



Jim Evert

Mayor

Tim Brown

Mayor Pro Tempore

Bob Baker

Councilmember

Jim Dahl

Councilmember

Lori Donchak

Councilmember

George Scarborough

City Manager

Pall Gudgeirsson

Assistant City Manager/
City Treasurer

Annual Budget

Fiscal Year 2013

2012 San Clemente City Council



From left: **Bob Baker, Jim Dahl, Mayor Jim Evert, Lori Donchak, Mayor Pro Tem Tim Brown**

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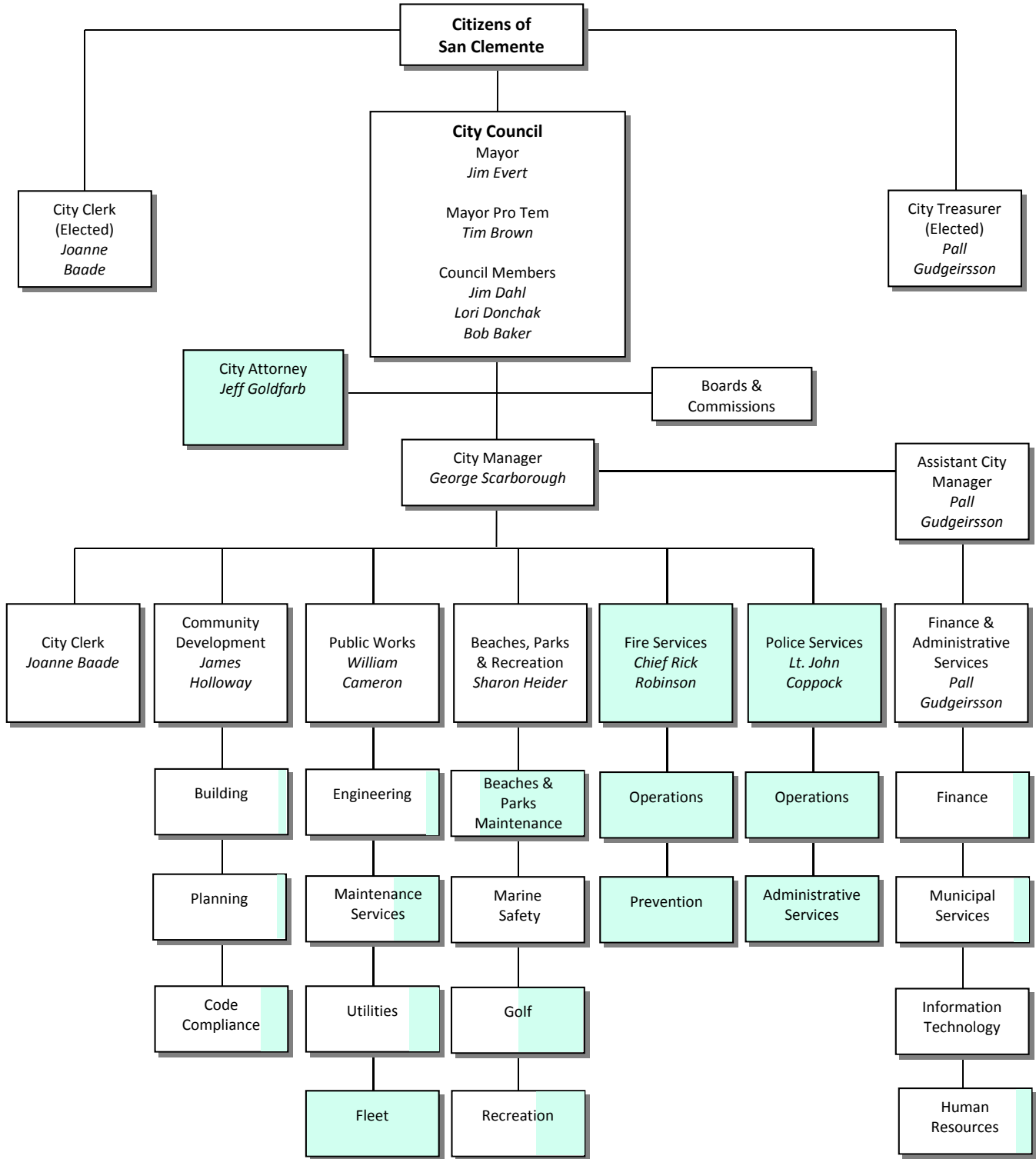
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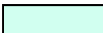
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Demographic and Statistical Information (inside back cover)	<i>(Listing will be part of Final Adopted Budget)</i>

San Clemente Organization Chart



 Shading indicates contracted services

Financial Accomplishments



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of San Clemente, California for its annual budget for the fiscal year beginning July 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

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

SAN CLEMENTE (AAA)

“San Clemente is the southernmost city in Orange County, located on the Pacific Ocean. Although a primarily wealthy residential community, the city also has some office and retail areas. In our view, financially, the city has performed very well in recent years and has maintained an unreserved fund balance of more than 40% of expenditures since 2001. We understand that the city does not have any plans to issue debt in the next couple years.”

STANDARD
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RATINGS DIRECT®

AAA---An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

Standard and Poor's reaffirmed the City's long-term financial "AAA" rating and stable outlook in April 2012.

San Clemente At A Glance

Mission Statement

The City of San Clemente, in partnership with the community we serve, will foster a tradition dedicated to:

- Maintaining a safe, healthy atmosphere in which to live, work and play;
- Guiding development to ensure responsible growth while preserving and enhancing our village character, unique environment and natural amenities;
- Providing for the City's long term stability through the promotion of economic vitality and diversity.
- Resulting in a balanced community committed to protection of what is valued today while meeting tomorrow's needs.

History

The City of San Clemente, commonly known as the "Spanish Village by the Sea", spans just over eighteen square miles of coastline and scenic foothills. The area, long admired by explorers and passing settlers for its location, remained virtually uninhabited until 1776, when the establishment of the San Juan Capistrano Mission led to nearby settlements by both Indians and Spaniards.

Property rights to land exchanged hands several times, but few ventured to build on the land until 1925, when Ole Hanson, a Seattle developer, purchased a large portion of what is now San Clemente. Hanson believed that the area's pleasant climate, beautiful beaches and fertile soil would serve as a haven for Californians who were tired of "The Big City". He named the City after San Clemente Island, which was originally named by the explorer Vizcaino, in 1602 after Saint Clemente, whose feast is celebrated on November 23, the day of Vizcaino's arrival on the island.

Hanson succeeded in promoting the new area and selling property to interested buyers. He built facilities such as a community center, beach club, pier and Plaza Park, and donated them to the community. The area was incorporated officially as a City in 1928 and enjoyed slow but steady growth in the years thereafter.



In 1969, an event occurred which accelerated the growth and reputation of San Clemente. In that year, then President Richard Nixon purchased a Spanish mansion that Hamilton Cotton had built in the southern part of town in 1927. This "Western White House" became the site of numerous historical meetings and decisions. In earlier years, President Franklin Delano Roosevelt often stopped at Cotton's Point whenever he traveled between Los Angeles and San Diego.

City Government

The City of San Clemente is a General Law city that operates under the Council/Manager form of city government. The voters elect five of their fellow citizens to the City Council for overlapping four-year terms. The Council, in turn, selects one of its members to serve as Mayor for a one-year term. The City Council holds regular public meetings every first and third Tuesday of each month.

The City's current population of 63,743 enjoys 20 community and neighborhood parks, 6.8 miles of ridgeline trails, 2.27 miles of coastal trail, a championship municipal golf course and 20 acres of beautiful beaches.

San Clemente At A Glance



The City contracts for police services from the Orange County Sheriff's Department and for fire services from the Orange County Fire Authority.

Utilities (water, sewer, storm drain and urban runoff) are provided by the City. Trash collection is contracted to a private company.

Animal control and shelter services are provided by Coastal Animal Services Authority (CASA). CASA is a joint powers authority serving the cities of San Clemente and Dana Point.

The City's population is projected to reach 66,615 by the year 2030 (based on 2.6 persons per household and maximum development of each Specific Plan area). New development, currently in the planning stages or under construction, will include a mix of residential dwelling units, commercial units and retail establishments. This mix will provide for a stable, economically balanced community that is physically and socially integrated into its surroundings.

Location

San Clemente is centrally located between Los Angeles and San Diego. The San Onofre Nuclear Generating Station and Marine Corps Base Camp Pendleton are located immediately to its south.

The City limits cover 18.45 square miles at an average elevation of 250 feet.

Photography

Photos throughout this publication, including the cover, have been provided by: Pall Gudgeirsson, Assistant City Manager/City Treasurer

Reader's Guide to the Budget

Reader's Guide to the Budget

This guide is intended to help the reader understand what information is available in the budget and how it is organized. The FY 2013 budget document consists of 21 chapters including a Budget Glossary and Index. Below is an explanation of the major sections of this budget:

Introduction

- **Table of Contents** - Provides page numbers to locate sections within the budget document.
- **City Organization Chart** – Provides a City-wide organization chart.
- **Financial Accomplishments** – The City has been presented the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the Fiscal Year beginning July 1, 2011. Standard & Poor's rates the City of San Clemente's credit at AAA.
- **San Clemente at a Glance** - Presents the Mission Statement, a brief history of the City, description of the form of government, location, and artwork credits.
- **Reader's Guide to the Budget** - Provides a listing and description of chapters included in the annual budget.

Chapter 1 – Budget Overview

- **City Manager's Transmittal Letter** - The City Manager's Transmittal Letter summarizes many of the critical issues addressed in the budget.
- **Budget Summary** - This section presents a brief overview of the City's Operating and Capital budgets.
- **Financial Overview** – Provides a comprehensive overview of the FY 2013 budget with a focus on All Funds and General Fund revenues and expenditures, as well as staffing levels, capital projects, maintenance projects, fund balances and the General Fund operating position.
- **Budget Process** - Provides an overview of the budget development process and timeline.
- **Accounting System & Controls** - Provides an overview of the City's accounting systems and the level at which budgetary control is maintained. The Cost Allocation Plan provides an overview of the process which allocates General Fund overhead costs to other funds.

Chapter 2 - All Funds Summary

A comprehensive overview of the FY 2013 budget, with a focus on all funds (consolidated). Included are tables and graphs for both revenues and expenditures and an overview of revenue assumptions that were utilized in the development of the budget. A listing of all city-wide programs is included in this section.

Chapter 3 - General Fund Revenues and Expenditures

An analysis of General Fund revenues is provided in this chapter, including General Fund revenues by category, revenue overview, revenue summary and revenue by line item. This section also provides an explanation of General Fund expenditures, including expenditures by category, department, summary of expenditures, expenditure overview and expenditures by line item.

Reader's Guide to the Budget

Chapters 4 through 9 – Department/Division Budgets

These sections include the budgets for the City's basic organizational units which provide essential services to the citizens of San Clemente. Each section presents information summarized at the Department level and General Fund Division level. The Department/ Program Budgets include:

- General Government
- Public Safety
- Public Works
- Finance and Administrative Services
- Community Development
- Beaches, Parks and Recreation

Departmental summary information is presented in the following format:

- **Department Overview** – An overview of the structure and description of the Department.
- **Organization Chart** - An organization chart by function is provided for each department.
- **Expenditures by General Fund Division** - A chart comparing FY 2011 actual expenditures, FY 2012 adjusted budget and projected expenditures, and budgeted expenditures for FY 2013 for General Fund divisions within the Department.
- **Department Expenditures by Category** - A chart comparing FY 2011 actual expenditures, FY 2012 adjusted budget and projected expenditures, and budgeted expenditures for FY 2013 for each expenditure category.
- **Department Personnel Summary** - The total number of staff assigned to each Department by Full-time Equivalent (FTE). FTE refers to a budgeted, benefited position that normally works at least 2,080 hours per year. A .5 FTE would be scheduled to work 1,040 hours per year.
- **Accomplishments** - A list of Department/Program accomplishments for Fiscal Year 2012.
- **Key Initiatives** – A listing of key initiatives for the Department/Program for Fiscal Year 2013.

General Fund Division information is presented in the following format:

- **Purpose Statement** – This provides a general description of the primary purpose of the division.
- **Service Description** - A listing of the key services or functions provided by the division.
- **General Fund Program Summary** - A chart comparing FY 2011 actual expenditures, FY 2012 adjusted budget and projected expenditures, and budgeted expenditures for FY 2013 for General Fund programs within the Division.
- **Category Expenditure Summary** - A chart comparing FY 2011 actual expenditures, FY 2012 budgeted and projected expenditures, and budgeted expenditures for FY 2013 for each expenditure category.
- **Division Personnel Summary** – The total number of staff assigned to each Division by Full-time Equivalent.
- **Significant Changes** – This section provides an overview of the significant changes included in the budget.

Reader's Guide to the Budget

Chapter 10 - Special Revenue Funds

This section includes budgets for the City's Special Revenue Funds. Fund descriptions, along with revenue and expenditure information and beginning and ending fund balances are presented. Special Revenue Funds include the Street Improvement, Gas Tax, Miscellaneous Grants, Air Quality Improvement, Police Grant and Reserve Fund.

Chapter 11 - Capital Project Funds

This section provides an overview of the City's Capital Project Funds including a detailed listing of projects where appropriate. Capital Project Funds include the Parks Acquisition and Development, Local Drainage Facilities, Regional Circulation Financing & Phasing Program, Public Facilities Construction Fee and Developers Improvement.

Chapter 12 - Debt Service Funds

This section contains the Negocio Debt Service Fund, which accounts for the debt service and operating costs for the 910 Calle Negocio building.

Chapter 13 - Enterprise Funds

The budgets for the Water, Sewer, Storm Drain Utility, Golf Course, Clean Ocean, and Solid Waste are presented. Operating, Depreciation and Capital Reserve Funds are included in this section. For Operating Divisions within these funds, information is presented in the following format:

- **Purpose Statement** – This provides a general description of the primary purpose of the division.
- **Service Description** - A listing of the key services or functions provided by the division.
- **Beginning Net Working Capital Balance** - A chart comparing FY 2011 beginning balance, FY 2012 beginning budgeted and projected balance, and budgeted beginning balance for FY 2013.
- **Revenue Summary** - A chart comparing FY 2011 actual revenues, FY 2012 budgeted and projected revenues, and budgeted revenues for FY 2013.
- **Expenditures by Program** - A chart comparing FY 2011 actual expenditures, FY 2012 adjusted budget and projected expenditures and budgeted expenditures for FY 2013 by program within the Division.
- **Ending Net Working Capital Balance** - A chart comparing FY 2011 ending balance, FY 2012 ending budgeted and projected balance, and budgeted ending balance for FY 2013.
- **Expenditures by Category** - A chart comparing FY 2011 actual expenditures, FY 2012 budgeted and projected expenditures, and budgeted expenditures for FY 2013.
- **Division Personnel Summary** – The number of staff assigned to each Division is listed in this table by FTE.
- **Significant Changes** – This section provides an overview of the significant changes included in the budget.

Chapter 14 - Internal Service Funds

This section presents an overview of all Internal Service Funds, including fund descriptions, revenue and expenditure detail, and beginning and ending balances. Internal Service Funds include Central Services, Information Technology, Contract Fleet Services, Fleet Replacement Reserve, Medical Insurance, Workers' Compensation and General Liability Self-Insurance.

Reader's Guide to the Budget

Chapter 15 - Redevelopment Agency Funds

Included in this section are the Low and Moderate Income Housing Fund, Debt Service Fund and Capital Projects Fund for the City's Redevelopment Agency, as well as an explanation of the RDA dissolution process that is currently underway.

Chapter 16 - Capital Improvement Program

This chapter presents the City's Capital Improvement Program (CIP) budget for Fiscal Year 2013. The first section provides an introduction to the City's six-year Capital Improvement Plan for Capital and Maintenance projects. The section includes three graphs, providing an overview of the total CIP Revenues and Expenditures by Category and Fund. An overview of the City's Master Plans, the CIP process, categories, carry forward projects, and project summaries by fund and category for the FY 2013 CIP follows. A map of the City, indicating major project locations is included for the reader's reference. Following this introductory section, the six major categories, *Drainage, Parks and Medians, Sewer, Street, Water, and Facilities and Other Improvements*, are presented in detail. Each section provides an overview of the category and detailed project sheets for the FY 2013 CIP budget.

Chapter 17 - Fiscal Policy and Debt Summary

- The City's **Fiscal Policy** describes the City's financial goals along with policies addressing the operating budget, revenues and expenditures, utility rates and fees, capital improvement program, short- and long-term debt, reserves, investments, and accounting, auditing and financial reporting.
- **Appropriations Limit**, which is required by the State constitution, places limits on the amount of proceeds of taxes that the City can allocate each year.
- **Debt Summary**, an overview of the City's general government, Redevelopment Agency, Golf Operating Fund and assessment district debt.

Chapter 18 – Performance Measures

This section presents quantitative data which measures each division's efficiency and effectiveness in the achievement of performance objectives in meeting the City's mission statement.

Chapter 19 - Staffing

This section includes a staffing schedule, by position and category, for fiscal years 2009 to 2013. Position changes included in the FY 2013 budget are described, and the workforce is graphically illustrated by department and by category. A ten-year historical comparison of the changes in full-time and part-time employees is also presented.

Chapter 20 – Glossary & Index

This section provides a complete glossary of terms and acronyms used throughout the budget document. The index provides an alphabetical listing of subjects discussed in the budget document and provides a page number as to where each subject can be found.

Appendix A – City Fee Schedule

This section provides a complete listing of fees charged by the City of San Clemente, including the legal basis of each fee, the date last adjusted, and the date last reviewed.

Demographic and Statistical Information

Printed inside the back cover, this provides a list of demographic and statistical information for the City of San Clemente.



City of San Clemente

George Scarborough, City Manager
100 Avenida Presidio, San Clemente, CA 92672

Honorable Mayor and Councilmembers:

I am pleased to present a balanced budget and capital improvement program for the City of San Clemente for the 2013 fiscal year. The total City budget amounts to \$117.3 million with the General Fund budget at \$53.8 million. The 2013 fiscal year indicates a modest improvement in the City's financial condition although outside factors continue to affect the finances of local governments throughout California. The continuation of the City's moderate approach to managing finances has paid dividends as we realize the effects of cost saving tactics, implementation of organizational efficiencies, and ongoing long-term financial planning strategies. Combined with a stabilizing local economy, these actions result in a solid fiscal footing for 2013. However, we are not yet in a position to absorb new programs or add to the City's base budget.

The 2013 Proposed Budget that I am submitting to the City Council is very much a *'hold the line'* budget which continues to maintain essential services and programs that our citizens have come to expect and deserve. With the addition of the magnificent Vista Hermosa Sports Park and San Clemente Aquatics Center, there are some uncertainties as to final cost projections and revenues related to this facility which may have to be dealt with at mid-year. At this time, the maintenance and operations of the park continue to be funded from a reserve set aside for this project.

We are once again estimating a relatively small operating surplus this upcoming year. Fund balances are healthy and we are able to fund some essential capital projects this year, including the complete rehabilitation of the Ole Hanson Beach Club, a restoration program for beach restrooms, and funding of a new sidewalk construction program.

Included in this budget is funding for a Proposition 218 election for the re-establishment of the Street Improvement Assessment District. This year, we are utilizing existing fund balances to continue this essential program, but in order to maintain our street system at a high level; an ongoing funding source must be restored to supplement the annual transfer from the General Fund.

Since the recession began in 2007, the State of California has continued to struggle with producing a balanced budget without draining the resources of local government. Three years ago the State *'borrowed'* \$2 million of the City's property taxes and most recently we saw the demise of Redevelopment Agencies throughout the State. Since its establishment in 1975, the City's successful RDA has allowed us to link redevelopment activities with the elimination of blight, and had it not been for utilization of the redevelopment funding mechanism, the Pier Bowl and municipal pier would not be in the condition they are in today. The loss of \$2.3 million annually will affect the funding of the City's future capital projects within its RDA project area.

The City Council's adopted fiscal policies continue to guide the development of a budget that is truly balanced and maintains the City's healthy and strong reserve position.

General Fund Overview

The City's two primary revenue sources consist of property and sales taxes and we project steady growth in these tax categories. The City's General Fund is fiscally sound; however, unassigned fund balances will decline as they are utilized for major capital projects and other one-time expenses.

The General Fund *operating budget* for the 2013 fiscal year amounts to \$50.4 million while operating revenues amount to \$50.5 million. Total expenditures, which include one-time capital costs, transfers and grants, equal \$53.8 million.

Fund balances are projected to total \$18.1 million which includes \$16.2 million in sustainability, emergency, and Vista Hermosa Sports Park maintenance and operation reserves. Unassigned fund balance is estimated to amount to approximately \$1.9 million at fiscal 2013 year-end.

Property taxes amount to \$24.8 million and are the principal revenue source at 50% of General fund revenues for the City. Estimates for next year were adjusted upward by 3%, which includes a reallocation from the Redevelopment Agency, and are based on projections by HdL Coren and Cone, the City's property tax advisory firm. The aforementioned property tax loan to the State is scheduled for repayment in June 2013, although we expect the State to 're-borrow' the loan after repayment.

Sales taxes represent the City's second highest revenue source and are anticipated to increase by 7% or \$486,000, to \$7.4 million in 2013.

Balancing the Budget

The General Fund *operating surplus* in the Budget amounts to approximately \$105,000. Although our operating position is positive, this does not provide a sizeable cushion for increased operating costs in this budget. Consequently, there are only a few decision packages included that will increase current and future operational costs.

Cost adjustments included in the Budget consist of:

- *Orange County Sheriff's Department:* The Police Services program increases by \$49,000. The contract amount equals \$11.8 million. Civilian vehicle maintenance has been transferred to the City's fleet provider.
- *Orange County Fire Authority:* Fire Services increases by \$400,000 or 5% to \$7.7 million. This increase takes into consideration the OCFA base contract, facilities and vehicle charges and the ambulance program.
- *Hiring Freeze & Staffing:* The City remains in a selective hiring freeze of non-essential positions. Each vacant position is reviewed and only those positions approved by the City Manager are eligible for recruitment. The City has realized substantial savings by not replacing vacant positions as well as eliminating positions through consolidation and restructuring. The following positions remain frozen and are not funded in the 2013 Budget:

<i>Position</i>	<i>Department</i>
Management Analyst II	Beaches, Parks & Recreation
Sr. Management Analyst	Utilities
Business Relations Officer	Finance & Administrative Services
Code Compliance Officer	Community Development
Sr. Code Compliance Officer	Community Development
Associate Planner	Community Development
Sr. Communications Tech.	Public Works

- *Health costs:* Health costs are expected to increase by \$156,000 in the General Fund. In addition to new staffing and changes to employee benefit plans, staff anticipates a continuation of increases to health care premiums. There is currently a cost-sharing arrangement between the City and employees which is subject to negotiation. Healthcare costs are a topic annually of the negotiations with the City's employee association.

- *Compensation:* Although labor negotiations are currently underway, no salary increases are built into the budget except for scheduled pay step increases.
- *Pension:* Pension costs are projected to increase in the General Fund based on actuarial calculations. Pension costs continue to increase due to lower future investment returns and not due to any type of pension enhancements by the City. The actuarial rate for the City is anticipated to increase from the current 23.5% to an estimated 24.6%. A cost sharing formula with employees was enacted this past year and will be the subject of labor negotiations this year.
- *Travel and training:* The travel and training budget continues to be an area that is closely scrutinized, and only training costs for workshops, seminars, and conferences that will maintain professional certification and critical job skills are budgeted.
- *Rental of Negocio Building:* One-half of the second floor of Negocio has been leased and the City has filed a claim against Landry's for non-payment by the acquired Bubba Gump Restaurant.
- *Downtown Business Association and Chamber of Commerce:* DBA funding goes from \$46,000 to \$44,000 and Chamber funding is increased from \$30,000 to \$31,260.
- *Line Items:* Once again, a thorough review of all line-items was conducted of all expenditures in the General Fund and the City's Utility Funds in order to maintain a positive operating position in the General Fund and keep utility rate increases to a minimum.

Economic Development

The 2013 budget includes the following Economic Development related programs:

<u>Economic Development - Existing Programs:</u>	
Downtown Business Association Support	\$44,000
Chamber of Commerce Support	31,260
Downtown Public Parking Leases	47,000
Downtown Public Restroom Program	6,000
Non-Targeted Support	9,000
	<u>\$137,260</u>
 <u>Economic Development - New Programs:</u>	
North Beach Grant Program	\$10,000
North Beach Banners	6,000
North Beach Improvement Brochure	1,000
Los Molinos District ID	41,075
Los Molinos Sidewalk Enhancement Grant	20,000
Los Molinos Business District	10,000
Miramar Theater Adaptive Re-use Study	8,000
	<u>\$96,075</u>
 <u>Economic Development Total</u>	 <u>\$233,335</u>

Utility Rate Increases

Water rates increase 7% in the 2013 Budget, which is largely due to the continued increase in purchased water costs and operating expense increases including gasoline, chemicals and higher electricity consumption. The water rate model indicates a 5.8% annual increase over the next five years. A Sewer rate increase of 8% is incorporated into the budget with annual 6% increases projected for the next five years. The recently completed Cost of Services study will be presented to the City Council in May.

Other Funds

The total 2013 Budget for all funds, *including fund balances*, amounts to \$207 million. Operating revenues and expenditures total \$103.4 million and \$95.4 million respectively. Expenditures include capital expenses from depreciation reserves.

A few notable changes to other funds outside of the General Fund are summarized below:

- *Parks Acquisition Fund*: The Vista Hermosa Sports Park construction was completed in 2012.
- *Street Improvement Fund*: Major projects include Avenida Vaquero Rehabilitation (\$880,000) and Camino De Los Mares Frontage Road Rehabilitation (\$476,000). Engineering is working on presenting the renewal of the Street Assessment District to voters in 2013.
- *Gas Tax Fund*: Major projects include the Camino De Los Mares Rehabilitation (\$1.4 million) and North El Camino Real Bike Lane (\$739,800).
- *Sewer Connection Fee Reserve*: An additional \$2.3 million is budgeted for the Recycled Water Expansion project.
- *RDA Capital Fund*: The Redevelopment Agency has been effectively dissolved. No further capital improvement projects will be funded through the RDA.

Capital Improvement Program

The City's Capital Improvement Program (CIP) amounts to \$13.4 million and includes 33 projects. Major projects include:

<u>Project</u>	<u>Cost</u>
Recycled Water Expansion	\$2,300,000
Camino De Los Mares Rehabilitation	1,400,000
Via Ballena Storm Drain Relocation	1,100,000
Ole Hanson Beach Club Rehabilitation	1,000,000
Avenida Vaquero Rehabilitation	880,000

Additionally, the City's CIP maintenance budget totals \$4.6 million and includes 23 projects, the most significant of which is the replacement of eight Progressive Cavity Pumps at the City's Wastewater Reclamation Plant which are at the end of their useful lives.

Funding Requests Pending Council Deliberation and Direction

The following funding requests have not been included in the Proposed Budget pending Council deliberations. The City Council will need to review the request and provide direction.

<u>Social Services Grants - Committee Recommendation:</u>	<u>Amount</u>
Family Assistance Ministries	\$10,000
Shorecliffs Middle School Grant Program	5,000

Fitness is Fun	2,000
Jamboree Housing Corporation	2,000
Friendship Shelter	2,000
Contingency Reserve	1,000
RIO Transportation Grant	410
	<u>\$22,410</u>

Community Support:

Marine Adopted Unit Support	\$15,000
San Clemente High School Grad Night	1,000
	<u>\$16,000</u>

Additional Social Service Organization Requests:

Family Assistance Ministries	\$25,000
Shorecliffs Middle School Grant Program	5,000
Fitness is Fun	5,500
Jamboree Housing Corporation	8,000
Friendship Shelter	10,500
RIO Transportation Grant	2,590
	<u>\$56,590</u>

Non-General Fund Request:

Clean Ocean Fee Assessment Review (Clean Ocean)	\$70,000
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Decision Packages

Decision packages incorporated into the budget total \$2.4 million of which \$1.6 million is for the General Fund, including \$1 million for new sidewalk construction and \$96,000 for new economic development initiatives. Other fund decision packages included in the budget total \$756,840 which consist primarily of one-time vehicle and equipment replacements.

<u>Budgeted General Fund Decision Packages</u>	<u>Amount</u>
Staffing	\$94,630
On-going	52,060
One-time	1,478,040
<i>General Fund Total</i>	<i>\$ 1,624,730</i>

<u>Budgeted Other Fund Decision Packages</u>	<u>Amount</u>
On-going	\$20,000
One-time	736,840
<i>Other Funds Total</i>	<i>\$ 756,840</i>

<u><i>Total Decision Packages (Budgeted)</i></u>	<u><i>\$ 2,381,570</i></u>
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Financial Forecast

The financial forecast has been updated to show the fiscal impact of the 2013 Budget on the City's projected operating position and fund balances over the next five years. This interim update is not a comprehensive update of the financial forecast which will not be completed until new Cal State Fullerton economic assumptions are published in October. The financial forecast will then be updated and incorporated into the 2013 Long Term Financial Plan.

Positive projections are indicated for fiscal year 2013 however, our operating position turns negative beginning in 2014. It should be noted that these projections utilize a variety of economic and budget assumptions and do not include any new development. Clearly, we have made progress in producing a projected operating surplus for 2013; however we will need to continue our practice of fiscal due diligence in order to provide for a financially sustainable spending plan into the future. This continued diligence will allow the City to keep fund balances at approved levels and maintain our "AAA" bond rating.

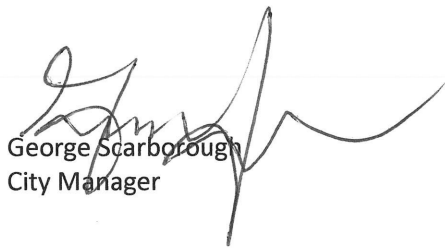
Accomplishments

Over the past year, we have made significant strides in addressing the Council's budgetary priorities. The priorities and other successful initiatives are outlined and included at the end of this transmittal letter. I am extremely proud of our many accomplishments, especially in light of the economic distress that we, along with many other municipalities, have had to face. Among our key accomplishments in FY 2012 were the completion of the new Fire Station and Senior Center in September 2011, Target store opening in October 2011 and the Grand Opening of the Vista Hermosa Sports Park in February 2012.

Summary

I would like to thank our exceptional team members in all departments that helped produce a balanced budget while maintaining essential service levels for our community. The willingness of our staff to develop cost saving strategies while also improving our organizational efficiency and structure has been instrumental in balancing the budget. I believe that the 2013 Budget provides a spending plan that ultimately meets the needs of our constituency. We are fortunate that the City Council has for many years provided the appropriate fiscal direction that has prepared us well for the future.

George Scarborough
City Manager



(Please note that numbers in this document have been rounded)

Fiscal Year 2012 Accomplishments by Department

Finance and Administrative Services

- Standard and Poor's long-term financial "AAA" rating and stable outlook reaffirmed in April 2012
- Implemented Microsoft Lync including web conferencing, computer to computer communications and external access.
- Major revision to City's web site using an opening splash screen with easy search capabilities.
- Americans with Disability Act Self-Assessment completed.
- Pension plan restatement completed.
- Implemented XML reporting in Utility Billing, reducing bill generation from 2 days to 6 hours.
- Prepared an award-winning Popular Annual Financial Report, Comprehensive Annual Financial Report and Budget.
- Completed Banking Conversion.

Public Safety

- Opened Fire Station 60, adjacent to the new Senior Center.
- Achieved Accreditation by the Commission on Fire Accreditation International.
- Implemented a community volunteer-based smoke alarm program (Install-Inspect-Protect).
- Responded to nearly 3,000 fire and emergency medical responses within the City.
- Maintained overall customer satisfaction survey ratings above 97% satisfied.
- Conducted multi-company operations exercises with Camp Pendleton Fire Department to improve interoperability.
- Provided emergency preparedness instruction for the Community Emergency Response Team (CERT) training course.

Community Development

- Completed project management associated with completion of the new Fire Station #60 and the Downtown Senior Center.
- Adopted new updated Very High Fire Hazard Severity Zone maps mandated by the State.
- Implemented upgraded .NET version of the TRAKiT permit and development tracking software.
- Completed integration between the TRAKiT permit system and the EDMS document imaging system resulting in enhanced document retrieval.
- Implemented a quarterly Community Development newsletter "Coastal Conversation" to communicate and inform the community about development and permit related news.
- Implemented improved customer comments cards to obtain enhanced customer service feedback from our customers.
- Initiated regular interdepartmental staff meetings to improve the coordination of public counter processes and activities.

- Certified Housing Element.
- Affordable Housing Overlay Amendment.
- Amended Non-conforming Ordinance.
- Review of eight draft sections of the General Plan.
- Community Liaison Program – grant program implemented in Los Molinos.

Public Works

- Constructed regional Upper Chiquita Reservoir with City share being 27.4 million gallons.
- Completed design and finalized financing for the Recycled Water Expansion.
- Achieved 71% solid waste diversion rate per AB939 requirements.
- Completed re-carpeting at City Hall and Community Development.
- Completed Community Development LED parking lot lighting retrofit project.
- Completed in-depth bacteria source investigation in Prima Deshecha Canada watershed.
- Completed the City's Continuity of Operations Plan and recertified the City as TsunamiReady/StormReady with the National Oceanic and Atmospheric Agency.
- Completed rehabilitation of 1.3 miles of road.

Beaches, Parks, and Recreation

- Completion and opening of Phase 1B of Vista Hermosa Sports Park, the San Clemente Aquatic Center, and Courtney's Sandcastle, Phase 1.
- Completion of construction of the Pier Bowl Lighting and Landscape Project.
- Began rehabilitation of Ole Hanson Beach Club.
- Completed landscape conversion projects at the golf course removing water intensive turf and replaced with drought tolerant decorative landscape beds.
- Completed new design from public input for new play equipment at Linda Lane Park.
- Over 18,000 swimmers in distress were physically rescued by lifeguards, 21,000 visitors were proactively warned or advised of dangers by on-duty staff, and over 1,116 medical aids were performed.
- Successfully out-competed private sector entities for operating the San Clemente Aquatic Center more cost effectively and efficiently.



Budget Summary

Fiscal Year 2013

Strategic Financial Planning Process



The City of San Clemente has a well established strategic financial planning process. The City’s financial planning process is multifaceted and emphasizes long term strategic planning. The City Council encourages a process that focuses on ensuring fiscal sustainability when making decisions that will impact service delivery and the quality of life in San Clemente. The process begins each year with a public goal setting workshop which results in establishing the City’s Strategic Priorities. A Long Term Financial Plan is developed which projects future expenditures and revenues based on current service levels and addresses any funding gaps. After input from the public, Council appointed commissions and committees, and executive management, the City Council adopts a balanced budget which becomes the fiscal blueprint for the following fiscal year. During the ensuing year, City staff monitors the budget, including the Strategic Priority projects, by providing comprehensive quarterly reports to the City Council and public.

Financial Highlights

Following is a brief overview of the FY 2013 budget:

- Total City operating budget (excluding fund balances, capital outlay and transfers between funds) amounts to \$95.4 million as compared to last year’s \$95.2 million.
- General Fund revenues total \$49.5 million, which is flat with the adjusted budget of \$49.5 million. General Fund expenditures (including transfers and one-time expenditures) total \$53.8 million, a 5% decrease from the prior year. Based on fiscal policy, one-time costs will be paid with General Fund fund balance.
- The General Fund operating budget (excluding one-time expenditures, capital outlay and Interfund transfers) amounts to \$50.5 million, which is an increase of 2.4% from last year. Revenues are adjusted by \$0.2 million to reflect a one-time rental revenue loss and add the use of \$0.8 million of the Vista Hermosa maintenance and operation subsidy.



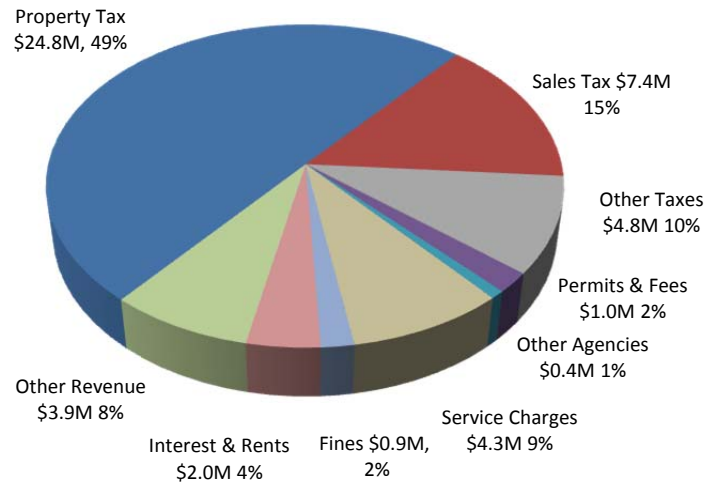
- The Capital Improvement Program totals \$13.4 million and the Maintenance program totals \$4.6 million.
- General Fund positions remain frozen to provide salary savings.
- The Police contract will increase to \$11.8 million. With \$11.7 million in the General Fund and \$0.1 million in the Police Grants Fund.
- The Fire contract is \$7.7 million, with \$7.0 million for base fire service, \$168,000 for maintenance costs and \$475,000 for ambulance transport.



Budget Summary

Fiscal Year 2013

General Fund Revenue: \$49,503,250

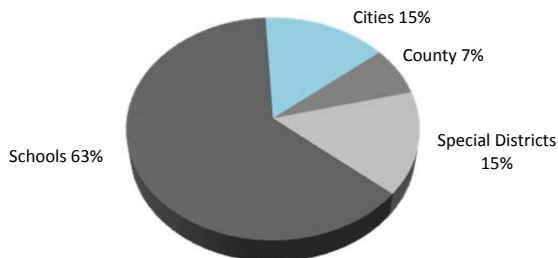


Revenues

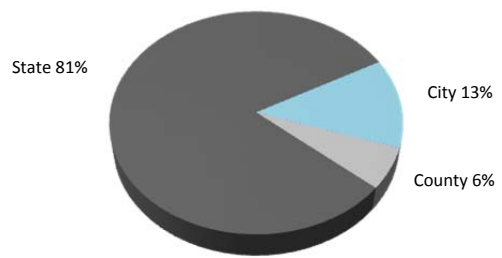
General Fund revenues amount to \$49.5 million. Revenues in the General fund are anticipated to remain flat. Available fund balance will be reduced to fund one-time capital costs and studies. This compares to a five year average revenue increase of less than 1%.

Taxes, license and permits, and service charges are budgeted to increase and intergovernmental, interest and rents, fines, and other sources reflect decreases. The largest revenue category, taxes, increases by 3% or \$1.2 million with property, sales, franchise and transient occupancy taxes increasing. Property taxes (50% of General Fund revenues) increase 3% based on the current assessed values and the allocation of property taxes that previously were allocated to the RDA. Sales tax increases of 7% based on current trends, development and fuel prices. Intergovernmental revenues decrease related to one-time grants and the State no longer distributing Motor Vehicle tax to the City. Service charges increase based on recreation fees, which are being driven by the operation of the Vista Hermosa sports park. Interest income declines due to the weak interest rate environment and the loss of interest being paid on the General Fund loan from the RDA.

Where the Typical Orange County Property Tax Dollar Goes (Locally Assessed 1% Basic Levy)



Where the Sales Tax Dollar Goes

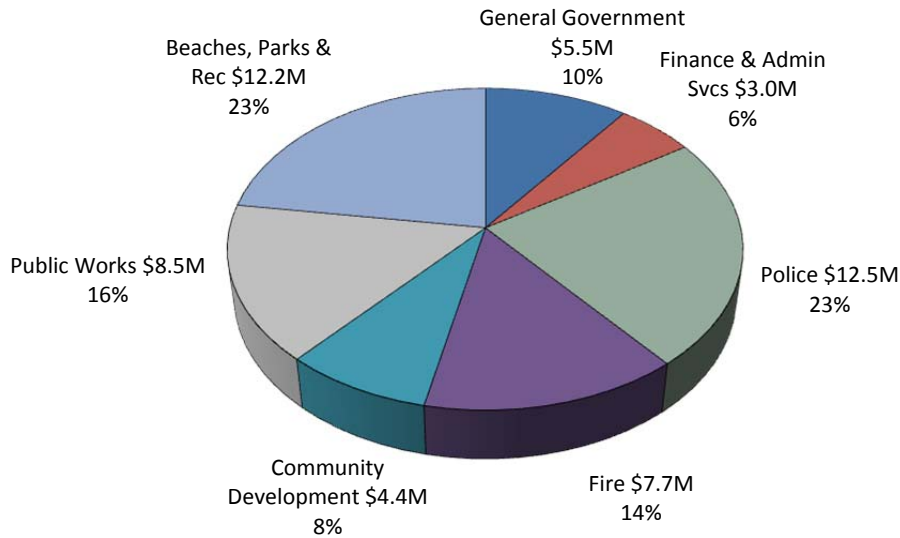




Budget Summary

Fiscal Year 2013

General Fund Expenditures: \$53,826,790
(Includes one-time expenditures)



Expenditures

General Fund expenditures decline by 5% to \$53.8 million due to a reduction in other charges, capital outlay, transfers, and debt service. Once expenditures are adjusted for one-time items, operating expenditures increase 2% due to increases in personnel costs, supplies and contractual services.

Personnel costs increase by 3% or \$512,000 based on increased staffing related to Vista Hermosa sports park, position reclassifications, staffing transferred from the RDA and other benefit changes. This increase is despite several frozen General Fund positions which are not budgeted for in FY 2013.

Contractual services increase by 4% or \$914,000, with increases to the Fire Authority fire services contract of \$400,000 representing almost half of the change. Other increases are items that relate to the operation of the Vista Hermosa sports park and the opening of the new senior center, these include utilities (\$149,000), maintenance contracts (\$332,000) and property insurance which also increased due to the dissolution of the RDA. The police services costs are budgeted at \$12.5 million and remain relatively flat.

Transfers decrease by \$0.8 million from FY 2012 as the result of a one-time transfer made to the Negocio debt service fund for partial repayment of the Certificates of Participation.

One-time expenditures include one-time costs of \$0.5 million for various General Plan and economic development items, \$217,000 for reserve transfers, and one-time projects of \$2.8 million including \$1.0 million for the Ole Hanson Beach Club (OHBC) renovation and \$1.0 million for new sidewalks

Financial Forecast:

The City's five-year financial forecast has been updated to reflect the FY 2013 budget to determine the impact of current budget decisions on the City's future financial position. The General Fund operating position is positive in FY 2013 of the forecast. Projected expenditure adjustments or revenue enhancements will be required to maintain a positive operating position in future budget years. Further information on the forecast is in the Financial Overview section of the Budget.



