

# CITY OF MONTEREY



## ADOPTED BUDGET

2005-06

**BUDGET  
TRANSMITTAL  
SECTION**

To: Mayor & City Council  
From: City Manager  
Date: June 3, 2005  
Subject: 2005-06 Proposed Budget

**FINANCIAL OVERVIEW – GENERAL FUND**

The 2005-06 Proposed Operating Budget for the City of Monterey presented here is balanced, and fully implements Council’s budget reduction policies as described later in this report. There is both good news and bad news to report regarding overall General Fund budget trends:

Good: 1) some of the revenue sources such as transient occupancy tax, sales tax and charges for services have increased slightly faster than originally projected (more on this later); 2) there seems to be less uncertainty regarding State-takeaways this year, largely because of Proposition 1A.

Bad: 1) PERS retirement and health care costs continue to increase, 2) facility and infrastructure renewal and maintenance are still underfunded.

After implementation of the latest budget reduction plan, the proposed General Fund operating budget is summarized in the chart below. Note that no allocations are proposed in fiscal year 2005-06 (FY 06) to replenish the Reserve for Economic Uncertainty back to the current policy level of 15% of net operating expenditures, or to fund a Reserve for Capital Renewal for key City facilities.

<b>General Fund Proposed Operating Budget</b>	
<b>FY 2005-06</b>	
(millions)	
Operating revenues	\$46.56
Operating Expenditures (net)	(46.88)
Transfers (net)	<u>0.53</u>
<b>Net Operations</b>	<b><u><u>\$0.21</u></u></b>

**Budget Reduction Plan Status**

As you know, the \$5 million budget reduction plan adopted by Council in 2003 was fully implemented in the current fiscal year (FY 05). It included expenditure reductions that required the elimination of more than 50 positions. However, during the budget process

in 2004 it was projected that FY 06 would have an additional structural imbalance of \$2 million if no changes were made. Much of the projected imbalance was due to increased costs associated with personnel benefit items such as PERS retirement rates, workers compensation and health care.

In addition, staff was also concerned that this imbalance would be even worse if the funding target for the maintenance and replacement of City facilities and infrastructure were what it should be. Funding for the maintenance of buildings, streets, trees and parks projects, for example, have been cut back significantly in order to balance the budget. In time this will take its toll and potentially create larger costs down the road.

Funding also does not currently exist for the replacement, or major repair, of City facilities. High use facilities such as the wharves, Sports Center, Library, and Conference Center continue to age and wear out. There is currently no dedicated funding mechanism to pay for major repairs of these facilities. Some funding is available for CIP projects from the loan repayment the Redevelopment Agency makes to the General Fund each year. But this funding stream is not sufficient to fund more than just the "must do" items in any particular year. In the long run, we must increase our investment in the maintenance of our existing facilities.

To address the \$2 million projected shortfall described above, in August 2004 Council directed staff to do the following:

- 1) submit at least \$500,000 in General Fund projects to the Neighborhood Improvement Program (NIP) for consideration;
- 2) put a ¼ cent sales tax on the November 2004 ballot for voter approval;
- 3) review fees and adjust where possible; and
- 4) review real estate holdings and leases.

As a result, staff submitted five projects totaling \$926,000 to the FY 06 NIP process. One of those projects was fully funded (Iris Canyon Creek Restoration) and another was almost fully funded (Franklin Street Stormdrain) by the NIP program for a total of \$500,000. Further details about these projects will be included in the NIP staff report prepared by the Public Works Department for the June 21, 2005 Council agenda.

Because the ¼ cent sales tax measure did not pass last November, staff brought to Council in December 2004 for approval new budget reduction plan guidelines to deal with the projected budget gap. All departments were once again assigned budget reduction targets and were asked to submit to the City Manager their plan for meeting their target. The results of this process was reviewed in summary form with Council on April 17, 2005.

As for fees, all departments have reviewed their fee structures and have already or will soon be bringing to Council appropriate fee adjustment requests totaling \$173,400. A breakdown of proposed fee adjustments is as follows:

▪ Recreation fees (primarily Sports Center)	\$102,200
▪ Temporary encroachment fee	40,000
▪ Sidewalk/street opening permit fees	8,000
▪ Real estate fees	7,000
▪ Library fees	6,200
▪ Dry boat storage fees	<u>10,000</u>
 Total proposed fee adjustments	 <u>\$173,400</u>

In addition, \$137,300 in street maintenance costs has been identified as a reimbursable from the Parking Fund to the General Fund for maintenance of all metered and time-limited on-street parking spaces. A review of real estate holdings and leases was given at a Council study session on January 26, 2005.

The new budget reduction plan also reduces the General Fund's operating shortfall by recommending \$710,000 in expenditure reductions, which includes the elimination of five more positions. Much more was proposed for reduction, but staff has worked very hard to minimize the impact of these reductions on core City services such as public safety and the library. As described at the April 17 Council meeting, the proposed General Fund reductions are as follows:

▪ Eliminate the following positions:	
▪ Public Works Director	\$136,300
▪ Public Works Office Assistant II	35,900
▪ Senior Planner	109,900
▪ Finance Management Analyst	78,700
▪ Youth Diversion Coordinator	70,300
▪ Other reductions:	
▪ PT Code Enforcement Officer	64,700
▪ City Clerk printing costs	35,000
▪ Public Works stand by time	29,900
▪ Planning charges to Housing, misc.	50,500
▪ Afterschool program staffing, misc.	39,000
▪ Public Facilities misc. contracts/supplies	22,000
▪ Personnel Leadership Academy	19,700
▪ Police booking fees	7,200
▪ Non-departmental, misc.	<u>11,200</u>
 Total reductions	 <u>\$710,300</u>

In addition, the plan also implements Council direction by including the \$500,000 in savings generated by the NIP funding of certain projects that would have been paid for by the General Fund.

So altogether, the budget reduction plan for FY 06 totals \$1,520,000. This amount, together with a somewhat stronger revenue picture (partially offset by larger than anticipated increases in PERS retirement costs) has enabled us to present a balanced General Fund operating budget for FY 06. However, as I will describe in this report, this balance remains tenuous due to still under-funded facilities and infrastructure maintenance.

It is also important to note that as of this writing staff is in “meet and confer” negotiations with four of the City employee groups and unions. The outcome of these negotiations could have a significant impact on the status of the General Fund operating budget.

### **FY 2005-06 General Fund still precariously balanced**

Even with the budget reduction plan just described, it is important to note that the General Fund operating budget, unfortunately, remains precariously balanced. As with the last few years, maintenance budgets have been only minimally funded and spending for small equipment and projects have been cut back substantially. Budgets for operating supplies and services have not been adjusted for inflation for four years now, or have been cut back. This austerity has been difficult to maintain without impacting citizen services. In some cases it has eroded our high “Monterey” standard.

Given the continued tight budget just described, staff still believes strongly that this is not the time to add back programs without a clear funding source. Nor is it the time to start new programs unless there are identified new revenues, expenditure savings, or long-term efficiencies that result from the program.

### **State Take-aways**

As already mentioned, with the passage of Proposition 1A last November (with 84% of the vote), the fiscal relationship between the State and cities, counties and special districts has stabilized to some degree. Under current law, the City of Monterey has lost \$1.2 million in General Fund dollars in the current fiscal year and will lose another \$1.2 million next fiscal year (FY 06). This is funding that could have been used for maintenance. Then, in FY 07 the City is scheduled to receive a one time repayment of the vehicle license fee dollars we lost last year (about \$514,000). After that, the City should enjoy constitutional protection of its revenue sources from further State takeaways from then on, except that the State can “borrow” additional monies from local governments subject to certain conditions.

So unfortunately we are not completely protected as the State still struggles with multi-billion dollar structural shortfalls. They have not had the fortitude to make the kind of difficult choices the Council has had to make regarding the reduction of programs and positions and the adjustment of fees. Therefore, there is still always the chance that the

State will find a way to use local government as its piggy bank once again rather than make hard decisions.

### General Fund Revenues

General Fund revenues in FY 06, estimated to be \$46.6 million, would be up 3.5% or \$1.6 million over the current year's revised estimates. For all funds, operating revenues are estimated to be \$79.5 million, up 5.1% from the prior year. These figures do not reflect the \$1.2 million State take-away which is being budgeted as a "one-time" non-operating expenditure.

After two consecutive years of declines in Transient Occupancy Tax revenues (TOT) in FY 02 and 03, last year (FY 04) had positive growth (although somewhat weak at 2.4%). The current fiscal year has posted slightly stronger growth rates so far, as we reported at mid-year. Through April 2005 TOT is up 7.8% over the same period last year. This is encouraging news as it seems to indicate that at least our TOT base has stabilized to some degree. We expect TOT to be up a total of 6.2% for this fiscal year. A somewhat better economy, the shark exhibit at the Monterey Bay Aquarium (and until recently the presence of the great white shark), and additional tourism marketing dollars approved by Council for this year have all contributed to this increase.

Transient Occupancy Tax, though less than it was in 2000-01, is still the City's single largest revenue source making up 26% of the General Fund estimated revenue total for next year. As shown in the following table (which includes both General Fund and Neighborhood Improvement Program portions of TOT), FY 01 was the last year of TOT growth before tourism dropped off. TOT is projected to increase 5% next year.

#### TOT Growth

<b>Fiscal Year</b>	<b>Total TOT (millions)</b>	<b>Growth Rate</b>
1999-00	\$14.3	10.8%
2000-01	14.6	1.4%
2001-02	12.9	-11.5%
2002-03	12.5	-2.7%
2003-04	12.8	2.4%
2004-05 est	13.6	6.2%
2005-06 est	14.3	5.0%

Sales tax revenue is estimated to be \$7.3 million in FY 06, making it the second largest General Fund operating revenue source (16% of projected revenues). This figure includes both sales tax revenues and the new "Property tax in-lieu of Sales tax" revenue

source created by the passage of Proposition 57, which reduced the City's sales tax by one-quarter and replaced it with a like amount of property tax revenues.

This sales tax estimate represents a 6.5% increase from the revised projection for the current year. This estimate includes the impact of some specific projects such as the new theater at Del Monte Center, the California Pizza Kitchen and the soon-coming Infinity dealer. This projected growth is a welcome change after three years of sales tax declines. However, to put this in perspective, projections for FY 06 are only now returning to the levels of FY 01 as shown in the chart below.

**Sales Tax Growth**

Fiscal Year	Sales Tax (millions)	Growth Rate
1999-00	\$6.7	14.7%
2000-01	7.3	8.5%
2001-02	6.7	-7.7%
2002-03	6.3	-5.5%
2003-04	6.3	-0.7%
2004-05 est	6.9	9.5%
2005-06 est	7.3	6.5%

Property tax receipts continue to come in strong because growth in property values increases the property tax rolls whenever real estate is sold. Based on receipts so far, we anticipate property tax receipts will be \$4.8 million this fiscal year, which is 7.8% (or \$347,000) higher than last year. Property taxes are projected to increase another 7.2% next year to \$5.1 million. Property tax generates about 11% of all General Fund revenues.

**General Fund Reserves**

In the FY 2003-04 budget, Council authorized a draw of \$1.5 million from the Reserve for Economic Uncertainty to balance the budget. After this draw, the Reserve for Economic Uncertainty stands at about \$4.8 million which is equivalent to 10.2% of the proposed General Fund net operating expenditures. Council fiscal policies set the target reserve at 15% which would be a reserve of \$7 million. So we are currently \$2.2 million short. A mid to long-term financial goal should be to re-establish this reserve to a full 15% of the net operating budget.

This budget proposal does not include an additional allocation to the Reserve for Art Acquisitions. There is currently \$70,000 remaining in this reserve. The Artifacts Acquisition reserve has a balance of almost \$49,000.

Other General Fund reserves exist for accounting purposes such as the Reserve for Continuing CIP (approved projects not yet complete, \$2.7 million); Reserves for Encumbrances and Long-term receivables (required by accounting principles, \$778,000 and \$1.2 million respectively).

**General Fund Expenditures**

Overall for FY 06, proposed General Fund operating expenditures amount to \$47.9 million. This represents an increase of 1.6% from the FY 05 amended budget and a 4.2% increase over the original FY 05 budget. The total proposed FY 06 operating expenditures for all funds amount to \$78.1 million which represents an increase of 1.1% from the FY 05 amended budget and a 4.3% increase from the original FY 05 budget.

Though the budget shows a modest increase due to rising employee costs, the elimination of positions over the last three years to help balance the budget has resulted in total employee staffing decreasing significantly as shown in the following chart (total staffing shown is full-time equivalent positions for all regular employees).

**Reductions in Total City Staffing**

Fiscal Year	Total Staffing
2002-03	532.25
2003-04	505.00
2004-05	486.25
2005-06	479.00

**City Council Budget Highlights**

The following discussion highlights some of the more significant programs and budget issues that are included in the proposed budget for 2005-06.

Window on the Bay

There are two parcels remaining in the Window on the Bay "West" section and staff continues to work toward acquisition of these properties on an opportunity-buying basis. The "Window-on-the-Bay" project has for many years been one of the City's highest priorities. Staff believes the Roto-rooter parcel negotiations will be finalized soon and funding has been set aside in the proposed budget for its acquisition.

Public Service Center

After transfers from the Public Service Center Fund for the reroofing of Few Memorial/Brown Underwood buildings and design costs associated with roof repairs and replacements for El Cuartel in FY 04 (\$275,000), and for the completion of the El Cuartel parking lot improvements in FY 05 (\$208,000), the balance in this fund is down to \$12.6 million. Council direction has been to pay for the construction of the Public

Service Center with cash so at this point, based on the latest total cost estimate of \$13.9 million for this project, we are about \$1.3 million short of full funding. Staff will bring to Council at a later date a funding plan when a project is approved and a clearer construction timetable is determined.

#### Cannery Row Hotel

Construction of the new Cannery Row hotel project, expected to begin later this Fall, remains the highest economic development priority in the City. This is because the completion of this project will provide a significant increase to the City's tax base. This will be extremely helpful with the future funding needs mentioned earlier regarding facility and infrastructure maintenance. Besides providing funds to better serve the community, this project would also rehabilitate a currently "blighted" area on Cannery Row and provide public use of McAbee Beach.

#### MCCVB Advertising

Included in this budget proposal is \$478,000 for the Monterey County Convention and Visitors Bureau (MCCVB) leisure advertising program. This includes \$150,000 that will be matched dollar-for-dollar by the Monterey Bay Aquarium (\$100,000) and the Cannery Row Marketing Council (\$50,000). A similar investment in tourism/leisure travel advertising was included in the current year's budget and staff believes it has helped to attract leisure travel dollars to Monterey. We believe that some of the growth in TOT this year can be attributed to this increased investment.

#### Police Mobile Computer Terminals

The Police Department maintains a fleet of 18 vehicles, each of which is equipped with a Mobile Computer Terminal (MCT). These MCTs were first acquired in 2000 with a federal grant. Most law enforcement agencies in Monterey County, including the County Sheriff's Department, utilize the MCT system.

The MCT system has proven to be an important advancement for local law enforcement. The MCT allows police officers in the field to send, receive and access information at the touch of a button. Future plans include wireless access to the Police Records Management System, the City's intra-net and the Internet. This remote access would dramatically expand the capabilities of the MCT system.

At this point, the current MCTs are nearing the end of their useful life-cycle and will need to be replaced soon. For reasons of standardization we are recommending that all of the units be replaced at the same time. This is important from several perspectives including installation, maintenance and training. The cost of replacing these units is \$155,000. However, we will be receiving a \$21,000 grant to help with the replacement so the net cost is \$134,000.

#### Code Enforcement Officer

Though the current budget reduction plan includes the retention of the current part-time Code Enforcement Officer instead of the former full-time position, it is recommended that our current code enforcement efforts be augmented by the following:

- (1) utilization of CDBG funds to hire another part time position to focus on neighborhoods targeted for revitalization; and
- (2) use of volunteers and city employees on mandatory light duty due to work related injuries, to assist the Code Enforcement Officer, and;
- (3) assignment to the Assistant City Attorney of Administrative Orders and complex code enforcement matters.

### Volunteer Program

The City's Volunteer Program is a very popular program that was reduced from 1.75 to 0.75 positions during the budget reduction plan approved in 2003. Furthermore, that plan as modified included the elimination of the remaining regular part-time Community Resources Coordinator position on June 30, 2005. However, because of the tremendous assistance City volunteers provide, many departments have asked that this program be continued. Therefore, the proposed budget includes \$68,792 to continue to fund the 0.75 Community Resources Coordinator position.

### Other Position Changes

As indicated earlier in this report, the City-wide number of full-time and regular part-time positions has decreased from 532.25 full-time equivalent positions (FTE) in FY 03 to the proposed 479.00 in FY 06. This reduction of positions has of course required reductions in the level of services provided and changes in the City's way of doing business. However, staff has done everything possible to mitigate the impact of these reductions on services to citizens.

Although there are no new positions being requested, three position enhancements are included in this budget proposal. The Community Development Department has proposed a minor reorganization whereby they plan to eliminate a Senior Planner position and reallocate a portion of two other planners to appropriate Housing Fund programs. This will free up enough General Fund money to not only exceed their budget reduction target, but also provide enough funding to upgrade the current Real Estate Coordinator position to a Real Estate Analyst. The cost of this upgrade is approximately \$17,600 and is more than paid for by the reorganization.

The Public Works Department has requested the upgrade of a Sr. Parks Maintenance Worker position to a Parks Maintenance Leadworker. The City's parks are divided into East and West for maintenance purposes and the East side currently has a Leadworker position but the West side does not. Due to recent staffing reductions, parks supervisors have taken on additional responsibilities and now need the assistance of a Leadworker position on the West side. The annual cost of this position upgrade is \$6,400.

The Information Services Division is requesting the upgrade of the Geographic Information Systems Coordinator position to the same level as a Management Analyst. This position plays a key role in the successful integration of GIS into the everyday business practices of the City. Over the next several years staff believes GIS will

become one of the primary tools used by all City departments to collect, store and use data. The cost of this position upgrade is \$7,800.

## **FINANCIAL OVERVIEW – OTHER FUNDS**

The City maintains a number of funds other than the General Fund to account for the revenues and expenditures of activities that are separate from the General Fund for either legal or accounting purposes. A brief overview of the FY 06 budget picture for some of the more significant of these funds follows.

### **Presidio Public Works Authority Fund**

The Presidio Public Works Authority Fund was established in 1998 to account for the operational activities, capital projects, and revenues associated with the municipal services contract between the City and the U.S. Army at the Presidio of Monterey. Services provided to the Army include maintenance of buildings, streets, sewers, storm drains and water systems and other special projects. The proposed operating budget for this fund for FY 06 is \$4.4 million, all of which is reimbursable by the Army. This budget also includes an estimated payment to the General Fund of \$250,000 for the overhead and administrative support the City provides to support this contract.

