERVICE	6,737,184	-	-	-	-	-	6,737,184
TOTAL WATER FUND	12,586,445	2,473,000	(2,040,352)	(1,045,000)	733,000	(733,000)	11,974,093

**CITY OF DEL MAR
FISCAL YEAR 2007 - 08
OPERATING AND CAPITAL IMPROVEMENT BUDGET
RESERVE SUMMARIES**

RESERVE TITLE	Beg. Balance 07/01/07 Estimated	Revenue FY 08	O & M Expenditures FY 08	CIP Expenditures FY 08	In FY 08	(Out) FY 08	Projected End Balance 06/30/08
CLEANWATER FUND							
FUND BALANCE	925	304,600	(531,756)	-	230,000	-	3,769
DESIGNATED							
UTILITY PLANT IN SERVICE	5,336						5,336
TOTAL CLEAN WATER FUND	6,261	304,600	(531,756)	-	230,000	-	9,105
SEWER FUND							
FUND BALANCE	264,539	2,595,800	(2,226,557)	-	-	(514,000)	119,782
RESTRICTED:							
BOND SECURITY	449,615	-	-	-	-	-	449,615
CONTRIBUTED CAPITAL	650,814	-	-	-	-	-	650,814
DESIGNATED:							
CAPITAL REPLACEMENT	70,210	-	-	(405,000)	425,000	-	90,210
OPERATING RESERVE	51,000	-	-	-	39,000	-	90,000
UTILITY PLANT IN SERVICE	5,487,038	-	-	-	-	-	5,487,038
RATE STABILIZATION	115,000	-	-	-	50,000	-	165,000
	7,088,216	2,595,800	(2,226,557)	(405,000)	514,000	(514,000)	7,052,459
TOTAL ENTERPRISE FUNDS	19,680,922	5,373,400	(4,798,665)	(1,450,000)	1,477,000	(1,247,000)	19,035,657
TOTAL - ALL FUNDS	24,933,375	18,287,995	(15,763,420)	(3,056,000)	3,532,098	(3,532,098)	24,401,950

**CITY OF DEL MAR
FISCAL YEAR 2008 - 09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
RESERVE SUMMARIES**

RESERVE TITLE	Beg. Balance 07/01/08 Estimated	Revenue FY 09	O & M Expenditures FY 09	CIP Expenditures FY 09	In FY 09	(Out) FY 09	Projected End Balance 06/30/09
GENERAL FUND							
CONTINGENCY	10.09% \$ 957,473	\$ 11,008,479	\$ (9,025,545)	-	\$ 36,200	\$ (2,023,000)	\$ 953,607
RESTRICTED:							
HOUSING	717,703	104,000	(122,087)	-	-	-	699,616
SELF-INSURANCE	100,000	2,000	(15,000)	-	13,000	-	100,000
DESIGNATED:							
REVENUE LOSS	750,000	-	-	-	-	-	750,000
ENVIRONMENTAL TRUST	-	-	-	-	-	-	-
SOFTWARE LICENSING	-	-	-	-	-	-	-
UNDERGROUNDING RESERVE	-	-	-	-	-	-	-
LEAVE LIABILITY	105,041	-	-	-	-	-	105,041
EQUIPMENT REPLACEMENT	671,385	-	-	-	100,000	(36,200)	735,185
TOTAL GENERAL FUND	3,301,602	11,114,479	(9,162,632)	-	149,200	(2,059,200)	3,343,449
LIBRARY FUND							
CONTINGENCY	15,687	1,500	(73,216)	-	65,000	-	8,971
GAS TAX FUND							
CONTINGENCY	7,495	142,000	(426,079)	-	280,000	-	3,416
OPEN SPACE FUND							
CONTINGENCY	4,190	553,000	(755,642)	(300,000)	505,000	-	6,548
DESIGNATED:							
OPEN SPACE ACQUISITION	442,834	-	-	-	-	-	442,834
RIVERMOUTH OPENING	1,756	-	-	-	-	-	1,756
TREE RESERVE	63,700	-	-	-	-	-	63,700
SAND REPLENISHMENT	-	-	-	-	-	-	-
TOTAL OPEN SPACE FUND	512,480	553,000	(755,642)	(300,000)	505,000	-	514,838
SUPPLEMENTAL LAW FUND							
RESTRICTED	1,000	100,000	(216,214)	-	120,000	-	4,786
REGIONAL COMMUNICATIONS FUND							
RESTRICTED	3,718	45,000	(35,623)	-	-	-	13,095

**CITY OF DEL MAR
FISCAL YEAR 2008 - 09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
RESERVE SUMMARIES**

RESERVE TITLE	Beg. Balance 07/01/08 Estimated	Revenue FY 09	O & M Expenditures FY 09	CIP Expenditures FY 09	In FY 09	(Out) FY 09	Projected End Balance 06/30/09
WILDFIRE PROTECTION BOND DEBT							
RESTRICTED	129,521	170,000	(179,018)	-	-	-	120,503
CAPITAL IMPROVEMENT FUND							
CONTINGENCY	29,879	1,426,770	-	(1,857,000)	410,000	-	9,649
RESERVE FOR CAPITAL	560,000	-	-	-	400,000	-	960,000
TOTAL CAPITAL IMPROVEMENT FUND	589,879	1,426,770	-	(1,857,000)	810,000	-	969,649
PROP 42 FUND							
RESTRICTED	-	46,461	-	(46,461)	-	-	-
TRANSNET I FUND							
RESTRICTED	-	213,000	-	(213,000)	-	-	-
TOTAL GENERAL GOVT	4,561,382	13,812,210	(10,848,424)	(2,416,461)	1,929,200	(2,059,200)	4,978,707
WORKERS' COMPENSATION FUND							
FUND BALANCE	804,589	254,000	(284,300)	-	-	-	774,289
WATER FUND							
FUND BALANCE	213,927	2,580,000	(2,225,494)	-	-	(491,000)	77,433
RESTRICTED:							
BOND SECURITY	229,973	-	-	-	-	-	229,973
CONTRIBUTED CAPITAL	4,028,272	-	-	-	-	-	4,028,272
WILDFIRE PROTECTION	21,604	-	-	-	-	-	21,604
DESIGNATED:							
SELF-INSURANCE	50,000	-	-	-	-	-	50,000
RATE STABILIZATION	188,996	-	-	-	-	-	188,996
CAPITAL REPLACEMENT	241,764	-	-	(550,000)	460,000	-	151,764
OPERATING RESERVE	98,837	-	-	-	11,000	-	109,837
EQUIPMENT REPLACEMENT	163,536	-	-	-	20,000	-	183,536
UTILITY PLANT IN SERVICE	6,737,184	-	-	-	-	-	6,737,184
	11,974,093	2,580,000	(2,225,494)	(550,000)	491,000	(491,000)	11,778,599

**CITY OF DEL MAR
FISCAL YEAR 2008 - 09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
RESERVE SUMMARIES**

RESERVE TITLE	Beg. Balance 07/01/08 Estimated	Revenue FY 09	O & M Expenditures FY 09	CIP Expenditures FY 09	In FY 09	(Out) FY 09	Projected End Balance 06/30/09
CLEANWATER FUND							
FUND BALANCE	3,769	379,900	(512,519)	-	130,000	-	1,150
DESIGNATED							
UTILITY PLANT IN SERVICE	5,336						5,336
TOTAL CLEAN WATER FUND	9,105	379,900	(512,519)	-	130,000	-	6,486
SEWER FUND							
FUND BALANCE	119,782	5,145,900	(2,314,880)	-	-	(2,935,000)	15,802
RESTRICTED:							
BOND SECURITY	449,615	-	-	-	-	-	449,615
CONTRIBUTED CAPITAL	650,814	-	-	-	-	-	650,814
DESIGNATED:							
CAPITAL REPLACEMENT	90,210	-	-	(2,575,000)	2,875,000	-	390,210
OPERATING RESERVE	90,000	-	-	-	40,000	-	130,000
UTILITY PLANT IN SERVICE	5,487,038	-	-	-	-	-	5,487,038
RATE STABILIZATION	165,000	-	-	-	20,000	-	185,000
	7,052,459	5,145,900	(2,314,880)	(2,575,000)	2,935,000	(2,935,000)	7,308,479
TOTAL ENTERPRISE FUNDS	19,035,657	8,105,800	(5,052,893)	(3,125,000)	3,556,000	(3,426,000)	19,093,564
TOTAL - ALL FUNDS	24,401,628	22,172,010	(16,185,617)	(5,541,461)	5,485,200	(5,485,200)	24,846,560

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
REVENUE ESTIMATES

SOURCE OF FUNDS	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	INCREASE (DECREASE)	PERCENT CHANGE	PROPOSED ESTIMATE 2008/09
GENERAL FUND							
TAXES							
PROPERTY TAX	2,397,085	2,711,072	3,000,000	3,240,000	240,000	8.00%	3,500,000
PROPERTY TAX IN LIEU OF VLF	244,088	309,460	319,400	329,000	9,600	3.01%	339,000
SALES AND USE TAX	1,163,313	1,252,500	1,259,000	1,241,000	(18,000)	-1.43%	1,303,000
PROPERTY TAX IN LIEU OF SALES TAX	332,806	349,694	440,400	441,000	600	0.14%	463,000
SAFETY SALES TAX	61,513	66,343	71,600	77,200	5,600	7.82%	83,300
TRANSIENT OCCUPANCY TAX	1,488,935	1,564,641	1,661,300	1,733,000	71,700	4.32%	1,794,000
FRANCHISE TAX	270,884	282,941	288,300	310,000	21,700	7.53%	325,500
BUSINESS LICENSE TAX	185,753	186,756	195,000	200,000	5,000	2.56%	207,840
REAL PROPERTY TRANSFER TAX	127,430	100,667	100,000	100,000	-	0.00%	100,000
TOTAL	6,271,807	6,824,074	7,335,000	7,671,200	336,200	4.58%	8,115,639
LICENSES & PERMITS							
LICENSES & PERMITS	3,203	20,739	20,000	20,000	-	0.00%	20,000
JUNIOR LIFEGUARD	299,488	335,753	146,750	50,000	(96,750)	-65.93%	50,000
TOTAL	302,691	356,492	166,750	70,000	(96,750)	-58.02%	70,000
FINES & FORFEITURES							
MOVING VIOLATIONS	101,822	116,543	85,000	85,000	-	0.00%	85,000
PENALTIES	7,312	4,083	1,500	1,500	-	0.00%	1,500
PARKING VIOLATIONS	613,329	681,032	650,000	650,000	-	0.00%	669,500
ADMINISTRATIVE CITATIONS	4,701	3,650	5,000	5,000	-	0.00%	5,000
RED LIGHT ENFORCEMENT	147,698	151,070	157,875	162,500	4,625	2.93%	165,600
TOTAL	874,862	956,378	899,375	904,000	4,625	0.51%	926,600
REVENUE FROM USE OF ASSETS							
PROPERTY TAX INTEREST	3,431	6,855	5,000	5,000	-	0.00%	5,000
INV EARN-GENERAL	92,905	38,730	160,000	160,000	-	0.00%	160,000
INV EARN-HOUSING	16,331	18,224	25,000	25,000	-	0.00%	25,000
INV EARN-SIR	2,801	2,968	2,000	2,000	-	0.00%	2,000
RENTAL INCOME	57,700	43,802	45,600	45,600	-	0.00%	45,600
PARKING METER INCOME	357,772	377,928	420,000	420,000	-	0.00%	443,090
TOTAL	530,940	488,507	657,600	657,600	-	0.00%	680,690

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
REVENUE ESTIMATES**

SOURCE OF FUNDS	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	INCREASE (DECREASE)	PERCENT CHANGE	PROPOSED ESTIMATE 2008/09
GENERAL FUND (CONTINUED)							
REVENUE FROM OTHER AGENCIES							
MOTOR VEHICLE LICENSE FEE	105,682	27,179	25,400	26,200	800	3.15%	27,000
OFF HWY IN-LIEU	-	69	100	100	-	0.00%	100
HOMEOWNER EXEMPT	31,659	32,658	25,000	25,000	-	0.00%	25,000
STATE GRANTS	-	17,197	-	-	-	0.00%	-
FEDERAL GRANTS	54,975	163,641	47,267	-	(47,267)	-100.00%	-
CDBG	-	43,554	19,000	19,000	-	0.00%	19,000
STATE MANDATED COST REIMB.	-	-	55,171	-	(55,171)	-100.00%	-
FEMA REIMBURSEMENT	-	-	50,000	-	(50,000)	-100.00%	-
CONTRACT SOLANA BEACH	36,000	21,750	10,000	30,000	20,000	200.00%	30,000
ON-TRACK PARI-MUTUEL	83,849	93,160	85,000	85,000	-	0.00%	85,000
OFF-TRACK PARI-MUTUEL	58,792	63,358	75,000	75,000	-	0.00%	75,000
BOOKING FEES RETURN	11,704	-	8,624	9,000	376	4.36%	9,000
SOLID WASTE	-	-	2,820	3,000	180	6.38%	3,000
TOTAL	382,661	462,566	403,382	272,300	(131,082)	-32.50%	273,100
CHARGES - PLANNING SERVICES							
PLANNING SERVICES	262,606	227,860	234,300	220,765	(13,535)	-5.78%	223,000
ENGINEERING SERVICES	-	79,756	90,000	90,000	-	0.00%	91,800
BUILDING SERVICES	390,231	260,829	255,809	247,780	(8,029)	-3.14%	253,300
TOTAL	652,837	568,445	580,109	558,545	(21,564)	-3.72%	568,100
OTHER REVENUE SOURCES							
HOUSING IN LIEU	35,620	237,717	165,000	35,000	(130,000)	-78.79%	35,000
SALE OF PROPERTY	2,831	-	1,000	-	(1,000)	-100.00%	-
ADMINISTRATIVE CHARGE	340,545	349,738	360,848	371,700	10,852	3.01%	382,850
CONTRIBUTIONS	12,770	5,560	-	-	-	0.00%	-
NUISANCE ALARM REIMBURSEMENT	-	1,380	2,500	2,500	-	0.00%	2,500
WORKER'S COMP REIMBURSEMENT	-	-	90,000	-	(90,000)	-100.00%	-
EXPENDITURE REIMBURSEMENT	-	7,462	13,028	-	(13,028)	-100.00%	-
MISCELLANEOUS	35,878	77,177	40,000	60,000	20,000	50.00%	60,000
TOTAL	427,644	679,034	672,376	469,200	(203,176)	-30.22%	480,350
TOTAL CITY GENERAL FUND	9,443,442	10,335,496	10,714,592	10,602,845	(111,747)	-1.04%	11,114,479
LIBRARY							
CONTRIBUTIONS - INN	51,500	51,500	51,000	77,250	26,250	51.47%	-
CONTRIBUTIONS - FRIENDS	-	1,495	1,810	1,500	(310)	-17.13%	1,500
TOTAL LIBRARY MAINTENANCE	51,500	52,995	52,810	78,750	25,940	49.12%	1,500

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
REVENUE ESTIMATES

SOURCE OF FUNDS	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED	ADOPTED 2007/08	INCREASE (DECREASE)	PERCENT CHANGE	PROPOSED ESTIMATE 2008/09
			BUDGET 2006/07				
GAS TAX FUND							
FRANCHISE FEE	26,196	34,320	27,000	27,000	-	0.00%	27,000
INVESTMENT EARNINGS	1,874	10,543	4,000	4,000	-	0.00%	9,000
STATE GRANTS	6,000	-	-	-	-	0.00%	-
STATE GAS TAX	90,900	88,688	103,000	103,000	-	0.00%	105,000
MISCELLANEOUS	6,208	1,170	840	-	(840)	-100.00%	-
TOTAL GAS TAX FUND	131,178	134,721	134,840	134,000	(840)	-0.62%	142,000
OPEN SPACE FUND							
CONSTRUCTION TAX	21,232	17,192	20,000	20,000	-	0.00%	20,000
PERMITS/PARK & COMM CENTER	344,642	379,371	300,000	350,000	50,000	16.67%	350,000
SURF CAMP PERMITS	54,948	49,754	40,000	60,000	20,000	50.00%	60,000
INVESTMENT EARNINGS	16,677	13,235	13,000	13,000	-	0.00%	14,000
ON-TRACK PARI-MUTUEL	55,899	62,106	60,500	62,300	1,800	2.98%	64,000
OFF-TRACK PARI-MUTUEL	39,213	42,239	45,000	45,000	-	0.00%	45,000
STATE GRANTS	-	-	96,452	30,000	(66,452)	-68.90%	-
FEDERAL GRANTS	89,486	-	-	-	-	0.00%	-
CONTRIBUTIONS	1,000	-	1,200	343,700	342,500	28541.67%	-
TREE MITIGATION	1,350	2,250	-	-	-	0.00%	-
TOTAL OPEN SPACE FUND	624,447	566,147	576,152	924,000	347,848	60.37%	553,000
SUPPLEMENTAL LAW FUND							
SUPPLEMENTAL LAW GRANT	100,000	99,810	100,000	100,000	-	0.00%	100,000
MISCELLANEOUS	18	-	-	-	-	0.00%	-
TOTAL SUPPLEMENTAL LAW	100,018	99,810	100,000	100,000	-	0.00%	100,000
REGIONAL COMMUNICATIONS							
INVESTMENT EARNINGS	1,135	1,339	-	-	-	0.00%	-
PROPERTY TAX	44,031	43,875	45,000	45,000	-	0.00%	45,000
TOTAL REGIONAL COMMUNIC.	45,166	45,214	45,000	45,000	-	0.00%	45,000
OPEN SPACE DEBT FUND							
INVESTMENT EARNINGS	947	6	-	-	-	0.00%	-
TOTAL OPEN SPACE DEBT	947	6	-	-	-	0.00%	-

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
REVENUE ESTIMATES**

SOURCE OF FUNDS	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	INCREASE (DECREASE)	PERCENT CHANGE	PROPOSED ESTIMATE 2008/09
WILDFIRE PROTECTION DEBT FUND							
PROPERTY TAX	126,742	136,548	165,000	165,000	-	0.00%	165,000
INVESTMENT EARNINGS	4,433	2,274	5,000	5,000	-	0.00%	5,000
WILDFIRE PROTECTION DEBT FUND	131,175	138,822	170,000	170,000	-	0.00%	170,000
CAPITAL IMPROVEMENTS FUND							
STATE GRANT	434,930	-	-	-	-	0.00%	-
FEDERAL GRANTS	86,313	255,820	532,600	328,000	(204,600)	-38.42%	1,356,770
LOCAL GRANTS	-	-	-	30,000	-	0.00%	-
INVESTMENT EARNINGS	4,059	30,800	20,000	20,000	-	0.00%	70,000
TDA CDM 9TH STREET	383,226	-	-	-	-	0.00%	-
CONTRIBUTIONS - 20-A PRIVATE	-	-	250,000	-	(250,000)	-100.00%	-
CONTRIBUTIONS - 20-A SDG&E	-	-	955,302	-	(955,302)	-100.00%	-
CONTRIBUTIONS - 20-A AT&T/TW	-	-	139,438	-	(139,438)	-100.00%	-
EXPENDITURE REIMBURSEMENT	-	-	18,818	-	-	0.00%	-
CAPITAL IMPROVEMENT FUND	908,528	286,620	1,916,158	378,000	(1,549,340)	-80.86%	1,426,770
PROP 42 FUND							
INVESTMENT EARNINGS	-	-	2,128	-	(2,128)	-100.00%	-
STATE GRANT	-	20,308	51,318	-	(51,318)	-100.00%	46,461
PROP 42 FUND	-	20,308	53,446	-	(53,446)	-100.00%	46,461
TRANSNET I FUND							
TRANSNET	194,469	211,666	224,090	228,000	3,910	1.74%	213,000
TRANSNET I FUND	194,469	211,666	224,090	228,000	3,910	1.74%	213,000
TOTAL GENERAL GOV FUNDS	11,630,870	11,891,805	13,987,088	12,660,595	(1,337,675)	-9.56%	13,812,210
WORKERS' COMPENSATION FUND							
CONTRIBUTIONS	387,998	299,523	450,000	235,000	(215,000)	-47.78%	235,000
INVESTMENT EARNINGS	4,522	10,692	19,000	19,000	-	0.00%	19,000
TOTAL WORKERS' COMPENSATION	392,520	310,215	469,000	254,000	(215,000)	-45.84%	254,000

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT BUDGET
REVENUE ESTIMATES**

SOURCE OF FUNDS	ACTUAL	ACTUAL	AMENDED	ADOPTED	INCREASE	PERCENT	PROPOSED
	2004/05	2005/06	BUDGET 2006/07	2007/08	(DECREASE)	CHANGE	ESTIMATE 2008/09
WATER UTILITY FUND							
PENALTIES	11,830	9,074	10,000	10,000	-	0.00%	10,000
INVESTMENT EARNINGS	39,450	44,010	45,000	45,000	-	0.00%	45,000
WATER SALES	1,375,395	1,399,155	1,461,413	1,575,000	113,587	7.77%	1,670,000
READY TO SERVE CHARGE	744,288	762,691	764,637	803,000	38,363	5.02%	815,000
CURRENT SERVICE FEES	37,491	24,653	10,000	10,000	-	0.00%	10,000
MISCELLANEOUS	19,204	35,317	20,000	20,000	-	0.00%	20,000
EXPENDITURE REIMBURSEMENT	-	-	45,579	-	(45,579)	-100.00%	-
TOTAL OPERATING REVENUE	2,227,658	2,274,900	2,356,629	2,463,000	106,371	4.51%	2,570,000
INTEREST ON BOND RESERVES	1,408	4,536	10,000	10,000	-	0.00%	10,000
TOTAL WATER FUND	2,229,066	2,279,436	2,366,629	2,473,000	106,371	4.49%	2,580,000
CLEAN WATER PROGRAM							
PENALTIES	712	793	1,000	1,000	-	0.00%	1,000
ADMINISTRATIVE CITATIONS	6,900	1,900	-	-	-	-	-
INVESTMENTS	3,210	7,441	2,400	2,400	-	0.00%	2,400
SERVICE CHARGE	134,083	179,134	203,300	301,200	97,900	48.16%	376,500
MISCELLANEOUS	-	81	-	-	-	0.00%	-
TOTAL CLEAN WATER PROGRAM	144,905	189,349	206,700	304,600	97,900	47.36%	379,900
SEWER FUND							
PENALTIES	11,671	9,946	10,000	10,000	-	0.00%	10,000
INVESTMENT EARNINGS	3,735	8,208	15,000	15,000	-	0.00%	15,000
SERVICE CHARGES	986,086	1,054,738	1,123,000	1,180,800	57,800	5.15%	1,230,900
USAGE CHARGES	1,296,175	1,246,399	1,324,000	1,324,000	-	0.00%	1,324,000
SEWER INCLUSION FEES	17,130	11,365	6,000	6,000	-	0.00%	6,000
MISCELLANEOUS	18,589	11,429	5,000	5,000	-	0.00%	5,000
CITY OF SAN DIEGO	50,647	-	30,000	30,000	-	0.00%	30,000
TOTAL OPERATING REVENUE	2,384,033	2,342,085	2,513,000	2,570,800	57,800	2.30%	2,620,900
BOND PROCEEDS	-	-	-	-	-	0.00%	2,500,000
INTEREST ON BOND RESERVES	2,437	8,492	25,000	25,000	-	0.00%	25,000
TOTAL SEWER FUND	2,386,470	2,350,577	2,538,000	2,595,800	57,800	2.28%	5,145,900
TOTAL ENTERPRISE FUNDS	4,760,441	4,819,362	5,111,329	5,373,400	262,071	5.13%	8,105,800
TOTAL ALL FUNDS	16,783,831	17,021,382	19,567,417	18,287,995	(1,279,422)	-6.54%	22,172,010

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT SUMMARY
EXPENDITURE SUMMARY**

DEPARTMENT	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	PERCENT CHANGE	PROPOSED 2008/09
GENERAL FUND						
GENERAL GOVERNMENT						
CITY COUNCIL	46,807	89,336	87,523	47,523	-46%	43,523
LEGAL SERVICES	247,811	204,107	280,215	284,430	2%	289,363
CITY MANAGER	347,494	331,833	398,086	389,142	-2%	397,404
HUMAN RESOURCES	20,282	30,990	30,700	27,500	-10%	27,500
CITY CLERK	275,601	289,905	300,014	318,404	6%	335,481
ELECTIONS	3,460	1,195	5,900	7,170	22%	6,284
INFORMATION SYSTEMS	358,115	334,940	447,924	403,620	-10%	417,372
FINANCE SERVICES	410,689	392,040	493,003	503,250	2%	520,456
RISK MANAGEMENT	58,331	74,503	106,563	104,949	-2%	123,726
PLANNING SERVICES	637,508	610,164	775,284	698,061	-10%	726,868
PLANNING COMMISSION	2,801	6,099	6,065	5,172	-15%	5,272
DESIGN REVIEW BOARD	5,696	6,481	7,604	8,715	15%	8,835
BEACH PRESERVATION	5,925	7,284	8,034	7,702	-4%	7,924
SAN DIEGUITO LAGOON	40,182	40,192	57,100	57,400	1%	62,566
CODE ENFORCEMENT	70,595	76,375	90,127	90,378	0%	91,082
TREE, VIEW, SUNLIGHT	0	-	-	-	0%	-
BUILDING SERVICES	293,991	238,947	230,228	235,211	2%	240,261
HOUSING	103,610	110,766	112,800	104,200	-8%	106,427
COMMUNITY SERVICES	254,743	258,323	295,843	299,342	1%	313,638
TOTAL	3,183,641	3,103,480	3,733,013	3,592,169	-4%	3,723,982
PUBLIC SAFETY						
PATROL ENFORCEMENT	852,167	868,466	1,145,560	1,212,955	6%	1,248,675
TRAFFIC ENFORCEMENT	312,092	361,596	394,200	409,968	4%	422,267
TRAFFIC SIGNAL ENFORCEMENT	167,842	130,679	142,240	120,060	-16%	120,060
LIFEGUARD SERVICES	1,012,889	988,044	886,314	632,373	-29%	663,915
PARKING ENFORCEMENT	394,358	439,730	514,406	408,333	-21%	399,263
FIRE PROTECTION	1,659,355	1,732,885	1,937,844	1,853,206	-4%	1,875,443
HAZARDOUS WASTE MGMT	9,729	10,526	11,700	11,700	0%	11,700
SOLID WASTE	5,397	6,476	7,000	7,000	0%	7,000
EMERGENCY PREPAREDNESS	0	121,536	3,500	3,000	-14%	3,000
TOTAL	4,413,829	4,659,938	5,042,764	4,658,595	-8%	4,751,323
PUBLIC WORKS						
ENGINEERING SERV.	161,683	202,100	236,448	208,096	-12%	214,619
GENERAL PUBLIC WORKS	105,527	114,775	128,676	70,073	-46%	73,240
FLOOD CONTROL	37,783	33,429	48,923	31,486	-36%	32,383
TOTAL	304,993	350,304	414,047	309,655	-25%	320,242

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT SUMMARY
EXPENDITURE SUMMARY**

DEPARTMENT	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	PERCENT CHANGE	PROPOSED 2008/09
GENERAL FUND (CONTINUED)						
NON-DEPARTMENTAL						
COMMUNITY SUPPORT	71,908	72,173	106,100	115,705	9%	115,705
CABLE TELEVISION	79,404	64,831	92,785	79,766	-14%	81,200
CITY MEMBERSHIPS	8,390	7,573	10,825	10,825	0%	10,825
CITY HALL - GENERAL	162,204	136,432	150,868	148,845	-1%	150,020
CITY HALL - ANNEX	5,318	16,247	16,943	9,335	-45%	9,335
TOTAL	327,224	297,256	377,521	364,476	-3%	367,085
TOTAL GENERAL FUND	8,229,687	8,410,978	9,567,345	8,924,895	-7%	9,162,632
LIBRARY FUND						
MAINTENANCE	8,214	56,021	14,081	11,000	-22%	11,000
DEBT SERVICE	62,217	62,216	62,237	62,217	0%	62,216
TOTAL LIBRARY FUND	70,431	118,237	76,318	73,217	-4%	73,216
GAS TAX FUND						
STREET MAINTENANCE	61,657	95,278	117,348	137,238	17%	141,777
STREET LIGHTS/SIGNS	122,832	88,181	127,218	144,559	14%	149,341
STREET LANDSCAPING	122,719	115,507	122,256	130,453	7%	134,961
TOTAL GAX TAX FUND	307,208	298,966	366,822	412,250	12%	426,079
OPEN SPACE FUND						
BEACH SERVICES	270,060	338,857	311,578	395,470	27%	301,848
POWERHOUSE OPERATIONS	172,232	158,831	188,673	234,767	24%	237,280
PARK MAINTENANCE	87,400	74,404	85,012	104,050	22%	107,721
POWERHOUSE DEBT SERVICE	108,793	108,793	108,794	104,378	-4%	108,793
TOTAL OPEN SPACE FUND	638,485	680,885	694,057	838,665	21%	755,642
SUPPLEMENTAL LAW ENF. FUND						
LAW ENFORCEMENT	32,383	40,801	51,000	50,000	-2%	50,000
BEACH & COMMUNITY PATROL	111,602	108,636	123,086	164,719	34%	166,214
TOTAL SUPPLEMENTAL LAW ENF. FUND	143,985	149,437	174,086	214,719	23%	216,214

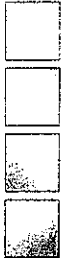
**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT SUMMARY
EXPENDITURE SUMMARY**

DEPARTMENT	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	PERCENT CHANGE	PROPOSED 2008/09
REGIONAL COMMUNICATIONS FUND						
REGIONAL COMMUNICATIONS	25,696	20,574	59,146	23,540	-60%	23,540
REG COMM DEBT SERVICE	26,437	26,420	26,419	26,419	0%	12,083
TOTAL REGIONAL COMM. FUND	52,133	46,994	85,565	49,959	-42%	35,623
WILDFIRE PROTECTION BOND DEBT FUND						
TOTAL GENERAL O&M FUNDS	9,621,077	9,884,942	11,144,308	10,693,155	-4%	10,848,424
CAPITAL IMPROVEMENT FUNDS						
OPEN SPACE CAPITAL IMP FUND	116,951	28,348	200,103	420,000	110%	300,000
GENERAL CAPITAL IMP FUND	1,678,045	1,407,976	3,266,120	958,000	-71%	1,857,000
PROP 42 CAPITAL IMP FUND	-	-	53,446	-	-100%	46,461
TRANSNET I CAPITAL IMP FUND	-	-	304,052	228,000	-25%	-
TRANSNET II CAPITAL IMP FUND	-	-	-	-	0%	213,000
TOTAL GENERAL CAP IMP FUNDS	1,794,996	1,436,324	3,823,721	1,606,000	-58%	2,416,461
TOTAL GENERAL GOVERNMENT FUNDS	11,416,073	11,321,266	14,968,029	12,299,155	-18%	13,264,885
WORKERS' COMPENSATION FUND						
TOTAL GENERAL GOVERNMENT FUNDS	104,354	117,628	328,360	271,600	-17%	284,300
WATER FUND						
RISK MANAGEMENT	28,601	33,868	49,282	50,975	3%	60,363
GENERAL ADMIN	423,805	453,804	521,037	447,299	-14%	509,301
WATER CONSERVATION	2,423	915	2,000	2,000	0%	2,000
RAW WATER SUPPLY	652,299	718,831	788,934	788,911	0%	820,991
TREATMENT/DELIVERY	186,948	148,557	172,206	191,119	11%	264,627
DISTRIBUTION	226,732	240,269	286,208	321,461	12%	331,182
BOND DEBT SERVICE	233,948	233,441	238,037	238,587	0%	237,030
TOTAL WATER FUND O&M	1,754,756	1,829,685	2,057,704	2,040,352	-1%	2,225,494
WATER CAP IMP	151,519	276,543	920,223	1,045,000	14%	550,000
TOTAL WATER FUND	1,906,275	2,106,228	2,977,927	3,085,352	4%	2,775,494

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
OPERATING AND CAPITAL IMPROVEMENT SUMMARY
EXPENDITURE SUMMARY**

DEPARTMENT	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED BUDGET 2006/07	ADOPTED 2007/08	PERCENT CHANGE	PROPOSED 2008/09
CLEAN WATER FUND						
ENGINEERING	173,230	179,857	191,389	337,000	76%	311,000
PLANNING	21,977	19,609	23,703	32,688	38%	34,428
CODE ENFORCEMENT	23,187	21,203	23,448	23,953	2%	24,553
PUBLIC WORKS	12,700	10,778	14,977	13,079	-13%	13,774
FLOOD CONTROL	4,136	3,994	5,061	5,058	0%	5,198
STREET MAINTENANCE	78,381	84,283	93,474	91,833	-2%	94,606
STREET LANDSCAPING	19,138	15,393	18,146	18,243	1%	18,766
PARK MAINTENANCE	8,649	8,438	9,931	9,902	0%	10,194
TOTAL CLEAN WATER FUND	341,398	343,555	380,129	531,756	40%	512,519
SEWER FUND						
RISK MANAGEMENT	29,936	54,562	49,282	50,975	3%	60,363
GENERAL ADMIN	403,105	423,262	486,888	415,181	-15%	472,668
SEWER COLLECTION	161,726	157,940	180,501	194,523	8%	200,544
PUMPING	177,700	123,464	154,982	170,789	10%	176,100
TRANSPORTATION/TREATMENT	800,518	756,951	878,535	941,965	7%	953,613
BOND DEBT SERVICE	451,745	447,039	452,249	453,124	0%	451,592
TOTAL SEWER FUND O&M	2,024,730	1,963,218	2,202,437	2,226,557	1%	2,314,880
SEWER CAPITAL IMPROVEMENT	154,941	196,789	934,319	405,000	-57%	2,575,000
TOTAL SEWER FUND	2,179,671	2,160,007	3,136,756	2,631,557	-16%	4,889,880
TOTAL ENTERPRISE FUNDS	4,427,344	4,609,790	6,494,812	6,248,665	-4%	8,177,893
TOTAL EXPENDITURES	15,947,771	16,048,684	21,791,201	18,819,420	-14%	21,727,078





CITY SERVICE VISION

Del Mar is a beautiful coastal village enjoyed and treasured by its residents, businesses, visitors and employees.

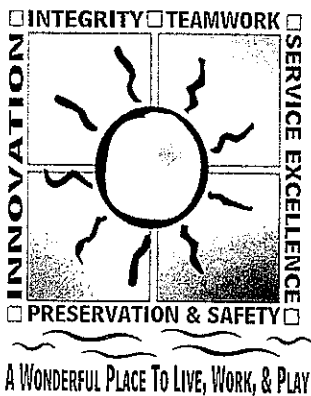
We are dedicated to providing extraordinary and personalized service. You will know this by:

- Friendly face-to-face contact
- Accessible, knowledgeable, professional and caring staff
- Cooperation and support between departments
- Superior response time to questions, problems and emergencies
- And... an appreciation for the community's vision of making Del Mar A WONDERFUL PLACE TO LIVE WORK and PLAY

We still make house calls...

Created by, the employees of the City of Del Mar

**CITY OF DEL MAR
VISION 
VALUES**



GENERAL FUND

The General Fund accounts for all the revenues received by the City that are not designated for a specific purpose either by the City Council, State or Federal requirements, or special requirements such as those associated with bond debt. We monitor the General Fund dollars most closely because these revenues fund the backbone of City government. The major sources of General Fund revenues include property tax, sales tax, transient occupancy tax, and parking fees and fines. General Fund revenue decreases can have a profound effect on the operations of City government.

Most general government programs are funded through the General Fund, and in the City of Del Mar, those programs include general administrative services, planning, and safety functions such as law enforcement, fire and lifeguard services.

CITY COUNCIL

The City Council, as the elected representatives of Del Mar, sets City policy, determines budget priorities, allocates resources, and hears appeals from decisions of the Planning Commission and Design Review Board. Through the selection and appointment of numerous volunteers to advisory committees, the Council fosters and promotes the active involvement of Del Mar residents in important City programs and activities. The City Council appoints the City Manager to manage the City and the City Attorney to provide legal advice and ensure compliance with local, State, and Federal laws.

Through the Community Support Program, the City Council allocates funds to help support various organizations and groups that provide public services to the greater community.

FY 2006/07 Selected Achievements

In addition to holding two regularly scheduled meetings on a monthly basis, City Councilmembers serve as liaisons to citizen advisory committees and serve on regional boards and commissions. Highlights of City Council objectives achieved in FY 2006-2007 include:

- Adopted and maintained a balanced budget with reserves in excess of the 10% Council goal, reviewed quarterly financial statements and approved adjustments as necessary.
- Conducted a Council retreat and a strategy session to review the City's goals and develop objectives to guide the work of both Council and staff.
- Adopted a new budget management objective that limits operating expenditure levels to the growth of general fund revenues, authorized the creation of two new residential undergrounding districts (North Hills and Sunset), imposed a moratorium on the conversion of retail space to office space in the downtown, partnered with Del Mar Village Association/Main Street to fund an economic development plan in the downtown, and implemented additional experimental traffic control measures on Crest Road.
- Contributed Community Support funds to a number of non-profit organizations to address unmet community needs. Community Support funds were provided to the Del Mar Village Association and to local service organizations such as Community Connections, San Dieguito Alliance for Drug Free Youth, the Del Mar Historical Society, and the Dial-a-Ride Program.

FY 2007/08 City Council Goals

On March 3, 2007, the City Council conducted a public workshop leading to the affirmation of four primary goals and work objectives that are included as a separate item in this document that will be fine tuned and incorporated into the Annual Work Program.

PROGRAM: CITY COUNCIL**ACCT # 01-5100**

The City Council consists of five independently elected Councilmembers who set City policy, allocate resources, represent the City on regional forums, and hear appeals from citizens.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$19,433	\$20,721	\$19,423	\$19,423	\$19,423 (1)
Maintenance & Operations	8,174	10,521	12,100	10,100	6,100
Contractual Services	19,200	58,094	56,000	18,000	18,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$46,807	\$89,336	\$87,523	\$47,523	\$43,523
POSITIONS (FTE)	0	0	0	0	0

(1) Each of the five Councilmembers receives a \$300 monthly stipend. The Mayor receives an additional \$50 monthly.

(2) FY 2007/08 and FY 2008/09 budgets include funds for a lobbyist. Prior year's budgets included funds for a city-wide survey and for consulting services for a Council retreat and goal setting.

PROGRAM: LEGAL SERVICES**ACCT # 01-5101**

Legal services are provided by contract with the City Attorney. This program also includes funds for additional services by the City Attorney, in addition to outside attorney services.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$0	\$0	\$101,215	\$105,430	\$110,363	(1)
Maintenance & Operations	4,000	4,000	4,000	4,000	4,000	
Contractual Services	243,811	200,107	175,000	175,000	175,000	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$247,811	\$204,107	\$280,215	\$284,430	\$289,363	
POSITIONS (FTE)	0	0	0	0	0	

- (1) During FY 2004/05 and FY 2005/06, the City Attorney was on a retainer for contract services. Beginning in FY 2006/07, the City Attorney was returned to employee status with PERS retirement benefits.
- (2) Outside legal costs are included in this figure. In FY 2004/05, funds were included for settlement of Americans with Disabilities Act compliance issues with the State Attorney General's Office. In FY 2007/08, funds are included for an environmental/legal analysis of the Fairgrounds Master Plan Environmental Impact Report.

PROGRAM: COMMUNITY SUPPORT**ACCT # 01-5110**

Through the Community Support Program, the City Council provides financial support to not-for-profit organizations and community groups which provide worthwhile services to the public. Funding decisions are made based on the submittal of a funding request form that the Council evaluates as part of the budget process. This program also funds the Dial-a-Ride program, a taxi voucher program for Del Mar seniors and/or the disabled.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	66,262	66,063	102,100	111,705	111,705 (1)
Contractual Services	5,646	6,110	4,000	4,000	4,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$71,908	\$72,173	\$106,100	\$115,705	\$115,705
POSITIONS (FTE)	0	0	0	0	0

- (1) The recommended contributions are shown below along with FY 2006/07 actual contributions. Unlike previous years, no additional funds are included for Council's allocation during the fiscal year. The additional funds that have been included previously have been allocated to the Del Mar Village Association to cover unbudgeted and unanticipated support for certain events.