Budget Summary

Fiscal Year 2013

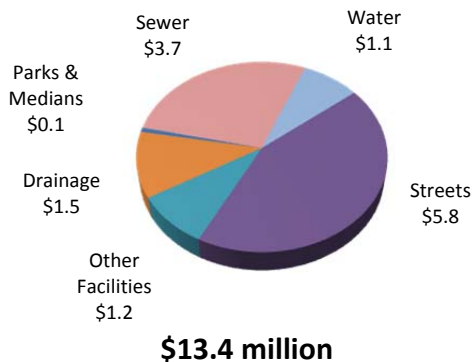
Infrastructure

The infrastructure of the City is the underlying base and foundation of the community. The City has a strong commitment to building and maintaining its infrastructure. As part of that commitment, the City has developed a Capital Improvement Program (CIP) that is a long range planning document for current and future projects.

There are a number of significant CIP projects which will be carried forward into the 2013 fiscal year. Construction of the Recycled Water Expansion is anticipated to begin in 2013. Additional funding has been included in the 2013 CIP for this project. Rehabilitation of the Ole Hanson Beach Club is also anticipated to begin in 2013, with an additional \$1.0 million of funding budgeted for the pool rehabilitation at this historic property.

The total budget for the City's Capital Improvement Program in fiscal year 2013 is \$13.4 million. There are a total of 33 capital improvement projects.

The Capital Improvement Program is divided into six major categories. FY 2013 activity is summarized below:



The Sidewalk Improvements/CDBG project is dependent upon the receipt of a Federal grant in FY 2013. All other projects are funded through existing revenues in the General Fund, capital project, special revenue, or depreciation reserve funds, and a State Revolving Loan for the Recycled Water Expansion project.

Major projects included in the CIP program in 2013 include the Recycled Water Expansion project in the amount of \$2.3 million and additional funding for the

Ole Hanson Beach Club Rehabilitation, which is funded by the General Fund.

Street improvement projects include the rehabilitation or reconstruction of pavement on Camino De Los Mares, Avenida Vaquero, Arriba Linda & Cerrito Cielo, and Traffic signal synchronization on Avenida Pico and El Camino Real.

Major improvements to water infrastructure include the rehabilitation of La Esperanza Pressure Reduction Station and Well Outlet Piping and Chemical Treatment rehabilitation.

Sewer improvements include Recycled Water Expansion, San Gabriel Force Main rehabilitation, and Water Reclamation Plant Solids Handling upgrades.

Spending Around Town

Recycled Water Expansion	\$ 2,300,000
Camino De Los Mares Rehabilitation	\$ 1,400,000
Via Ballena Storm Drain Relocation	\$ 1,100,000
Ole Hanson Beach Club Rehabilitation	\$ 1,000,000
Avenida Vaquero Rehabilitation	\$ 880,000
Well Outlet Piping and Chemical Treatment	\$ 750,000
North El Camino Real Bike Lane	\$ 739,800
San Gabriel Force Main Rehabilitation	\$ 500,000
Water Reclamation Plant Solids Handling	\$ 500,000
Aeration Basin Blower Rehabilitation	\$ 400,000



Financial Overview

Fiscal Year 2013

All Funds Overview

The FY 2013 budget reflects the operating and capital spending plans for the City

All Funds Spending Plan

The all funds budget reflects the operating and capital spending for the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, Enterprise Funds, Internal Service Funds and Redevelopment Agency Funds. The City has 29 funds. The following table illustrates the \$117.3 million All Funds budget by fund type for FY 2013.

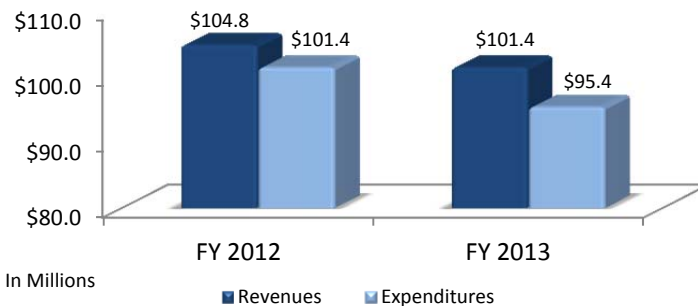
Fund Type	FY 2013
General Fund	\$ 53,826,790
Special Revenue Funds	7,577,440
Capital Project Funds	957,810
Debt Service Fund	569,610
Enterprise Funds	44,882,850
Internal Service Funds	9,471,040
Redevelopment Agency Funds (<i>dissolved</i>)	0
Total Spending Plan	\$ 117,285,540

Beginning Fund Balance for all funds are \$99.0 million at the start of FY 2013 and end FY 2013 at \$90.4 million, a decrease of \$8.6 million. The following graph and table present the operating budget comparison for All Funds.

All Funds Operating Budget Comparison FY 2012 to FY 2013

Excluding Fund Balances, Loan Proceeds, Capital Outlay & Transfers
(\$ in millions)

 The City's All Fund Revenues Exceed Expenditures.



Total operating revenues amount to \$101.4 million

All Fund Revenues	FY 2012	FY 2013
All Funds Revenues	\$ 135.8 M	\$ 108.7 M
One-time revenues*	(16.7 M)	(2.0 M)
Transfers to other funds	(14.3 M)	(5.3 M)
Total All Funds Operating Revenues	\$ 104.8M	\$ 101.4 M

* One-time revenues include debt proceeds, sales of assets and significant one time receipts.

Total operating expenditures, excluding capital and transfers, amounts to \$95.4 million

All Fund Expenditures	FY 2012	FY 2013
All Funds Expenditures	\$ 196.6 M	\$ 117.3 M
Capital outlay/studies	(76.1 M)	(16.6 M)
Transfers to other funds	(16.0 M)	(5.3 M)
One-time costs*	(3.1 M)	-
Total All Funds Operating Expenditures	\$101.4 M	\$95.4 M

*Significant one-time costs include a one time affordable housing payment.

Financial Overview

Financial Overview – All Funds

Revenues total \$108.7 million, which is a 20% decrease from the FY 2012 adjusted budget total. Expenditures are budgeted at \$117.3 million, a decrease of 40% from the FY 2012 adjusted budget total. Excluding one-time amounts, the all fund operating revenues decrease \$3.4 million and operating expenditures decrease \$6.0 million. Revenues decline in taxes, intergovernmental, license and permits, interest and other revenues and financing sources. Expenditures show increases in personnel and supplies and decreases in the remaining categories. Revenue and expenditure changes are outlined below.

Significant **revenue** changes for all funds include the following:

- All fund tax revenues are down by \$1.1 million, with property taxes down 6% due to the dissolution of the RDA. The dissolution of the RDA will result in a loss of \$2.3 million of property tax increment, however \$0.4 million of this reduction will be reallocated to the General Fund. This property tax revenue decrease is partially offset by sales tax, transient occupancy tax, and franchise tax increases.
- License and permits show a 51% decrease due to a \$1.2 million decrease in In-lieu affordable housing fees which are expected to be received in FY 2012.
- Intergovernmental revenues are declining by 53% due to lower grant revenues which are related to the recycled water capital project.
- Service charges increase by \$1.9 million to \$34.3 million based on higher water charges of \$665,000, sewer charges of \$922,000 and recreation charges of \$355,000.
- Interest and rents decrease is mostly due to the weak interest rate environment.
- Transfers in and debt proceeds decline due to the \$12.8 million loan for the Recycled Water project budgeted in FY 2012 and lower transfers and principal advance repayments which is due to the dissolution of the Redevelopment Agency (RDA).

Significant **expenditure** changes for all funds include the following:

- Capital outlay is reduced \$59.5 million as projects are in progress or completed, such as the Vista Hermosa Sports Park, the Recycled Water project, the fire station and senior center, street improvement projects, and other water and sewer projects.
- Salaries and benefits are up 2% due to new Vista Hermosa (VH) Sports Park staffing and benefits related to these additional salaries, as well as changes to medical costs and city retirement contribution changes.
- Supplies in total increase by 2%, with gas increasing by 16% and purchased water increasing by 3%.
- Contractual services are down 12% due to a reduction in maintenance projects, and reduced legal, professional and contractual services. However, utilities which include water and sewer are increasing.
- Other charges decrease by \$5.3 million which is due in part to a FY 2012 one-time \$3.0 million affordable housing payment, the budgeted \$970,000 voluntary RDA payment which is no longer applicable, and insurance costs.
- Interfund transfers are down \$6.3 million related to the transfers for the partial repayment of the Negocio debt, capital project related transfers and transfers within the water fund, and between the RDA funds.
- Debt service costs decrease \$3.6 million as a result of the Negocio debt service partial bond call and the elimination of the RDA repayments to the General fund.

Water and Sewer Rates

Water rates increase by 7.0% in the FY 2013 Budget, based largely on the continued increase in purchased water rates. The City purchases 90% of its water and will see a 7.5% increase in water costs for the coming year. The water rate model, which projects revenues and expenses for a five-year period indicates a 5.8% annual increase over the next five years to maintain balances in Water Operating Fund. This is based on projected increases in the cost of purchased water and operating costs to fund the replacement and refurbishment of the

Dissolution of the RDA will result in a loss of \$2.3 million of property taxes, however \$0.4 million...will be reallocated to the General Fund

Water rates to increase by 7.0%

Financial Overview

Water system infrastructure. Last year, the City's model indicated a 12.6% increase across the five year forecast period.

Sewer rates to increase by 8.0%

A Sewer rate increase of 8.0% is the result of a Cost-of-Service study which determined the need for the increase to recover the operating costs to fund replacement and refurbishment of the Sewer system infrastructure. Wet winters have contributed to lower revenues during the past three years while operating costs have continued to increase. The sewer rate model indicates a 6.0% annual increase over the next five years to maintain balances in the Sewer Operating Fund, in line with last year's forecast.

Capital Improvement Program (CIP)

The following chart depicts the spending pattern of the City's Capital Improvement Program over the past ten years. A total of \$371 million has been allocated to capital improvements since FY 1993.

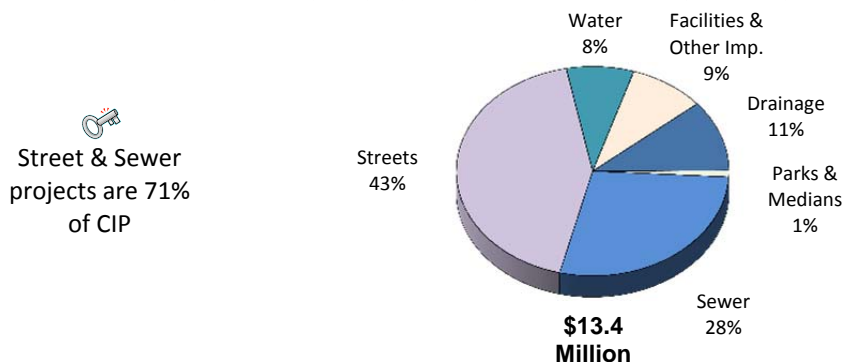
 \$384 million in Capital Improvements (green) since 1993.




Capital Improvement Projects

The City's Capital Improvement budget in FY 2013 amounts to \$13.4 million, compared to \$10.1 million the previous year. There are 33 capital improvement projects scheduled in the FY 2013 program. Capital project expenditures, by category, are planned as follows:

Capital Projects funded in FY 2013 total \$13.4 million



 Street & Sewer projects are 71% of CIP

The Recycled Water Expansion will reduce the use of potable water

The largest project, at \$2.3 million, is the Recycled Water Expansion. This projects budget increase based on a revised engineers estimate. In addition, \$1.0 million is being added to the Ole Hanson Beach Club project which is listed on the Federal historic register. Fifteen major street projects, totaling \$5.8 million, are also included in the FY 2013 Capital Improvement Budget.

Maintenance and other projects include street, sewer, and water.

Maintenance and Other Projects

The City's maintenance and other projects budget in FY 2013 is \$4.6 million. Maintenance and other projects include annual street repair, slurry seal, sidewalk maintenance, design studies and repairs to buildings and structures. There are 23 projects scheduled for completion in the FY 2013 budget. Water, Streets and Sewer comprise 88% of Maintenance projects.

Financial Overview

General Fund Overview

General Fund revenues total \$49.5 million...General Fund expenditures total \$53.8 million

General Fund revenues amount to \$49.5 million, a 0% change from the FY 2012 adjusted budget. General Fund expenditures total \$53.8 million, a decrease of 5% from the prior fiscal year. These amounts include one-time costs.

**General Fund Revenues & Expenditure Comparison
FY 2012 to FY 2013**
(\$ in millions)



General Fund Operating Budget

General Fund operating revenues = \$50.5 million

Revenues and expenditures, excluding one-time receipts or expenditures, capital outlay and interfund transfers, show a more precise picture of the City's fiscal and operating position. General Fund operating revenues amount to \$50.5 million, which exceeds the \$49.5 million revenue amount due to the use of the Vista Hermosa Operations and Maintenance Reserve contribution of \$0.8 million and an amount of \$0.2 million which is a one-time loss of revenue from rental income at the Beach Club. General Fund operating revenues increase 2.2% from the FY 2012 adjusted budget.

General Fund operating expenditures = \$50.4 million

The FY 2013 General Fund operating expenditures total \$50.4 million and exclude capital cost, studies, and grant related costs of \$2.9 million, one time transfers of \$217,000 to other funds (including reserves) and other costs of \$401,000. Operating expenditures increase by 2.3% from the FY 2012 adjusted budget due to fire authority contract increases and operating costs for Vista Hermosa Sports Park.

**General Fund Operating Budget Comparison
FY 2012 to FY 2013**
Excluding Fund Balances, Capital Outlay & Transfers
(\$ in millions)



Financial Overview

General Fund has a positive operating position of \$105,000

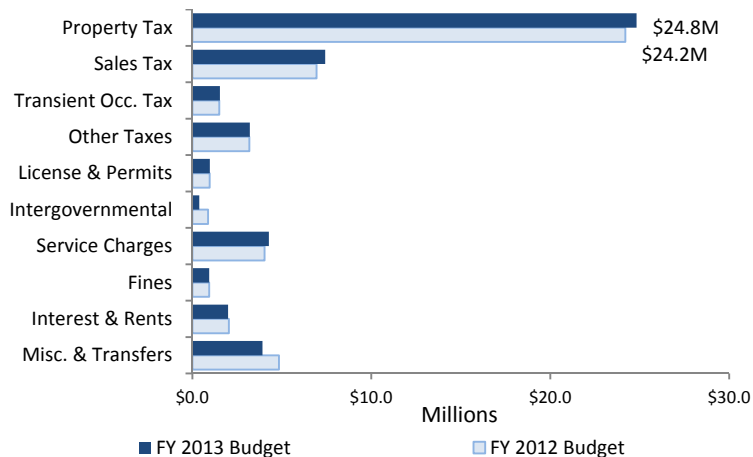
General Fund Revenues	FY 2012	FY 2013
General Fund Revenues	\$49.5 M	\$49.5 M
One-time revenue effect	(0.6 M)	0.2 M
VH Operations & Maint. Reserve	0.4 M	0.8 M
Total General Fund Operating Revenues	\$49.3 M	\$50.5 M

General Fund Expenditures	FY 2012	FY 2013
General Fund Expenditures	\$56.4 M	\$53.9 M
Capital outlay or major projects	(4.0 M)	(2.8 M)
Other one-time costs	(1.9 M)	(0.5 M)
One-time transfers to other funds	(1.1 M)	(0.2 M)
Total General Fund Operating Expenditures	\$49.3 M	\$50.4 M

General Fund Revenues

General Fund revenues are directly affected by changes in the economy. General Fund revenue increases are expected in taxes (property, sales, transient occupancy, and franchise), license and permits, and interest and rents. Revenue decreases are budgeted in intergovernmental, service charges, miscellaneous revenue, and interfund charges. The following chart provides a comparison of the FY 2012 adjusted revenue budget to the FY 2013 revenue budget.

 FY 2013 property taxes represent 50% of General Fund revenues



General Fund Revenues by Category

Taxes amount to 75% of General Fund revenues or \$37 million

Revenue Categories	2012 Budget	2012 Projected	2013 Budget	Dollar Change	% Bud 12 To Bud 13
Taxes	\$35,833,050	\$35,942,670	\$37,001,970	\$1,168,920	3%
License & Permits	971,190	973,490	976,610	5,420	1%
Intergovernmental	881,350	793,290	392,640	(488,710)	-55%
Service Charges	4,036,230	3,886,560	4,281,560	245,330	6%
Fines	941,400	921,500	939,000	(2,400)	0%
Interest & Rents	2,041,640	1,917,500	1,993,910	(47,730)	-2%
Miscellaneous	51,000	40,950	51,620	620	1%
Interfund Revenue	4,787,170	4,563,170	3,865,940	(921,230)	-19%
General Fund Revenue	49,543,030	49,039,130	49,503,250	(39,780)	0%

Significant revenues for the General Fund are derived from Property Taxes and Sales taxes. These are discussed in more detail as follows with other changes from the FY 2012 Budget to the FY 2013 Budget for the General Fund.

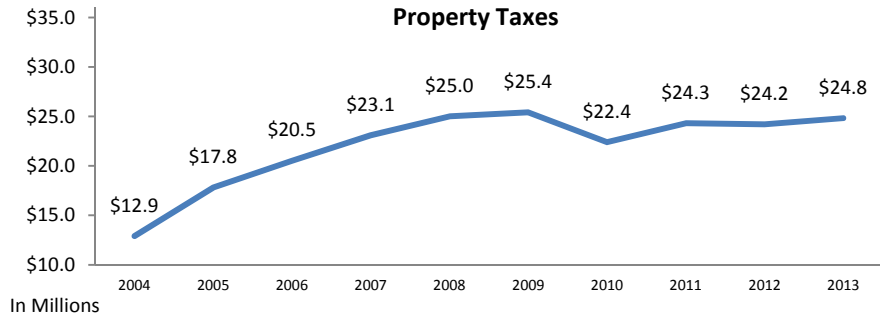
Property taxes are anticipated to increase by \$624,000 or 3%

Property taxes account for 50% of General Fund revenues and are budgeted to increase by \$624,000 or 3%. Secured property taxes are budgeted to increase by 3.6%, with approximately 1.5% based on the current taxable value and \$380,000 based on property

Financial Overview


taxes reallocated back to the City's General Fund from the dissolved RDA. Most other categories in total remain flat from a dollar perspective. The chart below shows property tax (as well as property transfer tax) revenue history over the last ten year period.

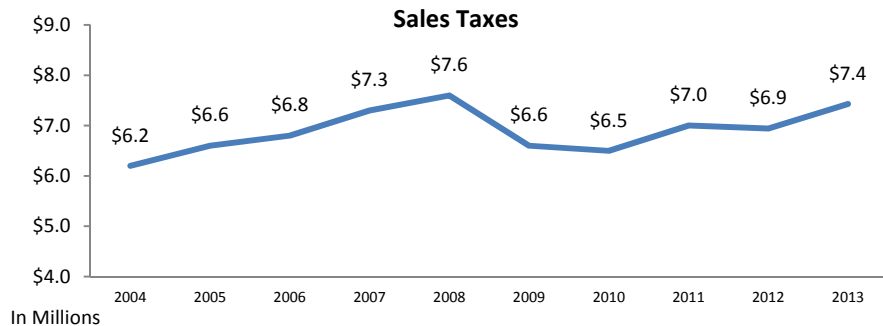

2010 dip is State borrowing of \$2.2M from City



Sales taxes increase by \$486,000 or 7%

Sales taxes are increasing by 7% or \$486,000 to \$7.4 million. The top three sales tax categories in the City are the fuel, grocery, and restaurant categories, which are expected to increase slightly. In addition, sales tax that is dedicated to public safety that is allocated based on countywide sales tax receipts is anticipated to increase. The chart below shows the sales tax activity over the last ten years.


Sales taxes are anticipated to increase



Intergovernmental revenues decrease 55% related to a one-time grant of \$450,000 in FY 2012 that reimburses costs related to Energy Efficiency. In addition, the State has ceased distributing Motor Vehicle Tax to cities during FY 2012 to ease its budget crisis.

Recreation fees increase by \$356,000 due to the sports park and aquatics center

Service charge revenues, in total, increase by 6% or \$245,000 as total recreation fees increase \$356,000 due to the sports park and aquatics center full year of operation. A decrease of \$170,000 is budgeted for construction inspection fee (engineering) revenue.


Interest income and rents decrease by 2% as multiple items effect this category. Interest income is decreasing based on the lower interest rate environment and the current uncertainty of the repayment of the RDA loan. Rents decrease due to the Ole Hanson Beach Club renovation. No rent is anticipated to be collected on that facility, which represents a one-time loss of revenue of \$200,000.

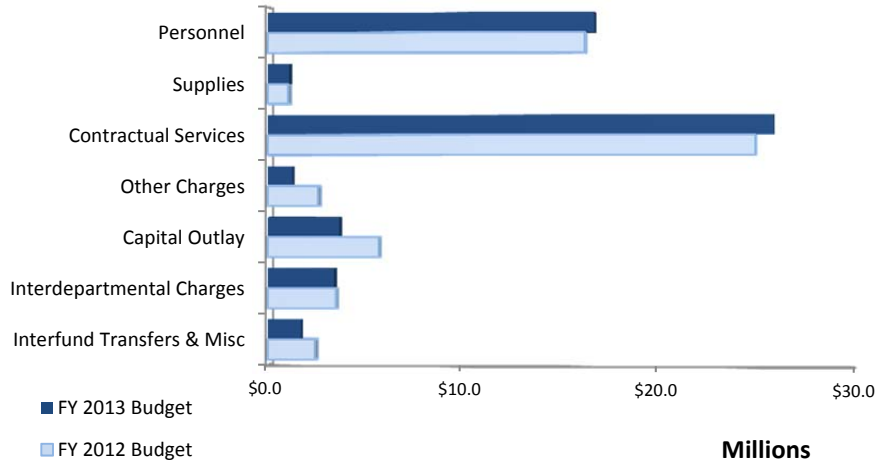
Fines are budgeted to remain flat. Other Financing Sources decrease from \$4.8 million to \$3.9 million due to one-time transfers of \$0.6 million to the General Fund and the elimination of the repayment of principal from RDA loan/advance.

Financial Overview

General Fund Expenditures

General Fund expenditures presented on the following chart compares the expenditure budget for fiscal years 2012 and 2013.

 Expenditures increase in personnel, supplies, contractual services



General Fund expenditures decline by \$2.7 million or 5%

The FY 2013 budget reflects General Fund expenditures of \$53.8 million declining from the prior year by \$2.7 million or 5%. Other charges, capital outlay, and interfund transfers show decreases, while increases are budgeted in personnel, supplies, contractual services and debt service. Budget increases in personnel, supplies and contractual services are largely driven by operating costs for the Vista Hermosa Sports Park and an increase in the fire contract. Park operation costs are subsidized in FY 2013 from fund balance set aside to offset park operating costs in the General Fund.

Personnel costs increase by 3% or \$512,000...to address Vista Hermosa sports park staffing needs

Personnel costs increase by 3% or \$512,000. Despite maintaining a “freeze” on certain positions, salaries increase by \$233,000 to address Vista Hermosa Sports Park staffing needs and reclassifications listed in the Staffing section. In addition to these changes, benefit costs increase \$279,000 in multiple categories (fica, medicare, workers compensation) based on higher salary costs and the effect of changes to medical costs and retirement plan contributions.

Supplies are increasing by 7%, or \$70,000, with increases in chemicals, janitorial, and other supplies due to a full year of Vista Hermosa Sports Park costs and the new Senior Center.

Fire contract increases by \$400,000 or 5%

Total Contractual services increase by 4% or \$915,000 with the largest increase occurring under the Fire contract. The Orange County Fire Authority fire services budget increases by \$400,000 or 5% to \$7.7 million which is comprised of the base contract (\$7.0 million), facilities maintenance (\$30,000), vehicle replacement (\$138,000) and ambulance services (\$475,000). The police services program increases by \$49,000 or 0% to \$12.5 million in the General Fund, this small increase is due to the Orange County Sheriff’s Department ability to control cost increases under the contract. Property insurance increases by \$90,000 due to the dissolution of the RDA and the City’s General fund receiving a higher allocation. Various other contract costs are increasing as a result of the Vista Hermosa Sports Park and the Senior Center, including maintenance contracts and utility costs. Decreases are budgeted in legal services, development contractual services, and advertising costs.

Police contract increases by \$49,000

Capital outlay and one-time studies is reduced by \$2.0 million of which \$1.1 million is due to the General Plan update and the Quiet Zone costs. The FY 2013 budget of \$3.6 million includes \$1.0 million for the Ole Hanson Beach Club restoration project and continues the annual major street maintenance and slurry seal amounts.

Financial Overview

General Fund transfers to other funds are \$1.5 million

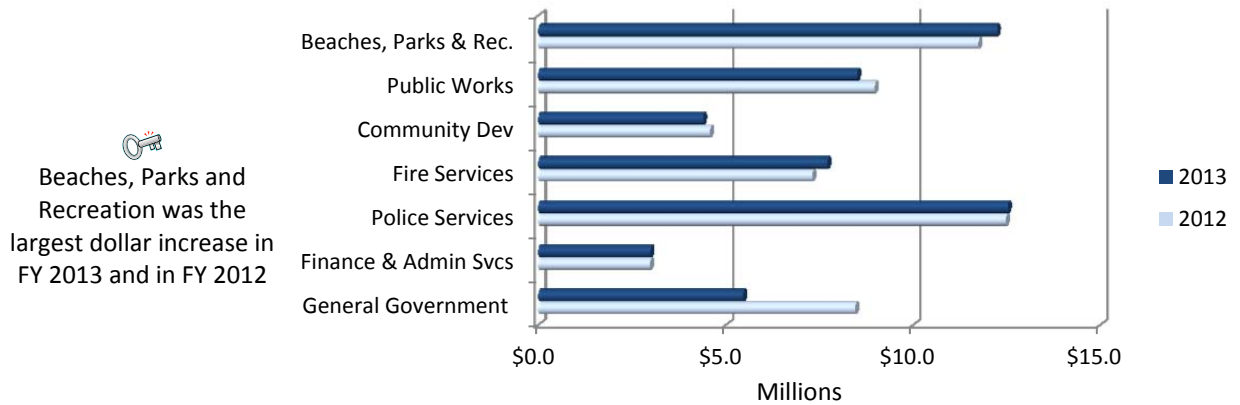
Transfers decline by 35% or \$0.8 million which is the result of a one-time transfer to the Negocio Debt Service Fund to facilitate a bond call in FY 2012. In FY 2013, a total of \$1.5 million will be transferred to other funds from the General Fund as listed below:

Fund Transferred To	Amount	Purpose
2106 Gas Tax Fund	\$ 13,250	Senior mobility
Negocio Debt Service Fund	312,030	Negocio facility support
Street Improvement Fund	756,290	Street program
Reserve Fund	217,000	Reserve contributions
Water Fund	64,600	Low-income subsidy*
Sewer Fund	93,300	Low-income subsidy*
Total	\$1,456,470	

* No alternative funding source is currently available.

As noted in the graph below, the largest increases occur in Beaches, Parks & Recreation and the Fire Services department. Beaches, Parks and Recreation's costs increase by \$0.5 million due to a full year of operation of the Vista Hermosa Sports Park. The Fire Services increase of \$401,000 relates to the fire services contract increase. Meanwhile, General Government costs decrease \$3.0 million from FY 2012. This decrease is a result of the \$0.8 million transfer to the Negocio Debt Service Fund, a \$1.0 million payment not required as a result of the RDA dissolution, and one-time General Plan and Quiet Zone amounts in FY 2012.

General Fund Expenditures by Department



* General Government includes City Council, City Manager, City Clerk, Economic Development and City General.

General Fund Expenditures by Department

Departments	2012 Budget	2012 Projected	2013 Budget	Dollar Change	% Bud 12 To Bud 13
General Government	\$8,453,780	\$7,245,650	\$5,463,040	(\$2,990,740)	-35%
Finance & Admin Svcs	2,983,840	2,952,630	2,992,470	8,630	0%
Police Services	12,480,160	11,989,710	12,528,870	48,710	0%
Fire Services	7,306,270	7,275,170	7,707,220	400,950	5%
Community Development	4,581,430	4,343,090	4,393,810	(187,620)	-4%
Public Works	8,975,700	8,468,300	8,503,400	(472,300)	-5%
Beaches, Parks & Rec.	11,747,690	11,202,720	12,237,980	490,290	4%
General Fund Expenditures	56,528,870	53,477,270	53,826,790	(2,702,080)	-5%

Reserve Contributions

All General Fund reserves are fully funded in accordance with Fiscal Policies. The 2012 Long Term Financial Plan recommended transfers of \$110,000 to the Accrued Leave Reserve, \$67,000 to the Park Asset Replacement Reserve and \$40,000 to the Capital Equipment

Reserves are fully funded

Financial Overview

Replacement Reserve. The Council Contingency reserve is funded at \$100,000. The General Fund emergency reserve increases by \$171,000 to \$4.5 million and is 9% of operating expenditures in FY 2013. The FY 2013 reserve contribution's in the amount of \$488,000 is summarized below:

Reserve Description	Contribution
Accrued Leave Reserve	\$ 110,000
Park Asset Replacement Reserve	67,000
Capital Equipment Replacement Reserve	40,000
Council Contingency Reserve	100,000
General Fund Emergency Reserve	171,000
Total	\$ 488,000

Fund Balance – General Fund

Reserves total \$16.2 million

The FY 2013 ending fund balance for the General Fund is \$18.1 million. Of this \$18.1 million, \$16.2 million is allocated to reserves by Council through the Long Term Financial Plan and Fiscal Policy. Reserves have been committed or assigned for the following purposes: Sustainability, Emergency, and the Vista Hermosa (VH) Operations and Maintenance.

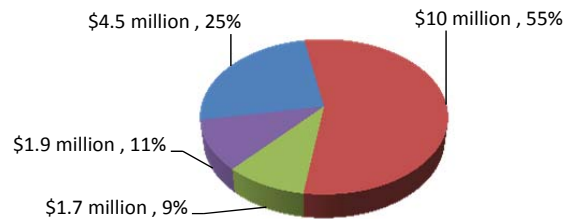
Emergency reserve is 9% of operating expenditures or \$4.5 million

The Sustainability Reserve is \$10 million and provides for economic and financial stability. The Emergency Reserve is \$4.5 million and represents 9% of General Fund operating expenditures. In FY 2012, Council established the VH Maintenance and Operations reserve in the amount of \$2.9 million to provide resources for operating the VH Sports Park facility. In FY 2013, \$0.8 million of the VH Maint. & Operations reserve will subsidize park operations.


90% of fund balance is committed

Fund Balance June 30, 2013

- Emergency Reserve
- Sustainability Fund Balance
- VH Maint & Operations
- Unassigned



Total Fund Balance \$18.1 million

Labor Relations

SCCEA MOU expires in June

City negotiations with the San Clemente City Employees Association (SCCEA) are in progress. The new federal healthcare law that went into effect on January 1, 2011 and the effect it will have on health care premiums is unknown at this time. This change will be one of the topics in the negotiation process as the current Memorandum of Understanding (MOU) expires June 30, 2012. It is anticipated that the City and SCCEA will reach agreement on a new contract.

Position Reclassifications

Position reclassifications included in the FY 2013 budget are for the following positions:

Old Classification	New Classification
Information Systems Technician	Technical Applications Specialist
Senior Utility Billing Specialist	Utility Billing Coordinator

Financial Overview

Financial Forecast Summary – Operating Position & Fund Balance

The City's five-year financial forecast has been updated to reflect the FY 2013 budget to determine the impact of current budgetary decisions on the City's future operating position and fund balances. This forecast is an interim update of the original forecast prepared as a part of the development of the City's Long Term Financial Plan (LTFP). Consequently, the economic and other assumptions used in the development of LTFP forecast won't be updated until the new financial plan is prepared in January 2013.

Budget Financial Forecast

Over the forecast period, revenues are anticipated to grow by an annual average increase of 2.3% a year. Taxes, which include property, sales, transient occupancy and franchise taxes, are the largest revenue source for the City and increase by 1.6% annually over the forecast period. Property taxes, which account for 50% of General Fund revenues, are anticipated to increase an average of 2.0% beginning in FY 2014. Sales taxes are projected to increase 3.3% based on Fullerton's Economic Forecast data for Orange County.

Expenditures are projected to increase at an average rate of 3.1% over the forecast period. The majority of this growth is due to increases in contractual services, primarily police and fire services. The fire contract includes an average increase of 4.5% per year and the police contract will increase by 2.69% annually. In addition, expenditures for Vista Hermosa park will be partially paid for from operating reserves through FY 2015. Capital funding is included in the forecast, based upon the five-year CIP schedule, however decisions will be made annually dependent upon funding.

Results of the forecast with respect to operating position are shown below. The General Fund's forecasted operating position is positive in the first year of the forecast and negative beginning in FY 2014. Projected operating deficits will always be eliminated during the actual budget process.

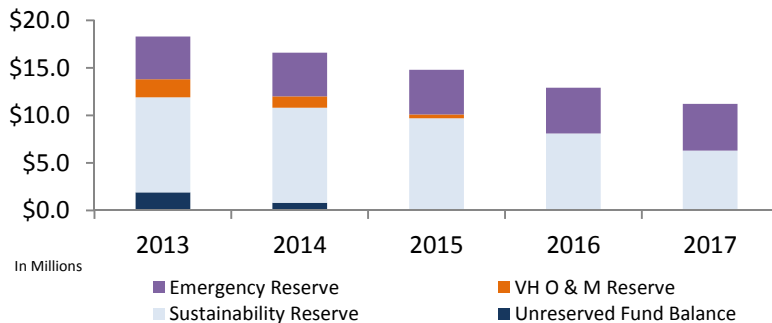
Forecast Operating Position	2013	2014	2015	2016	2017
Operating revenues	\$50.5M	\$50.8M	\$51.8M	\$52.6M	\$53.7M
Operating expenditures	50.4M	51.0M	52.6M	54.2M	55.7M
Projected surplus/deficit	\$ 0.1M	-\$ 0.2M	-\$ 0.8M	-\$ 1.6M	-\$ 2.0M



Forecasted revenues are projected to exceed expenditures.

The following graph indicates the impact on General Fund balance based on the operating position in the future if operating deficits are allowed to occur.

Fund Balance, Sustainability Reserve & Emergency Reserve with Capital Improvements



Financial Overview

**Budgeted decision packages
total \$2.4 million**

Decision Packages

Decision packages incorporated into the budget total \$2.4 million of which \$1.6 million is for the General Fund. Other fund decision packages included in the budget total \$756,840, which except for one are all one-time expenses. A summary of budgeted decision packages is as follows:

Budgeted General Fund Decision Packages	Amount
<i>Staffing:</i>	
Dispatch position (Marine Safety)	\$ 14,350
Code Compliance (part time hours increase)	2,130
RDA Staffing transfer	54,030
Emergency Planning Assistant	24,120
<i>On-going:</i>	
Trail Surface Repairs on beach trail	25,000
Beach restrooms improved service level	30,000
Pressure washing of North Beach Metrolink Platform	5,000
Library Annex use for recreation – revenue	(26,440)
Economic Development - Los Molinos Business District	10,000
EOC increased internet bandwidth	8,500
<i>One-time:</i>	
Irrigation controller funds	18,000
Forster trail erosion control funds	10,000
Travel trailer	10,000
Community development signage	5,400
General Plan implementation – GIS software upgrade	7,500
Update zoning ordinance to implement General Plan	82,420
Specific Plans update to implement General Plan	44,920
Local Coastal Program – implement General Plan	54,920
Economic development – North Beach grant program	10,000
Economic development – North Beach banners	6,000
Economic development – North Beach Improvement brochure	1,000
Economic development – Los Molinos district ID	41,080
Economic development – Los Molinos sidewalk enhancement grant	20,000
Economic development – Miramar theater	8,000
Traffic signal generators	7,000
Traffic counters	5,000
New sidewalk construction	1,000,000
New holiday decorations 100/200 blocks Del Mar	16,800
Balloting services for clean ocean fee election	50,000
Utility billing counter upgrade	20,000
ADA transition plan implementation	60,000
General Fund Total	\$ 1,624,730
Budgeted Other Fund Decision Packages	
<i>On-going:</i>	
Certified water meter reads	\$ 20,000
<i>One-time:</i>	
Replace carpet in Building N (utilities)	14,800
Replace two existing samplers in Lab (utilities)	13,700
GIS enhancement (Information Technology)	15,000
Replacement boiler for 910 Calle Negocio	22,000
Building automation control – 910 Calle Negocio	36,000
Fleet Fund vehicle replacements (Fleet Replacement Fund)	338,340
Golf Fund equipment replacements (Golf Depreciation Fund)	297,000
Other Funds Total	\$ 756,840
Decision Packages (Budgeted)	\$ 2,381,570

Financial Overview

The City's credit rating is the highest rating of "AAA"

Bond Rating

Based on the City of San Clemente's credit strength, the City received the highest credit rating of "AAA". An obligation rated "AAA" is the highest rating. This means that the City's capacity to meet its financial commitment on the debt obligation is extremely strong. Standard & Poor's published comments stated "In our view, financially, the City has performed very well in recent years and has maintained an unreserved fund balance of more than 40% of expenditures since 2001".

This document can also be downloaded from the City's website at <http://san-clemente.org>.



The Budget Process

The Budget Process

The City's annual budget process begins in November and concludes in June. An executive team approach is used to develop the budget. Senior management representatives from each department, along with the City Manager and Assistant City Manager, utilize guidance provided by the City Council through the Strategic Priority process. Additionally, operational issues that affect the budget are examined in the Long Term Financial Plan and financial recommendations are incorporated into the budget. The table on the following page illustrates the budget process in detail.

The Capital Improvement Program Process

The Capital Improvement Program (CIP) Committee, consisting of members from all City departments, annually prepares and updates the six-year CIP program. Projects proposed to be funded are reviewed by the CIP Committee as a part of the budget process to ensure that the City's priorities are addressed and that staffing levels and projected revenues are in place to perform the projects.

The City Manager and Assistant City Manager review the CIP Committee's prioritized list of proposed capital improvement projects and funding sources during the review of the operating budgets. The final Capital Improvement Program is presented by the City Manager during the budget workshops in May in conjunction with the City's Annual Budget. The City Council adopts a resolution approving the fiscal year Capital Improvement Program, along with the operating budgets, in June.

Level of Control and Changes to Adopted Budget

Budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is exercised at the *fund level*. Administrative policies provide guidelines on budget transfers and the authorization necessary to implement transfers. Generally, there are two types of budget transfers:

Budget Adjustment: This is a transfer which does not change the total appropriated amount within a fund and does not require Council action. Depending upon the budget category affected by the transfer, approval may be granted at the City Manager or Department Head level. Department Heads have discretion to reappropriation funds between certain line items within a program but may not exceed total appropriated amounts for each program. Additional expenditures for capital outlay items must be approved by the City Manager and City Council. Funds appropriated for salaries and benefits may not be expended for any other purpose without approval by the City Manager. The City Manager may transfer funds within and between programs and departments (with the exception of additional capital outlay expenditures, which require Council approval).

Budget Amendment: This is an adjustment to the total appropriated amount within a fund which was not included in the original budget. These supplemental appropriations are presented to City Council in an agenda report and require the passage by a simple majority of the City Council for approval. Types of modifications can be categorized as follows:

- Unanticipated revenue which was not projected in the budget may be appropriated by Council for expenditure in the year received.
- Prior year reserves or fund balances may be appropriated to fund items not previously included in the adopted budget. Reserves/fund balances exceeding minimum amounts required by administrative policies may be appropriated if it is determined to be in the best interest of the City. Council may also appropriate reserves in case of emergencies or unusual circumstances.
- Transfers between funds require a motion and agreement by the majority of the City Council.

Unexpended unencumbered appropriations automatically lapse at the end of the fiscal year and are included in the ending fund balance calculations within each fund.

The Budget Process

Budget Planning (November - December)

- Budget assumptions and policies are developed
- Budget instructions, training videos, and supporting information is published to budget website
- Human Resources distributes Reclassification Requests
- Capital Improvement Program development kickoff meeting

Public Input and Priority Setting (January - February)

- City Council and Commissions meet in January to provide recommendations for budget development
- City Council's Strategic Priority Setting public workshop sets direction for the development of Departmental work plans
- City Council adopts the Long Term Financial Plan, which identifies critical areas expected to have a financial impact on the City over the next five years. Recommended alternatives to address these critical areas are identified and adopted by the City Council and incorporated into the budget.

Staff Budget Development (January - February)

- Budget Kickoff/Staff Training Workshop
- Departments prepare base revenue and expenditure budgets by program, whereby expenditures and revenues are related to the Council and community goals identified during the Long Term Financial Plan and Strategic Priority processes.
- Decision packages are submitted to the City Manager for consideration. These include requests for reclassifications, new positions, new programs, or capital equipment.

Staff Budget Review (March - April)

- City Manager and Assistant City Manager conduct line item review of base budgets, decision package requests, and the CIP Budget.
- City Manager considers the projected amount of available resources, direction provided by the City Council, the City's fiscal policies and the most cost-effective and efficient method of service delivery to the public.
- Proposed budget is finalized.
- Budget document is prepared, highlighting the major changes in the budget from the previous year.

Council Budget Review and Adoption (May - June)

- In May, the City Manager presents the proposed budget to the City Council and a comprehensive workshop is held.
- In June, a public hearing is held and the City Council adopts the budget by resolution
- Final Adopted Budget document is published and made available to the public
- A supplemental line-item budget is also published, which provides additional departmental, division and program level detail.
- An executive budget summary document is provided as a public communication tool.

Accounting Systems & Controls

Fund Accounting Structure

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The funds utilized by the City are grouped into generic fund types (Governmental, Proprietary, and Fiduciary). Governmental funds are largely supported by general taxes. Proprietary funds are operated to recover the costs of operation through charges for services. Fiduciary funds are typically where the City acts in a trustee capacity. The categories within these fund types are summarized below:

Governmental Funds:

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes.

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed through proprietary funds or fiduciary funds).

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs other than capitalized leases and compensated absences which are paid from the governmental funds.

Proprietary Funds:

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise. The intent of the City in using this type of fund is to determine that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

Fiduciary Funds:

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and other governments. Since activities recorded within these funds are outside the control of the City Council, these funds are not included within this budget document.

Fund Changes

In accordance with generally accepted accounting principles, the City annually reviews all funds to determine the minimum number of funds necessary for financial management and control. The City currently has 29 budgeted funds, including the General Fund. In fiscal year 2013, the Redevelopment Agency (RDA) funds will no longer be used due to the dissolution of Redevelopment Agency in the State of California. In addition, the Accrued Leave portion of the Capital Projects reserve fund upon Council approval will be moved to reporting in the General Fund. No further changes to the fund structure are recommended in FY 2013.