### **Storm Water Utility Fund**

Projected revenues of \$1,044,000 for FY 06 in the Storm Water Utility Fund exceed the proposed operating costs of \$1,003,000 by \$41,000. However, this Fund still owes \$1.4 million to three other funds (Sewer Line Maintenance Fund, \$132,000; Sewer Main Fund, \$575,000; and General Fund, \$690,000) for past loans for storm drainage projects. Therefore, the proposed budget includes a payment to the Sewer Fund of \$50,000 on its debt. Unfortunately, no additional funding remains for storm drainage capital projects in the Storm Water Utility Fund, so necessary drainage projects are being proposed in the CIP budget using scarce General Fund dollars and in the NIP budget.

Despite the fact that the Storm Water Utility Fund now receives more than \$1 million in user fees annually, the General Fund still had to subsidize the capital program by \$400,000 in 2001-02, \$550,000 in 2002-03, \$285,000 in 2003-04, \$80,000 in 2004-05 and now \$45,000 is in the proposed FY 06 CIP budget for a portion of the Franklin Street Stormdrain. In addition, the Neighborhood Improvement Program has funded several important storm drainage projects over the last few years, including in FY 06 \$250,000 for Iris Canyon Creek Restoration and the remaining \$250,000 for the Franklin Street Stormdrain. The overall Storm Water Utility program continues to be significantly underfunded.

### **Sewer Line Maintenance Fund**

The Sewer Line Maintenance Fund will generate an estimated \$1.3 million in FY 06 to pay for its operations and some of its capital needs. The operating budget for this fund is programmed to be \$969,000 next year. This will result in an operating surplus of

\$333,000 that can be used to fund capital projects. This surplus, along with the \$50,000 repayment from the Storm Water Utility Fund mentioned above and some remaining fund balance, will allow for \$500,000 in sewer projects to be included in the CIP budget.

#### Cemetery Fund

For FY 06 we project revenues of \$245,000 and an operating budget of \$273,000 resulting in a \$28,000 operating shortfall that the General Fund will subsidize. In addition, the Cemetery Fund will require an advance from the General Fund of \$78,500 to cover the debt service payments on the columbarium. This amount will be recorded as an interfund loan as it is projected that over time sales of all niches from the columbarium will far exceed the total debt service costs. However, since the columbarium loan will be paid off more quickly than all niches will be sold, there will be a need for advances from the General Fund in the meantime.

#### Marina Fund

The Marina Fund's proposed budget of \$1.7 million includes debt service on state loans in the amount of \$486,000. In addition, the Marina Fund will transfer \$128,750 to the General Fund next year to assist with the expense of maintaining Wharf II, and \$178,512 to the Parking Fund for parking support. Total estimated revenues for FY 06 are expected to be just over \$2 million. The net earnings, along with capital reserves in the Marina Fund, will be used to fund \$70,000 in CIP projects that will design the replacement Marina fire water system and Wharf II wood deck repairs (½ funded by Marina and ½ funded by Parking).

#### Parking Fund

The proposed \$5.3 million Parking Fund budget includes \$1 million in debt service, most of which is related to the Cannery Row Parking Garage. Revenues are projected to be \$5.8 million. Also, in addition to regular transfers to the General Fund for administrative, custodial and parks services, as mentioned earlier the Parking Fund will begin also reimbursing the General Fund for the cost of maintaining its on-street parking spaces. The FY 06 CIP budget includes \$35,000 for the replacement of the Waterfront Lot #1 parking equipment and \$45,000 to design the Wharf II wood deck repairs. This will be funded from Parking capital reserves.

#### Housing Fund

The budget of the Housing program, which was adopted by Council separately on May 3, 2005, amounts to \$5.5 million in FY 06. Funding for the Monterey Hotel mixed-use project on Alvarado Street is included in this budget in the amount of \$850,000. In addition, many existing programs continue to be funded such as Community Services (\$318,000), Rehabilitation Loans (\$500,000), Down Payment Assistance Loans (\$300,000), and Historic Preservation (\$125,000). In addition, \$1.4 million is still available for new workforce housing programs and projects such as opportunity-buying on Van Buren Street and/or housing on City-owned Ryan Ranch land. This funding could also be used to help support the Community Housing Trust of Monterey County if Council determines that is appropriate.

### Worker Compensation Fund

The City received an updated actuarial report last Fall that revealed that the balance in the Workers Compensation Fund had fallen well below both the City's funding policy level and the "expected" level of funding as determined by the actuaries. The current fund balance is \$4.5 million, however, the actuarially "expected" level is \$5.7 million. This means that in order to be fully funded for all known and "IBNR" (incurred but not reported) claims, \$5.7 million in funding would provide a 50% probability that all claims are covered. The preferred level of funding is 70% and our current policy is to attempt to fund at a 90% confidence level. We have not been able to fund at the 90% level for some time now, but for the first time the reserve level has now fallen below even the 50% actuarially "expected" level.

To remedy this \$1.2 million shortfall, staff recommends a three-step program: 1) factor \$100,000 into FY 06 workers compensation rates charged out to departments, 2) fund \$800,000 in FY 06 using one-time money from the Redevelopment Agency payments to the General Fund, 3) fund the remaining \$300,000 using one-time money in FY 07. This is difficult to do but staff believes that to not fund this actuarial liability is essentially putting off to future years the responsibility to pay for employee injuries that have already occurred.

We have been experiencing a leveling off of workers compensations claims and an updated actuarial report will be prepared in the Fall. So it is possible that the reserve requirements will come down, but that won't be known for several months. If that updated report reveals that the funding requirements have diminished, staff will return to Council with an update and a new funding plan depending on what is required.

### **Capital Improvement and Neighborhood Improvement Program Budgets**

The proposed Capital Improvement Program (CIP) budget amounts to \$2.7 million for FY 06, and an additional \$1.7 million is allocated for Neighborhood Improvement Projects (NIP). This total includes the \$500,000 in NIP storm drainage projects noted earlier that the General Fund would otherwise have had to pay for given the lack of resources in the Storm Water Utility Fund. Altogether, the proposed CIP and NIP budgets include \$1.6 million for infrastructure repairs and improvements such as streets, sewers and storm drains. Also included is \$425,000 for traffic calming (NIP); \$325,000 for the widening of the 700 block of Archer Street (NIP); \$250,000 for Pacific Street erosion control (NIP); and \$325,000 to replace the roof on El Cuartel. It is significant to note that in the five budget years starting with FY 02, the NIP Committee has approved just over \$2 million in traffic calming projects.

A fuller discussion of the entire FY 06 CIP and NIP programs is presented in a separate report to Council from the Public Works Department on the June 21, 2005 agenda.

## **LONG-TERM GENERAL FUND FORECAST**

This FY 06 budget proposal to the Council balances the budget by reducing expenditures (\$710,300), increasing fees (\$173,400), requiring the Parking Fund to pay for street maintenance (\$137,300), and funding certain capital projects with NIP money (\$500,000). However, as I mentioned earlier, it does not adequately fund facilities and infrastructure maintenance nor does it make any progress toward building back up the Reserve for Economic Uncertainty. And as we now look to the new out-year, fiscal 2006-07, the financial picture, though better than one year ago, is still a significant concern.

Our early FY 07 projections show that if we again do not make a contribution to the Reserve for Economic Uncertainty, and do not fund facility and infrastructure reserves at all, there would be an operating shortfall of approximately \$800,000. However, if allocations are made in accordance with existing fiscal policies to begin to bring the Reserve for Economic Uncertainty back to an appropriate level, and if even modest allocations are made to new reserves for capital renewal of key facilities, the operating shortfall becomes \$1.9 million as shown below:

<b>General Fund Operating Budget Preliminary Forecast FY 2006-07 (millions)</b>	
Operating revenues	\$48.2
Operating Expenditures (net)	(49.5)
Transfers (net)	<u>0.5</u>
<b>Operating shortfall</b>	<b>(0.8)</b>
Reserve for Econ. Uncert.	(0.4)
Reserve for Capital Renewal	<u>(0.7)</u>
<b>Shortfall with Reserves</b>	<b><u>(\$1.9)</u></b>

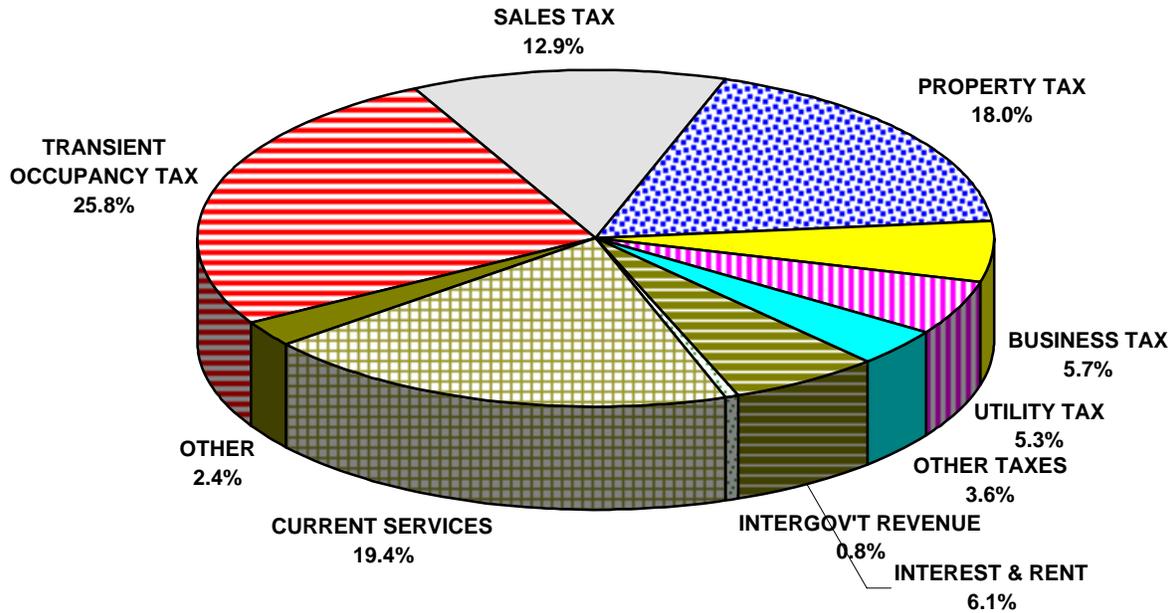
The approximately \$400,000 shown above going to the Reserve for Economic Uncertainty in FY 07 would not bring that reserve to full funding. As mentioned earlier in this report, the total shortfall at this point is \$2.2 million. The \$400,000 funding level is based on funding 15% of the projected increase in net expenditures and would at least keep us from falling further behind. The \$700,000 funding level shown for Capital Renewal Reserves is based on 1% of the insured value of the City's "flagship" facilities including the Sports Center, Conference Center, Library and the two wharves. This

level of funding may not be adequate but it is a starting point. Further study is necessary to determine appropriate reserve funding levels.

Because of the City Council's leadership and prudence, we are once again able to balance the budget without a significant impact on services to Monterey citizens. In addition, the City has some reserves available to meet new fiscal challenges that may come up. This is good news and puts the City of Monterey in a better position than some of our neighbors. However, even though the budget picture has brightened somewhat, given the imbalance projected for FY 07, staff believes that this is still not the time to add back programs that were reduced or eliminated in past budget reduction plans unless a clear funding source can be provided. Similarly, it is not the time to be adding new programs or services unless there are new revenues, expenditure savings, or long-term efficiencies that will result. In fact, the proposed budget includes further reductions in staffing levels and other cost reductions, as previously described, in order to present a balanced budget.

Fred Meurer

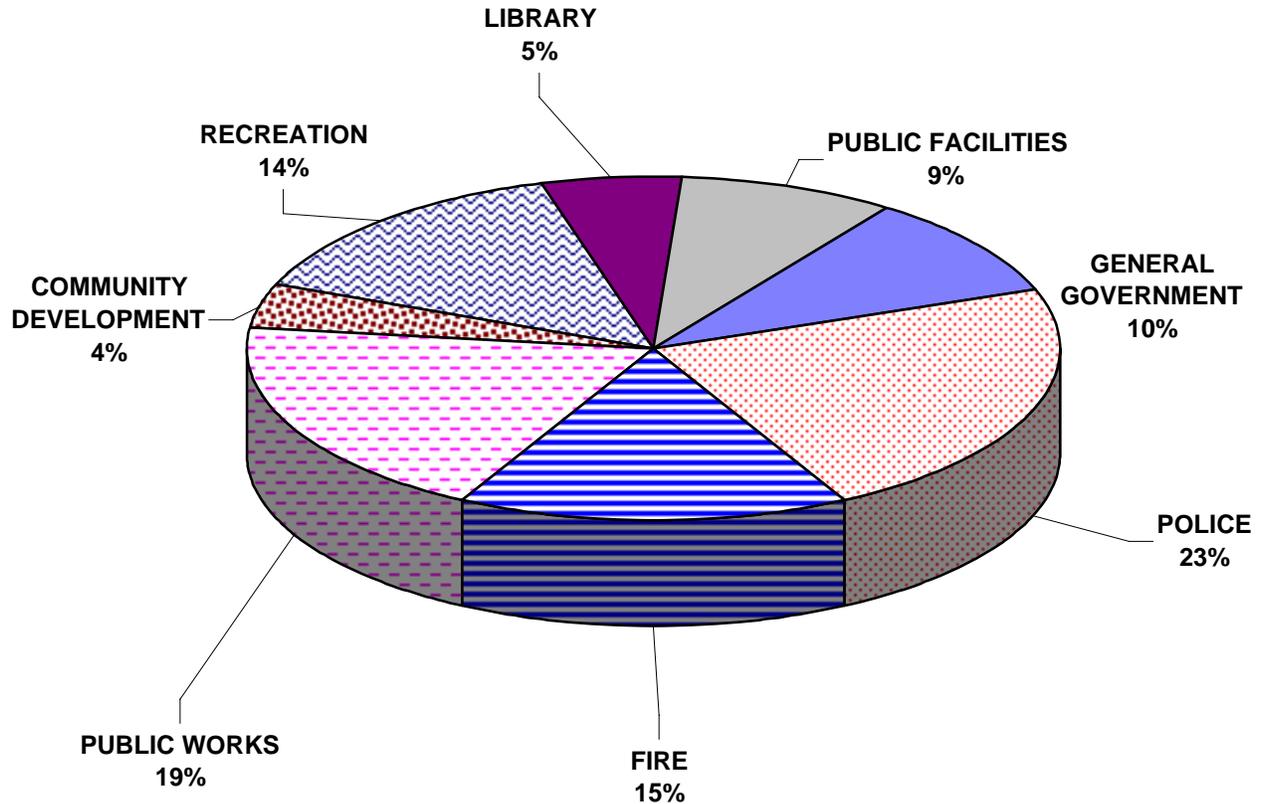
**GENERAL FUND REVENUES**  
2005-06



TOTAL GENERAL FUND REVENUES = \$46.6 MILLION

	2002-03 ACTUAL	2003-04 ACTUAL	2004-05 REVISED	2005-06 ESTIMATE
TRANSIENT OCCUPANCY TAX	\$10,520,670	\$10,785,439	\$11,451,298	\$12,023,863
SALES TAX	6,549,887	6,508,906	5,665,558	6,018,391
PROPERTY TAX	4,119,939	4,426,248	7,835,097	8,382,577
BUSINESS TAX	2,370,039	2,469,942	2,535,000	2,661,750
UTILITY TAX	2,289,669	2,332,750	2,376,000	2,427,090
OTHER TAXES	1,774,435	1,647,950	1,521,520	1,687,696
INTEREST & RENT	2,937,511	2,786,203	2,793,421	2,854,946
INTERGOV'T REVENUE	1,960,134	1,515,021	259,792	316,396
CURRENT SERVICES	7,586,851	8,991,000	9,274,360	9,047,521
OTHER	1,947,479	1,201,210	1,259,878	1,140,488
<b>TOTAL</b>	<b>\$42,056,614</b>	<b>\$42,664,669</b>	<b>\$44,971,924</b>	<b>\$46,560,718</b>

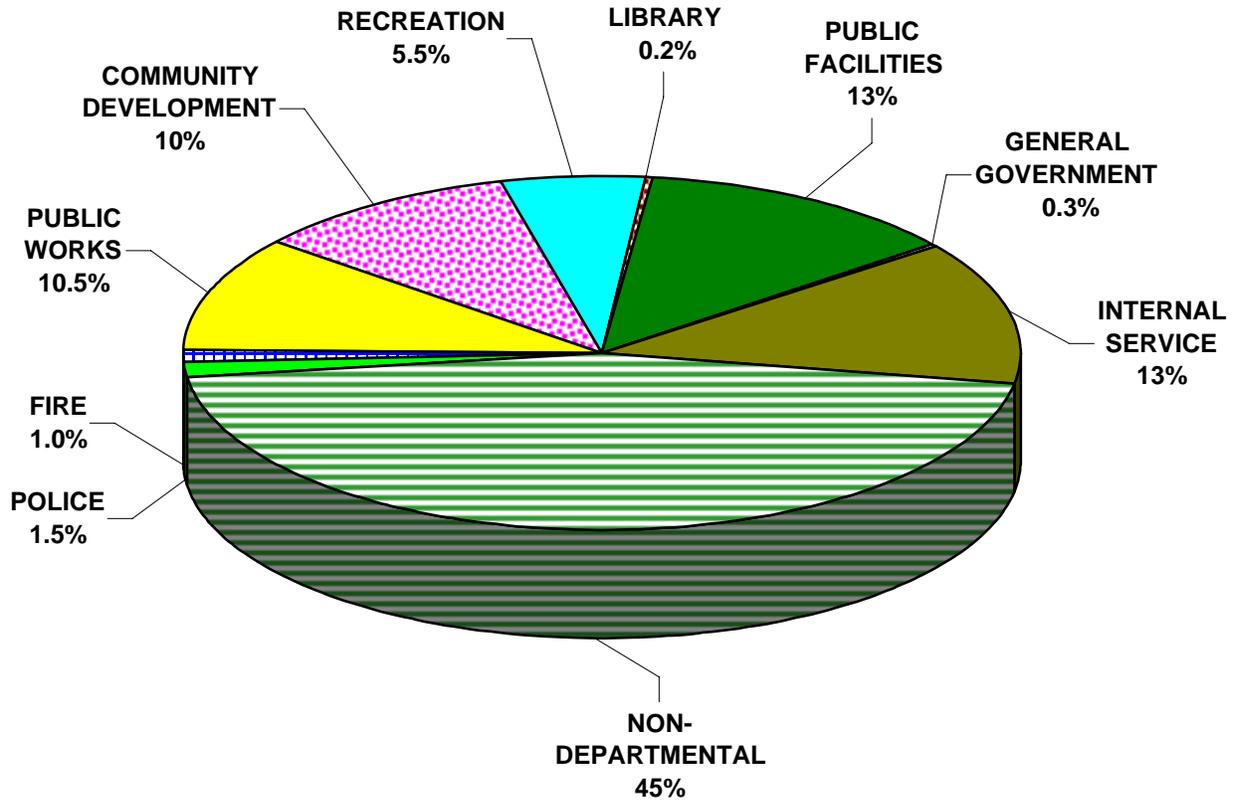
**OPERATING EXPENDITURES BY PROGRAM  
GENERAL FUND  
2005-06**