	ACTUAL FY 2006/07	APPROVED FY 2007/08
Meals-On-Wheels	\$ 3,500	\$ 3,500
San Dieguito Alliance for Drug Free Youth	2,500	2,500
Torrey Pines - Dollars for Scholars	1,000	-
Community Connections	15,000	15,000
Del Mar Community Calendar	1,800	1,800
Del Mar Village Association -- Main Street	65,000	85,000
Del Mar Historical Society	2,000	3,000
211 San Diego	-	905
Unallocated	11,300	-
	\$102,100	\$111,705

- (2) This amount funds the Dial-a-Ride program for Del Mar's senior citizen and/or disabled residents. Del Mar Community Connections (DMCC) has agreed to provide management responsibility of this program, since the program closely ties to DMCC's other transportation services.

PROGRAM: SOLID WASTE**ACCT # 01-5125**

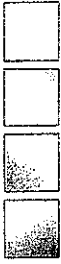
This program covers the costs of the City's participation in the Household Hazardous Waste program sponsored through the Regional Solid Waste Authority.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	5,397	6,476	7,000	7,000	7,000 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$5,397	\$6,476	\$7,000	\$7,000	\$7,000
POSITIONS (FTE)	0	0	0	0	0

(1) This amount funds the Household Hazardous Waste (HHW) Program that allows the City to offer hazardous waste services including home collection of HHW materials for Del Mar residents in addition to access to drop-off facilities in Vista and Poway.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CITY COUNCIL</u>					
5100-1000	COUNCIL STIPEND	18,000	19,290	18,000	18,000	18,000
5100-1200	BENEFITS	1,433	1,431	1,423	1,423	1,423
	EMPLOYEE SERVICES	19,433	20,721	19,423	19,423	19,423
5100-2300	OPERATING SUPPLIES	768	187	1,000	1,000	1,000
5100-2350	COMMUNITY PROMOTION	3,766	4,826	4,000	5,500	1,500
5100-3800	MEETINGS & TRAVEL	2,954	4,772	5,000	1,500	1,500
5100-3801	TRAINING & EDUCATION	86	93	1,500	1,500	1,500
5100-3900	AUTO ALLOWANCE	600	643	600	600	600
	MAINTENANCE & OPERATIONS	8,174	10,521	12,100	10,100	6,100
5100-3200	CONTRACTUAL SERVICES	19,200	58,094	56,000	18,000	18,000
	CITY COUNCIL	46,807	89,336	87,523	47,523	43,523
	<u>LEGAL SERVICES</u>					
5101-1000	SALARIES	-	-	80,000	84,000	88,200
5101-1200	BENEFITS	-	-	17,160	18,532	19,184
5101-1205	WORKER'S COMPENSATION	-	-	4,055	2,898	2,979
	EMPLOYEE SERVICES	-	-	101,215	105,430	110,363
5101-3802	PROFESSIONAL DEVELOPMENT	4,000	4,000	4,000	4,000	4,000
	MAINTENANCE & OPERATIONS	4,000	4,000	4,000	4,000	4,000
5101-3201	CITY ATTORNEY RETAINER	72,000	78,295	-	-	-
5101-3202	CITY ATTORNEY ADDITIONAL	146,106	118,598	150,000	150,000	150,000
5101-3203	OUTSIDE ATTORNEY SERVICES	10,705	3,214	25,000	25,000	25,000
5101-3216	ATTORNEY GENERAL	15,000	-	-	-	-
	CONTRACTUAL SERVICES	243,811	200,107	175,000	175,000	175,000
	LEGAL SERVICES	247,811	204,107	280,215	284,430	289,363
	<u>COMMUNITY SUPPORT</u>					
5110-3500	CONTRIBUTIONS	66,262	66,063	102,100	111,705	111,705
	MAINTENANCE & OPERATIONS	66,262	66,063	102,100	111,705	111,705
5110-3200	CONTRACTUAL SERVICES	5,646	6,110	4,000	4,000	4,000
	COMMUNITY SUPPORT	71,908	72,173	106,100	115,705	115,705
	<u>SOLID WASTE</u>					
5125-3200	CONTRACTUAL SERVICES	-	1,764	-	-	-
5125-3208	HOUSEHOLD HAZARDOUS WASTE	5,397	4,712	7,000	7,000	7,000
	CONTRACTUAL SERVICES	5,397	6,476	7,000	7,000	7,000
	SOLID WASTE	5,397	6,476	7,000	7,000	7,000



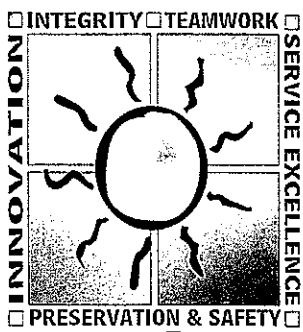
CITY MANAGER

DEPARTMENT MISSION STATEMENT

The City Manager's Office is committed to supporting and serving the City Council and Community with energy and enthusiasm. We provide leadership and coordination for the City employees to achieve our community goals.

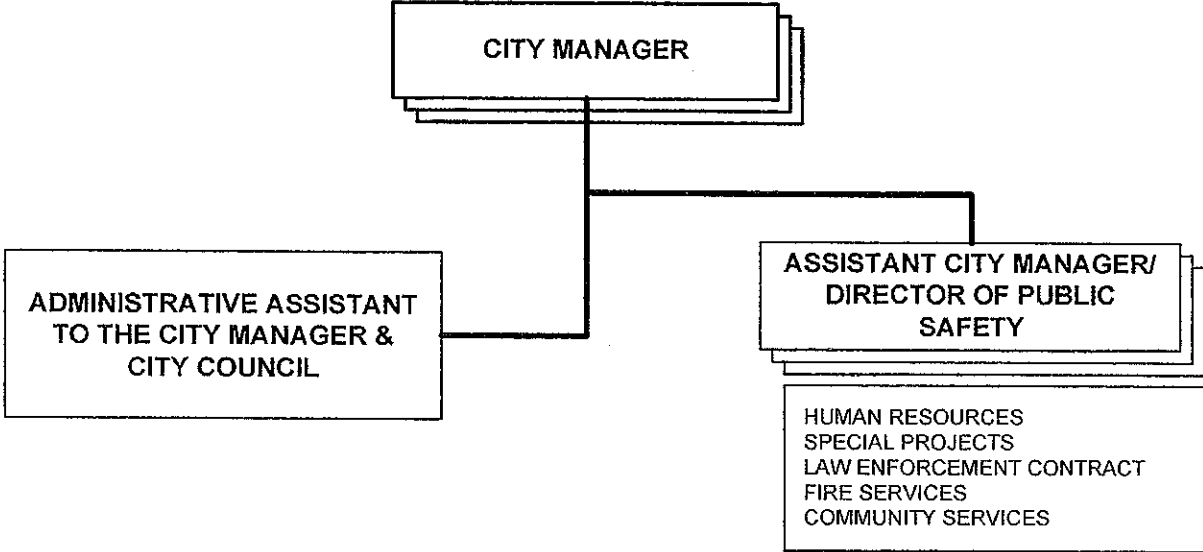
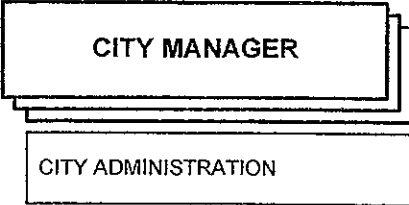
We are often the first or the last point of contact and we strive to handle ALL customers with Integrity, Respect, and Professionalism.

CITY OF DEL MAR
VISION  VALUES



A WONDERFUL PLACE TO LIVE, WORK, & PLAY





CITY MANAGER'S DEPARTMENT

The City Manager's Department is responsible for implementing the goals and policies of the City Council, developing a budget for Council review and approval, coordinating the flow of information to and from the Council, overseeing the activities of the other departments, and initiating/coordinating various special programs. In addition, the Department oversees the City's personnel and labor relations functions, including the formal meet-and-confer sessions with the City's two employee associations to ensure that personnel activity is conducted in accordance with State and Federal laws and regulations.

FY 2006/07 Selected Achievements

In addition to monitoring the progress of the City's departments toward attaining the Council's goals and objectives, the City Manager's Office completed several special projects during FY 2006-2007 as outlined below:

- Implemented cost sharing provisions of the previously negotiated labor agreement with the Del Mar City Employee Association resulting in a more equitable funding arrangement between the City and the employees for health and retirement benefits.
- Coordinated a number of projects including implementation of additional measures to reduce the amount of cut-through traffic on Crest Road, negotiation of a right-of-way use agreement enabling the phased installation of Next G telecommunications infrastructure, and affirmation of the City's water and sewer rates in compliance with State law.
- Made significant progress in advancing utility undergrounding efforts by (1) completing the construction of the Ocean View/Pines Undergrounding District affecting 83 homes, (2) updating the Resident Guide to Utility Undergrounding to reflect "lessons learned" from the Ocean View/Pines project, (3) reviewing petitions and establishing a framework for progress on additional resident funded undergrounding districts in the North Hills and Sunset areas of Del Mar affecting 400+ homes, and (4) completing the engineering, design, and bid award for the City's 20A utility undergrounding projects on Camino del Mar and on Coast Boulevard
- Coordinated and planned City sponsored employee recognition event and other employee and Council programs.

Service Level Changes

With the departure of the City's Assistant City Manager and the retirement of the current City Manager, the service level will be affected in ways that cannot be anticipated at this writing.

FY 2007/08 - 2008/09 Goals and Objectives

- Achieve meaningful progress toward accomplishing the Departmental Work Programs and City Council's high priority goals and objectives.

- Work with private utilities and City staff to complete engineering/design plans and assessment engineering reports for the North Hills and Sunset areas of Del Mar leading to a vote of affected property owners in the spring of 2009 on formation of these districts; construction is planned over a two-year period ending in July 2011.
- Complete the SDG&E Rule “20 A” utility undergrounding projects on Camino del Mar and Coast Boulevard leading to removal of poles by February 2008.
- Evaluate the results of the additional traffic modifications for addressing the amount of cut-through traffic on Crest Road and determine whether to make the traffic calming measures permanent.
- Complete community outreach efforts utilizing feedback from the June 2007 resident focus groups to develop communication strategies in advance of an anticipated mail ballot related to the City’s clean water rates.
- Work with the City of Solana Beach and other neighboring cities as part of the evaluation of further fire department consolidation opportunities.
- Complete labor negotiations with the Del Mar Firefighter Association based on the expiration of the current three-year agreement on September 30, 2007.

Positions (FTE)	2004/05 Actual	2005/06 Actual	2006/07 Amended	2007/08 Original	2008/09 Proposed
City Manager	2.5	2.5	2.5	2.5	2.5

PROGRAM: CITY MANAGER**ACCT # 01-5200**

The City Manager's Office is responsible for overseeing the implementation of the goals and objectives of the City Council, as well as the overall management of City operations. In addition, the City Manager's Office administers a number of contracts and franchises including solid waste, recycling, cable TV, and Sheriff's law enforcement services as well as coordinating special projects involving all City Departments.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$319,153	\$321,622	\$364,386	\$370,442	\$378,704	(1)
Maintenance & Operations	9,528	10,183	23,700	18,700	18,700	
Contractual Services	15	28	10,000	0	0	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	18,798	0	0	0	0	
GRAND TOTAL	\$347,494	\$331,833	\$398,086	\$389,142	\$397,404	
POSITIONS (FTE)	2.5	2.5	2.5	2.5	2.5	(1)

(1) Funding for the Assistant City Manager/Director of Public Safety is split between the City Manager and the Fire Department.

(2) In FY 2006/07, funds were allocated to establish an ongoing program of collecting customer satisfaction levels as a follow-up to the City-wide survey completed in FY 2005/06. This project was not completed and the funds were not spent.

PROGRAM: HUMAN RESOURCES**ACCT # 01-5210**

The Human Resources program oversees all personnel-related activity of the City such as position recruitment, employee training, and collective bargaining with two unions representing City employees. This program also includes funds for the Employee Assistance Program.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$2,982	\$3,529	\$10,000	\$2,500	\$2,500
Maintenance & Operations	12,684	22,937	16,700	19,400	19,400 (1)
Contractual Services	4,616	4,524	4,000	5,600	5,600 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$20,282	\$30,990	\$30,700	\$27,500	\$27,500
POSITIONS (FTE)	0	0	0	0	0

(1) These funds provide for City-wide employee recruitment, training, and special recognition events. In previous years, funds were also provided for a management retreat.

(2) This amount includes the cost of the City's Employee Assistance Program, which is increasing beginning in FY 2007/08.

PROGRAM: CABLE TELEVISION**ACCT # 01-5211**

This program funds operating costs at Channel 66 in accordance with the current operations agreement.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	25,972	25,473	44,000	29,500	29,500 (1)
Contractual Services	37,601	39,358	48,785	50,266	51,700 (2)
Debt Service	0	0	0	0	0
Capital Outlay	15,831	0	0	0	0
GRAND TOTAL	\$79,404	\$64,831	\$92,785	\$79,766	\$81,200
POSITIONS (FTE)	0	0	0	0	0

(1) Current year operational costs include utilities, telephone, and an \$18,000 contribution to the Foundation to support public access programming. In FY 2006/07, additional funds were budgeted, but not spent, for building repairs.

(2) The TV Channel 66 studio is operated on a contractual basis by Time Warner. Contractual Services includes the cost to televise City Council meetings, Design Review and Planning Commission meetings, equipment maintenance costs, and funding for special City-produced informational programs.

PROGRAM: CITY MEMBERSHIPS**ACCT # 01-5212**

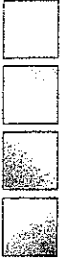
This program funds Del Mar's memberships in a number of outside agencies including SANDAG (San Diego Association of Governments), the League of California Cities, LAFCO (Local Agency Formation Commission), and the Unified Disaster Council.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	8,390	7,573	10,825	10,825	10,825
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$8,390	\$7,573	\$10,825	\$10,825	\$10,825
POSITIONS (FTE)	0	0	0	0	0

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 01 GENERAL

ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CITY MANAGER</u>					
5200-1000	SALARIES - PERMANENT	241,918	231,953	267,975	273,985	279,828
5200-1200	EMPLOYEE BENEFITS	66,568	71,091	83,697	86,364	88,788
5200-1205	WORKERS' COMPENSATION	10,667	7,541	11,714	8,093	8,088
5200-1400	OVERTIME SALARIES	-	-	500	500	500
5200-1803	OUTSIDE CLERICAL	-	11,037	500	1,500	1,500
	EMPLOYEE SERVICES	319,153	321,622	364,386	370,442	378,704
5200-2131	VEHICLE MAINTENANCE	649	913	2,000	2,000	2,000
5200-2300	OPERATING SUPPLIES	1,099	264	2,000	2,000	2,000
5200-2360	COMPUTER SOFTWARE	-	-	5,000	-	-
5200-2800	GAS & OIL	1,200	1,332	2,500	2,500	2,500
5200-3700	MEMBERSHIPS & SUBSCRIPTIONS	680	1,456	1,400	1,400	1,400
5200-3800	MEETINGS & TRAVEL	2,300	2,274	5,000	5,000	5,000
5200-3801	TRAINING & EDUCATION	-	-	1,000	1,000	1,000
5200-3900	AUTO ALLOWANCE	3,600	3,944	4,800	4,800	4,800
	MAINTENANCE & OPERATIONS	9,528	10,183	23,700	18,700	18,700
5200-3200	CONTRACTUAL SERVICES	15	28	10,000	-	-
5200-5500	VEHICLES	18,798	-	-	-	-
	CAPITAL OUTLAY	18,798	-	-	-	-
	CITY MANAGER	347,494	331,833	398,086	389,142	397,404
	<u>HUMAN RESOURCES</u>					
5210-1250	TUITION REIMBURSEMENT	2,982	3,529	10,000	2,500	2,500
	EMPLOYEE SERVICES	2,982	3,529	10,000	2,500	2,500
5210-2330	EMPLOYEE RELATIONS	5,001	5,137	5,000	4,200	4,200
5210-3000	ADVERTISING & PRINTING	5,144	10,235	4,500	8,000	8,000
5210-3700	MEMBERSHIPS & SUBSCRIPTIONS	775	-	700	700	700
5210-3800	MEETINGS & TRAVEL	1,092	5,595	-	-	-
5210-3801	TRAINING & EDUCATION	672	1,970	6,500	6,500	6,500
	MAINTENANCE & OPERATIONS	12,684	22,937	16,700	19,400	19,400
5210-3200	CONTRACTUAL SERVICES	4,616	4,524	4,000	5,600	5,600
	HUMAN RESOURCES	20,282	30,990	30,700	27,500	27,500
	<u>CABLE TV</u>					
5211-2000	BUILDING MAINTENANCE & REPAIR	796	1,801	20,000	5,000	5,000
5211-2300	OPERATING SUPPLIES	3,616	2,685	2,000	2,500	2,500
5211-3300	UTILITIES	2,660	2,987	4,000	4,000	4,000
5211-3500	CONTRIBUTIONS	18,900	18,000	18,000	18,000	18,000
	MAINTENANCE & OPERATIONS	25,972	25,473	44,000	29,500	29,500
5211-3200	CONTRACTUAL SERVICES	36,801	37,723	46,285	47,766	49,200
5211-3218	CITY PRODUCTIONS	800	1,635	2,500	2,500	2,500
	CONTRACTUAL SERVICES	37,601	39,358	48,785	50,266	51,700
5211-5300	MACHINERY & EQUIPMENT	15,831	-	-	-	-
	CAPITAL OUTLAY	15,831	-	-	-	-
	CABLE TV	79,404	64,831	92,785	79,766	81,200
	<u>CITY MEMBERSHIPS</u>					
5212-3700	MEMBERSHIPS & SUBSCRIPTIONS	8,390	7,573	10,825	10,825	10,825
	MAINTENANCE & OPERATIONS	8,390	7,573	10,825	10,825	10,825
	CITY MEMBERSHIPS	8,390	7,573	10,825	10,825	10,825

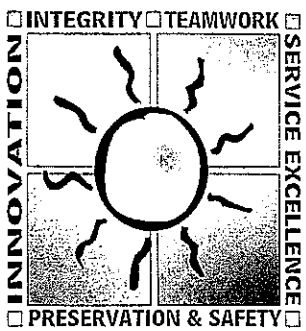


ENGINEERING

DEPARTMENT MISSION STATEMENT

The employees of the Engineering Department are dedicated to providing innovative, timely and cost effective civil engineering solutions to preserve and enhance the environment and the quality of life in the beautiful village of Del Mar.

CITY OF DEL MAR
VISION  VALUES



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CITY ENGINEER'S DEPARTMENT

City Engineering services include consultation and technical support to the City Manager, Department Heads and City Council, receiving and resolving public inquiries regarding water, sewer, streets, storm drains and other infrastructure, capital improvement planning and budgeting, traffic engineering, field investigations, periodic representation of the City in dealing with other public agencies, providing technical support for grant applications, services for development regulation and review, such as plan review and inspection of privately-funded public improvements. The Engineering Department also manages the design and construction of the City's Annual Capital Improvement Program. Traffic engineering, while handled by an independent traffic consultant, is budgeted in this department.

FY 2006/07 Achievements

- Managed the design and or the contract administration of a number of critical capital improvement projects, including the following:
 - Completion of the Annual Street & Drainage project including numerous special drainage and traffic calming projects
 - Completion of the Bi-Annual Water and Sewer project
 - ADA improvements at Powerhouse Park
 - Herbicide application to a number of sewer mains previously identified as in need of treatment.
- Continued implementing the City's Municipal Storm Water Program along with Planning and Public Works to address the Regional Water Quality Control Board (RWQCB) Municipal National Pollution Discharge Elimination System (NPDES) Permit and refinement of the City's Jurisdictional Urban Runoff Management Plan. Staff also participated with environmental groups and stakeholders in their efforts to expand water quality awareness in the watersheds. Staff evaluated the impact and prepared comments on the new RWQCB proposed permit.
- Completed review and processing of well over 50 projects including: subdivisions, encroachment permits and private development projects.
- Prepared a 5-year Capital Improvement Program including field investigation and cost estimating and a 1-year Capital Improvement Program budget for Council's review and approval.
- Assisted the Planning Department and Building Official in planning and implementing Americans with Disability Act and Title 24 improvements.
- Worked closely with the 22nd District Agricultural Association (DAA) and Thoroughbred Club to address drainage problems with their proposed Polytrack installation. Assisted with securing Coastal Commission approval of the Polytrack Project.

Service Level Changes

We will maintain the current level of service.

FY 2007/08 - 2008/09 Goals and Objectives

- Continue to provide prompt and helpful responses to citizen inquiries regarding infrastructure problems including street, water, sewer and storm drains, technical issues associated with infrastructure and requests for capital improvement projects.
- Continue to assist the Planning Department in implementing ADA/Title 24 Requirements in all capital projects and prioritize existing needs.
- Implement the adopted program of annual street, drainage, water and sewer capital improvements.
- Assist in the search for grant funds to complete construction for the 17th Street End Facility improvements and other major capital projects.
- Provide Assessment Engineering Services for the North Hills and Sunset utility undergrounding assessment districts.
- Update the record drawings listing and assist Planning with integrating new drawings into the record drawings archives. Continue to update the City's water, sewer and storm drain Geographic Information System and provide technical support to the City's IT department on IT, GIS and records management issues.
- Work with Planning and Public Works in update of Circulation Element and Associated General Plan Updates.
- Provide comprehensive engineering reviews of private development projects.
- Work with Planning, Code Enforcement and Public Works staff to implement the new NPDES permit, including the development and implementation of a Hydromodification Plan. Work with the other co-permittees and the Regional Water Quality Board to positively impact water quality and bring about a reduction in beach closures. Identify efficiency and effectiveness elements to reduce costs through coordination with other staff and agencies.
- Continue to work with the 22nd DAA and the City's Public Works Department to resolve sewer and drainage issues and to finalize a sewer Memorandum of Understanding.

PROGRAM: ENGINEERING SERVICES**ACCT # 01-5220**

General Engineering services are provided through a contract with PBS&J. General engineering services include capital improvement planning and budgeting, field investigations, and technical support for various projects including grant writing. Traffic engineering services are provided through a contract with an outside firm.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	161,683	202,100	236,448	208,096	214,619 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$161,683	\$202,100	\$236,448	\$208,096	\$214,619
POSITIONS (FTE)	0	0	0	0	0

- (1) This budget reflects a base level of engineering services for each year. Preliminary development reviews charged to this account are offset by a flat fee reported in engineering revenues. The increase in FY 2006/07 was to provide additional technical support for planning issues. It is anticipated this activity level will not continue in FY 2007/08 and FY 2008/09.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>ENGINEERING SERVICES</u>					
5220-3210	CITY ENGINEER	43,155	44,143	62,500	50,925	52,962
5220-3211	CITY ENGINEER - SPECIAL PROJECT	29,218	26,761	20,875	24,953	25,951
5200-3212	TRAFFIC ENGINEERING	14,843	11,010	15,000	16,042	16,684
5220-3218	ORDINANCE/PROCEDURES. UPDATE	3,045	8,463	7,145	4,991	5,190
5220-3219	TECH SUPPORT PLANNING	17,082	21,563	35,840	21,185	22,032
5220-3227	DEVELOPMENT REVIEWS	54,340	90,160	95,088	90,000	91,800
	CONTRACTUAL SERVICES	161,683	202,100	236,448	208,096	214,619
	ENGINEERING SERVICES	161,683	202,100	236,448	208,096	214,619



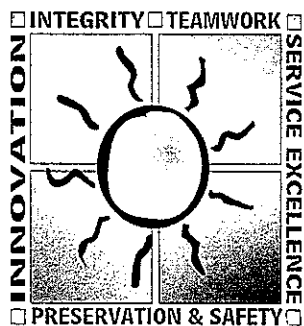
COMMUNITY SERVICES

DEPARTMENT MISSION STATEMENT

Our highly trained and motivated team strives to maintain and enhance our reputation for excellence in safety, cleanliness, and use of our recreational resources.

"SAFE FUN IN THE SUN"

CITY OF DEL MAR
VISION  VALUES



A WONDERFUL PLACE TO LIVE, WORK, & PLAY



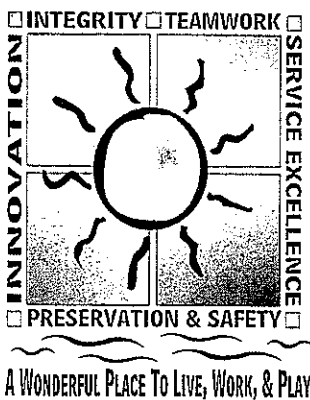


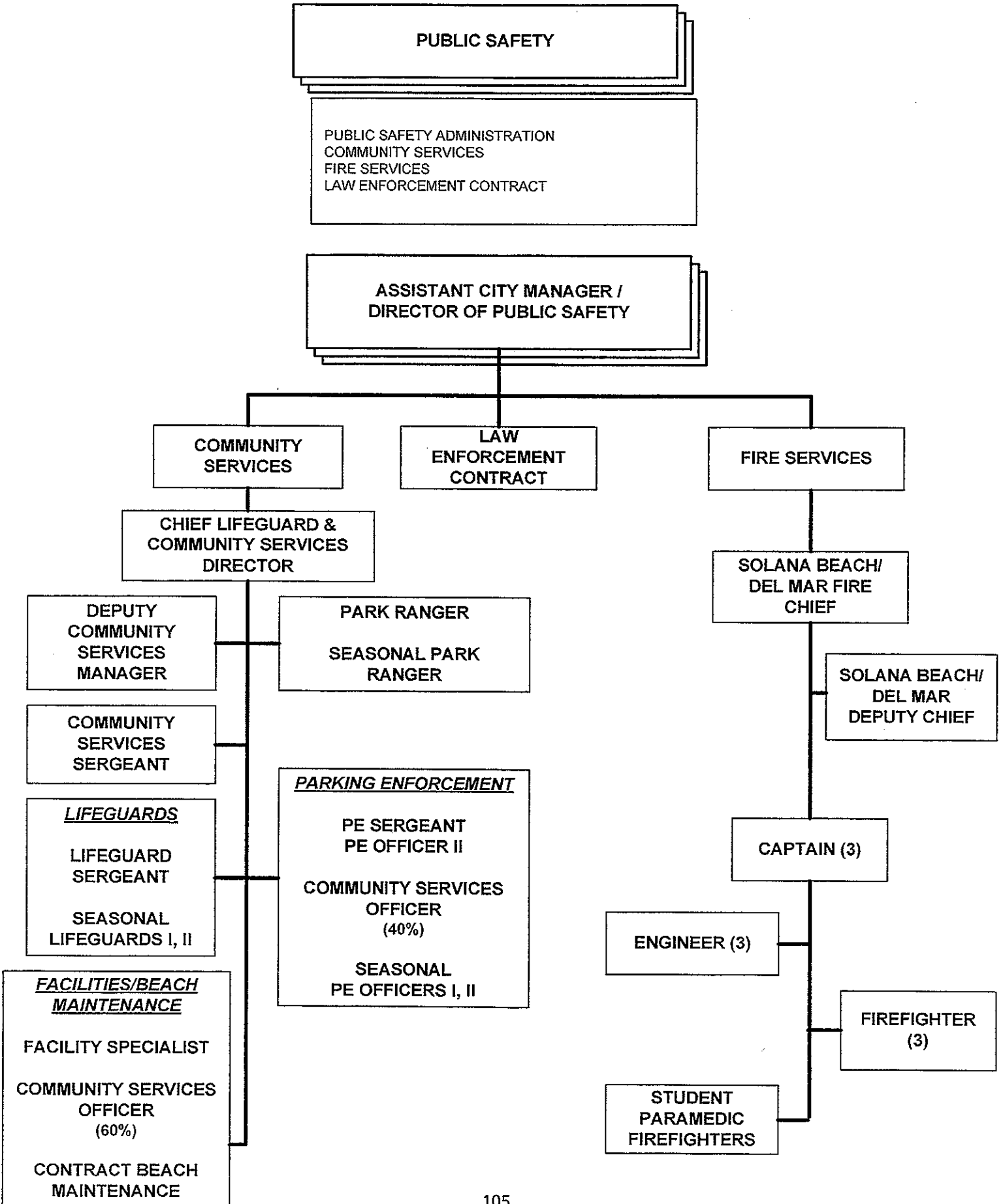
DEPARTMENT MISSION STATEMENT

The Del Mar Fire Department is committed to providing emergency services, fire prevention, and education in a prompt, professional, and compassionate manner.

Our foremost goal is the preservation of life and property.

CITY OF DEL MAR
VISION  VALUES





PUBLIC SAFETY

Purpose/Mission Statement

There are three operational areas under the overall management of the Assistant City Manager/Director of Public Safety which work together to ensure the overall safety of the community -- Fire, Community Services, and contract law enforcement services provided by the San Diego Sheriff's Department. As a result of the activities of these departments, Del Mar residents, businesses and visitors are provided with high quality safety services in the area of fire prevention and suppression, emergency preparedness, lifeguard services and law enforcement.

The **Fire Department** responds to fire and medical calls in Del Mar and surrounding areas through automatic aid agreements. The Department is responsible for emergency preparedness in the City including homeland security planning and exercises. The Fire Department provides outreach to residents and businesses, inspects and pre-fire plans multi-occupancy and commercial buildings and maintains a high level of education, training and fitness to provide the best possible emergency service to the residents of Del Mar as well as visitors to the City and the Fairgrounds. Day to day operational management of the Fire Department is provided via contract with the City of Solana Beach.

The **Community Services Department** is comprised of Lifeguard Services, Parking Enforcement, the Powerhouse Community Center, the Park Ranger Program, and Beach Services and includes both safety and non-safety designated personnel. The Lifeguard Service operates several specialized teams to respond to aquatic and cliff emergencies. The Department operates two rescue boats with medical aid equipment and has specialized teams to handle swift water rescues, cliff rescues and scuba emergencies. The Department has a large outreach program to local schools and beach visitors. In addition, the Department responds to incidents outside the city as part of mutual aid with the Coast Guard and other agencies. Through the work of Parking Enforcement and the Park Ranger, Community Services proactively enforces beach and parking regulations. The Department also processes all facility use permits for private use of the beach, parks, and the Powerhouse Community Center. Beach Services are provided by contract and include cleaning the public restrooms, beach and city trash can pickup, maintaining the Powerhouse Community Center, Seagrove Park and Powerhouse Park.

The San Diego County **Sheriff's Department** provides law and traffic enforcement services on a contractual basis in Del Mar and a number of other cities in the County. Del Mar's Sheriff services include a seven day per week traffic enforcement unit and a 24 hour patrol sedan shared with neighboring areas, along with targeted enforcement by motorcycle units on an overtime basis. There are a number of other law enforcement resources that are provided via the Sheriff's contract on an "as needed" basis including detective services, crime prevention, and a special enforcement detail (SWAT, helicopter patrol, etc).

FY 2006/07 Achievements

Fire

- Received grants to upgrade personal protective equipment. Grant funds enabled the City to purchase protective equipment for firefighters and equipment that can be used for both a large-scale incident and day-to-day operations.
- Continued the Community Emergency Response Team (CERT) Program to train citizens to be better prepared to help themselves and family members in the event of a large disaster or emergency. At the conclusion of this fiscal year, we will have conducted eight CERT academies and trained over 100 volunteers.
- Provided training to City staff in Emergency Operation Center (EOC) responsibilities and activities. Also provided training to City Staff in the National Incident Management System (NIMS).
- Continued the Public Access Defibrillator Program in partnership with Community Connections. These devices are located in public meeting places and are available should someone experience a cardiac event at one of these locations.

Community Services

- Incorporated significant parking changes in downtown Del Mar with bifurcated 90 minute / two hour parking regulations as requested by the Del Mar Village Association and approved by the City Council.
- Provided continuing support to the planning/design and grant application for the 17th Street Community Services Headquarters.
- Maintained the Department's unparalleled record of beach safety with numerous rescues, medical aids, and by proactive enforcement of beach rules and regulations, in addition to informing the public via the Surf-Cam with updated surf conditions on a daily basis.

Service Level Changes

- In FY 2007/08, the Fire Department will continue using part-time firefighter/paramedics to better serve the needs of the community. These student firefighter/paramedics are being deployed on a part-time basis on Del Mar's fire engines with the desired addition of full-time medics over the next two years – pending the completion of labor negotiations with the Del Mar Firefighters Association. The addition of paramedics significantly improves the level of emergency medical services provided to Del Mar's residents, businesses and visitors.
- In January 2007, with the departure of staff previously responsible for beach maintenance and powerhouse building maintenance activities, the Community Services Department entered into a contract with a private maintenance firm on a trial basis. To date, this arrangement has worked well and is projected to generate an ongoing savings of approximately \$22,000 as the result of eliminating one full-time and four part time

employees previously assigned this work. Community Services will monitor the work of the private maintenance firm during the busy summer months to further gauge their effectiveness.

- We are anticipating the same service level in the Sheriff's contract as provided in FY 2006/07.

FY 2007/08 and FY 2008/09 Goals and Objectives

Fire

- Initiate education and enforcement of the Wildland Urban Interface Code for structures in the wildland/urban interface areas near Crest Canyon.
- Complete a review and update the City's Emergency Operation procedures and arrange for additional citywide disaster exercises involving all departments of the City. Develop and implement a City Readiness Initiative (CRI) and Continuity of Operations Plan (COOP) for the City.
- Continue to explore alternative service delivery options to enhance the effectiveness and delivery of fire and emergency medical services. Complete the evaluation and analysis of potential service sharing arrangements and service governance arrangements with Solana Beach, Rancho Santa Fe Fire Protection District, and Elfin Forest/Harmony Grove Fire District.
- Evaluate fire department equipment needs and work towards the purchase a new fire engine. Seek alternative funding to help cover expenses.

Community Services

- Re-certify employees as Emergency Medical Technicians with defibrillator and Combitube Accreditation. Continue advanced education and certification in swift water rescue, cliff rescue, and scuba rescue.
- Continue to train new student lifeguards including completion the 80-hour training academy.
- Continue to provide support for the planning/design and grant application efforts for the 17th Street Community Services Headquarters. Work with Friends of The Powerhouse and other Del Mar groups to pursue fundraising efforts for the project.
- In cooperation with the Sheriff's Department, implement the 4th of July holiday plan including the temporary ban of alcohol at the beach and in public places.
- Continue to deploy the Park Ranger to proactively enforce regulations on the beach, parks and surrounding areas.
- Monitor the work of the outside service provider providing beach and Powerhouse cleaning/maintenance duties via a private contract.

- Purchase and put into service the new Beach Cleaner.
- Continue to explore parking permit alternatives in the beach and downtown areas in conjunction with the City's Finance Committee.
- Continue to support the Del Mar based non-profit organizations that conduct Community events.

Positions (FTE)	2004/05 Actual	2005/06 Actual	2006/07 Amended	2007/08 Proposed	2008/09 Proposed
Community Services	10.00	10.00	10.00	9.00	9.00
Fire Services	10.50	9.50	9.50	9.50	9.50

PROGRAM: PATROL ENFORCEMENT**ACCT # 01-5230**

Patrol enforcement services are provided through a contract with the San Diego County Sheriff's Department. Current services include three patrol units serving approximately 60% of their time in Del Mar on a 7 day a week, 24-hour basis.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	15,554	11,511	20,500	20,500	20,500
Contractual Services	836,613	856,955	1,125,060	1,192,455	1,228,175 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$852,167	\$868,466	\$1,145,560	\$1,212,955	\$1,248,675
POSITIONS (FTE)	0	0	0	0	0

(1) In recent years, the costs of patrol services from the San Diego Sheriff's Department have increased significantly due to (1) enhanced retirement benefits, (2) inclusions of Deputy initiated calls in the "beat factor" calculations, and other operational cost increases. Budgets for FY 2007/08 and 2008/09 reflect the latest projections based on continuation of the present costing formula.

PROGRAM: TRAFFIC ENFORCEMENT**ACCT # 01-5231**

Traffic Enforcement services are provided through a contract with the San Diego County Sheriff's Department. The current contract provides one traffic unit on a seven-day per week basis spending approximately 90% of its time in Del Mar.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	312,092	361,596	394,200	409,968	422,267 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$312,092	\$361,596	\$394,200	\$409,968	\$422,267
POSITIONS (FTE)	0	0	0	0	0

(1) In recent years, the costs of patrol services from the San Diego Sheriff's Department have increased significantly due to (1) enhanced retirement benefits, (2) inclusions of Deputy initiated calls in the "beat factor" calculations, and other operational cost increases. Budgets for FY 2007/08 and 2008/09 reflect the latest projections based on continuation of the present costing formula.

PROGRAM: TRAFFIC SIGNAL ENFORCEMENT**ACCT # 01-5233**

In an effort to promote safe driving in Del Mar, the City has installed traffic light enforcement cameras at locations in the City where drivers regularly run through red lights. Redflex maintains the systems. The Sheriff's Department reviews and issues citations.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	167,842	130,679	142,240	120,060	120,060 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$167,842	\$130,679	\$142,240	\$120,060	\$120,060
POSITIONS (FTE)	0	0	0	0	0

(1) This represents the amount paid to Redflex at a cost of \$89 per violation generated by the red light system. With improved driving habits, fewer violations have occurred, resulting in reduced payments to Redflex.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>PATROL ENFORCEMENT</u>					
5230-3700	MEMBERSHIPS & SUBSCRIPTIONS	-	2,887	3,000	3,000	3,000
5230-4815	BOOKING FEES	15,554	8,624	17,500	17,500	17,500
	<u>MAINTENANCE & OPERATIONS</u>					
		15,554	11,511	20,500	20,500	20,500
5230-3220	PATROL ENFORCEMENT	835,176	855,727	1,123,260	1,190,655	1,226,375
5230-3225	REGIONAL SERVICES	1,437	1,228	1,800	1,800	1,800
	<u>CONTRACTUAL SERVICES</u>					
		836,613	856,955	1,125,060	1,192,455	1,228,175
	<u>PATROL ENFORCEMENT</u>					
		852,167	868,466	1,145,560	1,212,955	1,248,675
	<u>TRAFFIC ENFORCEMENT</u>					
5231-3221	TRAFFIC ENFORCEMENT	312,092	361,596	394,200	409,968	422,267
	<u>CONTRACTUAL SERVICES</u>					
		312,092	361,596	394,200	409,968	422,267
	<u>TRAFFIC ENFORCEMENT</u>					
		312,092	361,596	394,200	409,968	422,267
	<u>TRAFFIC SIGNAL ENFORCEMENT</u>					
5233-3200	CONTRACT SERVICES	167,842	130,679	142,240	120,060	120,060
	<u>CONTRACTUAL SERVICES</u>					
		167,842	130,679	142,240	120,060	120,060
	<u>TRAFFIC SIGNAL ENFORCEMENT</u>					
		167,842	130,679	142,240	120,060	120,060
	TOTAL LAW ENFORCEMENT	1,332,101	1,360,741	1,682,000	1,742,983	1,791,002

PROGRAM: COMMUNITY SERVICES**ACCT # 01-5630**

This program reflects the administrative costs of overseeing the Community Services Department, which consists of Lifeguard, Parking, Park Ranger, Powerhouse Community Center, and Beach Services.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$223,004	\$223,386	\$262,313	\$266,042	\$279,838 (1)
Maintenance & Operations	14,035	13,496	17,030	13,300	13,800
Contractual Services	17,704	21,441	16,500	20,000	20,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$254,743	\$258,323	\$295,843	\$299,342	\$313,638
POSITIONS (FTE)	2	2	2	2	2

(1) This program includes 100% of the Director of Community Services, 50% of the Deputy Community Services Manager and 50% the Community Services Sergeant. The other 50% of these two positions are reflected in the Lifeguard budget.