Accounting Systems & Controls

The following table provides a summary of the various funds of the City of San Clemente and includes both Major and Non-Major funds as reported in the City's Comprehensive Annual Financial Report (CAFR). Additional information on each fund is available in various sections of this annual budget.

Governmental Funds				Proprietary Funds	
General Fund*	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Enterprise Funds	Internal Service Funds
	Gas Tax	Public Facilities Construction*	Negocio Building	Water Fund*	Employee Benefits
	Air Quality Improvement	Parks Aquisition and Development*	RDA Debt Service <i>(dissolved)</i>	Sewer Fund*	Central Services
	Street Improvement	Local Drainage Facilities		Golf Course*	Information Technology
	Police Grants	Developers Improvement		Clean Ocean	Fleet Maintenance
	Miscellaneous Grants	RCFPP		Solid Waste	Employee Medical
	RDA Low and Moderate Income Housing <i>(dissolved)</i>	Reserve		Storm Drain	Workers' Compensation
		RDA Capital Projects <i>(dissolved)</i>			General Liability

* Recognized as a major fund in the City's CAFR. Major funds represent the significant activities of the City and basically include any fund whose revenues or expenditures, excluding other financing sources and uses constitute more than 10% of the revenues or expenditures.

Funds that are not budgeted and excluded from the schedule above include the 99-1 Assessment District Capital Improvement Fund and the Pension Trust Fiduciary Fund. In addition, the Redevelopment Agency (RDA) funds based on State law are dissolved effective February 1, 2012 and not budgeted in FY 2013.

Accounting Systems & Controls

Budgetary Basis and Basis of Accounting

The budget constitutes the legal authority for expenditures. The annual budget is adopted with budgetary control at the fund level so expenditures may not legally exceed appropriations at that level of detail. Budgetary controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Transfers or revision within funds are allowed, but only the City Council has the legal authority to increase or decrease a given fund's annual budget. The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP) and on a budgetary basis. In most cases this conforms to the way the City prepares its budget.

Governmental fund types (General Fund, Special Revenue Funds, etc.) utilize the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available. Expenditures are recognized when the liability has been incurred, with the exception that principal and interest payments on general long-term debt are recognized when due. Budgets for governmental fund types are adopted on a basis consistent with GAAP.

Proprietary fund types, including Enterprise (Water, Sewer, etc.) and Internal Service Funds (Information Technology, Fleet Operating, etc.), are operated in a manner similar to private business enterprise. These funds use the accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred. These funds are budgeted based on Net Working Capital to provide a more accurate picture of whether there is sufficient funding to cover the cost of current operations. Net Working Capital is essentially current assets minus current liabilities with capital assets excluded from the calculation. Exceptions from GAAP are as follows:

- *Compensated absences liabilities, in Enterprise and Internal Service Funds, that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget).*
- *Principal payments on long-term debt within Enterprise & Internal Service Funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a Budget basis.*
- *Capital outlay within the Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis.*

Financial Management

The City of San Clemente is committed to the highest standards of responsible financial reporting and management practices. These standards are based on established financial principles and practices, formal fiscal policies and state law. These practices set forth the basic framework related to the core values of the City and to achieve Financial Sustainability addressed as follows:

Financial stability by taking a long-term approach to its finances by developing and maintaining long-term plans, carefully weighing the cost and benefits of development opportunities and adhering to sound debt, reserve and investment policies.

Quality of life and local economic vitality is maintained to ensure a safe and healthy atmosphere for its residents, businesses and visitors, while preserving and enhancing its unique cultural and environmental attributes.

Environmental and economic sustainability by supporting continued investment in physical infrastructure and facilities and by having policies and programs that support a clean and healthy natural environment.

Transparency and engagement for the community by producing planning and report mechanisms that make it clear how the City plans to use its resources to achieve the community vision.

The City, including the City Council, Mayor and staff work together to ensure that all financial matters of the City are addressed with care, integrity and in the best interest of the citizens. The City is committed to engaging the public as a partner in formulating plans and delivering services.

Accounting Systems & Controls

These established policies are presented in the Fiscal Policy Section. The Fiscal Policy statements address the following:

- *Operating Budget*
- *Expenditures*
- *Capital Improvement*
- *Fund Balance and Reserves*
- *Accounting, Auditing and Financial Reporting*
- *Revenues*
- *Utility Rates and Fees*
- *Debt - Short term and Long Term*
- *Investments*
- *Long Term Financial Planning*

The Fiscal Policy section also addresses the State Proposition 4 (Gann Initiative), which places limits on the amount of revenue that can be spent by government agencies, and the City's Debt Summary, which lists all of the outstanding debt of the City and related entities.

In addition to having Fiscal Policies in place, the City financial processes include procedures to maximize the financial resources of the City by focusing on Internal Controls throughout the City, and the proper allocation of costs to responsible departments through Interdepartmental Charges and the City's Cost Allocation Plan. These charges are discussed in more detail in the following paragraphs.

Internal Controls

The City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management.

Interdepartmental Charges

Interdepartmental charges are cost allocations for goods and services provided by one City department to another City department on a cost reimbursement basis. A fair and equitable methodology is determined for identifying and distributing direct and indirect cost from a service provider to the service consumer. As an example, Internal Service Funds receive revenues from other City departments for charges such as insurance, postage, duplicating, central services, data processing, communications, dispatch, fleet rental, etc. These interdepartmental charges are established annually and are based generally upon actual use of the goods or services. Replacement charges to the Fleet Replacement Reserve and the Capital Equipment Replacement Reserve are based upon the anticipated cost of replacement. Replacement charges are allocated annually over the life of the vehicle or equipment.

Cost Allocation Plan

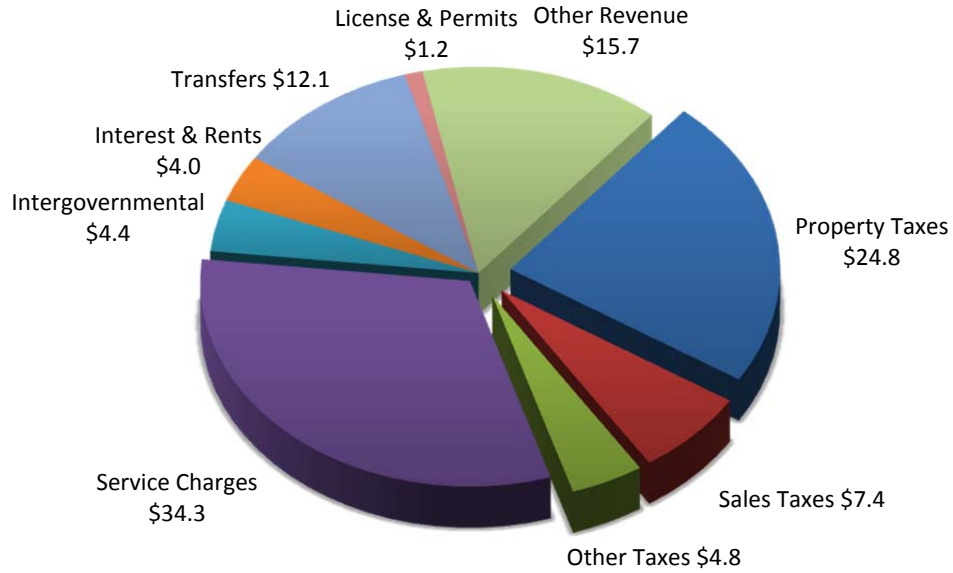
The Finance and Administrative Services Department annually produces a Cost Allocation Plan which is used to distribute General Fund administrative costs to the various City operations. The allocation of these costs is based on a variety of factors. Examples include allocating (1) Human Resource costs based on the number of employees in the payroll system per department, (2) a portion of Finance costs based on the number of cash receipting transactions per fund, and (3) City Clerk costs based on a thirty-six month rolling average of agenda items by department. The cost allocation plan is based on prior fiscal year actual costs.



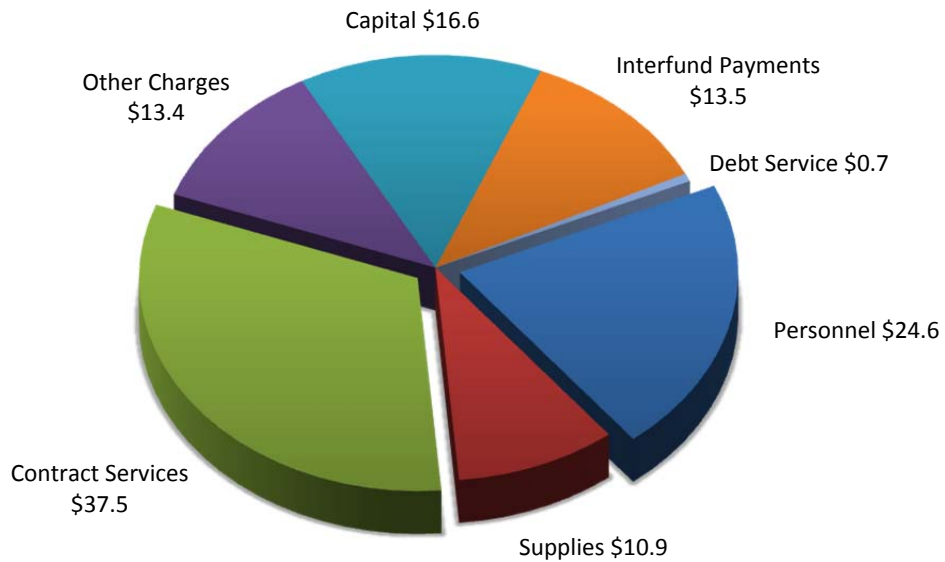
All Funds Budget Overview

Fiscal Year 2013

Where the Money Comes From* (Total \$108.7 million)



Where the Money Goes* (Total \$117.2 million)¹



*All amounts are rounded

¹ Fund Balance Reserves are used for one-time costs.



All Funds Budget Summary

	Beginning Balance	FY 2013 Revenues	FY 2013 Expenditures	Ending Balance	Change in Balances
General Fund	22,384,726	49,503,250	53,826,790	18,061,186	(4,323,540)
Special Revenue Funds					
Street Improvement	2,069,930	1,644,130	2,489,430	1,224,630	(845,300)
Gas Tax	3,559,030	2,764,640	4,524,340	1,799,330	(1,759,700)
Miscellaneous Grants	(5,150)	402,650	383,670	13,830	18,980
Air Quality Improvement	265,530	85,500	80,000	271,030	5,500
Police Grants	45,170	100,200	100,000	45,370	200
Capital Project Funds					
Parks Acquisition & Dev.	1,217,920	108,600	140,860	1,185,660	(32,260)
Local Drainage Facilities	3,891,760	61,500	6,970	3,946,290	54,530
RCFPP	2,880,650	45,000	57,290	2,868,360	(12,290)
Public Facilities Construction Fee	13,517,140	215,700	62,270	13,670,570	153,430
Developers Improvement	8,694,980	337,500	32,420	9,000,060	305,080
Reserve	3,408,990	531,270	658,000	3,282,260	(126,730)
Debt Service Funds					
Negocio Debt Service	(182,520)	753,900	569,610	1,770	184,290
Enterprise Funds					
Water - Operating	300,493	17,193,534	17,397,270	96,757	(203,736)
- Depreciation Reserve	5,102,414	2,106,677	2,280,230	4,928,861	(173,553)
- Acreage Fee	788,681	22,299	56,520	754,460	(34,221)
- Other Agency	1,875,632	752,080	831,260	1,796,452	(79,180)
Sewer - Operating	268,614	9,211,189	8,825,770	654,033	385,419
- Depreciation Reserve	5,461,786	2,720,663	3,752,940	4,429,509	(1,032,277)
- Connection Fee	5,460,901	2,456,400	2,333,730	5,583,571	122,670
- Other Agency	1,622,189	291,778	13,820	1,900,147	277,958
Storm Drain - Operating	1,113,552	1,666,688	1,699,630	1,080,610	(32,942)
- Depreciation Reserve	1,379,428	1,551,112	1,778,020	1,152,520	(226,908)
Solid Waste Management	440,450	120,600	220,790	340,260	(100,190)
Golf - Operating	41,631	2,296,600	2,292,700	45,531	3,900
- Depreciation Reserve	1,561,511	216,525	282,480	1,495,556	(65,955)
- Capital Improvement	545,918	139,875	26,010	659,783	113,865
Clean Ocean - Operating	1,879,908	2,162,291	2,926,160	1,116,039	(763,869)
- Depreciation Reserve	(303,288)	472,209	165,520	3,401	306,689
Internal Service Funds					
Central Services	231,210	486,630	605,480	112,360	(118,850)
Information Technology	278,610	1,336,430	1,469,570	145,470	(133,140)
Contract Fleet Services	186,025	1,164,469	1,200,730	149,764	(36,261)
Fleet Replacement Reserve	3,434,625	551,291	348,760	3,637,156	202,531
Medical Insurance	10,370	3,168,000	3,167,690	10,680	310
Workers' Compensation	1,674,100	407,000	503,990	1,577,110	(96,990)
General Liability Self Insurance	719,080	1,605,900	2,174,820	150,160	(568,920)
Redevelopment Agency Funds *					
Low & Moderate Housing	2,292,860	0	0	2,292,860	0
Debt Service	771,690	0	0	771,690	0
Capital Projects	142,200	0	0	142,200	0
Total All Funds	99,028,746	108,654,080	117,285,540	90,397,286	(8,631,460)

* The Redevelopment Agency (RDA) is in the process of dissolution, these funds will be requested by the County and then be distributed to effected taxing agencies. Further information on the RDA dissolution is in the Redevelopment section of this budget.

All Funds Summary-Revenues by Category

Fund Description	Beginning Fund Balance	Taxes	Licenses & Permits	Receipts from Otr Agencies	Charges for Svcs.	Interest & Rentals	Internal Transfers	Fines & Other Revenues	Total Budget
General	22,384,726	\$37,001,970	\$976,610	\$392,640	\$4,281,560	\$1,993,910	\$3,865,940	\$990,620	\$71,887,976
Special Revenue:									
Street Improvement	2,069,930	0	0	0	0	46,000	1,598,130	0	3,714,060
Gas Tax	3,559,030	0	0	2,690,590	0	60,800	13,250	0	6,323,670
Miscellaneous Grants	(5,150)	0	0	382,650	0	0	0	20,000	397,500
Air Quality Imprvmnt.	265,530	0	0	80,000	0	5,500	0	0	351,030
Police Grants	45,170	0	0	100,000	0	200	0	0	145,370
	5,934,510	0	0	3,253,240	0	112,500	1,611,380	20,000	10,931,630
Capital Projects:									
Parks Acquis. & Dev.	1,217,920	0	23,600	0	0	85,000	0	0	1,326,520
Local Drainage Fac.	3,891,760	0	500	0	0	61,000	0	0	3,953,260
RCFPP	2,880,650	0	0	0	0	45,000	0	0	2,925,650
Pub. Facilities Const.	13,517,140	0	35,700	0	0	180,000	0	0	13,732,840
Developers Imprvmnt.	8,694,980	0	115,500	0	112,000	110,000	0	0	9,032,480
Reserve	3,408,990	0	0	0	0	60,000	471,270	0	3,940,260
	33,611,440	0	175,300	0	112,000	541,000	471,270	0	34,911,010
Debt Svc Fund:									
Negocio Debt Service	(182,520)	0	0	0	0	344,560	312,030	97,310	571,380
Enterprise:									
Water- Operating	300,493	0	0	42,350	15,897,240	8,344	464,600	781,000	17,494,027
- Depr. Reserve	5,102,414	0	0	0	0	141,677	15,000	1,950,000	7,209,091
- Acreage Fee	788,681	0	400	0	0	21,899	0	0	810,980
- Other Agency	1,875,632	0	0	0	0	52,080	0	700,000	2,627,712
Sewer- Operating	268,614	0	0	0	8,604,470	6,919	593,300	6,500	9,479,803
- Depr. Reserve	5,461,786	0	0	0	0	140,663	100,000	2,480,000	8,182,449
- Conn. Fee	5,460,901	0	15,760	0	0	140,640	300,000	2,000,000	7,917,301
- Other Agency	1,622,189	0	0	0	0	41,778	0	250,000	1,913,967
Storm Drain Utility	1,113,552	0	0	0	1,150,500	33,188	483,000	0	2,780,240
- Depr. Reserve	1,379,428	0	0	700,000	0	41,112	0	810,000	2,930,540
Solid Waste Mgmt	440,450	0	9,600	0	102,000	9,000	0	0	561,050
Golf - Operating	41,631	0	0	0	2,071,000	225,600	0	0	2,338,231
- Depr. Reserve	1,561,511	0	0	0	0	22,525	0	194,000	1,778,036
- Capital Impr.	545,918	0	0	0	0	7,875	0	132,000	685,793
Clean Ocean	1,879,908	0	0	0	1,817,000	48,291	0	297,000	4,042,199
- Depr. Reserve	(303,288)	0	0	0	0	(7,791)	480,000	0	168,921
	27,539,820	0	25,760	742,350	29,642,210	933,800	2,435,900	9,600,500	70,920,340
Internal Service:									
Central Services	231,210	0	0	0	36,000	1,000	449,630	0	717,840
Information Technology	278,610	0	0	0	0	6,800	1,329,630	0	1,615,040
Fleet- Operating	186,025	0	0	0	0	2,749	1,131,720	30,000	1,350,494
- Replacement	3,434,625	0	0	0	0	50,751	500,540	0	3,985,916
Medical Insurance	10,370	0	0	0	179,000	5,000	0	2,984,000	3,178,370
Worker's Comp.	1,674,100	0	0	0	0	30,000	0	377,000	2,081,100
General Liability Self Ins.	719,080	0	0	0	0	5,900	0	1,600,000	2,324,980
	6,534,020	0	0	0	215,000	102,200	3,411,520	4,991,000	15,253,740
Relevel. Agency:									
Low & Mod. Inc. Hsg.	2,292,860	0	0	0	0	0	0	0	2,292,860
Debt Service	771,690	0	0	0	0	0	0	0	771,690
Capital Projects	142,200	0	0	0	0	0	0	0	142,200
	3,206,750	0	0	0	0	0	0	0	3,206,750
Total All Funds	\$99,028,746	\$37,001,970	\$1,177,670	\$4,388,230	\$34,250,770	\$4,027,970	\$12,108,040	\$15,699,430	\$207,682,826

All Funds Summary-Expenditures by Category

Fund Description	Personnel	Supplies	Contractual Services	Other Charges	Capital Outlay	Interfund Payments	Debt Service	Ending Fund Balance	Total Budget
General	\$16,777,800	\$1,125,800	\$25,875,560	\$1,248,320	\$3,684,900	\$4,884,860	\$229,550	\$18,061,186	\$71,887,976
Special Revenue:									
Street Improvement	0	10,300	450,000	1,000	1,976,000	52,130	0	1,224,630	3,714,060
Gas Tax	0	0	100,000	75,000	3,172,800	1,176,540	0	1,799,330	6,323,670
Miscellaneous Grants	54,360	0	100,500	52,000	150,000	26,810	0	13,830	397,500
Air Quality Imprvmnt.	0	0	80,000	0	0	0	0	271,030	351,030
Police Grants	0	0	100,000	0	0	0	0	45,370	145,370
	54,360	10,300	830,500	128,000	5,298,800	1,255,480	0	3,354,190	10,931,630
Capital Projects:									
Parks Acquis. & Dev.	0	0	0	0	75,000	65,860	0	1,185,660	1,326,520
Local Drainage Fac.	0	0	0	0	0	6,970	0	3,946,290	3,953,260
RCFPP	0	0	40,000	0	0	17,290	0	2,868,360	2,925,650
Pub. Facilities Const.	0	0	26,660	100	0	35,510	0	13,670,570	13,732,840
Developers Imprvmnt.	0	0	0	25,000	0	7,420	0	9,000,060	9,032,480
Reserve	140,000	0	0	0	518,000	0	0	3,282,260	3,940,260
	140,000	0	66,660	25,100	593,000	133,050	0	33,953,200	34,911,010
Debt Svc Fund:									
Negocio Debt Service	0	0	302,760	0	0	27,170	239,680	1,770	571,380
Enterprise:									
Water- Operating	2,788,580	8,204,430	2,270,540	2,699,300	0	1,434,420	0	96,757	17,494,027
- Depr. Reserve	0	0	462,740	0	1,080,000	737,490	0	4,928,861	7,209,091
- Acreage Fee	0	0	40,000	0	0	16,520	0	754,460	810,980
- Other Agency	0	0	820,000	0	0	11,260	0	1,796,452	2,627,712
Sewer- Operating	2,275,200	791,160	1,835,190	2,782,400	0	1,141,820	0	654,033	9,479,803
- Depr. Reserve	0	0	1,333,360	0	1,400,000	1,019,580	0	4,429,509	8,182,449
- Conn. Fee	0	0	0	0	2,300,000	33,730	0	5,583,571	7,917,301
- Other Agency	0	0	0	0	0	13,820	0	1,900,147	1,913,967
Storm Drain Utility	346,400	21,050	103,470	810,140	0	418,570	0	1,080,610	2,780,240
- Depr. Reserve	0	0	370,000	0	1,350,000	58,020	0	1,152,520	2,930,540
Solid Waste Mgmt	100,240	14,900	28,460	2,450	0	74,740	0	340,260	561,050
Golf - Operating	847,110	136,600	417,500	330,000	0	366,890	194,600	45,531	2,338,231
- Depr. Reserve	0	0	0	0	277,000	5,480	0	1,495,556	1,778,036
- Capital Impr.	0	0	0	0	20,000	6,010	0	659,783	685,793
Clean Ocean	372,170	62,050	902,070	201,140	0	1,388,730	0	1,116,039	4,042,199
- Depr. Reserve	0	0	0	0	150,000	15,520	0	3,401	168,921
	6,729,700	9,230,190	8,583,330	6,825,430	6,577,000	6,742,600	194,600	26,037,490	70,920,340
Internal Service:									
Central Services	62,390	55,250	354,180	0	0	88,370	45,290	112,360	717,840
Information Technology	718,560	5,750	493,020	10,450	95,000	146,790	0	145,470	1,615,040
Fleet- Operating	0	515,500	598,210	0	0	87,020	0	149,764	1,350,494
- Replacement	0	0	0	0	338,340	10,420	0	3,637,156	3,985,916
Medical Insurance	0	0	2,400	3,123,050	0	42,240	0	10,680	3,178,370
Worker's Comp.	0	5,000	7,000	448,000	0	43,990	0	1,577,110	2,081,100
General Liability Self Ins.	122,000	1,900	366,000	1,610,250	0	74,670	0	150,160	2,324,980
	902,950	583,400	1,820,810	5,191,750	433,340	493,500	45,290	5,782,700	15,253,740
Revel. Agency:									
Low & Mod. Inc. Hsg.	0	0	0	0	0	0	0	2,292,860	2,292,860
Debt Service	0	0	0	0	0	0	0	771,690	771,690
Capital Projects	0	0	0	0	0	0	0	142,200	142,200
	0	0	0	0	0	0	0	3,206,750	3,206,750
Total All Funds	\$24,604,810	\$10,949,690	\$37,479,620	\$13,418,600	\$16,587,040	\$13,536,660	\$709,120	\$90,397,286	\$207,682,826

Budget Comparisons By Fund - Revenues

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Percent Change
General	\$58,099,160	\$49,543,030	\$49,039,130	\$49,503,250	0%
Special Revenue:					
Street Improvement	2,711,808	1,716,410	2,448,300	1,644,130	-4%
Gas Tax	2,785,593	3,956,280	3,961,860	2,764,640	-30%
Miscellaneous Grants	435,147	658,430	675,310	402,650	-39%
Air Quality Improvement	99,814	97,100	95,700	85,500	-12%
Police Grants	138,087	155,060	156,790	100,200	-35%
Total Special Revenue	6,170,449	6,583,280	7,337,960	4,997,120	-24%
Capital Projects:					
Parks Acquisition & Dev.	13,730,710	255,600	430,450	108,600	-58%
Local Drainage Facilities	67,004	70,000	70,400	61,500	-12%
R C F P P	1,424,782	110,570	182,730	45,000	-59%
Public Facilities Construction Fee	263,746	344,380	464,630	215,700	-37%
Developers Improvement	1,082,773	2,793,690	2,750,670	337,500	-88%
Reserve	351,253	1,571,850	1,533,850	531,270	-66%
Total Capital Projects	16,920,268	5,146,090	5,432,730	1,299,570	-75%
Negocio Debt Service	742,911	1,551,290	1,336,240	753,900	-51%
Enterprise:					
Water - Operating	14,002,449	16,799,191	17,029,693	17,193,534	2%
- Depreciation Reserve	1,973,175	2,396,405	2,396,404	2,106,677	-12%
- Acreage Fee Reserve	528,055	1,095,139	1,123,791	22,299	-98%
- Other Agency	741,810	754,055	754,052	752,080	0%
Sewer - Operating	7,989,776	8,715,624	8,879,294	9,211,189	6%
- Depreciation Reserve	2,726,776	3,691,936	3,691,936	2,720,663	-26%
- Connection Fee Reserve	815,701	16,706,431	17,859,731	2,456,400	-85%
- Other Agency	292,097	273,109	273,109	291,778	7%
Storm Drain Utility - Operating	1,438,164	1,607,812	1,710,692	1,666,688	4%
- Depreciation Reserve	1,144,199	1,109,658	1,109,658	1,551,112	40%
Solid Waste Management	370,583	190,070	182,870	120,600	-37%
Golf - Operating	2,151,862	2,358,786	2,356,571	2,296,600	-3%
- Depreciation Reserve	216,454	224,245	219,741	216,525	-3%
- Capital Improvement Reserve	408,278	140,669	139,378	139,875	-1%
Clean Ocean - Operating	2,230,925	2,136,318	2,177,568	2,162,291	1%
- Improvement Reserve	92,096	299,572	299,502	472,209	58%
Total Enterprise	37,122,400	58,499,020	60,203,990	43,380,520	-26%
Internal Service:					
Central Services	838,354	684,220	691,250	486,630	-29%
Information Technology	1,317,982	1,363,400	1,341,990	1,336,430	-2%
Fleet - Operating	1,126,337	1,191,938	1,201,245	1,164,469	-2%
- Replacement Reserve	599,997	627,292	634,755	551,291	-12%
Medical Insurance	2,856,709	3,207,070	3,066,750	3,168,000	-1%
Workers' Compensation	404,924	493,000	489,300	407,000	-17%
General Liability Self Insurance	2,219,963	1,608,000	1,607,800	1,605,900	0%
Total Internal Service	9,364,266	9,174,920	9,033,090	8,719,720	-5%
Redevelopment Agency					
RDA Low & Mod. Income Housing	506,748	500,900	323,900	0	-100%
RDA Debt Service	2,357,447	2,345,290	1,548,410	0	-100%
RDA Capital Projects	2,077,667	2,497,450	460,460	0	-100%
Total RDA	4,941,862	5,343,640	2,332,770	0	-100%
Total All Funds *	\$133,361,316	\$135,841,270	\$134,715,910	\$108,654,080	-20%

*Excludes Fund Balances

Budget Comparisons By Fund - Expenditures

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Percent Change
General	\$52,611,790	\$56,528,870	\$53,477,270	\$53,826,790	-5%
Special Revenue:					
Street Improvement	2,705,824	5,312,060	5,310,260	2,489,430	-53%
Gas Tax	2,312,293	5,615,770	5,560,470	4,524,340	-19%
Miscellaneous Grants	368,091	692,540	676,920	383,670	-45%
Air Quality Improvement	72,477	169,440	169,440	80,000	-53%
Police Grants	135,932	160,220	157,220	100,000	-38%
Total Special Revenue	5,594,617	11,950,030	11,874,310	7,577,440	-37%
Capital Projects:					
Parks Acquisition & Dev.	22,409,385	10,978,200	10,978,200	140,860	-99%
Local Drainage Facilities	5,318	188,050	188,050	6,970	-96%
R C F P P	2,352,302	484,970	444,960	57,290	-88%
Public Facilities Construction Fee	2,398,085	3,527,520	3,524,580	62,270	-98%
Developers Improvement Reserve	1,337,659	4,806,020	4,806,020	32,420	-99%
Reserve	243,141	1,712,820	1,455,010	658,000	-62%
Total Capital Projects	28,745,890	21,697,580	21,396,820	957,810	-96%
Negocio Debt Service	767,508	1,622,950	1,537,240	569,610	-65%
Enterprise:					
Water - Operating	14,842,966	16,834,310	16,729,330	17,397,270	3%
- Depreciation Reserve	2,094,007	7,593,340	7,493,560	2,280,230	-70%
- Acreage Fee Reserve	616,849	8,574,190	8,531,110	56,520	-99%
- Other Agency	15,463	3,614,750	3,614,750	831,260	-77%
Sewer - Operating	8,368,009	8,731,270	8,616,060	8,825,770	1%
- Depreciation Reserve	1,377,152	9,250,970	9,115,890	3,752,940	-59%
- Connection Fee Reserve	365,296	21,224,480	21,224,480	2,333,730	-89%
- Other Agency	23,925	135,620	135,620	13,820	-90%
Storm Drain Utility - Operating	1,537,059	1,696,830	1,692,380	1,699,630	0%
- Depreciation Reserve	1,045,962	4,226,180	4,192,890	1,778,020	-58%
Solid Waste Management	385,999	300,880	273,340	220,790	-27%
Golf - Operating	2,265,412	2,271,220	2,224,280	2,292,700	1%
- Depreciation Reserve	411,991	90,780	90,780	282,480	211%
- Capital Improvement Reserve	8,000	4,070	4,070	26,010	539%
Clean Ocean - Operating	2,230,713	2,936,490	2,878,010	2,926,160	0%
- Depreciation Reserve	147,933	634,430	634,430	165,520	-74%
Total Enterprise	35,736,736	88,119,810	87,450,980	44,882,850	-49%
Internal Service:					
Central Services	612,926	767,310	633,620	605,480	-21%
Information Technology	1,280,905	1,522,590	1,416,230	1,469,570	-3%
Fleet - Operating	1,159,193	1,137,940	1,178,220	1,200,730	6%
- Replacement Reserve	771,644	684,310	684,310	348,760	-49%
Medical Insurance	2,906,328	3,205,820	3,016,240	3,167,690	-1%
Workers' Compensation	498,953	839,110	838,580	503,990	-40%
General Liability Self Insurance	1,830,352	2,849,430	2,095,720	2,174,820	-24%
Total Internal Service	9,060,301	11,006,510	9,862,920	9,471,040	-14%
Redevelopment Agency					
RDA Low & Mod. Income Housing	274,714	253,360	137,670	0	-100%
RDA Debt Service	3,110,053	3,358,620	875,760	0	-100%
RDA Capital Projects	1,756,240	2,111,820	716,940	0	-100%
Total RDA	5,141,007	5,723,800	1,730,370	0	-100%
Total All Funds *	\$137,657,849	\$196,649,550	\$187,329,910	\$117,285,540	-40%

*Excludes Fund Balances

All Fund Revenues Summary

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Beginning Fund Balances	\$155,939,241	\$151,642,736	\$151,642,736	\$99,028,746	-35%
Property Taxes	27,399,158	26,506,600	25,743,290	24,824,890	-6%
Transient Occupancy Tax	1,460,880	1,503,250	1,503,250	1,542,160	3%
Sales Tax	6,979,049	6,940,000	7,079,290	7,425,670	7%
Franchise Fees	2,236,551	2,389,000	2,375,000	2,409,250	1%
Business License Tax	0	800,000	784,000	800,000	0%
Total Taxes	38,075,638	38,138,850	37,484,830	37,001,970	-3%
Business Licenses & Permits	901,110	0	0	0	0%
Construction Permits	811,990	807,700	808,500	807,700	0%
Developer Fees	1,275,181	1,444,940	2,757,330	191,160	-87%
Alarm Permits	103,060	104,000	104,000	106,500	2%
Miscellaneous Permits & Fees	407,392	71,090	73,570	72,310	2%
Total License & Permit Fees	3,498,733	2,427,730	3,743,400	1,177,670	-51%
Grants	2,070,328	6,355,710	6,370,730	1,464,560	-77%
Motor Vehicle Tax	313,367	34,000	34,020	0	-100%
Gas Tax Allocations	1,811,955	1,846,740	1,779,980	1,802,500	-2%
Subventions	427,596	259,500	257,700	255,800	-1%
Measure M Apportionment	1,520,822	788,650	900,040	823,020	4%
Miscellaneous	57,705	54,670	40,000	42,350	-23%
Total Intergovernmental	6,201,773	9,339,270	9,382,470	4,388,230	-53%
Development Permits & Fees	79,991	181,200	142,550	174,380	-4%
Plan Check Fees	633,223	639,550	635,980	627,620	-2%
General Service Charges	160,454	188,970	177,620	188,680	0%
Imaging of Documents	41,142	31,000	36,000	36,000	16%
Weed Assessments	11,968	23,500	15,810	12,020	-49%
Abatement Reimbursements	26,371	25,000	25,000	25,500	2%
Ambulance Service Charges	681,144	684,000	684,000	734,300	7%
Public Safety Service Charges	2,639	2,000	2,250	2,000	0%
Marine Safety Program Fees	79,536	86,810	94,230	122,380	41%
Parking Meters & Permits	819,674	935,000	925,000	937,700	0%
Solid Waste Service Charges	129,961	90,000	90,000	90,000	0%
Storm Drain Service Charges	1,145,800	1,103,470	1,150,500	1,150,500	4%
Sewer Service Charges	7,249,507	7,473,140	7,663,000	8,396,070	12%
Water Service Charges	13,440,157	15,439,800	15,569,280	16,105,640	4%
Inspection Fees	417,399	197,170	201,690	27,580	-86%
Recreation Program Fees	1,132,106	1,249,100	1,115,180	1,604,900	28%
Golf Fees	2,029,034	2,230,500	2,200,500	2,198,500	-1%
Urban Runoff Mgmt Fees	1,862,932	1,787,290	1,837,000	1,817,000	2%
Total Service Charges	29,943,038	32,367,500	32,565,590	34,250,770	6%
Parking Violations	836,700	798,500	798,500	811,000	2%
Vehicle Code & Court Fines	377,159	375,000	370,000	375,000	0%
Other Fines	41,131	67,200	49,000	50,000	-26%
Total Fines	1,254,990	1,240,700	1,217,500	1,236,000	0%
Investment Earnings & Interest	1,834,227	2,247,280	2,127,820	1,807,600	-20%
Rents & Concessions	1,791,418	2,236,690	1,970,620	2,220,370	-1%
Total Interest & Rents	3,625,645	4,483,970	4,098,440	4,027,970	-10%
Miscellaneous Income	2,315,205	2,219,150	3,315,730	992,430	-55%
Debt Proceeds	15,888	12,815,990	12,815,890	2,000,000	-84%
Depreciation Funding	6,061,512	6,456,000	6,456,000	6,516,000	1%
Sales of Assets	13,611,277	0	22,270	0	0%
Transfers from Other Funds	17,741,936	14,324,380	11,710,760	5,305,540	-63%
Internal Service Fund Charges	6,755,670	6,957,030	6,957,030	6,802,500	-2%
Premiums & Reimbursements	4,260,011	5,070,700	4,946,000	4,955,000	-2%
Total Other Revenues & Financing Sources	50,761,499	47,843,250	46,223,680	26,571,470	-44%
Total Revenues*	\$133,361,316	\$135,841,270	\$134,715,910	\$108,654,080	-20%

*excluding fund balances

All Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Taxes					
Current Year Secured Taxes	\$19,752,208	\$19,640,800	\$18,819,440	\$18,113,050	-8%
Current Year Unsecured Taxes	778,456	784,000	778,990	722,000	-8%
Supp. Roll Property Taxes	227,334	230,000	201,130	200,000	-13%
Supp. Roll - Prior Year	0	0	2,860	0	0%
ERAF Property Taxes	5,138,757	5,103,000	5,103,000	5,005,700	-2%
Prior Year Secured & Unsecured	477,110	462,000	508,820	500,000	8%
Property Tax Admin. Charge	(269,599)	(223,200)	(211,200)	(215,860)	-3%
Transient Occupancy Tax	1,375,376	1,413,250	1,413,250	1,450,000	3%
Transient Occupancy Tax Vacation Rental	85,504	90,000	90,000	92,160	2%
General Sales Tax	4,883,140	4,975,000	5,031,000	5,265,000	6%
P.S. Sales Tax Augmentation	329,646	340,000	349,500	358,000	5%
In-Lieu Sales Tax	1,766,263	1,625,000	1,698,790	1,802,670	11%
Property Transfer Tax	403,262	400,000	400,000	400,000	0%
Penalty & Interest - Delqnt. Prop. Tax	146,509	110,000	123,590	100,000	-9%
Penalty & Interest - Delqnt. Prop. Assmt.	7,110	0	3,390	0	0%
Lighting Assessments Prior Year	5	0	270	0	0%
Street Improvement Assessments	708,515	0	0	0	0%
Street Assessments Prior Year	29,491	0	13,000	0	0%
San Diego Gas & Electric	525,550	586,000	586,000	600,000	2%
Southern California Gas	168,140	183,000	169,000	187,000	2%
Cox Communications	1,139,592	1,144,000	1,144,000	1,144,000	0%
CR&R	366,612	426,000	426,000	426,000	0%
Other Franchise Fees	22,998	25,000	25,000	26,250	5%
Parimutual Taxes	13,659	25,000	25,000	26,000	4%
Business License Tax	0	770,000	770,000	770,000	0%
Business License - Development	0	30,000	14,000	30,000	0%
Total Taxes	38,075,638	38,138,850	37,484,830	37,001,970	-3%
Licenses & Permit Fees					
Business Licenses	861,146	0	0	0	0%
Home Occupation Permits	8,540	0	0	0	0%
Business Licenses - Development Related	31,424	0	0	0	0%
Building Permits	491,209	500,000	500,000	500,000	0%
Electrical Permits	101,085	97,500	97,500	97,500	0%
Mechanical Permits	48,627	55,000	55,000	55,000	0%
Plumbing Permits	142,217	147,000	147,000	147,000	0%
Grading Permits	28,852	8,200	9,000	8,200	0%
Bicycle Permits	2	0	0	0	0%
Sewer Permits	280	2,000	100	300	-85%
Talega JPA Revenue - Bridge Maintenance	84,425	84,500	85,480	85,500	1%
Mobilehome Inspection Fees	1,632	4,490	4,490	4,910	9%
Street Encroachment Permits	81,363	52,000	52,000	53,000	2%
Trash Bin Permits	9,743	9,600	9,600	9,600	0%
Alarm Permits	103,060	104,000	104,000	106,500	2%
Park Fees	199,231	34,600	71,450	23,600	-32%
In-Lieu Affordable Housing Fees	0	1,246,000	1,216,000	30,000	-98%
Beach Parking Impact Fees	9,637	21,400	13,240	13,240	-38%
Public Safety Construction Fees	72,915	27,040	122,560	16,710	-38%
Civic Center Const Fund Fees	6,044	9,300	42,190	5,750	-38%
Storm Drain Fees - Other Areas	16,665	500	900	500	0%
Storm Drain Fees - Segunda Des.	1,322	0	0	0	0%
Sewer Connection Fees	511,449	20,000	1,175,260	15,460	-23%

All Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
RCFPP Impact Fees	309,911	0	2,880	0	0%
Chgs. Modification Connection Fees	4,576	0	0	0	0%
Water Acreage Fees	368,917	1,600	30,250	400	-75%
Miscellaneous Permits	4,461	3,000	4,500	4,500	50%
Total Licenses & Permit Fees	3,498,733	2,427,730	3,743,400	1,177,670	-51%
Intergovernmental					
EmergencyMgmt Performance Grant	7,744	0	9,000	14,500	100%
CDBG Home Rehab	71,915	112,070	145,740	75,000	-33%
Sidewalk Program - CDBG	0	150,000	150,000	150,000	0%
Public Fac/Infrastructure Grant	139,019	179,830	157,000	0	-100%
CDBG - Recovery Grant	16,607	0	0	0	0%
Commercial Rehab Grant	22,981	51,280	51,280	20,000	-61%
Public Services Grant	63,644	59,000	59,000	52,000	-12%
CDBG Administration Grant	88,811	85,650	86,690	85,650	0%
Justice Assistance Grant (JAG)	15,931	23,000	23,000	0	-100%
Other Federal Grants	902,685	1,127,810	1,101,140	723,500	-36%
Mandated Cost Reimbursement	28,294	15,000	14,320	15,300	2%
S.O.N.G.S. Grant	177,610	178,110	178,840	178,840	0%
OTS Grant	13,553	29,460	29,460	0	-100%
Prop 50	181,688	3,247,060	3,247,000	0	-100%
Other State Grants	0	649,930	670,070	0	-100%
Motor Vehicle Tax	313,367	34,000	34,020	0	-100%
Vehicle Pollution Reduction Fees	75,540	80,000	80,000	80,000	0%
2106 Gas Tax Allocation	245,227	232,310	228,000	230,000	-1%
Motor Vehicle Fuel Tax 2103	651,038	761,900	726,000	747,000	-2%
2105 Gas Tax Allocation	385,467	362,550	336,000	336,000	-7%
2107 Gas Tax Allocation	515,223	482,480	482,480	482,000	0%
2107.5 Gas Tax Allocation	15,000	7,500	7,500	7,500	0%
Homeowners Exempt. Subvention	164,350	164,500	162,890	160,500	-2%
Special District Augmentation	956	0	490	0	0%
State COPS Grant	100,016	100,000	100,000	100,000	0%
Measure M - GMA Grant	951,030	48,970	125,850	0	-100%
OCTA Senior Transportation	58,883	60,000	60,000	65,070	8%
"Go Local" Transit Program	0	230,740	230,740	0	-100%
Other County Grants	209,241	71,770	71,770	0	-100%
City Aid Program (Prop 42)	158,456	0	0	0	0%
Measure M/M2 Turnback App.	569,792	739,680	774,190	823,020	11%
Other Governmental Revenues	18,235	0	0	0	0%
MWD Reclaimed Water Credit	39,470	54,670	40,000	42,350	-23%
Total Intergovernmental	6,201,773	9,339,270	9,382,470	4,388,230	-53%
Services Charges					
Const & Demo Admin Fees	18,120	12,000	12,000	12,000	0%
Business License Processing Fee	0	42,000	31,250	31,250	-26%
Building Plan Check Fees	376,963	440,000	440,000	440,000	0%
Planning Plan Check Fees	67,502	63,000	63,000	63,000	0%
Transportation Permits	1,392	1,600	1,600	1,600	0%
Improvement Plan Check Fees	51,453	41,600	34,000	32,280	-22%
Landscape Plan Check Fees	1,366	1,500	1,200	1,500	0%
SFR Plan Check Fees	29,909	14,450	16,000	18,000	25%
Reproduction of Documents	3,959	5,000	5,000	5,000	0%
Imaging of Documents	41,142	31,000	36,000	36,000	16%

All Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Map Sales	665	800	450	700	-13%
Bad Check Service Charges	2,861	2,000	2,320	2,380	19%
Community Enhancement Revenues	31,392	112,000	80,000	112,000	0%
Other Planning Service Fees	5,223	5,000	8,000	5,000	0%
Planning - CC Applications	14,567	15,000	8,000	10,000	-33%
Planning - PC Applications	67,601	40,000	37,400	27,440	-31%
Planning - ZA Applications	11,198	12,000	17,880	22,900	91%
Planning - Admin Applications	12,664	12,000	18,500	12,500	4%
Traffic Model Fees	4,250	1,000	1,000	1,000	0%
Traffic Review Fees	0	1,000	1,000	1,000	0%
General Plan Update Fees	18,233	7,000	7,000	10,000	43%
Late Payment Charges	224,806	260,000	260,000	260,000	0%
Retiree Premiums	132,378	175,000	167,000	177,000	1%
Cobra Premiums	19,199	4,570	1,250	2,000	-56%
Weed Assessments - Current Year	10,823	22,500	13,990	11,000	-51%
Weed Assessments - Prior Year	1,145	1,000	1,820	1,020	2%
Vehicle Abatement Reimbursement	26,371	25,000	25,000	25,500	2%
San Diego County Contract	12,100	15,000	15,000	15,300	2%
Ambulance Service Charges	648,704	650,000	650,000	700,000	8%
Ambulance Subscription Fees	20,340	19,000	19,000	19,000	0%
Special Lifeguard Services	1,271	1,000	1,680	1,400	40%
Junior Lifeguard Services	75,815	81,600	90,050	118,880	46%
Special Beach Events Fees	2,450	4,210	2,500	2,100	-50%
Fingerprint Services	640	800	800	800	0%
Visa Letter Service	675	450	450	450	0%
Police Duplication Fees	794	500	500	500	0%
Other Police Dept. Service Charges	530	250	500	250	0%
Parking Meters	694,094	800,000	790,000	800,000	0%
Parking Permits	125,580	135,000	135,000	137,700	2%
Const & Demo Recycle Fee - Forfeited	37,500	0	0	0	0%
Commercial Recycling Charges	92,461	90,000	90,000	90,000	0%
Sewer Commodity Fees	2,914,049	2,990,910	3,024,000	3,385,950	13%
Sewer Base Fees	4,335,458	4,482,230	4,639,000	5,010,120	12%
Effluent Water Sales	1,215,229	1,519,900	1,139,270	980,870	-35%
Public Works Inspection Fees	3,461	2,000	2,000	2,000	0%
Engineering Plan Review	2,773	1,200	2,300	2,130	78%
Construction Inspection Fees	408,778	190,000	194,500	20,000	-89%
Engr. & Geotech. Reimbursements	4,413	4,800	4,800	4,800	0%
Other Engineering Service Fees	747	370	390	780	111%
OHBC Pool Programs & Admin Fees	92,307	68,000	75,000	0	-100%
SCAC Pool Programs & Admin Fees	0	110,000	80,000	300,000	173%
OHBC Contract Pool Class Fees	160,116	55,000	55,000	0	-100%
OHBC Contract Land Class Fees	117,703	68,000	70,400	0	-100%
SCAC Contract Pool Class Fees	0	112,000	29,000	260,000	132%
Comm. Center Contract Class Fees	208,065	210,000	201,000	210,000	0%
Senior Center Contract Class Fees	18,550	0	3,700	100,000	100%
Offsite Contract Class Fees	334,859	400,000	334,000	338,500	-15%
Recreation Sports Fees	36,824	56,600	45,000	56,000	-1%
VHSP Contract Land Class Fees	0	7,100	2,700	20,000	182%
Recreation Trips	888	0	0	0	0%
Recreation Special Events	9,570	5,000	7,080	8,000	60%
After School Programming	84,287	85,000	85,000	85,000	0%

All Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Gift Certificate Classes	(574)	(1,100)	(1,200)	(1,100)	0%
Greens Fees	1,822,221	1,995,000	1,980,000	1,980,000	-1%
VHSP Field/Tournament Rental	0	5,000	60,000	160,000	3100%
Registration Card/Ticket Sales	62,750	75,000	65,000	65,000	-13%
Steed Park Field/Tournament Rentals	126,188	140,500	137,500	137,500	-2%
Golf Cart Registration	17,875	20,000	18,000	16,000	-20%
Steed Park Adult Softball League Fees	69,511	68,500	68,500	68,500	0%
Metered Water Sales	9,102,448	10,528,400	10,904,330	11,498,570	9%
Fixed Water Service Charges	2,541,816	2,871,300	2,907,190	3,074,000	7%
Hydrant Meter Water Sales	100,928	70,000	60,000	60,000	-14%
Water Application Fee	66,715	50,000	60,000	60,000	20%
Backflow Testing Admin Fees	1,655	12,000	97,290	36,000	200%
Hydrant Meter Rentals	25,603	15,000	20,000	15,000	0%
Turn On/Reconnection Fees	19,735	12,000	15,000	15,000	25%
Water Posting Fees	64,772	50,000	55,000	55,000	10%
Meter Installation Fees	74,645	50,000	50,000	50,000	0%
Exemption Application Fees	1,805	1,200	1,200	1,200	0%
Storm Drain Service Charges	1,145,800	1,103,470	1,150,500	1,150,500	4%
Urban Runoff Mgmt. Fees	1,862,932	1,787,290	1,837,000	1,817,000	2%
Total Service Charges	29,943,038	32,367,500	32,565,590	34,250,770	6%
Fines					
Parking Violations	836,700	798,500	798,500	811,000	2%
Vehicle Code Fines	359,112	350,000	350,000	350,000	0%
Court Fines	18,047	25,000	20,000	25,000	0%
Alarm Fines	12,878	13,000	13,000	13,000	0%
Trash Can Violations	50	300	0	0	-100%
Administrative Citations	9,700	20,000	11,000	12,000	-40%
Admin Citation Enforcement	18,503	33,900	25,000	25,000	-26%
Total Fines	1,254,990	1,240,700	1,217,500	1,236,000	0%
Interest and Rents					
Investment Earnings	2,536,155	2,176,450	2,082,820	1,798,000	-17%
Interest Earnings - RDA Loan	60,850	54,830	31,980	0	-100%
Unrealized Gain/Loss on Investments	(806,605)	0	0	0	0%
Interest Earnings - Other	43,827	16,000	13,020	9,600	-40%
Communication Site Leases	442,558	440,930	409,690	481,630	9%
Beach Club Rent	196,968	169,140	181,350	0	-100%
Community Center Rent	108,893	118,000	115,500	100,500	-15%
SCAC Pool Rental	0	95,990	38,000	150,000	56%
OHBC Pool Rentals	40,049	21,000	25,000	0	-100%
Senior Center Rentals	8,398	2,300	2,300	10,000	335%
Sports Field Rentals	122,048	84,000	84,000	100,000	19%
VHSP Program /Sport League Fees	0	54,450	10,000	95,000	74%
Rental of City Property	2,101	3,600	4,200	4,200	17%
Park Rentals	10,027	10,000	10,000	15,000	50%
Steed Park Concession	20,379	20,000	20,000	20,000	0%
Trap Range	1,974	0	0	0	0%
Lawn Bowling	700	700	810	700	0%
Negocio Leases	79,889	352,380	218,100	344,460	-2%
Pier Restaurant	522,182	600,000	600,000	600,000	0%
Negocio (1030) Lease	0	0	8,360	50,780	100%
"T" Street Concession	4,878	10,000	10,000	10,000	0%

All Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
North Beach Concession	4,380	5,000	5,000	5,000	0%
Telescope	792	600	210	0	-100%
Pier Concession Bait & Tackle	9,678	8,000	8,000	8,000	0%
Golf Pro Shop	147,747	170,000	165,000	170,000	0%
Golf Restaurant	67,677	70,500	55,000	55,000	-22%
Chamber Building Lease	100	100	100	100	0%
Total Interest and Rents	3,625,645	4,483,970	4,098,440	4,027,970	-10%
Other Revenues & Financing Sources					
Depreciation Funding	4,386,512	4,706,000	4,706,000	4,766,000	1%
Asset Model Funding	700,000	800,000	800,000	800,000	0%
Joint Agency Reserve Funding	975,000	950,000	950,000	950,000	0%
Sale of General Fixed Assets	13,611,277	0	22,270	0	0%
Transfer from 2106 Gas Tax Fund	785,000	962,150	962,150	641,840	-33%
Transfer from Misc. Grants Fund	20,457	199,830	177,000	20,000	-90%
Transfer from General Fund	2,401,260	2,225,730	1,981,480	1,456,470	-35%
Transfer from 2107 Gas Tax	474,571	484,500	484,500	486,120	0%
Transfer from Parks Acquisition Fund	9,150,000	0	0	0	0%
Transfer from Local Drainage	0	180,000	180,000	0	-100%
Transfer from Water Fund	198,748	2,212,500	2,212,500	625,000	-72%
Transfer from Sewer Fund	252,685	1,870,000	1,870,000	940,000	-50%
Transfer from Golf Course Fund	268,000	0	0	0	0%
Transfer from Clean Ocean Fund	695,790	840,110	840,110	996,110	19%
Transfer from Storm Drain Fund	140,000	140,000	140,000	140,000	0%
Transfer from RDA Debt Service Fund	470,898	480,000	310,000	0	-100%
Transfer from Other Funds	877,010	2,016,060	1,882,060	0	-100%
Advance from General Fund	2,007,517	2,340,000	387,460	0	-100%
Principal from Advance	0	373,500	283,500	0	-100%
Loan Proceeds	15,888	12,815,990	12,815,890	2,000,000	-84%
Postage Charges	118,290	107,640	107,640	94,440	-12%
Duplicating Charges	81,050	86,760	86,760	88,660	2%
EDMS Charges to Funds	31,350	38,570	38,570	8,770	-77%
Fleet Operating Charges	1,077,733	1,168,340	1,168,340	1,131,720	-3%
Fleet Replacement Charges	546,527	550,390	550,390	500,540	-9%
Data Processing Charges	1,296,720	1,314,370	1,314,370	1,329,630	1%
Communication Charges	444,350	416,850	416,850	257,760	-38%
Capital Equipment Replacement	150,500	151,790	151,790	142,710	-6%
Park Asset Replacement	0	0	0	10,000	100%
Facilities Maintenance Replacement	76,310	85,060	85,060	101,560	19%
Negocio Rental Income	100,140	97,260	97,260	97,310	0%
General Fund O/H Charges	2,932,840	3,037,260	3,037,260	3,136,710	3%
Employer Premiums	1,561,622	1,972,000	1,972,000	1,977,000	0%
Employer Premium	2,489,206	2,705,000	813,000	0	-100%
Employee Premium	197,032	300,700	2,068,000	2,970,000	888%
Insurance Reimbursements	12,151	93,000	93,000	8,000	-91%
Police Related Donations	800	240	510	0	-100%
Character Counts Donations	3,768	1,200	2,060	0	-100%
Parent Project Donations	2,969	720	1,280	0	-100%
Chaplain Donations	250	240	0	0	-100%
Contributions from Developers	861,806	1,238,190	1,238,190	0	-100%
Donations From Private Sources	0	0	204,000	0	0%
Work Orders	8,768	5,000	8,000	6,000	20%

All Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Cash Over or Short	(1,570)	0	2,380	0	0%
Home Rehab Program Revenue	32,170	20,000	25,000	20,000	0%
Miscellaneous Income	11,929	7,000	19,050	7,020	0%
Miscellaneous Reimbursement	518,788	179,300	947,380	67,100	-63%
Sidewalk Repair Reimbursement	(2,686)	0	620	0	0%
Other Agency Revenue	757,491	650,000	750,000	775,000	19%
Community Park Maint. Reimb.	20,582	20,000	20,000	20,000	0%
Total Other Rev. & Financing Sources	50,761,499	47,843,250	46,223,680	26,571,470	-44%
Total:	\$133,361,316	\$135,841,270	\$134,715,910	\$108,654,080	-20%

All Fund Revenue Assumptions

General Fund:

General Fund revenues are based on a combination of factors including analysis of historical revenue receipts, anticipated changes in the local economic environment, projected City growth through development and anticipated changes in revenue receipts. In total, General Fund revenues amount to \$49.5 million, a decrease of \$39,780 from the 2012 fiscal year adjusted budget. Taxes, license and permits, and service charges show a growth rate; while intergovernmental, interests and rents, fines, and other revenues show a decline. Operating revenues include an adjustment for use of an operating reserve and a factor for a one-time revenue loss resulting in an amount to \$50.5 million. Property taxes, which account for 50% of General Fund revenues, are anticipated to increase by 3% to \$24.8 million from the amount budgeted in FY 2012. Sales taxes increase \$486,000 to \$7.4 million based on current trends. A detailed analysis of the General Fund revenues can be found in the General Fund Revenues section of this book.

Special Revenue Funds:

The major revenues received in Special Revenue Funds include Federal and State grants, shared revenues from the State of California or County of Orange and the City's street improvement assessments. The assumptions used for the FY 2013 major revenues are described below:

Federal and State Grants:

Citizens Options for Public Safety (COPS) Grant – The City included \$100,000 in the Police Grant Fund in anticipation of California legislative approval of the annual appropriation to counties and cities for public safety. The grants are distributed based on population. The funds are restricted to “front-line” law enforcement efforts and will be used to partially fund a deputy position in the Police Grants Fund.

Community Development Block Grant (CDBG) – Federal Housing and Urban Development grants are received by the City for projects related to community programs and public improvements. A total of \$150,000 has been included to improve sidewalks in the CDBG project area. Funding for home rehabilitation (\$75,000) and commercial rehabilitation (\$20,000) has been included in the FY 2013 budget.

Shared Revenue:

Gas Tax Allocations (2103, 2105, 2106, 2107, 2107.5) – The State of California Highway Users Tax is a \$0.18 per gallon tax on fuel. Taxes are allocated to the City based on population. For fiscal year 2013, the City anticipates gas tax allocations of \$336,000 (2105), \$230,000 (2106), \$482,000 (2107) and \$7,500 (2107.5) based on the State's current estimates. Traffic Congestion Relief revenues were replaced with a Motor Vehicle Fuel Tax (2103) apportionment from the State in fiscal year 2011. The City anticipates \$747,000 from the State for (2103) in fiscal year 2013 based on current State's estimates.

Measure M – A county-wide half-cent sales tax, Measure M, was approved by the voters for improvements to the transportation system. The “turn-back funds” apportionment is based on local sales tax generated (25%), population (50%) and miles of major regional streets in the City (25%). The City's Measure M apportionment for FY 2013 is based on current County estimates is budgeted at \$823,020.

Pollution Subventions – The South Coast Air Quality Management levies a fee on motor vehicles registered within the District. Forty percent of the fees collected are distributed to cities in the district that have adopted mobile sources air pollution reduction ordinances. The City's share for FY 2013 is expected to amount to \$80,000 and is based on historical receipts. The City will use AQMD fees for traffic calming improvements throughout the City.

Assessments:

Street Improvement Program Assessments – The City of San Clemente's Street Improvement Program is funded partially by property assessments on all developed property. In fiscal year 2012 the assessment district was expired; therefore no revenues are anticipated for this program in FY 2013.

All Fund Revenue Assumptions

Capital Projects Funds:

The major revenues received in Capital Project Funds are from developer fees. The fees are based upon the impact of new development on the City's existing infrastructure and are set aside for construction or rehabilitation of facilities or infrastructure.

Parks Acquisition and Development Fund:

A total of \$23,600 in park fees is anticipated in fiscal year 2013 from the Talega and Marblehead projects.

Regional Circulation Financing & Phasing Program (RCFPP):

RCFPP fees are collected to mitigate the traffic impact from new development projects on existing arterials. No RCFPP fees are anticipated for FY 2013, since no development subject to this fee is anticipated.

Public Facilities Construction Fee Fund:

Public Facilities fees of \$35,700 are anticipated to be received in FY 2013. Fees are derived from small infill projects and are based on square footage. Fees are collected for Beach Parking Impact, Public Safety facilities construction and Civic Center construction.

Enterprise Funds:

The major revenues received in Enterprise Funds are from user fees. For Utilities, the fees are based upon the cost to provide the services and are adjusted based on projections of anticipated future costs. For Golf, fees are based upon comparisons with golf courses within the area and the cost to operate the course.

Water Fund:

A total of \$15.9 million is included in the Water Operating Fund for fixed water charges, effluent water, metered water sales and penalties. The water service charge is based on the size of the water meter. Metered water charges are based upon actual consumption of water. The water consumption structure includes three rate tiers with seasonal break points. One unit of water equals 748 gallons of water. The Water Operating Fund is contributing \$1.9 million annually to the Water depreciation reserve and \$700,000 to the depreciation reserve for joint regionally shared infrastructure.

Sewer Fund:

Sewer service charges are anticipated to amount to \$8.6 million for FY 2013. The sewer service charge is a fixed monthly rate based on water consumption during the "wet winter months" of January through April. The fixed rate is based on meter size. The Sewer Operating Fund is contributing \$2.48 million annually to the Sewer depreciation reserve and \$250,000 annually to the depreciation reserve for joint regionally shared infrastructure.

Storm Drain Fund:

Storm Drain fees are charged to all property owners for the maintenance, rehabilitation and construction of the City's drainage system. A flat rate is charged per month to all residential properties based upon the type of the dwelling unit (i.e. single family, multi-family, etc.). The non-residential and vacant properties are charged a flat rate based upon acreage. Storm drain fees are anticipated to amount to \$1.15 million in FY 2013.

Golf Fund:

The Golf Course charges a tiered rate for resident/non-resident, weekday/weekend and seniors. A total of \$2.1 million is anticipated for FY 2013 and is based upon a 90,000 rounds per year assumption.

Solid Waste Management Fund:

A total of \$120,600 in revenue is anticipated in the Solid Waste Fund from commercial recycling charges, administrative fees and trash bin permits and fines. Commercial recycling fees are charged to commercial facilities and are used to promote recycling efforts. The fees are based on the size of the waste container.

All Fund Revenue Assumptions

Clean Ocean Fund:

The Clean Ocean fee is a local voter approved fee to provide funding to implement the City's urban runoff management plan. Fees range from \$4.39 to \$5.02 per month for residential properties and \$43.90 to \$50.20 per acre, per month for non-residential properties. The total fee anticipated is similar to the previous year at \$1.8 million.

Internal Service Funds:

Internal Service Funds receive revenues from City departments for goods and services provided by another City department on a cost reimbursement basis. Charges are established annually and are based upon actual use of the goods or services. Replacement charges to the Fleet Replacement Reserve are based upon the anticipated cost of replacement. Replacement charges are allocated annually over the life of the vehicle or equipment.

Redevelopment Agency (RDA) Funds:

The City's Redevelopment Agency has been dissolved pursuant to State AB 26; therefore no revenues have been budgeted for the fiscal year 2013. Additional information on the dissolution is in the Redevelopment Agency section of this budget.

All Programs Expenditure Summary

Expenditures By Program	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
City Council					
Legislative Program	51,715	56,960	51,500	54,220	-5%
Cable Programing	15,298	34,210	21,710	27,060	-21%
City Council	\$67,013	\$91,170	\$73,210	\$81,280	-11%
City Manager	563,344	586,810	581,910	585,750	0%
Economic Development	138,339	157,270	153,260	127,200	-19%
City General					
Social Services	22,144	40,450	40,450	3,590	-91%
City Administration	9,519,361	6,843,460	5,682,240	3,874,910	-43%
Total	9,541,505	6,883,910	5,722,690	3,878,500	-44%
Finance & Admin. Services					
F&AS - Administration	423,600	456,550	456,230	463,240	1%
Cash Management/Treasury	13,959	16,360	16,240	16,980	4%
Total	437,559	472,910	472,470	480,220	2%
City Clerk					
Council Related Services	606,678	678,170	659,970	669,510	-1%
Elections	234,202	56,450	54,610	120,800	114%
Total	840,880	734,620	714,580	790,310	8%
Finance					
Fiscal Services	786,921	856,940	842,820	835,760	-2%
Utility Billing & Cashing	730,256	780,060	775,130	810,590	4%
Business Licensing	179,973	184,860	185,980	178,720	-3%
Financial Planning	154,698	153,210	152,780	152,240	-1%
Total	1,851,848	1,975,070	1,956,710	1,977,310	0%
Human Resources					
Human Resource Administration	530,028	511,160	491,480	508,980	0%
Labor Relations	6,399	10,800	23,960	17,630	63%
Employee Training	3,252	13,900	8,010	8,330	-40%
Total	539,679	535,860	523,450	534,940	0%
Police Services					
Police Contract Services	11,867,518	12,427,990	11,937,520	12,476,300	0%
Local Police Services	48,279	52,170	52,190	52,570	1%
Total	11,915,797	12,480,160	11,989,710	12,528,870	0%
Fire Services Contract	6,913,198	7,306,270	7,275,170	7,707,220	5%
Community Development					
Administration	368,898	565,550	496,210	373,100	-34%
Economic Development	0	0	0	144,580	100%
Total	368,898	565,550	496,210	517,680	-8%
Building					
Administration	976,187	1,161,380	1,128,690	1,175,640	1%
Inspection	462,829	424,260	426,660	420,780	-1%
Total	1,439,016	1,585,640	1,555,350	1,596,420	1%
Planning					
Comprehensive Planning	373,825	587,230	470,540	409,950	-30%
Current Planning	839,959	941,980	890,420	998,120	6%
Commsns, Brds & Commt	34,049	45,150	43,870	38,020	-16%

All Programs Expenditure Summary

Expenditures By Program	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Planning Administration	206,589	171,600	166,000	161,560	-6%
Total	1,454,422	1,745,960	1,570,830	1,607,650	-8%
Code Compliance					
Code Compliance	495,013	533,380	570,300	531,660	0%
Weed Abatement	125,700	150,900	150,400	140,400	-7%
Total	620,713	684,280	720,700	672,060	-2%
Public Works Admin.					
Public Works Admin.	441,559	356,060	344,090	330,200	-7%
Emergency Planning	196,069	262,960	250,420	274,440	4%
Total	637,628	619,020	594,510	604,640	-2%
Engineering					
Engineering Admin.	26,747	398,220	288,270	(325,030)	-182%
Inspection	273,775	292,440	292,320	288,030	-2%
Traffic	513,904	575,350	512,140	527,960	-8%
Design And Gen. Engineering	1,386,339	1,661,960	1,546,750	1,626,550	-2%
Major Street Maintenance	763,923	1,531,920	1,360,200	1,915,000	25%
Total	2,964,688	4,459,890	3,999,680	4,032,510	-10%
Maintenance Services					
Traffic Signals	574,617	620,330	624,100	670,520	8%
Traffic Maintenance	293,295	309,190	310,990	315,730	2%
Maintenance Services Admin.	325,906	432,010	430,710	436,170	1%
Street Maintenance & Repair	800,344	832,640	815,320	831,760	0%
Senior Citizen Facility	0	39,000	35,510	53,580	37%
Parking Maintenance	208,246	266,620	267,890	229,270	-14%
Facilities Maintenance	816,047	927,290	919,860	857,020	-8%
Street Lighting	424,249	469,710	469,730	472,200	1%
Total	3,442,704	3,896,790	3,874,110	3,866,250	-1%
Bch, Prk & Rec Admin.					
Bch, Prk & Rec Admin.	361,278	360,120	372,640	371,090	3%
Parks Development	87,679	85,860	87,610	100,690	17%
Total	448,957	445,980	460,250	471,780	6%
Park/Beach Maintenance					
Trail Maintenance	134,387	158,700	161,480	302,400	91%
VH Sports Park Maintenance	0	211,720	211,720	543,350	157%
Street Median & Trees	306,552	319,100	320,600	321,600	1%
Streetscapes	389,054	488,520	462,340	490,200	0%
Park Maintenance	1,530,341	1,922,850	1,690,660	1,703,450	-11%
Beach Maintenance	754,952	489,330	437,310	761,040	56%
Parks & Beach Maint. Admin.	1,095,294	1,158,210	1,107,350	1,151,060	-1%
Steed Park Maintenance	241,172	267,500	286,300	289,300	8%
Total	4,451,752	5,015,930	4,677,760	5,562,400	11%
Recreation					
Ole Hanson Beach Club (OHBC)	95,047	1,563,540	1,563,750	1,009,490	-35%
Community Center	445,183	486,170	470,450	477,410	-2%
Senior Citizen Center	26,310	16,110	18,510	86,620	438%
Community Services	1,028,327	1,256,150	1,232,520	1,282,480	2%
OHBC Swimming Pool	512,037	385,010	430,370	65,960	-83%
VH Sports Field/Aquatics	0	633,730	435,690	1,288,110	103%
Steed Park Operations	79,845	89,650	104,340	115,510	29%
Recreation Program/Events	458,291	412,710	394,780	426,870	3%
Total	2,645,040	4,843,070	4,650,410	4,752,450	-2%

All Programs Expenditure Summary

Expenditures By Program	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Marine Safety					
Operations Rescue	1,250,479	1,355,230	1,333,580	1,346,480	-1%
Prevention & Education	78,331	87,470	80,720	104,870	20%
Total	1,328,810	1,442,700	1,414,300	1,451,350	1%
Total General Fund	52,611,790	56,528,860	53,477,270	53,826,790	-5%
Other Funds					
Street Improvement	2,705,824	5,312,060	5,310,260	2,489,430	-53%
Gas Tax					
2106 Gas Tax	1,832,162	5,125,830	5,070,530	4,033,560	-21%
2107 Gas Tax	480,131	489,940	489,940	490,780	0%
Total	2,312,293	5,615,770	5,560,470	4,524,340	-19%
Miscellaneous Grants					
CDBG Administration	88,539	86,690	93,900	66,670	-23%
CDBG Housing Rehabilitation	71,915	165,740	165,740	95,000	-43%
Public Fac/Infrastructure Grant	121,013	329,830	307,000	150,000	-55%
CDBG Public Services	63,642	59,000	59,000	52,000	-12%
CDBG Commercial Rehab	22,982	51,280	51,280	20,000	-61%
Total	368,091	692,540	676,920	383,670	-45%
Air Quality Improvement	72,477	169,440	169,440	80,000	-53%
Police Grants	135,932	160,220	157,220	100,000	-38%
Reserve Fund					
Accrued Leave	46,418	140,000	133,930	140,000	0%
Capital Equipment	174,137	662,660	661,160	460,000	-31%
Facilities Maintenance	22,586	760,160	509,920	58,000	-92%
Park Asset Replacement	0	150,000	150,000	0	-100%
Total	243,141	1,712,820	1,455,010	658,000	-62%
Parks Acq. & Development	22,409,385	10,978,200	10,978,200	140,860	-99%
Local Drainage Facilities	5,318	188,050	188,050	6,970	-96%
R C F P P	2,352,302	484,970	444,960	57,290	-88%
Public Facilities Const. Fee	2,398,085	3,527,520	3,524,580	62,270	-98%
Developers Improvement					
Commercial Improvements	1,337,659	1,765,020	1,765,020	7,420	-100%
In-Lieu Housing	0	3,041,000	3,041,000	25,000	-99%
Developers Improvement	1,337,659	4,806,020	4,806,020	32,420	-99%
Negocio Debt Service	767,508	1,622,950	1,537,240	569,610	-65%
Water					
Water Administration	1,051,947	1,257,650	1,188,320	1,222,300	-3%
Water Production	9,761,876	11,378,100	11,367,940	12,037,740	6%
Transmission/Distribution	2,898,462	3,004,890	3,091,930	3,149,120	5%
Water Conservation	212,806	228,680	167,100	240,620	5%
Reclaimed Water	917,875	964,990	914,040	747,490	-23%
Total Operating	14,842,966	16,834,310	16,729,330	17,397,270	3%

All Programs Expenditure Summary

Expenditures By Program	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Water Depreciation Res.	2,094,007	7,593,340	7,493,560	2,280,230	-70%
Water Acreage Fee Res.	616,849	8,574,190	8,531,110	56,520	-99%
Water Other Agency	15,463	3,614,750	3,614,750	831,260	-77%
Total	17,569,285	36,616,590	36,368,750	20,565,280	-44%
Sewer					
Sewer Administration	1,190,296	1,347,880	1,272,980	1,298,960	-4%
Treatment	4,039,057	4,176,230	4,147,700	4,277,280	2%
Collection	3,138,656	3,207,160	3,195,380	3,249,530	1%
Total Operating	8,368,009	8,731,270	8,616,060	8,825,770	1%
Sewer Depreciation Res.	1,377,152	9,250,970	9,115,890	3,752,940	-59%
Sewer Connection Fee Res.	365,296	21,224,480	21,224,480	2,333,730	-89%
Sewer Other Agency	23,925	135,620	135,620	13,820	-90%
Total	10,134,382	39,342,340	39,092,050	14,926,260	-62%
Storm Drain Utility					
Storm Drain Admin.	362,207	426,140	409,720	383,410	-10%
Storm Drain Maintenance	1,174,852	1,270,690	1,282,660	1,316,220	4%
Total Operating	1,537,059	1,696,830	1,692,380	1,699,630	0%
Storm Drain Improvements	1,045,962	4,226,180	4,192,890	1,778,020	-58%
Total	2,583,021	5,923,010	5,885,270	3,477,650	-41%
Solid Waste Management	385,999	300,880	273,340	220,790	-27%
Golf Course					
Golf Course Maint.	2,265,412	2,271,220	2,224,280	2,292,700	1%
Total Operating	2,265,412	2,271,220	2,224,280	2,292,700	1%
Golf Course Depreciation Res.	411,991	90,780	90,780	282,480	211%
Capital Improvement Res.	8,000	4,070	4,070	26,010	539%
Total	2,685,403	2,366,070	2,319,130	2,601,190	10%
Clean Ocean					
Storm Water Permit Compliance	1,710,579	2,357,640	2,322,190	2,346,460	0%
Street Cleaning	520,134	578,850	555,820	579,700	0%
Total Operating	2,230,713	2,936,490	2,878,010	2,926,160	0%
Clean Ocean Improvements	147,933	634,430	634,430	165,520	-74%
Total	2,378,646	3,570,920	3,512,440	3,091,680	-13%
Central Services					
Central Services	244,197	343,470	327,730	299,460	-13%
Communication Services	368,729	423,840	305,890	306,020	-28%
Total	612,926	767,310	633,620	605,480	-21%
Medical Insurance	2,906,328	3,205,820	3,016,240	3,167,690	-1%
Information Technology	1,280,905	1,522,590	1,416,230	1,469,570	-3%
Fleet Services					
Fleet Maintenance	1,159,193	1,137,940	1,178,220	1,200,730	6%
Fleet Replacement Reserve	771,644	684,310	684,310	348,760	-49%
Total	1,930,837	1,822,250	1,862,530	1,549,490	-15%
Workers' Compensation	498,953	839,110	838,580	503,990	-40%
Gen. Liab. Self-Ins.					
Playground Maintenance	46,965	64,660	64,660	64,380	0%
General Liab. Self-ins.	1,783,387	2,784,770	2,031,060	2,110,440	-24%
Total	1,830,352	2,849,430	2,095,720	2,174,820	-24%

All Programs Expenditure Summary

Expenditures By Program	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
R D A - Low & Mod Inc Hsg	274,714	253,360	137,670	0	-100%
R D A - Debt Service	3,110,053	3,358,620	875,760	0	-100%
R D A - Projects	1,756,240	2,111,820	716,940	0	-100%
Total All Programs	\$137,657,849	\$196,649,540	\$187,329,910	\$117,285,540	-40%

*Does Not Include Fund Balances

All Fund Expenditures Summary

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel					
Full-Time Salaries	\$13,241,799	\$14,067,550	\$13,492,430	\$13,990,650	-1%
Part-Time Salaries	1,337,285	1,524,600	1,476,200	1,745,730	15%
Overtime	241,270	302,980	257,370	293,720	-3%
Benefits	7,379,951	8,257,480	8,030,070	8,574,710	4%
Total Personnel	22,200,305	24,152,610	23,256,070	24,604,810	2%
Supplies					
Office Supplies	176,884	216,270	210,700	213,340	-1%
Other Operating Supplies	1,059,955	1,324,020	1,280,440	1,276,170	-4%
Petroleum Supplies	500,741	456,260	528,500	531,000	16%
Maintenance Supplies	566,472	674,870	650,760	622,480	-8%
Purchased Water	6,928,689	8,026,730	7,972,130	8,306,700	3%
Total Supplies	9,232,741	10,698,150	10,642,530	10,949,690	2%
Contractual Services					
Administrative	574,378	645,730	623,100	686,120	6%
Travel and Training	63,310	152,750	106,430	134,850	-12%
Utilities	3,401,840	3,736,540	3,827,360	4,095,590	10%
Maintenance	7,521,242	13,087,980	12,890,650	8,936,000	-32%
Internal Services	(1,012,343)	(1,116,380)	(1,143,880)	(1,112,740)	0%
Fire Contract Services	6,391,615	6,767,490	6,736,900	7,157,320	6%
Ambulance Program	497,089	495,000	495,000	515,000	4%
Police Contract Services	11,591,852	12,115,860	11,613,590	12,149,780	0%
Public Safety	91,157	110,000	93,000	95,000	-14%
Legal Services	674,072	684,700	657,120	573,580	-16%
Rental	101,472	115,450	124,650	124,610	8%
Animal/Rodent Control	616,967	671,570	671,630	682,980	2%
Other Contractual Services	3,158,735	5,176,200	4,840,810	3,441,530	-34%
Total Contractual Services	33,671,386	42,642,890	41,536,360	37,479,620	-12%
Other Charges					
Miscellaneous Charges	560,433	905,200	798,910	405,230	-55%
Claims and Insurance Charges	4,683,572	5,980,210	5,086,980	5,176,350	-13%
Taxes and Permits	342,194	1,181,750	202,750	204,150	-83%
Promotional Charges	105,459	186,590	173,820	157,190	-16%
Recreation Charges	602,399	685,460	571,550	692,600	1%
Social Services	253,525	3,285,960	3,269,000	157,080	-95%
Depreciation	6,061,511	6,456,000	6,456,000	6,516,000	1%
Contingency Reserve	8,757	56,090	102,500	110,000	96%
Total Other Charges	12,617,850	18,737,260	16,661,510	13,418,600	-28%
Capital Outlay					
Land and Buildings	39,198	19,520	19,520	0	-100%
Improvements Other Than Bldg.	25,505,802	71,374,110	69,524,330	14,411,400	-80%
Equipment	456,920	942,880	942,540	725,640	-23%
Major Maintenance	1,447,024	2,087,460	1,693,120	1,350,000	-35%
One-time Studies	981,149	1,636,930	1,579,240	100,000	-94%
Total Capital Outlay	28,430,093	76,060,900	73,758,750	16,587,040	-78%
Interdepartmental Charges					
Interdepartmental Charges	5,014,750	5,496,560	5,496,560	5,265,570	-4%
Charges from Other Funds	198,841	248,910	256,630	254,230	2%
Charges to Other Funds	(198,841)	(224,440)	(232,160)	(229,760)	2%
General Fund Overhead Charge	2,725,900	2,856,990	2,856,990	2,941,080	3%
Total Interdepartmental Charges	7,740,650	8,378,020	8,378,020	8,231,120	-2%
Interfund Transfers					
	15,901,133	11,610,880	11,039,800	5,305,540	-54%
Debt Service					
	7,863,691	4,368,840	2,056,870	709,120	-84%
Ending Fund Balances					
	151,642,736	90,834,456	99,028,736	90,397,286	0%
Total Expenditures*	\$137,657,849	\$196,649,550	\$187,329,910	\$117,285,540	-40%

*excluding fund balances

All Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel					
Salaries, Regular Full-Time	13,241,799	14,067,550	13,492,430	13,990,650	-1%
Salaries, Regular Part-Time	416,240	415,020	410,790	421,770	2%
Salaries, Hourly Part-Time	921,045	1,109,580	1,065,410	1,323,960	19%
Regular Overtime	3,379	6,440	3,790	6,810	6%
Premium Overtime, Regular	235,005	282,620	247,460	280,690	-1%
Premium Overtime, Part-Time	2,886	13,920	6,120	6,220	-55%
Holiday Pay	5,400	5,990	4,300	6,650	11%
Accrued Leave Payoff	258,521	331,120	314,330	396,380	20%
Disability Compensation	24,115	1,630	5,120	1,630	0%
Education Incentive Pay	424	660	450	660	0%
Assignment Pay	115,925	135,900	133,190	136,740	1%
Tool Replacement Allowance	430	500	500	500	0%
Auto Allowance	25,800	26,400	25,800	26,400	0%
Phone Allowance	9,339	9,400	11,020	10,050	7%
Employee Benefits	633	640	640	640	0%
Educational Reimbursement	8,290	20,400	15,400	28,020	37%
Bilingual Pay	522	1,040	520	520	-50%
FICA	811,607	823,320	834,610	836,970	2%
Medicare	218,356	221,590	224,670	228,810	3%
State Disability Insurance	144,871	156,210	144,760	131,660	-16%
A. D. & D. Insurance	2,655	3,000	2,820	2,880	-4%
Long Term Disability Insurance	50,164	51,780	51,260	52,680	2%
State Unemployment Insurance	80,605	46,420	50,030	77,680	67%
Workers' Compensation Insurance	361,622	382,110	384,640	396,630	4%
Life Insurance	47,009	46,750	45,480	45,840	-2%
Medical Insurance	2,489,207	2,621,830	2,551,970	2,796,030	7%
P.E.R.S. Retirement Premium	139,068	154,240	157,420	157,500	2%
San Clemente Retirement Premium	2,485,042	3,102,530	2,957,710	3,115,490	0%
Deferred Compensation	50,212	59,500	60,030	59,500	0%
Deferred Compensation, Part Time	50,134	54,520	53,400	64,850	19%
Total Personnel	22,200,305	24,152,610	23,256,070	24,604,810	2%
Supplies					
Office Supplies	72,536	91,040	90,330	88,300	-3%
Postage	101,060	120,030	115,170	119,840	0%
Data Processing Supplies	3,288	5,200	5,200	5,200	0%
Maps and Blueprints	0	10,650	10,500	10,550	-1%
Horticultural Supplies	68,620	98,200	94,700	103,300	5%
Leadership Supplies	2,129	3,000	3,000	3,000	0%
Medical Supplies	5,336	10,860	10,750	7,260	-33%
Chemical Supplies	347,468	392,500	386,700	436,700	11%
Laboratory Supplies	18,456	30,450	30,450	26,580	-13%
Janitorial Supplies	21,487	41,530	30,130	39,380	-5%
Photographic Supplies	603	450	400	800	78%
Protective Supplies	17,105	18,460	16,710	17,460	-5%
Gasoline	379,073	348,000	404,000	407,000	17%
Propane	38,128	37,260	40,000	40,000	7%
Diesel Fuel	83,540	71,000	84,500	84,000	18%
Educational Material	17,845	97,310	63,180	60,010	-38%

All Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Books, Codes and Supplement	14,708	9,440	8,510	10,100	7%
Office Furniture and Equipment	18,382	95,790	92,190	21,480	-78%
Small Tools and Equipment	32,577	90,320	88,050	43,200	-52%
Clothing and Uniforms	23,377	32,750	32,500	32,050	-2%
Service Awards	15,791	15,620	15,620	17,350	11%
Other Operating Supplies	392,400	497,000	501,940	546,990	10%
Water Meter Purchase	134,840	30,000	30,000	0	-100%
Painting Supplies	2,336	2,900	2,350	2,350	-19%
Automotive & Equipment Parts	27,504	32,500	32,250	32,500	0%
Street Signs	29,975	31,180	31,080	31,860	2%
Street Materials	117,901	118,050	118,050	120,050	2%
Other Maintenance Supplies	317,587	339,930	332,140	335,680	-1%
Purchased Water	6,928,689	8,026,730	7,972,130	8,306,700	3%
Total Supplies	9,232,741	10,698,150	10,642,530	10,949,690	2%
Contractual Services					
Advertising	19,181	29,110	17,990	22,110	-24%
Legal Notices	12,760	16,100	14,500	15,000	-7%
Imaging of Documents	47,938	60,000	60,000	60,000	0%
Printing and Binding	58,890	67,330	56,110	66,710	-1%
Travel and Training	55,968	136,150	91,530	120,460	-12%
Required Licensing Certification	2,476	6,970	7,220	5,400	-23%
Mileage	4,866	9,630	7,680	8,990	-7%
Code Updating Service	12,030	11,000	11,000	11,000	0%
Property Insurance	423,579	462,190	463,500	511,300	11%
OCFA Cont Facilities Maint	9,793	30,000	30,000	30,000	0%
Data Lines	100,301	112,000	106,000	127,000	13%
Internet Services	3,081	1,500	1,500	1,500	0%
Telephone	199,761	186,010	164,590	177,910	-4%
Natural Gas	54,789	145,360	106,580	183,630	26%
Electricity	2,028,235	1,992,500	2,279,930	2,389,550	20%
Caltrans/Bahia Electricity	3,844	5,150	5,150	5,300	3%
Water	507,323	708,500	623,610	687,700	-3%
Effluent Water	189,719	213,500	193,000	193,000	-10%
Landfill Fees	304,994	342,020	317,000	298,000	-13%
Const & Demo Recycle - Pd Landfill	0	0	0	2,000	100%
Maintenance of Buildings	285,309	244,110	260,370	287,050	18%
Maintenance of Restrooms	92,314	132,640	132,440	214,150	61%
Maintenance of Improvements	1,354,822	2,692,590	2,689,180	2,375,630	-12%
Maintenance of Beaches	122,074	122,000	122,000	122,000	0%
Maintenance of Landscaping	1,263,057	1,487,800	1,469,000	1,670,150	12%
Maintenance of Trees	307,577	306,000	306,000	306,000	0%
Beach Cleaning	25,310	29,000	29,000	33,000	14%
Maintenance of Office Equipment	48,339	59,970	49,580	52,420	-13%
Maintenance of Auto Equipment	24,440	30,410	25,280	30,650	1%
Maintenance of Operating Equip.	291,770	319,660	313,980	338,900	6%
Maint. of Computer Hardware	77,126	128,010	85,000	82,900	-35%
Maint. of Computer Software	305,245	351,570	305,050	340,320	-3%
Maintenance of Radio Equipment	39,781	48,660	48,720	51,660	6%
Maintenance of Other Facilities	2,571,000	6,282,570	6,235,600	2,192,840	-65%

All Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Maintenance of MO2 Diversion Fac.	22,450	58,150	50,000	50,000	-14%
Graffiti Removal	41,360	69,000	53,500	53,500	-22%
Graffiti - Administration	24,000	24,000	24,000	24,000	0%
Contracted Custodial Services	109,879	144,870	134,980	132,860	-8%
Center Striping/Markings	121,810	125,000	125,000	127,750	2%
Street Sweeping Services	393,579	431,970	431,970	450,220	4%
Engineering Services	(822,843)	(933,380)	(948,380)	(947,740)	2%
SFR Plan Check	17,575	15,480	15,480	15,480	0%
Planning Services	(131,507)	(180,000)	(178,000)	(165,000)	-8%
Building Services	(57,993)	(3,000)	(17,500)	0	0%
Clerical Services	50,701	24,970	20,860	22,400	-10%
Answering Services	5,138	4,600	4,600	4,600	0%
Accounting and Auditing	27,814	32,220	32,220	30,500	-5%
Bank Merchant Fees	165,452	165,020	172,850	178,200	8%
Management Consulting Services	3,493	5,000	5,000	0	-100%
Broker Commissions	46,303	62,640	20,990	0	-100%
Fire Contract Services	6,261,126	6,633,080	6,584,520	7,018,880	6%
OCFA Vehicle Replacement	130,489	134,410	152,380	138,440	3%
Ambulance Program	458,214	455,000	455,000	475,000	4%
Back-up Ambulance Transport	38,875	40,000	40,000	40,000	0%
Crossing Guards	91,157	110,000	93,000	95,000	-14%
Police Contract Services	11,338,162	11,854,270	11,352,000	11,848,430	0%
Parking Citation Processing	253,690	261,590	261,590	301,350	15%
Legal Services - Retainer	113,400	113,400	113,400	113,400	0%
Other Legal Services	560,672	571,300	543,720	460,180	-19%
Medical Examinations	10,142	7,230	7,230	9,230	28%
Investigative Services	2,672	2,000	2,000	2,000	0%
Professional Services	643,928	1,491,410	1,384,560	687,260	-54%
Developers Reimbursement	22,423	395,590	395,580	0	-100%
Rental of Land	28,602	53,000	54,000	62,400	18%
Rental of Buildings	0	0	0	0	0%
Rental of Equipment	53,543	42,280	50,340	41,900	-1%
Rental of Uniforms	19,327	20,170	20,310	20,310	1%
Animal Control and Shelter	592,090	644,710	644,710	653,630	1%
Landscape Rodent Control	24,877	26,860	26,920	29,350	9%
Contractual Services	2,151,618	2,839,940	2,662,540	2,463,860	-13%
Development Contractual Services	2,097	98,900	98,900	10,000	-90%
Sidewalk Pressure Wash	9,379	31,200	18,000	18,000	-42%
Total Contractual Services	33,671,386	42,642,890	41,536,360	37,479,620	-12%
Other Charges					
Court Costs/Citations	1,792	120	1,410	120	0%
Claims Paid	1,077,447	1,232,720	1,232,720	732,500	-41%
Claims Paid - Delta Dental	210,057	218,000	210,000	210,000	-4%
Premiums Paid - Delta Care	21,471	23,000	23,000	23,000	0%
Retiree Premiums - Dental	0	350	150	550	57%
Premiums Paid - Medical	2,244,975	2,510,000	2,340,000	2,460,000	-2%
Premiums Paid - Vision	51,604	51,860	51,860	53,000	2%
Retiree Claims - Delta Dental	32,004	32,000	37,000	45,000	41%
Retiree Premiums - Medical	146,047	175,000	160,000	181,000	3%

All Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Retiree Premiums - Vision	3,332	3,700	3,700	4,300	16%
Claims Administration	78,875	78,380	77,000	81,000	3%
Retiree Health Premium (OPEB)	111,000	100,000	100,000	100,000	0%
Wellness Program	1,208	3,200	3,200	3,200	0%
Workers' Compensation Premiums	77,052	90,000	89,140	110,000	22%
Excess Insurance Premiums	629,708	1,465,200	762,410	1,176,000	-20%
Dues and Subscriptions	95,179	101,840	109,560	116,980	15%
Property Taxes	128	250	250	150	-40%
Other Taxes	10,990	13,000	11,000	13,000	0%
Property Tax Shift	180,076	970,000	0	0	-100%
County Tax Collector's Fee	6,695	8,500	1,500	1,000	-88%
N P D E S Permits	144,305	190,000	190,000	190,000	0%
Expenditure of Grants	300,825	586,050	488,430	23,500	-96%
Licenses and Permits	67,082	105,160	103,650	89,450	-15%
Boards & Commissions Expense	5,648	7,300	6,400	7,300	0%
Special Meetings and Events	29,579	34,890	31,820	28,930	-17%
Fourth of July Celebration	20,352	56,700	58,000	39,000	-31%
City General Special Events	563	15,000	4,000	10,000	-33%
Election Expenses/Special Elections	40,445	50,000	50,330	114,000	128%
Recreation Special Events Expenses	40,809	47,690	47,110	42,500	-11%
Contract Class Instructors	561,590	637,770	524,440	650,100	2%
Community Relations Expense	0	4,000	4,000	4,000	0%
Volunteer Program Expense	3,606	4,250	4,250	5,080	20%
OCTA Adult Day Transportation	3,000	0	0	0	0%
OCTA Senior Center Trans	69,413	75,000	75,000	75,000	0%
RSVP	5,957	8,000	7,900	8,000	0%
Crime Prevention Expenditures	3,565	4,950	4,650	3,850	-22%
Character Counts Expenditures	8,630	7,890	7,530	5,650	-28%
Parent Project Expenditures	2,479	6,370	5,470	2,500	-61%
Chaplain Donation Expenditures	0	550	250	0	-100%
Downtown Business Assoc Subsidy	14,940	46,000	46,000	44,000	-4%
Tourist & Conv. Bureau Subsidy	40,025	30,000	30,000	31,260	4%
Assistance League	3,090	4,850	4,850	0	-100%
Laura's House	11,395	10,000	10,000	8,000	-20%
Family Assistance Minsitries	67,100	30,000	30,000	0	-100%
San Clemente H.S. Grad Night	1,000	1,000	1,000	0	-100%
Marine Unit Support	0	15,000	15,000	0	-100%
Affordable Housing	0	3,056,000	3,041,000	25,000	-99%
Homeless Prevention Program	18,500	4,000	4,000	0	-100%
Camino Health Center	23,395	22,000	22,000	18,000	-18%
South County Sr. Case Management	8,395	7,000	7,000	6,000	-14%
Toby's House	4,500	0	0	0	0%
Friendship Center	9,000	10,600	10,600	0	-100%
Fitness is Fun	1,000	2,500	2,500	0	-100%
Jamboree Housing Corporation	0	2,500	2,500	0	-100%
Shorecliffs Middleschool Program	9,500	10,000	10,000	0	-100%
Illumination Foundation	0	3,500	3,500	0	-100%
Environmental Sustainability Grant	10,000	12,000	6,000	12,000	0%
Turf Removal Incentive Program	1,966	7,500	2,500	7,500	0%

All Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Depreciation	4,326,511	4,646,000	4,646,000	4,706,000	1%
Depreciation Reserve Contribution	1,035,000	1,010,000	1,010,000	1,010,000	0%
Depreciation - Asset Model	700,000	800,000	800,000	800,000	0%
Bad Debt Expense	4,208	0	0	0	0%
Refund of Prior Year Revenue	25,655	2,500	1,510	2,510	0%
Home Rehab Program Inc. - Exp.	0	20,000	20,000	20,000	0%
Other Operating Expense	6,425	9,530	5,920	8,670	-9%
Contingency Reserve	8,757	56,090	102,500	110,000	96%
Total Other Charges	12,617,850	18,737,260	16,661,510	13,418,600	-28%
Capital Outlay					
Land	707	19,520	19,520	0	-100%
Buildings	38,491	0	0	0	0%
Improvements Other Than Bldg.	25,505,802	71,374,110	69,524,330	14,411,400	-80%
Computer Equipment	35,032	101,100	79,520	76,500	-24%
Office Furniture and Equipment	0	10,510	10,380	0	-100%
General Machinery and Equipment	210,362	295,720	283,610	310,800	5%
Computer Software	0	50,300	50,300	0	-100%
Automotive Equipment	211,526	485,250	518,730	338,340	-30%
Major Maintenance	562,088	405,540	182,920	285,000	-30%
Sidewalk Repair & Improvements	12,809	287,320	115,600	115,000	-60%
Sidewalk Improvements CDBG	121,014	150,000	150,000	150,000	0%
Major Street Maintenance	512,187	983,520	983,520	550,000	-44%
Slurry Seal	238,926	261,080	261,080	250,000	-4%
Capital Study	90,996	242,610	255,000	0	-100%
One-time Studies/Costs/Training	890,153	1,394,320	1,324,240	100,000	-93%
Total Capital Outlay	28,430,093	76,060,900	73,758,750	16,587,040	-78%
Interdepartmental Charges					
Insurance Charges	1,200,000	1,600,000	1,600,000	1,600,000	0%
Postage Charges	114,980	104,390	104,390	91,780	-12%
Duplicating Charges	81,030	86,760	86,760	88,230	2%
EDMS Charges	31,350	38,570	38,570	8,770	-77%
Information Technology Charges	1,254,920	1,271,390	1,271,390	1,284,500	1%
Communications Charges	430,220	400,990	400,990	248,810	-38%
Negocio Rent	100,140	97,260	97,260	95,900	-1%
Fleet Rental Charges	1,575,300	1,660,350	1,660,350	1,593,310	-4%
Capital Equipment Rep. Charge	150,500	151,790	151,790	142,710	-6%
Facilities Maintenance Rep. Charge	76,310	85,060	85,060	101,560	19%
Park Asset Replacement Charge	0	0	0	10,000	100%
Charges from Weed Abatement	0	25,000	25,000	25,000	0%
Charges from Parks Maintenance	0	1,830	1,830	1,830	0%
Charges from Engineering	148,514	150,080	164,800	155,400	4%
Charges from Maintenance	31,898	27,000	20,000	27,000	0%
Charges from Sewer	18,429	45,000	45,000	45,000	0%
General Fund Overhead Charges	2,725,900	2,856,990	2,856,990	2,941,080	3%
Charges to Water Fund	(66,379)	(61,460)	(76,180)	(63,680)	4%
Charges to Sewer Fund	(43,839)	(61,460)	(61,460)	(63,680)	4%
Charges to Storm Drain	(70,194)	(49,520)	(45,520)	(50,400)	2%
Charges To Clean Ocean	(18,429)	(52,000)	(49,000)	(52,000)	0%
Total Interdepartmental Charges	7,740,650	8,378,020	8,378,020	8,231,120	-2%

All Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
<i>Interfund Transfers</i>					
Transfer to General Fund	10,307,368	1,395,440	1,238,610	729,230	-48%
Transfer to 2106 Gas Tax Fund	14,760	79,790	79,000	13,250	-83%
Transfer to Storm Drain Fund	140,000	723,000	723,000	483,000	-33%
Transfer To Negocio Debt Svc.	566,560	1,101,650	1,020,000	312,030	-72%
Transfer to RDA Low And Mod	470,898	480,000	310,000	0	-100%
Transfer to RDA Capital Projects	0	140,400	0	0	-100%
Transfer to St. Improvement Fund	1,430,858	1,652,410	1,652,410	1,598,130	-3%
Transfer to Cap Equip Replacement	0	0	0	40,000	100%
Transfer to Golf Fund	281,820	0	0	0	0%
Transfer to Water Fund	72,755	2,030,000	2,030,000	415,000	-80%
Transfer to Sewer Depreciation	237,204	122,500	122,500	100,000	-18%
Transfer to Sewer Connection	0	0	0	300,000	100%
Transfer to Accrued Leave	80,000	100,000	100,000	110,000	10%
Transfer to Facilities Maintenance	0	60,000	60,000	0	-100%
Transfer to General Liability Fund	1,000,000	0	0	0	0%
Transfer to Other Funds	1,298,910	3,725,690	3,704,280	1,204,900	-68%
Total Interfund Transfers	15,901,133	11,610,880	11,039,800	5,305,540	-54%
<i>Debt Service</i>					
Negocio Principal	125,000	880,000	880,000	95,000	-89%
Principal Expenditure	0	131,000	131,000	144,600	10%
General Fund Loan Principal	208,980	215,000	125,420	0	-100%
Lease/Purchase Principal	0	45,120	45,120	37,930	-16%
Repayment of Other Fund Advance	2,267,517	2,340,000	387,460	0	-100%
RDA County Passthrough Expense	168,712	247,000	0	0	-100%
Negocio Interest	202,045	192,890	192,890	140,680	-27%
General Fund Loan Interest	60,850	54,830	31,980	0	-100%
Lease/Purchase Interest	34,908	44,030	44,030	57,360	30%
P.E.R.S. Unfunded Liability	4,793,870	214,470	214,470	229,550	7%
Negocio Fiscal Agent Charges	1,809	4,500	4,500	4,000	-11%
Total Debt Service	7,863,691	4,368,840	2,056,870	709,120	-84%
Total:	\$137,657,849	\$196,649,550	\$187,329,910	\$117,285,540	-40%



General Fund Summary

Description: The General Fund is the primary operating fund of the City of San Clemente and is used to account for all financial resources except those required to be accounted for in another fund.

Funding Source: Revenues are generated from general taxes, including property and sales taxes, service charges, permits and other fees, investment earnings and other intergovernmental revenues.

Legal Basis: Fund resources are comprised of unspendable, restricted, committed, assigned and unassigned fund assets.

Fund Balance: Fund balance will decrease to \$18.1 million at fiscal year end June 30, 2013, including Sustainability, Emergency, and Vista Hermosa Operations and Maintenance Reserves.

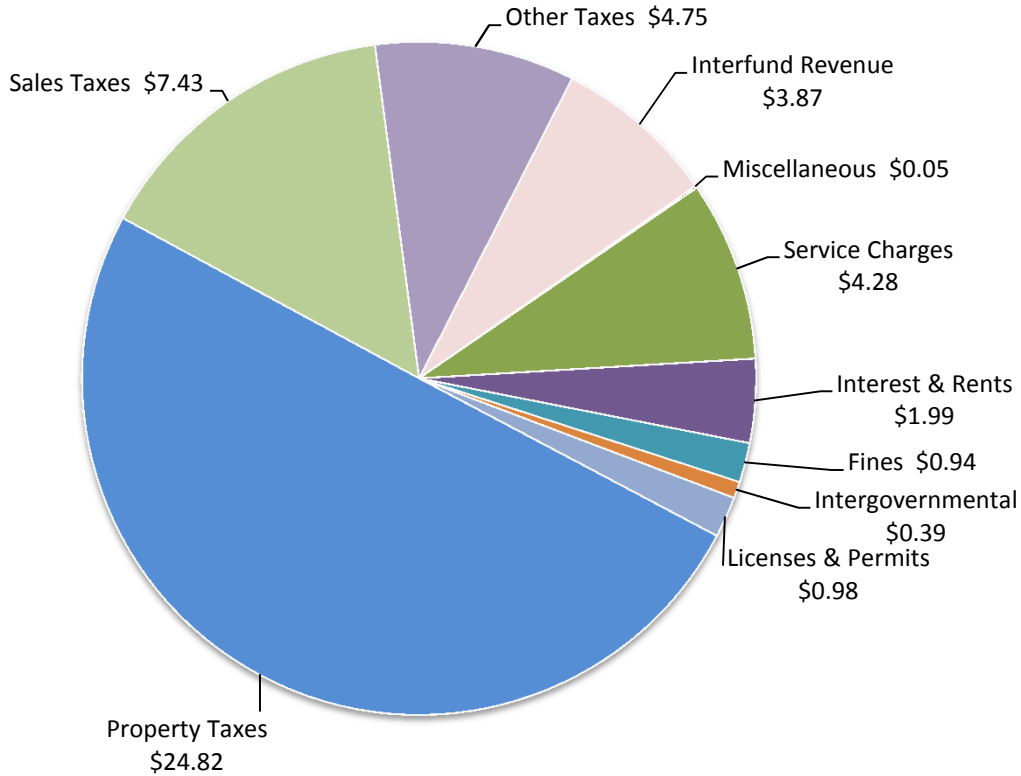
Expenditures By Category	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	\$14,831,323	\$16,266,200	\$15,837,520	\$16,777,800	3%
Supplies	816,776	1,056,430	1,054,630	1,125,800	7%
Contractual Services	22,996,930	24,960,790	24,214,400	25,875,560	4%
Other Charges	1,006,737	2,588,920	1,445,310	1,248,320	-52%
Capital Outlay	2,438,246	5,710,840	5,231,690	3,684,900	-35%
Interdepartmental Charges	3,326,648	3,505,490	3,497,770	3,428,390	-2%
Interfund Transfers	2,401,260	2,225,730	1,981,480	1,456,470	-35%
Debt Service	4,793,870	214,470	214,470	229,550	7%
Total Expenditures	\$52,611,790	\$56,528,870	\$53,477,270	\$53,826,790	-5%

Revenue and Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Beginning Balance	\$21,335,496	\$26,822,866	\$26,822,866	\$22,384,726	-17%
Revenues:					
Taxes	34,999,167	35,833,050	35,942,670	37,001,970	3%
License & Permits	1,903,618	971,190	973,490	976,610	1%
Intergovernmental	1,050,037	881,350	793,290	392,640	-55%
Service Charges	3,959,173	4,036,230	3,886,560	4,281,560	6%
Fines	931,686	941,400	921,500	939,000	0%
Interest & Rents	1,925,663	2,041,640	1,917,500	1,993,910	-2%
Miscellaneous Income	136,488	51,000	40,950	51,620	1%
Interfund Revenue	13,193,328	4,787,170	4,563,170	3,865,940	-19%
Total Revenues	58,099,160	49,543,030	49,039,130	49,503,250	0%
Expenditures:					
General Government	11,151,081	8,453,780	7,245,650	5,463,040	-35%
Finance & Administrative Services	2,829,086	2,983,840	2,952,630	2,992,470	0%
Public Safety	18,828,995	19,786,430	19,264,880	20,236,090	2%
Community Development	3,883,049	4,581,430	4,343,090	4,393,810	-4%
Public Works	7,045,020	8,975,700	8,468,300	8,503,400	-5%
Beaches, Parks & Recreation	8,874,559	11,747,690	11,202,720	12,237,980	4%
Total Expenditures	52,611,790	56,528,870	53,477,270	53,826,790	-5%
Ending Balance	\$26,822,866	\$19,837,026	\$22,384,726	\$18,061,186	-9%

General Fund Revenues by Category

General Fund Revenues

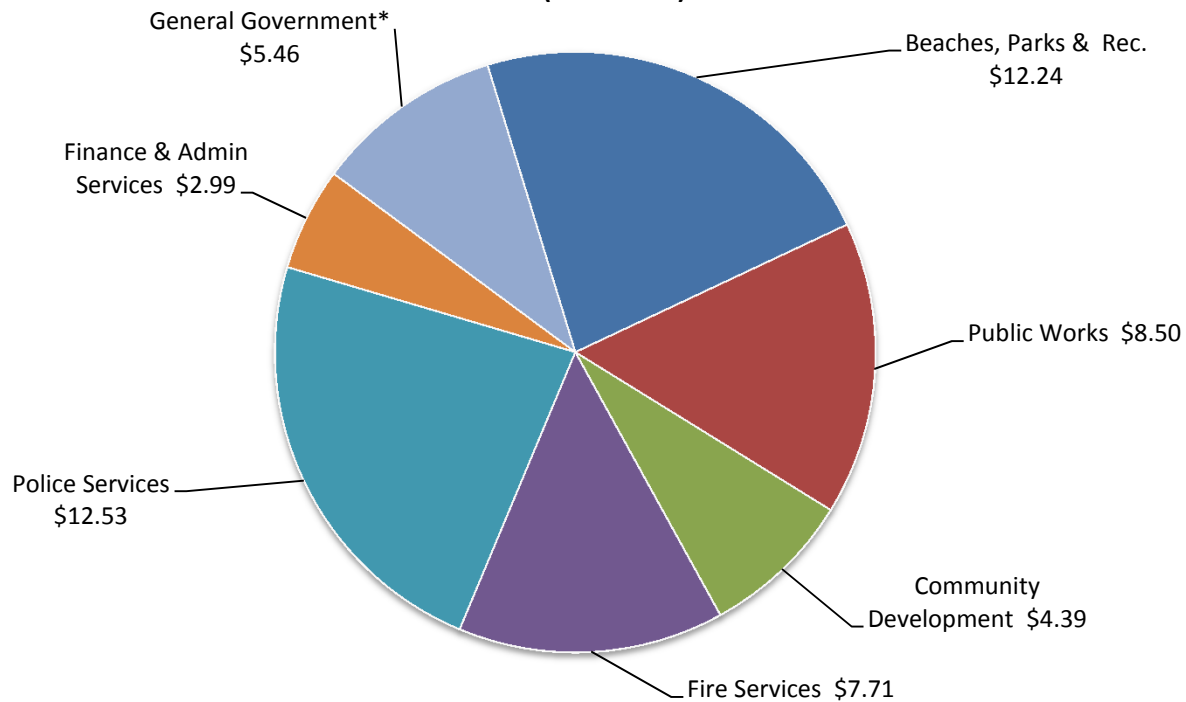
(in millions)



Revenue Categories	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Dollar Change	% Bud 12 To Bud 13
Taxes	\$35,833,050	\$35,942,670	\$37,001,970	\$1,168,920	3%
Licenses & Permits	971,190	973,490	976,610	5,420	1%
Intergovernmental	881,350	793,290	392,640	(488,710)	-55%
Service Charges	4,036,230	3,886,560	4,281,560	245,330	6%
Fines	941,400	921,500	939,000	(2,400)	0%
Interest & Rents	2,041,640	1,917,500	1,993,910	(47,730)	-2%
Miscellaneous	51,000	40,950	51,620	620	1%
Interfund Revenue	4,787,170	4,563,170	3,865,940	(921,230)	-19%
Revenue Subtotal	49,543,030	49,039,130	49,503,250	(39,780)	0%
Beginning Fund Balance:					
Sustainability Fund Balance	10,000,000	10,000,000	10,000,000	0	0%
Emergency Reserve	4,262,000	4,262,000	4,367,000	105,000	2%
VH Maint & Operations	2,913,000	2,913,000	2,514,120	(398,880)	-14%
Unassigned	9,647,866	9,647,866	5,503,606	(4,144,260)	-43%
Total:	\$76,365,896	\$75,861,996	\$71,887,976	(\$4,477,920)	-6%

General Fund Expenditures by Department

General Fund Expenditures by Department (in millions)

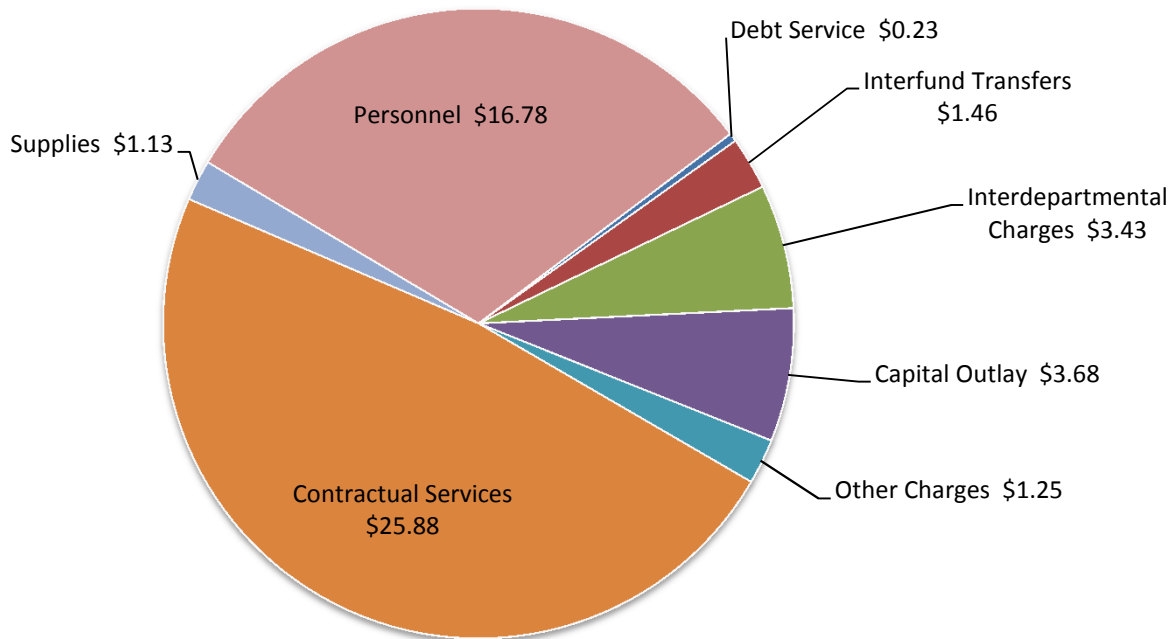


* General Government includes: City Manager, City Council, City Clerk, Economic Development and City General.

Departments	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Dollar Change	% Bud 12 To Bud 13
General Government*	\$8,453,780	\$7,245,650	\$5,463,040	(\$2,990,740)	-35%
Finance & Admin Services	2,983,840	2,952,630	2,992,470	8,630	0%
Police Services	12,480,160	11,989,710	12,528,870	48,710	0%
Fire Services	7,306,270	7,275,170	7,707,220	400,950	5%
Community Development	4,581,430	4,343,090	4,393,810	(187,620)	-4%
Public Works	8,975,700	8,468,300	8,503,400	(472,300)	-5%
Beaches, Parks & Rec.	11,747,690	11,202,720	12,237,980	490,290	4%
Expenditure Subtotal	56,528,870	53,477,270	53,826,790	(2,702,080)	-5%
Ending Fund Balance:					
Sustainability Fund Balance	10,000,000	10,000,000	10,000,000	0	0%
Emergency Reserve	4,367,000	4,367,000	4,538,000	171,000	4%
VH Maint & Operations	2,514,120	2,514,120	1,668,660	(845,460)	-34%
Unassigned	2,955,906	5,503,606	1,854,526	(1,101,380)	-37%
Total:	\$76,365,896	\$75,861,996	\$71,887,976	(\$4,477,920)	-6%

General Fund Expenditures by Category

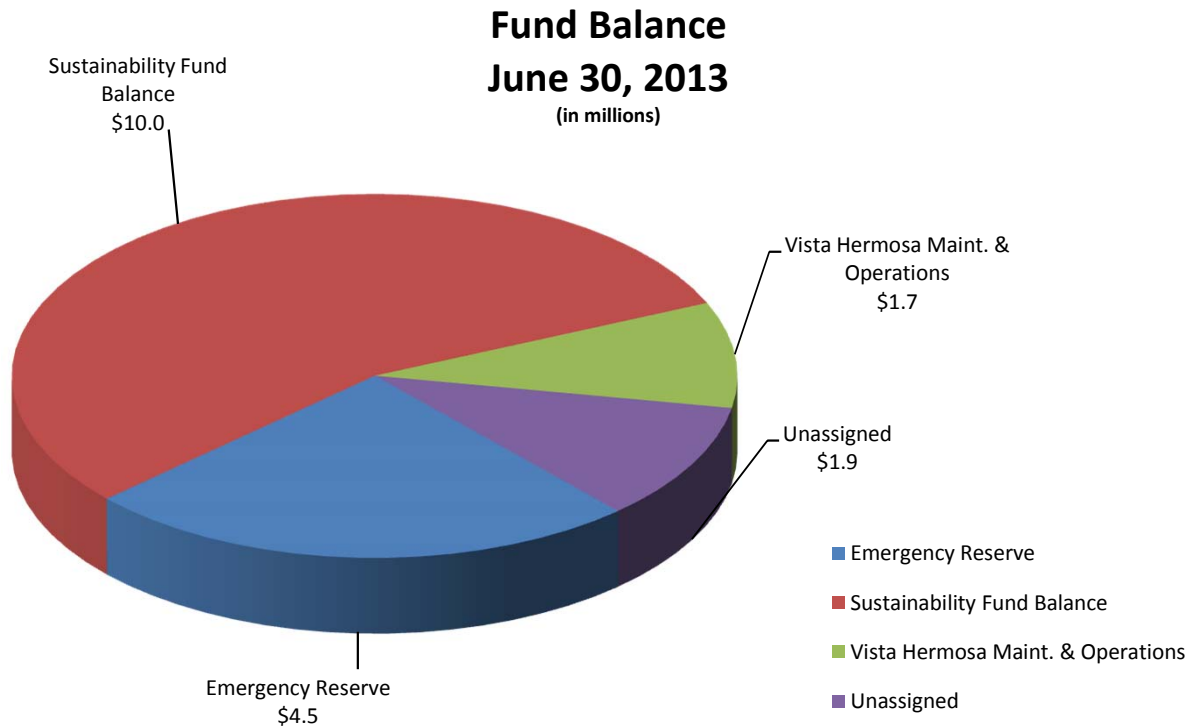
**General Fund Expenditures
By Category**
(in millions)



Expenditure Categories	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Dollar Change	% Bud 12 To Bud 13
Personnel	\$16,266,200	\$15,837,520	\$16,777,800	\$511,600	3%
Supplies	1,056,430	1,054,630	1,125,800	69,370	7%
Contractual Services	24,960,790	24,214,400	25,875,560	914,770	4%
Other Charges	2,588,920	1,445,310	1,248,320	(1,340,600)	-52%
Capital Outlay	5,710,840	5,231,690	3,684,900	(2,025,940)	-35%
Interdepartmental Charges	3,505,490	3,497,770	3,428,390	(77,100)	-2%
Interfund Transfers	2,225,730	1,981,480	1,456,470	(769,260)	-35%
Debt Service	214,470	214,470	229,550	15,080	7%
Expenditure Subtotals	56,528,870	53,477,270	53,826,790	(2,702,080)	-5%
Ending Fund Balance:					
Sustainability Fund Balance	10,000,000	10,000,000	10,000,000	0	0%
Emergency Reserve	4,367,000	4,367,000	4,538,000	171,000	4%
VH Maint & Operations	2,514,120	2,514,120	1,668,660	(845,460)	-34%
Unassigned	2,955,906	5,503,606	1,854,526	(1,101,380)	-37%
Total:	\$76,365,896	\$75,861,996	\$71,887,976	(\$4,477,920)	-6%

General Fund - Fund Balance

The General Fund balance at June 30, 2013 is \$18.1 million. This total includes amounts of \$16.2 million in Sustainability, Emergency and LPVH Operations & Maintenance reserves. Unassigned Fund balance is \$1.9 million.



GASB Statement No. 54 defines five new components of fund balance that will replace the current existing three components. The five new components are:

Nonspendable Fund Balance – Fund balance that includes amounts not in a spendable form, such as prepaid items, inventories of supplies, or loans receivable. This category was traditionally reported as a “reserved” fund balance under the old standard.

Restricted Fund Balance – Fund balance that reflects constraints placed through external sources such as (a) creditors (debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. This category was traditionally reported as a “reserved” fund balance under the old standard.

Committed Fund Balance – Fund balance that includes amounts for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority, and remain binding unless removed in the same manner. This category was traditionally reported as a “designated” fund balance under the old standard.

Assigned Fund Balance – Fund balance that includes amounts constrained by the government’s intent to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established at either the highest level of decision making, or by an official designated for that purpose. This category was traditionally reported as a “designated” fund balance under the old standard.

Unassigned Fund Balance – Fund balance that includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report this category of fund balance. This category was traditionally reported as an “undesigned” fund balance under the old standard.

General Fund Revenue Overview

FY 2012 Adjusted Budget	\$49,543,030
<i>Taxes</i>	
Property tax	624,090
Transient occupancy tax	38,910
Sales tax	485,670
<i>Intergovernmental revenues</i>	
Federal grants	-433,810
Motor vehicle tax	-34,000
<i>Service Charges</i>	
Weed & nuisance abatement	-9,480
Ambulance service charges	50,300
Marine safety fees	35,570
Inspection fees	-170,000
Recreation program fees	-61,500
<i>Interest & Rents</i>	
Investment earnings	-54,830
Facility rentals	-33,600
Site leases	40,700
<i>Other Revenues & Transfers</i>	
Transfer from gas tax	-307,380
Transfer from other funds	-339,800
General Fund overhead charges	99,450
<i>Aggregate Change in Other Categories</i>	29,930
FY 2013 Budget (0% change)	\$49,503,250

General Fund Revenue Summary

by Category

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Property Tax	\$23,780,356	\$23,700,800	\$23,700,800	\$24,324,890	3%
Transient Occupancy Tax	1,460,880	1,503,250	1,503,250	1,542,160	3%
Sales Tax	6,979,049	6,940,000	7,079,290	7,425,670	7%
Franchise Tax	2,236,551	2,389,000	2,375,000	2,409,250	1%
Property Transfer Tax	403,262	400,000	400,000	400,000	0%
Assessments & Delinquent Taxes	139,069	100,000	100,330	100,000	0%
Business License Tax	-	800,000	784,000	800,000	0%
Total Taxes	34,999,167	35,833,050	35,942,670	37,001,970	3%
Business Licenses & Permits	901,110	-	-	-	0%
Construction Permits	811,992	807,700	808,500	807,700	0%
Alarm Permits	103,060	104,000	104,000	106,500	2%
Miscellaneous Permits	87,456	59,490	60,990	62,410	5%
Total License & Permits	1,903,618	971,190	973,490	976,610	1%
Grants	548,039	671,850	583,960	216,840	-68%
Motor Vehicle Tax	313,367	34,000	34,020	-	-100%
Other State Subventions	188,631	175,500	175,310	175,800	0%
Total Intergovernmental	1,050,037	881,350	793,290	392,640	-55%
Planning Development Fees	134,398	136,170	132,320	123,600	-9%
Plan Check Fees	527,192	560,550	554,200	554,780	-1%
General Government Fees	6,820	7,000	7,320	7,380	5%
Traffic Fees	4,250	2,000	2,000	2,000	0%
Weed & Nuisance Abatement	11,968	23,500	15,810	12,020	-49%
Vehicle Abatement Reimb.	26,371	25,000	25,000	25,500	2%
Ambulance Service Charges	681,144	684,000	684,000	734,300	7%
Marine Safety Fees	79,536	86,810	94,230	122,380	41%
Public Safety Fees	2,639	2,000	2,250	2,000	0%
Parking Meters & Permits	819,674	935,000	925,000	937,700	0%
Inspection Fees	416,652	196,800	201,300	26,800	-86%
Recreation Fees	1,248,529	1,377,400	1,243,130	1,733,100	26%
Total Service Charges	3,959,173	4,036,230	3,886,560	4,281,560	6%
Parking Violations	520,246	508,500	508,500	521,000	2%
Vehicle Code & Court Fines	377,159	375,000	370,000	375,000	0%
Other Fines	34,281	57,900	43,000	43,000	-26%
Total Fines	931,686	941,400	921,500	939,000	0%
Interest	429,558	397,830	384,980	343,000	-14%
Communications Rents	442,558	440,930	409,690	481,630	9%
Facility Rental	1,053,547	1,202,880	1,122,830	1,169,280	-3%
Total Interest and Rents	1,925,663	2,041,640	1,917,500	1,993,910	-2%
Miscellaneous Revenue	136,488	51,000	40,950	51,620	1%
Transfers	10,260,488	1,749,910	1,525,910	729,230	-58%
General Fund O/H Charges	2,932,840	3,037,260	3,037,260	3,136,710	3%
Total Other Rev. & Financing Sources	13,329,816	4,838,170	4,604,120	3,917,560	-19%
Total	\$58,099,160	\$49,543,030	\$49,039,130	\$49,503,250	0%

General Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Taxes					
Current Year Secured Taxes	\$17,534,610	\$17,470,000	\$17,470,000	\$18,113,050	4%
Current Year Unsecured Taxes	731,435	737,000	737,000	722,000	-2%
Supp. Roll Property Taxes	186,891	200,000	200,000	200,000	0%
ERAF Property Tax	5,138,757	5,103,000	5,103,000	5,005,700	-2%
Prior Year Secured & Unsecured	440,170	402,000	402,000	500,000	24%
Property Tax Admin. Charge	(251,507)	(211,200)	(211,200)	(215,860)	2%
Transient Occupancy Tax	1,375,376	1,413,250	1,413,250	1,450,000	3%
Transient Occupancy Tax Vacation Rental	85,504	90,000	90,000	92,160	2%
General Sales Tax	6,649,403	6,600,000	6,729,790	7,067,670	7%
P.S. Sales Tax Augmentation	329,646	340,000	349,500	358,000	5%
Lighting Assessments Prior Year	5	0	270	0	0%
San Diego Gas & Electric	525,550	586,000	586,000	600,000	2%
Southern California Gas	168,140	183,000	169,000	187,000	2%
Cox Communications	1,139,592	1,144,000	1,144,000	1,144,000	0%
CR&R	366,612	426,000	426,000	426,000	0%
Other Franchise Fees	22,998	25,000	25,000	26,250	5%
Parimutual Taxes	13,659	25,000	25,000	26,000	4%
Property Transfer Tax	403,262	400,000	400,000	400,000	0%
Penalty & Interest - Delqnt. Prop. Tax	138,990	100,000	100,000	100,000	0%
Penalty & Interest - Delqnt. Prop. Assmt.	74	0	60	0	0%
Business License Tax	0	770,000	770,000	770,000	0%
Business License - Development	0	30,000	14,000	30,000	0%
Total Taxes	34,999,167	35,833,050	35,942,670	37,001,970	3%
License & Permits					
Business Licenses	861,146	0	0	0	0%
Home Occupation Permits	8,540	0	0	0	0%
Business Licenses - Development Related	31,424	0	0	0	0%
Building Permits	491,209	500,000	500,000	500,000	0%
Electrical Permits	101,085	97,500	97,500	97,500	0%
Mechanical Permits	48,627	55,000	55,000	55,000	0%
Plumbing Permits	142,217	147,000	147,000	147,000	0%
Grading Permits	28,852	8,200	9,000	8,200	0%
Bicycle Permits	2	0	0	0	0%
Mobilehome Inspection Fee	1,632	4,490	4,490	4,910	9%
Street Encroachment Permits	81,363	52,000	52,000	53,000	2%
Alarm Permits	103,060	104,000	104,000	106,500	2%
Miscellaneous Permits	4,461	3,000	4,500	4,500	50%
Total License & Permits	1,903,618	971,190	973,490	976,610	1%
Intergovernmental					
Emergency Mgmt Performance Grant	7,744	0	9,000	14,500	100%
Other Federal Grants	362,685	471,810	374,200	23,500	-95%
Mandated Cost Reimbursement	28,294	15,000	14,320	15,300	2%
S.O.N.G.S. Grant	177,610	178,110	178,840	178,840	0%
Other State Grant	0	21,930	21,920	0	-100%
Motor Vehicle Tax	313,367	34,000	34,020	0	-100%

General Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Homeowners Exempt. Subvention	159,381	160,500	160,500	160,500	0%
Special District Augmentation	956	0	490	0	0%
Total Intergovernmental	1,050,037	881,350	793,290	392,640	-55%
Services Charges					
Business License Processing Fee	0	42,000	31,250	31,250	-26%
Building Plan Check Fees	376,962	440,000	440,000	440,000	0%
Planning Plan Check Fees	67,502	63,000	63,000	63,000	0%
Transportation Permits	1,392	1,600	1,600	1,600	0%
Improvement Plan Check Fees	51,453	41,600	34,000	32,280	-22%
Landscape Plan Check Fees	1,366	1,500	1,200	1,500	0%
SFR Plan Check Fee	29,909	14,450	16,000	18,000	25%
Reproduction of Documents	3,959	5,000	5,000	5,000	0%
Map Sales	665	800	450	700	-13%
Bad Check Service Charges	2,861	2,000	2,320	2,380	19%
Other Planning Service Fees	5,223	5,000	8,000	5,000	0%
Planning - CC Applications	14,567	15,000	8,000	10,000	-33%
Planning - PC Applications	67,601	40,000	37,400	27,440	-31%
Planning - ZA Applications	11,198	12,000	17,880	22,900	91%
Planning - Admin Applications	12,664	12,000	18,500	12,500	4%
Traffic Model Fees	0	1,000	1,000	1,000	0%
Traffic Review Fees	4,250	1,000	1,000	1,000	0%
General Plan Update Fee	18,233	7,000	7,000	10,000	43%
Weed Assessments - Current Year	10,823	22,500	13,990	11,000	-51%
Weed Assessments - Prior Year	1,145	1,000	1,820	1,020	2%
Vehicle Abatement Reimb.	26,371	25,000	25,000	25,500	2%
San Diego County Contract	12,100	15,000	15,000	15,300	2%
Ambulance Service Charges	648,704	650,000	650,000	700,000	8%
Ambulance Subscription Fees	20,340	19,000	19,000	19,000	0%
Special Lifeguard Services	1,271	1,000	1,680	1,400	40%
Junior Lifeguard Services	75,815	81,600	90,050	118,880	46%
Special Beach Events Fees	2,450	4,210	2,500	2,100	-50%
Fingerprint Services	640	800	800	800	0%
Visa Letter Service	675	450	450	450	0%
Police Duplication Fees	794	500	500	500	0%
Other Police Dept. Service Charge	530	250	500	250	0%
Parking Meters	694,094	800,000	790,000	800,000	0%
Parking Permits	125,580	135,000	135,000	137,700	2%
Public Works Inspection Fee	3,461	2,000	2,000	2,000	0%
Engineering Plan Review	2,773	1,200	2,300	2,130	78%
Construction Inspection Fee	408,778	190,000	194,500	20,000	-89%
Engr. & Geotech. Reimbursement	4,413	4,800	4,800	4,800	0%
Other Engineering Service Fees	747	370	390	780	111%
OHBC Pool Programs & admin Fees	92,307	68,000	75,000	0	-100%
SCAC Pool Programs & Admin Fees	0	110,000	80,000	300,000	173%
OHBC Contract Pool Class Fees	160,116	55,000	55,000	0	-100%
OHBC Contract Land Class Fees	117,703	68,000	70,400	0	-100%
SCAC Contract Pool Class Fees	0	112,000	29,000	260,000	132%

General Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Comm. Ctr. Contract Class Fees	208,065	210,000	201,000	210,000	0%
Senior Center Contract Class Fees	18,550	0	3,700	100,000	100%
Offsite Contract Class Fees	334,859	400,000	334,000	338,500	-15%
Recreation Sports Fees	36,924	56,600	45,000	56,000	-1%
VHSP Contract Land Class Fees	0	7,100	2,700	20,000	182%
Recreation Trips	888	0	0	0	0%
Recreation Special Events	9,570	5,000	7,080	8,000	60%
After School Programming	84,287	85,000	85,000	85,000	0%
Gift Certificate Classes	(574)	(1,100)	(1,200)	(1,100)	-100%
VHSP Field/Tournament Rental	0	5,000	60,000	160,000	3100%
Steed Park Field/Tournament Rentals	115,658	127,500	127,500	127,500	0%
Steed Park Adult Softball League Fees	69,511	68,500	68,500	68,500	0%
Total Service Charges	3,959,173	4,036,230	3,886,560	4,281,560	6%
Fines					
Parking Violations	520,246	508,500	508,500	521,000	2%
Vehicle Code Fines	359,112	350,000	350,000	350,000	0%
Court Fines	18,047	25,000	20,000	25,000	0%
Alarm Fines	12,878	13,000	13,000	13,000	0%
Administration Citation	2,900	11,000	5,000	5,000	-55%
Enforcement Administrative Citation	18,503	33,900	25,000	25,000	-26%
Total Fines	931,686	941,400	921,500	939,000	0%
Interest and Rents					
Investment Earnings	403,899	335,000	345,000	335,000	0%
Interest Earnings - RDA Loan	60,850	54,830	31,980	0	-100%
Unrealized Gain/Loss on Invest.	(44,525)	0	0	0	0%
Interest Earnings - Other	9,334	8,000	8,000	8,000	0%
Communication Site Rental	442,558	440,930	409,690	481,630	9%
Beach Club Rent	196,968	169,140	181,350	0	-100%
Community Center Rent	108,893	118,000	115,500	100,500	-15%
SCAC Pool Rental	0	95,990	38,000	150,000	56%
OHBC Pool Rental	40,049	21,000	25,000	0	-100%
Senior Center Rentals	8,398	2,300	2,300	10,000	335%
Sports Field Rentals	122,048	84,000	84,000	100,000	19%
VHSP Program/Sport League Fees	0	54,450	10,000	95,000	74%
Rental of City Property	2,101	3,600	4,200	4,200	17%
Park Rentals	10,027	10,000	10,000	15,000	50%
Steed Park Concession	20,379	20,000	20,000	20,000	0%
Trap Range	1,974	0	0	0	0%
Lawn Bowling	700	700	810	700	0%
Pier Restaurant	522,182	600,000	600,000	600,000	0%
Negocio (1030) Lease	0	0	8,360	50,780	100%
"T" Street Concession	4,878	10,000	10,000	10,000	0%
North Beach Concession	4,380	5,000	5,000	5,000	0%
Telescope	792	600	210	0	-100%
Bait & Tackle Shop	9,678	8,000	8,000	8,000	0%
Chamber Building Lease	100	100	100	100	0%
Total Interest and Rents	1,925,663	2,041,640	1,917,500	1,993,910	-2%

General Fund Revenues By Line Item

Revenues Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
<i>Other Revenue & Financing Sources</i>					
Cash Over or Short	(157)	0	80	0	0%
Miscellaneous Income	4,311	1,000	50	1,020	2%
Sidewalk Repair Reimbursement	(2,686)	0	620	0	0%
Miscellaneous Reimbursement	91,110	30,000	20,200	30,600	2%
Forster Ranch Comm Park Maint Reimb	20,582	20,000	20,000	20,000	0%
Gain/loss - Disposal Gen. Fixed Assets	23,328	0	0	0	0%
Transfer from 2106 Gas Tax	180,000	309,000	309,000	0	-100%
Transfer from Misc. Grants Fd.	20,457	20,000	20,000	20,000	0%
Transfer from 2107 Gas Tax	474,571	484,500	484,500	486,120	0%
Transfer from Park Acquisition	9,150,000	0	0	0	0%
Transfer from Water Fund	25,000	25,000	25,000	25,000	0%
Transfer from Sewer Fund	25,000	25,000	25,000	25,000	0%
Transfer from Clean Ocean Fund	173,110	173,110	173,110	173,110	0%
Transfer from Other Fund	212,350	339,800	205,800	0	-100%
Principal from Advance	0	373,500	283,500	0	-100%
General Fund O/H Charges	2,932,840	3,037,260	3,037,260	3,136,710	3%
<i>Total Other Rev. & Financing Sources</i>	<i>13,329,816</i>	<i>4,838,170</i>	<i>4,604,120</i>	<i>3,917,560</i>	<i>-19%</i>
Total:	\$58,099,160	\$49,543,030	\$49,039,130	\$49,503,250	0%

Revenue Assumptions

for Major Revenue Sources

General Fund Revenue Assumptions

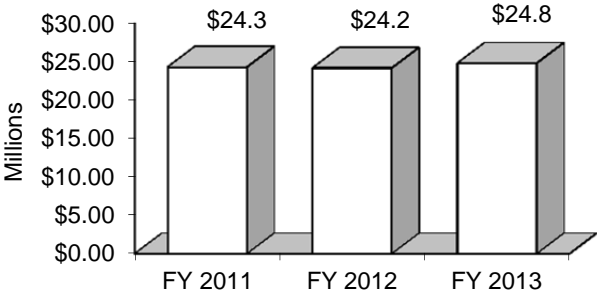
FY 2013 revenues are based on a combination of factors including analysis of historical revenue receipts, anticipated changes in the local economic environment, projected City growth through development and anticipated changes in revenue receipts.