OPERATING EXPENDITURES = \$47.9 MILLION

	2002-03 ACTUAL	2003-04 ACTUAL	2004-05 AMENDED	2005-06 ADOPTED
POLICE	\$9,314,669	\$9,814,133	\$10,591,912	\$10,956,706
FIRE	6,098,376	6,185,875	6,899,753	7,373,669
PUBLIC WORKS	8,931,998	8,564,342	9,030,335	9,263,286
COMMUNITY DEVELOPMENT	1,915,506	1,938,595	2,093,022	1,984,900
RECREATION	5,526,160	5,966,796	6,692,848	6,858,493
LIBRARY	2,957,838	2,515,988	2,672,154	2,729,242
PUBLIC FACILITIES	3,499,875	3,936,656	4,242,484	4,060,114
GENERAL GOVERNMENT	4,370,491	4,347,785	4,884,595	4,650,916
<b>TOTAL</b>	<b>\$42,614,913</b>	<b>\$43,270,170</b>	<b>\$47,107,103</b>	<b>\$47,877,326</b>

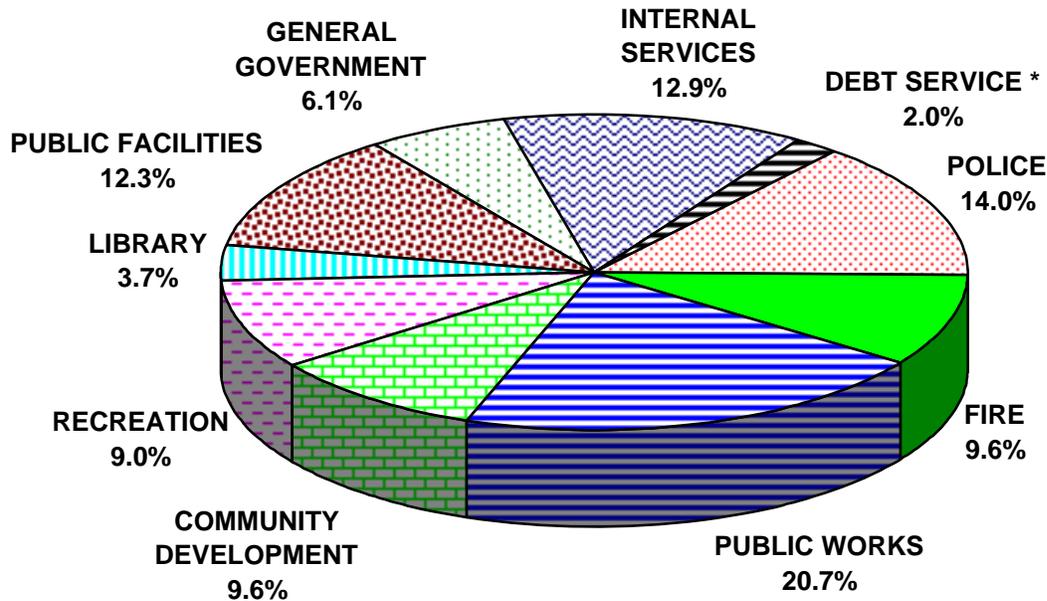
**OPERATING REVENUES BY PROGRAM  
ALL FUNDS  
2005-06**



TOTAL REVENUES = \$ 79.2 MILLION

	2002-03 ACTUAL	2003-04 ACTUAL	2004-05 REVISED	2005-06 ESTIMATE
NON-DEPARTMENTAL	\$32,437,749	\$31,945,935	\$34,050,796	\$35,836,601
POLICE	1,090,277	1,206,171	1,180,075	1,156,515
FIRE	866,813	813,231	969,675	769,683
PUBLIC WORKS	10,449,359	8,401,113	7,892,738	8,407,949
COMMUNITY DEVELOPMENT	4,715,331	4,879,913	6,983,705	8,208,058
RECREATION	3,433,375	3,934,900	4,198,478	4,366,022
LIBRARY	243,682	244,074	147,400	169,675
PUBLIC FACILITIES	9,614,774	10,348,620	9,869,868	10,016,438
GENERAL GOVERNMENT	235,460	382,435	221,130	199,714
INTERNAL SERVICE	8,438,485	9,573,678	10,165,666	10,383,248
<b>TOTAL</b>	<b>\$71,525,305</b>	<b>\$71,730,070</b>	<b>\$75,679,531</b>	<b>\$79,513,903</b>

**OPERATING EXPENDITURES BY PROGRAM  
ALL FUNDS  
2005-06**



OPERATING EXPENDITURES = \$78.2 MILLION

	2002-03 ACTUAL	2003-04 ACTUAL	2004-05 AMENDED	2005-06 ADOPTED
POLICE	\$9,328,978	\$9,827,396	\$10,636,266	\$10,966,706
FIRE	6,175,870	6,304,847	7,077,961	7,512,924
PUBLIC WORKS	17,746,363	15,492,421	16,574,191	16,194,788
COMMUNITY DEVELOPMENT	3,388,318	3,100,563	6,354,425	7,469,658
RECREATION	5,619,507	6,059,024	6,828,033	7,008,493
LIBRARY	2,588,695	2,589,936	2,815,972	2,860,834
PUBLIC FACILITIES	9,381,797	9,945,324	9,471,869	9,620,410
GENERAL GOVERNMENT	4,529,645	4,616,173	5,070,215	4,799,092
INTERNAL SERVICES	8,400,221	9,749,804	10,334,353	10,099,938
DEBT SERVICE *	2,486,670	671,801	2,065,358	1,552,874
<b>TOTAL</b>	<b>\$69,646,064</b>	<b>\$68,357,289</b>	<b>\$77,228,643</b>	<b>\$78,085,717</b>

\* Includes principal and interest payments in all Enterprise Funds.



PREVENTION	22,021	30,300	37,800	37,800	54,000		54,000					54,000
OPERATIONS	750,876	685,864	644,158	674,605	619,150		611,650	7,500				619,150
TRAINING	0	1,200	0	0	0							
EMERGENCY PREPAREDNESS	0	0	5,000	163,400	0						0	0
<b>FIRE TOTAL</b>	<b>841,661</b>	<b>787,568</b>	<b>755,328</b>	<b>944,175</b>	<b>743,520</b>	<b>70,000</b>	<b>666,020</b>	<b>0</b>	<b>7,500</b>	<b>0</b>	<b>0</b>	<b>743,520</b>

<b>PUBLIC WORKS</b>												
ADMINISTRATION	85,840	124,947	107,500	107,500	110,500		500		10,000		100,000	110,500
ENGINEERING / DESIGN	12,000	12,000	12,000	12,000	6,000	6,000					0	6,000
CONSTRUCTION MANAGEMENT	33,019	0	15,500	15,500	15,500		500				15,000	15,500
TRANSPORTATION ENGINEERING	0	6,996	7,500	7,500	7,500		7,500					7,500
STREET MAINTENANCE	74,213	82,371	55,000	55,000	103,000		103,000					103,000
BUILDING MAINTENANCE	844	240	0	0	500		500					500
CUSTODIAL SERVICES	10,682	(3,111)	0	0	0		0					0
PARKS	317,685	184,031	182,500	182,500	179,750		179,750					179,750
URBAN FORESTRY	38,365	11,891	0	0	0							0
<b>PUBLIC WORKS TOTAL</b>	<b>572,648</b>	<b>419,365</b>	<b>380,000</b>	<b>380,000</b>	<b>422,750</b>	<b>6,000</b>	<b>291,750</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>115,000</b>

**GENERAL FUND (Continued)**

<b>COMMUNITY DEVELOPMENT</b>												
PLANNING	\$ 56,053	\$ 63,131	\$ 66,000	\$ 66,000	\$ 67,320	\$ 0	\$ 67,320	\$ 0	\$ 0	\$ 0	\$ 0	\$ 67,320
BUILDING SAFETY AND INSPECTION	791,047	957,345	611,895	755,037	679,534		248,285		430,833		416	679,534
HOUSING & PROPERTY MGMT	1,737,288	1,911,095	2,207,921	1,907,921	1,976,446		7,000	1,969,446				1,976,446
<b>COMMUNITY DEVELOPMENT TOTAL</b>	<b>2,584,388</b>	<b>2,931,571</b>	<b>2,885,816</b>	<b>2,728,958</b>	<b>2,723,300</b>	<b>0</b>	<b>322,605</b>	<b>1,969,446</b>	<b>0</b>	<b>430,833</b>	<b>0</b>	<b>416</b>

<b>RECREATION &amp; COMMUNITY SERVICES</b>												
ADMINISTRATION	15,266	17,416	19,238	19,238	23,866		23,866					23,866
MONTEREY YOUTH CENTER	92,100	113,749	116,556	116,556	122,963		122,963					122,963
MONTEREY SENIOR CENTER	25,116	30,552	33,020	33,020	34,403		34,403					34,403
ARCHER PARK CENTER	60,232	41,721	0	0	0		0					0
HILLTOP PARK CENTER	54,395	54,076	104,472	104,472	112,312		112,312					112,312
CASANOVA OAK KNOLL PARK CTR.	39,885	41,020	50,285	50,285	58,053		58,053					58,053
SPECIAL PROGRAMS & EVENTS	298,955	337,342	376,850	401,892	388,490		388,490					388,490
SPORTS	116,169	116,905	153,690	153,690	159,570		159,570					159,570
MONTEREY SPORTS CENTER	2,656,759	3,055,544	2,918,495	3,190,000	3,322,505		3,322,505					3,322,505
<b>REC. &amp; COMM. SERVICES TOTAL</b>	<b>3,358,876</b>	<b>3,808,323</b>	<b>3,772,606</b>	<b>4,069,153</b>	<b>4,222,162</b>	<b>0</b>	<b>4,222,162</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,222,162</b>

<b>LIBRARY</b>												
ADMINISTRATION	71,638	13,633	0	0	0							0
SUPPORT SERVICES	1,260	4,435	1,750	1,750	13,147		13,147					13,147
REFERENCE SERVICES	13,392	10,177	9,250	9,250	0		0					0
READERS' SERVICES	92,371	92,521	86,500	86,500	93,897		93,897					93,897
MUSEUM	6,318	9,026	4,000	4,000	3,000						3,000	3,000
PRESIDIO PARK & MUSEUM	4,904	2,384	3,500	3,500	2,700						2,700	2,700
<b>LIBRARY TOTAL</b>	<b>189,884</b>	<b>132,176</b>	<b>105,000</b>	<b>105,000</b>	<b>112,744</b>	<b>0</b>	<b>107,044</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,700</b>

<b>PUBLIC FACILITIES</b>												
SALES & MARKETING	225,389	224,886	200,000	213,000	215,000		215,000					215,000
EVENT OPERATIONS	1,199,748	1,502,099	1,349,000	1,669,000	1,574,000		1,574,000					1,574,000
VISITOR PROMOTION	96,069	99,591	100,000	100,000	100,000						100,000	100,000
HARBOR MAINTENANCE	118,766	256,462	222,620	222,620	182,000		182,000					182,000

## 3670

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<b>PUBLIC FACILITIES TOTAL</b>	<u>1,639,971</u>	<u>2,083,038</u>	<u>1,871,620</u>	<u>2,204,620</u>	<u>2,071,000</u>	<u>0</u>	<u>1,971,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>2,071,000</u>
<b>GENERAL GOVERNMENT</b>													
CITY MANAGER	4,823	3,413	7,900	7,900	5,900		5,900						5,900
CITY ATTORNEY	69,007	78,858	50,000	50,000	29,739					29,739			29,739
<b>CITY MANAGER TOTAL</b>	<u>73,830</u>	<u>82,271</u>	<u>57,900</u>	<u>57,900</u>	<u>35,639</u>	<u>0</u>	<u>5,900</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,739</u>	<u>35,639</u>
<b>GENERAL FUND TOTAL</b>	<u>\$ 42,056,614</u>	<u>\$ 42,664,669</u>	<u>\$ 44,100,388</u>	<u>\$ 44,971,924</u>	<u>\$ 46,560,718</u>	<u>\$ 33,201,367</u>	<u>\$ 9,047,521</u>	<u>\$ 2,854,946</u>	<u>\$ 316,396</u>	<u>\$ 448,033</u>	<u>\$ 333,739</u>	<u>\$ 358,716</u>	<u>\$ 46,560,718</u>

REVISED REVENUE BY MAJOR CATEGORY 2004-05

<u>\$ 31,388,073</u>	<u>\$ 9,026,054</u>	<u>\$ 2,793,421</u>	<u>\$ 304,492</u>	<u>\$ 528,100</u>	<u>\$ 420,000</u>	<u>\$ 511,784</u>	<u>\$ 44,971,924</u>
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PERCENTAGE CHANGE COMPARED TO 2004-05 REVISED ESTIMATE

5.8%	0.2%	2.2%	3.9%	-15.2%	-20.5%	-29.9%	3.5%
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GRAND TOTALS	43,283,032	41,100,696	41,136,606
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## 3,315 INTEREST INCOME - LEASES  
## 3,319 LEASE REVENUE

# OPERATING REVENUE SUMMARY - SPECIAL FUNDS

## SPECIAL FUNDS

2005-06

OPERATING REVENUE BY MAJOR CATEGORY

FUND / PROGRAM	2002-03	2003-04	2004-05		2005-06								
	ACTUAL REVENUE	ACTUAL REVENUE	ORIGINAL ESTIMATE	REVISED ESTIMATE	PROPOSED ESTIMATE	TAXES	FEES & CHARGES	INTEREST & RENTS	INTER- GOV'T	LICENSE & PERMITS	FINES & FORFEITS	OTHER	TOTAL
<b>SPECIAL FUNDS - OPERATING</b>													
<b>PUBLIC SAFETY</b>													
COPS MORE 98 - DOJ GRANT	\$ 944	\$ -	\$ 63,000	\$ 63,000	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ -
JUSTICE ASSISTANCE GRANT	0	0	0	0	21,383			100	\$ 21,283				21,383
LOCAL LAW ENFORCEMENT GRANT	39,673	30,180	30,300	30,300	17,967			967	17,000				17,967
PUBLIC SAFETY TRAINING	87,822	124,134	91,700	91,700	108,800		108,800						108,800
WATER SYSTEM IMPROVEMENT	25,152	25,663	25,500	25,500	26,163		20,000	6,163					26,163
COPS IN SCHOOLS - DOJ GRANT	19	144	0	0	0								0
ASSET SEIZURE	40,017	3,454	2,000	2,000	3,000				3,000				3,000
STATE COPS - AB1913	101,772	101,589	101,600	101,600	102,065			2,065	100,000				102,065
OFFICE OF TRAFFIC SAFETY GRANT	1,626	1	0	0	24,600			100	24,500				24,600
<b>PUBLIC SAFETY TOTAL</b>	<b>297,025</b>	<b>285,165</b>	<b>314,100</b>	<b>314,100</b>	<b>303,978</b>	<b>0</b>	<b>128,800</b>	<b>9,395</b>	<b>165,783</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>303,978</b>
<b>PUBLIC WORKS</b>													
PRESIDIO PUBLIC WORKS AUTHORITY	6,610,217	4,809,496	4,197,745	4,197,745	4,723,000		4,723,000						4,723,000
STORM WATER UTILITY	989,897	1,041,705	980,290	980,290	1,044,829		1,018,725	26,104					1,044,829
SEWER LINE MAINTENANCE	839,651	1,218,548	1,267,987	1,267,987	1,303,066		1,270,000	32,566			500		1,303,066
NAVY SERVICES	689,773	232,010	342,000	342,000	185,866		183,100	2,766					185,866
MATERIALS RECOVERY FACILITY	331,371	314,884	344,015	344,015	350,028			350,028					350,028
CEMETERY - OPERATING	251,887	201,779	255,500	255,500	245,700		240,100	5,600					245,700
ALVARADO ST. MAINT. DISTRICT	48,716	48,910	48,625	48,625	48,763	48,125		638					48,763
CALLE PRINCIPAL ST. MAINT. DISTRICT	30,795	25,403	15,038	15,038	15,305	14,288		1,017					15,305
SKYLINE FOREST MAINT. DISTRICT	15,400	15,697	14,600	14,600	17,548	15,900		1,648					17,548
SEWER MAINS IMPROVEMENTS	895	693	700	700	729			729					729
PARK DEDICATION FEES	14,356	24,947	838	838	2,067		1,000	1,067					2,067
<b>PUBLIC WORKS TOTAL</b>	<b>9,822,958</b>	<b>7,934,073</b>	<b>7,467,338</b>	<b>7,467,338</b>	<b>7,936,901</b>	<b>78,313</b>	<b>7,435,925</b>	<b>422,163</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>7,936,901</b>
<b>COMMUNITY DEVELOPMENT</b>													
COMM. DEVELOPMENT - HCD	1,298,803	1,177,661	1,723,071	1,723,071	2,637,880	1,099,080		323,000				1,215,800	2,637,880
COMM. DEVELOP. BLOCK - HUD	801,065	745,876	1,368,000	1,368,000	1,134,202			520,000	259,170			355,032	1,134,202
SPECIAL HOUSING GRANTS	31,075	24,806	1,163,676	1,163,676	1,712,676			31,500				1,681,176	1,712,676
<b>HOUSING &amp; CDBG TOTAL</b>	<b>2,130,943</b>	<b>1,948,342</b>	<b>4,254,747</b>	<b>4,254,747</b>	<b>5,484,758</b>	<b>1,099,080</b>	<b>0</b>	<b>874,500</b>	<b>259,170</b>	<b>0</b>	<b>0</b>	<b>3,252,008</b>	<b>5,484,758</b>
<b>RECREATION &amp; CULTURAL</b>													
GOLDEN TRAVELERS	49,446	107,690	110,000	110,000	125,000		125,000						125,000
LIBRARY	65,020	123,308	46,000	46,000	52,957		11,000	21,957			20,000		52,957
SPORTS CENTER	13,083	10,126	10,275	10,275	10,017			10,017					10,017
SCHOLZE PARK	26,877	23,836	22,700	22,700	24,152			24,152					24,152
SCHOLZE PLAYGROUND	26,876	23,836	22,700	22,700	24,146			24,146					24,146
SR. CENTER PROGRAMS	11,970	8,761	9,050	9,050	8,843			8,843					8,843
MUSEUM	5,879	5,412	3,900	3,900	3,974		1,500	1,974			500		3,974
<b>REC. &amp; CULTURAL TOTAL</b>	<b>199,151</b>	<b>302,970</b>	<b>224,625</b>	<b>224,625</b>	<b>249,089</b>	<b>0</b>	<b>137,500</b>	<b>91,089</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,500</b>	<b>249,089</b>
<b>PUBLIC FACILITIES</b>													
<b>MARINA</b>													
MARINA - OPERATING	2,034,860	2,123,667	2,028,420	2,028,420	2,036,128		1,847,000	164,128				25,000	2,036,128
WHARF 1 SPRINKLER SYSTEM	26,184	26,696	27,200	27,200	27,300		27,300						27,300
<b>MARINA TOTAL</b>	<b>2,061,044</b>	<b>2,150,363</b>	<b>2,055,620</b>	<b>2,055,620</b>	<b>2,063,428</b>	<b>0</b>	<b>1,874,300</b>	<b>164,128</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>	<b>2,063,428</b>
<b>PARKING</b>													
PARKING - OPERATING	5,813,563	6,014,279	5,515,541	5,515,541	5,794,211		4,649,300	450,911			600,000	94,000	5,794,211
CANNERY ROW PARKING VARIANCES	38,927	36,482	39,545	39,545	36,000		28,429	7,571					36,000
SOUTH CANNERY ROW PARKING DIST.	24,157	23,554	23,453	23,453	24,112		19,218	4,894					24,112