(2) The administration of the Animal Control contract with the County of San Diego is in this program.

PROGRAM: LIFEGUARD SERVICES**ACCT # 01-5631**

This program provides for Lifeguard Services to maintain a safe beach environment through preventative life guarding and proactive law enforcement.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$545,238	\$494,244	\$579,063	\$515,808	\$520,632
Maintenance & Operations	120,528	147,336	101,401	106,565	107,283
Contractual Services	300,571	310,052	142,250	0	0 (1)
Debt Service	0	0	0	0	0
Capital Outlay	46,552	36,412	63,600	10,000	36,000 (2)
GRAND TOTAL	\$1,012,889	\$988,044	\$886,314	\$632,373	\$663,915
POSITIONS (FTE)	2	2	2	2	2

(1) Effective July 1, 2007, the junior lifeguard program has been removed from this budget. Collection of fees and payment of operating expenses will be handled by contract through a third-party vendor. A percentage of the fees collected will be paid directly to the City and is reflected in the revenue side of the budget.

(2) In FY 2006/07, the Department replaced two full-size pickups and two all-terrain vehicles. In FY 2007/08, funds are budgeted to replace one of the rescue boats. The FY 2008/09 budget is for the replacement of the Lifeguard Chief's vehicle.

PROGRAM: PARKING ENFORCEMENT**ACCT # 01-5632**

This program funds enforcement of parking regulations and includes the installation and maintenance of parking control devices and collection of parking meter receipts.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$328,471	\$319,337	\$378,714	\$287,458	\$292,888 (1)
Maintenance & Operations	35,270	49,922	46,326	47,875	48,375
Contractual Services	30,617	48,605	58,000	58,000	58,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	21,866	31,366	15,000	0 (3)
GRAND TOTAL	\$394,358	\$439,730	\$514,406	\$408,333	\$399,263
POSITIONS (FTE)	3	3	3	2.4	2.4

(1) The FY 2007/08 budget process included an analysis of staffing levels to determine the appropriate allocation of workload and activities required for each program. This analysis resulted in the transfer of some full-time and seasonal salaries to the Ranger Program and the Powerhouse.

(2) This funds City's cost to contract with a third party administrator for processing parking citations.

(3) FY 2005/06 expenditures were for the replacement of two pay and display parking machines, while the FY 2006/07 budget is to replace three of the machines. The FY 2007/08 budget includes funds for the replacement of a parking enforcement vehicle.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>COMMUNITY SERVICES</u>					
5630-1000	SALARIES - PERMANENT	145,685	155,873	171,460	190,300	201,043
5630-1200	EMPLOYEE BENEFITS	45,098	47,821	53,797	57,575	60,379
5630-1205	WORKERS' COMPENSATION	22,518	16,724	26,556	7,667	7,916
5630-1300	SALARIES - SEASONAL	697	-	-	-	-
5630-1400	OVERTIME	9,006	2,968	10,500	10,500	10,500
	EMPLOYEE SERVICES	223,004	223,386	262,313	266,042	279,838
5630-2000	BUILDING MAINTENANCE & REPAIR	4,328	2,801	2,500	2,500	2,500
5630-2100	EQUIP/RADIO MAINTENANCE & REPAIR	-	-	250	250	250
5630-2131	VEHICLE MAINTENANCE	478	109	260	1,000	1,000
5630-2300	OPERATING SUPPLIES	439	5	1,470	1,500	1,500
5630-2800	GAS & OIL	6,051	7,872	10,000	5,500	6,000
5630-3400	TELEPHONE	2,739	2,709	2,550	2,550	2,550
	MAINTENANCE & OPERATIONS	14,035	13,496	17,030	13,300	13,800
5630-3200	CONTRACTUAL SERVICES	17,704	21,441	16,500	20,000	20,000
	COMMUNITY SERVICES	254,743	258,323	295,843	299,342	313,638
	<u>LIFEGUARD SERVICES</u>					
5631-1000	SALARIES - PERMANENT	111,143	117,323	131,937	135,895	139,293
5631-1200	EMPLOYEE BENEFITS	60,226	59,668	67,828	68,605	70,244
5631-1205	WORKERS' COMPENSATION	64,765	47,393	73,315	16,478	16,265
5631-1300	SALARIES - SEASONAL	285,229	262,365	285,983	274,830	274,830
5631-1400	OVERTIME	23,875	7,495	20,000	20,000	20,000
	EMPLOYEE SERVICES	545,238	494,244	579,063	515,808	520,632
5631-2000	BUILDING MAINTENANCE & REPAIR	3,160	3,306	3,000	5,000	5,000
5631-2100	EQUIP/RADIO MAINTENANCE & REPAIR	1,708	7,173	3,144	3,000	3,000
5631-2131	VEHICLE MAINTENANCE	4,980	2,433	3,480	2,500	2,500
5631-2300	OPERATING SUPPLIES	64,218	80,805	50,300	51,000	51,000
5631-2400	UNIFORMS	8,814	9,386	720	2,500	2,500
5631-2600	SMALL TOOLS & EQUIPMENT	6,834	10,186	9,847	10,360	10,360
5631-2800	GAS & OIL	5,489	6,766	8,000	8,000	8,500
5631-3000	ADVERTISING & PRINTING	518	310	360	450	450
5631-3300	UTILITIES	5,427	5,545	6,000	6,240	6,458
5631-3400	TELEPHONE	7,320	3,033	6,810	5,725	5,725
5631-3400	PROPERTY/EQUIPMENT RENTAL	-	143	-	-	-
5631-3700	MEMBERSHIPS & SUBSCRIPTIONS	-	-	-	250	250
5631-3800	MEETINGS & TRAVEL	451	-	540	540	540
5631-3801	TRAINING & EDUCATION	11,609	18,250	9,200	11,000	11,000
	MAINTENANCE & OPERATIONS	120,528	147,336	101,401	106,565	107,283
5631-3200	CONTRACTUAL SERVICES	78	123	-	-	-
5631-3215	JUNIOR LIFEGUARD	300,493	309,929	142,250	-	-
	CONTRACTUAL SERVICES	300,571	310,052	142,250	-	-
5631-5300	MACHINERY & EQUIPMENT	46,552	36,412	3,600	10,000	11,000
5631-5500	VEHICLES	-	-	60,000	-	25,000
	CAPITAL OUTLAY	46,552	36,412	63,600	10,000	36,000
	LIFEGUARD SERVICES	1,012,889	988,044	886,314	632,373	663,915

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>PARKING ENFORCEMENT</u>					
5632-1000	SALARIES - PERMANENT	128,059	136,349	153,625	131,884	135,181
5632-1200	EMPLOYEE BENEFITS	54,598	59,458	70,761	58,172	60,410
5632-1205	WORKERS' COMPENSATION	28,467	20,868	29,003	19,442	19,337
5632-1300	SALARIES - SEASONAL	111,409	99,910	123,750	76,385	76,385
5632-1400	OVERTIME	5,938	2,752	1,575	1,575	1,575
	EMPLOYEE SERVICES	328,471	319,337	378,714	287,458	292,888
5632-2100	EQUIP/RADIO MAINTENANCE & REPAIR	3,703	6,217	3,000	3,000	3,000
5632-2131	VEHICLE MAINTENANCE	1,452	3,458	600	500	500
5632-2300	OPERATING SUPPLIES	8,014	10,668	6,000	6,000	6,000
5632-2400	UNIFORMS	3,497	2,991	780	1,500	1,500
5632-2600	SMALL TOOLS & EQUIPMENT	7,611	9,011	25,330	25,000	25,000
5632-2800	GAS & OIL	6,053	10,133	4,200	5,500	6,000
5632-3000	ADVERTISING & PRINTING	2,859	6,269	4,800	4,800	4,800
5632-3400	TELEPHONE	1,632	270	816	775	775
5632-3800	MEETINGS & TRAVEL	449	-	800	800	800
5632-3801	TRAINING & EDUCATION	-	905	-	-	-
	MAINTENANCE & OPERATIONS	35,270	49,922	46,326	47,875	48,375
5632-3200	CONTRACTUAL SERVICES	30,617	48,605	58,000	58,000	58,000
5632-5300	MACHINERY & EQUIPMENT	-	21,866	31,366	-	-
5632-5500	VEHICLES	-	-	-	15,000	-
	CAPITAL OUTLAY	-	21,866	31,366	15,000	-
	PARKING ENFORCEMENT	394,358	439,730	514,406	408,333	399,263

PROGRAM: FIRE SERVICES**ACCT # 01-5730**

The Fire Department provides emergency service to the residents and businesses of Del Mar by responding to all fire and medical calls, achieving the ultimate goal of saving lives and protecting property.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$1,290,788	\$1,358,730	\$1,565,324	\$1,517,856	\$1,523,793 (1)
Maintenance & Operations	205,727	216,647	223,810	209,350	215,650
Contractual Services	123,356	144,042	136,000	126,000	136,000 (2)
Debt Service	39,484	0	0	0	0 (3)
Capital Outlay	0	13,466	12,710	0	0
GRAND TOTAL	\$1,659,355	\$1,732,885	\$1,937,844	\$1,853,206	\$1,875,443
POSITIONS (FTE)	10.5	9.5	9.5	9.5	9.5

(1) Personnel costs were higher in FY 2006/07 as a result of two extended worker's compensation injuries in the Department.

(2) This amount includes the contract with the City of Solana Beach for Fire management services.

(3) The City financed \$230,000 through a lease/purchase for a new fire engine over a 7 year period starting in March 1998. The annual lease payments were completed in March 2005. The principal balance is now \$0.

PROGRAM: HAZARDOUS WASTE**ACCT # 01-5731**

This program funds the City's participation in the County's Hazardous Incidence Response Team (HIRT).

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	9,729	10,526	10,700	10,700	10,700 (1)
Contractual Services	0	0	1,000	1,000	1,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$9,729	\$10,526	\$11,700	\$11,700	\$11,700
POSITIONS (FTE)	0	0	0	0	0

(1) This is the membership fee for HIRT to respond in event of a hazardous materials incident in Del Mar.

(2) These funds are for oil disposal from normal use of street sweeper.

PROGRAM: EMERGENCY PREPAREDNESS**ACCT # 01-5735**

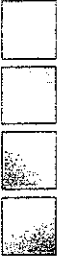
This program was established to account for potential effects of the El Nino storms predicted for late winter 1998. The program now provides funding for County-wide disaster training exercises.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$500	\$0	\$0
Maintenance & Operations	0	45	1,000	1,000	1,000
Contractual Services	0	121,491	2,000	2,000	2,000 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$0	\$121,536	\$3,500	\$3,000	\$3,000
POSITIONS (FTE)	0	0	0	0	0

(1) In FY 2005/06, the Fire department received grant funding to establish a wildland urban interface vegetation fuel management program in the Crest Canyon area.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>FIRE PROTECTION</u>					
5730-1000	SALARIES - PERMANENT	606,999	605,270	680,103	663,185	667,674
5730-1100	SALARIES - PART-TIME	77,358	77,337	79,940	93,912	93,912
5730-1200	EMPLOYEE BENEFITS	321,105	334,553	438,002	435,977	438,903
5730-1205	WORKERS' COMPENSATION	104,494	82,068	111,041	78,330	76,852
5730-1300	SALARIES - SEASONAL	-	-	12,000	-	-
5730-1400	OVERTIME	180,832	259,502	243,738	246,452	246,452
5730-1405	OVERTIME - FUEL REDUCTION	-	-	500	-	-
	EMPLOYEE SERVICES	1,290,788	1,358,730	1,565,324	1,517,856	1,523,793
5730-2000	BUILDING MAINTENANCE & REPAIR	3,076	836	5,000	9,000	9,000
5730-2100	EQUIP/RADIO MAINTENANCE & REPAIR	529	745	5,250	5,250	5,250
5730-2110	RADIO MAINTENANCE & REPAIR	1,135	-	-	-	-
5730-2131	VEHICLE MAINTENANCE	15,178	28,642	22,000	23,000	23,000
5730-2300	OPERATING SUPPLIES	88,990	53,399	41,000	41,000	41,000
5730-2320	POSTAGE	-	359	-	-	-
5730-2360	COMPUTER SOFTWARE	-	-	954	-	-
5730-2370	COMPUTER HARDWARE	-	-	6,526	-	-
5730-2400	UNIFORMS	3,518	40,486	10,000	10,000	10,000
5730-2600	SMALL TOOLS & EQUIPMENT	121	280	17,940	1,000	1,000
5730-2800	GAS & OIL	5,134	6,532	10,000	11,000	12,000
5730-3000	ADVERTISING & PRINTING	697	875	900	900	1,000
5730-3300	UTILITIES	10,664	10,727	11,000	12,000	12,000
5730-3400	TELEPHONE	13,675	11,968	15,000	22,400	22,400
5730-3600	PROPERTY/EQUIPMENT RENTAL	50,600	54,290	64,440	65,000	70,000
5730-3700	MEMBERSHIPS & SUBSCRIPTIONS	325	565	500	500	500
5730-3800	MEETINGS & TRAVEL	159	15	500	500	500
5730-3801	TRAINING & EDUCATION	11,926	6,928	12,800	7,800	8,000
	MAINTENANCE & OPERATIONS	205,727	216,647	223,810	209,350	215,650
5730-3200	CONTRACTUAL SERVICES	115,296	108,166	80,000	70,000	75,000
5730-3222	FUEL REDUCTION	8,060	7,586	6,000	6,000	6,000
5730-3228	DISPATCH	-	28,290	50,000	50,000	55,000
	CONTRACTUAL SERVICES	123,356	144,042	136,000	126,000	136,000
5730-4500	INTEREST	1,461	-	-	-	-
5730-4600	PRINCIPAL	38,023	-	-	-	-
	DEBT SERVICE	39,484	-	-	-	-
5730-5300	MACHINERY & EQUIPMENT	-	13,466	12,710	-	-
	CAPITAL OUTLAY	-	13,466	12,710	-	-
	FIRE PROTECTION	1,659,355	1,732,885	1,937,844	1,853,206	1,875,443
	<u>HAZARDOUS WASTE</u>					
5731-3700	MEMBERSHIPS & SUBSCRIPTIONS	9,729	10,526	10,700	10,700	10,700
	MAINTENANCE & OPERATIONS	9,729	10,526	10,700	10,700	10,700
5731-3200	CONTRACTUAL SERVICES	-	-	1,000	1,000	1,000
	HAZARDOUS WASTE	9,729	10,526	11,700	11,700	11,700
	<u>EMERGENCY PREPAREDNESS</u>					
5735-1400	OVERTIME	-	-	500	-	-
	EMPLOYEE SERVICES	-	-	500	-	-
5735-2300	OPERATING SUPPLIES	-	45	1,000	1,000	1,000
	MAINTENANCE & OPERATIONS	-	45	1,000	1,000	1,000
5735-3200	CONTRACTUAL SERVICES	-	121,491	2,000	2,000	2,000
	EMERGENCY PREPAREDNESS	-	121,536	3,500	3,000	3,000



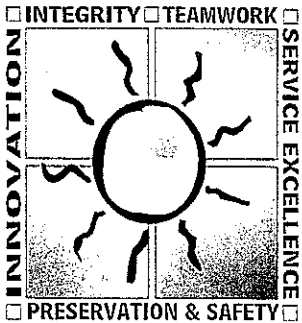
CITY CLERK & INFORMATION TECHNOLOGY

CITY OF DEL MAR
VISION  VALUES

DEPARTMENT MISSION STATEMENT

The City Clerk/Information Technology Department has an ongoing policy to provide friendly, personalized and unbiased assistance in accessing information, both current and historical, through well-organized systems. We maintain around-the-clock access to technology tools and create long-term strategies that build confidence with our customers.

"INFORMATION IS OUR BUSINESS"



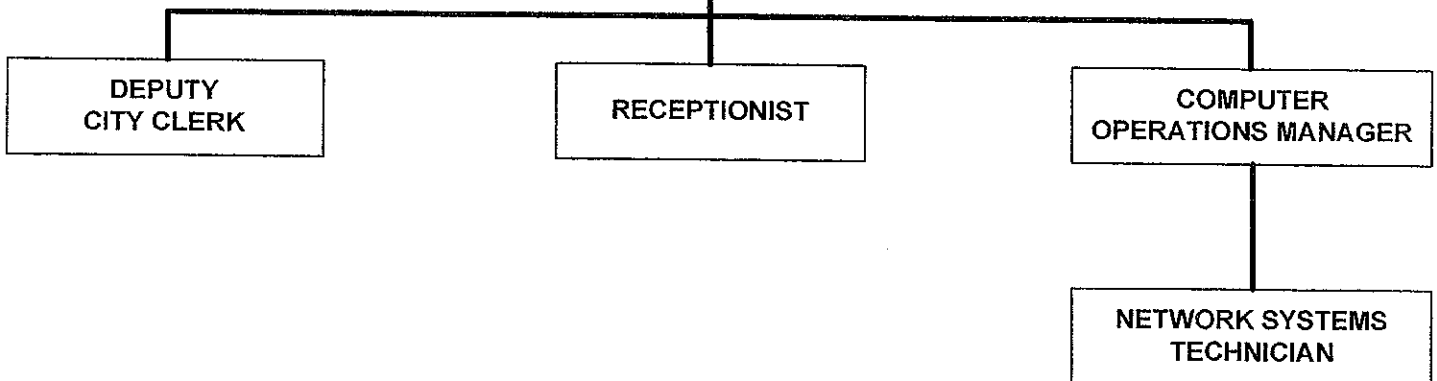
A WONDERFUL PLACE TO LIVE, WORK, & PLAY



**CITY CLERK /
INFORMATION SYSTEMS**

COUNCIL SUPPORT
RECORDS
ELECTIONS
INFORMATION SYSTEMS
VOICE OVER IP PHONE SYSTEM

**CITY CLERK / INFORMATION SYSTEMS
DIRECTOR**



CITY CLERK/INFORMATION SYSTEMS DEPARTMENT

The City Clerk and Information Systems Department performs two distinctly different functions for the City. The City Clerk is a statutory officer of the City of Del Mar and responsible for performing all legislative, legal, and administrative duties, as required by law. The City Clerk records all actions of the City Council, retains records related to City activities, and directs all activities of the Office of the City Clerk. The City Clerk schedules Council meetings, prepares related agenda/materials, and administers State and local laws applicable to the City Council and advisory bodies. The City Clerk is responsible for administering elections. Responsibilities in the Information Systems area include designing, managing and updating the City's Web Page, managing the hardware and software associated with the City's phone and voice mail systems, troubleshooting computer user problems, administering the City-wide computer network on a daily basis, as well as providing for its long range planning. Other Information Systems responsibilities include establishing and implementing policies regarding the security and dispersion of data.

FY 2006/07 Achievements

- Administered the November 2006 Municipal Election, including the creation of Candidate Information Packets, compliance of election notices, monitoring of campaign contribution reports, and the swearing in of new Councilmembers.
- Worked with City Manager, City Attorney and Finance Director to assure proper notification of utility rate payers/property owners regarding the January 2007 protest hearing for Water and Wastewater Rates.
- Partnered with City of Solana Beach to provide 8 hours/week information technology support. Coordinated computer training for City users at off-site training center.
- Joined with the City of Solana Beach and the Fairgrounds to develop a municipal wireless broadband network for these three communities; developed a Request for Proposal (RFP) and solicited Proposals for a WiFi system for the three jurisdictions.
- Updated templates for expanded use of the Web Page; posted news items on the web page; continued the live video streaming and archiving of the City Council meetings.
- Worked with Geographic Information System (GIS) consultant to update the City's GIS system, and create a more-user friendly web interface. Finalized the tie-in of the City's baseline map and orthophotography layers; reviewed and updated map.
- Replaced the Electronic Document Management System (EDMS) server, migrated the EDMS to the new server, including installation, configuration and testing, and working with software vendor to fix issues that erupted with the latest software upgrade.
- Replaced City's main file server, finance server, domain controller, main tape backup device, and desktop computers/scanners per annual schedule. Upgraded Active Directory Domain to Windows 2003. Updated/installed software; maintained/tracked software licensing; applied assessor parcel information updates monthly.
- Issued an RFP for a Security Audit, hired consultant to provide city-wide security audit; received recommendations and presented to MIS Subcommittee; began remediation.

- Provisioned an additional voice/data line (Flex PRI) in the Emergency Operations Center (EOC). Configured router and firewall in EOC so phones will operate if main voice line (PRP) at City Hall is down during an emergency.
- Backed-up network daily; provided on-going hardware and network support; trained users on specialized computer systems, coordinated technology training for users City-wide, assisted with computer issues for contract departments.

Service Level Changes

We will maintain the current level of service with no changes in staff and continue to provide 8 hours per week of information technology support to the City of Solana Beach.

FY 2007/2008 - 2008/2009 Goals and Objectives

- Administer a special Proposition 218 Election for the Clean Water Fee.
- Complete the Tri-Agency Assessment with the City of Solana Beach and the Fairgrounds to develop a municipal wireless broadband network for these three communities; negotiate with interested vendors to implement the broadband network.
- Continue expanding the use of the Web Page as a means to improve the public’s access to City information. Develop new templates for posting information. Continue the live video streaming and archiving of the City Council meetings.
- Continue to test server virtualization; replace three servers at their “end-of-life” cycle; update/install all software; maintain/track software licenses; procure/install all hardware; apply assessor parcel information updates monthly.
- Implement recommendations from the annual network security review; continue to implement policies/procedures that ensure the integrity of electronic data assets and ensure business continuity; have consultant re-evaluate security of the City’s network.
- Maintain City’s Geographic Information System; host the City’s web-based GIS system; review/update the City data/layers; provide ongoing staff training.
- Create Citywide Intranet using Microsoft SharePoint Portal Server to facilitate collaboration and increased search capabilities; provide appropriate training to staff.
- Draft a Request for Proposal for Consultant Services to help the City migrate its Content Management System based Web Page to the new SharePoint software for end of fiscal year 2008, and implement new system over the two fiscal years (2007/08 and 2008/09).
- Monitor and manage the Voice over Internet Protocol (VoIP) phone system that integrates voice and data, provides direct dial and unified messaging.

Positions (FTE)	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Proposed
City Clerk	3.00	3.00	3.00	3.00	3.00
Information Systems	2.00	2.00	2.00	2.00	2.00

PROGRAM: CITY CLERK**ACCT # 01-5300**

This program provides the City with legislative, legal and administrative support that includes recording all actions of the City Council, retention of records related to City activities, preparation of Council agendas, packet materials and minutes. It includes funds for the City Hall receptionist who answers the phones, greets and directs walk-in customers, and provides backup for other support staff.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$262,308	\$278,506	\$284,675	\$302,508	\$319,010
Maintenance & Operations	13,293	11,011	14,869	15,416	15,961
Contractual Services	0	388	470	480	510
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$275,601	\$289,905	\$300,014	\$318,404	\$335,481
POSITIONS (FTE)	3	3	3	3	3

PROGRAM: ELECTIONS**ACCT # 01-5310**

This program pays for Del Mar's Municipal Election which occurs bi-annually in even numbered years. Del Mar's next council election is November 2008.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	1,220	1,195	1,700	1,670	2,250 (1)
Contractual Services	2,240	0	4,200	5,500	4,034 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$3,460	\$1,195	\$5,900	\$7,170	\$6,284
POSITIONS (FTE)	0	0	0	0	0

- (1) This includes funds for the Clerk to attend the League of California Cities' New Law and Election Seminar, as well as the additional costs associated with advertising and printing election notices and materials in four languages as required by law.
- (2) There are funds in FY 2007/08 budget to pay for the anticipated Prop 218 Election for Clean Water Fees. Additionally, in FY 2008/09, funds are budgeted for the regular Council election scheduled for November 2008.

PROGRAM: INFORMATION SYSTEMS**ACCT # 01-5320**

This program provides funding for the management of the City-wide computer system. Funds for maintenance, system software upgrades and replacement equipment allow the City to keep technologically current.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$167,839	\$182,756	\$191,755	\$191,136	\$196,513 (1)
Maintenance & Operations	109,638	56,386	113,618	103,345	116,694 (2)
Contractual Services	80,638	55,621	96,360	58,049	56,075 (3)
Debt Service	0	33,590	33,591	33,590	33,590 (4)
Capital Outlay	0	6,587	12,600	17,500	14,500 (5)
GRAND TOTAL	\$358,115	\$334,940	\$447,924	\$403,620	\$417,372
POSITIONS (FTE)	2	2	2	2	2

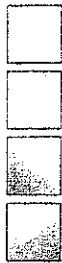
- (1) The salary/benefit cost is offset by a contract to provide part-time technology support to the City of Solana Beach.
- (2) Funds cover computer maintenance and replacement, software licensing and upgrades. It also covers funding for technology training for the technology staff and software training for employees City-wide. In FY 2004/05 the City paid \$45,000 to purchase a 3-year Microsoft license agreement that was about \$12,000 less to purchase in advance. This accounts for the decrease in FY 2005/06. FY 2006/07 includes funding for the Network Security Maintenance Program.
- (3) Includes funding for updates for assessor information, off-site backup storage, co-location for the City's web site, the City's T-1 line connection, video-streaming of the City Council meetings, Geographic Information System (GIS) consulting, document scanning and back-file conversion, Electronic Data Management System (EDMS) upgrade assistance, and database programming. FY 2007/08 and FY 2008/09 include funding for engineering assistance to move the City's website to a new server and upgraded software.
- (4) Lease payments for the purchase of the Voice over IP phone system began in FY 2005/06. The lease period is 5 years and expires in 2010.
- (5) Includes funds to purchase replacement servers as they reach their end-of-life and an extended warranty is no longer available. The City will replace 3 servers in FY 2007/08 and three servers in FY 2008/09.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	CITY CLERK					
5300-1000	SALARIES - PERMANENT	184,156	189,764	200,129	211,676	222,954
5300-1200	EMPLOYEE BENEFITS	57,474	65,936	71,529	75,641	79,845
5300-1205	WORKERS' COMPENSATION	4,821	3,643	3,017	4,991	5,211
5300-1300	SALARIES - SEASONAL	267	-	-	-	-
5300-1400	OVERTIME SALARIES	-	-	1,000	1,000	1,000
5300-1803	OUTSIDE CLERICAL	15,590	19,163	9,000	9,200	10,000
	EMPLOYEE SERVICES	262,308	278,506	284,675	302,508	319,010
5300-2300	OPERATING SUPPLIES	2,368	2,221	2,710	2,795	2,900
5300-3000	ADVERTISING & PRINTING	3,094	1,906	4,070	4,200	4,330
5300-3700	MEMBERSHIPS & SUBSCRIPTIONS	431	396	590	610	630
5300-3800	MEETINGS & TRAVEL	3,774	2,544	1,874	2,211	2,500
5300-3801	TRAINING & EDUCATION	26	-	825	800	801
5300-3900	AUTO ALLOWANCE	3,600	3,944	4,800	4,800	4,800
	MAINTENANCE & OPERATIONS	13,293	11,011	14,869	15,416	15,961
5300-3200	CONTRACT SERVICES	-	388	370	480	510
5300-3207	ADMINISTRATIVE REVIEW	-	-	100	-	-
	CONTRACTUAL SERVICES	-	388	470	480	510
	CITY CLERK	275,601	289,905	300,014	318,404	335,481
	ELECTIONS					
5310-2300	OPERATING SUPPLIES	116	161	150	125	150
5310-3000	ADVERTISING & PRINTING	235	143	150	100	800
5310-3801	TRAINING & EDUCATION	869	891	1,400	1,445	1,300
	MAINTENANCE & OPERATIONS	1,220	1,195	1,700	1,670	2,250
5310-3200	CONTRACTUAL SERVICES	2,240	-	4,200	5,500	4,034
	ELECTIONS	3,460	1,195	5,900	7,170	6,284

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	INFORMATION SYSTEMS					
5320-1000	SALARIES	119,742	133,624	133,875	137,891	141,338
5320-1200	EMPLOYEE BENEFITS	37,062	40,105	48,293	49,851	51,777
5320-1205	WORKERS' COMPENSATION	3,553	1,941	2,087	1,294	1,298
5320-1400	OVERTIME	7,482	7,086	7,500	2,100	2,100
	EMPLOYEE SERVICES	167,839	182,756	191,755	191,136	196,513
5320-2131	VEHICLE MAINTENANCE	-	71	500	500	500
5320-2140	COMPUTER MAINTENANCE	14,816	11,015	17,692	12,020	13,620
5320-2145	SOFTWARE MAINTENANCE	65,828	18,210	24,100	45,650	51,850
5320-2300	OPERATING SUPPLIES	3,076	4,599	5,775	5,775	5,960
5320-2360	COMPUTER SOFTWARE	8,516	3,347	4,400	7,500	2,000
5320-2370	COMPUTER HARDWARE	9,746	13,986	25,451	9,800	10,114
5320-2380	NETWORK SECURITY MAINTENANCE	-	-	20,000	6,000	16,000
5320-2800	GAS AND OIL	-	58	500	500	600
5320-3400	TELEPHONES	-	-	2,600	2,600	2,600
5320-3800	MEETINGS & TRAVEL	2,159	2,088	5,600	5,000	5,150
5320-3801	TRAINING & EDUCATION	5,497	3,012	7,000	8,000	8,300
	MAINTENANCE & OPERATIONS	109,638	56,386	113,618	103,345	116,694
5320-3200	CONTRACT SERVICES	26,925	33,370	40,660	38,425	37,225
5320-3231	GIS SYSTEM	12,226	6,181	16,000	9,000	9,000
5320-3232	DIGITAL RECORD	16,131	4,096	15,100	4,874	5,000
5320-3234	INTERNET UPGRADE	-	1,057	600	350	350
5320-3235	DATABASE PROJECT	409	9,754	2,000	2,900	2,000
5320-3236	TRANSACTIONAL WEB PAGE	4,800	-	-	-	-
5320-3238	EOC UPGRADE	-	-	20,000	-	-
5320-3237	PHONE REPLACEMENT PROJECT	20,147	1,163	2,000	2,500	2,500
	CONTRACTUAL SERVICES	80,638	55,621	96,360	58,049	56,075
5320-4500	INTEREST	-	5,448	4,215	2,926	1,581
5320-4600	PRINCIPAL	-	28,142	29,376	30,664	32,009
	DEBT SERVICE	-	33,590	33,591	33,590	33,590
5320-5300	MACHINERY & EQUIPMENT	-	6,587	12,600	17,500	14,500
	CAPITAL OUTLAY	-	6,587	12,600	17,500	14,500
	INFORMATION SYSTEMS	358,115	334,940	447,924	403,620	417,372



FINANCE

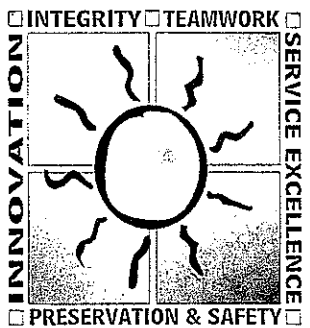
DEPARTMENT MISSION STATEMENT

The Finance Department is dedicated to the responsible management of the financial resources for the City of Del Mar.

Our customers trust in us to provide:

- \$ *Fiscal Accountability and Integrity***
- \$ *Friendly and Helpful Service***
- \$ *Accurate and Timely Information***

CITY OF DEL MAR
VISION ☀️ **VALUES**



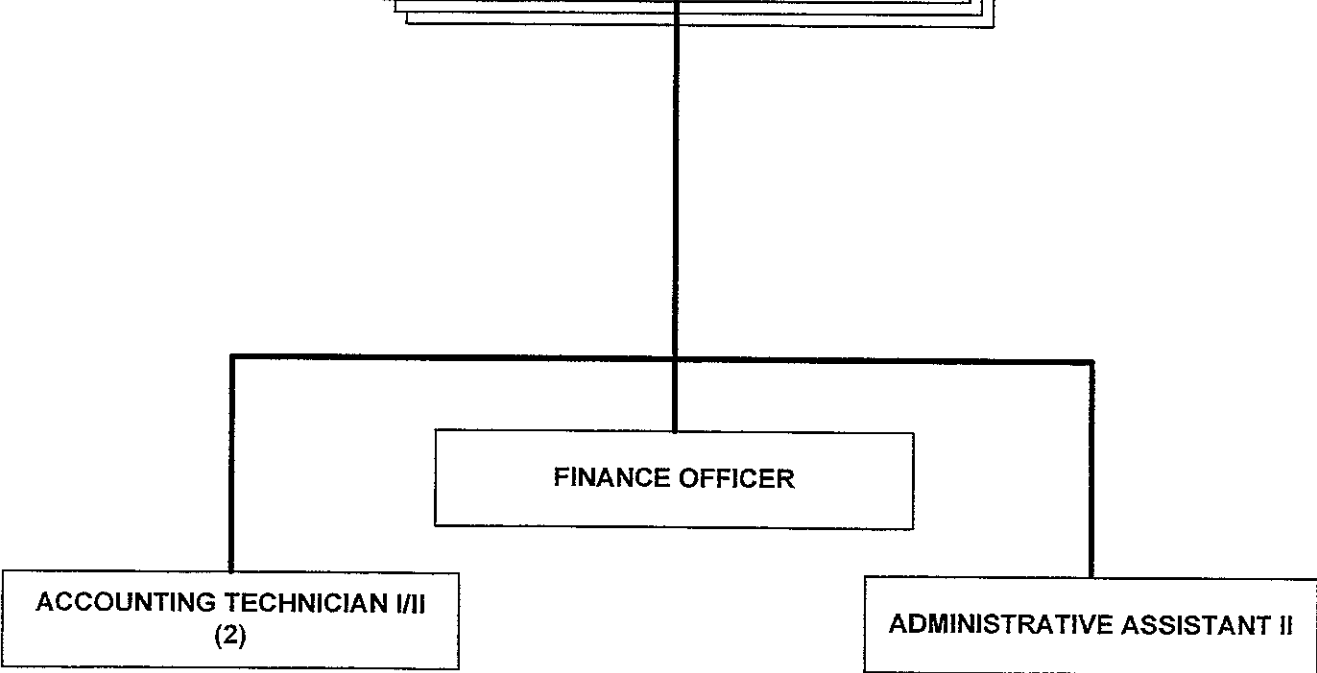
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FINANCE

- ACCOUNTING
- BUDGETING
- UTILITY BILLING
- REVENUE COLLECTION
- TREASURY
- RISK MANAGEMENT
- BUSINESS LICENSE TAX ENFORCEMENT
- FINANCIAL REPORTING

FINANCE DIRECTOR/TREASURER



FINANCE DEPARTMENT

The Finance Department handles the City's accounting activities, including payroll, accounts receivable, accounts payable and miscellaneous revenue collection. Staff coordinates the budget process and prepares the budget document as well as annual financial reports required by the State and reports prepared for our residents. Finance coordinates the annual financial audit and prepares an award-winning Comprehensive Annual Financial Report. Additional responsibilities include utility billing and monitoring of utility rates as well as coordinating utility rate reviews as required. The Risk Management function of the Department, through participation in the SANDPIPA Insurance Joint Powers Authority, oversees the insurance requirements of the City, manages the loss-control program, and handles all claims made against the City in addition to the self-insured worker's compensation program. Management of the excess cash of the City through careful investing and monitoring of cash requirements are primary responsibilities under the Treasury function. Integral to the successful operation of the City is the focus of the Department to carefully monitor expenditures and optimize revenues.

FY 2006/07 Selected Achievements

- Completed the actuarial study of the City's Worker's Compensation Fund to ensure adequate funding and updated the current rates accordingly.
- Successfully completed the audit with a new Finance Director, new Senior Accountant and new auditors. Maintained the City's unqualified audit opinion.
- Received the national award for Outstanding Financial Reporting from the Government Finance Officers Association for the Comprehensive Annual Financial Report, which included meeting many new requirements and correcting some deficiencies from the prior year report.
- Significantly improved the City's investment earnings over 2005/06 through more aggressive cash management and market improvement.
- Worked with the City Manager's office on the development of two utility undergrounding assessment districts.
- Recruited and hired a Senior Accountant and Payroll Technician. These two positions are highly specialized and presented a significant challenge to complete the department's daily workload and special projects.
- Directed the modification of the Junior Lifeguard contract to significantly reduce the City's liability for funding the program and reduce the Finance Department workload in processing payments and refunds.
- Implemented the "Finnell Plan" expenditure cap financial objective during preparation of the 2007/08 and 2008/09 budgets.

Service Level Changes

We will maintain the current level of service with no changes in staff.

FY 2007/08 - 2008/09 Goals and Objectives

- Prepare financial analyses regarding the City's Clean Water program in preparation for the upcoming election.
- Work with the Council and the Finance Committee to improve the City's financial communications based on the feedback from resident focus groups.
- Submit the Comprehensive Annual Financial Report and the Operating and Capital Improvement Budget for the Government Finance Officer's Association (GFOA) awards for Outstanding Financial Reporting and Excellence in Operational Budgeting.
- Work with the City's financial advisor to complete analysis of funding options for construction of the 21st Street Pumpstation for presentation to the Council. Perform necessary work to proceed with the selected option.
- Continue to work with residents to complete the necessary work for formation of new utility undergrounding assessment districts and issue bonds to finance construction. Complete the accounting for and calculate refunds for the Ocean View/Pines Assessment District. Manage the accounting and pursue cost recovery for the 20-A undergrounding project.
- Provide financial analysis to the Council in labor and lease negotiations as needed. Represent the City during the negotiation of a new contract for the Fire Department personnel.
- Develop a request for proposal for a consultant to prepare a new cost allocation plan for the water and sewer utilities and planning department. Work with the Finance Committee or a special citizen advisory committee appointed by Council to select the consultant. Work with the consultant on the development of the new plan and review the results with the appropriate advisory committee.
- Select two consultants to update the City's water and sewer rates for a five-year period. Work with the consultants and a Council-appointed utility advisory committee(s) on the rate development and implementation. Prepare the materials required by Prop 218 for citizen approval of the new rates and the corresponding public hearing.
- Prepare cost/benefit analysis for re-organizing the Building Services function to a partnership with Solana Beach.
- Initiate and monitor audit of the Solid Waste Franchise Agreement.

Positions (FTE)	2004/05 Actual	2005/06 Actual	2006/07 Amended	2007/08 Original	2008/09 Proposed
Finance Services	5.00	5.00	5.00	5.00	5.00

PROGRAM: FINANCE SERVICES**ACCT # 01-5400**

This program provides for the accounting, payroll, revenue collection, and utility billing functions.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$299,006	\$262,128	\$345,631	\$366,347	\$383,956 (1)
Maintenance & Operations	49,291	30,346	53,498	59,825	62,055
Contractual Services	62,392	99,566	78,874	77,078	74,445
Debt Service	0	0	0	0	0
Capital Outlay	0	0	15,000	0	0
GRAND TOTAL	\$410,689	\$392,040	\$493,003	\$503,250	\$520,456
POSITIONS (FTE)	3.5	3.5	3.5	3.5	3.5 (2)

(1) Employee Services was well below budget in FY 2005/06 due to prolonged vacancies for both of the department's senior positions. Part of this savings is offset by additional costs reported under Contractual Services for an interim Finance Director in FY 2005/06.

(2) A portion of the costs for the Account Technicians, the Administrative Assistant, and the Finance Officer are budgeted in Water and Wastewater for utility billing, payroll and accounting functions associated with those funds.

PROGRAM: CITY HALL GENERAL**ACCT # 01-5410**

This program funds the general operations of City Hall including office supplies, copier and facilities maintenance.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	118,412	90,935	106,823	117,285	118,340 (1)
Contractual Services	43,792	45,497	44,045	31,560	31,680 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$162,204	\$136,432	\$150,868	\$148,845	\$150,020
POSITIONS (FTE)	0	0	0	0	0

- (1) The cost increase in FY 2007/08 is due to an accounting change for the additional phone line that is located in the Annex. This line had been charged to the Information Systems budget in the past; however, the system was re-configured and the line is now being used by the entire City so the cost will now be distributed to the specific user departments. City Hall is the largest user and will absorb the bulk of the cost.
- (2) The decrease in Contractual Services in FY 2007/08 reflects the renewal of the City Hall Xerox lease to a machine that is significantly lower in cost but with the benefit of features such as a high speed scanner. This benefit greatly enhances our ability to quickly post large documents to our website.