A total of \$49.5 million is anticipated in the General Fund for the 2013 fiscal year. For FY 2012, revenues are projected to amount to \$49.0 million. The assumptions used by the City to budget FY 2013 revenues are explained within this section.

(Note: The charts in this section utilize actual revenues for FY 2011, projected revenues for FY 2012, and FY 2013 budget).

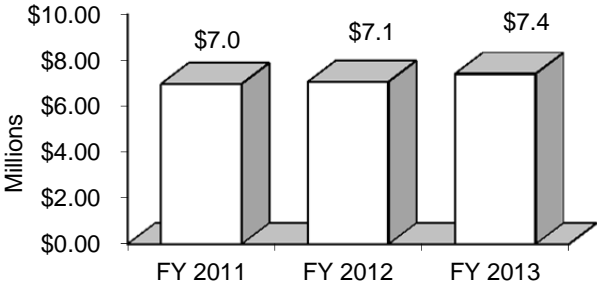
Property Tax

For FY 2013, property taxes are anticipated to increase by 2.5% or \$624,090. In FY 2013, secured property taxes increase 1.5% based on higher assessed values and \$380,000 based on the Redevelopment Agency dissolution. Beyond FY 2013 property taxes are anticipated to remain stable with modest increases over the next few years.



Sales Tax

Sales taxes, which include general sales taxes and Public Safety Augmentation sales taxes, increase by 7% or \$486,000 to \$7.4 million. The top three sales tax categories in the City are fuel, grocery and restaurant industries, and based on current trends and development are anticipated to increase by \$486,000. The allocation of sales tax that is dedicated to public safety based on countywide sales tax receipts is \$358,000.



No sales tax revenue from the Marblehead retail center is included in the FY 2013 budget.

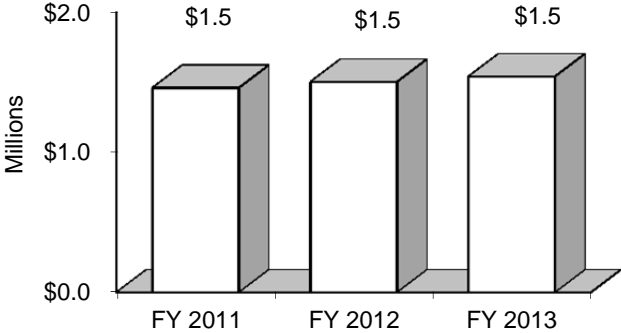
Revenue Assumptions

for Major Revenue Sources

Transient Occupancy Tax (TOT)

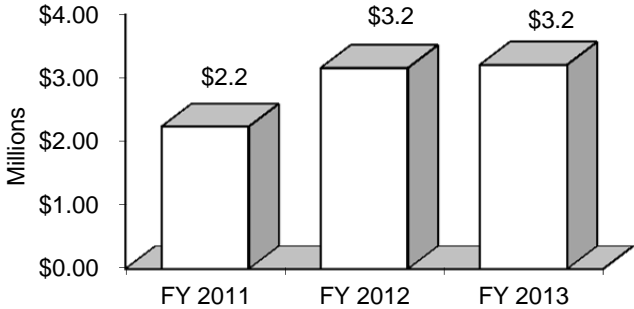
TOT is a 10% "bed" tax that is added on to hotel room bills and vacation rentals within City limits. TOT revenue is estimated at \$1.5 million for FY 2013.

Since the City of San Clemente is a coastal town adjacent to Camp Pendleton, transient occupancy tax revenue is somewhat dependent upon the weather conditions, tourism conditions and the amount of short-term military reserves staying in San Clemente. Lodging in excess of 30 continuous days is exempt from the City's transient occupancy tax.



Other Taxes

This revenue category includes Franchise taxes from the City's utility providers, parimutual, and business license taxes. Franchise taxes, which are based upon 2% of gross sales from the City's providers of electric, gas, cable and trash, are projected to amount to \$3.2 million. Parimutual taxes are based on off-site betting within the community and is based on past activity. In FY 2012, business license taxes were reclassified to this category from license and permits.



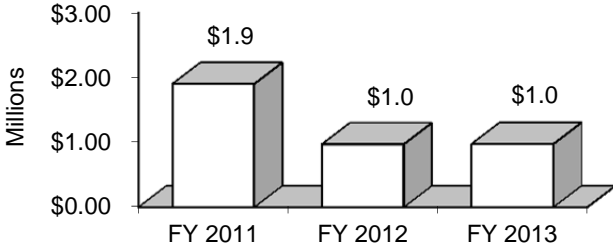
Until development of the balance of Talega and Marblehead begins, franchise taxes are expected to remain stable.

Revenue Assumptions for Major Revenue Sources

License & Permit Fees

Revenue in the license and permit fees category is projected to increase slightly for FY 2013. In FY 2012, business license taxes were reclassified to other taxes from license and permits.

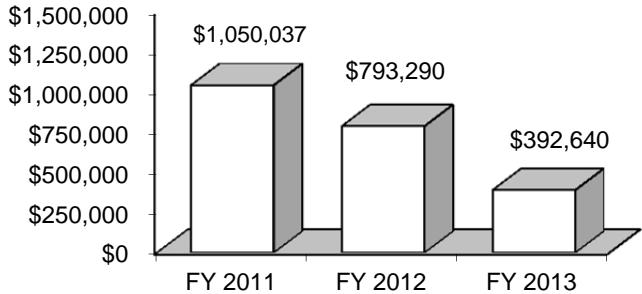
License and permits includes building related permits. Building is anticipated to remain flat as compared to the prior year.



Intergovernmental - Grants

This category consists of Federal, State and County grants. The City receives grant funding for training and emergency response in case of a nuclear event. All costs are reimbursed and the City anticipates \$179,000 from State Office of Emergency Services (OES). During FY 2012, the State of California also stopped paying cities Motor Vehicle tax which contributes to the decrease from FY 2011.

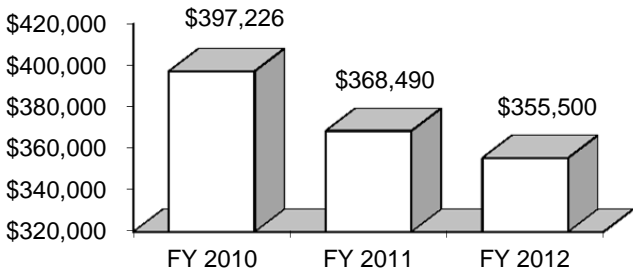
The State mandated cost reimbursement program is partially funded in the State budget.



Intergovernmental - State Subventions

State Subvention revenue includes motor vehicle tax and homeowners exemption subventions. FY 2012 receipts of \$355,500 reflect motor vehicle fees of \$180,000 and \$175,500 from homeowner subvention fees.

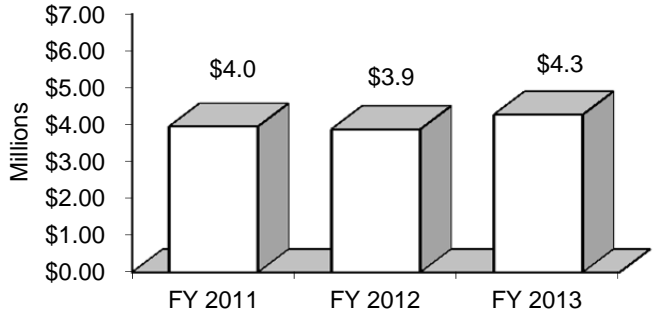
Although the State of California has increased the motor vehicle fee, only the State will benefit from the increased amount.



Revenue Assumptions for Major Revenue Sources

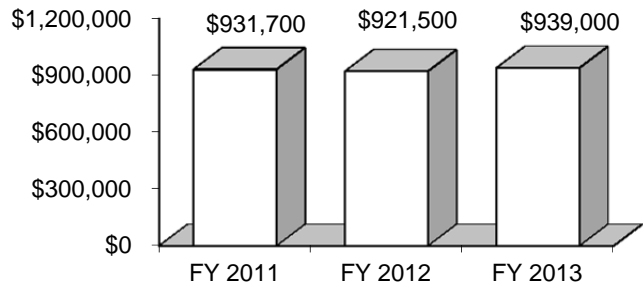
Service Charges

Service Charges consist of development, public safety and recreation charges for services provided to the community. The largest increase is in recreation service charges as a result of the opening of a new park and aquatics center with a full year of revenue. Development service charges are planning, plan check and inspection fees will decrease slightly due to weak development. Inspection fees will decrease based on the completion of a significant project. Ambulance services charges are adjusted annually based on rates set by the County Department of Health.



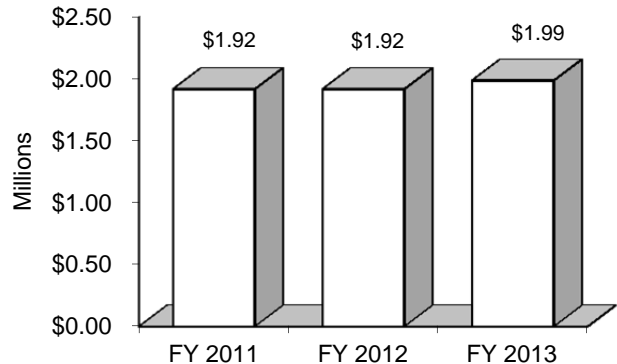
Fines

The fines revenue category is primarily made up of various vehicle, alarm and court fines. The single largest account is parking violation fines, which represents approximately 55% of the revenue in this category and a total of \$939,000 is anticipated for FY 2013. Overall, revenue in this category is anticipated to remain stable at \$939,000.



Interest and Rents

The Interest and Rents category consists of investment income, on-going rental income from City-owned properties, communication antenna sites located throughout the City and community recreation facilities. Investment income, which is based upon an average 1.1% rate of return and an average General Fund cash balance of \$20 million, will result in \$343,000 for FY 2013. Communication site leases will increase slightly and facility rentals remain stable for FY 2013. In total, \$1.99 million is anticipated for FY 2013 from interest and rents.

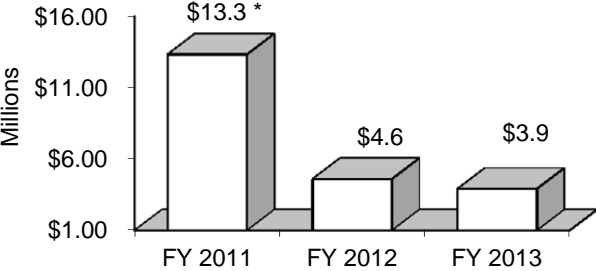


Revenue Assumptions

for Major Revenue Sources

Other Revenues and Financing Sources

These categories include General Fund overhead charges, inter-fund transfers and miscellaneous revenue. In total, \$3.9 million is budgeted for FY 2013. Overhead charges increased \$100,000 and are calculated annually based upon the direct and indirect costs associated with services provided to funds outside of the General Fund. Operational transfers from the Gas Tax, Water and Sewer Funds will be used for street maintenance.



*Includes a one-time transfer from Parks Acquisition fund in the amount of \$9.15 million.



General Fund Expenditure Overview

FY 2012 Adjusted Budget	\$56,528,870
<i>Salary and Benefit Changes</i>	
Salaries, including part time	241,620
Medical insurance	156,490
Retirement cost (including deferred compensation)	61,950
<i>Operational Increases</i>	
Chemical supplies	30,300
Utilities (natural gas, electricity, water)	137,180
Fire contract and ambulance program	409,830
Property Insurance	82,300
Maintenance	353,010
Professional services	51,090
Parking citation	39,760
<i>Operational Decreases</i>	
Development contractual services	-88,900
Other legal services	-58,120
<i>Capital Outlay/Studies</i>	
Ole Hanson Beach Club (OHBC) renovation	1,500,000
Bonito Canyon tennis court rehabilitation	145,000
T Sreet Overpass rehabilitation	-426,710
General Plan update	-1,289,890
Safety/Quiet Zone Improvement (design and construction)	-768,000
Major street maintenance	-433,520
<i>One-time expenditures</i>	
Expenditure of grants	-448,320
Election expenses	64,000
Property tax shift - redevelopment agency	-970,000
<i>Transfers and Debt Service Changes</i>	
Negocio transfer	-789,620
Capital equipment reserve transfer	40,000
RDA Capital Projects fund transfer	-140,400
Facilities maintenance reserve transfer	-60,000
<i>Interdepartmental Charges</i>	
Insurance charges	46,200
Central service charges (postage, communications, EDMS, & duplicating)	-154,620
Fleet charges	20,600
Aggregate Change in Other Categories	-453,310
FY 2013 Budget (-5% decrease)	\$53,826,790

General Fund Expenditure Summary

Expenditures	FY 2011	FY 2012	FY 2012	FY 2013	% Bud 12
Description	Actual	Adj Budget	Projected	Budget	To Bud 13
Full-Time Salaries	\$8,719,972	\$9,360,350	\$9,101,590	\$9,380,930	0%
Part-Time Salaries	1,288,822	1,450,770	1,401,420	1,671,810	15%
Overtime	52,132	92,930	72,900	83,170	-11%
Benefits	4,770,397	5,362,150	5,261,610	5,641,890	5%
Total Personnel	14,831,323	16,266,200	15,837,520	16,777,800	3%
Office Supplies	127,709	154,130	154,040	155,590	1%
Other Operating Supplies	372,660	541,130	542,080	607,130	12%
Maintenance Supplies	316,407	361,170	358,510	363,080	1%
Total Supplies	816,776	1,056,430	1,054,630	1,125,800	7%
Administrative	157,312	198,740	177,180	272,720	37%
Travel and Training	35,632	104,860	78,560	98,090	-6%
Utilities	1,124,944	1,515,980	1,439,420	1,664,460	10%
Maintenance	2,483,844	2,986,330	2,945,370	3,318,580	11%
Internal Services	(1,209,048)	(1,331,380)	(1,343,880)	(1,327,740)	0%
Fire Contract Services	6,391,615	6,767,490	6,736,900	7,157,320	6%
Ambulance Program	497,089	495,000	495,000	515,000	4%
Police Contract Services	11,238,162	11,754,270	11,252,000	11,748,430	0%
Public Safety	269,215	284,590	267,590	309,350	9%
Legal Services	458,210	316,700	365,370	258,580	-18%
Rental	41,484	62,310	62,650	71,750	15%
Animal Control	616,967	671,570	671,630	682,980	2%
Other Contractual Services	891,504	1,134,330	1,066,610	1,106,040	-2%
Total Contractual Services	22,996,930	24,960,790	24,214,400	25,875,560	4%
Miscellaneous Charges	258,939	1,611,830	546,760	273,850	-83%
Promotional Charges	105,605	185,440	173,360	156,790	-15%
Recreation Charges	602,399	685,460	571,550	692,600	1%
Social Service Charges	39,794	60,100	61,140	25,080	-58%
Contingency Reserve	0	46,090	92,500	100,000	117%
Total Other Charges	1,006,737	2,588,920	1,445,310	1,248,320	-52%
Buildings	38,491	0	0	0	0%
Improvements Other Than Bldg.	75,035	2,338,040	2,300,140	2,349,600	0%
Equipment	20,902	52,000	75,170	35,300	-32%
Major Maintenance	562,088	405,540	182,920	285,000	-30%
Sidewalk Repair & Improvements	12,809	287,320	115,600	115,000	-60%
Major Street Maintenance	512,187	983,520	983,520	550,000	-44%
Slurry Seal	238,927	261,080	261,080	250,000	-4%
Capital Study	90,214	136,460	136,460	0	-100%
One- time Studies/Costs	887,593	1,246,880	1,176,800	100,000	-92%
Total Capital Outlay	2,438,246	5,710,840	5,231,690	3,684,900	-35%
Interdepartmental Charges	3,507,060	3,684,930	3,684,930	3,613,150	-2%
Charges to Other Funds	(180,412)	(179,440)	(187,160)	(184,760)	3%
Total Interdepartmental Charges	3,326,648	3,505,490	3,497,770	3,428,390	-2%
Total Interfund Transfers	2,401,260	2,225,730	1,981,480	1,456,470	-35%
Total Debt Service	4,793,870	214,470	214,470	229,550	7%
Total:	\$52,611,790	\$56,528,870	\$53,477,270	\$53,826,790	-5%

General Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel					
Salaries, Regular Full Time	\$8,719,972	\$9,360,350	\$9,101,590	\$9,380,930	0%
Salaries, Regular Part Time	385,917	390,450	385,930	397,110	2%
Salaries, Hourly Part Time	902,905	1,060,320	1,015,490	1,274,700	20%
Regular Overtime	1,894	3,370	2,080	3,740	11%
Premium Overtime, Regular	47,352	75,640	64,730	73,210	-3%
Premium Overtime, Part-Time	2,886	13,920	6,090	6,220	-55%
Holiday Pay	5,400	5,990	4,300	6,650	11%
Accrued Leave Payoff	138,192	153,160	136,870	162,570	6%
Disability Compensation	14,557	0	4,800	0	0%
Assignment Pay	39,258	58,030	56,690	58,030	0%
Auto Allowance	25,800	26,400	25,800	26,400	0%
Phone Allowance	6,234	6,170	7,790	6,820	11%
Employee Benefits	633	640	640	640	0%
Educational Reimbursement	3,000	20,400	15,400	28,020	37%
Bilingual Pay	522	1,040	520	520	-50%
FICA	517,662	538,230	546,220	552,880	3%
Medicare	148,218	153,820	156,150	161,220	5%
State Disability Insurance	92,667	101,110	94,690	86,060	-15%
A. D. & D. Insurance	1,791	2,050	1,930	1,930	-6%
Long Term Disability Insurance	33,834	34,950	35,240	35,960	3%
State Unemployment Insurance	55,052	32,280	35,530	54,310	68%
Workers' Compensation Insurance	194,206	211,670	212,370	225,680	7%
Life Insurance	31,567	31,440	30,980	30,990	-1%
Medical Insurance	1,594,027	1,677,090	1,653,830	1,833,580	9%
P.E.R.S. Retirement Premium	139,068	154,240	157,420	157,500	2%
San Clemente Retirement Premium	1,630,181	2,042,380	1,973,900	2,090,780	2%
Deferred Compensation	50,212	59,500	60,030	59,500	0%
Deferred Compensation, Part Time	48,316	51,560	50,510	61,850	20%
Total Personnel	14,831,323	16,266,200	15,837,520	16,777,800	3%
Supplies					
Office Supplies	61,612	73,150	73,860	74,450	2%
Postage	65,905	80,280	79,480	80,440	0%
Data Processing Supplies	192	700	700	700	0%
Maps and Blueprints	0	150	0	50	-67%
Horticultural Supplies	12,319	38,200	39,700	43,300	13%
Leadership Supplies	2,129	3,000	3,000	3,000	0%
Medical Supplies	5,336	10,860	10,750	7,260	-33%
Chemical Supplies	11,529	44,300	38,500	74,600	68%
Janitorial Supplies	17,861	23,030	25,130	34,380	49%
Photographic Supplies	150	250	250	250	0%
Protective Supplies	1,281	2,160	2,160	2,160	0%
Educational Material	949	1,010	1,010	0	-100%
Books, Codes and Supplement	14,529	9,040	8,110	9,700	7%
Office Furniture and Equipment	14,483	29,850	26,250	16,480	-45%
Small Tools and Equipment	24,435	43,620	41,750	30,750	-30%
Clothing and Uniforms	15,501	21,400	21,500	20,900	-2%
Service Awards	15,791	15,620	15,620	17,350	11%

General Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Operating Supplies	279,944	367,450	377,390	414,240	13%
Street Signs	29,975	31,180	31,080	31,860	2%
Street Materials	117,901	118,050	118,050	120,050	2%
Maintenance Supplies	124,954	143,130	140,340	143,880	1%
Total Supplies	816,776	1,056,430	1,054,630	1,125,800	7%
Contractual Services					
Advertising	6,162	17,110	5,990	10,110	-41%
Legal Notices	12,760	16,000	14,500	15,000	-6%
Printing and Binding	16,894	35,430	25,920	35,110	-1%
Travel and Training	30,585	92,100	67,010	87,010	-6%
Required Licensing Certification	850	5,370	5,010	3,190	-41%
Mileage	4,197	7,390	6,540	7,890	7%
Code Updating Service	12,030	11,000	11,000	11,000	0%
Property Insurance	109,466	119,200	119,770	201,500	69%
OCFA Contractual Facilities Maint	9,793	30,000	30,000	30,000	0%
Data Lines	0	0	0	8,500	100%
Telephone	151	3,000	3,480	5,800	93%
Natural Gas	30,694	113,160	80,780	157,430	39%
Electricity	682,744	763,190	803,130	866,930	14%
Caltrans Electricity	3,573	4,950	4,950	5,100	3%
O.C.C.C. Electricity	271	200	200	200	0%
Water	397,718	600,480	515,880	589,500	-2%
Landfill Fees	0	1,000	1,000	1,000	0%
Maintenance of Buildings	116,835	161,920	178,680	204,860	27%
Maintenance of Restrooms	92,314	132,640	132,440	214,150	61%
Maintenance of Improvements	30,809	34,720	26,830	29,000	-16%
Maintenance of Beaches	122,074	122,000	122,000	122,000	0%
Maintenance of Landscaping	1,206,790	1,428,800	1,412,130	1,604,150	12%
Maintenance of Trees	293,477	294,000	294,000	294,000	0%
Beach Cleaning	25,310	29,000	29,000	33,000	14%
Maintenance of Office Equipment	3,628	6,820	4,580	5,420	-21%
Maintenance of Auto Equipment	225	410	270	470	15%
Maintenance of Operating Equipment	29,479	31,160	25,890	26,100	-16%
Maintenance of Computer Software	9,926	10,250	10,050	10,500	2%
Maintenance of Radio Equipment	13,869	20,000	20,000	20,000	0%
Maintenance of Other Facilities	284,354	399,520	399,800	464,600	16%
Graffiti Removal	41,360	69,000	53,500	53,500	-22%
Graffiti Administration	24,000	24,000	24,000	24,000	0%
Contracted Custodial Service	67,584	97,090	87,200	85,080	-12%
Center Striping/Markings	121,810	125,000	125,000	127,750	2%
Engineering Services	(1,019,548)	(1,148,380)	(1,148,380)	(1,162,740)	1%
SFR Plan Check	17,575	15,480	15,480	15,480	0%
Planning Services	(131,507)	(180,000)	(178,000)	(165,000)	-8%
Building Services	(57,993)	(3,000)	(17,500)	0	-100%
Clerical Services	50,701	24,970	20,860	22,400	-10%
Accounting and Auditing	20,391	26,000	26,000	30,500	17%
Bank Merchant Fees	115,836	112,020	122,850	128,200	14%
Brokers Commissions	0	20,990	20,990	0	-100%

General Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Fire Contract Services	6,261,126	6,633,080	6,584,520	7,018,880	6%
OCFA Vehicle Replacement	130,489	134,410	152,380	138,440	3%
Ambulance Program	458,214	455,000	455,000	475,000	4%
Back-up Ambulance Program	38,875	40,000	40,000	40,000	0%
Crossing Guards	91,157	110,000	93,000	95,000	-14%
Police Contract Services	11,238,162	11,754,270	11,252,000	11,748,430	0%
Parking Citation Processing	178,058	174,590	174,590	214,350	23%
Legal Services - Retainer	113,400	113,400	113,400	113,400	0%
Other Legal Services	344,810	203,300	251,970	145,180	-29%
Medical Examinations	10,142	7,230	7,230	9,230	28%
Investigative Services	2,672	2,000	2,000	2,000	0%
Professional Services	185,393	226,140	189,490	277,230	23%
Rental of Land	28,602	53,000	54,000	62,400	18%
Rental of Equipment	8,692	4,780	3,700	4,400	-8%
Rental of Uniforms	4,190	4,530	4,950	4,950	9%
Animal Control and Shelter	592,090	644,710	644,710	653,630	1%
Landscape Rodent Control	24,877	26,860	26,920	29,350	9%
Contractual Services	477,318	577,420	544,810	593,000	3%
Development Contractual Services	2,097	98,900	98,900	10,000	-90%
Sidewalk Pressure Wash	9,379	23,180	18,000	18,000	-22%
Total Contractual Services	22,996,930	24,960,790	24,214,400	25,875,560	4%
Other Charges					
Court Costs	1,387	120	1,410	120	0%
Dues and Subscriptions	84,735	85,560	94,090	102,750	20%
Other Taxes	10,990	13,000	11,000	13,000	0%
Property Tax Shift - ERAF	0	970,000	0	0	-100%
Expenditure of Grants	77,685	471,820	374,200	23,500	-95%
Licenses and Permits	1,821	2,000	1,900	2,000	0%
Boards & Commissions Expense	5,648	7,300	6,400	7,300	0%
Special Meetings and Events	29,725	33,740	31,360	28,530	-15%
Fourth of July Celebration	20,352	56,700	58,000	39,000	-31%
City General Special Events	563	15,000	4,000	10,000	-33%
Election Expenses	40,445	50,000	50,330	114,000	128%
Recreation Special Event Expenses	40,809	47,690	47,110	42,500	-11%
Recreation Contract Class Instructors	561,590	637,770	524,440	650,100	2%
Community Relations Expense	0	4,000	4,000	4,000	0%
Volunteer Program Expenses	3,606	4,250	4,250	5,080	20%
OCTA Adult Day Transp.	3,000	0	0	0	0%
RSVP	5,957	8,000	7,900	8,000	0%
Crime Prevention	3,565	3,850	3,850	3,850	0%
Character Counts	5,597	5,650	6,790	5,650	0%
Parent Project	2,479	2,500	2,500	2,500	0%
Downtown Business Assoc Subsidy	14,940	46,000	46,000	44,000	-4%
Tourist & Conv. Bureau Subsidy	40,025	30,000	30,000	31,260	4%
Assistance League	3,090	4,850	4,850	0	-100%
San Clemente H.S. Grad Night	1,000	1,000	1,000	0	-100%
Marine Unit Support	0	15,000	15,000	0	-100%
Toby's House	1,000	0	0	0	0%

General Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Fitness Is Fun	1,000	2,500	2,500	0	-100%
Jamboree Housing Corporation	0	2,500	2,500	0	-100%
Shorecliffs Middle School Program	9,500	10,000	10,000	0	-100%
Bad Debt Expense	4,148	0	0	0	0%
Refund of Prior Year Revenues	25,655	2,500	1,510	2,510	0%
Other Operating Expense	6,425	9,530	5,920	8,670	-9%
Contingency Reserve	0	46,090	92,500	100,000	117%
Total Other Charges	1,006,737	2,588,920	1,445,310	1,248,320	-52%
Capital Outlay					
Buildings	38,491	0	0	0	0%
Improvements Other Than Bldg.	75,035	2,338,040	2,300,140	2,349,600	0%
Computer Equipment	0	0	0	1,500	100%
General Machinery and Equipment	20,902	45,000	34,690	33,800	-25%
Automotive Equipment	0	7,000	40,480	0	-100%
Major Maintenance/Repairs	562,088	405,540	182,920	285,000	-30%
Sidewalk Repairs	12,809	287,320	115,600	115,000	-60%
Major Street Maintenance	512,187	983,520	983,520	550,000	-44%
Slurry Seal	238,927	261,080	261,080	250,000	-4%
Capital Study	90,214	136,460	136,460	0	-100%
One-time Studies/Costs	887,593	1,246,880	1,176,800	100,000	-92%
Total Capital Outlay	2,438,246	5,710,840	5,231,690	3,684,900	-35%
Interdepartment Charges					
Insurance Charges	763,320	894,080	894,080	940,280	5%
Postage Charges	101,970	90,580	90,580	83,240	-8%
Duplicating Charges	74,330	78,720	78,720	82,300	5%
EDMS Charges	31,030	37,430	37,430	7,750	-79%
Information Technology Charges	1,019,380	1,040,580	1,040,580	1,039,040	0%
Communications Charges	313,300	287,300	287,300	166,120	-42%
Negocio Rent	90,270	89,390	89,390	89,550	0%
Fleet Rental Charges	886,650	930,000	930,000	950,600	2%
Capital Equipment Replacement	150,500	151,790	151,790	142,710	-6%
Facilities Maintenance Replacement	76,310	85,060	85,060	101,560	19%
Park Asset Replacement Charge	0	0	0	10,000	100%
Charges to Water Fund	(66,379)	(61,460)	(76,180)	(63,680)	4%
Charges to Sewer Fund	(43,839)	(61,460)	(61,460)	(63,680)	4%
Charges to Storm Drain	(70,194)	(49,520)	(45,520)	(50,400)	2%
Charges to Clean Ocean	0	(7,000)	(4,000)	(7,000)	0%
Total Interdepartmental Charges	3,326,648	3,505,490	3,497,770	3,428,390	-2%
Interfund Transfers					
Transfer to 2106 Gas Tax Fund	14,760	15,790	15,000	13,250	-16%
Transfer To Negocio Debt Svc.	530,710	1,101,650	1,020,000	312,030	-72%
Transfer to RDA Capital Projects	0	140,400	0	0	-100%
Transfer to St. Improvement Fund	712,880	734,260	734,260	756,290	3%
Transfer to Capital Equipment	0	0	0	40,000	100%
Transfer to Accrued Leave	80,000	100,000	100,000	110,000	10%
Transfer to Facilities Maintenance	0	60,000	60,000	0	-100%

General Fund Expenditures By Line Item

Expenditures Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Transfer to General Liability	1,000,000	0	0	0	0%
Transfer to Parks Acquisition Fund	0	0	0	0	0%
Transfer to Other Funds	62,910	73,630	52,220	224,900	205%
Total Interfund Transfers	2,401,260	2,225,730	1,981,480	1,456,470	-35%
Debt Service					
Unfunded PERS Liability	4,793,870	214,470	214,470	229,550	7%
Total Debt Service	4,793,870	214,470	214,470	229,550	7%
Total:	\$52,611,790	\$56,528,870	\$53,477,270	\$53,826,790	-5%

General Fund Summary by Department

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
City Council/City Manager /Economic Dev					
City Council	51,715	56,960	51,500	54,220	-5%
Cable Programming	15,298	34,210	21,710	27,060	-21%
City Manager	563,344	586,810	581,910	585,750	0%
Economic Development	138,339	157,270	153,260	127,200	-19%
Total City Council/City Manager/Economic Dev	\$768,696	\$835,250	\$808,380	\$794,230	-5%
City General					
Social Services	22,144	40,450	40,450	3,590	-91%
City General	9,519,361	6,843,460	5,682,240	3,874,910	-43%
Total City General	\$9,541,505	\$6,883,910	\$5,722,690	\$3,878,500	-44%
City Clerk					
Council Related Services	606,678	678,170	659,970	669,510	-1%
Elections	234,202	56,450	54,610	120,800	114%
Total City Clerk	\$840,880	\$734,620	\$714,580	\$790,310	8%
Finance & Administrative Services (F&AS)					
Fiscal Services	786,921	856,940	842,820	835,760	-2%
Utility Billing & Cashing	730,256	780,060	775,130	810,590	4%
Business Licensing	179,973	184,860	185,980	178,720	-3%
Financial Planning	154,698	153,210	152,780	152,240	-1%
Human Resources Administration	530,028	511,160	491,480	508,980	0%
Labor Relations	6,399	10,800	23,960	17,630	63%
Employee Training	3,252	13,900	8,010	8,330	-40%
Finance & Admin. Services Administration	423,600	456,550	456,230	463,240	1%
Cash Management/Treasury	13,959	16,360	16,240	16,980	4%
Total Finance & Administrative Services	\$2,829,086	\$2,983,840	\$2,952,630	\$2,992,470	0%
Police Services					
Police Contract Services	11,867,518	12,427,990	11,937,520	12,476,300	0%
Local Police Services	48,279	52,170	52,190	52,570	1%
Total Police Services	\$11,915,797	\$12,480,160	\$11,989,710	\$12,528,870	0%
Fire Services					
Fire Contract Services	6,913,198	7,306,270	7,275,170	7,707,220	5%
Total Fire Services	\$6,913,198	\$7,306,270	\$7,275,170	\$7,707,220	5%
Community Development					
Building Administration	976,187	1,161,380	1,128,690	1,175,640	1%
Building Inspection	462,829	424,260	426,660	420,780	-1%
Comprehensive Planning	373,825	587,230	470,540	409,950	-30%
Current Planning	839,959	941,980	890,420	998,120	6%
Commission, Boards & Committee Support	34,049	45,150	43,870	38,020	-16%
Planning Administration	206,589	171,600	166,000	161,560	-6%
Community Development Administration	368,898	565,550	496,210	373,100	-34%
Economic Development/Comm. Dev.	0	0	0	144,580	100%
Code Compliance	495,013	533,380	570,300	531,660	0%
Weed Abatement	125,700	150,900	150,400	140,400	-7%
Total Community Development	\$3,883,049	\$4,581,430	\$4,343,090	\$4,393,810	-4%

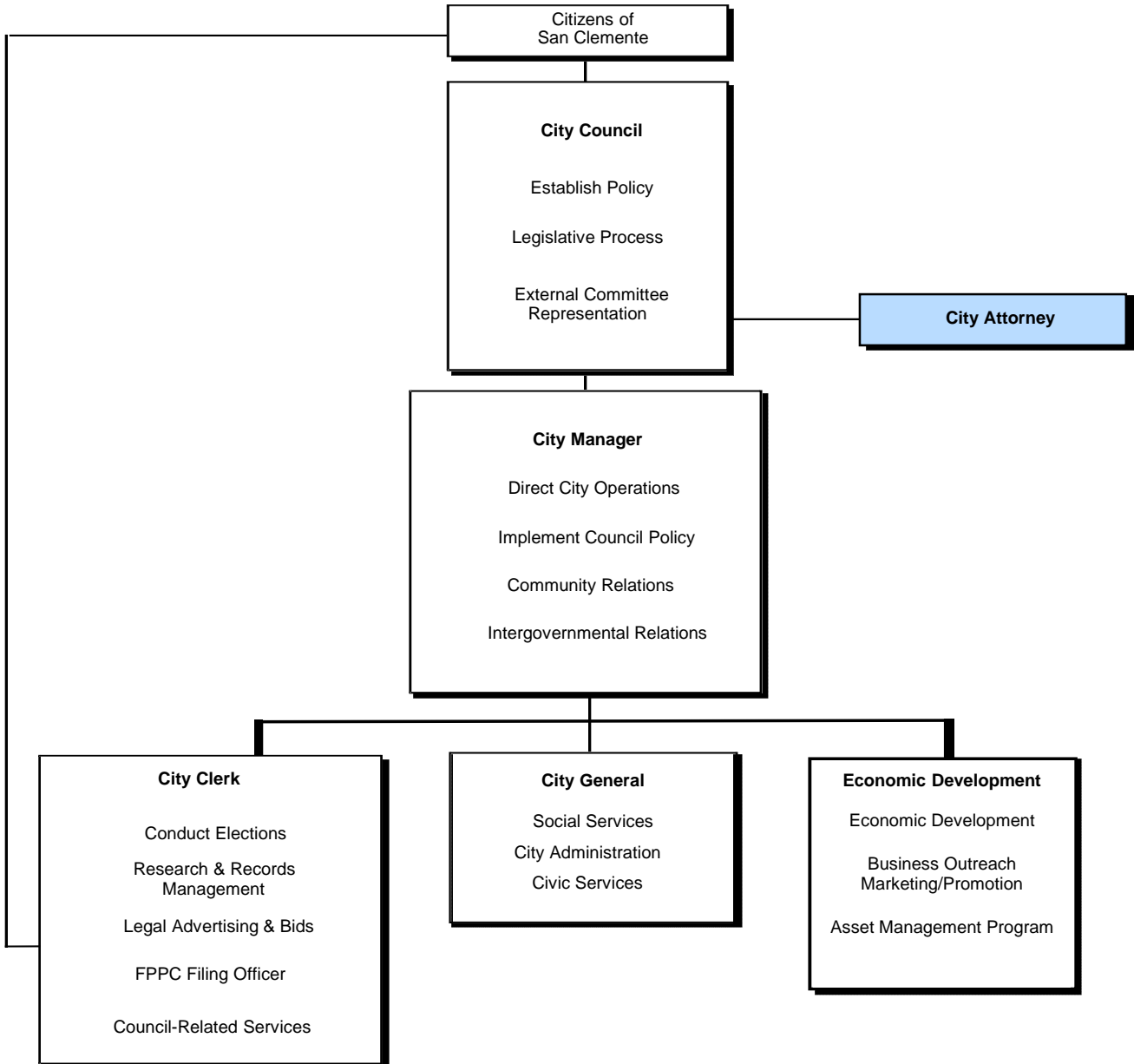
General Fund Summary by Department

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Public Works					
Engineering Administration	26,747	398,220	288,270	(325,030)	-182%
Engineering Inspection	273,775	292,440	292,320	288,030	-2%
Traffic	513,904	575,350	512,140	527,960	-8%
Design & General Engineering	1,386,339	1,661,960	1,546,750	1,626,550	-2%
Major Street Maintenance	763,923	1,531,920	1,360,200	1,915,000	25%
Public Works Administration	441,559	356,060	344,090	330,200	-7%
Emergency Planning	196,069	262,960	250,420	274,440	4%
Traffic Signals	574,617	620,330	624,100	670,520	8%
Traffic Maintenance	293,295	309,190	310,990	315,730	2%
Maintenance Services Administration	325,906	432,010	430,710	436,170	1%
Street Maintenance and Repair	800,344	832,640	815,320	831,760	0%
Senior Citizen Facility	0	39,000	35,510	53,580	37%
Parking Maintenance	208,246	266,620	267,890	229,270	-14%
Facilities Maintenance	816,047	927,290	919,860	857,020	-8%
Street Lighting	424,249	469,710	469,730	472,200	1%
Total Public Works	\$7,045,020	\$8,975,700	\$8,468,300	\$8,503,400	-5%
Beaches, Parks & Recreation (BP&R)					
Ole Hanson Beach Club (OHBC)	95,047	1,563,540	1,563,750	1,009,490	-35%
Community Center	445,183	486,170	470,450	477,410	-2%
Senior Citizen Center	26,310	16,110	18,510	86,620	438%
Community Services	1,028,327	1,256,150	1,232,520	1,282,480	2%
OHBC Swimming Pool	512,037	385,010	430,370	65,960	-83%
VH Sports Field/Aquatics	0	633,730	435,690	1,288,110	103%
Steed Park Operations	79,845	89,650	104,340	115,510	29%
Recreation Program/Events	458,291	412,710	394,780	426,870	3%
Trail Maintenance	134,387	158,700	161,480	302,400	91%
VH Sports Park Maintenance	0	211,730	211,720	543,350	157%
Street Median & Trees	306,552	319,100	320,600	321,600	1%
Streetscapes	389,054	488,520	462,340	490,200	0%
Park Maintenance	1,530,341	1,922,850	1,690,660	1,703,450	-11%
Beach Maintenance	754,952	489,330	437,310	761,040	56%
Parks & Beach Maint. Admin.	1,095,294	1,158,210	1,107,350	1,151,060	-1%
Steed Park Maintenance	241,172	267,500	286,300	289,300	8%
Operations & Rescue	1,250,479	1,355,230	1,333,580	1,346,480	-1%
Prevention & Education	78,331	87,470	80,720	104,870	20%
Beaches, Parks & Recreation Administration	361,278	360,120	372,640	371,090	3%
Parks Development	87,679	85,860	87,610	100,690	17%
Total Beaches, Parks & Recreation	\$8,874,559	\$11,747,690	\$11,202,720	\$12,237,980	4%
Total:	\$52,611,790	\$56,528,870	\$53,477,270	\$53,826,790	-5%

General Government

Department Overview:

General Government consists of City Council, City Manager, City Clerk, Economic Development, and City General. Responsibilities include development of strategic goals and policies, management of City operations, management of City records, administration of City elections and legal compliance with all municipal and State regulations, development and expansion of the City's tax base. Also included are programs not directly assigned to a specific division, such as city administration, animal control and civic services.