TRANSPORTATION MANAGEMENT	16,045	20,170	19,693	19,693	23,686		22,070	1,616					23,686
PARKING ADJUSTMENT FEES	3,965	3,912	3,896	3,896	4,001		3,600	401					4,001
PARKING TOTAL	5,896,657	6,098,397	5,602,128	5,602,128	5,882,010	0	4,722,617	465,393	0	0	600,000	94,000	5,882,010
<b>PUBLIC FACILITIES TOTAL</b>	<b>7,957,701</b>	<b>8,248,760</b>	<b>7,657,748</b>	<b>7,657,748</b>	<b>7,945,438</b>	<b>0</b>	<b>6,596,917</b>	<b>629,521</b>	<b>0</b>	<b>0</b>	<b>600,000</b>	<b>119,000</b>	<b>7,945,438</b>
<b>SPECIAL FUNDS - OPERATING (Continued)</b>													
<b>GENERAL GOVERNMENT</b>													
TIDELANDS (Non-Departmental)	460,797	472,248	460,153	460,153	485,698			485,698	0	0	0	0	485,698
INSTITUTIONAL NETWORK SERVICE	12,245	151,008	9,600	9,600	9,921			9,921					9,921
PUBLIC ED. & GOV'T ACCESS	149,385	149,156	153,630	153,630	154,154		154,000	154					154,154
<b>GENERAL GOVERNMENT TOTAL</b>	<b>622,427</b>	<b>772,412</b>	<b>623,383</b>	<b>623,383</b>	<b>649,773</b>	<b>0</b>	<b>154,000</b>	<b>495,773</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>649,773</b>
<b>INTERNAL SERVICES</b>													
VEHICLE MAINTENANCE	1,407,797	1,394,262	1,723,821	1,723,821	1,434,750		1,434,750						1,434,750
EQUIPMENT REPLACEMENT	857,420	1,093,005	840,215	840,215	853,965		827,715	26,250					853,965
INFORMATION SERVICES	1,375,853	1,262,210	1,929,558	1,929,558	2,229,619		2,219,619				10,000		2,229,619
WORKERS COMPENSATION	1,704,441	1,932,463	1,992,067	1,992,067	2,097,678		1,997,678				100,000		2,097,678
HEALTH & OTHER BENEFITS	2,300,942	2,630,772	3,000,600	3,000,600	3,004,200		3,004,200						3,004,200
LIABILITY & PROPERTY INSURANCE	792,033	1,260,966	679,405	679,405	763,036		763,036						763,036
<b>INTERNAL SERVICES TOTAL</b>	<b>8,438,486</b>	<b>9,573,678</b>	<b>10,165,666</b>	<b>10,165,666</b>	<b>10,383,248</b>	<b>0</b>	<b>10,246,998</b>	<b>26,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>110,000</b>	<b>10,383,248</b>
<b>SPECIAL FUNDS - OPERATING</b>	<b>\$ 29,468,691</b>	<b>\$ 29,065,401</b>	<b>\$ 30,707,607</b>	<b>\$ 30,707,607</b>	<b>\$ 32,953,185</b>	<b>\$ 1,177,393</b>	<b>\$ 24,700,140</b>	<b>\$ 2,548,691</b>	<b>\$ 424,953</b>	<b>\$ 0</b>	<b>\$ 600,000</b>	<b>\$ 3,502,008</b>	<b>\$ 32,953,185</b>

REVISED REVENUE BY MAJOR CATEGORY 2004-05

	\$ 1,112,984	\$ 24,340,082	\$ 1,946,324	\$ 472,000	\$ 0	\$ 600,000	\$ 2,236,217	\$ 30,707,607
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PERCENTAGE CHANGE COMPARED TO 2004-05 REVISED ESTIMATE

	5.8%	1.5%	30.9%	-10.0%	0.0%	0.0%	56.6%	7.3%
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OPERATING REVENUE SUMMARY - ALL FUNDS						ALL FUNDS							
FUND TYPE	2005-06					2005-06							
	2002-03	2003-04	2004-05		2005-06	OPERATING REVENUE BY MAJOR CATEGORY							
	ACTUAL REVENUE	ACTUAL REVENUE	ORIGINAL ESTIMATE	REVISED ESTIMATE	PROPOSED ESTIMATE	TAXES	FEES & CHARGES	INTEREST & RENTS	INTER-GOV'T	LICENSE & PERMITS	FINES & FORFEITS	OTHER	TOTAL
<b>GENERAL FUND</b>	\$ 42,056,614	\$ 42,664,669	\$ 44,100,388	\$ 44,971,924	\$ 46,560,718	\$ 33,201,367	\$ 9,047,521	\$ 2,854,946	\$ 316,396	\$ 448,033	\$ 333,739	\$ 358,716	\$ 46,560,718
<b>SPECIAL FUNDS</b>	29,468,691	29,065,401	30,707,607	30,707,607	32,953,185	1,177,393	24,700,140	2,548,691	424,953	0	600,000	3,502,008	32,953,185
<b>TOTAL OPERATING - ALL FUNDS</b>	<b>\$ 71,525,305</b>	<b>\$ 71,730,070</b>	<b>\$ 74,807,995</b>	<b>\$ 75,679,531</b>	<b>\$ 79,513,903</b>	<b>\$ 34,378,760</b>	<b>\$ 33,747,661</b>	<b>\$ 5,403,637</b>	<b>\$ 741,349</b>	<b>\$ 448,033</b>	<b>\$ 933,739</b>	<b>\$ 3,860,724</b>	<b>\$ 79,513,903</b>

## OPERATING EXPENDITURES SUMMARY - ALL FUNDS

FUND / PROGRAM	AMENDED OPERATING BUDGET 2004-05							ADOPTED OPERATING BUDGET 2005-06			
	2002-03	2003-04	2004-05								
	ACTUAL	ACTUAL	ADOPTED	PERSONNEL	SUPPLIES & SERVICES	BLDGS. & EQUIPMENT	TOTALS	PERSONNEL	SUPPLIES & SERVICES	BLDGS. & EQUIPMENT	TOTALS
GENERAL FUND	EXPENSES	EXPENSES	BUDGET								
<b>POLICE</b>											
ADMINISTRATION	\$ 1,491,646	\$ 1,454,317	\$ 1,651,270	\$ 1,038,041	\$ 617,020	\$ 0	\$ 1,655,061	\$ 1,047,668	\$ 769,386	\$ 0	\$ 1,817,054
FIELD OPERATIONS	5,307,598	5,907,597	5,992,122	5,318,737	656,046	14,975	5,989,758	5,391,074	826,225	8,000	6,225,299
SUPPORT SERVICES	1,291,295	1,391,895	1,594,387	1,429,484	165,252	0	1,594,736	1,431,919	173,138	0	1,605,057
INVESTIGATION & COMM. SERVICES	1,224,130	1,060,324	1,365,355	1,223,236	129,121	0	1,352,357	1,185,110	124,186	0	1,309,296
<b>POLICE TOTAL</b>	<b>9,314,669</b>	<b>9,814,133</b>	<b>10,603,134</b>	<b>9,009,498</b>	<b>1,567,439</b>	<b>14,975</b>	<b>10,591,912</b>	<b>9,055,771</b>	<b>1,892,935</b>	<b>8,000</b>	<b>10,956,706</b>
<b>FIRE</b>											
ADMINISTRATION	479,574	427,167	541,183	374,192	166,591	0	540,783	395,022	224,436	0	619,458
PREVENTION	273,231	274,393	316,084	276,806	41,134	0	317,940	274,330	36,823	0	311,153
OPERATIONS	5,101,439	5,238,780	5,659,905	5,081,124	548,892	92,140	5,722,156	5,533,464	552,618	66,000	6,152,082
TRAINING	181,829	177,793	197,090	170,428	69,277	0	239,705	164,780	45,175	0	209,955
EMERGENCY PREPAREDNESS	62,303	67,742	79,169	37,547	41,622	0	79,169	40,471	40,550	0	81,021
<b>FIRE TOTAL</b>	<b>6,098,376</b>	<b>6,185,875</b>	<b>6,793,431</b>	<b>5,940,097</b>	<b>867,516</b>	<b>92,140</b>	<b>6,899,753</b>	<b>6,408,067</b>	<b>899,602</b>	<b>66,000</b>	<b>7,373,669</b>
<b>PUBLIC WORKS</b>											
ADMINISTRATION	380,195	223,745	578,182	422,722	116,148	0	538,870	205,182	74,076	0	279,258
ENGINEERING / DESIGN	342,421	444,443	408,694	319,023	107,938	0	426,961	528,373	91,677	0	620,050
ENGINEERING / SURVEY	75,811	69,549	94,979	78,705	16,274	0	94,979	89,227	20,151	0	109,378
CONSTRUCTION MANAGEMENT	526,778	458,712	468,369	295,039	112,476	67,337	474,852	285,219	118,965	75,000	479,184
TRANSPORTATION ENGINEERING	487,248	538,475	464,814	224,002	210,646	50,000	484,648	254,740	209,624	50,000	514,364
STREET MAINTENANCE	1,411,240	1,267,990	1,264,764	641,042	647,468	0	1,288,510	768,351	646,033	0	1,414,384
BUILDING MAINTENANCE	1,105,485	1,078,675	1,142,713	414,955	563,154	338,047	1,316,156	494,092	515,033	165,270	1,174,395
CUSTODIAL SERVICES	912,612	830,697	851,624	660,944	190,680	0	851,624	695,651	155,365	0	851,016
PARKS	2,710,468	2,733,477	2,687,974	1,893,912	723,114	76,600	2,693,626	2,091,997	745,855	59,000	2,896,852
URBAN FORESTRY	979,740	918,579	858,189	637,522	219,537	3,050	860,109	654,975	266,230	3,200	924,405
<b>PUBLIC WORKS TOTAL</b>	<b>8,931,998</b>	<b>8,564,342</b>	<b>8,820,302</b>	<b>5,587,866</b>	<b>2,907,435</b>	<b>535,034</b>	<b>9,030,335</b>	<b>6,067,807</b>	<b>2,843,009</b>	<b>352,470</b>	<b>9,263,286</b>
<b>COMMUNITY DEVELOPMENT</b>											
PLANNING	971,610	978,198	1,017,590	883,616	214,198	0	1,097,814	827,817	146,328	0	974,145
BUILDING SAFETY & INSPECTION	701,392	748,895	781,273	686,134	111,693	0	797,827	683,806	92,665	0	776,471
PROPERTY MANAGEMENT	129,172	93,911	102,705	86,451	16,254	0	102,705	81,733	62,875	0	144,608
ECONOMIC DEVELOPMENT	113,332	117,591	89,676	0	94,676	0	94,676	0	89,676	0	89,676
<b>COMM. DEVELOPMENT TOTAL</b>	<b>1,915,506</b>	<b>1,938,595</b>	<b>1,991,244</b>	<b>1,656,201</b>	<b>436,821</b>	<b>0</b>	<b>2,093,022</b>	<b>1,593,356</b>	<b>391,544</b>	<b>0</b>	<b>1,984,900</b>
<b>RECREATION &amp; COMM. SERV.</b>											
REC. & COMM. SERV. ADMIN.	689,411	755,585	822,927	647,878	196,256	0	844,134	702,494	182,845	0	899,939
MONTEREY YOUTH CENTER	221,199	255,111	298,602	201,617	96,991	0	298,608	204,176	116,714	0	320,890
MONTEREY SENIOR CENTER	186,484	213,341	237,060	151,412	85,648	0	237,060	159,361	87,021	0	245,582

ARCHER PARK CENTER	196,648	172,999	3,094	0	3,100	0	3,100	0	6,432	0	6,432
HILLTOP PARK CENTER	288,704	278,040	374,953	282,313	92,664	0	374,977	218,780	91,493	0	310,273
CASANOVA OAK KNOLL PARK CTR.	151,184	177,747	220,004	176,000	44,010	0	220,010	176,887	46,615	0	222,702
SPECIAL PROGRAMS / EVENTS	568,458	562,593	674,714	542,295	160,904	0	703,199	505,342	157,461	0	662,803
SPORTS	184,283	199,684	255,976	170,371	85,605	0	255,976	173,922	89,905	0	263,827
MONTEREY SPORTS CENTER	3,039,789	3,351,696	3,702,700	2,845,661	827,831	82,292	3,755,784	2,875,965	806,000	36,768	3,705,733
MONTEREY SPTS CNTR BLDG MTCE	0	0	0	0	0	0	0	121,759	98,553	0	220,312

<b>RECREATION &amp; C.S. TOTAL</b>	<b>5,526,160</b>	<b>5,966,796</b>	<b>6,590,030</b>	<b>5,017,547</b>	<b>1,593,009</b>	<b>82,292</b>	<b>6,692,848</b>	<b>5,138,686</b>	<b>1,683,039</b>	<b>36,768</b>	<b>6,858,493</b>
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<b>LIBRARY</b>											
LIBRARY ADMIN.	911,768	778,637	738,205	299,063	440,865	33,217	773,145	422,400	467,984	0	979,449
SUPPORT SERVICES	207,960	170,420	185,757	166,457	19,300	0	185,757	172,635	19,325	0	386,078
REFERENCE SERVICES	500,762	575,877	647,609	595,531	52,079	0	647,610	481,820	53,193	0	251,831
YOUTH SERVICES	294,611	282,991	317,270	300,919	16,767	0	317,686	387,539	15,800	0	403,339
READERS' SERVICES	560,649	476,716	518,471	473,355	45,115	0	518,470	441,376	33,760	0	475,135
MUSEUM	434,528	193,189	183,078	111,064	74,764	0	185,828	128,121	57,612	0	185,733
PRESIDIO PARK & MUSEUM	47,560	38,158	43,658	39,199	4,459	0	43,658	42,894	4,783	0	47,677

<b>LIBRARY TOTAL</b>	<b>2,957,838</b>	<b>2,515,988</b>	<b>2,634,048</b>	<b>1,985,588</b>	<b>653,349</b>	<b>33,217</b>	<b>2,672,154</b>	<b>2,076,785</b>	<b>652,457</b>	<b>0</b>	<b>2,729,242</b>
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<b>GENERAL FUND (Continued)</b>											
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<b>PUBLIC FACILITIES</b>											
CONFERENCE CENTER ADMIN.	312,588	266,976	322,128	210,519	111,609	0	322,128	199,705	100,514	0	300,219
SALES & MARKETING	760,565	839,662	819,416	252,424	607,529	0	859,953	264,143	568,539	0	832,682
EVENT OPERATIONS	986,965	1,143,799	1,065,844	688,357	564,632	0	1,252,989	712,221	381,509	0	1,093,730
BUILDING MAINTENANCE	153,750	182,746	187,320	81,359	112,770	16,997	211,126	93,956	105,961	36,000	235,917
LANDSCAPE / GENERAL MAINT.	266,428	241,892	273,017	0	280,700	0	280,700	0	258,017	0	258,017
VISITOR PROMOTION	547,434	724,528	753,522	0	770,651	0	770,651	0	752,260	0	752,260
HARBOR ADMINISTRATION	199,375	207,140	203,129	160,256	42,873	0	203,129	162,023	101,308	0	263,331
HARBOR MAINTENANCE	210,060	275,271	236,909	120,332	138,546	0	258,878	125,134	116,577	8,000	249,711
HARBOR SECURITY	62,710	54,642	71,327	39,395	43,535	0	82,930	40,815	33,432	0	74,247

<b>PUB. FACILITIES TOTAL</b>	<b>3,499,875</b>	<b>3,936,656</b>	<b>3,932,612</b>	<b>1,552,642</b>	<b>2,672,845</b>	<b>16,997</b>	<b>4,242,484</b>	<b>1,597,997</b>	<b>2,418,117</b>	<b>44,000</b>	<b>4,060,114</b>
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<b>GENERAL GOVERNMENT</b>											
MAYOR-COUNCIL	76,979	76,321	75,937	69,976	5,961	0	75,937	72,345	5,942	0	78,287
CITY MANAGER-ADMINISTRATION	644,089	689,282	703,854	659,097	47,432	0	706,529	677,919	47,588	0	725,507
COMM. RESOURCES / EDUCATION	255,183	249,240	243,344	166,075	87,917	0	253,992	189,901	77,907	0	267,808
CITY CLERK	381,212	312,013	362,187	220,149	144,719	0	364,868	284,003	121,872	0	405,875
PRINTING	126,066	87,768	110,865	0	110,865	0	110,865	0	35,465	0	35,465
CITY ATTORNEY	566,055	557,708	614,047	472,417	141,630	0	614,047	498,374	135,964	0	634,338
PERSONNEL	682,338	647,750	687,420	498,804	219,269	0	718,073	451,672	179,103	0	630,775
FINANCE - ADMINISTRATION	352,946	300,394	360,711	271,801	153,223	15,775	440,799	190,019	90,923	0	280,942
REVENUE	413,972	437,630	493,726	387,287	99,528	0	486,815	401,858	104,468	0	506,326
ACCOUNTING	495,030	516,312	560,285	486,183	79,860	0	566,043	617,208	85,263	0	702,471
MISCELLANEOUS & FIXED	147,197	157,063	56,999	0	161,672	0	161,672	0	50,000	0	50,000
COMMUNITY PROMOTION	129,681	160,306	158,704	0	203,284	0	203,284	9,570	152,831	0	162,401
INTERGOV'T. RELATIONS	99,743	155,998	175,721	0	181,671	0	181,671	0	170,721	0	170,721

<b>GENERAL GOVERNMENT TOTAL</b>	<b>4,370,491</b>	<b>4,347,785</b>	<b>4,603,800</b>	<b>3,231,789</b>	<b>1,637,031</b>	<b>15,775</b>	<b>4,884,595</b>	<b>3,392,869</b>	<b>1,258,047</b>	<b>0</b>	<b>4,650,916</b>
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<b>GENERAL FUND TOTAL</b>	<b>\$ 42,614,913</b>	<b>\$ 43,270,170</b>	<b>\$ 45,968,601</b>	<b>\$ 33,981,228</b>	<b>\$ 12,335,445</b>	<b>\$ 790,430</b>	<b>\$ 47,107,103</b>	<b>\$ 35,331,338</b>	<b>\$ 12,038,750</b>	<b>\$ 507,238</b>	<b>\$ 47,877,326</b>
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**SPECIAL FUNDS****PUBLIC SAFETY**