PROGRAM: GENERAL RISK MANAGEMENT**ACCT # 01-5411**

This program covers the General Fund portion (50%) of the liability and property insurance in addition to providing insurance coverage for the vehicles that are owned by the General Fund. Also included is a reasonable level of funding for claims and claims administration costs.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	58,331	74,503	106,563	104,949	123,726 (1)
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$58,331	\$74,503	\$106,563	\$104,949	\$123,726
POSITIONS (FTE)	0	0	0	0	0

(1) The increase in FY 2008/09 is a conservative estimate for increases in insurance costs. This amount will be refined during next year's budget process.

PROGRAM: CITY HALL ANNEX**ACCT # 01-5415**

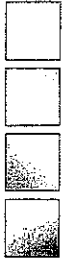
In April 1997, San Diego County transferred the trailer (previously used as the library) to the City. This facility was re-named the "Annex" and is used as office space and as a meeting place for a wide variety of community needs. This program provides for the operations and maintenance of the facility.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	1,159	10,925	12,723	4,335	4,335 (1)
Contractual Services	4,159	5,322	4,220	5,000	5,000
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$5,318	\$16,247	\$16,943	\$9,335	\$9,335
POSITIONS (FTE)	0	0	0	0	0

(1) The FY 2005/06 actual expenditures and FY 2006/07 amended budget both reflect adjustments for the replacement of all three air conditioners in the facility. The FY 2007/08 and FY 2008/09 budgets only include funding for minimal repairs.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>FINANCE</u>					
5400-1000	SALARIES - PERMANENT	226,646	199,081	253,411	266,556	279,206
5400-1200	EMPLOYEE BENEFITS	66,524	57,689	87,727	92,537	97,273
5400-1205	WORKERS' COMPENSATION	3,461	2,899	3,808	5,504	5,727
5400-1400	OVERTIME SALARIES	1,235	1,578	-	1,000	1,000
5400-1803	OUTSIDE CLERICAL	1,140	881	685	750	750
	EMPLOYEE SERVICES	299,006	262,128	345,631	366,347	383,956
5400-2300	OPERATING SUPPLIES	3,516	3,052	6,411	4,720	4,730
5400-3000	ADVERTISING & PRINTING	7,778	7,649	12,697	11,880	12,100
5400-3700	MEMBERSHIP & SUBSCRIPTIONS	290	465	925	1,125	1,125
5400-3800	MEETINGS & TRAVEL	281	2,251	2,865	3,300	3,300
5400-3801	TRAINING & EDUCATION	14	441	800	1,000	1,000
5400-3900	AUTO ALLOWANCE	3,600	2,894	4,800	4,800	4,800
5400-4810	PROP TAX ADMIN	33,812	13,594	25,000	33,000	35,000
	MAINTENANCE & OPERATIONS	49,291	30,346	53,498	59,825	62,055
5400-3200	CONTRACTUAL SERVICES	62,392	99,566	78,874	77,078	74,445
5400-5300	MACHINERY & EQUIPMENT	-	-	15,000	-	-
	CAPITAL OUTLAY	-	-	15,000	-	-
	FINANCE	410,689	392,040	493,003	503,250	520,456
	<u>CITY HALL</u>					
5410-2000	BUILDING MAINTENANCE & REPAIR	24,157	2,370	8,527	5,500	5,500
5410-2100	EQUIP/RADIO MAINTENANCE & REPAIR	79	88	1,000	1,000	1,000
5410-2131	VEHICLE MAINTENANCE	627	133	1,000	1,000	1,000
5410-2300	OPERATING SUPPLIES	16,467	18,341	19,731	19,280	19,315
5410-2320	POSTAGE	14,512	7,013	17,780	17,780	18,680
5410-2340	SUPPLIES - PAPER	2,868	5,053	3,000	6,000	6,000
5410-2800	GAS & OIL	264	236	800	800	800
5410-3000	ADVERTISING & PRINTING	3,733	5,758	5,485	5,510	5,630
5410-3300	UTILITIES	26,280	26,168	25,000	28,000	28,000
5410-3400	TELEPHONE	23,226	19,740	18,135	26,040	26,040
5410-3600	PROPERTY/EQUIPMENT RENTAL	5,563	5,573	5,850	5,850	5,850
5410-3700	MEMBERSHIPS & SUBSCRIPTIONS	636	462	515	525	525
	MAINTENANCE & OPERATIONS	118,412	90,935	106,823	117,285	118,340
5410-3200	CONTRACTUAL SERVICES	43,792	45,497	44,045	31,560	31,680
	CITY HALL	162,204	136,432	150,868	148,845	150,020
	<u>RISK MANAGEMENT</u>					
5411-4000	INSURANCE	55,602	67,736	86,563	89,949	108,726
5411-4300	CLAIMS	1,304	6,563	10,000	10,000	10,000
5411-4400	CLAIMS ADMIN/LITIGATION	1,425	204	10,000	5,000	5,000
	MAINTENANCE & OPERATIONS	58,331	74,503	106,563	104,949	123,726
	RISK MANAGEMENT	58,331	74,503	106,563	104,949	123,726
	<u>CITY HALL ANNEX</u>					
5415-2000	BUILDING MAINTENANCE & REPAIR	225	10,262	11,680	3,000	3,000
5415-2300	OPERATING SUPPLIES	366	374	669	675	675
5415-3400	TELEPHONE	568	289	374	660	660
	MAINTENANCE & OPERATIONS	1,159	10,925	12,723	4,335	4,335
5415-3200	CONTRACTUAL SERVICES	4,159	5,322	4,220	5,000	5,000
	CITY HALL ANNEX	5,318	16,247	16,943	9,335	9,335



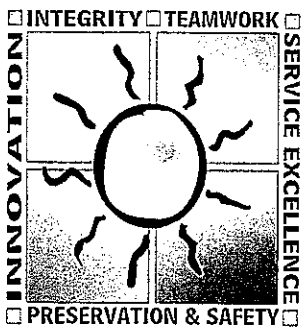
PLANNING & COMMUNITY DEVELOPMENT

DEPARTMENT MISSION STATEMENT

Each member of the Planning Department takes pride in providing our customers with personal attention, accurate and consistent information, and creative, timely solutions to complex community development issues.

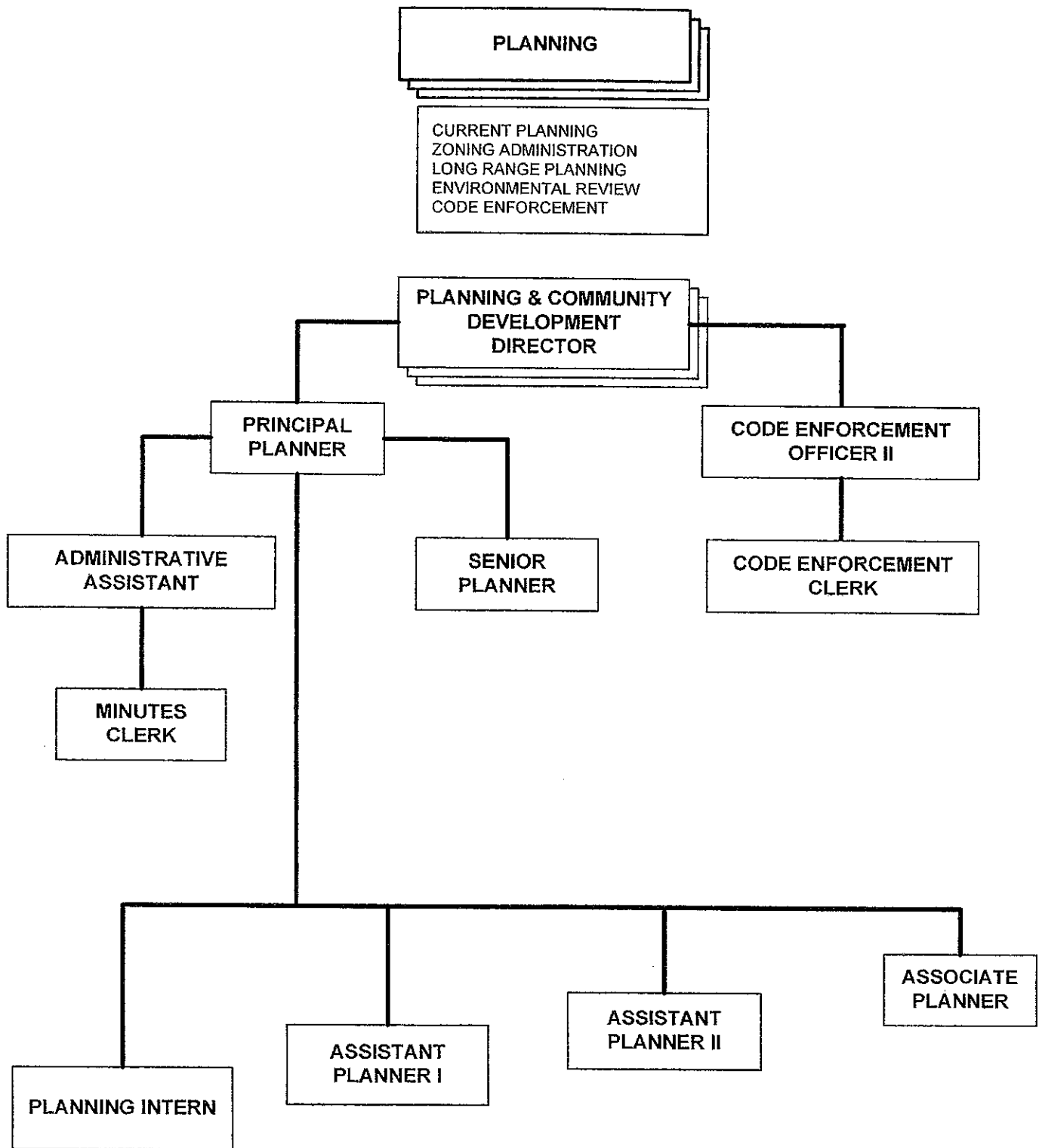
We will guide our customers through the Planning process in a manner that instills public trust and confidence.

CITY OF DEL MAR
VISION  VALUES



A WONDERFUL PLACE TO LIVE, WORK, & PLAY





PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

The Planning and Community Development Department is responsible for administering the City's Land Use development standards as well as for Code Enforcement and Building Services functions. The Department reviews development applications for their compliance with Zoning and Subdivision laws, Design Review and Coastal Development regulations, and with the Del Mar Community Plan. The Planning Department ensures that development is consistent with the State's housing, building and environmental protection standards, as well as state and federal accessibility requirements (Title 24/ADA). Code Enforcement is responsible for resolving code violations, including those related to building and noise violations and water-quality protection regulations. Building is responsible for building plan checks, permits and inspections, and enforcement of Title 24/ADA standards.

The Department assists the City Council, Planning Commission, and Design Review Board in their review of project applications and in the drafting of new land use regulations. It assists various ad-hoc and citizen's committees in the performance of their functions, and manages a variety of key programs and special projects. Planning is also responsible for preparing and processing updates to the Community Plan, for monitoring the 22nd District Agricultural Association's (DAA) preparation of a Master Plan and associated Environmental Impact Report (EIR), and for all California Environmental Quality Act (CEQA) review and permit processing for Capital Improvement Projects. The Department also monitors and provides the City Council with information about development proposals that are located outside the City limits but which may have potential impacts on Del Mar.

FY 2006/07 Selected Achievements

- Completed tasks Planning Process changes as directed by the City Council.
- Provided assistance to the Del Mar Village Association/Main Street (DMVA) revitalization effort, including drafting and preliminary processing of Municipal Code amendments.
- Worked with Engineering, Public Works and Community Services on the design, processing and grant applications for the 17th Street Lifeguard Facility upgrade and for the 21st St. Pump Station replacement projects.
- Coordinated the review of the Cliffs Del Mar (gas station site) project and staffed meetings of the appointed Steering Committee.
- Reviewed and processed required permits for the North County Transit District (NCTD) Phase II Drainage and Bluff Stabilization Project.
- Prepared the draft Housing Element Update; received approval from Council; and forwarded to the State for final approval.
- Assisted with review and recommendations on the new Clean Water Permit.
- Processed 281 discretionary permit applications (e.g. Design Review Permits, Conditional Use Permits, Variances, Coastal Development Permits, Encroachment Permits, News Rack Permits, etc.); opened 562 Code Enforcement cases with compliance gained on 545 of those cases.

Service Level Changes

We will maintain the current level of service for the next two fiscal years. Changes in Code Enforcement services will be analyzed and presented to Council at a later date.

FY 2007/08 - 2008/09 Goals and Objectives

- Complete permitting to construct the 17th Street Lifeguard Facility and 21st Street Pump Station Improvement projects. Seek additional grant funding for project implementation.
- Complete certification process for the Community Plan Housing Element, along with associated code amendments, to protect the City's housing stock.
- Prepare and process the update to the Community Plan Circulation Element, including a sidewalk/bike/trails Master Plan and traffic management component.
- Continue processing of Specific Plan and associated CEQA documents for the development of the gas station property.
- Follow-up on requests from Department of Transportation (DOT) regarding an inquiry regarding implementation of ADA and Title 24 accessibility projects on public sidewalks.
- Manage and review the preparation of the environmental document for the North Torrey Pines Bridge rehabilitation project.
- Monitor and provide comments on the Draft EIR for the 22nd DAA Master Plan.
- Provide assistance to Community Connections and the Del Mar Housing Corporation for implementation of the Rental Subsidy and Del Mar Shared Housing programs.
- Process amendments to land use regulations as part of the downtown revitalization effort (i.e., parking standards, sign standards & establishing a Horizontal Overlay Zone).
- Review and provide code enforcement for the [amended] State Water Quality regulations.
- Assist in the planning and review process for improved civic facilities.

Positions (FTE)	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Proposed	2007/08 Actual
Planning Services	7.00	7.00	7.00	7.00	7.00
Code Enforcement	1.00	1.00	1.00	1.00	1.00

PROGRAM: PLANNING SERVICES**ACCT # 01-5530**

The Planning Department applies planning policy of the City of Del Mar as established by the City Council. Staff administers the City's zoning and subdivision ordinances, general plan, building regulations, State environmental and subdivision map regulations.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$610,373	\$590,463	\$645,579	\$673,661	\$703,768	(1)
Maintenance & Operations	20,178	16,810	18,705	19,400	18,100	(2)
Contractual Services	6,957	2,891	111,000	5,000	5,000	(3)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$637,508	\$610,164	\$775,284	\$698,061	\$726,868	
POSITIONS (FTE)	6.4	6.4	6.4	6.4	6.4	(1)

(1) A portion of Planning costs are charged to Water and Sewer to reflect environmental and permitting activities required for water and wastewater projects. With implementation of the Clean Water Program, 8% of the Planning Director and 4% of five planning staff is included in that budget.

(2) 10% of operating supplies, subscriptions, training and meetings is also charged to Clean Water to reflect the costs of supporting that program.

(3) FY 2006/07 included funds for consultant services to prepare the Community Plan Circulation Element and Environmental documentation (\$30,000 and \$25,000 respectively) as well as complete a Flood Hazard Mitigation Plan (\$50,000). FY 2007/08 and FY 2008/09 include funds for the City Landscape Architect and the City Arborist only.

PROGRAM: PLANNING COMMISSION**ACCT # 01-5531**

The Planning Commission is a five member body of residents appointed by the City Council to review development proposals for conformity to Chapter 30 (Zoning Ordinance) of the Del Mar Municipal Code in order to maintain the quality of development constructed in the community. The Commission also hears cases brought by residents regarding trees, scenic views, and sunlight that cannot be handled through mediation.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$1,582	\$4,214	\$1,465	\$1,422	\$1,422 (1)
Maintenance & Operations	1,219	1,885	4,600	3,750	3,850
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$2,801	\$6,099	\$6,065	\$5,172	\$5,272
POSITIONS (FTE)	0	0	0	0	0

(1) This amount covers the cost of outside clerical assistance to prepare near verbatim minutes.

PROGRAM: DESIGN REVIEW BOARD**ACCT # 01-5532**

The Design Review Board is a seven member body of residents appointed by the City Council to review development applications for conformity to Chapter 23 of the Del Mar Municipal Code in order to preserve and improve the City of Del Mar from an aesthetic perspective.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$2,640	\$4,232	\$4,284	\$4,355	\$4,355 (1)
Maintenance & Operations	3,056	2,249	3,320	4,360	4,480
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$5,696	\$6,481	\$7,604	\$8,715	\$8,835
POSITIONS (FTE)	0	0	0	0	0

(1) This amount covers the cost of outside clerical assistance to prepare near verbatim minutes.

PROGRAM: BEACH PRESERVATION**ACCT # 01-5533**

Implementation of the Beach Preservation Ordinance to recover public beach land, provide public beach access and assist property owners in the protection of their property.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	750	750	750	750	750
Contractual Services	5,175	6,534	7,284	6,952	7,174 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$5,925	\$7,284	\$8,034	\$7,702	\$7,924
POSITIONS (FTE)	0	0	0	0	0

(1) Funding continues for two transects for our shoreline monitoring program administered by the San Diego Association of Governments (SANDAG).

PROGRAM: SAN DIEGUITO LAGOON**ACCT # 01-5535**

To protect the resources of and participation in implementation of enhancements of the San Dieguito Lagoon; to ensure maximum open space; to deter incompatible land uses; and to provide passive recreational opportunities to the public.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	40,182	40,192	52,100	57,400	62,566 (1)
Contractual Services	0	0	5,000	0	0 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$40,182	\$40,192	\$57,100	\$57,400	\$62,566
POSITIONS (FTE)	0	0	0	0	0

(1) This is the cost of membership in San Dieguito River Valley Joint Powers Authority, including \$5,000 for the endowment fund.

(2) The FY 2006/07 budget was for the follow-up, permitting, and construction monitoring of the San Dieguito Lagoon Restoration Plan. That project is currently underway and funded through a deposit by Southern California Edison in a separate account. The deposit pays for the project monitor hired by the City to ensure the project is constructed according to the plans approved by the City of Del Mar.

PROGRAM: CODE ENFORCEMENT**ACCT # 01-5536**

To maintain and enhance the quality of life in the community by resolving Municipal Code violations, including those related to building and noise violations; federal and state accessibility requirements; water-quality protection regulations, as well as requirements of approved development permits.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$67,802	\$73,007	\$78,882	\$82,983	\$84,777	(1)
Maintenance & Operations	1,835	2,766	6,245	5,495	4,355	
Contractual Services	958	602	5,000	1,900	1,950	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$70,595	\$76,375	\$90,127	\$90,378	\$91,082	
POSITIONS (FTE)	0.75	0.75	0.75	0.75	0.75	

(1) With implementation of the Clean Water National Pollutant Discharge Elimination System program requirements for active code enforcement, 25% of the Code Enforcement Officer and 40% of the part-time Code Enforcement Clerk are now charged to the Clean Water Program.

(2) In past years the noise control contract with the County of San Diego was included in this program budget. It has been discontinued in FY 2007/08 and FY 2008/09 and noise control assistance will be on an as-needed basis.

PROGRAM: TREES, SCENIC VIEWS & SUNLIGHT**ACCT # 01-5537**

The original five member Board was disbanded and the Planning Commission has been assigned the duties of resolving issues between neighbors regarding trees, scenic views and sunlight that cannot be resolved through mediation. The Planning Commission holds a public hearing and makes a determination regarding the manner in which the scenic view shall be restored.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$0	\$0	\$0	\$0	\$0
POSITIONS (FTE)	0	0	0	0	0

PROGRAM: BUILDING INSPECTION SERVICES**ACCT # 01-5538**

The City contracts with the EsGil Corporation to provide standard building plan check and inspection services as well as review of ADA/Title 24 issues. EsGil operates from the building counter at the City of Encinitas under a contract with the City of Del Mar for plan check submittal and building permit issuance.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$0	\$0	\$1,128	\$1,111	\$1,111	(1)
Maintenance & Operations	0	201	1,100	1,100	1,150	(2)
Contractual Services	293,991	238,746	228,000	233,000	238,000	(3)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$293,991	\$238,947	\$230,228	\$235,211	\$240,261	
POSITIONS (FTE)	0	0	0	0	0	

- (1) Funds are provided for a part-time clerk to assist with the clerical duties of the program.
- (2) This accounts for plan storage and staff ADA training.
- (3) Building services costs are offset with building fee revenue. Del Mar retains ten percent of all plan check and building permit fees.

PROGRAM: HOUSING**ACCT # 01-5540**

In conjunction with Del Mar Community Connections and the Del Mar Housing Corporation, the City provides rental subsidy assistance for low and moderate income families, and oversees the Shared Housing Program.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	66,610	61,766	73,300	65,200	67,427 (1)
Contractual Services	37,000	49,000	39,500	39,000	39,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$103,610	\$110,766	\$112,800	\$104,200	\$106,427
POSITIONS (FTE)	0	0	0	0	0

- (1) Partial funding for this program comes from Community Development Block Grant (CDBG) revenue and the remaining costs are funded from the City's Housing Reserve. Community Connections, a local non-profit agency focusing on the needs of senior citizens, assumed responsibility for administration of the program, which provides subsidies for eight low-income families/individuals. This program counts towards the City's low-income housing efforts.
- (2) Beginning in FY 2004/05, this program reflects the cost (\$37,000) of the contract for the Shared Housing Program with Community Connections. This program is important because it is the most effective and feasible means of carrying out the City's efforts to provide affordable housing pursuant to the Del Mar Housing Element. FY 2005/06 also included funds for the required update of the Del Mar Housing Element.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

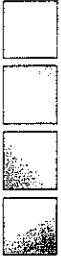
FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>PLANNING</u>					
5530-1000	SALARIES - PERMANENT	433,753	416,230	453,553	473,157	494,593
5530-1200	EMPLOYEE BENEFITS	125,845	137,252	150,566	167,106	175,411
5530-1205	WORKERS' COMPENSATION	20,680	12,854	22,185	15,574	15,940
5530-1300	SALARIES - SEASONAL	18,761	15,935	11,000	11,000	11,000
5530-1310	PART TIME PLANNING	11,334	8,192	8,275	6,824	6,824
	EMPLOYEE SERVICES	610,373	590,463	645,579	673,661	703,768
5530-2300	OPERATING SUPPLIES	5,222	2,499	2,800	2,800	2,800
5530-3000	ADVERTISING & PRINTING	1,763	1,149	1,600	1,600	1,600
5530-3700	MEMBERSHIPS & SUBSCRIPTIONS	1,042	618	1,200	1,200	1,200
5530-3800	MEETINGS & TRAVEL	1,108	1,779	2,605	3,300	2,000
5530-3801	TRAINING & EDUCATION	243	177	900	900	900
5530-3900	AUTO ALLOWANCE	10,800	10,588	9,600	9,600	9,600
	MAINTENANCE & OPERATIONS	20,178	16,810	18,705	19,400	18,100
5530-3200	CONTRACTUAL SERVICES	6,957	2,891	111,000	5,000	5,000
	PLANNING	637,508	610,164	775,284	698,061	726,868
	<u>PLANNING COMMISSION</u>					
5531-1200	EMPLOYEE BENEFITS	111	296	99	98	98
5531-1205	WORKERS' COMPENSATION	22	42	66	44	44
5531-1310	PART-TIME PLANNING	1,449	3,876	1,300	1,280	1,280
	EMPLOYEE SERVICES	1,582	4,214	1,465	1,422	1,422
5531-2300	OPERATING SUPPLIES	188	147	200	150	150
5531-3000	ADVERTISING & PRINTING	1,013	736	1,600	1,600	1,600
5531-3800	MEETINGS & TRAVEL	18	1,002	2,800	2,000	2,100
	MAINTENANCE & OPERATIONS	1,219	1,885	4,600	3,750	3,850
	PLANNING COMMISSION	2,801	6,099	6,065	5,172	5,272
	<u>DESIGN REVIEW BOARD</u>					
5532-1200	EMPLOYEE BENEFITS	185	298	291	300	300
5532-1205	WORKERS' COMPENSATION	37	42	193	135	135
5532-1310	PART-TIME PLANNING	2,418	3,892	3,800	3,920	3,920
	EMPLOYEE SERVICES	2,640	4,232	4,284	4,355	4,355
5532-2300	OPERATING SUPPLIES	135	144	200	200	200
5532-3000	ADVERTISING & PRINTING	2,867	2,003	2,900	3,860	3,960
5532-3800	MEETINGS & TRAVEL	54	102	220	200	220
5532-3801	TRAINING & EDUCATION	-	-	-	100	100
	MAINTENANCE & OPERATIONS	3,056	2,249	3,320	4,360	4,480
	DESIGN REVIEW BOARD	5,696	6,481	7,604	8,715	8,835
	<u>BEACH PRESERVATION INIT.</u>					
5533-3700	MEMBERSHIPS & SUBSCRIPTIONS	750	750	750	750	750
	MAINTENANCE & OPERATIONS	750	750	750	750	750
5533-3200	CONTRACTUAL SERVICES	5,175	6,534	7,284	6,952	7,174
	BEACH PRESERVATION INIT.	5,925	7,284	8,034	7,702	7,924
	<u>SAN DIEGUITO LAGOON</u>					
5535-2300	OPERATING SUPPLIES	-	-	100	-	-
5535-3700	MEMBERSHIPS & SUBSCRIPTIONS	40,182	40,192	52,000	57,400	62,566
	MAINTENANCE & OPERATIONS	40,182	40,192	52,100	57,400	62,566
5535-3200	CONTRACTUAL SERVICES	-	-	5,000	-	-
	SAN DIEGUITO LAGOON	40,182	40,192	57,100	57,400	62,566

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CODE ENFORCEMENT</u>					
5536-1000	SALARIES - PERMANENT	39,987	41,543	42,253	43,521	44,609
5536-1200	EMPLOYEE BENEFITS	13,856	16,054	17,422	18,108	18,811
5536-1205	WORKERS' COMPENSATION	2,244	1,773	2,957	4,614	4,617
5536-1310	PART TIME PLANNING	11,497	13,012	15,750	16,240	16,240
5536-1400	OVERTIME	218	625	500	500	500
	EMPLOYEE SERVICES	67,802	73,007	78,882	82,983	84,777
5536-2131	VEHICLE MAINTENANCE	100	150	500	500	-
5536-2300	OPERATING SUPPLIES	622	544	400	400	450
5536-2800	GAS & OIL	539	677	850	800	850
5536-3000	ADVERTISING & PRINTING	25	184	700	-	700
5536-3400	TELEPHONE	231	-	-	-	-
5536-3700	MEMBERSHIPS & SUBSCRIPTIONS	40	30	95	95	105
5536-3800	MEETINGS & TRAVEL	139	881	3,000	3,000	1,500
5536-3801	TRAINING & EDUCATION	139	300	700	700	750
	MAINTENANCE & OPERATIONS	1,835	2,766	6,245	5,495	4,355
5536-3200	CONTRACTUAL SERVICES	958	602	5,000	1,900	1,950
	CODE ENFORCEMENT	70,595	76,375	90,127	90,378	91,082
	<u>BUILDING SERVICES</u>					
5538-1200	EMPLOYEE BENEFITS	-	-	77	77	77
5538-1205	WORKERS' COMPENSATION	-	-	51	34	34
5538-1310	PART TIME PLANNING	-	-	1,000	1,000	1,000
	EMPLOYEE SERVICES	-	-	1,128	1,111	1,111
5538-2300	OPERATING SUPPLIES	-	101	200	200	250
5538-3000	ADVERTISING AND PRINTING	-	-	-	500	500
5538-3700	MEMBERSHIPS & SUBSCRIPTIONS	-	100	150	150	150
5538-3800	MEETINGS & TRAVEL	-	-	500	-	-
5538-3801	TRAINING & EDUCATION	-	-	250	250	250
	MAINTENANCE & OPERATIONS	-	201	1,100	1,100	1,150
5538-3200	CONTRACTUAL SERVICES	14,193	4,000	10,000	10,000	10,000
5538-3202	BUILDING INSPECTIONS	279,798	234,746	218,000	223,000	228,000
	CONTRACTUAL SERVICES	293,991	238,746	228,000	233,000	238,000
	BUILDING SERVICES	293,991	238,947	230,228	235,211	240,261

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	HOUSING					
5540-2300	OPERATING SUPPLIES	183	20	100	-	-
5540-3800	MEETINGS & TRAVEL	14	-	200	200	250
5540-4900	RENTAL SUBSIDY	66,413	61,746	73,000	65,000	67,177
	MAINTENANCE & OPERATIONS	66,610	61,766	73,300	65,200	67,427
5540-3200	SHARED HOUSING CONTRACT	37,000	37,000	37,000	37,000	39,000
5540-3216	HOUSING ELEMENT	-	12,000	2,500	2,000	-
	CONTRACTUAL SERVICES	37,000	49,000	39,500	39,000	39,000
	HOUSING	103,610	110,766	112,800	104,200	106,427



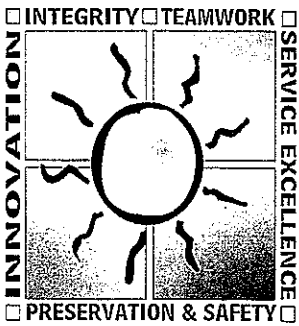
PUBLIC WORKS

DEPARTMENT MISSION STATEMENT

We, the experienced professional staff of the Public Works Department take ownership of the operation and maintenance of the City of Del Mar's infrastructure. With our customer's needs in mind, we deliver this 24/7 service in a prompt, courteous, and efficient manner.

"WE MAKE THE HOUSE CALLS!"

**CITY OF DEL MAR
VISION  VALUES**

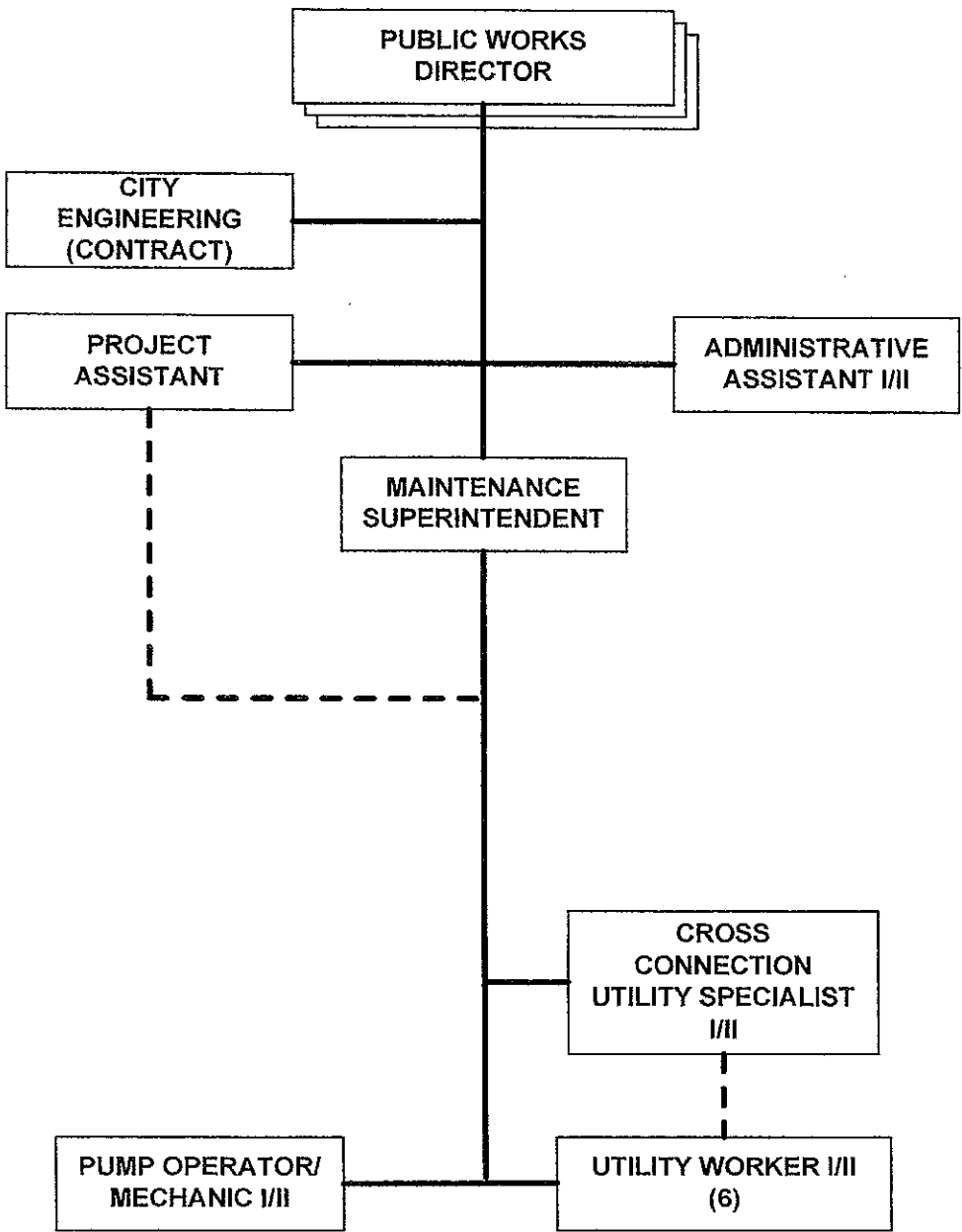


A WONDERFUL PLACE TO LIVE, WORK, & PLAY



PUBLIC WORKS

ENGINEERING AND CAPITAL PROJECTS
BUILDINGS/PARKS/OPEN SPACE MAINTENANCE
STREET SYSTEM MAINTENANCE
WATER SYSTEM OPERATIONS AND MAINTENANCE
CLEAN WATER PROGRAMS
SEWER SYSTEM OPERATION AND MAINTENANCE
FACILITIES OPERATIONS AND MAINTENANCE



PUBLIC WORKS DEPARTMENT

The Public Works Department maintains and improves essential City infrastructure. The six primary responsibilities include City facilities and facility grounds, street maintenance, open spaces and park maintenance, potable water contracts including maintenance and monitoring, clean water protection, and sewer system contracts including maintenance and monitoring.

FY 2006/07 Achievements:

- Continued to work with Caltrans and FHWA related to the historic North Torrey Pines Bridge for the preferred alternative to seismic retrofit and rehabilitate the Bridge and the selection of a Caltrans required replacement alternative. Began work on several I-5 Caltrans projects (HOV lanes and lane addition projects)
- Continued work on the NCTD Del Mar Bluff Stabilization, Phase 2. Project finalized design and began construction.
- Installed new landscaping at CDM and Court Street parkway area working with the Garden Club and the Parks and Recreation Committee, and trimmed and cared for trees at various locations. Also, improved landscaping at the Library and completed the exterior renovations of Library including installation of a new kiosk and seating area.
- Continued implementation of a management plan to address the NPDES permit and assisted with the annual reporting. Worked with Engineering and Planning on Polytrack and other 22 DAA issues related to sewer and storm water run-off.
- Assisted with numerous traffic matters including additional traffic signage and special traffic calming on Crest. Completed the grant funded conversion of remaining signal lights to LED which included amber signals and the CDM at 9th Street intersection.
- Completed several large CIP projects: Annual Street and Drain, Bi-annual Water and Sewer, Ocean View / Torrey Pines Utility Undergrounding District, Powerhouse Park Pedestrian and Loading Zone Improvements, Building Remodels at Zuni and 11th Street Reservoirs, Torrey Pines Bridge Railing Repair and Water and Sewer Telemetry Upgrades. Completed initial design of 21st Street Sewer Pump Station with approval by DRB and Council.
- Participated in San Diego County Water Authority and Metropolitan Wastewater JPA including Metro TAC. Began capacity evaluation study and explored financing at Metro JPA. At Council direction, began discussions once again with San Elijo JPA on sewer treatment.

Operational Highlights:

- Completed another year without contaminating the City's beaches and lagoons or having to post beach advisory or closure notices due to sewer overflows (last beach posting dates back to February 2003). Accomplished through continued preventative maintenance on the City's sewer system. Staff spent 123 workdays cleaning 12.4 miles of City sewer mains and supervised a contractor in the root removal of 7.8 main miles

through herbicide application. Successfully contained one sewer main overflow at CDM and 14th.

- Completed water quality monitoring involving 78 required tests and many other non-required tests to monitor the health of our water. Finalized the corrections found through earlier completed State mandated cross connection survey. Recorded 228 hours reading meters, and responded to 519 water service related requests. Completed the water system backflow prevention program on 163 commercial and 49 City backflow devices. Responded to 315 utility mark-out requests from contractors doing work in City right-of-way for utilities or residents.
- Patched 137 street potholes. Repaired or replaced 114 signs and 19 poles. Completed 36 separate operations to provide traffic counts and posted this data on the City's website. Completed 185 storm drain cleaning operations removing 38 cubic yards of material. Swept 1,574 miles of streets (1344 man-hours) and collected 375 CY of debris. Removed 26 dead animals and 5 beehives.
- Completed landscape maintenance (public building landscaping, open space and street landscaping). Removed several dead or damaged trees and trimmed trees citywide for safety both through contracts and over 100 staff work orders.
- Completed almost 200 Work Orders for other City departments. Completed over 100 staff work orders for Parks and Open Space which included many vandalism repairs and access sand push-ups for Community Services.

Service Level Changes

- The Proposed Budget maintains the existing level of essential and emergency services. However, street sweeping will be reduced to a revised schedule which will be more cost effective (reducing hours by half of current schedule). This new program will clean downtown on Monday versus Friday (mandated by new permit to sweep after events or heavy use) and meet the minimum mandated requirements of the Clean Water regulations for the other sections of the City to allow completion of new mandated storm drain cleaning.

FY 2007/08 - 2008/09 Goals and Objectives

- Work with the Planning Department, City Engineer and Caltrans through design and environmental documentation for the seismic retrofit and rehabilitation of the historic Torrey Pines Bridge.
- Preserve the coastal waters by proactively managing the sewer mains and pump stations through beginning construction of 21st Street Lift Station. Begin and implement Waste Discharge Requirements for Collection Systems. Monitor and assist the SCE Lagoon restoration.
- Continue investigations with San Elijo JPA and Santa Fe Irrigation in an effort to find ways to lower cost of water and sewer services. Pursue any or all other opportunities to lower operating costs.

- Begin phase 2 of the Disinfectant Byproducts Testing as required for potable water system and continue routine testing.
- Assist with information to complete the Cost Allocation Study for Water and Sewer Utilities.
- Assist City Engineer and the Planning Department with continued implementation of Clean Water Utility programs through management of various plans for watersheds and annual report. Assist with ballot initiative by providing information on services provided within the Clean Water Utility. Continue to monitor the SCE lagoon restoration project.
- Continue working with 22 DAA to resolve storm water, sewer and traffic issues and work with City Engineer and Planning Department on Master Plan issues and finalize the sewer MOU.
- Continue to support and monitor both public and private undergrounding utility projects with proactive coordination of trench excavations to protect the City's water and sewer infrastructure including citizen's service connections.
- Work with DMVA / Main Street on projects and work with Planning, City Engineer and City Traffic Engineer on Circulation element and other traffic management issues as directed by Council.
- Monitor and review NCTD Project II providing bluff stabilization.