 Shading indicates contracted services

General Government

Department Summary

Department Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
City Council	67,013	91,170	73,210	81,280	-11%
City Manager	563,344	586,810	581,910	585,750	0%
City General	9,541,505	6,883,910	5,722,690	3,878,500	-44%
City Clerk	840,880	734,620	714,580	790,310	8%
Economic Development	138,339	157,270	153,260	127,200	-19%
Total General Government Budget	\$11,151,081	\$8,453,780	\$7,245,650	\$5,463,040	-35%

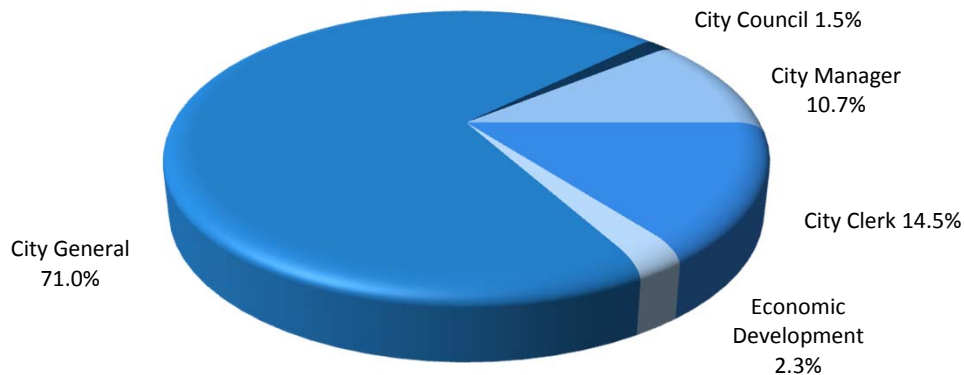
Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,020,152	1,105,190	1,098,560	1,120,840	1%
Supplies	21,214	20,380	20,830	20,080	-1%
Contractual Services	978,753	1,084,440	1,044,260	1,097,400	1%
Other Charges	232,697	1,295,810	378,290	395,640	-69%
Interdepartmental Charges	890,130	1,018,070	1,018,070	1,053,060	3%
Transfers and Debt	7,195,130	2,440,200	2,195,950	1,686,020	-31%
Total Operating Budget	10,338,076	6,964,090	5,755,960	5,373,040	-23%
Non-Operating Expenditures	813,005	1,489,690	1,489,690	90,000	-94%
Total General Government Budget	\$11,151,081	\$8,453,780	\$7,245,650	\$5,463,040	-35%

Personnel Summary	7.18	7.18	7.18	7.18
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Key Initiatives for FY 2013

- Conduct November 6, 2012 General Municipal Election.

General Government Summary



General Government

Legislative Division Summary

Purpose Statement

To establish leadership and provide direction in overseeing the business of the City, while being mindful of the needs, interests and concerns of the citizens in an open and responsive manner.

Legislative Services

- Develop strategic goals and objectives for the City.
- Establish priorities and direction for the City through policy development and the legislative process.
- Adopt and monitor the annual operating and capital improvement budgets.
- Provide input on regional, state and federal matters affecting San Clemente.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
City Council	51,715	56,960	51,500	54,220	-5%
Cable Programming	15,298	34,210	21,710	27,060	-21%
Total City Council Budget	\$67,013	\$91,170	\$73,210	\$81,280	-11%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	41,191	54,120	46,260	50,870	-6%
Supplies	3,584	3,250	4,900	3,150	-3%
Contractual Services	10,105	19,450	8,350	15,700	-19%
Other Charges	3,913	6,550	5,900	5,320	-19%
Interdepartmental Charges	8,220	7,800	7,800	6,240	-20%
Total Operating Budget	67,013	91,170	73,210	81,280	-11%
Non-Operating Expenditures	0	0	0	0	0%
Total City Council Budget	\$67,013	\$91,170	\$73,210	\$81,280	-11%

Personnel Summary

	0	0	0	0
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(Five Council Members are elected positions)

Significant Change:

\$4,450 reduction in Salaries for Cable TV Technicians

General Government

City Manager Department Summary

Purpose Statement

To provide the management systems, oversight, and support necessary to ensure the ongoing efficiency and effectiveness of all City operations.

City Manager Department Services

- Supervise and direct all City departments.
- Present recommendations and information to enable the City Council to make decisions on matters of policy.
- Coordinate the City's working relationship with external agencies and organizations.
- Oversee the planning and funding of major City projects.
- Interact with the media and provide timely and accurate information.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
City Manager	563,344	586,810	581,910	585,750	0%
Total City Manager Budget	\$563,344	\$586,810	\$581,910	\$585,750	0%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	501,563	530,380	528,960	534,540	1%
Supplies	1,989	1,750	1,750	1,750	0%
Contractual Services	8,500	18,350	16,370	17,030	-7%
Other Charges	18,602	5,740	4,240	5,740	0%
Interdepartmental Charges	32,690	30,590	30,590	26,690	-13%
Transfers and Debt	0	0	0	0	0%
Total Operating Budget	563,344	586,810	581,910	585,750	0%
Non-Operating Expenditures	0	0	0	0	0%
Total City Manager Budget	\$563,344	\$586,810	\$581,910	\$585,750	0%

Personnel Summary	2.68	2.68	2.68	2.68
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General Government

City General Department Summary

Purpose Statement

To provide a cost center to account for programs and costs not directly assigned to a specific division. These include social programs and administrative costs.

City General Services

- Serve as a cost center for programs not directly assigned to a specific division.
- Provide annual grants to social service programs.
- Provide as needed grants to civic programs.
- Provide a mechanism to transfer General Fund monies to programs or projects outside of the General Fund.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Social Services	22,144	40,450	40,450	3,590	-91%
City Administration	9,519,361	6,843,460	5,682,240	3,874,910	-43%
Total City General Budget	\$9,541,505	\$6,883,910	\$5,722,690	\$3,878,500	-44%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Supplies	5,048	5,500	4,580	5,430	-1%
Contractual Services*	821,980	903,400	903,840	969,130	7%
Other Charges	108,454	1,150,820	234,330	187,320	-84%
Interdepartmental Charges	763,320	894,300	894,300	940,600	5%
Transfers and Debt	7,195,130	2,440,200	2,195,950	1,686,020	-31%
Total Operating Budget	8,893,932	5,394,220	4,233,000	3,788,500	-30%
Non-Operating Expenditures	647,573	1,489,690	1,489,690	90,000	-94%
Total City General Budget	\$9,541,505	\$6,883,910	\$5,722,690	\$3,878,500	-44%

Personnel Summary	0	0	0	0	
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Significant Changes:

- \$1,400,000 reduction in Capital Outlay due to one-time funding of Quiet Zone and General Plan in FY 2012
- \$970,000 reduction in Other Charges due to funding of Property Tax Shift - ERAF in FY 2012
- \$790,000 reduction in Transfer to Negocio Debt Service Fund, due to one-time allocation of funds in FY 2012 for early debt retirement.
- \$82,300 increase in Insurance due to dissolution of RDA

Decision Package:

- \$60,000 for ADA Transition Plan Implementation (administered by Human Resources)

Council Decision Items:

- \$38,410 for Social Services Grants - Previously Funded from General Fund
- \$48,000 for Social Services Grants - Previously Funded from RDA

* Contractual services in FY 2013 includes \$653,630 for the City of San Clemente's contribution level for the Coastal Animal Services Authority operations.

General Government

City Clerk Department Summary

Purpose Statement

To accurately record and carefully preserve and safeguard the legislative history of the City of San Clemente. To maximize timely access to City records and information. To facilitate the democratic electoral process in an impartial manner that conforms with State law.

City Clerk Department Services

- Produce City Council agendas and packets as well as meeting minutes.
- Ensure legal compliance with all electoral and governmental regulations.
- Conduct regular and special municipal elections and process initiative and referendum petitions.
- Preserve and maintain all City records.
- Implement the Leadership San Clemente program.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Council Related Services	606,678	678,170	659,970	669,510	-1%
Elections	234,202	56,450	54,610	120,800	114%
Total City Clerk Budget	\$840,880	\$734,620	\$714,580	\$790,310	8%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	477,398	520,690	523,340	535,430	3%
Supplies	10,593	9,500	9,400	9,500	0%
Contractual Services	55,080	62,350	38,930	44,150	-29%
Other Charges	46,477	56,700	57,530	121,700	115%
Interdepartmental Charges	85,900	85,380	85,380	79,530	-7%
Total Operating Budget	675,448	734,620	714,580	790,310	8%
Non-Operating Expenditures	165,432	0	0	0	0%
Total City Clerk Budget	\$840,880	\$734,620	\$714,580	\$790,310	8%

Personnel Summary	4.5	4.5	4.5	4.5
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Significant Change:

\$19,000 reduction in Legal Services

Decision Package:

\$50,000 for Balloting Services for Clean Ocean Fee Election

General Government

Economic Development Department Summary

Purpose Statement

To develop and expand the City's tax base, business retention, and economic stability of the local economy. Oversee real estate asset management of City properties.

Economic Development Division Services

- Actively manage the business retention, tax base expansion and promotion activities of the City.
- Provide real estate asset management and leasing City owned properties.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Economic Development	138,339	157,270	153,260	127,200	-19%
Total Economic Development Budget	\$138,339	\$157,270	\$153,260	\$127,200	-19%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Supplies	0	380	200	250	-34%
Contractual Services	83,088	80,890	76,770	51,390	-36%
Other Charges	55,251	76,000	76,290	75,560	-1%
Total Operating Budget	138,339	157,270	153,260	127,200	-19%
Non-Operating Expenditures	0	0	0	0	0%
Total Economic Development Budget	\$138,339	\$157,270	\$153,260	\$127,200	-19%

Personnel Summary	0	0	0	0	
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Significant Change:

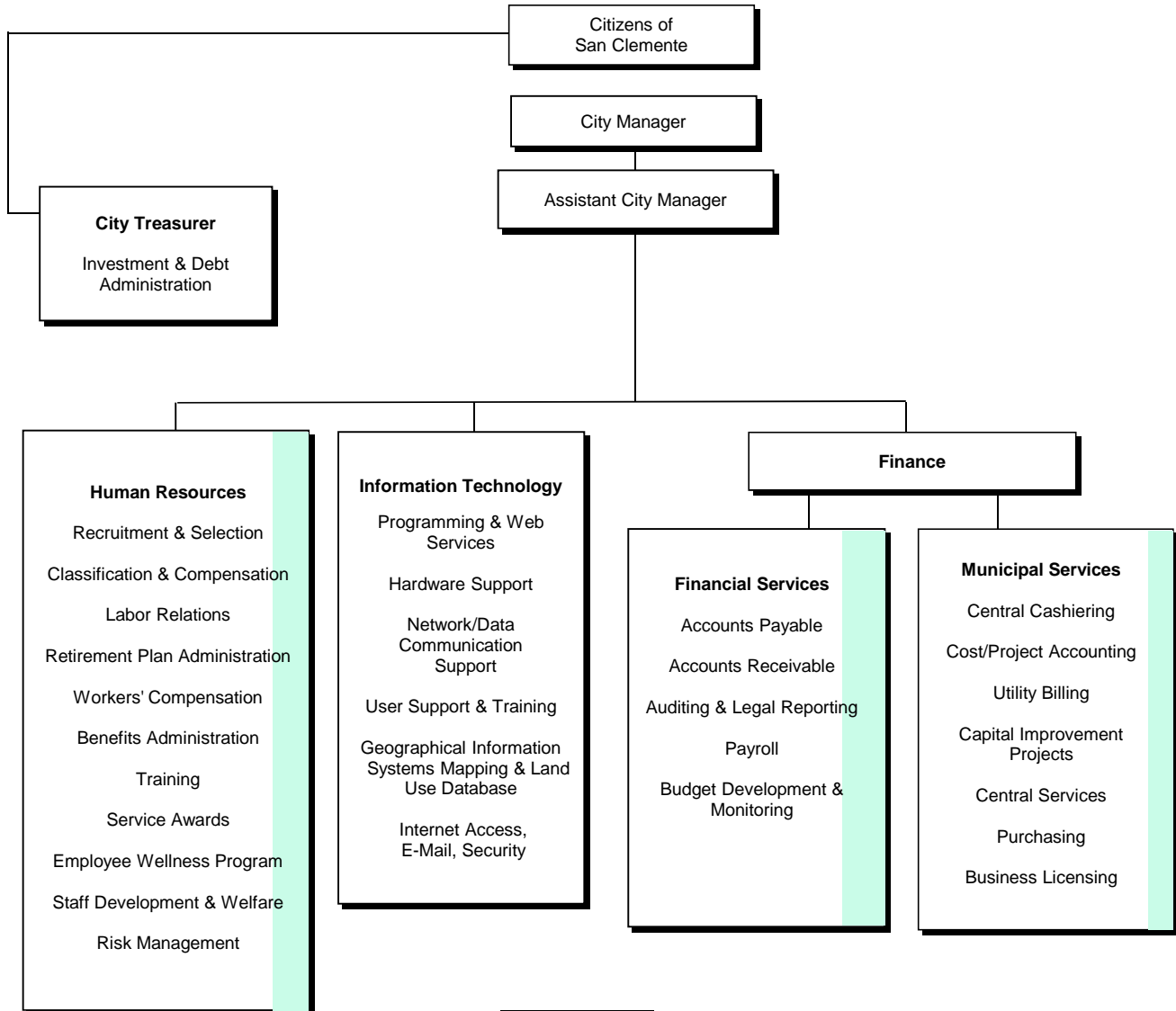
\$29,500 reduction in Contractual Services for Advertising, Legal, and Other Professional Services

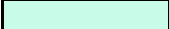


Finance & Administrative Services

Department Overview:

The Finance & Administrative Services Department consists of the Finance, Information Technology, Human Resources, Risk Management, Purchasing, Budget and City Treasurer functions. The department provides customer service to internal and external clientele, legal and financial accountability to the public, management of City debt and investments, development and monitoring of the budget, labor relations and negotiations, administration of risk management and safety programs, and development of the Long Term Financial Plan.



 Shading indicates contracted services

Finance & Administrative Services

Department Summary

Department Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
F&AS - Administration	437,559	472,910	472,470	480,220	2%
Finance	1,851,848	1,975,070	1,956,710	1,977,310	0%
Human Resources	539,679	535,860	523,450	534,940	0%
Total F&AS Budget	\$2,829,086	\$2,983,840	\$2,952,630	\$2,992,470	0%

F&AS Expenditure by Category	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Budget % Change
Personnel	2,103,234	2,172,350	2,167,150	2,208,010	2%
Supplies	88,572	106,700	106,090	110,760	4%
Contractual Services	304,984	371,900	361,000	367,160	-1%
Other Charges	16,451	35,810	21,310	31,410	-12%
Interdepartmental Charges	314,820	297,080	297,080	255,130	-14%
Total Operating Budget	2,828,061	2,983,840	2,952,630	2,972,470	0%
Non-Operating Expenditures	1,025	0	0	20,000	100%
Total F&AS Budget	\$2,829,086	\$2,983,840	\$2,952,630	\$2,992,470	0%

Personnel Summary	19.61	18.61	18.61	18.61
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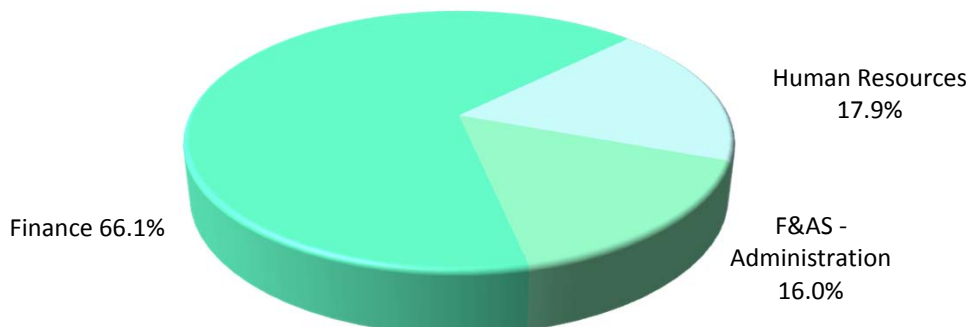
Accomplishments for FY 2012

- Standard and Poor's long-term financial "AAA" rating and stable outlook reaffirmed in April 2012.
- Implemented Microsoft Lync including web conferencing, computer to computer communications and external access.
- Major revision to City's web site using an opening splash screen with easy search capabilities.
- Americans with Disability Act Self-Assessment completed.
- Pension plan restatement completed.
- Implemented XML reporting in Utility Billing, reducing bill generation from 2 days to 6 hours.
- Prepared an award-winning Popular Annual Financial Report, Comprehensive Annual Financial Report and Budget.
- Completed Banking Conversion.

Key Initiatives for FY 2013

- Develop Information Technology Strategic Priority Plan.
- Field test integration of City's telecom system into existing enterprise network.
- Enhance transparency by making all web PDF documents searchable at the character level.
- Investigate the use of mobile applications (smart phones) as a City Service.
- Americans with Disability Act Transition Team and Plan implementation.
- Complete the Cost-of-Service study for Water and Wastewater.

Finance & Administrative Services Summary



Finance & Administrative Services

Finance & Administrative Services Administration Summary

Purpose Statement

To provide services and to act as a consultant to our departments (internal customers) as well as the citizens of our City (external customers). Additionally, oversight of all financial functions is provided to assure our stakeholders that public funds are expended in accordance with legally established appropriations and fiscal policies.

Finance & Administrative Services Administration Services:

- Direct the finance, administrative, and information technology divisions.
- Develop the annual operating and capital improvement budgets.
- Manage the City's investment portfolio in accordance with State and City ordinances and policies
- Develop annual Long Term Financial Plan.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
F&AS - Administration	423,600	456,550	456,230	463,240	1%
Treasurer	13,959	16,360	16,240	16,980	4%
Total F&AS - Admin Budget	\$437,559	\$472,910	\$472,470	\$480,220	2%

Expenditure by Category	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	395,092	416,240	418,400	422,970	2%
Supplies	2,089	4,800	4,100	4,800	0%
Contractual Services	5,124	17,400	15,630	18,950	9%
Other Charges	5,264	7,120	6,990	7,580	6%
Interdepartmental Charges	29,990	27,350	27,350	25,920	-5%
Total Operating Budget	437,559	472,910	472,470	480,220	2%
Non-Operating Expenditures	0	0	0	0	0%
Total F&AS - Admin Budget	\$437,559	\$472,910	\$472,470	\$480,220	2%

Personnel Summary	2.00	2.00	2.00	2.00	
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Finance & Administrative Services

Finance Division Summary

Purpose Statement

To provide financial oversight, reporting and general accounting services for all City programs; including the preparation of financial reports, cashiering, purchasing, contract administration, utility billing, and business license activities.

Finance Services

- Maintain financial oversight and administration of all City funds and accounts.
- Manage the general accounting functions.
- Regulate and license businesses.
- Manage the billing and collection of the City's utility accounts.
- Prepare and monitor operating and capital budgets.
- Direct the purchasing and contract administration activities.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Finance	786,921	856,940	842,820	835,760	-2%
Municipal Services	730,256	780,060	775,130	810,590	4%
Business Licensing	179,973	184,860	185,980	178,720	-3%
Purchasing	154,698	153,210	152,780	152,240	-1%
Total Finance Budget	\$1,851,848	\$1,975,070	\$1,956,710	\$1,977,310	0%

Expenditure by Category	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,287,888	1,359,290	1,359,730	1,391,800	2%
Supplies	71,879	86,270	85,750	87,450	1%
Contractual Services	255,028	301,980	283,940	287,020	-5%
Other Charges	4,498	5,000	4,760	5,620	12%
Interdepartmental Charges	231,530	222,530	222,530	185,420	-17%
Total Operating Budget	1,850,823	1,975,070	1,956,710	1,957,310	-1%
Non-Operating Expenditures	1,025	0	0	20,000	100%
Total Finance Budget	\$1,851,848	\$1,975,070	\$1,956,710	\$1,977,310	0%

Personnel Summary	13.61	13.61	13.61	13.61 *
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* Includes 1 frozen position (not funded in FY 2013).

Significant Change:

\$16,260 reduction in Contractual Services in Financial Services Program

Decision Package:

\$20,000 one-time expenditure for Utility Billing Counter Upgrade

Finance & Administrative Services

Human Resources Division Summary

Purpose Statement

To provide Human Resources services to the City departments, employees and the public. This includes administering the functions of recruitment and selection, classification and compensation, employee benefits, labor relations, employee training, workers' compensation, and risk management.

Human Resources Services

- Recruit and retain a qualified work force.
- Management of a City-wide training program using in-house staff and outside subject matter experts.
- Administration of the City's employee benefits programs, including medical, dental, life, disability insurance, and other City retirement and health & welfare programs.
- Administer the risk management programs.

Program Summary - General Fund	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Human Resources Admin.	530,028	511,160	491,480	508,980	0%
Labor Relations	6,399	10,800	23,960	17,630	63%
Employee Training	3,252	13,900	8,010	8,330	-40%
Total Human Resources Budget	\$539,679	\$535,860	\$523,450	\$534,940	0%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	420,254	396,820	389,020	393,240	-1%
Supplies	14,604	15,630	16,240	18,510	18%
Contractual Services	44,832	52,520	61,430	61,190	17%
Other Charges	6,689	23,690	9,560	18,210	-23%
Interdepartmental Charges	53,300	47,200	47,200	43,790	-7%
Total Operating Budget	539,679	535,860	523,450	534,940	0%
Non-Operating Expenditures	0	0	0	0	0%
Total Human Resources Budget	\$539,679	\$535,860	\$523,450	\$534,940	0%

Personnel Summary	4.00	3.00	3.00	3.00
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Significant Changes:

- \$6,000 reduction in Contractual Services for Employee Training program
- \$5,000 reduction in City General Special Events

Decision Package:

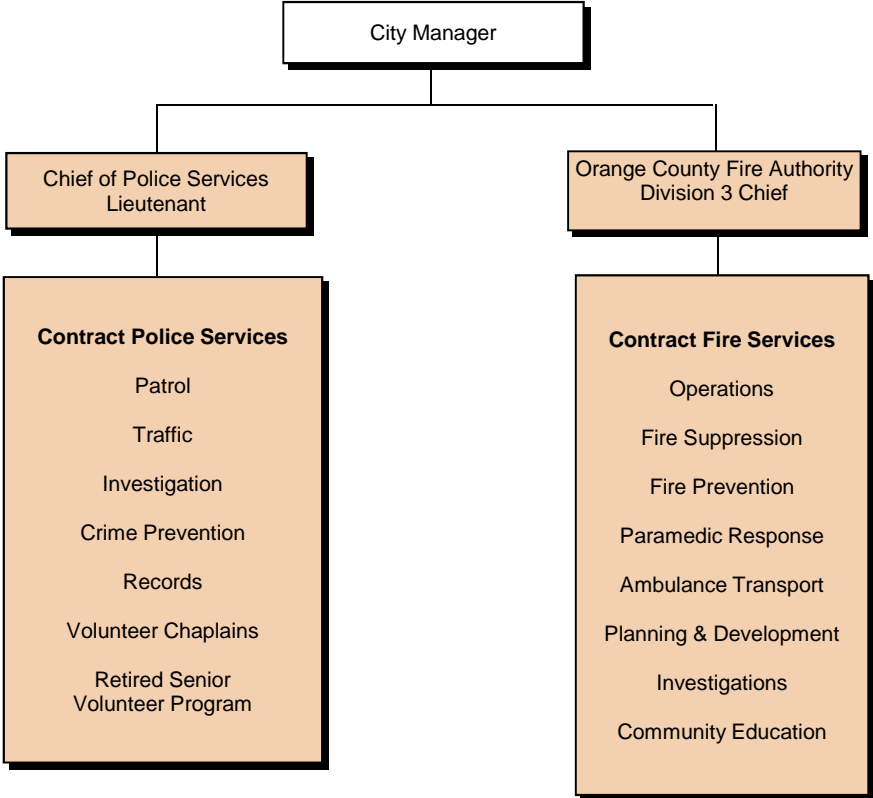
- \$60,000 for ADA Transition Plan Implementation



Public Safety

Department Overview:

Public Safety consists of the Police and Fire Services departments. Police Services is contracted through the Orange County Sheriff’s Department. Police Services is responsible for providing law enforcement, police investigation, traffic enforcement, crime prevention, forensic services, public information and education services. Fire Services is contracted through the Orange County Fire Authority. Fire Services is responsible for providing fire rescue and protection, fire investigation, hazardous materials response, paramedic and ambulance services, public information and education services.



Shading indicates contracted services

Public Safety

Department Summary

Department Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Police	11,915,797	12,480,160	11,989,710	12,528,870	0%
Fire	6,913,198	7,306,270	7,275,170	7,707,220	5%
Total Public Safety	\$18,828,995	\$19,786,430	\$19,264,880	\$20,236,090	2%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Supplies	22,661	23,100	20,780	23,500	2%
Contractual Services	18,434,437	19,377,330	18,821,760	19,784,430	2%
Other Charges	26,207	27,420	29,870	27,420	0%
Interdepartmental Charges	340,490	358,580	358,580	400,740	12%
Total Operating Budget	18,823,795	19,786,430	19,230,990	20,236,090	2%
Non-Operating Expenditures	5,200	0	33,890	0	0%
Total Public Safety Budget	\$18,828,995	\$19,786,430	\$19,264,880	\$20,236,090	2%

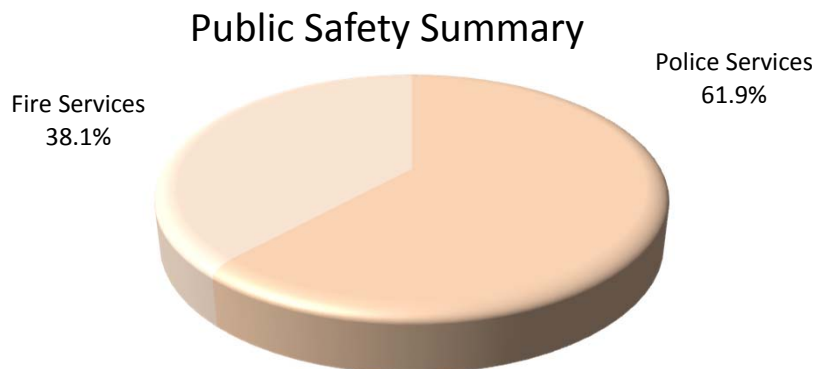
Personnel Summary	100	97	97	97
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Accomplishments for FY 2012

- Opened Fire Station 60, adjacent to the new Senior Center.
- Achieved Accreditation by the Commission on Fire Accreditation International.
- Implemented a community volunteer-based smoke alarm program (Install-Inspect-Protect).
- Responded to nearly 3,000 fire and emergency medical responses within the City.
- Maintained overall customer satisfaction survey ratings above 97% satisfied.
- Conducted multi-company operations exercises with Camp Pendleton Fire Department to improve interoperability.
- Provided emergency preparedness instruction for the Community Emergency Response Team (CERT) training course.

Key Initiatives for FY 2013

- Development of a mutual threat zone plan, which includes Camp Pendleton, Riverside, San Diego, and Orange Counties.
- Plan for response changes post-La Pata extension, and the addition of Fire Station 56 at Ortega Highway and Antonio.
- Support the needs of the community through education, prevention, and emergency response.
- Maintain a high level of customer satisfaction.
- Implement targeted initiatives of the OCFA Strategic Plan that will directly impact service to the community.
- Continue to strengthen the relationship with the community through numerous partnerships. These include GRIP, Parent Project, Character Counts, and Red Ribbon.
- Maintain emergency response times and improve where feasible.



Public Safety

Police Services Summary

Purpose Statement

To provide responsive, professional law enforcement service to all people in San Clemente. These services are contracted through the Orange County Sheriff's Department.

Police Services

- Provide law enforcement services to the public.
- Protect lives and property.
- Initiate and maintain crime prevention programs.
- Investigate and solve crimes.
- Provide educational programs to the public.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Police Contract Services	11,867,518	12,427,990	11,937,520	12,476,300	0%
Local Police Services	48,279	52,170	52,190	52,570	1%
Total Police Services Budget	\$11,915,797	\$12,480,160	\$11,989,710	\$12,528,870	0%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Supplies	22,661	23,100	20,780	23,500	2%
Contractual Services	11,528,289	12,077,660	11,553,190	12,081,580	0%
Other Charges	26,207	27,420	29,870	27,420	0%
Interdepartmental Charges	333,440	351,980	351,980	396,370	13%
Total Operating Budget	11,910,597	12,480,160	11,955,820	12,528,870	0%
Non-Operating Expenditures	5,200	0	33,890	0	0%
Total Police Services Budget	\$11,915,797	\$12,480,160	\$11,989,710	\$12,528,870	0%

Personnel Summary	57	55	55	55
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Significant Change:

The budgeted amount for Police Contract Services increases by \$5,840 to \$11,748,430 in the General Fund

Public Safety

Fire Services Summary

Purpose Statement

To provide quality safety and emergency service in a timely and efficient manner. These services are contracted through the Orange County Fire Authority.

Fire Services

- Provide safety and emergency services to the public.
- Provide paramedic and ambulance transport services.
- Provide fire investigation services.
- Respond to hazardous materials incidents.
- Provide fire prevention, public information and educational programs.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Fire Contract Services	6,913,198	7,306,270	7,275,170	7,707,220	5%
Total Fire Services Budget	\$6,913,198	\$7,306,270	\$7,275,170	\$7,707,220	5%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Contractual Services	6,906,148	7,299,670	7,268,570	7,702,850	6%
Interdepartmental Charges	7,050	6,600	6,600	4,370	-34%
Total Fire Services Budget	\$6,913,198	\$7,306,270	\$7,275,170	\$7,707,220	5%

Personnel Summary	43	42	42	42
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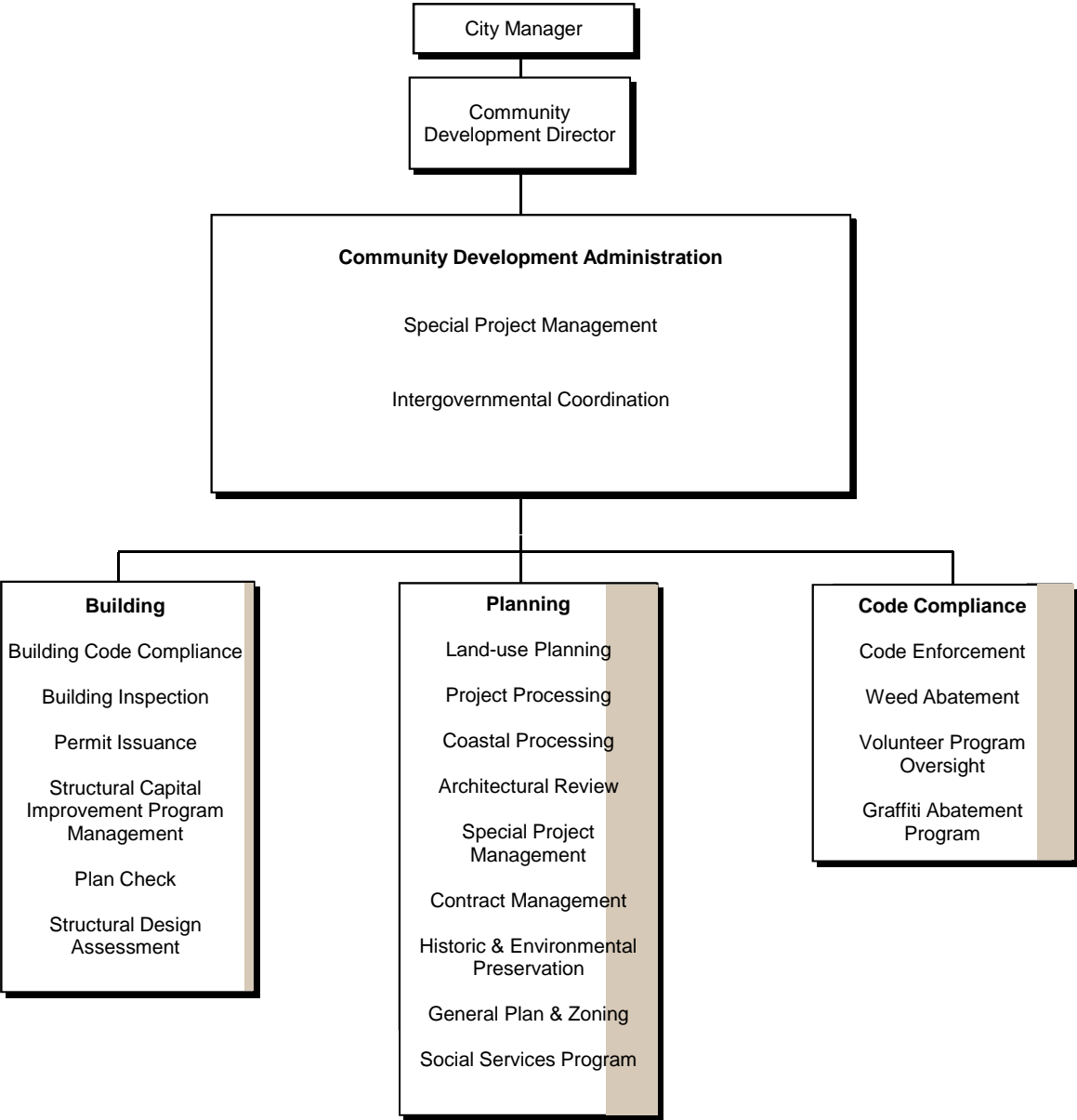
Significant Change:

The amount budgeted for Fire Contract Services increases by \$400,000, or 5.5%, to \$7.7 million which is comprised of the base contract (\$7 million), facilities maintenance (\$30,000), vehicle replacement (\$138,000) and ambulance services (\$475,000).

Community Development

Department Overview:

The Community Development Department consists of Community Development Administration, Building, Planning and Code Enforcement divisions. This department is responsible for implementation of San Clemente’s vision and policy as it relates to land development, housing, construction, code enforcement and development of low income housing.



Shading indicates contracted services

Community Development Department Summary

Department Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Community Development - Admin	368,898	565,550	496,210	517,680	-8%
Building	1,439,016	1,585,640	1,555,350	1,596,420	1%
Planning	1,454,422	1,745,960	1,570,830	1,607,650	-8%
Code Compliance	620,713	684,280	720,700	672,060	-2%
Total Community Development Budget	\$3,883,049	\$4,581,430	\$4,343,090	\$4,393,810	-4%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	3,086,840	3,301,870	3,147,810	3,303,820	0%
Supplies	22,842	21,950	19,830	21,860	0%
Contractual Services	238,921	355,048	344,930	573,670	62%
Other Charges	32,123	13,010	11,050	19,390	49%
Interdepartmental Charges	419,270	423,220	423,220	375,070	-11%
Total Operating Budget	3,799,996	4,115,098	3,946,840	4,293,810	4%
Non-Operating Expenditures	83,053	466,332	396,250	100,000	-79%
Total Community Development Budget	\$3,883,049	\$4,581,430	\$4,343,090	\$4,393,810	-4%

Personnel Summary	30.25	28.75	28.75	28.75
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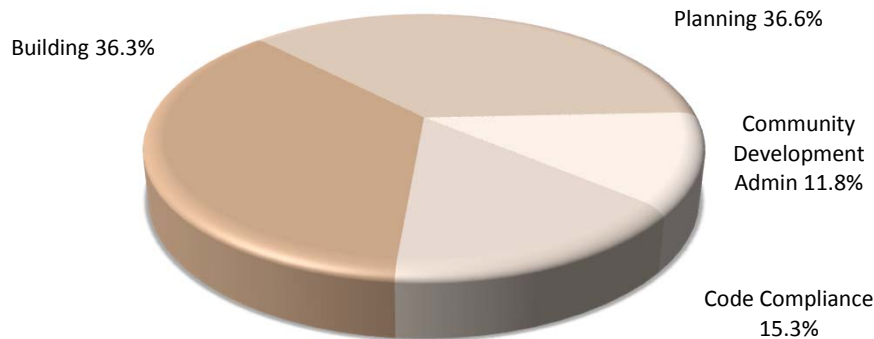
Accomplishments for FY 2012

- Completed project management associated with completion of the new Fire Station #60 and Downtown Senior Center.
- Adopted new updated Very High Fire Hazard Severity Zone maps mandated by the State.
- Implemented upgraded .NET version of the TRAKiT permit and development tracking software.
- Completed integration between the TRAKiT permit system and the EDMS document imaging system.
- Implemented a quarterly Community Development newsletter "Coastal Conversation".
- Implemented improved customer comments cards to obtain enhanced customer service feedback.
- Initiated regular interdepartmental staff meetings to improve coordination of public counter processes and activities.
- Certified Housing Element, Affordable Housing Overlay Amendment, and Non-conforming Ordinance Amendment.
- Review of eight draft sections of the General Plan.
- Community Liaison Program – grant program implemented in Los Molinos.

Key Initiatives for FY 2013

- Complete new General Plan.
- Begin amendments to the Zoning Ordinance and Specific Plans.
- Begin the Local Coastal Program.

Community Development Summary



Community Development Administration Division Summary

Purpose Statement

To serve as the custodians of San Clemente community development and implement City Council policy related to land development, building codes, construction regulation, code enforcement and regional issues that affect the form and function of San Clemente.

Administration Services

- Direct and supervise operations including land use planning, plan processing, building activities, code enforcement and customer service.
- Negotiate and prepare agreements with property owners for downtown parking sites.
- Administer social services programs and targeted economic outreach.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Community Development Admin	368,898	565,550	496,210	373,100	-34%
Economic Development/Comm. Dev.	0	0	0	144,580	100%
Total Community Dev Admin Budget	\$368,898	\$565,550	\$496,210	517,680	-8%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	272,618	316,230	301,450	313,610	-1%
Supplies	4,081	6,750	6,400	6,300	-7%
Contractual Services	41,845	57,368	49,630	159,580	178%
Other Charges	845	5,170	2,870	3,080	-40%
Interdepartmental Charges	40,020	40,570	40,570	35,110	-13%
Total Operating Budget	359,409	426,088	400,920	517,680	21%
Non-Operating Expenditures	9,489	139,462	95,290	0	-100%
Total Community Dev Admin Budget	\$368,898	\$565,550	\$496,210	\$517,680	-8%

Personnel Summary	2.75	2.75	2.75	1.75
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Significant Change:

\$139,000 reduction in Capital Expenditures

Decision Packages:

\$71,100 for Economic Development - Los Molinos Business District

\$17,000 for Economic Development - North Beach

\$8,000 for Economic Development - Miramar Theater

Community Development

Building Division Summary

Purpose Statement

To ensure the quality of life of those who live, work and visit the City of San Clemente by protecting life and property through the regulation of construction, use and occupancy of buildings, and by providing customer oriented permit, plan review and inspection services in a responsive, knowledgeable, professional, fair manner with integrity and consistency.

Building Division Services

- Review and process building, mechanical, plumbing and electrical permit applications.
- Perform building plan reviews of residential and commercial buildings to verify compliance with State and City requirements.
- Conduct building, mechanical, plumbing and electrical inspections during construction of residential and commercial buildings in order to verify compliance with State and City requirements.
- Maintain permit records and plans document files.
- Provide information to public related to State and City construction codes.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Administration	976,187	1,161,380	1,128,690	1,175,640	1%
Inspection	462,829	424,260	426,660	420,780	-1%
Total Building Budget	\$1,439,016	\$1,585,640	\$1,555,350	\$1,596,420	1%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,292,396	1,328,260	1,330,170	1,366,480	3%
Supplies	15,154	10,850	9,480	11,110	2%
Contractual Services	-31,819	80,720	51,150	67,280	-17%
Other Charges	1,025	3,760	2,500	4,520	20%
Interdepartmental Charges	162,260	162,050	162,050	147,030	-9%
Total Operating Budget	1,439,016	1,585,640	1,555,350	1,596,420	1%
Non-Operating Expenditures	0	0	0	0	0%
Total Building Budget	\$1,439,016	\$1,585,640	\$1,555,350	\$1,596,420	1%

Personnel Summary	11.25	11.25	11.25	11.25
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Significant Change:

\$9,190 reduction in Contractual Services for outsourced plan review, due to slowdown in construction activity

Community Development

Planning Division Summary

Purpose Statement

To provide guidance and support to help create a high quality of life community that offers opportunities for people to live, work, and play by carrying out the City's vision, goals, and regulations while treating applicants and the general public in a responsive, knowledgeable, professional and fair manner. To improve the quality of life for persons of all economic levels through the provision of decent housing, new housing opportunities, social services, and neighborhood revitalization.