WATER SYSTEM IMPROVEMENT	\$ 30,751	\$ 9,217	25,000	\$ 0	\$ 25,000	0	\$ 25,000	0	25,000	0	25,000
PUBLIC SAFETY TRAINING	46,743	109,755	79,242	0	153,208	0	153,208	24,404	79,951	9,900	114,255
PUBLIC SAFETY GRANTS	0	6,263	0	0	0	34,354	34,354	0	0	0	0
ASSET SEIZURE	14,309	7,000	10,000	0	0	10,000	10,000	0	0	10,000	10,000
<b>PUBLIC SAFETY TOTAL</b>	<b>91,803</b>	<b>132,235</b>	<b>114,242</b>	<b>0</b>	<b>178,208</b>	<b>44,354</b>	<b>222,562</b>	<b>24,404</b>	<b>104,951</b>	<b>19,900</b>	<b>149,255</b>

**PUBLIC WORKS**

PRESIDIO PUB. WORKS AUTH.	6,347,745	4,681,915	4,338,887	2,264,549	2,111,523		4,376,072	2,239,353	1,990,081	0	4,229,434
NAVY SERVICES	542,364	200,271	156,000	0	354,674		354,674	0	156,000	0	156,000
CEMETERY - OPERATING	304,895	286,763	281,040	199,488	80,715	960	281,163	210,206	56,997	6,560	273,763
CEMETERY - DEBT SERV.	117,781	32,219	118,608	0	118,608	0	118,608	0	0	78,504	78,504
SEWER LINE MAINTENANCE	535,200	576,236	1,112,787	473,492	532,995	112,000	1,118,487	466,930	456,322	46,000	969,252
STORM WATER UTILITY	780,395	768,431	956,762	465,505	495,752	0	961,257	511,337	491,820	0	1,003,157
ALVARADO ST. MAINT. DIST.	74,894	93,189	80,206	31,673	47,368	6,650	85,691	34,146	42,387	0	76,533
CALLE PRINCIPAL ST. MAINT. DIST.	9,858	15,164	42,921	6,507	6,911	29,503	42,921	6,889	6,625	0	13,514
SKYLINE FOREST MAINT. DIST.	13,974	13,436	14,140	0	14,140	0	14,140	0	14,140	0	14,140
MATERIALS RECOVERY FACILITY	205,040	292,674	195,709	0	309,451	0	309,451	0	195,709	0	195,709
<b>PUBLIC WORKS TOTAL</b>	<b>8,932,146</b>	<b>6,960,298</b>	<b>7,297,060</b>	<b>3,441,214</b>	<b>4,072,137</b>	<b>149,113</b>	<b>7,662,464</b>	<b>3,468,861</b>	<b>3,410,081</b>	<b>131,064</b>	<b>7,010,006</b>

**SPECIAL FUNDS (Continued)****COMMUNITY DEVELOPMENT**

<b>HOUSING &amp; CDBG TOTAL</b>	<b>1,472,812</b>	<b>1,161,968.00</b>	<b>4,254,747</b>	<b>430,971</b>	<b>146,283</b>	<b>3,684,149</b>	<b>4,261,403</b>	<b>536,613</b>	<b>230,057</b>	<b>4,718,088</b>	<b>5,484,758</b>
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**RECREATION & CULTURAL**

SPORTS CENTER	0	0	0	0		0	0	0	0	0	0
SENIOR CENTER PROGRAMS	18,252	19,566	25,000	0	25,000	0	25,000	0	25,000	0	25,000
GOLDEN 55 TRAVELERS	75,095	72,662	110,000	0	110,185	0	110,185	0	125,000	0	125,000
LIBRARY	112,945	69,417	91,550	34,500	99,318	5,000	138,818	27,142	99,450		126,592
MUSEUM	708	4531	5,000	0	5,000	0	5,000	0	5,000	0	5,000
<b>REC. &amp; CULTURAL TOTAL</b>	<b>207,000</b>	<b>166,176</b>	<b>231,550</b>	<b>34,500</b>	<b>239,503</b>	<b>5,000</b>	<b>279,003</b>	<b>27,142</b>	<b>254,450</b>	<b>0</b>	<b>281,592</b>

**PUBLIC FACILITIES**

WHARF 1 SPRINKLER SYSTEM	10,619	55,892	20,000	0	20,000	0	20,000	0	20,000	0	20,000
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**MARINA**

ADMINISTRATION	465,935	524,783	567,096	315,920	256,171	0	572,091	317,085	330,941	0	648,026
MAINTENANCE	761,011	1,454,720	367,956	217,317	152,888	0	370,205	244,399	150,386	8,000	402,785
SECURITY	134,548	143,156	165,498	149,795	15,702	0	165,497	164,667	15,531		180,198
DEBT SERVICE	476,872	240,070	476,014	0	476,014	0	476,014	0	486,202	0	486,202
<b>MARINA TOTAL</b>	<b>1,838,366</b>	<b>2,362,729</b>	<b>1,576,564</b>	<b>683,032</b>	<b>868,984</b>	<b>0</b>	<b>1,583,807</b>	<b>726,151</b>	<b>983,060</b>	<b>8,000</b>	<b>1,717,211</b>

**PARKING**

ADMINISTRATION	1,936,066	1,461,759	1,183,596	538,471	648,388	0	1,186,859	532,792	761,477	0	1,294,269
ENFORCEMENT	560,374	691,949	882,982	756,530	115,452	11,000	882,982	927,789	114,803	0	1,042,592
MAINTENANCE	831,402	927,705	960,109	550,790	416,523	119,099	1,086,412	596,955	403,555	0	1,000,510
ATTENDANT / SECURITY	699,171	748,704	944,499	865,154	80,185	0	945,339	892,895	79,021	0	971,916
DEBT SERVICE	1,892,017	399,512	1,485,449	0	1,470,736	0	1,470,736	0	988,168	0	988,168
<b>PARKING TOTAL</b>	<b>5,919,030</b>	<b>4,229,629</b>	<b>5,456,635</b>	<b>2,710,945</b>	<b>3,049,100</b>	<b>130,099</b>	<b>5,572,328</b>	<b>2,950,431</b>	<b>2,347,024</b>	<b>0</b>	<b>5,297,455</b>
<b>PUBLIC FACILITIES TOTAL</b>	<b>7,768,015</b>	<b>6,648,250</b>	<b>7,053,199</b>	<b>3,393,977</b>	<b>3,938,085</b>	<b>130,099</b>	<b>7,176,135</b>	<b>3,676,582</b>	<b>3,350,084</b>	<b>8,000</b>	<b>7,034,666</b>
<b>GENERAL GOVERNMENT</b>											
INSTITUTIONAL NETWORK SERV.	0	116,710	0	0	42,000	0	42,000	0	0	0	0
PUBLIC ED. & GOV'T ACCESS	159,154	151,678	141,120	0	141,120	2,500	143,620	0	148,176	0	148,176
<b>GENERAL GOVERNMENT TOTAL</b>	<b>159,154</b>	<b>268,388</b>	<b>141,120</b>	<b>0</b>	<b>183,120</b>	<b>2,500</b>	<b>185,620</b>	<b>0</b>	<b>148,176</b>	<b>0</b>	<b>148,176</b>
<b>INTERNAL SERVICES</b>											
VEHICLE / EQUIPMENT MGMT.	2,104,520	2,447,882	2,102,431	650,694	746,813	809,690	2,207,197	673,427	939,602	256,000	1,869,029
INFORMATION SERVICES	1,556,188	1,701,656	1,923,527	738,274	1,285,560	36,635	2,060,469	808,078	1,167,026	237,476	2,212,580
WORKERS COMPENSATION	1,573,492	2,149,459	1,893,261	116,122	1,777,139	0	1,893,261	124,616	1,873,060	0	1,997,676
HEALTH INSURANCE TRUST	2,421,839	2,709,878	3,068,185	0	3,068,780	0	3,068,780	0	3,146,185	0	3,146,185
LIABILITY & PROPERTY INSUR.	744,182	740,929	803,445	152,643	952,003	0	1,104,646	165,549	708,919	0	874,468
<b>INTERNAL SERVICES TOTAL</b>	<b>8,400,221</b>	<b>9,749,804</b>	<b>9,790,849</b>	<b>1,657,733</b>	<b>7,830,295</b>	<b>846,325</b>	<b>10,334,353</b>	<b>1,771,670</b>	<b>7,834,792</b>	<b>493,476</b>	<b>10,099,938</b>
<b>SPECIAL FUNDS TOTAL</b>	<b>\$ 27,031,151</b>	<b>\$ 25,087,119</b>	<b>\$ 28,882,767</b>	<b>\$ 8,958,395</b>	<b>\$ 16,587,631</b>	<b>\$ 4,861,540</b>	<b>\$ 30,121,540</b>	<b>\$ 9,505,272</b>	<b>\$ 15,332,591</b>	<b>\$ 5,370,528</b>	<b>\$ 30,208,391</b>
<b>GRAND TOTAL - ALL FUNDS</b>	<b>\$ 69,646,064</b>	<b>\$ 68,357,289</b>	<b>\$ 74,851,368</b>	<b>\$ 42,939,623</b>	<b>\$ 28,923,076</b>	<b>\$ 5,651,970</b>	<b>\$ 77,228,643</b>	<b>\$ 44,836,610</b>	<b>\$ 27,371,341</b>	<b>\$ 5,877,766</b>	<b>\$ 78,085,717</b>

**INTERFUND TRANSFERS  
2005-06**

Fund	2002-03 Actual Transfers	2003-04 Actual Transfers	2004-05 Revised Budget	2005-06 Adopted Budget	Description
<b>GENERAL FUND</b>					
<b>Transfers In:</b>					
Local Law Enforcement Grant Fund	\$40,087	\$0	\$30,000	\$17,000	Grant for SRO position
DOJ Grant/COPS in Schools Fund	27,483	21,576	0	0	Grant for SRO position
State COPS - AB1913 Grant Fund	90,560	98,176	100,000	100,000	Grant for DVO position
Gas Tax Fund	0	0	0	6,000	2107.5 Engineer payment
Public Safety Training Fund	0	0	43,300	0	Equipment purchases
Mark Thomas Drive Fund	81,352	0	0	0	Closure of Fund
Marina Fund	75,000	150,000	125,000	128,750	Wharf II maintenance
Parking Fund	85,239	138,649	284,321	292,851	Custodial/parks/streets
Equipment Replacement Fund	600,000	0	0	0	One-time operating transfer
Scholze Park & Playground Funds	16,000	16,000	16,000	16,000	Parks maintenance
Tidelands Fund	454,387	0	0	0	Loan repayment
<b>Operating Transfers In:</b>	<u>1,470,108</u>	<u>424,401</u>	<u>598,621</u>	<u>560,601</u>	
Redevelopment Agency	3,674,295	3,748,826	4,076,641	4,036,403	Debt repayment
Public Services Ctr. CIP Fund	0	275,000	0	0	Transfer reserve
<b>Non-Operating Transfers In:</b>	<u>3,674,295</u>	<u>4,023,826</u>	<u>4,076,641</u>	<u>4,036,403</u>	
<b>Total Transfers In</b>	<u>5,144,403</u>	<u>4,448,227</u>	<u>4,675,262</u>	<u>4,597,004</u>	
<b>Transfers Out:</b>					
Alvarado St. Maintenance Dist.	(37,250)	(31,688)	(32,639)	(33,618)	Maintenance costs
Cemetery Fund	(2,488)	(50,897)	(25,540)	(27,942)	Operational subsidy
Monterey Financing Authority	(9,500)	(9,500)	(9,500)	0	Finance costs
Parking Fund	(16,770)	(16,770)	(25,156)	0	MY Museum subsidy
Equipment Replacement Fund	(35,701)	0	0	0	
Information Services Fund	(32,000)	(48,636)	0	0	
Employee Assistance Fund	(66,000)	(66,000)	(58,000)	(66,000)	To fund program
Unemployment Insurance	0	0	0	(65,000)	To fund program
<b>Operating Transfers Out:</b>	<u>(199,709)</u>	<u>(223,491)</u>	<u>(150,835)</u>	<u>(192,560)</u>	
NIP Fund	(14,490)	0	0	0	
Local Law Enforcement Grant Fund	0	(3,285)	0	0	
Sewer Line Maintenance Fund	(17,500)	0	0	0	
Tidelands Fund	0	0	(454,388)	0	Reimburse loan repayment
Workers Compensation	0	0	0	(800,000)	Increase reserve
FEMA Fund	0	(69,610)	0	0	Closure of Fund
Redevelopment Agency	(1,103,854)	(1,104,950)	(786,845)	(518,129)	Facility lease payments
Window on the Bay CIP Fund	0	0	0	(2,400,000)	Transfer reserve
Public Services Ctr. Capital Prj. Fund	(1,000,000)	0	0	0	Transfer reserve
Parking Fund	0	0	0	(52,088)	Repay Del Monte improv
Cemetery Fund	(118,313)	(118,509)	(119,219)	(78,504)	Debt service payment
Monterey Financing Authority	(618,875)	(632,675)	(630,675)	(628,475)	Bond payment
<b>Non-Operating Transfers Out:</b>	<u>(2,873,032)</u>	<u>(1,929,029)</u>	<u>(1,991,127)</u>	<u>(4,477,196)</u>	
<b>Total Transfers Out</b>	<u>(3,072,741)</u>	<u>(2,152,520)</u>	<u>(2,141,962)</u>	<u>(4,669,756)</u>	
<b>Net General Fund Transfers</b>	<u>2,071,662</u>	<u>2,295,707</u>	<u>2,533,299</u>	<u>(72,752)</u>	

**INTERFUND TRANSFERS  
2005-06**

Fund	2002-03 Actual Transfers	2003-04 Actual Transfers	2004-05 Revised Budget	2005-06 Adopted Budget	Description
<b><u>SPECIAL FUNDS</u></b>					
<b><u>NIP Fund</u></b>					
Transfers in: General Fund	14,489	0	0		
<b><u>Local Law Enforcement Grant Fund</u></b>					
Transfers in: General Fund	0	3,285	0	0	
Transfers out: General Fund	(40,087)	0	(30,000)	(17,000)	Grant for SRO position
<b>Total Local Law Enforce. Fund</b>	<b>(40,087)</b>	<b>3,285</b>	<b>(30,000)</b>	<b>(17,000)</b>	
<b><u>DOJ Grant/COPS in Schools Fund</u></b>					
Transfers out: General Fund	(27,483)	(21,576)	0	0	Grant for SRO position
<b><u>State COPS (AB1913) Grant Fund</u></b>					
<b>Transfers Out:</b>					
General Fund	(90,560)	(98,176)	(100,000)	(100,000)	Grant for DVO position
<b><u>Gas Tax Fund</u></b>					
Transfers out: General Fund	0	0	0	(6,000)	2107.5 Engineer payment
<b><u>Alvarado St. Maintenance District</u></b>					
Transfers in: General Fund	37,250	31,688	32,639	33,618	Maintenance costs
<b><u>Parking Adjustment Fees Fund</u></b>					
Transfers out: Redevelopment Agency	(20,000)	0	0	0	Lease payment (CH Garage)
<b><u>Sewer Line Maintenance Fund</u></b>					
Transfers in: Storm Water Utility Fund	0	100,000	0	50,000	Repayment of advance
<b><u>Storm Water Utility Fund</u></b>					
Transfers in: General Fund	17,500	0	0	0	
Transfers out: Sewer Line Maint. Fund	0	(100,000)	0	(50,000)	Repayment of advance
<b>Total Storm Fund Transfers</b>	<b>17,500</b>	<b>(100,000)</b>	<b>0</b>	<b>(50,000)</b>	
<b><u>Public Safety Training Fund</u></b>					
Transfers out: General Fund	0	0	(43,300)	0	Equipment purchases
<b><u>FEMA Fund</u></b>					
Transfers in: General Fund	0	69,610	0	0	Close out Fund
<b><u>Public Ed/Gov't Access Fund</u></b>					
Transfers out: Info Services Fund	0	0	(11,851)	0	

**INTERFUND TRANSFERS  
2005-06**

Fund	2002-03 Actual Transfers	2003-04 Actual Transfers	2004-05 Revised Budget	2005-06 Adopted Budget	Description
<b><u>Redevelopment Agency Funds</u></b>					
<b>Transfers In:</b>					
General Fund	1,103,854	1,104,950	786,845	518,129	Facility lease payments
Parking Adjustment Fund	20,000	0	0	0	Facility lease payments
	<u>1,123,854</u>	<u>1,104,950</u>	<u>786,845</u>	<u>518,129</u>	
<b>Transfers Out:</b>					
General Fund	<u>(3,674,295)</u>	<u>(3,748,826)</u>	<u>(4,076,641)</u>	<u>(4,036,403)</u>	Debt payment
<b>Net Redev. Agency Transfers</b>	<u>(2,550,441)</u>	<u>(2,643,876)</u>	<u>(3,289,796)</u>	<u>(3,518,274)</u>	
<b><u>Public Services Ctr. Capital Project Fund</u></b>					
<b>Transfers In:</b>					
General Fund	1,000,000	0	0	0	Transfer reserve
<b>Transfers Out:</b>					
General Fund	0	<u>(275,000)</u>	0	0	
<b>Net Public Serv Ctr Transfers</b>	<u>1,000,000</u>	<u>(275,000)</u>	<u>0</u>	<u>0</u>	
<b><u>Window on the Bay Fund</u></b>					
Transfers in: General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,400,000</u>	Transfer to reserve
<b><u>Mark Thomas Drive Fund</u></b>					
Transfers out: General Fund	<u>(81,352)</u>	<u>0</u>	<u>0</u>	<u>0</u>	Closure of Fund
<b><u>Marina Fund</u></b>					
<b>Transfers Out:</b>					
General Fund	(75,000)	(150,000)	(125,000)	(128,750)	Wharf II maint.
Tidelands Fund	0	0	(1,000,000)	0	Advance
Parking Fund	<u>(157,544)</u>	<u>(163,846)</u>	<u>(170,400)</u>	<u>(175,512)</u>	Parking support
<b>Total Marina Fund Transfers Out</b>	<u>(232,544)</u>	<u>(313,846)</u>	<u>(1,295,400)</u>	<u>(304,262)</u>	
<b><u>Cemetery Fund</u></b>					
<b>Transfers In:</b>					
General Fund - Operating	2,488	50,897	25,540	27,942	Operating subsidy
General Fund - Non-Operating	118,313	118,509	119,219	78,504	Debt service subsidy
<b>Total Cemetery Fund Transfers In</b>	<u>120,801</u>	<u>169,406</u>	<u>144,759</u>	<u>106,446</u>	
<b><u>Parking Fund</u></b>					
<b>Transfers In:</b>					
General Fund	16,770	16,770	25,156	52,088	Repay Del Monte improv.
Marina Fund	157,544	163,846	170,400	175,512	Parking support
	<u>174,314</u>	<u>180,616</u>	<u>195,556</u>	<u>227,600</u>	
<b>Transfers Out:</b>					
General Fund	<u>(85,239)</u>	<u>(138,649)</u>	<u>(284,321)</u>	<u>(292,851)</u>	Custodial/parks/streets
<b>Net Parking Fund Transfers</b>	<u>89,075</u>	<u>41,967</u>	<u>(88,765)</u>	<u>(65,251)</u>	