Positions (FTE)	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Proposed	2008/09 Proposed
Public Works	12	12	12	12	12

PROGRAM: GENERAL PUBLIC WORKS**ACCT # 01-5840**

Provides administration and general support for all City-owned property and buildings. Provides for supervision of maintenance staff, administers associated contracts, and management of the department.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$95,652	\$102,759	\$110,717	\$57,428	\$60,230 (1)
Maintenance & Operations	7,995	10,496	11,434	11,020	11,336
Contractual Services	20	50	5,000	100	103
Debt Service	0	0	0	0	0
Capital Outlay	1,860	1,470	1,525	1,525	1,571 (2)
GRAND TOTAL	\$105,527	\$114,775	\$128,676	\$70,073	\$73,240
POSITIONS (FTE)	1.06	1.06	1.06	0.63	0.63 (1)

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated to other General Fund budgets to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) Replacement vehicles are included in fiscal years 2006/07, 2007/08 and 2008/09. Capital costs are shared with the Gas Tax, Clean Water, Water, and Sewer Funds.

PROGRAM: FLOOD CONTROL/DRAINAGE**ACCT # 01-5841**

This program is an integral part of the City's Disaster Preparedness Plan and provides funding necessary to ensure that flood water pumps and equipment are available, if and when needed. This program assists vulnerable areas of the City facing high tides, rain runoff and flooding through pumping excess water from areas of the City and keeping pump equipment in operating condition for use on short notice.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$30,571	\$31,385	\$36,701	\$22,561	\$23,190 (1)
Maintenance & Operations	3,223	216	7,610	5,325	5,485
Contractual Services	3,989	1,828	4,612	3,600	3,708 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$37,783	\$33,429	\$48,923	\$31,486	\$32,383
POSITIONS (FTE)	0.45	0.45	0.45	0.30	0.30 (1)

- (1) In FY 2007/08, a portion of Public Works personnel costs was reallocated to other General Fund budgets to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.
- (2) This amount reflects normal pump repairs. In FY 2006/07, costs increased for new air and hazmat permit fees for pumps for the diesel engine associated with the storm water pump at the end of 28th Street. Funds were also added for the maintenance of an additional 4th storm drain pump at Camino Del Mar and 29th Street.

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 01 GENERAL						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	PUBLIC WORKS					
5840-1000	SALARIES - PERMANENT	69,496	73,718	75,057	40,588	42,528
5840-1200	EMPLOYEE BENEFITS	21,092	24,351	26,204	14,957	15,763
5840-1205	WORKERS' COMPENSATION	5,064	4,690	9,356	1,783	1,839
5840-1400	OVERTIME	-	-	100	100	100
	EMPLOYEE SERVICES	95,652	102,759	110,717	57,428	60,230
5840-2000	BUILDING MAINTENANCE & REPAIR	1,554	957	607	607	625
5840-2100	EQUIP/RADIO MAINTENANCE & REPAIR	66	104	150	90	93
5840-2131	VEHICLE MAINTENANCE	119	260	109	300	309
5840-2133	VEHICLE CONTRACTUAL SERVICES	323	1,135	1,357	857	883
5840-2135	HOLIDAY DECORATION MAINTENANCE	1,302	2,929	3,000	3,000	3,090
5840-2300	OPERATING SUPPLIES	961	1,162	1,215	1,215	1,251
5840-2400	UNIFORMS	132	83	135	135	139
5840-2600	SMALL TOOLS & EQUIPMENT	328	237	1,045	700	721
5840-2800	GAS & OIL	1,283	1,772	1,480	1,800	1,854
5840-3000	ADVERTISING & PRINTING	83	-	54	50	52
5840-3300	UTILITIES	617	711	607	800	824
5840-3400	TELEPHONE	724	499	489	675	680
5840-3600	PROPERTY/EQUIPMENT RENTAL	152	134	207	215	221
5840-3700	MEMBERSHIPS & SUBSCRIPTIONS	86	62	63	63	65
5840-3800	MEETINGS & TRAVEL	233	379	356	356	367
5840-3801	TRAINING & EDUCATION	32	72	157	157	162
5840-4800	ASSESSMENTS	-	-	403	-	-
	MAINTENANCE & OPERATIONS	7,995	10,496	11,434	11,020	11,336
5840-3200	CONTRACTUAL SERVICES	20	50	5,000	100	103
	CONTRACTUAL SERVICES	20	50	5,000	100	103
5840-5500	VEHICLES	1,860	1,470	1,525	1,525	1,571
	CAPITAL OUTLAY	1,860	1,470	1,525	1,525	1,571
	PUBLIC WORKS	105,527	114,775	128,676	70,073	73,240
	FLOOD CONTROL & DRAINAGE					
5841-1000	SALARIES - PERMANENT	20,376	21,043	23,093	14,886	15,235
5841-1200	EMPLOYEE BENEFITS	6,718	7,752	8,616	5,978	6,253
5841-1205	WORKERS' COMPENSATION	3,477	2,576	3,617	1,322	1,327
5841-1400	OVERTIME	-	14	1,375	375	375
	EMPLOYEE SERVICES	30,571	31,385	36,701	22,561	23,190
5841-2300	OPERATING SUPPLIES	3,028	11	7,135	4,325	4,455
5841-2400	UNIFORMS	195	205	211	300	309
5841-4800	ASSESSMENTS	-	-	264	700	721
	MAINTENANCE & OPERATIONS	3,223	216	7,610	5,325	5,485
5841-3200	CONTRACTUAL SERVICES	3,989	1,828	4,612	3,600	3,708
	FLOOD CONTROL & DRAINAGE	37,783	33,429	48,923	31,486	32,383

SPECIAL REVENUE FUNDS

Special Revenue Funds account for revenues that are designated for a specific use by the City Council, State or Federal governments. The City of Del Mar currently has five Special Revenue Funds that have specific program requirements:

The Library Fund accounts for facility maintenance and debt service for the Del Mar Community Library, which is operated by the County of San Diego. This program is partially funded by a private development agreement.

The Gas Tax Fund includes programs related to street maintenance and is partially funded by State gas tax funds.

The Open Space Fund accounts for park and beach maintenance and Powerhouse Community Center maintenance and operations. It is partially funded by facility use permits for the community center.

The Supplemental Law Enforcement Fund, with revenues from State Brulte money, funds certain crime mitigation activities.

The Regional Communications Fund accounts for funds received from a voter-approved property tax assessment and the related expenditures associated with the City of Del Mar's participation in the regional 800 MHz communications system.

LIBRARY FUND

The Del Mar Community Library, opened in 1996 after extensive remodeling of an old church, is operated by the County of San Diego. Handicapped access was completed a year later and the Library is an integral part of the Del Mar community.

At City Council designation, the City maintains all program costs, including debt service, in a separate fund. An annual contribution, negotiated as part of a private development agreement, funds the majority of the Library debt service. A transfer from the General Fund contingency reserve provides the funding for maintenance of the facility and related landscaping. The County of San Diego is responsible for the Library operational costs and maintenance of the computer equipment that was added in 2000.

PROGRAM: LIBRARY MAINTENANCE & OPERATIONS ACCT # 08-5414

This program provides for facility maintenance services in accordance with the agreement with the County of San Diego, which operates the programs at the Del Mar Library.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	1,158	39,296	9,000	4,000	4,000 (1)
Contractual Services	7,056	16,725	5,081	7,000	7,000
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$8,214	\$56,021	\$14,081	\$11,000	\$11,000
POSITIONS (FTE)	0	0	0	0	0

(1) Additional costs in FY 2005/06 were to repair the roof and rain gutters, painting and a termite extermination treatment.

PROGRAM: LIBRARY DEBT SERVICE**ACCT # 08-5900**

This program provides debt service payment for the lease/leaseback agreement for the Del Mar Library.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	0	0	0	0	0
Debt Service	62,217	62,216	62,237	62,217	62,216 (1)
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$62,217	\$62,216	\$62,237	\$62,217	\$62,216
POSITIONS (FTE)	0	0	0	0	0

- (1) The City entered into a lease/leaseback agreement in February 1994 for \$600,000 to complete the purchase of the St. James Building to be used as a community library. As of July 1, 2007, the principal balance remaining is \$115,288. Repayment of the agreement will be complete in February 2009. The revenue source for this payment includes a \$50,000 annual payment from the L'Auberge Del Mar Development Agreement, which expires in FY 2007/08. The General Fund supplements the balance of the payment and will be the sole funding source of the final payment in FY 2008/09.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 08 LIBRARY						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
5414-2000	BUILDING MAINT & REPAIR	1,132	39,288	7,000	3,000	3,000
5414-2100	EQUIP/RADIO MAINT & REPAIR	-	-	2,000	1,000	1,000
5414-2300	OPERATING SUPPLIES	26	8	-	-	-
	MAINTENANCE & OPERATIONS	1,158	39,296	9,000	4,000	4,000
5414-3200	CONTRACTUAL SERVICES	7,056	16,725	5,081	7,000	7,000
	LIBRARY OPERATIONS & MAINT	8,214	56,021	14,081	11,000	11,000
	DEBT SERVICE					
5900-4500	DEBT INTEREST	15,765	12,816	9,681	6,346	2,799
5900-4600	DEBT PRINCIPAL	46,452	49,400	52,556	55,871	59,417
	DEBT SERVICE	62,217	62,216	62,237	62,217	62,216
TOTAL LIBRARY FUND		70,431	118,237	76,318	73,217	73,216

GAS TAX FUND

The City receives a portion of the Highway User's Tax (Gas Tax) money from the State. These funds are required to be expended on certain types of street and road programs and are legally required to be segregated.

This fiscal year the City estimates receiving revenues of approximately \$103,000 from the State. The remaining funds are provided through a transfer from the General Fund contingency reserve to meet the City's maintenance of effort obligation.

Programs included in this fund are Street Maintenance, Street Light and Signs, and Street Landscaping.

PROGRAM: STREET MAINTENANCE**ACCT # 20-5845**

This program maintains all public streets within the City limits of Del Mar including storm drain repairs, street sweeping, and major hot patching.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$34,884	\$53,542	\$64,333	\$83,533	\$86,466	(1)
Maintenance & Operations	15,979	17,737	20,890	21,580	22,222	
Contractual Services	7,886	21,958	30,000	30,000	30,900	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	2,908	2,041	2,125	2,125	2,189	(3)
GRAND TOTAL	\$61,657	\$95,278	\$117,348	\$137,238	\$141,777	
POSITIONS (FTE)	0.80	0.80	0.80	1.03	1.03	(4)

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated from other General Fund budgets to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) FY 2006/07 includes restoration of the hot patch portion of budget.

(3) Replacement vehicles are included in fiscal years 2006/07, 2007/08 and 2008/09. Capital costs are shared with the General, Clean Water, Water, and Sewer Funds.

PROGRAM: STREET LIGHTS & SIGNS**ACCT # 20-5846**

This program provides for replacement of street parking and traffic signs; bike lane, parking and street striping; curb painting; and street light, traffic signal and LED crosswalk maintenance.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$36,937	\$36,566	\$40,234	\$59,959	\$62,203 (1)
Maintenance & Operations	32,136	34,544	36,484	32,600	33,578
Contractual Services	53,759	17,071	50,500	52,000	53,560 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$122,832	\$88,181	\$127,218	\$144,559	\$149,341
POSITIONS (FTE)	0.50	0.50	0.50	0.70	0.70 (1)

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated from other General Fund budgets to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) Contractual Services includes the maintenance of street lights, signals, and street striping. The City did not perform any street striping in FY 2005/06.

PROGRAM: STREET LANDSCAPING**ACCT # 20-5847**

This program provides for street right-of-way maintenance which includes contract landscaping, tree maintenance, and other landscape maintenance items not included in the contract. Typical maintenance items include irrigation systems, plant materials, trees, decomposed granite paths, dead animal removal, street furniture, and trash receptacles.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$28,331	\$28,788	\$31,940	\$37,247	\$38,959
Maintenance & Operations	27,063	26,598	28,516	29,706	30,597
Contractual Services	67,325	60,121	61,800	63,500	65,405 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$122,719	\$115,507	\$122,256	\$130,453	\$134,961
POSITIONS (FTE)	0.40	0.40	0.40	0.40	0.40

(1) This amount includes the cost of the annual landscaping contract and maintenance of the City's trees. A five year landscape contract was rebid in FY 2006/07. Any increased costs associated with the new bid are not reflected in the FY 2007/08 or FY 2008/09 budgets because the bid process was not complete prior to budget adoption.

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 20 GAS TAX FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>STREET MAINTENANCE</u>					
5845-1000	SALARIES - PERMANENT	21,358	32,248	39,699	55,905	57,733
5845-1200	EMPLOYEE BENEFITS	6,734	13,450	15,587	21,672	22,734
5845-1205	WORKERS' COMPENSATION	3,653	4,075	6,637	4,556	4,599
5845-1300	SALARIES -SEASONAL	3,222	2,808	-	-	-
5845-1400	OVERTIME SALARIES	(83)	961	2,410	1,400	1,400
	EMPLOYEE SERVICES	34,884	53,542	64,333	83,533	86,466
5845-2000	BUILDING MAINT & REPAIR	334	412	725	750	773
5845-2100	EQUIP/RADIO MAINT & REPAIR	92	144	200	200	206
5845-2131	VEHICLE MATERIALS & SUPPLIES	3,322	3,279	4,935	4,635	4,774
5845-2133	VEHICLE CONTRACTUAL SERVICES	2,166	2,510	3,100	3,500	3,605
5845-2300	OPERATING SUPPLIES	4,082	3,553	3,588	3,700	3,811
5845-2400	UNIFORMS	230	343	630	630	649
5845-2600	SMALL TOOLS & EQUIPMENT	456	434	1,710	1,300	1,339
5845-2800	GAS & OIL	3,360	4,513	3,500	4,000	4,120
5845-3000	ADVERTISING & PRINTING	25	267	110	-	-
5845-3300	UTILITIES	1,133	1,240	1,200	1,400	1,442
5845-3400	TELEPHONE	583	677	672	945	967
5845-3700	MEMBERSHIPS/SUBSCRIPTIONS	95	78	70	70	72
5845-3800	MEETINGS/TRAVEL	64	197	300	300	309
5845-3801	TRAINING	37	90	150	150	155
	MAINTENANCE & OPERATIONS	15,979	17,737	20,890	21,580	22,222
5845-3200	CONTRACTUAL SERVICES	7,886	21,958	30,000	30,000	30,900
	CONTRACTUAL SERVICES	7,886	21,958	30,000	30,000	30,900
5845-5500	VEHICLES	2,908	2,041	2,125	2,125	2,189
	CAPITAL OUTLAY	2,908	2,041	2,125	2,125	2,189
	STREET MAINTENANCE	61,657	95,278	117,348	137,238	141,777
	<u>STREET LIGHTS, SIGNS</u>					
5846-1000	SALARIES - PERMANENT	23,483	24,043	24,131	39,487	40,935
5846-1200	EMPLOYEE BENEFITS	7,824	8,982	9,586	15,154	15,915
5846-1205	WORKERS' COMPENSATION	4,245	2,997	4,117	2,918	2,953
5846-1400	OVERTIME	1,385	544	2,400	2,400	2,400
	EMPLOYEE SERVICES	36,937	36,566	40,234	59,959	62,203
5846-2200	GENERAL MAINT & REPAIR	4,008	7,840	6,500	7,000	7,210
5846-2400	UNIFORMS	272	201	250	300	309
5846-2600	SMALL TOOLS & EQUIPMENT	-	132	4,634	1,200	1,236
5846-3300	UTILITIES	27,856	26,371	25,000	24,000	24,720
5846-3800	MEETINGS & TRAVEL	-	-	100	100	103
	MAINTENANCE & OPERATIONS	32,136	34,544	36,484	32,600	33,578
5846-3200	CONTRACTUAL SERVICES	53,759	17,071	50,500	52,000	53,560
	STREET LIGHTS, SIGNS	122,832	88,181	127,218	144,559	149,341

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 20 GAS TAX FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	STREET LANDSCAPING					
5847-1000	SALARIES - PERMANENT	18,786	19,234	19,305	24,633	25,727
5847-1200	EMPLOYEE BENEFITS	6,246	7,181	7,666	9,145	9,630
5847-1205	WORKERS' COMPENSATION	3,223	2,348	3,269	1,769	1,801
5847-1400	OVERTIME	76	25	1,700	1,700	1,801
	EMPLOYEE SERVICES	28,331	28,788	31,940	37,247	38,959
5847-2100	EQUIP/RADIO MAINT & REPAIR	-	-	206	206	212
5847-2200	GENERAL MAINT & REPAIR	9	11	1,030	1,100	1,133
5847-2300	OPERATING SUPPLIES	471	184	1,030	1,100	1,133
5847-2400	UNIFORMS	223	161	250	300	309
5847-2600	SMALL TOOLS & EQUIPMENT	-	-	300	300	309
5847-3300	UTILITIES	26,360	26,242	25,000	26,000	26,780
5847-3600	PROPERTY/EQUIPMENT RENTAL	-	-	700	700	721
	MAINTENANCE & OPERATIONS	27,063	26,598	28,516	29,706	30,597
5847-3200	CONTRACTUAL SERVICES	67,325	60,121	61,800	63,500	65,405
	STREET LANDSCAPING	122,719	115,507	122,256	130,453	134,961
TOTAL GAS TAX FUND		307,208	298,966	366,822	412,250	426,079

OPEN SPACE FUND

The City Council is committed to the acquisition and maintenance of open space in Del Mar, and believes open space is vital in perpetuating the village character of the City as well as providing recreational areas for residents and visitors.

Revenue sources include fees charged for facility use permits and fifty percent of the pari-mutuel activity from the 22nd District Agricultural Association. The remaining funds are the result of a transfer from the General Fund contingency reserve.

Programs include Beach and Park maintenance and the Powerhouse Community Center operations and debt service. The Open Space Fund also accumulates reserves for future open space acquisition.

PROGRAM: BEACH SERVICES**ACCT # 21-5634**

This program provides clean-up and trash disposal services at the beach, in addition to clean-up and maintenance of the public restrooms and showers.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$183,537	\$224,677	\$225,893	\$58,230	\$59,508	(1)
Maintenance & Operations	71,611	77,083	65,685	71,240	72,340	
Contractual Services	14,912	23,097	20,000	170,000	170,000	(1)
Debt Service	0	0	0	0	0	
Capital Outlay	0	14,000	0	96,000	0	(2)
GRAND TOTAL	\$270,060	\$338,857	\$311,578	\$395,470	\$301,848	
POSITIONS (FTE)	1	1	1	0.5	0.5	(1)

(1) With the reorganization of the beach maintenance staff the city has entered into a contractual agreement with a third party to provide maintenance services. This new arrangement, while experimental in FY 2007/08, results in a cost savings of approximately \$22,000 annually. If the arrangement is not successful, costs may increase in FY 2008/09.

(2) The FY 2007/08 budget includes funds to replace the beach maintenance vehicle. This vehicle will be purchased used because the exposure to the elements shortens the lifespan. Also included is \$76,000 to replace the beach cleaner. The Friends of the Powerhouse led a private fund-raising campaign that resulted in \$45,000 in revenue that partially offsets the purchase.

PROGRAM: POWERHOUSE OPERATIONS**ACCT # 21-5635**

The Powerhouse Community Center, renovated from an historical landmark at the beach, was formally dedicated in December 1999. This public facility offers a venue for meetings and provides a setting for private events.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$79,923	\$77,137	\$112,112	\$113,877	\$116,344	(1)
Maintenance & Operations	89,592	75,984	68,061	72,250	72,296	
Contractual Services	2,717	5,710	6,000	48,640	48,640	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	2,500	0	0	
GRAND TOTAL	\$172,232	\$158,831	\$188,673	\$234,767	\$237,280	
POSITIONS (FTE)	1	1	1	1.1	1.1	(1)

- (1) The FY 2007/08 budget process included an analysis of staffing levels to determine the appropriate allocation of workload and activities required for each program. Full-time and seasonal salaries that were previously charged to Parking and Beach Services have been re-allocated to this program based on this analysis.
- (2) With the reorganization of the maintenance staff, funds have been budgeted in contractual services to more accurately reflect the time allocation of the contract provider for cleaning this facility.

PROGRAM: PARK MAINTENANCE**ACCT # 21-5848**

This program provides open space maintenance for parks, public pathways, building grounds, and tennis courts through City staff and a landscaping contractor. Typical maintenance items include irrigation systems, turf, plants, trees, trash receptacles, sidewalks, decomposed granite pathways, dead animal removal, furniture and Tot Lot equipment repairs.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$9,318	\$9,841	\$10,377	\$27,145	\$28,508 (1)
Maintenance & Operations	25,157	22,440	27,622	28,905	29,773
Contractual Services	52,925	42,123	47,013	48,000	49,440 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$87,400	\$74,404	\$85,012	\$104,050	\$107,721
POSITIONS (FTE)	0.13	0.13	0.13	0.28	0.28 (1)

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated from other General Fund budgets to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) Funds are for landscaping services and maintenance of City parks, open spaces, and pathways. A five-year landscape contract was rebid in FY 2006/07. Any increased costs associated with the new bid are not reflected in the FY 2007/08 or FY 2008/09 budgets because the bid process was not complete prior to budget adoption.

PROGRAM: POWERHOUSE DEBT SERVICE**ACCT # 21-5900**

This program pays for the debt service resulting from a lease/leaseback agreement for the renovation of the Powerhouse Building into a Community Center. The Center opened in December 1999.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Maintenance & Operations	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Debt Service	108,793	108,793	108,794	104,378	108,793 (1)
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$108,793	\$108,793	\$108,794	\$104,378	\$108,793
POSITIONS (FTE)	0	0	0	0	0

- (1) In 1999, the City entered into a lease/leaseback agreement to borrow \$850,000 to partially finance the renovation of the Powerhouse Building for use as a community center. The lease agreement is for ten years and will be fully paid in FY 2008/09. Community donations and General Fund monies completed the remainder of the necessary construction funding. The outstanding principle balance at July 1, 2007 is \$204,761.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 21 OPEN SPACE FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>BEACH SERVICES</u>					
5634-1000	SALARIES - PERMANENT	34,372	37,073	36,727	32,660	33,476
5634-1200	EMPLOYEE BENEFITS	22,514	26,768	27,398	12,826	13,303
5634-1205	WORKERS' COMPENSATION	22,650	21,523	28,522	2,244	2,229
5634-1300	SALARIES - SEASONAL	98,591	134,260	126,652	10,500	10,500
5634-1400	OVERTIME	5,410	5,053	6,594	-	-
	EMPLOYEE SERVICES	183,537	224,677	225,893	58,230	59,508
5634-2000	BUILDING MAINT & REPAIR	1,284	4,171	1,800	4,000	4,000
5634-2131	VEHICLE MATERIALS & SUPPLIES	5,189	8,743	5,155	2,500	2,500
5634-2300	OPERATING SUPPLIES	41,336	33,578	32,400	35,000	35,000
5634-2400	UNIFORMS	1,393	3,669	300	500	500
5634-2600	SMALL TOOLS & EQUIPMENT	-	-	350	1,000	1,000
5634-2800	GAS & OIL	4,909	8,538	4,100	6,000	6,500
5634-3300	UTILITIES	13,144	14,587	16,500	17,160	17,760
5634-3600	PROPERTY/EQUIPMENT RENTAL	4,356	3,797	5,080	5,080	5,080
	MAINTENANCE & OPERATIONS	71,611	77,083	65,685	71,240	72,340
5634-3200	CONTRACTUAL SERVICES	14,912	23,097	20,000	170,000	170,000
5634-5500	VEHICLES	-	14,000	-	96,000	-
	CAPITAL OUTLAY	-	14,000	-	96,000	-
	BEACH SERVICES	270,060	338,857	311,578	395,470	301,848
	<u>POWERHOUSE OPERATIONS</u>					
5635-1000	SALARIES	46,629	52,515	63,416	59,010	60,485
5635-1200	EMPLOYEE BENEFITS	17,307	19,180	23,568	25,412	26,435
5635-1205	WORKERS' COMPENSATION	5,778	3,875	9,378	5,830	5,799
5635-1300	SALARIES - SEASONAL	4,985	-	10,500	21,000	21,000
5635-1400	OVERTIME	5,224	1,567	5,250	2,625	2,625
	EMPLOYEE SERVICES	79,923	77,137	112,112	113,877	116,344
5635-2000	BUILDING MAINT & REPAIR	7,435	15,504	12,000	12,000	12,000
5635-2100	EQUIPMENT MAINTENANCE/REPAIR	-	78	-	-	-
5635-2300	OPERATING SUPPLIES	67,204	40,419	33,600	33,600	33,600
5635-2380	FURNISHINGS	-	-	-	2,700	2,200
5635-2600	SMALL TOOLS & EQUIPMENT	714	1,447	3,000	3,000	3,000
5635-3000	ADVERTISING, PRINTING, PUBLIC.	1,005	2,547	1,800	1,800	1,800
5635-3300	UTILITIES	10,432	13,122	15,000	15,600	16,146
5635-3400	TELEPHONE	2,802	2,867	2,661	3,550	3,550
	MAINTENANCE & OPERATIONS	89,592	75,984	68,061	72,250	72,296
5635-3200	CONTRACTUAL SERVICES	2,717	5,710	6,000	48,640	48,640
5635-5300	MACHINERY & EQUIPMENT	-	-	2,500	-	-
	CAPITAL OUTLAY	-	-	2,500	-	-
	POWERHOUSE OPERATIONS	172,232	158,831	188,673	234,767	237,280

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 21 OPEN SPACE FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>PARK MAINTENANCE</u>					
5848-1000	SALARIES - PERMANENT	5,887	6,079	6,274	18,678	19,633
5848-1200	EMPLOYEE BENEFITS	1,945	2,247	2,491	6,739	7,115
5848-1205	WORKERS' COMPENSATION	1,074	825	1,062	1,178	1,210
5848-1400	OVERTIME	412	690	550	550	550
	EMPLOYEE SERVICES	9,318	9,841	10,377	27,145	28,508
5848-2200	GENERAL MAINT & REPAIR	1,459	2,647	4,049	4,250	4,378
5848-2300	OPERATING SUPPLIES	772	1,078	1,448	1,555	1,602
5848-2400	UNIFORMS	68	44	100	100	103
5848-3300	UTILITIES	22,858	18,671	22,025	23,000	23,690
	MAINTENANCE & OPERATIONS	25,157	22,440	27,622	28,905	29,773
5848-3200	CONTRACTUAL SERVICES	52,925	42,123	47,013	48,000	49,440
	PARK MAINTENANCE	87,400	74,404	85,012	104,050	107,721

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 21 OPEN SPACE FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>DEBT SERVICE</u>					
5900-4500	DEBT INTEREST	22,542	18,220	13,682	4,500	3,910
5900-4600	DEBT PRINCIPAL	86,251	90,573	95,112	99,878	104,883
	DEBT SERVICE	108,793	108,793	108,794	104,378	108,793
TOTAL OPEN SPACE FUND		638,485	680,885	694,057	838,665	755,642

SUPPLEMENTAL LAW ENFORCEMENT FUND

Passed by the State Legislature during the 1996 Session, AB 3229 (Brulte) distributes money to counties and cities to fund certain supplemental law enforcement activities. Allowable costs include purchase of certain equipment to aid in law enforcement; activities to address problems created by gangs; and community policing.

Del Mar uses these funds to provide for additional patrol service and motorcycle units during the busy summer months. These funds also provide a substantial contribution to the cost of the Park Ranger, a Del Mar employee whose focus is the beach areas. The remaining expenditures are funded through a transfer from the General Fund contingency reserve.

PROGRAM: SUPPLEMENTAL LAW ENFORCEMENT**ACCT # 22-5230**

Legislation passed during the 1996 state legislative session provides special grant funding for local agencies for the purpose of ensuring public safety. Activities funded in this program include motorcycle patrol and additional assistance for the 4th of July.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	9,662	6,814	7,000	1,000	1,000 (1)
Contractual Services	22,721	33,987	44,000	49,000	49,000 (2)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$32,383	\$40,801	\$51,000	\$50,000	\$50,000
POSITIONS (FTE)	0	0	0	0	0

(1) These costs are for equipment purchases and signage for July 4th. Prior year's budgets included ongoing telephone charges for Community Services employees.

(2) We use these funds for part time summer motorcycle patrols and to ensure compliance with the ban on alcohol on the beach on July 4th.

PROGRAM: BEACH & COMMUNITY PATROL**ACCT # 22-5633**

Del Mar implemented a Park Ranger program primarily to patrol the beach area of town and provide services to maintain order and address safety issues at the beach. The Ranger is a police academy trained peace officer.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$102,286	\$100,478	\$116,886	\$140,869	\$143,464	(1)
Maintenance & Operations	9,316	8,158	6,200	11,850	10,750	
Contractual Services	0	0	0	12,000	12,000	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$111,602	\$108,636	\$123,086	\$164,719	\$166,214	
POSITIONS (FTE)	1	1	1	1	1	

- (1) The cost for this program is partially offset by a State grant (\$100,000) to be used for law enforcement purposes. The balance of the funding is a transfer from the City's General Fund. With the significant cost increases in law enforcement provided by the Sheriff, this is a cost-effective way in which to achieve additional enforcement related to beach activities including underage drinking, loud parties and other activities. The Park Ranger also issues parking citations and enforces all municipal code violations. In FY 2007/08 and FY 2008/09, funds are budgeted for seasonal salaries to assist the Park Ranger with his activities. Prior to this year, seasonal staff were budgeted in the Parking Enforcement Program.
- (2) In FY 2007/08 and FY 2008/09, funds are budgeted to cover the cost of the Arjis Law Enforcement system. This allows access to the Department of Motor Vehicle databases as well as criminal history and warrant information for all states. This amount was budgeted in the Traffic Signal Enforcement program in prior years.

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 22 SUPPLEMENTAL LAW FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>LAW ENFORCEMENT</u>					
5230-2300	OPERATING SUPPLIES	8,529	2,876	2,000	1,000	1,000
5230-3400	TELEPHONE	1,133	3,373	5,000	-	-
5230-3801	TRAINING & EDUCATION	-	565	-	-	-
	MAINTENANCE & OPERATIONS	9,662	6,814	7,000	1,000	1,000
5230-3200	CONTRACTUAL SERVICES	-	10,747	-	5,000	5,000
5230-3220	LAW ENFORCEMENT	22,721	23,240	44,000	44,000	44,000
	CONTRACTUAL SERVICES	22,721	33,987	44,000	49,000	49,000
	LAW ENFORCEMENT	32,383	40,801	51,000	50,000	50,000
	<u>BEACH & COMMUNITY PATROL</u>					
5633-1000	SALARIES - PERMANENT	63,071	65,908	70,051	72,153	73,957
5633-1200	EMPLOYEE BENEFITS	20,481	21,524	23,793	25,766	26,587
5633-1205	WORKERS' COMPENSATION	11,655	8,493	13,042	7,950	7,920
5633-1300	SALARIES - SEASONAL	-	-	-	25,000	25,000
5633-1400	OVERTIME	7,079	4,553	10,000	10,000	10,000
	EMPLOYEE SERVICES	102,286	100,478	116,886	140,869	143,464
5633-2100	EQUIPMENT/RADIO MAINT. REPAIR	-	-	-	1,900	1,900
5633-2131	VEHICLE MAINTENANCE	-	-	-	1,500	1,500
5633-2300	OPERATING SUPPLIES	8,219	3,155	1,000	2,500	2,500
5633-2400	UNIFORMS	-	334	-	300	300
5633-2600	SMALL TOOLS & EQUIPMENT	-	-	3,000	1,100	-
5633-2800	GAS & OIL	-	1,403	2,200	2,200	2,200
5633-3400	TELEPHONE	1,097	765	-	1,850	1,850
5633-3801	TRAINING & EDUCATION	-	2,501	-	500	500
	MAINTENANCE & OPERATIONS	9,316	8,158	6,200	11,850	10,750
5633-3200	CONTRACTUAL SERVICES	-	-	-	12,000	12,000
	BEACH & COMMUNITY PATROL	111,602	108,636	123,086	164,719	166,214
TOTAL SUPPLEMENTAL LAW FUND		143,985	149,437	174,086	214,719	216,214

REGIONAL COMMUNICATIONS FUND

This fund accounts for revenue received by the City of Del Mar to maintain its portion of the San Diego County and Imperial County Regional Communications System as well as the costs associated with the system.

In 1995, the City entered into an agreement to participate in the regional communication system. This 800 MHz system is primarily used by public safety personnel. Del Mar voters approved an assessment on their property tax in 1998 to pay for the implementation of the system infrastructure.

Revenue collected is used to pay for the debt service on the equipment lease purchase and the City's share of the infrastructure. Expenditures are supplemented by a transfer from the General Fund contingency reserve.

PROGRAM: REGIONAL COMMUNICATIONS 800 MHZ**ACCT # 23-5740**

As part of the City's agreement to participate in the Regional Communications System for San Diego and Imperial County, Del Mar agreed to reimburse San Diego County for its costs to operate the system. This program accounts for the repayment of the operating costs.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Maintenance & Operation	(\$6,855)	\$0	\$0	\$0	\$0	
Contractual Services	32,551	20,574	22,816	23,540	23,540	(1)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	36,330	0	0	(2)
GRAND TOTAL	\$25,696	\$20,574	\$59,146	\$23,540	\$23,540	
POSITIONS (FTE)	0	0	0	0	0	

- (1) The City uses a portion of the amount collected from the voter-approved assessment to pay for the monthly charges for the radios as part of the 800 MHz radio system.
- (2) This amount represented the capital lease obligation for the purchase of the radios. Effective with FY 2007/08, we are discontinuing the past practice of showing a City appropriation to fund the capital lease obligation for the purchase of the radios. Lease payments for radio purchases is provided by a voter-approved ballot measure with funding collected by the County via a special charge on property tax bills.

PROGRAM: REGIONAL COMMUNICATIONS DEBT SERVICE **ACCT # 23-5900**

As part of the City's agreement to participate in the Regional Communications System for San Diego and Imperial County, Del Mar agreed to reimburse San Diego County for its costs to set up the system. This program accounts for the debt service costs related to the purchase of the system "backbone" and the capital lease for the equipment.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	0	0	0	0	0
Debt Service	26,437	26,420	26,419	26,419	12,083 (1)
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$26,437	\$26,420	\$26,419	\$26,419	\$12,083
POSITIONS (FTE)	0	0	0	0	0

(1) The final payment for the equipment capital lease will be made in November 2007. The remaining debt service schedule for the system "backbone" will be complete in November 2011.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 23 REGIONAL COMMUNICATIONS						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>800 MHZ</u>					
5740-2300	OPERATING SUPPLIES	(6,855)	-	-	-	-
	MAINTENANCE & OPERATIONS	(6,855)	-	-	-	-
5740-3200	CONTRACTUAL SERVICES	32,551	20,574	22,816	23,540	23,540
5740-5300	MACHINERY & EQUIPMENT	-	-	36,330	-	-
	CAPITAL OUTLAY	-	-	36,330	-	-
	<u>800 MHZ</u>	<u>25,696</u>	<u>20,574</u>	<u>59,146</u>	<u>23,540</u>	<u>23,540</u>
	<u>DEBT SERVICE</u>					
5900-4500	DEBT INTEREST	6,458	5,391	4,267	3,084	1,837
5900-4600	DEBT PRINCIPAL	19,979	21,029	22,152	23,335	10,246
	<u>DEBT SERVICE</u>	<u>26,437</u>	<u>26,420</u>	<u>26,419</u>	<u>26,419</u>	<u>12,083</u>
TOTAL REGIONAL COMM.		52,133	46,994	85,565	49,959	35,623



DEBT SERVICE FUNDS

Debt Service Funds account for the resources and payment of general obligation debt.

In 1998, Del Mar voters approved a measure allowing the issuance of general obligation bonds for the purpose of completing capital improvements to enhance water flows and complete necessary water upgrades for firefighting at the City's urban/wildland boundaries. The City issued bonds totaling \$1,950,000 in May 1999. The fifteen year bonds mature in 2014 and carry a true interest cost of 4.26%. Property owners in Del Mar will see a Council-approved assessment on their 2007/08 property tax bill amounting to approximately .01047% per \$100 of assessed valuation.

PROGRAM: WILDFIRE PROTECTION BOND DEBT**ACCT # 35-5900**

In November 1998, Del Mar voters approved the issuance of general obligation bonds, not to exceed \$2,000,000, to construct water system upgrades to provide enhanced water flow for firefighting at the City's urban/wildland boundaries.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Maintenance & Operations	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Debt Service	179,148	179,445	180,115	179,450	179,018 (1)
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$179,148	\$179,445	\$180,115	\$179,450	\$179,018
POSITIONS (FTE)	0	0	0	0	0

(1) Subsequent to voter approval in November 1998, the City issued \$1,950,000 in general obligation bonds in May 1999 for a fifteen year period. Annual debt service payments will be completed in 2014. Property owners are assessed for their portion of the annual debt service as part of their property tax bill. At July 1, 2007, the outstanding principal balance is \$1,195,000.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 35 WILDFIRE PROTECTION						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	DEBT SERVICE					
5900-4500	DEBT INTEREST	63,515	58,815	53,915	48,750	43,318
5900-4600	DEBT PRINCIPAL	115,000	120,000	125,000	130,000	135,000
5900-4700	BOND SERVICE	633	630	1,200	700	700
	DEBT SERVICE	179,148	179,445	180,115	179,450	179,018
TOTAL WILDFIRE PROTECTION		179,148	179,445	180,115	179,450	179,018

**CITY OF DEL MAR
1999 Wildfire Protection Bonds
Debt Service Schedule**

Date	Interest	Principal	Total Debt Service
8/1/2007	25,707.50	130,000.00	155,707.50
2/1/2008	23,042.50		23,042.50
8/1/2008	23,042.50	135,000.00	158,042.50
2/1/2009	20,275.00		20,275.00
8/1/2009	20,275.00	145,000.00	165,275.00
2/1/2010	17,302.50		17,302.50
8/1/2010	17,302.50	145,000.00	162,302.50
2/1/2011	14,257.50		14,257.50
8/1/2011	14,257.50	150,000.00	164,257.50
2/1/2012	11,032.50		11,032.50
8/1/2012	11,032.50	155,000.00	166,032.50
2/1/2013	7,622.50		7,622.50
8/1/2013	7,622.50	165,000.00	172,622.50
2/1/2014	3,910.00		3,910.00
8/1/2014	3,910.00	170,000.00	173,910.00
Total	\$ 220,592.50	\$ 1,195,000.00	\$ 1,415,592.50

CAPITAL PROJECT FUNDS

Capital projects are accounted for in the Open Space and Capital Improvement Projects Funds. The Capital Improvement Projects Fund presentation also includes projects funded by Prop 42, Transnet and Transnet I Funds.

Capital project funds are used to account for the acquisition and construction of major capital facilities. The City maintains a five-year project planning list to ensure continuing maintenance of the City's infrastructure. Contributions from the General Fund contingency reserve provide the basic funding for most capital projects. State transportation funds (Transnet) provide approximately \$200,000 a year that must be used for street repair and drainage projects.

With substantial funding provided from federal and state grants, the City will continue design work and begin environmental work for the seismic upgrade of the Torrey Pines Bridge.



OPEN SPACE CAPITAL PROJECTS

CITY OF DEL MAR
 FISCAL YEAR 2007/08 & 2008/09
 CAPITAL IMPROVEMENTS PROGRAM
 OPEN SPACE FUND

FUND: 21 OPEN SPACE FUND				
PROJECT TITLE	FY08	Estimated Unexpended FY 07 Funds ⁽¹⁾		
	TOTAL	GENERAL	GRANTS	TOTAL
PARK & OPEN SPACE IRRIGATION AND CONTROLLERS	\$60,000	\$0	\$0	\$0
PUBLIC PATHWAYS RIGHT-OF-WAY SURVEY ⁽²⁾	0	0	0	0
PATHWAY - SAN DIEGUITO/GRAND AVE ⁽³⁾	4,000	4,000	0	4,000
SEA GROVE & SEA CLIFF PARKS ⁽⁴⁾	300,000	0	0	0
29th STREET END SEA WALL REPLACEMENT	40,000	0	0	0
TOT LOT REHABILITATION	20,000	0	0	0
TOTAL CIP	\$424,000	\$4,000	\$0	\$4,000

⁽¹⁾ Funds previously budgeted in FY07 and projected to be unexpended as of June 30. Actual amounts remaining at fiscal year-end will be rebudgeted or encumbered on June 30.