**INTERFUND TRANSFERS  
2005-06**

Fund	2002-03 Actual Transfers	2003-04 Actual Transfers	2004-05 Revised Budget	2005-06 Adopted Budget	Description
<b><u>Monterey Financing Authority Fund</u></b>					
<b>Transfers In:</b>					
General Fund - Operating	9,500	9,500	9,500	0	Finance costs
General Fund - Non-Operating	618,875	632,675	630,675	628,475	Bond payment
<b>Total Monterey Financing Authority Fund Transfers In</b>	<b>628,375</b>	<b>642,175</b>	<b>640,175</b>	<b>628,475</b>	
<b><u>Presidio of Monterey Pub. Works Fund</u></b>					
Transfers out: Equipment Repl Fund	0	(49,712)	0	0	
<b><u>Equipment Replacement Fund</u></b>					
<b>Transfers In:</b>					
General Fund	35,702	0	0	0	
Presidio of Monterey Pub. Works Fund	0	49,712	0	0	
	35,702	49,712	0	0	
<b>Transfers Out:</b>					
General Fund	(600,000)	0	0	0	
<b>Net Equip Repl Fund Transfers</b>	<b>(564,298)</b>	<b>49,712</b>	<b>0</b>	<b>0</b>	
<b><u>Information Services Fund</u></b>					
Transfers in: General Fund	32,000	48,636	0	0	
Transfers in: Public Ed/Gov't Access Fund	0	0	11,851	0	
<b>Total Info. Svcs Fund Transfers In</b>	<b>32,000</b>	<b>48,636</b>	<b>11,851</b>	<b>0</b>	
<b><u>Employee Benefits Fund</u></b>					
Transfers in: Gen. Fund - EAP	66,000	66,000	58,000	66,000	To fund program
Transfers in: Gen. Fund - UI	0	0	0	65,000	To fund program
<b>Total Employee Ben Fund Trans In</b>	<b>66,000</b>	<b>66,000</b>	<b>58,000</b>	<b>131,000</b>	
<b><u>Scholze Park &amp; Playground Funds</u></b>					
Transfers out: General Fund	(16,000)	(16,000)	(16,000)	(16,000)	Parks maintenance services
<b><u>Workers Compensation Fund</u></b>					
Transfers in: General Fund	0	0	0	800,000	Increase reserve
<b><u>Tidelands Fund</u></b>					
Transfers in: Gen. Fund	0	0	454,388	0	Reimburse loan repayment
Transfers in: Marina	0	0	1,000,000	0	Advance from Marina
<b>Total Tidelands Fund Trans In</b>	<b>0</b>	<b>0</b>	<b>1,454,388</b>	<b>0</b>	
Transfers out: General Fund	(454,387)	0	0	0	Loan repayment
<b>Net Tidelands Fund Transfers</b>	<b>(454,387)</b>	<b>0</b>	<b>1,454,388</b>	<b>0</b>	
<b>NET SPECIAL FUNDS TRANSFERS</b>	<b>(2,071,662)</b>	<b>(2,295,707)</b>	<b>(2,533,300)</b>	<b>72,752</b>	
<b>NET TRANSFERS - ALL FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

## Forecast of General Fund Operations

	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
	Revised Budget	Adopted Budget	Preliminary estimate
<b>Operations</b>			
<b>Operating revenues</b>	\$44,971,924	\$46,387,310	\$47,988,405
Proposed new revenues/offsets	0	173,408	173,408
<b>Total operating revenues</b>	<b>44,971,924</b>	<b>46,560,718</b>	<b>48,161,813</b>
<b>Operating expenditures</b>	(46,312,001)	(48,587,619)	(50,670,807)
Proposed budget reductions	0	710,293	710,293
One-time items funded with non-oper funds	694,537	500,000	0
Estimated budget savings	500,000	500,000	500,000
<b>Total net operating expenditures</b>	<b>(45,117,464)</b>	<b>(46,877,326)</b>	<b>(49,460,514)</b>
<b>Operating transfers</b>			
From Public Safety Grant funds	130,000	117,000	100,000
From Gas Tax Fund	0	6,000	6,000
From Parking	146,995	151,405	155,947
From Parking for Street Maintenance	137,326	141,446	145,689
From Marina for Wharf II Maintenance	125,000	128,750	132,613
From Scholze Trust funds	16,000	16,000	16,000
From Public Safety Training Fund	43,300	0	0
From other funds	<b>598,621</b>	<b>560,601</b>	<b>556,249</b>
Employee Assistance Fund	(58,000)	(66,000)	(66,000)
Unemployment Insurance	0	(65,000)	(65,000)
Monterey Financing Authority	(9,500)	0	0
Alvarado St. Maint. Dist.	(32,639)	(33,618)	(34,627)
Parking Fund (MY Museum)	(25,156)	0	0
Cemetery Fund (operational subsidy)	(25,540)	(27,942)	(30,000)
To other funds	<b>(150,835)</b>	<b>(192,560)</b>	<b>(195,627)</b>
Operating reserves:			
Economic Uncertainty	0	0	(387,478)
Business Transformation	0	157,861	157,861
Cultural Arts	0	0	(30,000)
To operating reserves	<b>0</b>	<b>157,861</b>	<b>(259,617)</b>
<b>Total net operating transfers</b>	<b>447,786</b>	<b>525,902</b>	<b>101,005</b>
<b>Net Operations surplus (deficit)</b>	<b>302,246</b>	<b>209,293</b>	<b>(1,197,696)</b>
<b>Transfers to Capital Renewal Reserves</b>			
Sports Center	25,000	0	(190,000)
Conference Center	0	0	(205,000)
Library	0	0	(56,000)
Wharves I & II	0	0	(270,000)
<b>Total net transfers to Cap. Reserves</b>	<b>25,000</b>	<b>0</b>	<b>(721,000)</b>
<b>Net Operations and Capital Renewal</b>	<b>327,246</b>	<b>\$209,293</b>	<b>(\$1,918,696)</b>

## Forecast of General Fund Operations

	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
	Revised Budget	Adopted Budget	Preliminary estimate
<b>Non-operating activities</b>			
<b>Beginning Fund Balance</b>	12,336,784	11,890,655	10,408,709
<b>Redevelopment Agency loan payback</b>	4,076,641	4,036,403	4,117,671
<b>Payment to State (ERAF)</b>	(508,806)	(508,806)	0
<b>Payment to/from State (VLF)</b>	(726,144)	(726,144)	514,297
<b>Bond interest earnings</b>	0	970,000	0
<b>Non-operating Transfers from/(to):</b>			
Window on the Bay	0	(2,400,000)	0
Tidelands Fund	(454,388)	0	0
Parking fund	0	(52,088)	(52,088)
Workers Comp Fund	0	(800,000)	(300,000)
<b>Capital Improvement Projects (CIP)</b>			
Facility & Infrastructure maint/upgrades	(1,160,500)	(564,000)	(1,000,000)
<b>One-time items in operating budget</b>	(557,658)	(500,000)	0
<b>Debt service</b>			
Sports Center/Catellus Bonds	(630,675)	(628,475)	(631,075)
1999 Refunding/Custom House Bonds	(786,845)	(518,129)	(515,946)
<b>Ending Fund Balance</b>	11,890,655	10,408,709	11,343,872
<b>General Fund reserves</b>			
	10.6%	10.2%	10.4%
<b>Economic uncertainty</b>	4,769,650	4,769,650	5,157,128
<b>Business Transformation</b>	318,586	0	238,869
<b>Operational contingencies</b>	56,499	250,000	250,000
<b>Capital facilities renewal/new starts</b>			
General	130,140	130,140	130,140
Sports Center	0	0	190,000
Conference Center	0	0	205,000
Library	0	0	56,000
Wharves I & II	0	0	270,000
<b>Continuing Capital Projects</b>	2,734,271	2,734,271	2,734,271
<b>Encumbrances</b>	778,561	778,561	778,561
<b>Long-term receivables</b>	1,164,874	1,243,378	1,321,882
<b>Amounts due from other funds</b>	1,442,923	0	0
<b>Cultural arts</b>	119,035	119,035	149,035
<b>Total General Fund reserves</b>	11,514,539	10,025,035	11,480,886
<b>Available Fund Balance per Budget</b>	\$376,116	\$383,674	(\$137,014)

**RESOLUTION NO. 05-99 C.S.**

**A RESOLUTION ADOPTING AND APPROVING THE BUDGET OF THE CITY OF MONTEREY FOR FISCAL YEAR 2005-06**

WHEREAS, the proposed operating and capital budgets of the City of Monterey for the fiscal year 2005-06 were prepared and submitted to the City Council by the City Manager in accordance with Section 6.3 of the City Charter; and

WHEREAS, the City Council reviewed the proposed budgets and thereafter caused a public hearing to be held concerning the proposed budgets;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that the City of Monterey - Proposed Operating Budget - 2005-06 containing information as required in Section 6.3 of the Monterey City Charter, and the Proposed Capital and Neighborhood Improvement Budgets, as amended by the City Council, are hereby adopted and approved as the budget of the City of Monterey for fiscal year 2005-06 in the following amounts:

Operating Budget - all funds	\$ 78,239,717
Capital Improvement Program	\$ 2,242,000
Neighborhood Improvement Program	\$ 1,899,940

A copy of said budget, as modified and amended, is on file in the office of the City Clerk and is hereby referred to for further particulars.

BE IT FURTHER RESOLVED THAT monies may be transferred from one account to another with the approval of the City Manager or his designee except for the following transfers which may be made only with the approval of the City Council:

a. Transfers to or from Special Funds where state or federal regulations require Council approval;

Transfers from unappropriated reserves or fund balances.

BE IT FURTHER RESOLVED THAT the following reserve is hereby approved and the monies therein appropriated for use with the approval of the City Manager or his designee:

Reserve for Operational Contingencies	\$250,000
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BE IT FURTHER RESOLVED THAT the proposed transfers included in the Interfund Transfers Schedule of the 2005-06 Proposed Operating Budget are hereby adopted and approved;

BE IT FURTHER RESOLVED THAT the following Capital Improvement Project accounts are hereby de-appropriated:

Accounts 450-C00-L190-0807 (\$74.32), 450-C03-L203-0807 (\$598,764.61), 450-C04-L134-0807 (\$700,000), and 450-C05-L245-0807 (\$160,000) for Window on the Bay property acquisition. Alternative funds have been identified for this acquisition; Accounts 450-C01-L181-0807 (\$32,093.46), 450-C01-L201-0807 (\$-971.14), 450-C02-L182-0807 (\$233,913.83) for Catellus improvements; Account 410-C05-G275-0807 (\$79,211.28) for Wharf II fire sprinkler replacement and account 410-C05-U255-0807 (\$199,461.30) for Wharf II sewer line replacement. Alternative funding has been identified for these projects; Account 410-C05-U265-0807 (\$58,824.94) for Stormwater outfall conversion.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MONTEREY

This 21<sup>st</sup> day of June 2005, by the following vote:

AYES:	5	COUNCILMEMBERS:	ALBERT, DELLA SALA, DOWNEY HAFERMAN, ROBERSON
NOES:	0	COUNCILMEMBERS:	
ABSENT:	0	COUNCILMEMBERS:	

Approved:

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Mayor of Said City

ATTEST:

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City Clerk thereof

**CAPITAL  
IMPROVEMENT  
SECTION**

## FY 2005/06 CAPITAL IMPROVEMENT PROGRAM PROJECTS

### GENERAL FUNDS

1. City Wide Exigent Minor Projects – FY2006  
This project is to cover costs for unexpected emergencies or necessary projects of a minor cost nature that may develop over this fiscal year.
2. Citywide Miscellaneous ADA Repairs – FY2006  
This project is to have funds available to immediately attend to any ADA repairs throughout the City that may develop over the fiscal year.
3. Conference Center Roof Replacement and Air Handler Extension - (Specific Location)  
This project is to provide funding necessary to replace a portion of the roof under the air handling equipment (a project currently approved and ready to construct) on the Conference Center which was not replaced when the roof project was completed several years ago.
4. Dennis the Menace Safety Rail for Slide  
The hand rail for the new slide being installed at Dennis the Menace Park will provide a safer situation for people using the slide.
5. El Cuartel Roof Replacement  
This project is to provide the funding to replace the roof and provide minor structural repairs for the El Cuartel building (Police).
6. Franklin Street Storm Drain  
This project will provide drainage improvements on Franklin Street to divert the water which currently flows to a pump in the tunnel to be redirected to and collected at Figueroa Street to follow the gravity flow storm drain outfall in that area. This is a NIP partially funded project.
7. Monterey Sports Center Pool Light Renovation - Design  
This project will look into improving the lighting efficiency within the pool itself and provide better lighting for viewing people above and below the water in various areas of the pool. This is for design only.
8. “Old” Jail Roof Replacement  
This project is to replace the worn and heavily maintained roof of the old jail.
9. Window on the Bay - Irrigation Conservation Study and Cost Analysis  
This project is to determine the cost, design and feasibility of using water from Lake El Estero to irrigate Window on the Bay between Park Avenue and the Monterey Beach Parking Lot.
10. Wharf 1 Structural Repairs Design

This project is a follow-up to an investigation to determine the condition of the Wharf and will be for the design of the structural repairs to make ready for construction in next year's fiscal program.

11. Wharf 2 Sprinkler Replacement

This project will replace the existing fire sprinkler system under Wharf No. 2 with a more dependable and maintenance free system.

**GAS TAX**

12. Miscellaneous Traffic Improvements FY2006

This is an annual funding set aside for the Traffic Engineering Division to implement minor traffic needs as they arise throughout the City.

13. Street Resurfacing FY2006

This is an on-going annually funded project to final the street resurfacing program throughout the City.

14. Road Construction FY2006

This is an annual funding set aside for various street reconstructions in preparation for the street resurfacing program.

**SEWERLINE MAINTENANCE**

15. Miscellaneous Sewerline Replacement and Repair FY2006

This project is for the funding of a series of sewerline replacement and repair projects which is a part of the City's sewer maintenance program. This will allow City staff to repair or replace "high risk" sewerline issues in a timely and efficient way.

16. Wharf No. 2 Sewer Line Replacement

This project is for the replacement of the sewer line on Wharf 2 which will reduce the maintenance operations, increase the efficiency of the system and reduce the possibility of a potential spill into the Bay.

**PARKING**

17. Waterfront Lot No. 1 Parking Equipment Replacement

This project is to upgrade some of the existing parking equipment within the waterfront parking lot.

18. Street Resurfacing On-street Metered and Time Limited Parking

This is part of the Street Resurfacing Program specifically focused on metered and time limited parking streets.

19A. Wharf No. 2 Wood Deck Repairs/Replacement Investigation - Design

This project will be for the investigation and design of the wood deck area to determine if additional piling and other structural supports are necessary to strengthen that section of the Wharf and will determine the type of timber

replacement to reduce wear and tear which will improve the walking surfaces for pedestrians walking in that area.

### **THE MARINA**

- 19B. Wharf No. 2 Wood Deck Repair/Replacement Investigation - Design  
See No. 3 above under Parking.
20. Marina Fire Water System Replacement - Investigation/Design  
This project is to determine the condition of the existing system and to design a replacement system as necessary to upgrade the overall fire water protection system into a more efficient and maintenance free operation.

### **POM PW AUTHORITY**

21. Street Resurfacing FY2006 - Presidio  
This project is funding from the Army for streets on DLI to include with the City's overall street resurfacing program each year.

### **NAVY**

22. Street Resurfacing FY2006 - NPS  
This project provides funding from the Navy to participate in the City street resurfacing program for certain streets upon the Navy Postgraduate School.

# CAPITAL IMPROVEMENT PROGRAM FY 2005/06

## GENERAL FUNDS (\$723,000)

September 14, 2005

1. City Wide Exigent Minor Projects - 06	\$25,000
2. City Wide Miscellaneous ADA Repairs - 06	\$25,000
3. Conference Center Roof Replacement & Air Handler Extension - (Specific Location)	\$90,000
4. Dennis the Menace Safety Rail for Slide	\$30,000
5. El Cuartel Roof Replacement	\$325,000
6. Franklin Street Stormdrain	\$45,000
7. Monterey Sports Center Pool Light Renovation - Design	\$5,000
8. "Old" Jail Roof Replacement	\$40,000
9. Window on the Bay - Irrigation Water Conversion Study & Cost Analysis	\$8,000
10. Wharf #1 Structural Repairs - Design	\$50,000
11. Wharf 2 Fire Sprinkler Replacement	<u>\$80,000</u>
<b>TOTAL</b>	<b>\$723,000</b>

## GAS TAX (\$584,000)

12. Miscellaneous Traffic Improvements 05/06	\$75,000
13. Street Resurfacing 05/06	\$375,000
14. Road Reconstruction 05/06	<u>\$134,000</u>
<b>TOTAL</b>	<b>\$584,000</b>

## SEWERLINE MAINTENANCE (\$500,000)

15. Miscellaneous Sewerline Replacement & Repair - FY 05/06	\$300,000
16. Wharf #2 Sewerline Replacement	<u>\$200,000</u>
<b>TOTAL</b>	<b>\$500,000</b>

## PARKING (\$3,600,000)

17. Waterfront Lot #1 Parking Equipment Replacement	\$35,000
18. Street Resurfacing - On street metered & time limited parking	(unknown)
19. A) Wharf #2 Wood Deck Repair/Replacement Investigation - Design	<u>\$45,000</u>
<b>TOTAL</b>	<b>\$80,000</b>

## MARINA (\$1,300,000)

19. B) Wharf #2 Wood Deck Repair/Replacement Investigation - Design	\$45,000
20. Marina Fire Water System Replacement - Investigation/ Design	<u>\$25,000</u>
<b>TOTAL</b>	<b>\$70,000</b>

## POM PW AUTHORITY (\$225,000)

21. Street Resurfacing 2005/06 - Presidio	<u>\$225,000</u>
<b>TOTAL</b>	<b>\$225,000</b>

**NAVY (\$60,000)**

22. Street Resurfacing 2005/06 - NPS	<u>\$60,000</u>
<b>TOTAL</b>	<b>\$60,000</b>

**UNFUNDED HIGH PRIORITY PROJECTS**

1. Conference Center Grease Trap Installation	\$25,000
2. Conference Center Patio Membrane and Paver Repairs	\$90,000
3. Del Monte Beach Stormwater Outfall Conversion	\$60,000
4. Jacks Park Tennis Court Lighting Upgrades	\$15,000
5. Lighthouse Improvements PH 3	\$450,000
6. Montecito Play Equipment Replacement	\$45,000
7. Monterey Sports Center Pool Replaster	\$250,000
8. Construction Office - Adobe Wall & Porch Repair	\$15,000
9. Ryan Ranch Carport Repair	\$25,000
10. Wharf #1 Structural Repairs	<u>\$650,000</u>
<b>TOTAL</b>	<b>\$1,625,000</b>

**FY 2005/06 NEIGHBORHOOD IMPROVEMENT  
PROGRAM PROJECT**

**PROJECTS FULLY FUNDED WITH BASE ALLOCATION**

1. CONA Park Bench  
This will place a park bench in front of the Community Center for a rest spot and a location for children to be picked up by their parents.
2. CONA Entry Signs  
This will place three granite rock faced walls with centered signs, announcing entry to the Casanova Oak Knoll Neighborhood. Signs will be on Airport Road, Ramona Avenue and Casanova Avenue.
3. Del Monte Beach planting along fence to Roberts Way  
New plantings would be placed along the "exit" road along Roberts Way. The installation of new plants would improve the look of this heavily used egress road while maintaining the safety of the fence on this steep grade.
4. New Monterey Curb Ramps  
This project will construct curb ramps and a curb extension at Hawthorne Street & Dickman Avenue.
5. Oak Grove Neighborhood Entry Signs  
This will place three granite rock faced walls with centered signs, announcing entry to the Oak Grove Neighborhood. Signs will be on Camino Aguajito at 8<sup>th</sup>, 9<sup>th</sup>, and 10<sup>th</sup> streets.
6. Clay Street Sidewalk Fill-In  
A new sidewalk will be constructed on Clay Street between Harrison Street and Jefferson Street.
7. Old Town ADA Curb Ramps Phase II  
Six curb ramps need to be constructed in the higher pedestrian traffic areas within the neighborhood.
8. Harrison Street Walking Path to Veteran's Park  
The walkway from the top of Harrison Street down to Veteran's Park Drive needs to be re-graded and have some stairs added for erosion control.