⁽²⁾ Staff will actively pursue grants to fund pathway projects including Caltrans funds.

⁽³⁾ Construction funding through I-5 and other grants not yet received, City matching funds only. Transnet funding will not be available for this project until the Bike/Ped masterplan is complete.

⁽⁴⁾ A funding plan will be developed when the conceptual design is completed. Anticipate applying for grants and community fundraising through benches with plaques.

New FY 2008 Funds			New FY 2009 Funds		
GENERAL	GRANTS	TOTAL	GENERAL	GRANTS	TOTAL
\$30,000	\$30,000	\$60,000	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	300,000	300,000	0	0	0
40,000	0	40,000	300,000	0	300,000
20,000	0	20,000	0	0	0
\$90,000	\$330,000	\$420,000	\$300,000	\$0	\$300,000

**OPEN SPACE FUND 21
PARK AND OPEN SPACE IRRIGATION AND CONTROLLERS 6532-5900**

PROJECT DESCRIPTION

The Water Conservation in Landscaping Act of 2006 requires the State Department of Water Resources to update a model Water Efficient Landscape ordinance for adoption by local agencies. While the new ordinance is not yet adopted one key element has been identified. That key element is to replace timed irrigation controllers with “smart” controllers which adjust the amount of water used based on weather conditions. This budget item will provide for these irrigation controllers in City parks. These controllers are also beneficial from an NPDES perspective as they operate more efficiently, conserve water and reduce the potential for runoff from over irrigation.

Water conservation grant applications will be submitted to the County Water Authority for half of the funding required to purchase these smart controllers for the City. It is anticipated that the grants will require City matching funds.

CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES.

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
30	10	10	0	10	5	85

FUNDING SOURCE	FY08	FY09
GRANT - CWA	\$ 30,000	\$0
OPEN SPACE FUND	<u>30,000</u>	<u>0</u>
TOTAL	\$ 60,000	\$0

OPEN SPACE FUND 21**PATHWAY - SAN DIEGUITO/GRAND AVENUE****6543-5900**

PROJECT DESCRIPTION

In FY05 the feasibility analysis, preliminary engineering, and cost estimates for a path along San Dieguito Drive from Jimmy Durante to the Grand Avenue Bridge was completed. The surveying, including property boundaries for this project, was completed as part of the surveying for the San Dieguito Lagoon Restoration Project by Southern California Edison. Staff has worked closely with the Lagoon Committee to identify a preferred alignment. That alignment is from Riverpath del Mar, crossing Jimmy Durante and proceeding along the south/west side of the road until approximately the end of the businesses where a crossing would occur to the undeveloped lots on the north side of the road and proceeding through the middle of the undeveloped lots on an alignment identified and designed by Caltrans, or on the north side of the roadway and continuing east to the Grand Avenue Bridge. The crossing would be a raised "table top" similar to the crossings used in the Cedros District of Solana Beach. Grant money is not forthcoming and work is deferred until funding obtained.

CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES.

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
20	5	20	0	0	0	45

FUNDING SOURCE

FY08

FY09

FY07 CARRY OVER

\$4,000

\$ 0

OPEN SPACE

00

TOTAL

\$4,000

\$ 0

**GENERAL CIP FUND 21
SEAGROVE AND SEA CLIFF PARKS**

6552-5900

PROJECT DESCRIPTION

During FY05, the Parks and Recreation Committee met with staff and requested a number of park benches and tables be installed at Seagrove and Sea Cliff Parks. With the addition of the new benches, the walkways serving these benches must meet the requirements set forth in California Title 24 and the Americans with Disabilities Act. Staff has also identified the need for additional lighting at select locations within Seagrove Park. Conceptual design and preliminary cost estimates for this project were initiated in FY07. The goal is to obtain grant funding and donations sufficient to cover the cost of the new benches, lighting and walkway improvements.

The conceptual design will be brought to the Parks and Recreation Committee in the Summer of 07, then to Design Review Board and to Council for approval in Fall of 07. Council approval of the conceptual design and proposed lighting locations will be secured prior to commencing final design of this project. Grant funds will be sought for the majority of the work with contributions for memorial benches providing matching funds for the grants.

CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES.

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
20	10	20	0	5	0	55

FUNDING SOURCE

FY 08

FY09

GRANTS AND CONTRIBUTIONS

\$ 300,000

\$0

OPEN SPACE

0

0

TOTAL

\$ 300,000

\$0

GENERAL CIP FUND 21**29th STREET END SEAWALL REPLACEMENT****6516-5900**

PROJECT DESCRIPTION

This budget item is to relocate the City's seawall at the 29th Street end in conjunction with the beach access improvements being designed and constructed by Southern California Edison (SCE) as part of the Lagoon Restoration Project. SCE's new access will cut through a portion of the wall, necessitating rehabilitation of the section of the wall adjacent to the beach cut, regardless of whether the full wall is replaced. This section of Seawall is out of conformance with the City's shoreline protection line in that it extends 6 inches into the Beach Overlay Zone. The seawall is also exhibiting deterioration. Relocation and replacement of the full street end sea wall behind the Beach Overlay Zone at the same time as the street end improvements are completed would be prudent to minimize impact if the wall were to be ultimately replaced and relocated. This project could also spur the adjoining residents to complete their replacements or new installations as they see the City completing their work.

CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES.

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
20	0	20	0	0	10	50

FUNDING SOURCE

FY 08

FY09

GRANTS	\$ 0	\$ 0
OPEN SPACE	<u>40,000</u>	<u>300,000</u>
TOTAL	\$ 40,000	\$300,000

**GENERAL CIP FUND 21
TOT LOT REHABILITATION**

6514-5900

PROJECT DESCRIPTION

Since the installation of the Tot Lot just five years ago, the use of the play area has mushroomed. Throughout the year the play area is packed with kids. Construction of this project was an example of a huge successful joint effort between the Friends of the Powerhouse and the City. The wood chips are deteriorating due to wear and drainage problems. This budget will purchase replacement surface treatment and correct subsurface drainage deficiencies for the play area and repair the existing equipment as needed. Staff will work with the Friends of the Powerhouse on the replacement approach.

CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES.

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total

FUNDING SOURCE

FY 08

FY09

OPEN SPACE

\$ 20,000

\$0

TOTAL

\$ 20,000

\$0

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 21 OPEN SPACE CAPITAL IMPROVEMENTS						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6513-5900	PUBLIC PATHWAYS/SURVEY INV.	5,868	3,895	10,237	-	-
6514-5900	TOT LOT REHAB. - DRAINAGE/STRUCTURAL	-	-	-	20,000	-
6530-5900	POWERHOUSE PARK IMPROVEMENTS CIP	-	-	140,636	-	-
6532-5900	PARK/OPEN SPACE IRRIGATION SYSTEM	-	-	-	60,000	-
6540-5900	POWERHOUSE PARK ACCESSIBILITY	5,786	3,974	-	-	-
6542-5900	RIVERMOUTH OPENING	-	16,250	-	-	-
6543-5900	SCE LAGOON PATHWAY	2,875	75	7,049	-	-
6545-5900	RIVERPATH DEL MAR	102,422	1,335	-	-	-
6548-5900	PALM REPLACEMENT	-	2,819	12,181	-	-
6550-5900	SEA GROVE AND SEA CLIFF PARKS	-	-	-	300,000	-
6552-5900	SEA GROVE PARK	-	-	30,000	-	-
6553-5900	29th STREET END SEA WALL REPLACEMENT	-	-	-	40,000	300,000
TOTAL OPEN SPACE CAPITAL IMPROVEMENT PROJECTS		116,951	28,348	200,103	420,000	300,000



**OPEN SPACE
CAPITAL PROJECTS
FIVE YEAR PLAN**

CITY OF DEL MAR
 FISCAL YEAR 2007/08 & 2008/09
 CAPITAL IMPROVEMENTS PROGRAM
 FIVE YEAR PLAN
 OPEN SPACE FUND

FUND: 21 OPEN SPACE FUND		
PROJECT TITLE	Current Budget Years	
	2007/2008	2008/2009
PARK & OPEN SPACE IRRIGATION & CONTROLLERS ⁽²⁾	\$60,000	\$0
PUBLIC PATHWAYS RIGHT-OF-WAY SURVEY		
PATHWAY - PLAZA TO FAIRGROUND ⁽¹⁾	0	0
PATHWAY - SAN DIEGUITO/GRAND AVE	4,000	0
POWERHOUSE PALM REPLACEMENT	0	0
SCE LAGOON ENHANCEMENT	0	0
SEAGROVE AND SEACLIFF PARKS ⁽³⁾	300,000	0
29TH STREET END SEA WALL REPLACEMENT	40,000	300,000
TOT LOT REHABILITATION	20,000	0
TOTAL CIP	\$424,000	\$300,000

- ⁽¹⁾ Specific grant sources have not been identified other than Transnet and CALTRANS
- ⁽²⁾ Assumes matching grants from San Diego County Water Authority for water conservation efforts.
- ⁽³⁾ Private contributions and grants will be sought for this project.

Future Budget Years (Inflated at 5% per year)			5 Year Total
2009/2010	2010/2011	2011/2012	
\$0	\$0	\$0	\$60,000
0	0	3,000,000	3,000,000
0	400,000	0	404,000
0	0	0	0
0	0	0	0
0	0	0	300,000
0	0	0	340,000
0	0	0	20,000
\$0	\$400,000	\$3,000,000	\$4,124,000



CAPITAL IMPROVEMENT PROGRAM PROJECTS

CITY OF DEL MAR
FISCAL YEAR 2007/08 & 2008/09
CAPITAL IMPROVEMENT PROGRAM

FUNDS: 40 - CAPITAL IMPROVEMENT; 42 - PROP 42; 43 - TRANSNET; 44 - TRANSNET II				
PROJECT LIST	FY08 TOTAL	Estimated Unexpended FY 07 Funds ⁽²⁾		
		GENERAL	GRANTS	TOTAL
MINOR CAPITAL MAINTENANCE PROJECTS AND ANNUAL ROADWAY IMPROVEMENTS				
ANNUAL RESURFACING AND MINOR DRAINAGE PROJECT ⁽¹⁾	\$583,000	\$0	\$0	\$0
CITY WIDE ADA IMPROVEMENTS	100,000	0	0	0
LIBRARY ROOF PARTIAL REPLACEMENT	40,000	0	0	0
MEDIAN IRRIGATION SYSTEM REPLACEMENT	60,000	0	0	0
MAJOR SYSTEM UPGRADES				
PUBLIC FACILITIES	0	0	0	0
17TH ST END FACILITIES UPGRADES-FINAL DESIGN IMPVTS	15,000	0	0	0
CIVIC CENTER	216,521	216,521	0	216,521
BRIDGES				
TORREY PINES BRIDGE SEISMIC UPGRADE	800,000	100,000	400,000	500,000
CAMINO DEL MAR OVER THE SAN DIEGUITO RIVER BRIDGE REHABILITATION ANALYSIS	100,000	12,000	0	12,000
STUDIES & OTHER PROJECTS				
TRAFFIC MANAGEMENT PLAN	30,570	30,570	0	30,570
HILLSIDE IMPROVEMENT ANALYSIS	10,000	10,000	0	10,000
UTILITY UNDERGROUNDING 20A	200,000	0	200,000	200,000
NORTH HILLS UNDERGROUNDING DISTRICT ⁽⁶⁾	136,450	136,450	0	136,450
SUNSET UNDERGROUNDING DISTRICT ⁽⁶⁾	64,450	64,450	0	64,450
TOTAL ANNUAL & MAJOR UPGRADES	\$2,355,991	\$569,991	\$600,000	\$1,169,991

⁽¹⁾ ANNUAL STREET AND DRAINAGE PROGRAM changed to include City Engineering (Streets & Drainage), Annual Street & Storm Drain Rehabilitation, and Storm Drain Mapping.

⁽²⁾ Funds previously budgeted in FY07 and projected to be unexpended as of June 30. Actual amounts remaining at fiscal year-end will be rebudgeted or encumbered on June 30.

⁽³⁾ FY 08 Grant Funds estimated at \$228K Transnet I, \$88K HBRR for San Dieguito Bridge, \$30K CWA rebates, \$240K Bridge Seismic Retrofit funding.

⁽⁴⁾ FY09 Grant Funds estimated at \$46K Prop 42, \$140K Transnet II to NTP Bridge and \$73K Transnet II to San Dieguito Bridge; \$560K Bridge Seismic Retrofit Funding NTP Bridge; \$797K HBRR San Dieguito Bridge.

⁽⁵⁾ Pending outcome of discussions w/DMUSD and the existing site evaluation, funding needs will be determined.

⁽⁶⁾ Private donations are not reflected as City Revenue and are not included herein.

⁽⁷⁾ Final Design and Construction of the improvements will be dependent on grant funding availability.

New FY 2008 Funds			New FY 2009 Funds		
GENERAL	GRANTS ⁽³⁾	TOTAL	GENERAL	GRANTS ⁽⁴⁾	TOTAL
\$355,000	\$228,000	\$583,000	\$370,000	\$46,461	\$416,461
100,000	0	100,000	100,000	0	100,000
40,000	0	40,000	0	0	0
30,000	30,000	60,000	0	0	0
0	0	0	0	0	0
15,000	0	15,000	0	0	0
0	0	0	⁽⁵⁾ 0	0	0
60,000	240,000	300,000	0	700,000	700,000
0	88,000	88,000	30,230	869,770	900,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
\$600,000	\$586,000	\$1,186,000	\$500,230	\$1,616,231	\$2,116,461

**GENERAL CIP FUND 40
ANNUAL RESURFACING
AND MINOR DRAINAGE PROJECT**

**6101-5900
6601-5900**

PROJECT DESCRIPTION

This project is a combination of several projects into one account fund. The project includes the following elements: General City Engineering Services for Streets and Drainage, Storm Drain Mapping, and the Annual Street & Drainage Improvement Project.

City Engineering Street And Drainage - City Engineering Services include consultation and technical support to the City Manager, Department Heads and City Council for street and drainage issues, including attendance at SANDAG meetings for Transportation, completion of documentation and reporting requirements needed to continue to obtain funding. (\$32,000 FY08, \$32,000 FY09)

Annual Street Rehabilitation & Storm Drain Improvements - The City completes the Annual Street Rehabilitation and Storm Drain Project as a continuing effort to maintain the integrity of the City's streets and storm drains to preserve the City's capital investment in the street infrastructure through a program of resurfacing and pavement repairs. The resurfacing and rehabilitation projects are selected from street and storm drain rehabilitation candidate lists maintained by the Engineering Department and Public Works. When selecting streets for rehabilitation, staff coordinates with future underground utility projects wherever possible. Public input is also considered when selecting specific streets. The selection of specific projects will be presented to City Council for approval prior to advertising for contractor bids. Transnet grant funds have been estimated based upon the most recent information provided by SANDAG, which serves as the grant administrator. (\$486,000 FY08, \$379,000 FY09)

Annual Storm Drain Mapping - This project updates the mapping of the storm drain system and inputs the information into the City's Geographic Information System (GIS). Updated storm drain system maps are also a requirement of the RWQCB NPDES Municipal Permit. In FY 07-08, Staff will update the GIS based maps to incorporate additional information obtained through field inspection by Public Works and changes to the drainage system. (\$5,000 FY08, \$5,000 FY09)

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Project Listing	Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs 10% max	Readiness & Deliverability 10% max	Total
Residential Street Rehab	30	10	20	10	10	5	85
Arterial Street Rehab	30	10	20	10	10	0	80
Storm Drain Maintenance and Pipe Replacement	20	0	20	0	10	0	50

FUNDING SOURCE

FY 08

FY 09

PROP 42	\$ 0	\$ 46,461
TRANSNET FUNDS	228,000	0
GENERAL FUND	<u>355,000</u>	<u>370,000</u>
TOTAL	\$583,000	\$416,461

**GENERAL CIP FUND 40
CITY WIDE ADA IMPROVEMENTS**

6110-5900

PROJECT DESCRIPTION

In FY04 the Attorney General issued to the City a Petition for Writ which identified several existing violations of current ADA standards at various locations around the City, including several on-street disabled parking spaces and miscellaneous violations at the City Hall facility.

Staff has since completed identification of pedestrian improvements needed City wide, including non-compliant disabled on-street parking areas as well as necessary upgrades at City Hall and at the City Library.

In FY07 staff prioritized improvements needed. As part of the 2007 Street and Drainage contract awarded in April, the project included site parking accessibility improvements at City Hall.

FY08 and FY09 funds will be combined to complete in FY09 the construction of the last remaining segment in the Camino Del Mar sidewalk project from 4th to 9th street and potentially other improvements at the intersection of Del Mar Heights/ 4th and Camino Del Mar.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
40	10	20	0	10	0	80

FUNDING SOURCE

FY 08

FY 09

GENERAL FUND

\$100,000

\$100,000

GENERAL CIP FUND 40	LIBRARY ROOF PARTIAL REPLACEMENT	6121-5900
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PROJECT DESCRIPTION

The City completed restoration and renovation of the City Library in the late 1990's. At that time, the shake shingles on the roof were retained in an effort preserve and compliment the building's historical character. Due to concerns regarding the potential for fire damage, roofing standards now require that shake shingle roofs be replaced with Class A roofing material if more than 10% of the shingles require replacement. If it is determined that the shingles must be replaced with Class A material, Design Review Board input and approval would be required to select a suitable material that preserves the Library's historical character. For FY 2007-2008 a repair estimated at \$40,000 will be needed for replacement of two wood shingled roof areas (wood replacement will be acceptable) and the flat roof area. This is recommended by a roofing contractor and local architect who provided an assessment in conjunction with staff. These repairs may allow additional 10 more years of service life before the complete roof will be ready for replacement. Cost to replace the complete roof will be \$250,000 (Staff estimate for 2018). Council may want to consider establishing a reserve for this roof replacement.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
30	0	20	0	10	5	65

FUNDING SOURCE

FY 08

FY 09

GENERAL FUND

\$ 40,000

\$0

**GENERAL CIP FUND 40
 MEDIAN IRRIGATION SYSTEM REPLACEMENT**

6627-5900

PROJECT DESCRIPTION

The Water Conservation in Landscaping Act of 2006 requires the Department of Water Resources to develop a model Water Efficient Landscape ordinance for adoption by local agencies. The primary focus our conservation methods for next year will be to improve the efficiency of the City's irrigation systems. This budget item will provide for automated irrigation controllers and some irrigation system repairs replacing manual valves and dilapidated drip systems in our City rights-of-way.

Water conservation grant applications will be submitted to the County Water Authority and the City is expected to be required to provide matching funds.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
30	10	10	0	10	5	65

FUNDING SOURCE

FY 08

FY 09

GRANTS - CWA

\$30,000

\$0

GENERAL FUND

30,000

0

TOTAL

\$60,000

\$0

PROJECT DESCRIPTION

Staff has been working on this project since FY 03. The 17th Street End facilities includes rebuilding the Lifeguard Tower/Headquarters, upgrading public restrooms, improving beach access and the City's public parking, upgrading a large drainage facility that cuts through a small City owned rectangular piece of property, improving landscaping and adding a seawall. The facilities are located in the North Beach area at Coast Boulevard and the westerly terminus of 17th Street, adjacent to the sandy beach, and sandwiched between the Poseidon Restaurant, the Del Mar Motel, and their joint use parking lot.

The purpose of the project is to rebuild and enlarge the lifeguard facility to adequately accommodate the functions of the Community Services Department, upgrade/rebuild the public restrooms to ADA standards, provide and improve beach access, and provide an appropriate landscaped buffer to connect to and coordinate with the Coast Boulevard Streetscape Plan.

Numerous public workshops with Council and the community have been held and a completed conceptual design has been developed. In March 2005 environmental documentation was completed and the Design Review Board gave conceptual approval to the design with a few items of consideration for final design. A conceptual level cost estimate for the 17th Street End facilities has been prepared and the total project cost will be nearly \$5,000,000 for all the facilities including drainage channel modifications, a sea wall, parking area improvements, beach access, and the actual restrooms and lifeguard facility. Staff is waiting to begin final drawings until specific funding sources have been identified. Staff has submitted a request for grant funds from the California Coastal Conservancy and the Board will review the application in the Fall of 07. The small budget included in FY 08 is for potential assistance by the Architect and City Engineer for specific grant applications. It is anticipated that final design could begin in FY 09 if grant funds are received. Budget has not yet been allocated for this project due to the uncertainty of the timing of grant funds.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE 2.2 LONG-TERM CAPITAL FINANCING PLAN

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
30	10	20	10	10	5	85

FUNDING SOURCE	FY 08	FY 09
GENERAL FUND	\$15,000	\$0
GRANTS	<u>0</u>	<u>0</u>
TOTAL	\$15,000	\$0

**GENERAL CIP FUND 40
CIVIC CENTER**

6411-5900

PROJECT DESCRIPTION

The Council has included the preparation of a site plan for the current City Hall property as a high priority goal for the City. In FY 01, the City Council appointed a nine member City Facilities Advisory Committee to actively plan for the possible relocation of the City's Fire Station, to Master Plan the City Hall site, and to oversee other public facility improvements over time.

In FY 02, Staff worked with the City Facilities Advisory Committee to retain a consulting firm leading to conceptual alternatives and identification of the alternative site for City Hall, the Fire Department, the Public Works Yard, and a Community Center site.

In FY 03 the City and the Del Mar Union School District entered into discussions on the use of the School District's Winston School Site.

In FY04 and FY05 the financial analysis was completed and negotiations to acquire the Winston School site were begun, the School District began the process of determining if the property was surplus and thus began public meetings to discuss. In FY07 discussions stalled at the School District. Review of the redevelopment of the City hall property is tentatively planned for FY08 and FY09.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE 2.2 LONG-TERM CAPITAL FINANCING PLAN

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
0	0	10	0	5	0	15

FUNDING SOURCE

FY 08

FY 09

FY07 CARRYOVER

\$216,521

\$0

GENERAL CIP FUND 40

TORREY PINES BRIDGE SEISMIC UPGRADES

6445-5900

6446-5900

PROJECT DESCRIPTION

In FY 97, after several studies, Caltrans determined that the North Torrey Pines Bridge is structurally deteriorated and does not meet current seismic standards. In FY 98, a historical study was completed to evaluate the Bridge's historical and architectural significance. During FY 99, the State determined that the Bridge has historical significance and staff initiated the process to register the structure as a Federal Historical Structure. In FY 00, Caltrans determined that a seismic retrofit project was a viable option rather than rebuilding the Bridge. At that time, a retrofit project was 100 percent reimbursable under the Highway Bridge Replacement and Retrofit Program (HBRR). The City of San Diego transferred ownership of the Bridge to the City of Del Mar in FY 01.

In FY 02/03, staff coordinated selection of a consultant to complete preliminary engineering analysis considering two retrofit alternatives and to prepare environmental investigations for the construction of a selected method. In FY 03 staff worked with the consultant to get the analysis and environmental permitting started. After some initial analysis was started, Caltrans funding was changed and the scope and nature of the work was reevaluated. The City is currently being required to match 20 percent of the funds beyond the initial \$400,000 authorization. For actual construction of the retrofit option, the match will be 11.47%. In FY04 and FY05 conceptual retrofit options were studied and a Value Engineering process completed. A mission statement for the Caltrans required Value Engineering team was developed to assure that the options will protect the historic designation of the bridge and will result in a Bridge that will function in same manner as today.

In FY06 and FY07 additional studies were undertaken to confirm the retrofit strategy recommendation. Additional meetings were held with Caltrans and the Federal Highway Administration to confirm both approach and funding issues. In FY08 and FY09 project staff will continue to work with CALTRANS to receive appropriate approvals and begin environmental processing.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE 2.2 LONG-TERM CAPITAL FINANCING PLAN

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
40	10	20	0	10	5	85

FUNDING SOURCE	FY 08	FY09
FY07 GENERAL FUND CARRYOVER	\$100,000	\$0
FY07 HBRR GRANT CARRYOVER	400,000	0
GENERAL FUND	60,000	0
TRANSNET II FUNDS	0	140,000
HBRR GRANT FUNDS	<u>240,000</u>	<u>560,000</u>
TOTAL	\$800,000	\$700,000

PROJECT DESCRIPTION

This project involves a basic evaluation of the Camino Del Mar Bridge over the San Dieguito River. Based on the Caltrans Bridge reports it is in need of repair due to spalling that is occurring under the bridge (spalling is a word used to describe failing concrete surfaces). Based on a closer review of the spalling that is occurring, it is anticipated that a grant application would be made through Caltrans's HBRR process. There is a new Caltrans grant program for maintenance of such facilities that the City is evaluating. Initial work confirms a need to do repair on the Bridge and grant applications have been drafted. The maximum Federal and State funding for bridge rehabilitation is generally 88.53%. Due to State funding limitations, Staff will complete preliminary engineering on the maintenance and rehabilitation needs and will be applying for available maintenance grants in FY08.

CITY COUNCIL GOAL - GOAL 2: MANAGE THE CITY'S RESOURCES IN A FISCALLY SOUND AND PRUDENT MANNER IN ORDER TO PROTECT THE PUBLIC'S HEALTH, SAFETY AND WELFARE 2.2 LONG-TERM CAPITAL FINANCING PLAN

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
40	10	20	0	10	5	85

FUNDING SOURCE

FY 08

FY09

FY07 CARRYOVER	\$12,000	\$0
GENERAL FUND	0	30,230
TRANSNET II FUNDS	0	73,000
HBRR GRANTS	<u>88,000</u>	<u>796,770</u>
TOTAL	\$100,000	\$900,000

**GENERAL CIP FUND 40
TRAFFIC MANAGEMENT PLAN**

6620-5900

PROJECT DESCRIPTION

This project involves the City's Traffic Engineer to evaluating the traffic speed and volume in various areas of Del Mar to determine if there are measures that should be taken to address concerns raised by residents. Specifically these issues include the speed of traffic in the residential neighborhoods and the amount of cut through traffic from people avoiding Camino Del Mar. The efforts have included meeting with staff, stakeholders and TPAC, presentations with Council, development of alternatives, and coordination with other jurisdictions, as appropriate. In FY08 a City wide Traffic Management Analysis will take place with the goal of looking at the overall traffic problems in Del Mar and identifying solutions throughout the City.

CITY COUNCIL - GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES - 1.2 TRAFFIC MANAGEMENT PLAN

CITY COUNCIL - GOAL 3: COMMUNICATE EFFECTIVELY WITH AND ENGAGE THE COMMUNITY - 3.1 TRAFFIC MANAGEMENT PLAN

FUNDING SOURCE	FY 08	FY09
GENERAL FUND	\$0	\$0
FY07 CARRYOVER	<u>\$30,570</u>	<u>0</u>
TOTAL	\$30,570	\$0

**GENERAL CIP FUND 40
HILLSIDE IMPROVEMENT ANALYSIS**

6621-5900

PROJECT DESCRIPTION

This project involved the City's Traffic Engineer evaluating options for reducing traffic speed and volume along Crest Road. The efforts included meeting with staff, stakeholders and TPAC, presentations with Council, development of alternatives, and coordination with other jurisdictions, as appropriate. In FY07 temporary chicanes were installed on Crest Drive as well as two permanent speed bumps. The speed limit was also lowered to 15 MPH on Crest Drive.

This budget item will provide for two rounds of traffic counts during the Summer of 07, and will allow for additional evaluation and coordination with the City Traffic Engineer on the effectiveness of the chicanes previously installed on Crest Drive.

CITY COUNCIL - GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES - 1.2 TRAFFIC MANAGEMENT PLAN

CITY COUNCIL - GOAL 3: COMMUNICATE EFFECTIVELY WITH AND ENGAGE THE COMMUNITY - 3.1 TRAFFIC MANAGEMENT PLAN

FUNDING SOURCE	FY 08	FY09
GENERAL FUND	\$0	\$0
FY07 CARRYOVER	<u>10,000</u>	<u>0</u>
TOTAL	\$10,000	\$0

20A CAMINO DEL MAR AND COAST UNDERGROUNDING PROJECT

PROJECT DESCRIPTION

The removal of overhead utility wires and poles emerged as a high priority goal in the fall of 2002 following the long-term planning process known as Del Mar Vision 2020. The City is allocated funds by the utility companies to underground utilities that are for the public's general benefit. The criteria for these undergrounding funds include that the work must be along major thoroughfares, in commercial areas, or represent an unusual concentration of overhead utilities. The City undertook two such conversions. One is along Coast Boulevard from south of 19th Street to 17th Street and across the railroad tracks. The second is along Camino Del Mar from 8th Street to south of 4th Street. The Coast Boulevard/rail crossing project is unique in that \$250,000 in private contributions has been provided to help defray the cost of this particular undergrounding.

The construction began in April 2007 with the primary trenching being completed before the end of FY 2006/07. The final pole removal is expected by winter of FY 2007/08. Residents adjacent to the undergrounding are required to convert their lines and the utilities have to pull their cable through the conduits placed in the fall before the poles can be removed. The City has to front the cost of working in the street and then is reimbursed by the utility companies at various stages of the work.

CITY COUNCIL GOAL – CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES - 1.5 UTILITY UNDERGROUNDING

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
10	10	20	0	0	0	40

FUNDING SOURCE	FY 08	FY 09
FY 07 CARRYOVER	<u>\$200,000</u>	<u>\$0</u>
TOTAL	\$200,000	\$0

**GENERAL CIP FUND 40
NORTH HILLS UNDERGROUNDING**

**6401-5900
6402-5900
6403-5900**

PROJECT DESCRIPTION

The removal of overhead utility wires and poles emerged as a high priority goal in the fall of 2002 following the long term planning process known as Del Mar Vision 2020. As an outcome of Vision 2020 efforts, the City drafted a Resident Guide to Utility Undergrounding, which served as the basis for the successful completion of the resident funded Ocean View/Pines utility undergrounding project in the Fall of 06. The Ocean View/Pines project was completed over a three year time period and was approved by 77% of affected property owners through the required assessment district vote.

In March of 2007, Council received financial advances from property owners and authorized the initiation of proceedings for the formation of the North Hills undergrounding district.

The North Hills area consists of an estimated 278 properties. Because of this district's larger size, it is described as Area One – North, consisting of approximately 140 properties, Area Two – Mid, consisting of approximately 67 properties, and Area Three – South, consisting of approximately 71 properties. The North Hills undergrounding district would affect all or a portion of the following streets: Crest Road, Amphitheatre, Avenida Primavera, Primavera Lane, Parish Lane, Maiden Lane, Forest Way, Luneta Drive, Carolina, Serpentine, Via Alta, Kalamath, Klish, Hoska Drive, Hoska Lane, Highland, Orchid Lane, Tewa, Rimini, Umatilla, Serpentine Drive, Camino Del Mar, Van Dyke, Via Alta, Zapo Street, 14th Street, and 15th Street.

It is important to note that if the assessment district passes the property owner vote, the funds associated with this budget item will be reimbursed to the City.

CITY COUNCIL GOAL – CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES - 1.5 UTILITY UNDERGROUNDING

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
10	10	20	0	0	0	40

FUNDING SOURCE	FY 08	FY 09
FY 07 CARRYOVER	<u>\$136,450</u>	<u>\$0</u>
TOTAL	\$136,450	\$0

Note: The resident's contributions are not included as City Revenue and thus are not shown herein.

**GENERAL CIP FUND 40
SUNSET UNDERGROUNDING DISTRICT**

6404-5900

PROJECT DESCRIPTION

The removal of overhead utility wires and poles emerged as a high priority goal in the fall of 2002 following the long term planning process known as Del Mar Vision 2020. As an outcome of Vision 2020 efforts, the City drafted a resident guide to utility undergrounding which served as the basis for last year's successful completion of the resident funded Ocean View/Pines utility undergrounding project. The Ocean View/Pines project was completed over a three year time period and was approved by 77% of affected property owners through the required assessment district vote.

In April of 2007, Council received financial advances from property owners and authorized the initiation of proceedings for the formation of the Sunset undergrounding district.

The Sunset area consists of an estimated 135 homes compared to the 83 homes included in the Ocean View/Pines undergrounding district and the 278 homes in the North Hills District, and would affect all or portions of the following Del Mar Streets: Balboa Avenue, Belaire, Culebra, Gatun, Luzon, Sea View Avenue, Serpentine Drive, and Zapo Street.

It is important to note that if the assessment district passes the property owner vote, the funds associated with this budget item will be reimbursed to the City.

CITY COUNCIL GOAL – CITY COUNCIL GOAL 1: PRESERVE AND ENHANCE THE COMMUNITY CHARACTER OF THE CITY WITH EMPHASIS ON NATURAL RESOURCES - 1.5 UTILITY UNDERGROUNDING

LONG TERM CAPITAL IMPROVEMENT NEEDS RANKING CRITERIA

Health, Safety, Regs, 40% max	Cost & Fund Opp, 10% max	GP Compliance & Community Support, 20% max	Multiple Category Benefit, 10% max	Maintenance Needs, 10% max	Readiness & Deliverability 10% max	Total
10	10	20	0	0	0	40

FUNDING SOURCE	FY 08	FY 09
FY 07 CARRYOVER	<u>\$64,450</u>	<u>\$0</u>
TOTAL	\$64,450	\$0

Note: The resident's contributions are not included as City Revenue and thus are not shown herein.

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 40 GENERAL CAPITAL IMPROVEMENTS						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6101-5900	ANNUAL STREET RESURFACING	166,501	209,472	482,142	-	-
6104-5900	COAST BLVD STREETSCAPE	9,177	-	-	-	-
6110-5900	PEDESTRIAN & ACCESSIBILITY IMPROVEM.	-	38,098	70,902	100,000	100,000
6111-5900	CDM STREETSCAPE IMPROVE. 4TH ST	493,718	118,374	-	-	-
6112-5900	CDM STREETSCAPE @ 27TH ST	-	-	8,630	-	-
6115-5900	25TH - 29TH PEDESTRIAN IMPROVEMENTS	297,720	211,580	-	-	-
6116-5900	PARK IMPROVEMENTS AT 21ST ST	-	14,592	-	-	-
6117-5900	TORREY PINES BRIDGE RAIL REPAIR	-	-	42,205	-	-
6120-5900	LED CROSSWALKS	-	14,515	-	-	-
6401-5900	NORTH HILLS UNDERGROUNDING DIST. #1	-	-	68,225	-	-
6402-5900	NORTH HILLS UNDERGROUNDING DIST. #2	-	-	34,112	-	-
6403-5900	NORTH HILLS UNDERGROUNDING DIST. #3	-	-	34,113	-	-
6404-5900	SUNSET UNDERGROUNDING DISTRICT	-	-	64,450	-	-
6411-5900	PUBLIC FACILITIES PLAN	-	22,945	216,521	-	-
6413-5900	25TH STREET END RESTROOMS	45,016	-	-	-	-
6414-5900	UTILITY UNDERGROUNDING 20A	-	-	1,376,740	-	-
6415-5900	LIBRARY PARTIAL ROOF REPLACEMENT	-	-	-	40,000	-
6433-5900	17TH STREET END UPGRADE	103,020	123,310	10,000	15,000	-
6436-5900	RAILROAD CROSSING CIP	-	26	-	-	-
6440-5900	VILLAGE REVITALIZATION	34,687	-	-	-	-
6445-5900	TORREY PINES BRIDGE	72,925	301,399	478,601	60,000	-
6446-5900	TORREY PINES BRIDGE RECONST	21,869	72,632	122,368	240,000	560,000
6450-5900	PUBLIC WORKS FACILITY	16,749	14,958	-	-	-
6508-5900	2007/08 ANNUAL STREET RESURFACING	-	-	-	355,000	-
6509-5900	2008/09 ANNUAL STREET RESURFACING	-	-	-	-	370,000
6601-5900	TRANSNET ANNUAL	416,663	141,388	-	-	-
6602-5900	TRANSNET/T21	-	-	-	-	-
6605-5900	19TH STREET PAVEMENT	-	17,966	3,434	-	-
6610-5900	ORIBIA DRAINAGE	-	3,073	9,337	-	-
6615-5900	KLISH TO ORCHID PIPE	-	60,489	78,010	-	-
6616-5900	QUIET ZONE FEASIBILITY STUDY	-	12,779	5,221	-	-
6620-5900	HILLSIDE TRAFFIC IMPROVEMENT	-	10,429	45,600	-	-
6621-5900	TRAFFIC MANAGEMENT PLAN	-	-	20,000	-	-
6625-5900	12TH STREET MEDIANS	-	11,430	14,570	-	-
6626-5900	TRAFFIC SIGNAL CONDUITS-CDM/DM HEIGHTS	-	-	44,460	-	-
6627-5900	MEDIAN IRRIGATION SYSTEM REPLACEMENT	-	-	-	60,000	-
6630-5900	CDM BRIDGE OVER SAN DIEGUITO	-	8,521	36,479	88,000	827,000
TOTAL GENERAL CAPITAL IMPROVEMENT PROJECTS		1,678,045	1,407,976	3,266,120	958,000	1,857,000

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 42 PROP 42						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6101-5900	ANNUAL STREET RESURFACING	-	-	53,446	-	-
6509-5900	2008/09 ANNUAL STREET RESURFACING	-	-	-	-	46,461
TOTAL PROP 42 CAPITAL IMPROVEMENT PROJECTS		-	-	53,446	-	46,461

FUND: 43 TRANSNET I						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6101-5900	ANNUAL STREET RESURFACING	-	-	304,052	-	-
6508-5900	2007/08 ANNUAL STREET RESURFACING	-	-	-	228,000	-
6509-5900	2008/09 ANNUAL STREET RESURFACING	-	-	-	-	-
TOTAL TRANSNET I CAPITAL IMPROVEMENT PROJECTS		-	-	304,052	228,000	-

FUND: 44 TRANSNET II						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6445-5900	TORREY PINES BRIDGE RECONSTRUCTION	-	-	-	-	140,000
6630-5900	CDM BRIDGE OVER SAN DIEGUITO	-	-	-	-	73,000
TOTAL TRANSNET II CAPITAL IMPROVEMENT PROJECTS		-	-	-	-	213,000



**CAPITAL IMPROVEMENT
PROJECTS
FIVE YEAR PLAN**

CITY OF DEL MAR
 FISCAL YEAR 2007/08 & 2008/09
 CAPITAL IMPROVEMENT PROGRAM
 FIVE YEAR PLAN
 CAPITAL IMPROVEMENT FUNDS

FUNDS: 40 CAPITAL IMPROVEMENT; 42 - PROP 42; 43 - TRANSNET; 44 - TRANSNET II		
PROJECT TITLE	Current Budget Years	
	2007/08	2008/09 ⁽⁴⁾
ANNUAL STREET AND DRAINAGE PROGRAMS TOTAL		
ANNUAL RESURFACING & MINOR DRAINAGE PROJECT	\$583,000	\$416,000
CITY WIDE ADA IMPROVEMENTS	100,000	100,000
LIBRARY ROOF PARTIAL REPLACEMENT	40,000	0
MEDIAN IRRIGATION SYSTEM REPLACEMENT	60,000	0
VILLA DE LA VALLE REHABILITATION	0	0
JIMMY DURANTE REHABILITATION	0	0
PROP 1B PROJECT		
MAJOR SYSTEM UPGRADES		
STREETSCAPE IMPROVEMENTS		
CDM STREETSCAPE IMPROVEMENTS		
CDM 9 1/2 TO 10TH STREET PATHWAY (PARTIAL STREETSCAPE)	0	0
FUTURE CDM STREETSCAPE IMPROVEMENTS	0	0
COAST BLVD STREETSCAPE AND DRAINAGE IMPROVEMENT		
19TH-21ST STREET TRAFFIC CALMING & DRAINAGE	0	0
FUTURE COAST BOULEVARD STREETSCAPE IMPROVEMENTS	0	0
DEL MAR HEIGHTS MEDIANS	0	0
26TH to 27TH DRAINAGE IMPROVEMENTS	0	0
PUBLIC FACILITIES		
17TH STREET END FACILITIES UPGRADE ⁽¹⁾	15,000	***
CIVIC CENTER ⁽²⁾	216,521	0
	0	0
BRIDGES		
TORREY PINES BRIDGE SEISMIC UPGRADE ⁽³⁾	800,000	700,000
CDM OVER SAN DIEGUITO BRIDGE REHABILITATION ANALYSIS	100,000	900,000
CDM BIKE PED CROSSING	0	0
STUDIES & OTHER PROJECTS		
TRAFFIC MANAGEMENT IMPROVEMENTS	30,570	0
HILLSIDE IMPROVEMENT ANALYSIS	10,000	0
UTILITY UNDERGROUNDING 20A	200,000	0
NORTH HILLS UNDERGROUNDING ⁽⁵⁾	136,450	0
SUNSET UNDERGROUNDING DISTRICT ⁽⁵⁾	64,450	0
TOTAL	\$2,355,991	\$2,116,000

NOTES:

- (1) Construction of the improvements will be dependent on Funding availability. Grant and bond funding is being considered
- (2) Funding and scheduling for the project will be determined as the discussions with the School district continue or the existing site is further evaluated.
- (3) Environmental processing is proceeding
- (4) Grant Funds are anticipated to cover a majority if not all of these costs
- (5) Private donations are not reflected as City Revenue and are thus not included herein.