## **PROJECTS FUNDED BY THE POT AND PARTIAL BASE ALLOCATIONS**

### 9. Iris Canyon Creek Restoration

Years of storm water have eroded the flowline and embankments of this creek. In some areas, it is coming dangerously close to Iris Canyon. This project will raise the eroded flowline and reconstruct the eroded embankments.

### 10. Franklin Street Stormdrain Improvements

During large storms Franklin Street gets overburdened with storm water runoff that leads to the Lighthouse Tunnel which can be in jeopardy of being flooded. This project will construct underground piping to handle the storm flow.

### 11. Eldorado Traffic Calming Phase II

This will reconfigure the intersection of Eldorado and Alta Mesa Road by adding a partial median and pavement treatment, per the traffic calming plan.

### 12. Skyline Forest City Greenbelt Management Phase I

This will involve selective forest management and tree removal of the City Greenbelt West of Skyline Forest Drive.

### 13. CONA Traffic Calming Phase IV

Traffic medians, bulb outs, crosswalks, landscaping and other traffic reducing mediums along Airport Road, Ramona Avenue and Casanova Streets are proposed.

### 14. Archer 700 Block Widening

Widen curbs to 36' to allow for two-way traffic and on street parking, 4' sidewalk for pedestrians and bulb outs at both ends.

### 15. Del Monte Grove – Laguna Grande Traffic Calming Phase V

Entry islands, partial medians, curb extensions, traffic circles and decorative pavement treatments per the approved traffic calming plan to reduce traffic and increase pedestrian safety.

### 16. Del Robles and Palo Verde Partial Median

This construction project of median improvement is part of the approved traffic calming measures of Villa Del Monte.

17. Pacific Street Erosion Control and Shoulder Restoration Phase II  
The scope for the phase II of this project is to address the slope stabilization along the west side of Pacific Street between San Bernabe Drive and San Bartolomea. This will place a rock filled gabion wall with vine planting for landscape coverage.
18. NIP Contingency Account FY 2006

**CUT-OFF PROJECTS\***

19. CONA Driveways Phase II  
This is a continuation of the removal of the short width driveways and construction of standard width driveways.
20. El Estero Ozonator  
This will treat the lake El Estero water so it can be used in the landscape irrigation lines.
21. Del Monte Beach Boardwalk Improvements  
This will replace selective boardwalk boards that are deteriorating.

- A budget appropriation adjustment will be brought before Council when funding is both identified and available

**NEIGHBORHOOD IMPROVEMENT PROGRAM  
2005-2006**

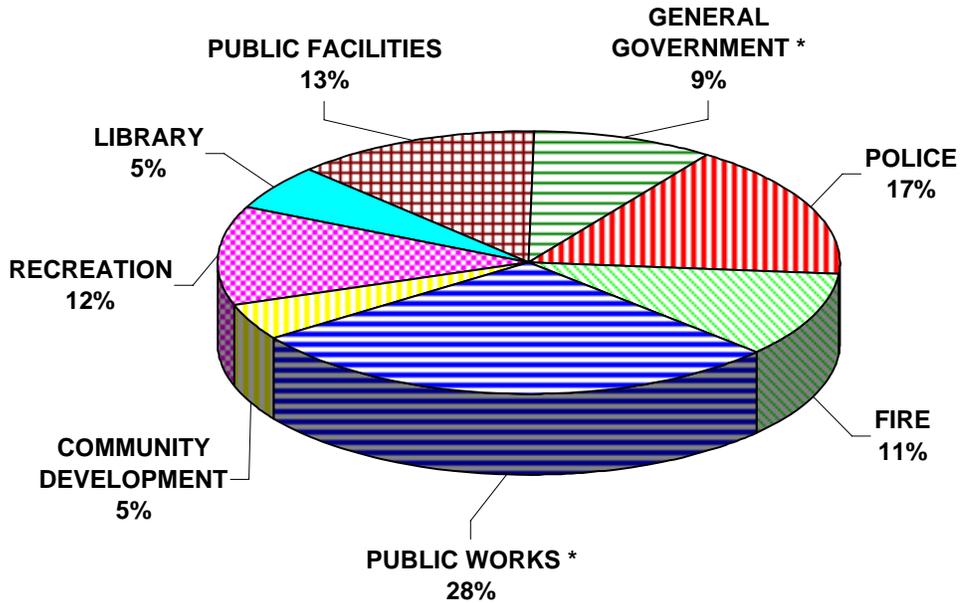
4/29/2005

	<b>Budget</b>
<b>PROJECT FULLY FUNDED WITH BASE ALLOCATION</b>	
1 CONA Park Bench	\$500
2 CONA Entry Signs (Airport, Ramona & Casanova)	\$13,390
3 Del Monte Beach planting along fence to Roberts Way	\$3,000
4 New Monterey Curb Ramps Ph 2	\$12,000
5 Oak Grove Neighborhood Entrance Signs	\$6,000
6 Clay Street Sidewalk In-fill	\$5,000
7 Old Town ADA Curb Ramps Ph II	\$12,000
8 Harrison Street Walking Path to Veteran's Park	\$15,050
<b>OTHER FUNDED PROJECTS, Including partial base allocations</b>	
9 Iris Canyon Creek Restoration*	\$250,000
10 Franklin Street Stormdrain Improvements*	\$250,000
11 Eldorado Traffic Calming Ph II	\$125,000
12 Skyline Forest City Greenbelt Management Ph I	\$100,000
13 CONA Traffic Calming Ph IV	\$150,000
14 Archer 700 Widening	\$325,000
15 Del Monte Grove - Laguna Grande Traffic Calming Ph 5	\$150,000
16 Del Robles and Palo Verde Partial Median	\$38,000
17 Pacific Street Erosion Control and Shoulder Restoration PHII	\$250,000
18 NIP Contingency Account FY2006	\$195,000
<b>NEIGHBORHOOD IMPROVEMENT FUND TOTAL</b>	<b><u>\$1,899,940</u></b>
*CIP PROJECTS FUNDED BY NIP	
<b>CUT-OFF PROJECTS</b>	
19 CONA Driveways Ph II*	\$60,000
20 El Estero Irrigation Ozonator*	\$60,000
21 Del Monte Beach Boardwalk Improvements*	\$25,000
	_____
	_____
	_____
	_____

\*A budget appropriation adjustment will be brought before Council when funding is both identified and available.

**SUPPLEMENTAL  
INFORMATION  
SECTION**

**AUTHORIZED POSITIONS BY DEPARTMENT**  
2005-06



TOTAL AUTHORIZED POSITIONS = 479.00 (Full-time & Regular Part-time)

	2002-03 AMENDED	2003-04 AMENDED	2004-05 AMENDED	2005-06 ADOPTED
POLICE	86.00	82.00	81.00	80.00
FIRE	52.00	51.00	51.00	51.00
PUBLIC WORKS *	152.75	144.75	136.75	134.75
COMMUNITY DEVELOPMENT	25.00	24.00	23.00	22.00
RECREATION	65.00	63.50	61.00	58.75
LIBRARY	32.25	28.00	25.50	25.50
PUBLIC FACILITIES	68.25	66.00	62.25	62.25
GENERAL GOVERNMENT *	51.00	45.75	45.75	44.75
<b>TOTAL</b>	<b>532.25</b>	<b>505.00</b>	<b>486.25</b>	<b>479.00</b>

\* Includes positions related to Internal Service divisions.

**POSITION CONTROL LIST 2005-06**

	2003-04 AMENDED	2004-05 AMENDED	2005-06 PROPOSED	COMMENTS
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**POLICE DEPARTMENT**

**Administration**

Police Chief	1	1	1	
Administrative Assistant	1	1	1	
Police Sergeant	2	2	2	
Police Officer	3	3	3	
Police Recruit	2	2	2	
Office Assistant II	1	1	1	

**Field Operations**

Deputy Police Chief	1	1	1	
Police Lieutenant	3	3	3	
Police Sergeant	7	7	7	
Police Officer	31	31	31	
Animal Control Officer	1	1	1	

**Support**

Police Services Manager	1	1	1	
Records/Detention Supervisor	1	1	1	
Senior Police Services Technician	3	4	4	Add 1 Position 04/05
Police Services Technician	10	9	9	Eliminate 1 Position 04/05
Office Assistant II	4	3	3	Eliminate 1 Position 7/1/04 Eliminate 1 Position when vacancy occurs

**Investigations/Community Services**

Deputy Police Chief	1	1	1	
Police Sergeant	1	1	1	
Police Officer	6	6	6	
Criminal Intelligence Specialist	1	1	1	
Youth Diversion Coordinator	1	1	0	Eliminate 1 Position 05/06

<b>POLICE DEPARTMENT TOTAL</b>	82	81	80	
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**FIRE DEPARTMENT**

**Administration**

Administrative Analyst	1	1	1	
Administrative Assistant	1	1	1	
Office Assistant II	1	1	1	

**Fire Prevention & Emerg. Preparedness**

Division Chief	1	1	1	
Deputy Fire Marshal	1	1	1	

**Fire Operations**

Division Chief	3	3	3	
Fire Captain	9	9	9	
Fire Engineer	12	12	12	
Firefighter	21	21	21	Freeze 2 Vacant Positions 04/05. Temporarily unfreeze 1 position until vacancy occurs 05/06

**Training**

**POSITION CONTROL LIST 2005-06**

	2003-04 AMENDED	2004-05 AMENDED	2005-06 PROPOSED	COMMENTS
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**PUBLIC WORKS DEPARTMENT**

**Administration**

Public Works Director	1	1	0	Eliminate 1 Position 05/06
Administrative Assistant	1	1	1	
Grant Coordinator	1	1	1	

**Engineering/Design**

City Engineer	1	1	1	
Associate Civil Engineer	2	2	2	
Engineering Technician	2	2	2	
Solid Waste Program Manager	1	1	1	

**Engineering/Survey**

Associate Engineering Surveyor	1	1	1	
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**Construction Management**

Project Develop./Construction Mgr.	1	1	1	
Field Engineer	1	1	1	Admin. Filled w/Assoc.Civil Eng.
Public Works Inspector	2	2	2	
Associate Civil Engineer	1	1	1	Admin. Underfill w/Assistant Civil Eng.
Senior Account Clerk	1	1	1	
Office Assistant II	2	2	1	Eliminate 1 Position 05/06

**Transportation Engineering**

City Traffic Engineer	1	1	1	
Transportation Planner	1	0	0	Eliminate 1 Position 04/05
Signal Maintenance Technician	1	1	1	
Field Assistant II	0	1	1	Move 1 Position from Streets 04/05
Office Assistant II	1	0	0	Move 1 Position to Streets 04/05

**Street Maintenance**

Street & Utility Manager	0	1	1	Add 1 Position 04/05
Operations Engineer	1	0	0	Eliminate 1 Position 10/1/04
Street & Utility Supervisor	1	1	1	
Street Maintenance Leadworker	1	1	1	
Senior Street Maintenance Worker	1	1	1	
Street Maintenance Worker	3	3	3	
Sign Crafts Supervisor	1	1	1	
Sign Craftsworker	1	0	0	Eliminate 1 Position 04/05
Lineworker	1	1	1	
Field Assistant II	1	0	0	Moved 1 to Transportation Planning 04/05
Office Assistant II	0	1	1	Moved 1 from Transportation Planning 04/05

**Sewer Maintenance**

Street & Utility Supervisor	1	1	1	
Senior Street Maintenance Worker	2	2	2	
Street Maintenance Worker	2	2	2	Add 1 Overfill 04/05 through 6/30/06

**Storm Drain/Engineering**

Associate Civil Engineer	1	1	1	
Engineering Technician	0	1	1	Add 1 Position 04/05 effective 1/1/05

**POSITION CONTROL LIST 2005-06**

	<b>2003-04 AMENDED</b>	<b>2004-05 AMENDED</b>	<b>2005-06 PROPOSED</b>	<b>COMMENTS</b>
<b><u>Storm Drain/ Maintenance</u></b>				
Senior Street Sweeper Operator	1	1	1	
Street Sweeper Operator	1	1	1	
Street & Utility Supervisor	1	1	1	
Senior Street Maintenance Worker	1	1	1	
<b><u>Building Maintenance</u></b>				
Building Maintenance Supervisor	1	1	1	
Building Maint. Craftsworker	5	5	5	
Electrician	1	1	1	
<b><u>Custodial Services</u></b>				
Custodial Supervisor	1	1	1	
Senior Custodian	0	1	1	Add 1 Position 04/05
Custodian	14	9	9	Add 2 Overfills 04/05 to 6/30/06
Facility Attendant	1	1	1	
<b><u>Presidio Maintenance Operations</u></b>				
Public Works Admin. Mgr.	1	1	1	
Public Works General Svcs. Mgr.	1	1	1	
Senior Engineer	0	1	1	Add 1 Position 04/05
Associate Civil Engineer	1	1	1	
Quality Control Inspector	1	1	1	
Building Maintenance Supervisor	1	1	1	
Senior Craftsworker	3	3	3	Extend 1 Overfill to 6/30/06
Historic Facilities Sr. Craftsworker	1	1	1	
Building Maint. Craftsworker	8	8	8	
Building Maintenance Worker	2	2	2	
Senior Street Maintenance Worker	1	1	1	
Street Maintenance Worker	1	1	1	
Electrician	1	1	1	
Assistant Electrician	1	1	1	
Arborist	1	1	1	
Maintenance Technician	1	1	1	
Office Assistant II	2	2	2	
<b><u>Vehicle Management - Mechanical</u></b>				
Mechanical Supervisor	1	1	1	
Lead Mechanic	1	1	1	
Automotive Mechanic	4	4	4	
Automotive Attendant	1	1	1	
Office Assistant II	1	1	1	
Parts Clerk	1	1	1	Extend Contract Position to 6/30/06
<b><u>Parks</u></b>				
Parks Superintendent	1	1	1	
Parks Crafts Supervisor	1	1	1	
Park Maintenance Supervisor	2	2	2	
Park Attendant	1	1	1	
Park Maintenance Leadworker	1	1	2	Add 1 Position 05/06
Park Maintenance Worker	13	13	13	
Park Maintenance Craftsworker	2	3	3	Add 1 Position 04/05

**POSITION CONTROL LIST 2005-06**

	<b>2003-04 AMENDED</b>	<b>2004-05 AMENDED</b>	<b>2005-06 PROPOSED</b>	<b>COMMENTS</b>
Senior Park Maintenance Worker	6	4	3	Eliminate 2 04/05, Eliminate 1 Position 05/06
Field Assistant II	1	1	1	
Office Assistant II	0.75	0.75	0.75	
<b><u>Urban Forestry</u></b>				
Forester	1	1	1	
Greenbelt Coordinator	1	1	1	
Arborist	1	1	1	
Park Maintenance Worker	1	0	0	Eliminate 1 Position 04/05
Tree Trimmer	2	2	2	
Tree Maintenance Worker	3	2	2	Eliminate 1 Position 04/05
<b><u>Cemetery</u></b>				
Cemetery Coordinator	1	1	1	
Cemetery Maintenance Worker	2	2	2	Admin. underfill w/ 1 Park Maint. Worker
<b><u>Street Maintenance Districts</u></b>				
Park Maintenance Worker	1	0	0	Eliminate 1 Position 04/05
Senior Park Maintenance Worker	1	1	1	
<b>PUBLIC WORKS DEPT. TOTAL</b>	<b>144.75</b>	<b>136.75</b>	<b>134.75</b>	
<b><u>COMMUNITY DEVELOPMENT DEPT.</u></b>				
<b><u>Planning</u></b>				
Community Develop Director	1	1	1	
Chief of Planning	1	1	1	Underfill with Senior Planner 05/06
Planning Secretary	1	1	1	
Senior Planner	3	3	2	Eliminate 1 Position 05/06
Senior Associate Planner	0	1	1	
Associate Planner	2	1	1	Eliminate 1 Position 04/05
Technical Office Assistant	3	3	3	Admin. underfill with 1 Office Assist. II
<b><u>Building Safety and Inspection</u></b>				
Building Official	1	1	1	
Senior Building Inspector	1	1	1	
Building Inspector	3	2	2	Eliminate 1 Position 12/31/04
Building Plans Examiner/Inspector	0	1	1	Add 1 Position 04/05
Plans Examiner	1	0	0	Eliminate 1 Position 04/05
Technical Office Assistant	1	1	1	Add 1 Position 03/04 (Reclass)
<b><u>Housing and Property Mgt.</u></b>				
Housing and Property Manager	1	1	1	
HCD Coordinator - Programs	1	1	1	
HCD Coordinator - Real Estate	1	1	0	Eliminate 1 Position 05/06
HCD Admin. Analyst - Real Estate	0	0	1	Add 1 Position 05/06
HCD Coordinator - Projects/Prgm.	1	1	1	
Office Assistant II	1	1	1	
Administrative Analyst	1	1	1	Extend Contract to 8/5/06
<b>COMMUNITY DEVELOPMENT DEPARTMENT TOTAL</b>	<b>24</b>	<b>23</b>	<b>22</b>	

**POSITION CONTROL LIST 2005-06**

<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	
<b>AMENDED</b>	<b>AMENDED</b>	<b>PROPOSED</b>	<b>COMMENTS</b>

**RECREATION & COMMUNITY SERVICES DEPT.**

**Administration**

Rec. & Community Serv. Director	1	1	1	
Administrative Analyst	1	1	1	
Administrative Assistant	1	1	1	
Office Assistant II	2.75	2	2	Eliminate 1 RPT Position 04/05
Recreation Superintendent	2	1	1	Eliminate 1 Position 8/2/04
Recreation Supervisor	0	1	1	Add 1 Position 04/05

**Youth Center**

Community Center Director	1	1	1	
Recreation Specialist	0.75	0.75	0.75	
Lead Preschool Instructor	0.75	0.75	0.75	

**Senior Center**

Community Center Director	1	1	1	
Recreation Specialist	0.75	0.75	0.75	

**Archer Park Center**

Community Center Director	1	0	0	Eliminate 1 Position 04/05
Recreation Specialist	0.75	0	0	Eliminate 1 Position 04/05
Lead Preschool Instructor	0.75	0	0	Eliminate 1 Position 04/05 (Moved to Hilltop)

**Hilltop Park Center**

Community Center Director	1	1	1	
Recreation Specialist	0.75	0.75	0.75	
Office Assistant II	1	1	1	
Lead Preschool Instructor	0.75	1.5	1.5	Add 1 RPT 04/05 (Moved from Archer Park)

**Cona Park Center**

Community Center Director	1	1	1	
Recreation Specialist	0.75	0.75	0.75	
Lead Preschool Instructor	0.75	0.75	0.75	

**Special Programs & Events**

Recreation Specialist	1.5	1.5	1.5	
Afterschool Site Directors	2.25	2.25	1.5	Eliminate 1 RPT Position 05/06
Senior Recreation Leader	2.25	2.25	1.5	Eliminate 1 RPT Position 05/06
Teaching Specialist	0.75	0.75	0	Eliminate 1 RPT Position 05/06

**Sports**

Sports Supervisor	1	1	1	
Sports Specialist	0.75	0.75	0.75	

**Sports Center - Operations**

Sports Center Manager	1	1	1	
Sports Center Operations Mgr.	1	1	1	
Sports Coordinator	1	1	1	
Fitness Manager	1	1	1	
Facility Coordinator	2	2	2	
Group Exercise Coordinator	1	1	1	
Aquatics Coordinator	1	1	1	
Aquatics Specialist I	1.5	1.5	1.5	
Aquatics Specialist II	0.75	0.75	0.75	
Physical Therapist	1.5	1.5	1.5	

**POSITION CONTROL LIST 2005-06**

	2003-04 AMENDED	2004-05 AMENDED	2005-06 PROPOSED	COMMENTS
Recreation Specialist	1.5	1.5	1.5	
Tot Activity Leader	0.75	0.75	0.75	
Lifeguard	1.5	1.5	1.5	
Senior Craftworker	1	1	0	Move to Sports Center - Maintenance 05/06
Building Maint. Craftworker	0.75	0.75	0	Move to Sports Center - Maintenance 05/06
Senior Facility Attendant	1	1	1	
Facility Attendant	6.5	6.5	6.5	
Maintenance Specialist	0.75	0.75	0.75	
Laundry Attendant	2	2	2	
Control Cashier	4	4	4	
Recreation Technical Office Asst.	1	1	1	
Office Assistant II	2	2	2	
<b><u>Sports Center - Maintenance</u></b>				
Senior Craftworker	0	0	1	Move from Sports Center - Operations 05/06
Building Maint. Craftworker	0	0	0.75	Move from Sports Center - Operations 05/06
<b>RECREATION &amp; COMMUNITY SERVICES DEPARTMENT TOTAL</b>				
	<u>63.5</u>	<u>61</u>	<u>58.75</u>	
<b><u>LIBRARY</u></b>				
<b><u>Administration</u></b>				
Library Director	1	1	1	
Assistant Library Director	0	0	1	Move 1 from Reference Services 05/06
Administrative Assistant	1	1	1	
Special Services Coordinator	1	1	1	
Office Assistant II	0.75	0	0	Eliminate 1 RPT Position 12/31/04
<b><u>Support Services</u></b>				
Automated Systems Coordinator	1	1	1	
Cataloging Supervisor	1	1	1	Underfill with Library Asst. II 04/05
Library Assistant III	1	1	2	Move 1 Position from Reader Services 05/06
Library Assistant I	0.75	0.75	0.75	
<b><u>Reference Services</u></b>				
Assistant Library Director	1	1	0	Move 1 Position to Administration 05/06
Senior Librarian	1	1	1	
Librarian II	1	1	1	
Librarian	2	2	1	Move 1 to Youth Svcs., Eliminate 1 6/30/06
Archivist	1	1	1	
<b><u>Youth Services</u></b>				
Youth Services Manager	1	1	1	
Librarian	2.75	2.75	3.75	Move 1 from Reference Services 05/06
Library Assistant II	0.75	0	0	Eliminate 1 RPT Position 04/05
<b><u>Readers' Services</u></b>				
Reader Services Manager	1	1	1	
Library Assistant I	5.5	3.5	3.5	Eliminate 2 04/05, Eliminate 1 RPT 6/30/06
Library Assistant II	1	1	1	
Library Assistant III	1	1	0	Move 1 Position to Support Services 05/06
Senior Library Page	1.5	0.75	0.75	Eliminate 1 Position RPT 04/05
<b><u>Museum</u></b>				
Office Assistant II	0	0.75	0.75	Move 1 RPT from Public Facilities 04/05
Museum Coordinator	0	1	1	Move 1 Position from Public Facilities 04/05
<b>LIBRARY DEPARTMENT TOTAL</b>	<u>28</u>	<u>25.5</u>	<u>25.5</u>	

**POSITION CONTROL LIST 2005-06**

	2003-04 AMENDED	2004-05 AMENDED	2005-06 PROPOSED	COMMENTS
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**PUBLIC FACILITIES DEPARTMENT**

**Administration**

Public Facilities Director	1	0	0	Convert to Contract PTS 04/05
Conference Center Manager	1	1	1	
Administrative Assistant	1	1	1	Position allocated within Dept.
Administrative Analyst	1	1	1	Position allocated within Dept.
Office Assistant II	1	1	1	Position allocated within Dept.

**Conference Center- Sales**

Sales & Marketing Director	1	1	1	
Sales Manager	1	1	1	
Sales Office Assistant	1	1	1	

**Conference Center - Operations**

Operations Supervisor	1	1	1	
Event Supervisor	1	1	1	
Events Coordinator	1	1	1	
Senior Facility Attendant	1	1	1	
Facility Attendant	5	4	4	Eliminate 1 Position 04/05
Custodian	1	1	1	
Office Assistant II	1	1	1	

**Conference Center - Maintenance**

Senior Craftworker	1	1	1	11% Allocated to Public Works
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**Marina & Harbor**

Harbormaster	1	1	1	
Marine Operations Supervisor	1	1	1	
Waterfront Maint. Supervisor	1	1	1	
Senior Harbor Maint. Worker	2	2	2	
Harbor Maintenance Leadworker	1	1	1	
Harbor Security Worker	3	3	3	
Field Office Assistant	1	1	1	
Senior Account Clerk	1	1	1	

**Parking**

Parking Superintendent	1	0	0	Convert to Contract PTS 04/05
Parking Maintenance Supervisor	1	1	1	
Parking Enforcement Supervisor	1	1	1	
Off-Street Parking Supervisor	1	1	1	
Senior Parking Attendant	2	2	2	
Senior Parking Controls Maint. Off.	1	1	1	
Senior Parking Enforcement Off.	1	1	1	
Parking Controls Maint. Off.	2	2	2	
Street Sweeper Operator	1	1	1	
Senior Street Sweeper Operator	1	1	1	
Parking Maintenance Worker	2	2	2	
Parking Enforcement Officer	6.25	6.25	6.25	Extend 1 Overfill to 6/30/06
Parking Revenue Supervisor	1	1	1	
Parking Attendant	3	4	4	Add 1 Position 04/05
Parking Facility Worker	6	6	6	
Office Assistant II	1	1	1	
Senior Account Clerk	1	1	1	
Account Clerk	1	1	1	

**POSITION CONTROL LIST 2005-06**

	2003-04 AMENDED	2004-05 AMENDED	2005-06 PROPOSED	COMMENTS
<b><u>Museum</u></b>				
Office Assistant II	0.75	0	0	Move 1 RPT Position to Library 04/05
<b><u>Presidio Park &amp; Museum</u></b>				
Museum Coordinator	1	0	0	Move 1 Position to Library 04/05
<b>PUBLIC FACILITIES</b>				
<b>DEPARTMENT TOTAL</b>	<u>66</u>	<u>62.25</u>	<u>62.25</u>	
<b><u>CITY MANAGER DEPARTMENT</u></b>				
<b><u>Administration</u></b>				
City Manager	1	1	1	
Assistant City Manager	1	1	1	
Deputy City Manager	1	1	1	
Executive Assistant	1	1	1	
Executive Office Assistant	1	0.67	0.67	(33% Allocated to City Clerk)
<b><u>Community Resources/Education</u></b>				
Community Educ./Outreach Coord.	1	0.75	0.75	Reduced to 3/4 Mgmt 04/05 (contract)
Community Resources Coord.	0.75	0.75	0.75	
Communications Assistant	0	0.75	0.75	Add 1 RPT Position 04/05
<b><u>City Clerk &amp; Printing</u></b>				
City Clerk	1	1	1	
Assistant City Clerk	1	2	2	Add 1 position 04/05 (3 yr. contract to 6/30/08)
Office Assistant II	0.75	0	0	Eliminate 1 RPT Position 04/05
Printer Operator	1	0	0	Eliminate 1 Position 04/05
Executive Office Assistant	0	0.33	0.33	
<b><u>Information Services</u></b>				
Information Services Manager	1	1	1	
Network Administrator	1	1	1	
Systems Analyst	2	3	3	Add 1 position 04/05 (3 yr. contract to 6/30/08)
GIS Coordinator	1	1	1	
Computer Operations Specialist	1	1	1	
Network Analyst	1	1	1	
Network Specialist	1.75	1.75	1.75	
<b>CITY MANAGER DEPT. TOTAL</b>	<u>19.25</u>	<u>20</u>	<u>20</u>	
<b><u>CITY ATTORNEY DEPARTMENT</u></b>				
City Attorney	1	1	1	Restore to Full-time 04/05
Assistant City Attorney	1	1	1	
Legal Assistant	0.75	0.75	0.75	Converted to 3/4 Mgmt 04/05 (contract)
Code Enforcement Officer	1	0	0	Reduce to PTS 04/05
Legal Secretary	1	1	1	
<b>CITY ATTORNEY DEPT. TOTAL</b>	<u>4.75</u>	<u>3.75</u>	<u>3.75</u>	

**POSITION CONTROL LIST 2005-06**

	2003-04 AMENDED	2004-05 AMENDED	2005-06 PROPOSED	COMMENTS
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**PERSONNEL DEPARTMENT**

**Personnel Administration**

Personnel and Employee Rel. Dir.	1	1	1	
Principal Personnel Analyst	1	1	1	
Personnel Specialist	1	1	1	
Administrative Assistant	1	1	1	

**Workers' Comp/Employ. Benefits**

Benefits Analyst	1	1	1	
Office Assistant II	1	1	1	

<b>PERSONNEL DEPARTMENT TOTAL</b>	6	6	6	
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**FINANCE DEPARTMENT**

**Administration**

Finance Director	1	1	1	
Administrative Assistant	1	1	1	
Management Analyst	1	1	0	Eliminate 1 position 05/06

**Revenue Division**

Revenue Manager	1	1	1	
Accountant/Auditor	1	1	1	
Accounting Technician	2	2	2	
Account Clerk	1	1	1	

**Accounting**

Financial Services Manager	1	1	1	
Administrative Services Manager	1	2	2	Add 1 position 04/05 (3 yr. contract to 6/30/08)
Accountant/Auditor	2	2	2	
Senior Accounting Technician	2	2	2	
Account Clerk	1.75	1	1	Eliminate 1 RPT Position 04/05

<b>FINANCE DEPARTMENT TOTAL</b>	15.75	16	15	
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<b>GRAND TOTAL</b>	505.00	486.25	479.00	
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# CITY PRIORITIES FOR FY 2005 - 06

## Public Facilities/ Public Works

1. **Window-on-the-Bay Park:**
  - Complete acquisition of two remaining properties within the West project area; (Community Development)
  - Complete construction documents for Camino Aguajito to Camino El Estero traffic operations and safety improvements. (Public Works)
  - Revisit the vision for the "Priority B Area," and develop a strategy and timeline for implementation. (Public Works)
2. **Catellus Property:** Evaluate appropriate use and restoration of passenger depot building on west side of Catellus. Complete public improvements on east side, including improvements to the dry storage boat yard and parking lot. (Community Development/ Public Works)
3. Complete **Public Service Center** EIR, financing plan, design, and commission review to facilitate Council decision-making on the project. (Public Facilities)
4. Update **Storm Drain Utility, Sanitary Sewer, and Pavement maintenance** needs and financing mechanism. (Public Works)
5. Develop, finance, and implement a **Storm Water Management Plan**. (Public Works)
6. Implement high priority **Circulation Improvement and Maintenance projects on Lighthouse/ Del Monte corridor and Highway 68**, with a specific emphasis on: (a) developing policy direction on Lighthouse Avenue improvements to facilitate left turns and on Del Monte/ Washington improvements; (b) completion of the Ragsdale/ Highway 68 improvements; and (c) completion of the N. Fremont/ Del Monte/ Lighthouse signal controller upgrades. (Public Works)
7. Work with Coast Guard to improve operations and maintenance condition of **Coast Guard facilities**. (Public Facilities)
8. Work with Cannery Row Business Improvement District on updating the **Cannery Row Streetscape Study** and implementing public improvements in the City right-of-way. (Community Development/ Public Works)

## Historic Preservation

1. Strengthen **Collaboration with Local History Partners** through Historic Monterey to promote historic resources and heritage tourism. (Museum and Cultural Arts)

## Land Use

1. Develop **Mixed Use Guidelines**, particularly for Downtown and East Downtown, to support General Plan implementation. (Community Development)
2. Develop **Traffic Impact Fee** to support General Plan Implementation. (Public Works)
3. Complete the **Coastal Plan Implementation Program** for review and approval by the Coastal Commission. (Community Development)
4. Complete **Calle Principal Guidelines** for private development and public right-of-way, and determine how to obtain more **Public Parking Downtown**. (Community Development/ Public Facilities)
5. Initiate land transfer process for **Monterey Ft. Ord properties**. (Community Development/ Public Works)

# CITY PRIORITIES FOR FY 2005 - 06

## Housing

1. Complete **Monterey Hotel mixed use/ apartment project**. (Community Development)
2. Identify another specific major **Workforce Housing Project** in collaboration with other agencies and/or key stakeholders, and develop an action plan for possible implementation. Specific focus would be on use of Ft. Ord/ Ryan Ranch properties. (Community Development)
3. Use housing funds to develop a **Neighborhood Revitalization Strategy for East Monterey** to help eliminate any blighted conditions in residential neighborhoods, primarily between NPS and the Monterey city limits. (Community Development)

## Social

1. Continue to **Cooperate with other Local Library jurisdictions** to explore innovative resource-sharing ideas to provide a higher level of service throughout the region. (Library)

## Public Safety

1. Continue to **Coordinate with other Local Fire departments** to explore a higher level of service to the entire region by reducing duplicate services and better utilizing existing resources, using agreements and/or consolidations. (Fire)

## Economic

1. Insure long-term **Revenue/ Expenditure balance** in the City's operating budget. (City Manager)
2. Work with developer and landowner to complete construction of the **Monterey Peninsula Hotel** and the **conversion of McAbee Beach to public open space**. (Community Development)
3. Renew existing **Contract for Base Operations and Maintenance at DLI and NPS**. (Public Works)
4. Develop a strategy for **Expanding the Economic Value of DLI and NPS**. (City Manager)
5. Work with the Business Improvement District for the **Economic Revitalization of the North Fremont business area** in concert with surrounding residential neighborhoods and the Fair Grounds. (Comm. Dev.)
6. Complete negotiations for **Revitalization of Safeway store site on City-owned property** on Munras. (Community Development)
7. Continue the introduction of **Electronic-Government business systems** intended to improve staff efficiency and effectiveness, and improve citizen service and access to information. These initiatives include: (a) the deployment of a Citywide records management system; (b) the implementation of an automated timekeeping/ payroll system; (c) the implementation of a project accounting system to provide better information about and control over CIP/NIP and cross-departmental projects; (d) the integration of a number of enterprise data systems (such as the Eden Financial Management System and the Hansen Work Management System); and (e) our Activity Based Costing (ABC) System that allows us to identify and monitor the true cost to deliver our various services. (City Manager)

## Staff Development

1. Expand **Staff Development and Supervisory Leadership programs** to provide opportunities for City employees to enhance performance and professional growth. (Personnel/ Executive Management)

## **FINANCIAL POLICIES**

### **REVENUE POLICIES**

- The City will set fees and user charges for each enterprise fund at a level that fully supports the total direct and indirect program costs. Indirect costs will ultimately include the cost of annual depreciation of fixed assets.
- The City Council will establish fees for non-enterprise funds based upon an awareness of the total direct and indirect costs of offering a service. It is recognized that certain services may be subsidized by general taxes based upon a level of subsidy determined by the Council.
- The City will aggressively pursue collection of all revenues when due.

### **OPERATING BUDGET POLICIES**

- The City Council will adopt and maintain a balanced annual operating budget and an integrated five-year capital improvement budget.
- Current annual revenues will be equal to or greater than current expenditures. The City will maintain a long-range fiscal perspective by annually preparing and maintaining a five-year General Fund operating revenue, expenditure and available reserve schedule and a five-year capital improvement plan.
- Any normal existing revenue inflation will be used to pay for normal existing expenditure inflation. The identification of funding sources will be required for any new or expanded programs.
- The City will provide for adequate maintenance and the orderly replacement of fixed assets and equipment.
- As resource allocation plans are developed, consideration for citywide public safety shall be given high priority.
- The City will comply with all the requirements of Generally Accepted Accounting Principles (GAAP).
- The City will annually retain the services of an independent Certified Public Accounting firm to audit the City's financial statements and conduct any tests of the City's records deemed necessary to render an opinion on the City's compliance with Generally Accepted Accounting Principles (GAAP).

# **FINANCIAL POLICIES**

## **CAPITAL IMPROVEMENT POLICIES**

- All estimated construction, maintenance and operating costs and potential funding sources for each proposed capital improvement and neighborhood improvement will be identified before it is submitted to the City Council for approval.
- The City will finance only those capital improvements that are consistent with the adopted capital improvement plan and City priorities. All capital improvement operating and maintenance costs will be included in operating budget forecasts.

## **DEBT POLICIES**

- Only capital improvements that cannot be financed from current revenues will be financed with debt borrowing except for enterprise funds. The City will determine and use the least costly financing method for all new capital improvement projects.
- The term for repayment of long-term financing for capital improvements will not exceed the expected useful life of the project.

## **RESERVE POLICIES**

- The City goal will be to maintain a reserve for emergencies and economic uncertainty equivalent to 15% of the General Fund annual operating budget.
- The City will maintain appropriate reserves in the Self-Insurance Funds based on statutory requirements and actuarially projected needs.

## **PROPERTY MANAGEMENT**

- Acquisition of real property shall be tied to a specific objective, with the source of adequate funds identified and considerations given for the long-term fiscal and policy impacts.
- Disposition of real property shall be considered for those properties without specific deed restrictions and which are unused, under-utilized, economically not viable, or which were acquired for an outdated plan or purpose.

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