*** Either Grant Funds or facilities Bond Funds shall be utilized to fund these projects. Until concepts are developed the funding needs have not been determined.

Future Budget Years (inflated at 5% per year)			5-Year
2009/10 ⁽⁴⁾	2010/11 ⁽⁴⁾	2011/12 ⁽⁴⁾	Total
\$550,000	\$577,500	\$606,375	\$2,732,875
100,000	0	0	300,000
0	0	0	40,000
0	0	0	60,000
0	441,000	0	441,000
0	0	441,000	441,000
	400,000		400,000
0	0	0	0
0	0	578,813	578,813
82,687	82,687	441,000	606,374
0	0	82,687	82,687
0	82,687	0	82,687
75,000	0	0	75,000
75,000	500,000	0	575,000
***	***	***	15,000
***	***	***	216,521
0	0	0	0
2,000,000	17,000,000	0	20,500,000
0	0	0	1,000,000
0	0	2,205,000	2,205,000
0	0	0	0
0	0	0	30,570
0	0	0	10,000
0	0	0	200,000
0	0	0	136,450
0	0	0	64,450
\$2,882,687	\$19,083,874	\$4,354,875	\$30,793,427



INTERNAL SERVICE FUND

Internal service funds are used to account for the City's internal business-type activities. Internal business-type activities transpire when benefits are provided to other funds or departments and those entities are charged for the service.

In fiscal year 2003/04, Del Mar became self-insured for workers' compensation to achieve cost savings and management control. All expenditures related to workers' compensation are paid from the internal service fund. Each department is charged for the cost of the program, which results in revenue for the fund.

WORKERS' COMPENSATION FUND

PROGRAM: WORKERS' COMPENSATION**ACCT # 50-5420**

Del Mar created an internal service fund for Worker's Compensation when it became self-insured effective November 1, 2003. These expenditure estimates include the actuarially determined claims loss as well as the cost of excess insurance and third party administration. The City is self-insured for the first \$125,000. These costs are allocated back to each program based on payroll expenditures.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$0	\$0	\$0	\$0	\$0	
Maintenance & Operations	92,354	105,234	311,000	254,250	266,950	(1)
Contractual Services	12,000	12,394	17,360	17,350	17,350	(2)
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$104,354	\$117,628	\$328,360	\$271,600	\$284,300	
POSITIONS (FTE)	0	0	0	0	0	

(1) The increase in FY 2006/07 reflects two large claims that might require the City to accrue an expenditure and liability at year-end; in addition to the increased costs that have already been incurred.

(2) These costs are for the third party administrator. This budget is conservative and the City only expends what is needed.

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 50 WORKERS' COMPENSATION						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/08 PROPOSED
	<u>WORKERS' COMPENSATION</u>					
5420-4000	INSURANCE	71,827	75,830	81,000	81,000	85,050
5420-4300	CLAIMS	20,527	29,404	230,000	173,250	181,900
	MAINTENANCE & OPERATIONS	92,354	105,234	311,000	254,250	266,950
5420-3200	CONTRACT SERVICES	12,000	12,394	17,360	17,350	17,350
WORKERS' COMPENSATION		104,354	117,628	328,360	271,600	284,300

ENTERPRISE FUNDS

Enterprise funds account for operations that are financed and operated in a manner similar to private businesses. The intent is that the costs of providing the services are recovered through user fees.

The City has three enterprise funds that account for the activities of the Water, Sewer, and Clean Water programs. Clean Water was added in FY 2003/04 to account for the mandated costs of the City's National Pollution Discharge Elimination System (NPDES) permit. While the City owns a water utility system, raw water is purchased, treated and delivered by outside sources. Because the City does not have a sewage treatment facility, this service is provided by the City of San Diego via a contract.

In fiscal year 1998/99, the City Council appointed a task force consisting of residents and business operators to complete a comprehensive review of the water and sewer rates and rate structures. The Utility Task Force made recommendations for two-year rate changes, which were approved by the City Council and were implemented in November 1999. In June 2001, the information from the 1999 study was updated and the Council approved three-year rates for all customers. In the spring of 2004, with the assistance of consultants and the review and recommendation of the Utility Advisory Committee, the City Council adopted five-year utility rates beginning July 1, 2004. The FY 2008/09 proposed budget includes funds to perform another five-year rate study for implementation on July 1, 2009.

Because the City utility customer base is small (approximately 1800), there are few economies of scale. Through careful monitoring, operations and maintenance costs incurred at the City level have remained stable for the two-year budget period. Staff continues to be concerned about pass-through costs for the City's raw water purchases and the impact of delayed capital improvement projects proposed by the City of San Diego Metro Commission to modernize the sewage treatment facilities.

WATER FUND

PROGRAM: WATER RISK MANAGEMENT**ACCT # 51-5411**

This program covers the Water Fund portion (25%) of the liability and property insurance in addition to providing insurance coverage for the vehicles that are owned by the Water Fund. Also included is a reasonable level of funding for claims and claims administration costs.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	28,601	33,868	49,282	50,975	60,363 (1)
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$28,601	\$33,868	\$49,282	\$50,975	\$60,363
POSITIONS (FTE)	0	0	0	0	0

(1) The increase in FY 2008/09 is a conservative estimate for increases in insurance costs. This amount will be refined during next year's budget process.

PROGRAM: WATER ADMINISTRATION**ACCT # 51-5840**

The Department of Public Works and Finance share management of the Water Utility general and administrative functions. These functions include bi-monthly meter reading and billing to approximately 1,800 accounts. Utility workers read each meter within the system on a bi-monthly basis. The Finance Department maintains computer software that generates bi-monthly billings and maintains historical data on each account.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$199,473	\$224,866	\$230,087	\$190,078	\$199,450	(1)
Maintenance & Operations	197,743	201,645	233,290	218,046	224,651	(2)
Contractual Services	26,589	27,293	57,660	39,175	85,200	(3)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$423,805	\$453,804	\$521,037	\$447,299	\$509,301	
POSITIONS (FTE)	2.45	2.45	2.45	1.91	1.91	(1)

- (1) A portion of Planning is charged to this account for required environmental reviews. A portion of Finance is also included primarily for utility billing, payroll and accounting. A portion of Public Works administrative personnel costs was reallocated to the water collection budget to more accurately reflect the appropriate level of workload. The total number of FTE's in the Department has not changed.
- (2) The FY 2006/07 budget included the replacement of the utility billing handheld computers used in meter reading. The cost of these units is shared with the Sewer Fund. This category includes the administrative charge that reimburses the General Fund for administrative overhead. This fee is increased by a 3% inflationary factor each fiscal year.
- (3) This amount includes the Water Fund share (25%) of the cost of the financial audit, utility and accounting software maintenance, and underground alert charges. FY 2006/07 included the costs associated with the Prop 218 hearing to ratify the current five-year rate schedule. FY 2007/08 includes the Water Fund's share of the cost of a consultant to prepare a new cost allocation study. FY 2008/09 includes consultant fees to develop a new five-year rate schedule, including a Council-appointed utility advisory committee.

PROGRAM: WATER CONSERVATION**ACCT # 51-5843**

In previous years, the Water Conservation Program provided funding for the City's water conservation efforts primarily for the ultra low-flow toilet rebate program. This year's program focuses on high-efficiency clothes washers. This program is managed by Finance in conjunction with the San Diego County Water Authority.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	2,423	915	2,000	2,000	2,000 (1)
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$2,423	\$915	\$2,000	\$2,000	\$2,000
POSITIONS (FTE)	0	0	0	0	0

(1) Residents have, over the last five years, responded well to implementation of water conservation measures. This amount funds the vouchers provided by the Water Authority for installation of high-efficiency clothes washers.

PROGRAM: RAW WATER SUPPLY**ACCT # 51-5850**

Del Mar is a member of San Diego County Water Authority, which purchases its water from the Metropolitan Water District of Southern California. This program covers purchases of approximately 1,350 acre feet of raw water from these wholesalers. The fund also is a pass-through for the 150 acre feet of reclaimed water that is sold to the 22nd District Agricultural Association as provided by the San Elijo Joint Powers Authority. Because it is a pass-through, it is not reflected in budget figures.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	652,299	718,831	788,934	788,911	820,991 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$652,299	\$718,831	\$788,934	\$788,911	\$820,991
POSITIONS (FTE)	0	0	0	0	0

- (1) Del Mar's five-year water rate schedule (FY 2004/05 - FY 2008/09) was adopted based on projections from the two water authorities. The cost of raw water has been updated according to the San Diego County Water Authority's long-range financial plan to accommodate new supply from the Imperial Valley Irrigation District transfer, canal lining project, and desalination project.

PROGRAM: WATER TREATMENT/DELIVERY**ACCT # 51-5851**

Del Mar contracts with the City of San Diego for the treatment of the raw water we purchase from the San Diego County Water Authority and for the transportation of the treated water. The program also provides funding for Del Mar's share of pipeline capacity and Miramar Filtration Plant and Reservoir.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	186,948	148,557	172,206	191,119	264,627 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$186,948	\$148,557	\$172,206	\$191,119	\$264,627
POSITIONS (FTE)	0	0	0	0	0

(1) The increase reflects the cost of treatment and delivery per acre foot as provided by the City of San Diego. The budget reflects an increase of \$28.77 per acre foot in treated water cost for FY 2007/08. The FY 2008/09 budget includes cost expected from a recent plant upgrade at the Miramar Treatment Plant.

PROGRAM: WATER DISTRIBUTION**ACCT # 51-5852**

This program provides funding for the maintenance of the Water Distribution System. The water is periodically sampled and must meet all State and Federal requirements. The department ensures compliance by maintaining all water lines and reservoirs. Public Works also administers a meter replacement program, repairs water mains and service lines, and overhauls Cla-Vals (capacity and pressure regulating valves) at the City's reservoirs.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$168,374	\$180,380	\$212,186	\$243,940	\$251,508	(1)
Maintenance & Operations	33,651	38,576	47,955	50,171	51,676	
Contractual Services	16,577	15,597	20,317	21,600	22,248	
Debt Service	0	0	0	0	0	
Capital Outlay	8,130	5,716	5,750	5,750	5,750	(2)
GRAND TOTAL	\$226,732	\$240,269	\$286,208	\$321,461	\$331,182	(1)
POSITIONS (FTE)	2.50	2.50	2.50	3.04	3.04	

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated from the Water Administration budget to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) Replacement vehicles are included in fiscal years 2006/07, 2007/08 and 2008/09. Capital costs are shared with the General, Gas Tax, Clean Water, and Sewer Funds.

PROGRAM: WATER BOND DEBT**ACCT # 51-5900**

This program provides for debt service for a water revenue bond and Certificates of Participation issued for major water system improvements and upgrades.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	0	0	0	0	0
Debt Service	233,948	233,441	238,037	238,587	237,030 (1)
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$233,948	\$233,441	\$238,037	\$238,587	\$237,030
POSITIONS (FTE)	0	0	0	0	0

(1) The City sold \$2,500,000 of Certificates of Participation in September 1993 to fund construction and repair of water lines. As of July 1, 2007 the principal balance remaining is \$440,000. Repayment of the issue will be complete in September 2008.

CITY OF DEL MAR
1993 Water System Improvement Bonds
Debt Service Schedule

Date	Interest	Principal	Total Debt Service
9/1/2007	9,900	215,000	224,900
3/1/2008	5,063		5,063
9/1/2008	5,063	225,000	230,063
Total	\$ 20,025	\$ 440,000	\$ 460,025

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 51 WATER						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>RISK MANAGEMENT</u>					
5411-4000	INSURANCE	27,801	33,868	43,282	44,975	54,363
5411-4300	CLAIMS	800	-	5,000	5,000	5,000
5411-4400	CLAIMS ADMIN/LITIGATION	-	-	1,000	1,000	1,000
	MAINTENANCE & OPERATIONS	28,601	33,868	49,282	50,975	60,363
	RISK MANAGEMENT	28,601	33,868	49,282	50,975	60,363
	<u>PUBLIC WORKS GENERAL & ADMINISTRATION</u>					
5840-1000	SALARIES - PERMANENT	146,144	162,083	157,459	136,439	143,087
5840-1200	EMPLOYEE BENEFITS	44,768	55,073	57,036	48,498	51,054
5840-1205	WORKERS' COMPENSATION	8,180	7,186	13,280	4,041	4,209
5840-1400	OVERTIME	381	393	2,000	1,000	1,000
5840-1803	OUTSIDE CLERICAL	-	131	312	100	100
	EMPLOYEE SERVICES	199,473	224,866	230,087	190,078	199,450
5840-2100	EQUIP/RADIO MAINT & REPAIR	238	305	515	515	530
5840-2300	OPERATING SUPPLIES	3,233	4,386	6,180	6,180	6,365
5840-2320	POSTAGE	1,662	3,860	3,625	4,000	4,200
5840-2400	UNIFORMS	239	166	310	310	319
5840-2600	SMALL TOOLS & EQUIPMENT	-	-	15,509	-	-
5840-3000	ADVERTISING & PRINTING	2,361	1,866	4,878	4,878	5,024
5840-3300	UTILITIES	2,014	2,371	2,060	2,060	2,122
5840-3400	TELEPHONE	1,664	3,519	3,427	4,000	4,105
5840-3600	PROPERTY/EQUIPMENT RENTAL	1,671	1,631	1,745	1,745	1,797
5840-3700	MEMBERSHIPS & SUBSCRIPTIONS	520	540	412	700	721
5840-3800	MEETINGS & TRAVEL	325	489	1,300	600	618
5840-3801	TRAINING	266	623	2,060	600	618
5840-4200	ADMINISTRATIVE CHARGE	171,551	176,698	181,999	187,458	193,082
5840-4800	ASSESSMENTS	11,999	5,191	9,270	5,000	5,150
	MAINTENANCE & OPERATIONS	197,743	201,645	233,290	218,046	224,651
5840-3200	CONTRACTUAL SERVICES	26,589	27,293	57,660	39,175	85,200
	CONTRACTUAL SERVICES	26,589	27,293	57,660	39,175	85,200
	PUBLIC WORKS GENERAL & ADMIN	423,805	453,804	521,037	447,299	509,301
	<u>WATER CONSERVATION</u>					
5843-2300	OPERATING SUPPLIES	2,423	915	2,000	2,000	2,000
	MAINTENANCE & OPERATIONS	2,423	915	2,000	2,000	2,000
	WATER CONSERVATION	2,423	915	2,000	2,000	2,000
	<u>RAW WATER SUPPLY</u>					
5850-3200	CONTRACTUAL SERVICES	652,299	718,831	788,934	788,911	820,991
	CONTRACTUAL SERVICES	652,299	718,831	788,934	788,911	820,991
	RAW WATER SUPPLY	652,299	718,831	788,934	788,911	820,991

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 51 WATER						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
5851-3200	<u>WATER TREATMENT/DELIVERY</u>					
	CONTRACTUAL SERVICES	186,948	148,557	172,206	191,119	264,627
	WATER TREATMENT/DELIVERY	186,948	148,557	172,206	191,119	264,627
	<u>WATER DISTRIBUTION</u>					
5852-1000	SALARIES - PERMANENT	112,232	119,101	130,623	164,800	169,327
5852-1200	EMPLOYEE BENEFITS	35,218	44,727	50,116	64,003	66,945
5852-1205	WORKERS' COMPENSATION	19,403	14,809	21,992	13,137	13,236
5852-1400	OVERTIME	1,521	1,743	9,455	2,000	2,000
	<u>EMPLOYEE SERVICES</u>	168,374	180,380	212,186	243,940	251,508
5852-2000	BUILDING MAINT & REPAIR	1,436	1,221	1,000	1,000	1,030
5852-2010	SYSTEM MAINT & REPAIR	14,541	15,831	22,045	26,000	26,780
5852-2100	EQUIP/RADIO MAINT & REPAIR	19	399	500	500	515
5852-2131	VEHICLE MATERIALS & SUPPLIES	481	1,013	2,600	2,000	2,060
5852-2133	VEHICLE CONTRACTUAL SERVICES	1,257	4,413	4,045	4,000	4,120
5852-2300	OPERATING SUPPLIES	3,577	1,911	3,800	3,800	3,914
5852-2400	UNIFORMS	1,289	912	1,550	1,550	1,597
5852-2600	SMALL TOOLS & EQUIPMENT	1,274	1,293	2,494	1,400	1,442
5852-2800	GAS & OIL	4,989	8,528	4,980	4,980	5,129
5852-3300	UTILITIES	1,925	2,564	2,143	2,143	2,207
5852-3400	TELEPHONE	2,855	314	1,970	1,970	2,029
5852-3600	PROPERTY/EQUIPMENT RENTAL	-	-	368	368	379
5852-3800	MEETINGS & TRAVEL	8	177	460	460	474
	<u>MAINTENANCE & OPERATIONS</u>	33,651	38,576	47,955	50,171	51,676
5852-3200	CONTRACTUAL SERVICES	16,577	15,597	20,317	21,600	22,248
5852-5500	VEHICLES	8,130	5,716	5,750	5,750	5,750
	<u>CAPITAL OUTLAY</u>	8,130	5,716	5,750	5,750	5,750
	WATER DISTRIBUTION	226,732	240,269	286,208	321,461	331,182
	<u>DEBT SERVICE</u>					
5900-4500	DEBT INTEREST	42,309	33,412	24,982	15,374	5,308
5900-4600	DEBT PRINCIPAL	186,561	195,000	207,955	218,113	226,367
5900-4700	BOND SERVICE	5,078	5,029	5,100	5,100	5,355
	<u>DEBT SERVICE</u>	233,948	233,441	238,037	238,587	237,030

WATER CAPITAL PROJECTS

CITY OF DEL MAR
 FISCAL YEAR 2007/08 & 2008/09
 CAPITAL IMPROVEMENT PROGRAM
 WATER FUND

FUND: 51 WATER FUND				
PROJECT TITLE	FY08 TOTAL	Estimated Unexp. FY07 Funds ⁽¹⁾	New FY08 Funds	New FY09 Funds
ANNUAL CAPITAL PROGRAM				
ANNUAL WATER PROGRAM ⁽²⁾	\$45,000	\$0	\$45,000	\$50,000
WATER SYSTEM TELEMETRY	60,000	60,000	0	0
SUBTOTAL	105,000	60,000	45,000	50,000
MAJOR SYSTEM UPGRADES				
11th ST. RESERVOIR ROOF EVALUATION AND REPLACEMENT	1,000,000	0	1,000,000	0
ZUNI RESERVOIR ROOF EVALUATION AND REPLACEMENT	0	0	0	500,000
SUBTOTAL	1,000,000	0	1,000,000	500,000
Total	\$1,105,000	\$60,000	\$1,045,000	\$550,000

⁽¹⁾ Funds previously budgeted in FY 07 and projected to be unexpended as of June 30. Actual amounts remaining at fiscal year-end will be rebudgeted or encumbered on June 30.

⁽²⁾ ANNUAL WATER PROGRAM changes to include City Engineering (Water), Annual Water Maintenance, and Biennial Water System Improvements.

**WATER FUND 51
ANNUAL WATER PROGRAM**

6806-5900

PROJECT DESCRIPTION:

This annual program combines a series of annual maintenance projects and tasks including:

City Engineering Services - Consultation and technical support to the City Manager and Department Heads for water issues. For a more detailed description of the City Engineering Services, please refer to the description in the General Fund Section of the Capital Improvement Budget. (FY08 \$20,000, FY09 \$20,000)

Water System GIS Mapping - During FY07 and FY08, the mapping will be updated to reflect changes and corrections to the water system. (FY08 \$5,000, FY09 \$5,000)

Miscellaneous Water System Repairs - Repair miscellaneous unanticipated water system failures. (FY08 \$20,000, FY09 \$20,000)

Reservoir Inspections – Complete an inspection of Crest & Torrey Pines Reservoir as a part of a regular Reservoir Inspection Program. (FY09 \$5,000)

Biennial Water System Improvements – The City’s water system is in generally good condition and the focus in the next three years will be on the replacement of the reservoir roofs. Unless problems arise no other major system improvements will be completed.

FUNDING SOURCE	FY08	FY09
FY 07 RE-BUDGET	\$0	\$0
WATER FUND	<u>45,000</u>	<u>50,000</u>
TOTAL	\$45,000	\$50,000

WATER CIP FUND 51
WATER SYSTEM TELEMETRY

6816-5900

PROJECT DESCRIPTION:

The City utilizes a telemetry system to provide remote monitoring and alarms for many of the critical components of the water and sewer systems. The telemetry system allows the Public Works Department staff to keep up-to-the minute status of the operation of the water and wastewater systems as well as to record and document historical operating data. The telemetry system results in considerable cost savings to the City by substantially reducing the number of frequently-required field monitoring trips by the Public Works staff. The information provided by the telemetry system also greatly enhances the operational reliability of the water and wastewater systems and facilitates proactive maintenance.

In FY07, staff continued improvements to the system including upgrades to the City's seismic monitoring system on two of its existing reservoirs. This will improve reliability, and provide real time visibility to the status of key facilities. FY08 budget will address ongoing operational issues and serve as available funding to address unforeseen issues that may arise.

FUNDING SOURCE	FY08	FY09
FY07 REBUDGET	\$60,000	\$0
WATER FUND	<u>0</u>	<u>0</u>
TOTAL	\$60,000	\$0

WATER CIP FUND 51**11TH STREET AND ZUNI RESERVOIRS****6841-5900****ROOF EVALUATION AND REPLACEMENT****6842-5900**

PROJECT DESCRIPTION:

This budget item is to initiate the process of replacing the roofs on both the Zuni and 11th Street Reservoirs, to include evaluation of the existing structures, DRB processing, and the design and construction of prefabricated aluminum dome roofs on both reservoirs. Both reservoirs currently have wood roofs on concrete tanks, which have been seismically retrofit. Repairs to the roof at the 11th Street Reservoir were constructed in 2001 and 2002; however, the condition of both roofs has continued to deteriorate. Piping modifications may also be required at the Zuni Reservoir, subject to further investigation.

This project will utilize Water CIP Reserve funds.

FUNDING SOURCE	FY08	FY09
WATER FUND	\$1,000,000	\$500,000

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 51 WATER						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6806-5900	BI-ANNUAL WATER IMPROVEMENTS	56,325	142,095	566,407	-	-
6808-5900	BI-ANNUAL WATER IMPROVEMENTS	-	-	-	45,000	-
6809-5900	BI-ANNUAL WATER IMPROVEMENTS	-	-	-	-	50,000
6816-5900	TELEMETRY SYSTEM	26,371	11,139	61,826	-	-
6836-5900	ANNUAL MAINTENANCE	20,613	-	-	-	-
6837-5900	TELEMETRY SYSTEM	-	-	-	-	-
6841-5900	11TH ST RESERVOIR ROOF EVAL/REPLACE	-	-	-	1,000,000	-
6842-5900	ZUNI RESERVOIR ROOF EVAL/REPLACE	-	-	-	-	500,000
6845-5900	RESERVOIR SEISMIC CONTROL	-	-	-	-	-
6846-5900	WILDFIRE PROTECTION	419	-	-	-	-
6847-5900	CONNECTION SANTA FE IRRIGATION	-	-	-	-	-
6848-5900	ZUNI & 11TH STREET BUILDING RENOVATION	8,469	108,351	291,990	-	-
6849-5900	DEMOLITION FACILITIES	22,434	-	-	-	-
6850-5900	REMODEL PUBLIC WORKS	16,888	14,958	-	-	-
	CAPITAL IMPROVEMENT PROJECTS	151,519	276,543	920,223	1,045,000	550,000

WATER CAPITAL PROJECTS FIVE YEAR PLAN

**CITY OF DEL MAR
FISCAL YEARS 2007/08 & 2008/09
CAPITAL IMPROVEMENT PROGRAM
FIVE YEAR PLAN
WATER FUND**

FUND: 51 WATER FUND		
PROJECT TITLE	Current Budget Years	
	2007/08	2008/09
ANNUAL CAPITAL PROGRAM		
ANNUAL WATER PROGRAM ⁽¹⁾	\$45,000	\$50,000
WATER SYSTEM TELEMETRY ⁽²⁾	60,000	0
SUBTOTAL	105,000	50,000
MAJOR SYSTEM UPGRADES		
11TH ST. RESERVOIR ROOF EVALUATION AND REPLACEMENT ⁽³⁾	1,000,000	0
ZUNI RESERVIOR ROOF EVALUATION AND REPLACEMENT ⁽⁴⁾	0	500,000
SUBTOTAL	1,000,000	500,000
TOTAL	\$1,105,000	\$550,000

Timing of major system upgrades will be further evaluated to minimize impact on rates.

The following are brief project descriptions:

(1) Annual Water Program:

This project combines a series of annual projects, including:

City Engineering Services:

Water System GIS Mapping:

Miscellaneous Water System Repairs:

Biennial Water System Improvements:

(2) Water System Telemetry:

Continue to address telemetry needs.

Future Budget Years (Inflated at 5% per year)			5 Year Total
2009/10	2010/11	2011/12	
\$45,000	\$100,000	\$395,000	\$635,000
0	25,000	5,000	90,000
45,000	125,000	400,000	725,000
0	0	0	1,000,000
0	0	0	500,000
0	0	0	1,500,000
\$45,000	\$125,000	\$400,000	\$2,225,000

(3) 11th Street Reservoir Roof Evaluation and Replacement:

Evaluate existing roof and design and construct new roof at 11th St. Reservoir.

(4) Zuni Reservoir Roof Evaluation and Replacement:

Replace the roof at Zuni Reservoir. DRB processing to be done concurrently with the 11th Street Reservoir Roof.

CLEAN WATER FUND

PROGRAM: CLEAN WATER ENGINEERING**ACCT # 55-5220**

This program ensures permit compliance with San Diego Regional Water Quality Board. Engineering contractual services include costs for water quality testing, development and distribution of educational materials, fees to agencies, and actual engineering services which are primarily provided through a contract with PBS&J, the City's Engineering firm.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	173,230	179,857	191,389	337,000	311,000 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$173,230	\$179,857	\$191,389	\$337,000	\$311,000
POSITIONS (FTE)	0	0	0	0	0

(1) Please refer to the budget issue paper on the Clean Water Program for a thorough explanation of the cost increases in this program.

PROGRAM: CLEAN WATER PLANNING**ACCT # 55-5530**

The Planning Department assists in the active enforcement of the Clean Water regulations as per Order 2001-01 for project and plan review, permitting, construction monitoring, and best management practices.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$21,977	\$19,268	\$22,403	\$32,688	\$34,428	(1)
Maintenance & Operations	0	341	1,300	0	0	
Contractual Services	0	0	0	0	0	
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$21,977	\$19,609	\$23,703	\$32,688	\$34,428	
POSITIONS (FTE)	0.25	0.25	0.25	0.28	0.28	(1)

(1) For purposes of project review and permitting and construction monitoring, 8% of the Planning Director's time and 4% of the time for five planning staff are charged to this program for the Jurisdictional Urban Runoff Management Plan (JURMP), the Watershed Urban Runoff Management Plan (WURMP), and Annual Report review and modifications.

PROGRAM: CLEAN WATER CODE ENFORCEMENT **ACCT # 55-5536**

Active code enforcement is required as part of the Clean Water regulations per Order 2001-01.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$22,918	\$21,129	\$22,670	\$23,953	\$24,553	(1)
Maintenance & Operations	184	74	478	0	0	
Contractual Services	85	0	300	0	0	
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$23,187	\$21,203	\$23,448	\$23,953	\$24,553	
POSITIONS (FTE)	0.25	0.25	0.25	0.25	0.25	(1)

(1) 25% of the City's full-time code enforcement officer and 40% of the part-time code enforcement clerk are charged to this program to comply with the Clean Water regulations through active code enforcement.

PROGRAM: CLEAN WATER PUBLIC WORKS**ACCT # 55-5840**

Provides administration and general support for all Clean Water programs for property and facilities. Also provides for supervision of maintenance staff as it relates to the program and administers the associated contracts.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$11,231	\$9,720	\$10,483	\$10,487	\$11,103
Maintenance & Operations	544	788	857	817	843
Contractual Services	693	107	3,462	1,600	1,648 (1)
Debt Service	0	0	0	0	0
Capital Outlay	232	163	175	175	180
GRAND TOTAL	\$12,700	\$10,778	\$14,977	\$13,079	\$13,774
POSITIONS (FTE)	0.10	0.10	0.10	0.10	0.10

(1) FY 2006/07 included the installation of fossil fuel filters in several storm drain inlets. FY 2007/08 and FY 2008/09 includes the contract replacement of these filters.

PROGRAM: CLEAN WATER FLOOD CONTROL**ACCT # 55-5841**

This program provides necessary monitoring, water quality testing, and labor associated with the Clean Water (National Pollutant Discharge Elimination System) program requirements when the Flood Control Pumps are operated.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$3,397	\$3,498	\$3,935	\$3,868	\$3,972
Maintenance & Operations	328	24	706	740	762
Contractual Services	411	472	420	450	464
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$4,136	\$3,994	\$5,061	\$5,058	\$5,198
POSITIONS (FTE)	0.05	0.05	0.05	0.05	0.05

PROGRAM: CLEAN WATER STREET MAINTENANCE**ACCT # 55-5845**

This program provides for a portion of the sidewalk and street cleaning including street sweeping and storm drain maintenance within the City limits of Del Mar. Special activities include testing, recording contents and recovering all deposited materials that otherwise would discharge to the beach, river, or lagoon.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$55,947	\$57,632	\$64,082	\$63,210	\$65,184
Maintenance & Operations	14,552	15,743	18,339	17,570	18,098
Contractual Services	4,749	8,867	9,018	9,018	9,289
Debt Service	0	0	0	0	0
Capital Outlay	3,133	2,041	2,035	2,035	2,035
GRAND TOTAL	\$78,381	\$84,283	\$93,474	\$91,833	\$94,606
POSITIONS (FTE)	0.80	0.80	0.80	0.80	0.80

PROGRAM: CLEAN WATER LANDSCAPING**ACCT # 55-5847**

This program provides for landscape supervision, documentation and controls for the Clean Water aspects of the street landscaping for the City of Del Mar's street medians, islands, street ends and other street related areas. The program also provides for improved litter control, pesticide and fertilization monitoring and reporting for the National Pollutant Discharge Elimination System (NPDES) permit requirements.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$7,083	\$7,198	\$7,871	\$7,735	\$7,943
Maintenance & Operations	3,143	2,976	3,408	3,641	3,750
Contractual Services	8,912	5,219	6,867	6,867	7,073
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$19,138	\$15,393	\$18,146	\$18,243	\$18,766
POSITIONS (FTE)	0.10	0.10	0.10	0.10	0.10

PROGRAM: CLEAN WATER PARK MAINTENANCE**ACCT # 55-5848**

This program provides for park maintenance supervision, documentation and controls for the Clean Water aspects of the landscaping for Del Mar's parks, open spaces, building landscaping, and other street related areas. Also provides for improved litter control, pesticide and fertilization monitoring and reporting for the National Pollutant Discharge Elimination System (NPDES) permit requirements.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$1,369	\$1,394	\$1,614	\$1,585	\$1,627
Maintenance & Operations	2,498	2,132	3,094	3,094	3,187
Contractual Services	4,782	4,912	5,223	5,223	5,380
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$8,649	\$8,438	\$9,931	\$9,902	\$10,194
POSITIONS (FTE)	0.02	0.02	0.02	0.02	0.02

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 55 CLEAN WATER PROGRAM						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	ENGINEERING					
5220-3200	CONTRACTUAL SERVICES	28,317	31,082	51,025	70,000	80,000
5220-3210	CITY ENGINEER	144,913	148,775	140,364	267,000	231,000
	CONTRACT SERVICES	173,230	179,857	191,389	337,000	311,000
	ENGINEERING	173,230	179,857	191,389	337,000	311,000
	PLANNING					
5530-1000	SALARIES - PERMANENT	16,466	14,354	16,265	23,895	25,179
5530-1200	EMPLOYEE BENEFITS	4,757	4,470	5,407	7,969	8,398
5530-1205	WORKERS' COMPENSATION	754	444	731	824	851
	EMPLOYEE SERVICES	21,977	19,268	22,403	32,688	34,428
5530-2300	OPERATING SUPPLIES	-	341	400	-	-
5530-3700	MEMBERSHIPS & SUBSCRIPTIONS	-	-	200	-	-
5530-3800	MEETINGS & TRAVEL	-	-	500	-	-
5530-3801	TRAINING & EDUCATION	-	-	200	-	-
	MAINTENANCE & OPERATIONS	-	341	1,300	-	-
	PLANNING	21,977	19,609	23,703	32,688	34,428
	CODE ENFORCEMENT					
5536-1000	SALARIES - PERMANENT	13,330	13,862	14,084	14,507	14,870
5536-1200	EMPLOYEE BENEFITS	4,641	5,118	5,561	5,781	6,015
5536-1205	WORKERS' COMPENSATION	752	560	825	1,425	1,428
5536-1310	PART TIME PLANNING	4,122	1,467	2,200	2,240	2,240
5536-1400	OVERTIME	73	122	-	-	-
	EMPLOYEE SERVICES	22,918	21,129	22,670	23,953	24,553
5536-2131	VEHICLE MAINTENANCE	-	-	128	-	-
5536-2800	GAS & OIL	129	74	150	-	-
5536-3801	TRAINING & EDUCATION	55	-	200	-	-
	MAINTENANCE & OPERATIONS	184	74	478	-	-
5536-3200	CONTRACTUAL SERVICES	85	-	300	-	-
	CODE ENFORCEMENT	23,187	21,203	23,448	23,953	24,553

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 55 CLEAN WATER PROGRAM						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	PUBLIC WORKS					
5840-1000	SALARIES - PERMANENT	8,790	6,986	7,105	7,558	8,006
5840-1200	EMPLOYEE BENEFITS	1,973	2,294	2,477	2,631	2,785
5840-1205	WORKERS' COMPENSATION	468	440	891	288	302
5840-1400	OVERTIME	-	-	10	10	10
	EMPLOYEE SERVICES	11,231	9,720	10,483	10,487	11,103
5840-2000	BUILDING MAINT & REPAIR	41	77	67	67	69
5840-2100	EQUIP/RADIO MAINT & REPAIR	7	12	10	10	10
5840-2131	VEHICLE MAINTENANCE	14	29	32	45	46
5840-2133	VEHICLE CONTRACTUAL SERVICES	36	126	100	100	103
5840-2300	OPERATING SUPPLIES	105	119	135	135	139
5840-2400	UNIFORMS	12	7	15	15	15
5840-2600	SMALL TOOLS & EQUIPMENT	37	26	117	40	41
5840-2800	GAS & OIL	143	197	165	165	170
5840-3000	ADVERTISING & PRINTING	-	-	6	6	6
5840-3300	UTILITIES	69	79	67	67	69
5840-3400	TELEPHONE	49	54	56	80	85
5840-3600	PROPERTY/EQUIPMENT RENTAL	17	15	23	23	24
5840-3700	MEMBERSHIPS & SUBSCRIPTIONS	6	7	7	7	7
5840-3800	MEETINGS & TRAVEL	4	32	40	40	41
5840-3801	TRAINING & EDUCATION	4	8	17	17	18
	MAINTENANCE & OPERATIONS	544	788	857	817	843
5840-3200	CONTRACTUAL SERVICES	693	107	3,462	1,600	1,648
5840-5500	VEHICLES	232	163	175	175	180
	CAPITAL OUTLAY	232	163	175	175	180
	PUBLIC WORKS	12,700	10,778	14,977	13,079	13,774
	FLOOD CONTROL & DRAINAGE					
5841-1000	SALARIES - PERMANENT	2,264	2,338	2,413	2,481	2,539
5841-1200	EMPLOYEE BENEFITS	747	872	957	998	1,044
5841-1205	WORKERS' COMPENSATION	386	286	403	227	227
5841-1400	OVERTIME	-	2	162	162	162
	EMPLOYEE SERVICES	3,397	3,498	3,935	3,868	3,972
5841-2300	OPERATING SUPPLIES	306	1	682	700	721
5841-2400	UNIFORMS	22	23	24	40	41
	MAINTENANCE & OPERATIONS	328	24	706	740	762
5841-3200	CONTRACTUAL SERVICES	411	472	420	450	464
	FLOOD CONTROL & DRAINAGE	4,136	3,994	5,061	5,058	5,198

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 55 CLEAN WATER PROGRAM						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	STREET MAINTENANCE					
5845-1000	SALARIES - PERMANENT	37,148	38,670	39,699	41,006	42,173
5845-1200	EMPLOYEE BENEFIT	12,411	14,208	15,584	16,282	17,060
5845-1205	WORKERS' COMPENSATION	6,388	4,754	6,612	3,735	3,764
5845-1400	OVERTIME	-	-	2,187	2,187	2,187
	EMPLOYEE SERVICES	55,947	57,632	64,082	63,210	65,184
5845-2000	BUILDING MAINT & REPAIR	684	412	725	725	747
5845-2100	EQUIP/RADIO MAINT & REPAIR	92	144	200	200	206
5845-2131	VEHICLE MATERIALS & SUPPLIES	3,317	3,279	4,635	4,635	4,774
5845-2133	VEHICLE CONTRACTUAL SERVICES	2,171	2,510	2,400	2,400	2,472
5845-2300	OPERATING SUPPLIES	2,820	2,592	2,020	2,200	2,266
5845-2400	UNIFORMS	194	336	630	630	649
5845-2600	SMALL TOOLS & EQUIPMENT	456	394	1,699	750	773
5845-2800	GAS & OIL	3,360	4,513	3,500	3,500	3,605
5845-3000	ADVERTISING & PRINTING	-	-	110	110	113
5845-3300	UTILITIES	719	847	1,200	1,200	1,236
5845-3400	TELEPHONE	544	451	700	700	721
5845-3700	MEMBERSHIPS/SUBSCRIPTIONS	108	78	70	70	72
5845-3800	MEETINGS/TRAVEL	50	97	300	300	309
5845-3801	TRAINING	37	90	150	150	155
	MAINTENANCE & OPERATIONS	14,552	15,743	18,339	17,570	18,098
5845-3200	CONTRACTUAL SERVICES	4,749	8,867	9,018	9,018	9,289
5845-5500	VEHICLES	3,133	2,041	2,035	2,035	2,035
	CAPITAL OUTLAY	3,133	2,041	2,035	2,035	2,035
	STREET MAINTENANCE	78,381	84,283	93,474	91,833	94,606
	STREET LANDSCAPING					
5847-1000	SALARIES - PERMANENT	4,697	4,809	4,826	4,962	5,078
5847-1200	EMPLOYEE BENEFIT	1,561	1,795	1,915	1,996	2,087
5847-1205	WORKERS' COMPENSATION	806	587	806	453	454
5847-1400	OVERTIME	19	7	324	324	324
	EMPLOYEE SERVICES	7,083	7,198	7,871	7,735	7,943
5847-2100	EQUIP MAINT & REPAIR	-	-	22	22	23
5847-2200	GENERAL MAINT & REPAIR	9	-	114	114	117
5847-2300	OPERATING SUPPLIES	157	20	114	114	117
5847-2400	UNIFORMS	48	40	50	70	72
5847-2600	SMALL TOOLS & EQUIPMENT	-	-	33	33	34
5847-3300	UTILITIES	2,929	2,916	2,987	3,200	3,296
5847-3600	PROPERTY/EQUIPMENT RENTAL	-	-	88	88	91
	MAINTENANCE & OPERATIONS	3,143	2,976	3,408	3,641	3,750
5847-3200	CONTRACTUAL SERVICES	8,912	5,219	6,867	6,867	7,073
	STREET LANDSCAPING	19,138	15,393	18,146	18,243	18,766

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 55 CLEAN WATER PROGRAM						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	PARK MAINTENANCE					
5848-1000	SALARIES - PERMANENT	905	935	965	992	1,016
5848-1200	EMPLOYEE BENEFITS	298	343	384	400	418
5848-1205	WORKERS' COMPENSATION	156	115	165	93	93
5848-1400	OVERTIME	10	1	100	100	100
	EMPLOYEE SERVICES	1,369	1,394	1,614	1,585	1,627
5848-2200	GENERAL MAINT & REPAIR	261	195	340	340	350
5848-2300	OPERATING SUPPLIES	86	192	159	159	164
5848-2400	UNIFORMS	23	9	52	52	54
5848-3300	UTILITIES	2,128	1,736	2,543	2,543	2,619
	MAINTENANCE & OPERATIONS	2,498	2,132	3,094	3,094	3,187
5848-3200	CONTRACTUAL SERVICES	4,782	4,912	5,223	5,223	5,380
	PARK MAINTENANCE	8,649	8,438	9,931	9,902	10,194
TOTAL CLEAN WATER FUND		341,398	343,555	380,129	531,756	512,519

SEWER FUND

PROGRAM: SEWER RISK MANAGEMENT**ACCT # 57-5411**

This program covers the Sewer Fund portion (25%) of the liability and property insurance in addition to providing insurance coverage for the vehicles that are owned by the Sewer Fund. Also included is a reasonable level of funding for claims and claims administration costs.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	29,936	54,562	49,282	50,975	60,363 (1)
Contractual Services	0	0	0	0	0
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$29,936	\$54,562	\$49,282	\$50,975	\$60,363
POSITIONS (FTE)	0	0	0	0	0

(1) The increase in FY 2008/09 is a conservative estimate for increases in insurance costs. This amount will be refined during next year's budget process.

PROGRAM: SEWER ADMINISTRATION **ACCT # 57-5840**

The Public Works Department and Finance share management of the sewer utility general and administrative functions. These functions include new accounts, change in ownership, billing and management.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$175,287	\$202,595	\$207,124	\$164,646	\$172,781 (1)
Maintenance & Operations	185,401	193,275	220,791	213,360	219,747 (2)
Contractual Services	42,417	27,392	58,973	37,175	80,140 (3)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$403,105	\$423,262	\$486,888	\$415,181	\$472,668
POSITIONS (FTE)	2.14	2.14	2.14	1.62	1.62

- (1) A portion of Planning is charged to this account for required environmental reviews. A portion of Finance is also included primarily for utility billing, payroll and accounting. A portion of Public Works administrative personnel costs was reallocated to other sewer budgets to more accurately reflect the appropriate level of workload. The total number of FTE's in the Department has not changed.
- (2) The FY 2006/07 budget included the replacement of the utility billing handheld computers used in meter reading. The cost of these ITRON handhelds is shared with the Water fund. This category includes the administrative charge that reimburses the General Fund for administrative overhead. This fee is increased by a 3% inflationary factor each fiscal year.
- (3) This amount includes the Sewer Fund's share (25%) of the cost of the financial audit, utility and accounting software maintenance, and underground alert charges. FY 2006/07 included the costs associated with the Prop 218 hearing to ratify the current five-year rate schedule. FY 2007/08 also includes the Sewer Fund's share of the cost of a consultant to prepare a new cost allocation study. FY 2008/09 includes consultant fees to develop a new five-year rate schedule, including a Council-appointed utility advisory committee.

PROGRAM: SEWER TRANSPORTATION/TREATMENT**ACCT # 57-5857**

This program provides funding for the transportation, treatment and disposal of sewage collected within the City of Del Mar sewer system. These are contract costs assessed to Del Mar by the City of San Diego for sewage transportation outside the City limits and disposed through their sewer treatment plants.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	800,518	756,951	878,535	941,965	953,613 (1)
Debt Service	0	0	0	0	0
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$800,518	\$756,951	\$878,535	\$941,965	\$953,613
POSITIONS (FTE)	0	0	0	0	0

- (1) The City contracts with the City of San Diego for transportation and treatment of raw sewage. Anticipated in FY 2007/08 and FY 2008/09 are capital improvement project charges for San Diego's Pump Station #65.

PROGRAM: SEWER PUMPING**ACCT # 57-5856**

This program provides funding for the pumping of sewage collected within the City of Del Mar sewer system. Responsibilities include maintaining the City's three lift stations to ensure adequate flow of sewage out of the City for treatment and disposal by the City of San Diego.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$56,245	\$55,771	\$63,650	\$79,457	\$82,027	(1)
Maintenance & Operations	102,957	58,468	79,386	79,386	81,769	
Contractual Services	18,498	9,225	11,946	11,946	12,304	(2)
Debt Service	0	0	0	0	0	
Capital Outlay	0	0	0	0	0	
GRAND TOTAL	\$177,700	\$123,464	\$154,982	\$170,789	\$176,100	
POSITIONS (FTE)	0.60	0.60	0.60	0.85	0.85	(1)

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated from the Sewer Administration budget to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) Contract services provide for pump station maintenance such as electrical repairs, welding, machine shop assistance and other repairs beyond in-house capabilities.

PROGRAM: SEWER COLLECTION**ACCT # 57-5855**

This program provides funding for the City of Del Mar's Sewer Utility Collection System. Public Works maintains the collection system by monitoring for leaks and blockages in sewer mains, in addition to conducting a preventive maintenance sewer rodding and flushing program.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09	
Employee Services	\$89,973	\$120,291	\$144,580	\$156,582	\$161,464	(1)
Maintenance & Operations	16,862	29,947	26,116	28,136	28,981	
Contractual Services	5,019	2,803	4,805	4,805	4,949	
Debt Service	0	0	0	0	0	
Capital Outlay	49,872	4,899	5,000	5,000	5,150	(2)
GRAND TOTAL	\$161,726	\$157,940	\$180,501	\$194,523	\$200,544	
POSITIONS (FTE)	1.75	1.75	1.75	2.03	2.03	(1)

(1) In FY 2007/08, a portion of Public Works personnel costs was reallocated from the Sewer Administration budget to reflect the appropriate level of activity and workload of each program. The total number of FTE's in the Department has not changed.

(2) Replacement vehicles are included in fiscal years 2006/07, 2007/08 and 2008/09. Capital costs are shared with the General, Gas Tax, Clean Water, and Water Funds.

PROGRAM: SEWER BOND DEBT**ACCT # 57-5900**

This program funds debt service for Certificates of Participation issued for wastewater line construction and repair.

	ACTUAL 2004/05	ACTUAL 2005/06	AMENDED 2006/07	ADOPTED 2007/08	PROPOSED 2008/09
Employee Services	\$0	\$0	\$0	\$0	\$0
Maintenance & Operations	0	0	0	0	0
Contractual Services	0	0	0	0	0
Debt Service	451,745	447,039	452,249	453,124	451,592 (1)
Capital Outlay	0	0	0	0	0
GRAND TOTAL	\$451,745	\$447,039	\$452,249	\$453,124	\$451,592
POSITIONS (FTE)	0	0	0	0	0

(1) The City issued \$6,000,000 of Certificates of Participation in September 1993, to fund construction and repair of wastewater lines. Repayment of the issue will be completed in September 2015. The principal balance at July 1, 2007 is \$3,235,000.

CITY OF DEL MAR
1993 Sewer System Improvement Bonds
Debt Service Schedule

Date	Interest	Principal	Total Debt Service
9/1/2007	80,875	290,000	370,875
3/1/2008	73,625		73,625
9/1/2008	73,625	305,000	378,625
3/1/2009	66,000		66,000
9/1/2009	66,000	320,000	386,000
3/1/2010	58,000		58,000
9/1/2010	58,000	340,000	398,000
3/1/2011	49,500		49,500
9/1/2011	49,500	355,000	404,500
3/1/2012	40,625		40,625
9/1/2012	40,625	375,000	415,625
3/1/2013	31,250		31,250
9/1/2013	31,250	395,000	426,250
3/1/2014	21,375		21,375
9/1/2014	21,375	415,000	436,375
3/1/2015	11,000		11,000
9/1/2015	11,000	440,000	451,000
Total	\$ 783,625	\$ 3,235,000	\$ 4,018,625

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 57 SEWER FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>RISK MANAGEMENT</u>					
5411-4000	INSURANCE	27,801	33,868	43,282	44,975	54,363
5411-4300	CLAIMS	800	13,632	5,000	5,000	5,000
5411-4400	CLAIMS ADMIN./LITIGATION	1,335	7,062	1,000	1,000	1,000
	MAINTENANCE & OPERATIONS	29,936	54,562	49,282	50,975	60,363
	RISK MANAGEMENT	29,936	54,562	49,282	50,975	60,363
	<u>PUBLIC WORKS ADMINISTRATION</u>					
5840-1000	SALARIES - PERMANENT	127,905	146,404	143,242	119,056	124,873
5840-1200	EMPLOYEE BENEFITS	39,492	49,168	50,942	41,766	43,954
5840-1205	WORKERS' COMPENSATION	7,437	6,615	12,330	3,214	3,344
5840-1400	OVERTIME	453	393	500	500	500
5840-1803	OUTSIDE CLERICAL	-	15	110	110	110
	EMPLOYEE SERVICES	175,287	202,595	207,124	164,646	172,781
5840-2100	EQUIP/RADIO MAINT & REPAIR	204	262	210	210	216
5840-2300	OPERATING SUPPLIES	3,504	4,052	3,605	3,605	3,713
5840-2320	POSTAGE	1,644	2,844	4,559	4,600	4,738
5840-2400	UNIFORMS	204	109	210	210	216
5840-2600	SMALL TOOLS & EQUIPMENT	-	-	15,289	-	-
5840-3000	ADVERTISING & PRINTING	957	1,232	4,625	4,625	4,764
5840-3300	UTILITIES	1,726	2,032	2,000	2,000	2,060
5840-3400	TELEPHONE	1,440	1,907	1,564	2,065	2,110
5840-3600	PROPERTY/EQUIPMENT RENTAL	1,671	1,631	2,005	2,005	2,065
5840-3700	MEMBERSHIPS	298	217	250	250	258
5840-3800	MEETINGS & TRAVEL	187	540	1,075	1,075	1,107
5840-3801	TRAINING	117	251	750	1,500	1,545
5840-4200	ADMINISTRATIVE CHARGE	168,000	173,040	178,849	184,215	189,745
5840-4800	ASSESSMENTS	5,449	5,158	5,800	7,000	7,210
	MAINTENANCE & OPERATIONS	185,401	193,275	220,791	213,360	219,747
5840-3200	CONTRACTUAL SERVICES	42,417	27,392	37,146	37,175	80,140
	CONTRACTUAL SERVICES	42,417	27,392	58,973	37,175	80,140
	PUBLIC WORKS ADMIN	403,105	423,262	486,888	415,181	472,668

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 57 SEWER FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>SEWER COLLECTION</u>					
5855-1000	SALARIES - PERMANENT	57,247	79,085	90,966	104,108	106,976
5855-1200	EMPLOYEE BENEFITS	20,311	30,107	33,706	41,374	43,325
5855-1205	WORKERS' COMPENSATION	10,114	9,812	14,245	8,600	8,663
5855-1400	OVERTIME	2,301	1,287	5,663	2,500	2,500
	EMPLOYEE SERVICES	89,973	120,291	144,580	156,582	161,464
5855-2000	BUILDING MAINT & REPAIR	802	989	1,060	1,060	1,092
5855-2010	SYSTEM MAINT & REPAIR	48	-	2,122	2,122	2,186
5855-2100	EQUIP/RADIO MAINT & REPAIR	16	87	2,260	1,000	1,030
5855-2131	VEHICLE MATERIALS & SUPPLIES	796	3,493	3,866	4,800	4,944
5855-2133	VEHICLE CONTRACTUAL SERVICES	1,261	4,532	3,550	3,500	3,605
5855-2300	OPERATING SUPPLIES	7,148	12,847	4,295	4,295	4,424
5855-2400	UNIFORMS	1,223	665	1,030	1,200	1,236
5855-2600	SMALL TOOLS & EQUIPMENT	823	886	2,527	4,753	4,896
5855-2800	GAS & OIL	4,714	6,330	4,613	4,613	4,751
5855-3600	PROPERTY/EQUIPMENT RENTAL	-	-	325	325	335
5855-3800	MEETINGS & TRAVEL	31	118	468	468	482
	MAINTENANCE & OPERATIONS	16,862	29,947	26,116	28,136	28,981
5855-3200	CONTRACTUAL SERVICES	5,019	2,803	4,805	4,805	4,949
5855-5300	MACHINERY & EQUIPMENT	42,933	-	-	-	-
5855-5500	VEHICLES	6,939	4,899	5,000	5,000	5,150
	CAPITAL OUTLAY	49,872	4,899	5,000	5,000	5,150
	SEWER COLLECTION	161,726	157,940	180,501	194,523	200,544
	<u>SEWER PUMPING</u>					
5856-1000	SALARIES - PERMANENT	35,784	35,492	40,003	51,550	53,190
5856-1200	EMPLOYEE BENEFITS	10,326	12,147	13,007	19,228	20,113
5856-1205	WORKERS' COMPENSATION	6,607	4,725	6,240	4,279	4,324
5856-1400	OVERTIME	3,528	3,407	4,400	4,400	4,400
	EMPLOYEE BENEFITS	56,245	55,771	63,650	79,457	82,027
5856-2010	SYSTEM MAINT & REPAIR	43,904	6,369	5,887	5,887	6,064
5856-2100	EQUIP/RADIO MAINT & REPAIR	-	303	-	-	-
5856-2300	OPERATING SUPPLIES	3,500	94	3,651	3,651	3,761
5856-2400	UNIFORMS	520	207	595	595	613
5856-2600	SMALL TOOLS & EQUIPMENT	273	-	352	352	363
5856-3300	UTILITIES	50,575	47,739	64,942	64,942	66,890
5856-3400	TELEPHONE	4,185	3,756	3,959	3,959	4,078
	MAINTENANCE & OPERATIONS	102,957	58,468	79,386	79,386	81,769
5856-3200	CONTRACTUAL SERVICES	18,498	9,225	11,946	11,946	12,304
	SEWER PUMPING	177,700	123,464	154,982	170,789	176,100
	<u>SEWER TRANSPORTATION/TREATMENT</u>					
5857-3215	METRO COSTS	678,327	618,726	661,854	725,284	736,932
5857-3217	TRANSPORTATION	122,191	138,225	216,681	216,681	216,681
	CONTRACTUAL SERVICES	800,518	756,951	878,535	941,965	953,613
	SEWER TRANSPORTATION	800,518	756,951	878,535	941,965	953,613

CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL

FUND: 57 SEWER FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>DEBT SERVICE</u>					
5900-4500	DEBT INTEREST	195,097	182,000	169,194	154,911	139,870
5900-4600	DEBT PRINCIPAL	251,561	260,000	277,955	293,113	306,367
5900-4700	BOND SERVICE	5,087	5,039	5,100	5,100	5,355
	DEBT SERVICE	451,745	447,039	452,249	453,124	451,592

SEWER CAPITAL PROJECTS

**CITY OF DEL MAR
FISCAL YEAR 2007/08 & 2008/09
CAPITAL IMPROVEMENT PROGRAM
SEWER FUND**

FUND: 57 SEWER FUND				
PROJECT TITLE	FY08 TOTAL	Estimated Unexp. FY07 Funds ⁽¹⁾	New FY08 Funds	New FY09 Funds
ANNUAL CAPITAL PROGRAM				
ANNUAL SEWER PROGRAM	\$90,000	\$0	\$90,000	\$75,000
SEWER SYS. TELEMTRY	47,000	22,000	25,000	0
FOG PROGRAM ORDINANCE REVISIONS	40,000	0	40,000	0
SUBTOTAL	177,000	22,000	155,000	75,000
MAJOR SYSTEM UPGRADES				
DEMOLITION OF TORREY RESERVE PS	24,000	24,000	0	0
REPLACEMENT OF 21ST PUMP STATION ⁽²⁾	450,000	200,000	250,000	2,500,000
SUBTOTAL	474,000	224,000	250,000	2,500,000
Total	\$651,000	\$246,000	\$405,000	\$2,575,000

⁽¹⁾ Funds previously budgeted in FY 07 and projected to be unexpended as of June 30. Actual amounts remaining at fiscal year-end will be rebudgeted or encumbered on June 30.

⁽²⁾ Finalize conceptual design in FY08. FY09 funds are the beginning of a two year construction cycle. Funding strategy is not yet complete.

**SEWER FUND 57
ANNUAL SEWER PROGRAM**

6906-5900

PROJECT DESCRIPTION:

This annual project combines a series of tasks including:

City Engineering Services. Consultation and technical support to the City Manager and Department Heads on sewer issues including evaluation of projects for CIP programming, evaluation of regional issues, identification of potential problem projects, assistance with waste discharge permits, assistance resolving system problems and other engineering services as needed throughout the year. (FY08 \$20,000, FY09 \$20,000)

Sewer System GIS Mapping. During FY08 and FY09, the digital mapping system will be updated to reflect changes to the sewer system. (FY08\$5,000, FY09 \$5,000)

Biennial Sewer Video Inspection. This is a continuation of the proactive program of biennial sewer pipe video inspection to evaluate the condition of the sewer collection system and to identify/evaluate areas of needed repair. The video inspections will also be used to assist in the ongoing Sewer Inflow and Infiltration Investigations. (FY08 \$0,000, FY09 \$30,000)

Miscellaneous Sewer System Repairs. Repair miscellaneous unanticipated sewer system failures. (FY08 \$20,000, FY09 \$20,000)

Biennial Sewer System Improvements. The City's sewer system is in generally very good condition. Given the emphasis and need to focus on the 21st Street Pumpstation, there is anticipated to be only minimal work needed for the remainder of the system. These funds could also be utilized to support evaluation of the system transfer to San Elijo or emergency projects that arise. (FY08 \$45,000, FY09 \$0)

FUNDING SOURCE	FY08	FY09
FY 07 RE-BUDGET	\$ 0	\$ 0
SEWER CIP FUND	<u>90,000</u>	<u>75,000</u>
TOTAL	\$90,000	\$75,000

SEWER FUND 57
SEWER SYSTEM TELEMETRY

6916-5900

PROJECT DESCRIPTION:

The City utilizes a telemetry system to provide remote monitoring and alarms for many of the critical components of the water and sewer systems. The telemetry system allows the Public Works Department staff to keep up-to-the minute status of the operation of the water and sewer systems as well as to record and document historical operating data. The telemetry system results in considerable cost savings to the City by substantially reducing the number of frequently-required field monitoring trips by the Public Works staff. The information provided by the telemetry system also greatly enhances the operational reliability of the water and sewer systems and facilitates proactive maintenance.

In FY03 a conceptual plan was laid out for replacing the old computer system. In FY04 implementation was begun with the replacement of the computer software, computer hardware, programming, and addition of radio communication for the 21st Pump station. The 21st Pump station is the most critical sewer system that is telemetered and thus reliability of the system is imperative. During FY05, various upgrades were added to the 21st Pump station including the installation of a radio backup communications link between the Public Works Facility and the 21st Pump station, the installation of a level monitoring system at the overflow well behind the Public Works Facility and other upgrades to address various operational needs identified by City personnel at the 21st Pump station. FY08 budget will address ongoing operational issues pertaining to the telemetry system and serve as available funding to address unforeseen issues that may arise.

FUNDING SOURCE	FY08	FY09
FY 07 RE-BUDGET	\$22,000	\$ 0
SEWER FUND	<u>25,000</u>	<u>0</u>
TOTAL	\$47,000	\$ 0

SEWER FUND 57**FOG PROGRAM ORDINANCE REVISIONS****6948-5900**

PROJECT DESCRIPTION:

Sewer spills are most commonly caused by the accumulation of fats, oils and grease, which accumulate in sewer mains and obstruct flows. In 2006 the San Diego Regional Water Quality Control Board issued a new permit which requires local agencies and business owners to establish a fats, oils and grease (FOG) maintenance and removal program. This budget item provides funding to utilize a specialized consultant to inspect all restaurants and work with each in a proactive manner to bring these facilities in line with regional standards, review current city ordinances and investigate permit fees related to grease removal inspections for review by Council in an effort to establish a self funded ongoing inspection program.

FUNDING SOURCE	FY08	FY09
SEWER FUND	\$40,000	\$ 0

SEWER FUND 57**DEMOLITION OF TORREY RESERVE PUMP STATION****6949-5900**

PROJECT DESCRIPTION:

This project will abandon the pump station building at Torrey Pine Preserve, to reduce liability and improve the aesthetics of the area. The permitting on this project has taken an extensive amount of effort and the demolition effort will be greatly constrained. Discussions with the State Park regarding access have been slow due to staff limitations at the State level.

Discussions with the State Park have continued; demolition of this project has been delayed to move forward concurrent with the North Torrey Pines Bridge project.

The budgeted amount should be sufficient for the cost of the demolition.

FUNDING SOURCE	FY08	FY09
FY 07 RE-BUDGET	\$25,749	\$ 0

SEWER FUND 57
REPLACEMENT OF 21ST PUMP STATION

6923-5900

PROJECT DESCRIPTION:

The 21ST Pump Station is nearly 30 years old and is the central facility for conveying Del Mar's sewage to the City of San Diego's Metropolitan Sewage System. Because of its age, condition, and current operating constraints, it needs to be replaced. Staff is evaluating current bonding obligations and in the next year's rate study, financing the cost of replacing the pump station will be evaluated. The conceptual design of the replacement facility was begun in FY04, to assure adequate time for permitting and so that the appropriate financing can be determined. In FY05, a rezone of the existing site was discussed, however it was ultimately determined that the current pump station is located in an appropriate zone, Public Parkland. Grant funds are often prioritized for projects that are ready for construction, therefore completing conceptual design and CEQA processing allows staff to develop realistic cost estimates and to pursue additional grant applications. The project was presented to DRB in FY 07. A Mitigated Negative Declaration was filed with the County Clerk on June 14, 2006. Final design has been initiated and Council authorized a contract for Quality Control and an Energy Analysis. Results of the Energy Analysis will be brought back to council in the fall of FY08. The Quality Control process will be ongoing throughout the design of the project. Final design is proceeding and staff will be bringing back to Council recommendations on funding strategies. The funds shown in FY09 are the first two years of construction. Construction is anticipated to begin in FY09. Total project cost is estimated at \$5.7 million.

FUNDING SOURCE	FY08	FY09
FY 07 RE-BUDGET	\$200,000	\$0
SEWER FUND	<u>250,000</u>	<u>2,500,000</u>
TOTAL	\$450,000	\$2,500,000

**CITY OF DEL MAR
FISCAL YEARS 2007/08 - 2008/09
EXPENDITURE DETAIL**

FUND: 57 SEWER FUND						
ACCOUNT	DESCRIPTION	2004/05 ACTUAL	2005/06 ACTUAL	2006/07 AMENDED	2007/08 ADOPTED	2008/09 PROPOSED
	<u>CAPITAL IMPROVEMENT PROJECTS</u>					
6906-5900	BI-ANNUAL SEWER IMPROVE.	69,546	127,745	538,513	-	-
6908-5900	BI-ANNUAL SEWER IMPROVE.	-	-	-	90,000	-
6909-5900	BI-ANNUAL SEWER IMPROVE.	-	-	-	-	75,000
6916-5900	TELEMETRY SYSTEM	53,685	21,284	35,000	-	-
6923-5900	21ST ST PUMP STATION	13,360	32,800	335,057	250,000	2,500,000
6937-5900	TELEMETRY SYSTEM	-	-	-	25,000	-
6939-5900	ANNUAL MAINTENANCE	-	-	-	-	-
6948-5900	FOG PROG. ORDINANCE REVISIONS	-	-	-	40,000	-
6949-5900	DEMOLITION OLD FACILITIES	2,174	-	25,749	-	-
6950-5900	PUBLIC WORKS FACILITIES IMP.	16,176	14,960	-	-	-
	CAPITAL IMPROVEMENT PROJECTS	154,941	196,789	934,319	405,000	2,575,000



SEWER CAPITAL PROJECTS FIVE YEAR PLAN

**CITY OF DEL MAR
FISCAL YEAR 2007/08 & 2008/09
CAPITAL IMPROVEMENT PROGRAM
FIVE YEAR PLAN
SEWER FUND**

FUND: 57 SEWER FUND		
PROJECT TITLE	Current Budget Years	
	2007/2008	2008/2009
ANNUAL CAPITAL PROGRAM		
ANNUAL SEWER PROGRAM ⁽¹⁾	\$90,000	\$75,000
SEWER SYS TELEMTRY ⁽²⁾	47,000	0
FOG PROGRAM ORDINANCE REVISIONS	40,000	0
SUBTOTAL	177,000	75,000
MAJOR SYSTEM UPDRAGES		
DEMOLITION OF TORREY RESERVE PS	0	0
REPLACEMENT OF 21ST PUMP STATION ⁽³⁾	250,000	2,500,000
SUBTOTAL	250,000	2,500,000
TOTAL	\$427,000	\$2,575,000

The following are brief project descriptions:

(1) Annual Sewer Program:

This Project combines services of annual projects, including:

Sewer Video Inspection and Root Control:

Biennial video inspection of wastewater pipelines with possible use of root herbicide.

Sewer System GIS Mapping:

Continued program of updating the sewer system mapping and database.

Miscellaneous Sewer Repairs:

Repair miscellaneous unanticipated sewer system failures.

Biennial Sewer System Improvements:

Ongoing upgrades and improvements to the sewer collection and conveyance system.

See expanded description for listing of projects.

Future Budget Years			5 Year Total
2009/2010	2010/2011	2011/2012	
\$55,000	\$55,000	\$55,000	\$330,000
0	0	0	47,000
0	0	0	40,000
55,000	55,000	55,000	417,000
0	0	0	0
2,500,000	0	0	5,250,000
2,500,000	0	0	5,250,000
\$2,555,000	\$55,000	\$55,000	\$5,667,000

City Engineering Services:

Consultation and technical support to the City Manager and Department Heads for wastewater issues.

(2) Telemetry System Improvements:

Continued program of upgrading of field sensors, hardware and software.

(3) Replacement of 21st Pump Station

Funding strategy for the replacement has not been determined.



GLOSSARY

22nd DAA (22ND DISTRICT AGRICULTURAL ASSOCIATION). A State agency, formally organized by the State legislature to promote and encourage local agriculture and home industry. It owns and operates the 241.2 acres of land in the San Dieguito Valley known as the Fairgrounds, and is the sponsor of the Del Mar Fair.

ACCOUNT. A record of additions, deletions, and balances of individual assets, liabilities, equity, revenues, and expenses.

ACCOUNTING SYSTEM. The set of records and procedures that are used to record, classify, and report information of the financial status and operations of an entity.

ACCRUAL BASIS OF ACCOUNTING. Under this accounting method, revenues and expenditures are recorded in the periods in which these transactions, events, and circumstances occur, rather than only the periods in which cash is received or paid. Enterprise and Internal Service Funds use the accrual basis of accounting.

APPROPRIATION. Money set aside (by the legislative body) for a specific purpose.

APPROPRIATION LIMIT. The calculated dollar amount that restricts the ability to receive and appropriate proceeds of taxes. In its simplest form, it is the Limit from the previous year increased for inflation and population growth.

ASSESSED VALUATION. The estimated value placed upon real and personal property by the County Assessor as the basis for levying property taxes.

BASIS OF ACCOUNTING. A term used to refer to when revenues, expenditures, transfers, and the related assets and liabilities, are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, for either the cash or the accrual method.

BENEFITS. Benefits paid by the City as part of the conditions of employment such as medical, dental and life insurance, retirement, and worker's compensation.

BUDGET. A plan of financial operation including an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term can refer to the financial plan presented to the governing body for adoption or the plan finally approved by that body.

BUDGET DOCUMENT. The instrument used by city management to present a comprehensive financial program to the governing body. The budget document is comprised of three parts. The first part contains a message from city management, together with a summary of the proposed expenditures and the means of financing them. The second part consists of schedules supporting the summary. These schedules show in detail the past years' actual revenues, expenditures and other data used in making the estimates. The third part is composed of drafts of the appropriation, revenue and borrowing measures necessary to put the budget into effect.

CAPITAL PROGRAM. A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or other capital needs. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the resources estimated to be available to finance the projected expenditures.

DEBT. An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, leases, notes, and certificates of participation.

DEBT SERVICE FUND. A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

DELINQUENT TAXES. Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

DEPARTMENT. Basic organizational unit of City government responsible for carrying out specific functions.

ENCUMBRANCES. Commitments related to unperformed contracts for goods or services.

EXPENDITURES. The outlay of financial resources. Expenditures include current operating expenses, debt service, and capital outlay.

FAIRGROUNDS. 241.2 acres in the San Dieguito Valley owned and operated by the 22nd District Agricultural Association (DAA). Site of the San Diego County Fair and thoroughbred racing.

FISCAL YEAR. A 12 month period to which the annual operating budget applies and at the end of which, a government determines its financial position and operational results.

FIXED ASSETS. Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, improvements other than buildings and land.

FULL-TIME EQUIVALENT (FTE). A term that expresses the amount of time a position has been budgeted for in relation to the amount of time a regular, full-time employee normally works in a year. For budget and planning purposes, a year of full-time employment is defined as 2,080 hours. A position that has been budgeted to work half-time for a full year, or full-time for only six months, is .50 FTE. Firefighters have a different level of hours worked, but are displayed using the same basic method.

FUND. An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives.

FUND BALANCE. The excess of a fund's assets over its liabilities.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP). Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local government is the Government Accounting Standards Board.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB). The authoritative accounting and financial reporting standard-setting body for government entities.

GENERAL FUND. The fund supported by taxes, fees, and other revenues that may be used for any lawful purpose. The General Fund is a governmental fund that accounts for all activity not specifically accounted for in other funds.

GRANT. A contribution of assets (usually cash) by one government unit or other organization to be used or spent for a specified purpose, activity or facility. Typically, these contributions are made to local governments from the state and federal governments.

INTERNAL SERVICE FUND. Used to account for financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

LIABILITIES. Probable future sacrifices of economic benefits, arising from the present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

LEVY. Refers to the act of imposing taxes, special assessments, or service charges for the support of governmental activities, or the amount of those charges.

MODIFIED ACCRUAL BASIS. Under this accounting method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred, with some exceptions. All governmental funds, expendable trust funds and agency funds use the modified accrual basis of accounting.

OBJECT. As used in expenditure classifications, this term applies to the type of item purchased or service obtained.

OBJECTIVE. Desired accomplishment that can be measured and achieved within a given period.

OPERATING TRANSFERS. All interfund transfers other than residual equity transfers.

NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM (NPDES). The federal Water Quality Act, which is coordinated with the Regional Water Quality Review Board Permit 01-01, addressing the treatment of storm drain pollution.

PROPRIETARY FUND TYPES. Funds that focus on determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two types of proprietary funds: enterprise and internal service.

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS). It is the largest public pension system in the nation with more than \$246 billion in assets. Headquartered in Sacramento, PERS provides retirement and health benefits to more than 1.5 million State and local government employees, retirees, and their families.

REVENUES. Income received by the City including such items as property taxes, fees, user charges, grants, fines and forfeitures, interest income, and miscellaneous revenue.

SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG). An association of 18 cities and the County of San Diego, serving as the forum for regional decision-making. As an association of local governments, SANDAG builds consensus, makes strategic plans, obtains and allocates resources, and provides facts and figures on a broad range of subjects pertinent to the San Diego region's quality of life.

SAN DIEGO POOLED INSURANCE PROGRAM AUTHORITY (SANDPIPA). A joint powers authority consisting of 12 cities and one district for the purpose of pooling liability and funds to purchase insurance.

SPECIAL REVENUE FUND. A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

TAXES. Compulsory charges levied by a government to finance services performed for the common benefit. This does not include charges for services rendered only to those who pay for and use those services.

TAX LEVY ORDINANCE. An ordinance through which taxes are levied.

TAX RATE. The amount of tax stated in terms of a unit of the tax base (e.g., 25 mills per dollar of assessed valuation of taxable property).

TAX RATE LIMIT. The maximum rate at which a government may levy a tax. Overall tax-rate limits usually restrict levies for purposes of all governments, state and local, having jurisdiction in a given area.

TRANSIENT OCCUPANCY TAX (TOT). A tax levied on the occupant of any hotel room, in the amount of ten and one-half percent (10.5%) of the rent charged by the operator. The transient satisfies this tax obligation by paying the tax to the operator.



READERS' GUIDE TO THE BUDGET

The budget document contains data identifying specific revenue and expenditure accounts. The data in the budget is presented in line item format. An example of a typical revenue account and a typical expenditure account is presented below:

Revenue Account: 01.4200.4204

- 01 = The first two numbers identify the fund into which the revenue is placed (01 = the General Fund).
- 4200 = The second four numbers identify the generic revenue source (4200 = Taxes).
- 4204 = The last four numbers identify the specific revenue source (4204 = Admission Tax).

Expenditure Account: 01.5400.2300

- 01 = The first two numbers identify the fund from which the expenditure will be made (01 = the General Fund).
- 5400 = The second four numbers identify the city department responsible for the expenditure (5400 = the Finance Department).
- 2300 = The last four numbers identify the type of expenditure to be made (2300 = Operating Supplies).

City of Del Mar
Fiscal Year 2007/08 Annual Pay and Compensation Schedule

CITY MANAGEMENT:	<u>Salary Range</u>		<u>Budgeted Benefits</u>
City Manager (Contract)	\$ 160,000		\$ 52,278
MANAGEMENT:			
Assistant City Manager/Director of Public Safety	\$ 91,247	\$ 119,723	\$ 40,178
City Clerk/Information Systems Director	\$ 91,247	\$ 119,723	\$ 40,178
Finance Director/Treasurer	\$ 91,247	\$ 119,723	\$ 40,178
Planning/Community Development Director	\$ 91,247	\$ 119,723	\$ 40,178
Public Works Director	\$ 91,247	\$ 119,723	\$ 40,178
Chief Lifeguard & Community Services Director	\$ 91,247	\$ 119,723	\$ 37,881
Principal Planner	\$ 79,345	\$ 104,108	\$ 36,195
PROFESSIONAL AND SUPERVISORY:			
Computer Operations Manager	\$ 68,915	\$ 83,767	\$ 28,893
Senior Planner	\$ 68,915	\$ 83,767	\$ 31,005
Finance Officer	\$ 68,915	\$ 83,767	\$ 28,893
Deputy Community Services Manager	\$ 62,388	\$ 75,833	\$ 27,526
Maintenance Superintendent	\$ 62,388	\$ 75,833	\$ 33,408
Associate Planner	\$ 59,360	\$ 72,153	\$ 28,042
Park Ranger	\$ 59,360	\$ 72,152	\$ 29,379
Lifeguard Sergeant	\$ 53,738	\$ 65,319	\$ 25,045
Parking Sergeant	\$ 53,738	\$ 65,319	\$ 30,112
Community Services Sergeant	\$ 53,738	\$ 65,319	\$ 25,045
Facility Use Specialist	\$ 53,738	\$ 65,319	\$ 26,583
Assistant Planner I	\$ 44,041	\$ 53,532	\$ 23,292
FIRE:			
Fire Captain	\$ 63,421	\$ 77,089	\$ 56,378
Fire Engineer	\$ 53,551	\$ 65,092	\$ 48,875
Firefighter	\$ 48,479	\$ 58,927	\$ 45,020

City of Del Mar
Fiscal Year 2007/08 Annual Pay and Compensation Schedule

	<u>Salary Range</u>		<u>Budgeted Benefits</u>
GENERAL EMPLOYEES:			
Cross Connection Utility Specialist II	\$ 47,740	\$ 58,028	\$ 27,826
Pump Operator/Mechanic II	\$ 47,740	\$ 58,028	\$ 27,826
Code Enforcement Officer II	\$ 47,740	\$ 58,028	\$ 27,826
Administrative Assistant to City Manager & City Council	\$ 44,528	\$ 54,124	\$ 22,078
Administrative Assistant to Planning Director & PC/DRB	\$ 44,528	\$ 54,124	\$ 22,078
Deputy City Clerk	\$ 44,528	\$ 54,124	\$ 22,078
Network Systems Technician II	\$ 44,528	\$ 54,124	\$ 22,078
Accounting Technician II	\$ 40,310	\$ 48,997	\$ 20,896
Administrative Assistant II	\$ 40,310	\$ 48,997	\$ 20,896
Project Assistant	\$ 40,310	\$ 48,997	\$ 20,896
Parking Enforcement Officer II	\$ 40,310	\$ 48,997	\$ 24,992
Utility Worker II	\$ 38,354	\$ 46,619	\$ 24,238
Planning Technician	\$ 36,492	\$ 44,357	\$ 20,932
Beach & Community Services Officer	\$ 36,131	\$ 43,918	\$ 23,383
Utility Worker I	\$ 34,378	\$ 41,786	\$ 22,708
Receptionist	\$ 31,122	\$ 37,828	\$ 18,292

Schedule of FTE's

<u>Department</u>	<u>Fiscal Year 2005/06</u>	<u>Fiscal Year 2006/07</u>	<u>Fiscal Year 2007/08</u>
City Manager	2.50	2.50	2.50
City Clerk/MIS	5.00	5.00	5.00
Community Services	10.00	10.00	9.00
Finance	5.00	5.00	5.00
Fire	9.50	9.50	9.50
Planning/Community Development	8.00	8.00	8.00
Public Works	12.00	12.00	12.00
Total Full Time Permanent	52.00	52.00	51.00



ACKNOWLEDGEMENTS

The Finance Department strives to present a budget document in a format that is easy to understand and that provides information to the residents of the City of Del Mar, City Council members, City staff, numerous public agencies, and investor services. We are successful if the reader has a better understanding of not only the actual budget, but also of the process and decision-making involved in the creation of this budget. Each year we aspire to enhance the budget presentation to better accomplish those goals, and have benefited from the careful reviews provided by the Government Finance Officer's Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO).

The completion of this document is the result of efforts on the part of many individuals. I would like to express my appreciation to the staff of the Finance Department whose work was integral to this publication. *Les Middleton*, Senior Accountant, expanded and improved the graphs to be more informative to the readers. *Jay Lipscomb*, Administrative Assistant, helped pull it all together, including researching pictures and working on the artwork for the cover until it was perfect. Account Technicians *Adele Crawford* and *Vanessa Gonzalez* assisted with proofreading. With the teamwork and commitment of the staff in this department, we take great pride in the final document. Most of this budget was completed in-house, which is a tribute to the efforts of our staff. All department heads devoted untold hours to prepare the program budgets under their direction, meeting City Council goals, addressing community needs, the needs of their respective departments, and providing input on how their department can improve service and/or reduce costs.

And finally, a special thanks to *Lauraine Brekke-Esparza*, City Manager for her invaluable assistance and input and the City Council for their guidance and support throughout this budget process.

Sincerely,

Kim Krause
Finance Director/Treasurer



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