Planning Division Services

- Provide high level of customer service through case management, Unanticipated Service Program, and business liaisons.
- Develop and maintain the City General Plan, Zoning Ordinance, Specific Plans and other relevant policy documents.
- Implement the long-range land use, housing, transportation, urban design, open space, historic, environmental and coastal and hillside development policies.
- Review and process development applications to ensure they meet the City's General Plan, Zoning requirements and community goals.
- Present recommendations and information to the City Council and Planning Commission for policy development.
- Review building plan checks for compliance with the Zoning Ordinance and City conditions of approval.
- Maintain and implement the City's Housing and Social Services Programs.
- Maintain and implement the City's Historic Preservation Program.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Comprehensive Planning	373,825	587,230	470,540	409,950	-30%
Current Planning	839,959	941,980	890,420	998,120	6%
Commissions/Boards/Committees	34,049	45,150	43,870	38,020	-16%
Planning Administration	206,589	171,600	166,000	161,560	-6%
Total Planning Budget	\$1,454,422	\$1,745,960	\$1,570,830	\$1,607,650	-8%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,221,037	1,305,210	1,169,540	1,263,370	-3%
Supplies	3,265	3,300	2,850	2,900	-12%
Contractual Services	-9,732	-34,780	-49,480	112,120	-422%
Other Charges	30,178	3,880	5,480	11,490	196%
Interdepartmental Charges	136,110	141,480	141,480	117,770	-17%
Total Operating Budget	1,380,858	1,419,090	1,269,870	1,507,650	6%
Non-Operating Expenditures	73,564	326,870	300,960	100,000	-69%
Total Planning Budget	\$1,454,422	\$1,745,960	\$1,570,830	\$1,607,650	-8%

Personnel Summary	11.75	10.25	10.25	11.25	*
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* Includes 1 frozen position (not funded in FY 2013).

Significant Change:

\$226,870 reduction in Capital Outlay related to General Plan

Decision Packages:

\$82,420 to Update Zoning Ordinance to Implement General Plan

\$54,920 to Prepare Local Coastal Program for General Plan Implementation

\$54,030 for Staffing Transfer from RDA

\$44,920 for Specific Plans Update to Implement General Plan

\$7,500 for GIS Software Upgrade for General Plan Implementation

\$5,400 for Signage Improvements at 910 Negocio Facility

Community Development

Code Compliance Division Summary

Purpose Statement

To preserve and improve the integrity of neighborhood environments and ensure cleaner, healthier and safer quality of life for the community by ensuring compliance with specific City, Housing, Building, and Zoning codes and maintain positive relations by promoting a spirit of cooperation, and encouraging voluntary compliance through reasonable compliance timeframes, education, enforcement and abatement.

Code Compliance Division Services

- Receive community concerns and complaints regarding violations of the Public Nuisance, Uniform Housing, Zoning, Sign, Noise and specific City Codes.
- Investigate and resolve complaints to ensure compliance with applicable City Code requirements.
- Maintain statistical data on each case to ensure compliance and reporting capability.
- Inspect tenant housing complaints.
- Manage and implement the Volunteer Code Compliance program.
- Manage and implement weed abatement and graffiti abatement programs.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Code Compliance	495,013	533,380	570,300	531,660	0%
Weed Abatement	125,700	150,900	150,400	140,400	-7%
Total Code Compliance Budget	\$620,713	\$684,280	\$720,700	\$672,060	-2%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	300,789	352,170	346,650	360,360	2%
Supplies	342	1,050	1,100	1,550	48%
Contractual Services	238,627	251,740	293,630	234,690	-7%
Other Charges	75	200	200	300	50%
Interdepartmental Charges	80,880	79,120	79,120	75,160	-5%
Total Operating Budget	620,713	684,280	720,700	672,060	-2%
Non-Operating Expenditures	0	0	0	0	0%
Total Code Compliance Budget	\$620,713	\$684,280	\$720,700	\$672,060	-2%

Personnel Summary	4.50	4.50	4.50	4.50 *
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* Includes 2 frozen positions (not funded in FY 2013).

Significant Changes:

- \$15,000 reduction in Graffiti Removal
- \$10,000 reduction in Contractual Services related to Weed Abatement

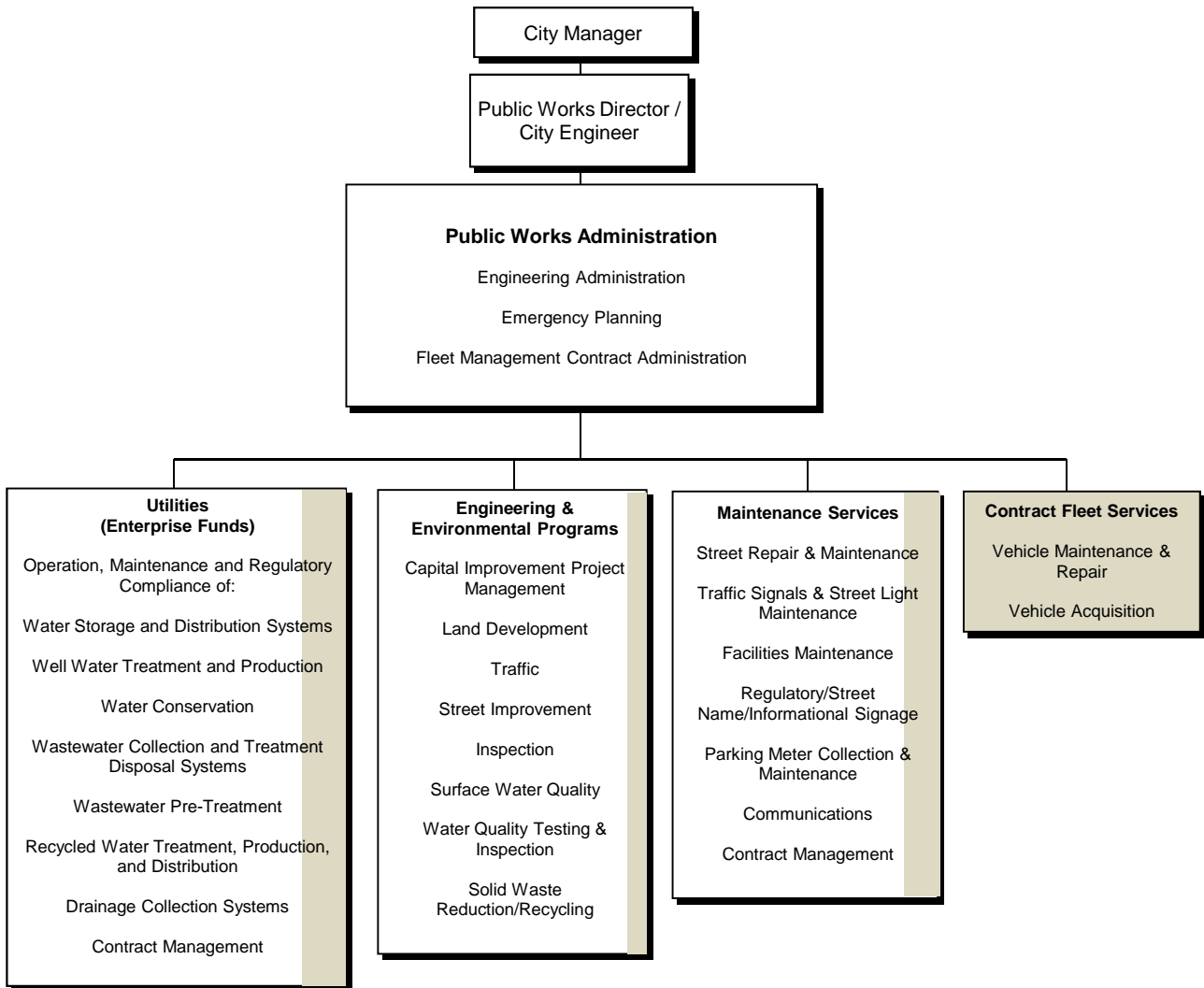
Decision Package:

- \$2,130 for increase in hours for part-time position

Public Works

Department Overview:

The Public Works Department consists of the Public Works Administration, Engineering, Public Works Maintenance Services, Utilities and Environmental divisions. The department is responsible for developing, operating and maintaining City infrastructure, providing safe water supplies, providing proper sanitary disposal of waste, improving local water quality, and emergency planning.



Shading indicates contracted services

Public Works Department Summary

Department Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Public Works Admin.	637,628	619,020	594,510	604,640	-2%
Engineering	2,964,688	4,459,890	3,999,680	4,032,510	-10%
Maintenance	3,442,704	3,896,790	3,874,110	3,866,250	-1%
Total Public Works Budget	\$7,045,020	\$8,975,700	\$8,468,300	\$8,503,400	-5%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	4,709,460	5,276,430	5,104,640	5,386,370	2%
Supplies	343,316	395,490	392,060	398,930	1%
Contractual Services	215,106	232,730	189,080	40,340	-83%
Other Charges	84,524	8,700	7,540	9,920	14%
Interdepartmental Charges	747,089	778,540	770,820	704,040	-10%
Total Operating Budget	6,099,495	6,691,890	6,464,140	6,539,600	-2%
Non-Operating Expenditures	945,525	2,283,810	2,004,160	1,963,800	-14%
Total Public Works Budget	\$7,045,020	\$8,975,700	\$8,468,300	\$8,503,400	-5%

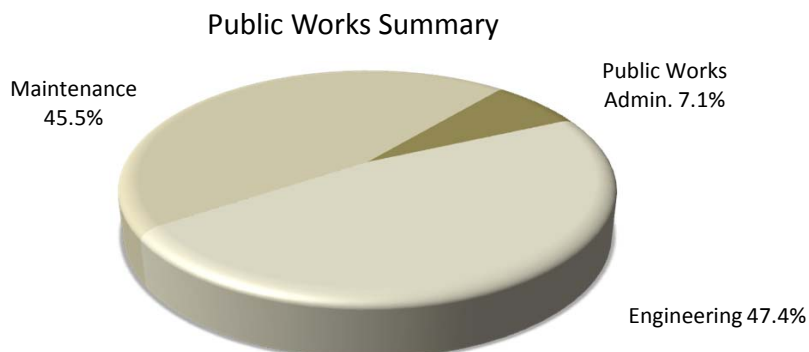
Personnel Summary	41.85	41.85	41.85	41.85
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Accomplishments for FY 2012

- Constructed regional Upper Chiquita Reservoir with City share being 27.4 million gallons.
- Completed design and finalized financing for the Recycled Water Expansion.
- Achieved 71% solid waste diversion rate per AB939 requirements.
- Completed re-carpeting at City Hall and Community Development.
- Completed Community Development LED parking lot lighting retrofit project.
- Completed in-depth bacteria source investigation in Prima Deshecha Canada watershed.
- Completed the City's Continuity of Operations Plan and recertified the City as TsunamiReady/StormReady with the National Oceanic and Atmospheric Agency.
- Completed rehabilitation of 1.3 miles of road.

Key Initiatives for FY 2013

- Begin construction of the City's Recycled Water Expansion project.
- Continue City participation in South Orange County Ocean Desalination Project.
- Adopt proposed mandatory Commercial Recycling Regulation.
- Install and replace LED traffic signal head lighting.
- Successfully complete the 2012 SONGS Plume Phase Exercise.
- Update City Multi-Hazard Emergency Plans.



Public Works

Administration Division Summary

Purpose Statement

Public Works Administration provides integrated management of the Engineering, Maintenance, Utilities, and Emergency Planning Divisions to ensure timely, cost effective and efficient delivery of services to all City Departments and the public in accordance with federal, state, and local regulations.

Administration Services

- Directs the Engineering Division of the City.
- Directs the Maintenance Division, which includes streets, traffic signs, signals, street lights, facilities, public parking lots, meters and street sweeping services.
- Directs the Water, Waste Water and Storm Drain Utility Divisions.
- Develop and implement emergency response operating plans within the Emergency Planning Program.

Program Summary - General Fund	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Public Works Admin.	441,559	356,060	344,090	330,200	-7%
Emergency Planning	196,069	262,960	250,420	274,440	4%
Total Public Works Admin Budget	\$637,628	\$619,020	\$594,510	\$604,640	-2%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	357,006	450,840	423,420	447,570	-1%
Supplies	8,983	23,210	23,270	16,860	-27%
Contractual Services	173,568	43,690	46,540	36,540	-16%
Other Charges	1,291	1,700	1,700	2,530	49%
Interdepartmental Charges	96,780	99,580	99,580	101,140	2%
Total Operating Budget	637,628	619,020	594,510	604,640	-2%
Non-Operating Expenditures	0	0	0	0	0%
Total Public Works Admin Budget	\$637,628	\$619,020	\$594,510	\$604,640	-2%

Personnel Summary	2.50	2.50	2.50	2.50
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Significant Change:

\$16,000 reduction in Legal Services

Decision Packages:

\$24,120 for Emergency Planning Assistant

\$8,500 for Increased Internet Bandwidth for Emergency Operations Center (EOC)

Public Works

Engineering Division Summary

Purpose Statement

To provide professional engineering services for the planning, design, construction, inspection and maintenance of City infrastructure to meet existing and future demands for adequate services, that include transportation, water supply and distribution, sewage collection and treatment, environmental protection, and drainage collection and conveyance.

Engineering Division Services

- Provide engineering design, administration and construction of public works projects.
- Issue permits for grading, construction inspection, and well permits for residential and commercial developments.
- Provide transportation, traffic, and parking services.
- Process development projects and coordinate with Planning and Building divisions for review of development projects.
- Conduct inspections of grading, water, sewer, streets, drainage and City facility projects to ensure conformance with approved plans and specifications.

Program Summary - General Fund	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Engineering Administration	26,747	398,220	288,270	-325,030	-182%
Inspection	273,775	292,440	292,320	288,030	-2%
Traffic	513,904	575,350	512,140	527,960	-8%
Design & General Engineering	1,386,339	1,661,960	1,546,750	1,626,550	-2%
Major Street Maintenance	763,923	1,531,920	1,360,200	1,915,000	25%
Total Engineering Budget	\$2,964,688	\$4,459,890	\$3,999,680	\$4,032,510	-10%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	2,716,761	2,999,410	2,832,620	3,040,060	1%
Supplies	10,492	12,640	12,720	18,600	47%
Contractual Services	-856,892	-934,380	-942,960	-1,085,480	16%
Other Charges	82,844	6,260	5,400	6,620	6%
Interdepartmental Charges	157,347	165,760	151,040	114,210	-31%
Total Operating Budget	2,110,552	2,249,690	2,058,820	2,094,010	-7%
Non-Operating Expenditures	854,136	2,210,200	1,940,860	1,938,500	-12%
Total Engineering Budget	\$2,964,688	\$4,459,890	\$3,999,680	\$4,032,510	-10%

Personnel Summary	21.35	21.35	21.35	21.35
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Significant Changes:

- \$90,000 reduction due to lower Marblehead coastal inspection/contract costs
- \$448,000 reduction in Expenditure of Grants due to one-time grant for EECBG
- \$15,000 increase in recovery of engineering services charged to project activity

Decision Packages:

- \$1,000,000 for New Sidewalk Construction
- \$5,000 for Replacement Traffic Counters

Public Works

Maintenance Division Summary

Purpose Statement

To provide proactive and cost effective maintenance support services for the City's facilities and structures to achieve their maximum expected design life and to ensure a safe environment for the public and City employees.

Maintenance Division Services

- Maintain and repair City-owned streets, sidewalks, traffic signals, traffic signs, street striping, parking meters, street lights and unimproved storm drains.
- Maintain City facilities and the City's communications system.
- Manage contract fleet maintenance and street sweeping programs.
- Support Engineering Division (Traffic and Transportation) for the managed flow of traffic through the coordination of traffic signals.
- Support the Street Improvement Program, Major Street Maintenance and Slurry Seal programs.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Traffic Signals	574,617	620,330	624,100	670,520	8%
Traffic Maintenance	293,295	309,190	310,990	315,730	2%
Maintenance Services Admin.	325,906	432,010	430,710	436,170	1%
Street Maintenance & Repair	800,344	832,640	815,320	831,760	0%
Senior Center Facility	0	39,000	35,510	53,580	37%
Parking Maintenance	208,246	266,620	267,890	229,270	-14%
Facilities Maintenance	816,047	927,290	919,860	857,020	-8%
Street Lighting	424,249	469,710	469,730	472,200	1%
Total Public Works Maintenance Budget	\$3,442,704	\$3,896,790	\$3,874,110	\$3,866,250	-1%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,635,693	1,826,180	1,848,600	1,898,740	4%
Supplies	323,841	359,640	356,070	363,470	1%
Contractual Services	898,430	1,123,420	1,085,500	1,089,280	-3%
Other Charges	389	740	440	770	4%
Interdepartmental Charges	492,962	513,200	520,200	488,690	-5%
Total Operating Budget	3,351,315	3,823,180	3,810,810	3,840,950	0%
Non-Operating Expenditures	91,389	73,610	63,300	25,300	-66%
Total Public Works Maintenance Budget	\$3,442,704	\$3,896,790	\$3,874,110	\$3,866,250	-1%

Personnel Summary	18.00	18.00	18.00	18.00 *
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* Includes 1 frozen position (not funded in FY 2013).

Decision Packages:

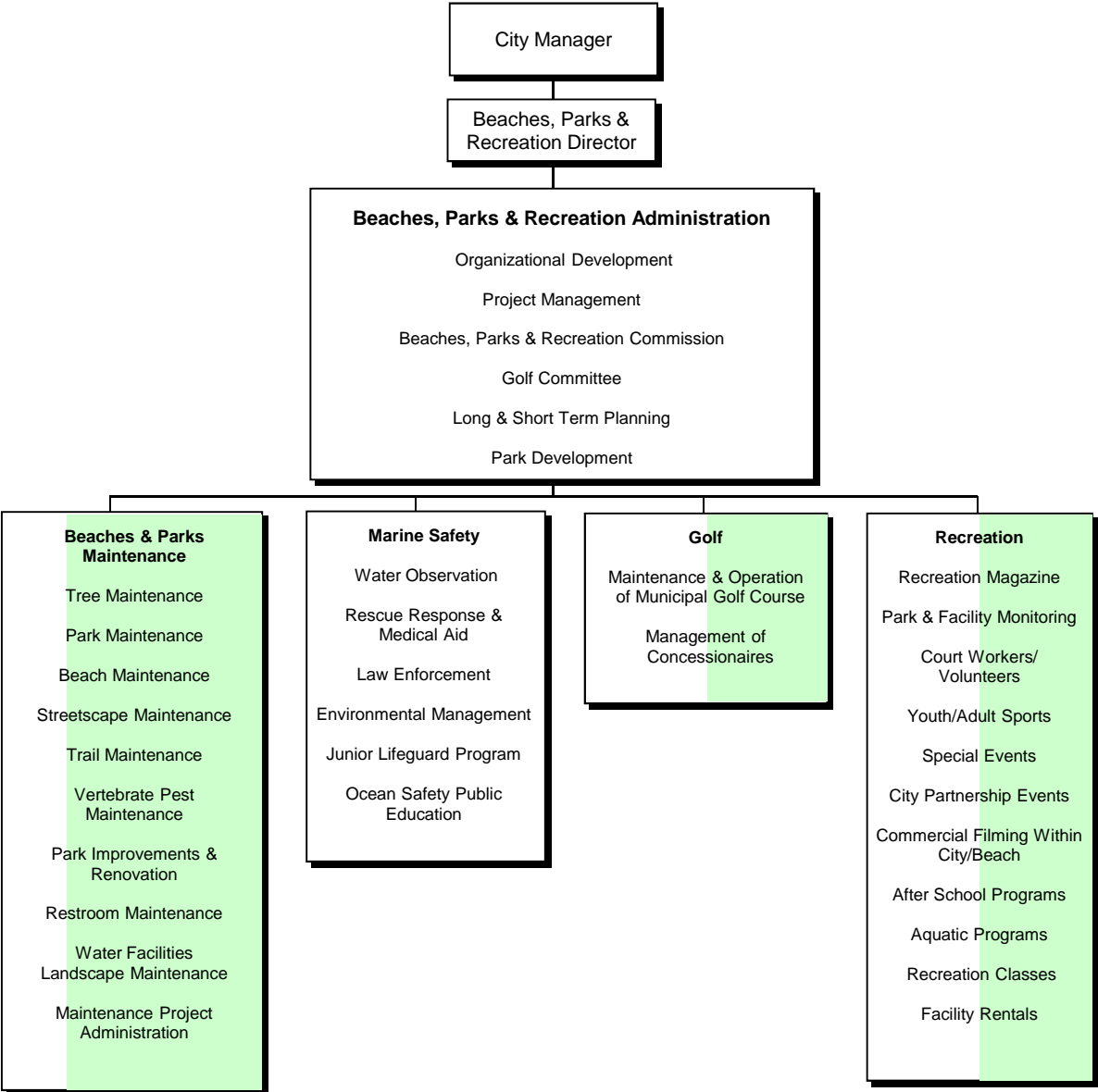
- \$16,800 for New Holiday Decorations for 100 & 200 Blks Avenida Del Mar
- \$7,000 for Generators for Key Traffic Signals



Beaches, Parks & Recreation

Department Overview:

The Beaches, Parks & Recreation Department consists of the Administration, Beaches & Parks Maintenance, Recreation, Marine Safety and Golf divisions. The department operates several key community resources and historic facilities and offers a wide range of enriching programs, services and community special events that contribute to the quality of life in San Clemente. From our famous pier and beaches, to our beautiful inland trails and hillsides, the department strives to serve the community's needs while helping to celebrate and preserve the many truly unique and special qualities that make San Clemente such an outstanding place to live, work and play.



Shading indicates contracted services

Beaches, Parks & Recreation

Department Summary

Department Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Beaches, Parks & Rec. Admin.	448,957	445,980	460,250	471,780	6%
Beaches and Parks Maintenance	4,451,752	5,015,940	4,677,760	5,562,400	11%
Recreation	2,645,040	4,843,070	4,650,410	4,752,450	-2%
Marine Safety	1,328,810	1,442,700	1,414,300	1,451,350	1%
Total Beaches, Parks & Rec. Budget	\$8,874,559	\$11,747,690	\$11,202,720	\$12,237,980	4%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	3,911,640	4,410,360	4,319,360	4,758,760	8%
Supplies	318,165	488,810	495,040	550,670	13%
Contractual Services	2,824,729	3,539,340	3,453,370	4,012,560	13%
Other Charges	614,736	736,350	623,050	741,040	1%
Interdepartmental Charges	614,850	630,000	630,000	640,350	2%
Total Operating Budget	\$8,284,120	\$9,804,860	\$9,520,820	\$10,703,380	9%
Non-Operating Expenditures	590,439	1,942,830	1,681,900	1,534,600	-21%
Total Beaches, Parks & Rec. Budget	\$8,874,559	\$11,747,690	\$11,202,720	\$12,237,980	4%

Personnel Summary	32.75	34.75	34.75	34.75
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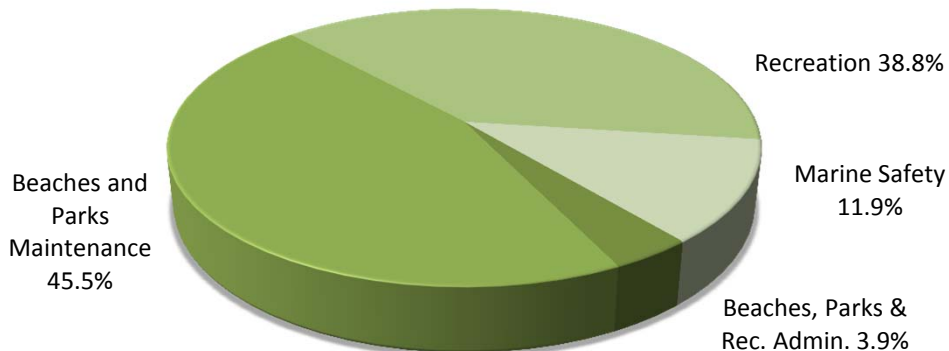
Accomplishments for FY 2012

- Completion of Phase 1B of Vista Hermosa Sports Park, San Clemente Aquatic Center, and Courtney's Sandcastle, Phase 1.
- Completion of construction of the Pier Bowl Lighting and Landscape Project.
- Began rehabilitation of Ole Hanson Beach Club.
- Completed landscape conversion projects at the golf course.
- Completed new design from public input for new play equipment at Linda Lane Park.
- Over 18,000 swimmers in distress were physically rescued by lifeguards, 21,000 visitors were proactively warned or advised of dangers by on-duty staff, and over 1,116 medical aids were performed.

Key Initiatives for FY 2013

- Manage the rehabilitation of the Ole Hanson Beach Club.
- Manage start-up year operations of Vista Hermosa Sports Park and the San Clemente Aquatic Center.
- Begin repairs and rehabilitation of base of pier restroom.
- Implement asset management/long term maintenance program.
- Continue the Water Conservation Landscape Plan at the municipal golf course.

Beaches, Parks and Recreation Summary



Beaches, Parks & Recreation

Administration Division Summary

Purpose Statement

To provide support, direction and oversight to Park Development, Beaches and Parks Maintenance, Recreation, Marine Safety and Golf divisions with an emphasis on community needs, environmental conservation, conserving historic facilities, providing enriching programs and special community events, and service to the public in an enjoyable and safe manner. Provides planning, design, capital budgeting, construction management and project implementation of quality recreational facilities in a safe, fiscally responsible, and sustainable manner.

Beaches, Parks & Recreation Administration Services

- Direct the Beaches, Parks and Recreation divisions of the City.
- Provide staff assistance to the Development Management Team, Beaches, Parks & Recreation Commission and Golf Committee.
- Provide project and construction management on park, trail and beach capital projects.
- Provide professional design and technical support for BP&R and General Fund projects.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Beaches, Parks & Rec. Admin.	361,278	360,120	372,640	371,090	3%
Parks Development	87,679	85,860	87,610	100,690	17%
Total BP&R Administration Budget	\$448,957	\$445,980	\$460,250	\$471,780	6%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	447,486	468,170	475,000	476,100	2%
Supplies	2,209	5,850	4,750	6,300	8%
Contractual Services	-52,399	-64,250	-56,020	-47,150	-27%
Other Charges	3,191	3,350	3,660	3,530	5%
Interdepartmental Charges	48,470	32,860	32,860	33,000	0%
Total Operating Budget	\$448,957	\$445,980	\$460,250	\$471,780	6%
Non-Operating Expenditures	0	0	0	0	0%
Total BP&R Administration Budget	\$448,957	\$445,980	\$460,250	\$471,780	6%

Personnel Summary	4.00	4.00	4.00	4.00 *
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* Includes 1 frozen position (not funded in FY 2013).

Significant Change:

\$15,000 reduction in Park Planning staff time being charged to projects in other funds

Beaches, Parks & Recreation

Beaches & Parks Maintenance Division Summary

Purpose Statement

To maintain and preserve beaches, parks, medians, City maintenance landscapes, the City's urban forest and the pier in an efficient, safe and cost-effective manner.

Beaches & Parks Maintenance Services

- Oversee maintenance for beach, parks, trails, streetscapes, public trees, and the utilities facilities landscape.
- Manage maintenance contractors to ensure compliance with expected service levels.
- Groom and clean sand on City beaches.
- Maintain park playground equipment to safety standards regulated by the Federal Government.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Trail Maintenance	134,387	158,700	161,480	302,400	91%
VH Sports Park Maintenance	0	211,730	211,720	543,350	157%
Street Median & Trees	306,552	319,100	320,600	321,600	1%
Streetscapes	389,054	488,520	462,340	490,200	0%
Park Maintenance	1,530,341	1,922,850	1,690,660	1,703,450	-11%
Beach Maintenance	754,952	489,330	437,310	761,040	56%
Parks & Beach Maint. Admin.	1,095,294	1,158,210	1,107,350	1,151,060	-1%
Steed Park Maintenance	241,172	267,500	286,300	289,300	8%
Total Beaches & Parks Maint. Budget	\$4,451,752	\$5,015,940	\$4,677,760	\$5,562,400	11%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	823,873	910,110	861,500	925,480	2%
Supplies	186,455	270,030	288,330	331,750	23%
Contractual Services	2,626,001	3,193,770	3,146,420	3,566,150	12%
Other Charges	664	950	950	950	0%
Interdepartmental Charges	224,320	254,110	254,110	243,470	-4%
Total Operating Budget	\$3,861,313	\$4,628,970	\$4,551,310	\$5,067,800	9%
Non-Operating Expenditures	590,439	386,970	126,450	494,600	28%
Total Beaches & Parks Maint. Budget	\$4,451,752	\$5,015,940	\$4,677,760	\$5,562,400	11%

Personnel Summary	8.00	8.00	8.00	8.00
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Significant Changes:

\$332,000 increase in Vista Hermosa Sports Park Maintenance due to first full year of operation in FY 2013
 \$230,000 increase in Capital Outlay for Rehabilitation of Base of Pier Restrooms and El Portal Beach Access, and Pier Timber Pile Inspection.

Decision Packages:

\$30,000 for Improvement of Beach Restrooms Service Levels
 \$25,000 for Ongoing Trail Surface Repairs on Beach Trail
 \$18,000 for Irrigation Controllers
 \$10,000 for Forster Trail Erosion Control Improvements
 \$5,000 for Pressure Washing of North Beach Metrolink Platform

Beaches, Parks & Recreation

Recreation Division Summary

Purpose Statement

To promote health, wellness, and quality of life through services and programs that strengthen a sense of place and community, promote cultural unity, and facilitate neighborhood and community problem solving.

Recreation Services

- Develop and implement a variety of recreation programs and events for the community.
- Coordinate City services for community partnered events.
- Collaborate with community organizations to acquire funding and resources for programs.
- Provide exceptional customer service to residents.
- Facilitate appropriate use of public facilities and parks through permit process.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Ole Hanson Beach Club (OHBC)	95,047	1,563,540	1,563,750	1,009,490	-35%
Community Center	445,183	486,170	470,450	477,410	-2%
Senior Citizen Center	26,310	16,110	18,510	86,620	438%
Community Services	1,028,327	1,256,150	1,232,520	1,282,480	2%
OHBC Swimming Pool	512,037	385,010	430,370	65,960	-83%
VH Sports Field/Aquatics	0	633,730	435,690	1,288,110	103%
Steed Park Operations	79,845	89,650	104,340	115,510	29%
Recreation Programs/Events	458,291	412,710	394,780	426,870	3%
Total Recreation Budget	\$2,645,040	\$4,843,070	\$4,650,410	\$4,752,450	-2%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,482,701	1,806,550	1,785,630	2,089,070	16%
Supplies	88,817	168,380	157,280	164,680	-2%
Contractual Services	234,741	393,030	345,200	476,800	21%
Other Charges	610,511	731,000	618,190	736,310	1%
Interdepartmental Charges	228,270	244,110	244,110	275,590	13%
Total Operating Budget	\$2,645,040	\$3,343,070	\$3,150,410	\$3,742,450	12%
Non-Operating Expenditures	0	1,500,000	1,500,000	1,010,000	-33%
Total Recreation Budget	\$2,645,040	\$4,843,070	\$4,650,410	\$4,752,450	-2%

Personnel Summary	13.50	15.50	15.50	15.50
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Significant Changes:

- \$654,000 increase for Vista Hermosa Sports Field/Aquatics due to first full year of operations in FY 2013
- \$873,000 decrease in expenditures due to shutdown of Ole Hanson Beach Club/Pool during renovation

Decision Packages:

- (\$26,440) for Use of Library Annex (former Senior Center)
- \$10,000 for Enclosed Trailer

Beaches, Parks & Recreation

Marine Safety Division Summary

Purpose Statement

To maximize the safety and well-being of visitors to San Clemente's beach and marine environment through comprehensive public education, preventive measures, and responsive emergency intervention.

Marine Safety Services

- Provide water observation, rescue response, medical aid and law enforcement services.
- Provide instructional water safety programs through the junior lifeguard, school education, community outreach and media programs.

Program Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Operations Rescue	1,250,479	1,355,230	1,333,580	1,346,480	-1%
Prevention and Education	78,331	87,470	80,720	104,870	20%
Total Marine Safety Budget	\$1,328,810	\$1,442,700	\$1,414,300	\$1,451,350	1%

Category Expenditure Summary	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	1,157,580	1,225,530	1,197,230	1,268,110	3%
Supplies	40,684	44,550	44,680	47,940	8%
Contractual Services	16,386	16,790	17,770	16,760	0%
Other Charges	370	1,050	250	250	-76%
Interdepartmental Charges	113,790	98,920	98,920	88,290	-11%
Total Operating Budget	\$1,328,810	\$1,386,840	\$1,358,850	\$1,421,350	2%
Non-Operating Expenditures	0	55,860	55,450	30,000	-46%
Total Marine Safety Budget	\$1,328,810	\$1,442,700	\$1,414,300	\$1,451,350	1%

Personnel Summary	7.25	7.25	7.25	7.25
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Decision Package:

\$14,350 for Dispatch Position

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes.

Special Revenue Funds

Street
Improvement
Fund

Gas Tax Fund

Miscellaneous
Grants Fund

Air Quality
Improvement
Fund

Police Grants
Fund

The Redevelopment Low and Moderate Income Fund is located in the Redevelopment Agency Funds Section of this Budget.

Street Improvement Fund

042-848

Description: The Street Improvement Fund, a benefit assessment district approved by the City Council on July 19, 1995, was established to provide a designated fund for the rehabilitation of City streets. This assessment district expired in FY 2012.

Funding Source: Revenues are generated from a benefit assessment district, investment earnings, transfers from the Gas Tax Fund and contributions from the City's General Fund. In addition, Water and Sewer projects are coordinated with street improvement projects to minimize surface reconstruction costs. Funding for these projects are transferred in from the applicable Water and Sewer Depreciation Reserves.

Legal Basis: This fund was approved by City Council action on March 15, 1995. Resources in this fund are restricted based on laws and regulations.

Budget Overview: Revenues for FY 2013 include interest earnings of \$46,000 and transfers from other funds of \$1,598,130. Expenditures include capital improvements of \$2.0 million for street projects. Major projects include Ave. Vaquero, \$880,000 and Camino De Los Mares Frontage Road, \$476,000.

Fund Balance: Fund balance will be \$1,224,630 at the end of FY 2013. The Street Assessment District expired during FY 2012. An Assessment District renewal will be proposed.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$4,925,904	\$4,931,890	\$4,931,890	\$2,069,930	-58%
Revenues:					
Street Improvement Assessments	738,006	0	13,000	0	0%
Penalties on Delinquent Taxes	7,036	0	3,000	0	0%
Federal Grants	500,000	0	0	0	0%
Interest Earnings	12,206	64,000	64,000	46,000	-28%
Miscellaneous Income	23,702	0	715,890	0	0%
Transfer from 2106 Gas Tax Fund	605,000	623,150	623,150	641,840	3%
Transfer from General Fund	712,880	734,260	734,260	756,290	3%
Transfer from Local Drainage Fund	0	30,000	30,000	0	-100%
Transfer from Sewer Depreciation	41,985	165,000	165,000	100,000	-39%
Transfer from Water Depreciation	70,993	100,000	100,000	100,000	0%
Total Revenues	2,711,808	1,716,410	2,448,300	1,644,130	-4%
Expenditures:					
Supplies	12	10,300	10,000	10,300	0%
Contractual Services	211,594	500,000	500,000	450,000	-10%
Other Charges	2,172	3,000	1,500	1,000	-67%
Capital Improvements*	2,470,206	4,728,210	4,728,210	1,976,000	-58%
Interdepartmental Charges	21,840	70,550	70,550	52,130	-26%
Total Expenditures	2,705,824	5,312,060	5,310,260	2,489,430	-53%
Ending Balance	\$4,931,888	\$1,336,240	\$2,069,930	\$1,224,630	-8%

Street Improvement Fund

*Detail of Capital Improvements:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Pavement Mgmt. Syst. Upgrade	51,012	37,100	37,100	0	-100%
Pavement Core Drilling	0	9,700	9,700	0	-100%
Calle De Los Molinos	2,554	1,057,450	1,057,450	0	-100%
Calle Valle	2,849	617,150	617,150	0	-100%
South Ola Vista Phase I	738,621	10,000	10,000	0	-100%
South Ola Vista Phase II	1,232,866	392,400	392,400	0	-100%
Calle Guadalajara Rehabilitation	290,109	0	0	0	0%
Via Amapola Rehabilitation	138,418	0	0	0	0%
Vista Montana - Phase I	13,180	0	0	0	0%
Calle Amanecer - Phase II	597	699,410	699,410	0	-100%
Calle Cordillera	0	350,000	350,000	0	-100%
Calle Aguila	0	310,000	310,000	0	-100%
Calle Doncella	0	150,000	150,000	0	-100%
Calle Esteban	0	185,000	185,000	0	-100%
Vista Montana - Phase II	0	910,000	910,000	0	-100%
Arriba Linda & Cerrito Cielo	0	0	0	240,000	100%
Avenida Vaquero Rehabilitation	0	0	0	880,000	100%
Camino De Los Mares Frontage Rd. Rehab.	0	0	0	476,000	100%
La Ventana Rehabilitation	0	0	0	150,000	100%
Via Breve Rehabilitation	0	0	0	110,000	100%
Via Pico Plaza Rehabilitation	0	0	0	120,000	100%
Total Capital Improvements	\$2,470,206	\$4,728,210	\$4,728,210	\$1,976,000	-58%

Gas Tax Fund

012-861

Description: The Gas Tax Fund is utilized for new construction and the reconstructing of City streets and the placement of asphalt concrete overlays of one inch or more in thickness. The fund also provides for the improvement and maintenance of county arterial bikeways and pedestrian walkways.

Funding Source: The main revenue sources for this fund are Gas Tax apportionments (2103, 2105, 2106, 2107, 2107.5), Measure M monies, and Traffic Congestion Relief funds.

Legal Basis: This fund is governed by the California Street & Highways Code. Resources in this fund are restricted.

Budget Overview: Revenues for this fund include Gas taxes, Measure M taxes, Federal grants, and other State program receipts. The Camino De Los Mares Rehabilitation project for \$1.4 million is scheduled for FY 2013. Traffic Signal Synchronization projects on Ave. Pico (\$460,000) and El Camino Real (\$573,000) are budgeted in FY 2013, as well as the North El Camino Real Bike Lane project for \$739,800. Transfers include \$641,840 to the Street Improvement Program and \$486,120 to the General Fund.

Fund Balance: Fund balance will decrease to \$1.8 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$4,684,338	\$5,157,640	\$5,157,640	\$3,559,030	-31%
Revenues:					
2103 Motor Vehicle Fuel Tax	651,038	761,900	726,000	747,000	-2%
2105 Apportionment (Prop. 111)	385,467	362,550	336,000	336,000	-7%
2106 Apportionment	245,227	232,310	228,000	230,000	-1%
2107 Apportionment	515,223	482,480	482,480	482,000	0%
2107.5 Apportionment	15,000	7,500	7,500	7,500	0%
Measure M/M2 Apportionment	569,792	739,680	774,190	823,020	11%
"Go Local" Transit Program	0	230,740	230,740	0	-100%
City Aid Program (Prop 42)	158,456	0	0	0	0%
OCTA Senior Transportation	58,883	60,000	60,000	65,070	8%
Interest Earnings	73,144	69,500	84,380	60,800	-13%
Other Federal Grants	40,000	156,000	156,570	0	-100%
Other State Grants	0	594,000	594,000	0	-100%
Miscellaneous Revenues	58,603	0	46,000	0	0%
Transfer from General Fund	14,760	15,790	15,000	13,250	-16%
Transfer from Misc Grants Fund	0	179,830	157,000	0	-100%
Transfer from Other Funds	0	64,000	64,000	0	-100%
Total Revenues	2,785,593	3,956,280	3,961,860	2,764,640	-30%
Expenditures:					
Supplies	0	100	0	0	-100%
Contractual Services	43,624	453,840	398,640	100,000	-78%
Other Charges	69,413	75,000	75,000	75,000	0%
Capital Improvements*	866,945	3,585,590	3,585,590	3,172,800	-12%
Interfund Charges	72,740	54,590	54,590	48,580	-11%
Transfer to Street Improvement	605,000	623,150	623,150	641,840	3%
Transfer to General Fund	654,571	793,500	793,500	486,120	-39%
Transfer to Storm Drain Fund	0	30,000	30,000	0	-100%
Total Expenditures	2,312,293	5,615,770	5,560,470	4,524,340	-19%
Ending Balance	\$5,157,638	\$3,498,150	\$3,559,030	\$1,799,330	-49%

Gas Tax Fund

*Detail of Capital Improvements:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Rail Corridor Pedestrian Trail	0	100,000	100,000	0	-100%
P. Desecha Canada/PCH Bridge Rehab.	198,276	32,120	32,120	0	-100%
Camino Del Rio & Ave. La Pata Extension	0	135,770	135,770	0	-100%
Ave de la Estrella/Ave Pres. Traffic Signals	4,549	0	0	0	0%
Ave Palizada Sidewalk Improvements	27	0	0	0	0%
North Beach Crossing Improvements	17,884	128,520	128,520	0	-100%
Calle Nuevo Reconstruction	217,151	0	0	0	0%
Calle Piedras Rehabilitation	58,946	0	0	0	0%
Max Berg Plaza Park Sidewalk Improvements	51,523	894,460	894,460	0	-100%
Sarmentoso	0	700,000	700,000	0	-100%
Los Mares/Vaquero Street Reconstruction	26,723	673,280	673,280	0	-100%
Avenida Pico Rehabilitation	291,866	1,140	1,140	0	-100%
Software	0	50,300	50,300	0	-100%
Vera Cruz Rehabilitation	0	870,000	870,000	0	-100%
Avenida Pico Traffic Signal Synchronization	0	0	0	460,000	100%
Camino De Los Mares Rehabilitation	0	0	0	1,400,000	100%
El Camino Real Traffic Signal Synchronization	0	0	0	573,000	100%
North El Camino Real Bike Lane Project	0	0	0	739,800	100%
Total Capital Improvements	\$866,945	\$3,585,590	\$3,585,590	\$3,172,800	-12%

Miscellaneous Grants Fund

017-990

Description: The Miscellaneous Grants Fund is comprised of Federal Housing and Urban Development Community Development Block Grants (C.D.B.G.) and other grants received by the City for various projects related to community programs and public improvements.

Funding Source: The major source of revenue for this fund is C.D.B.G. monies.

Legal Basis: Resources in this fund are restricted based on the grant agreement.

Budget Overview: Housing rehabilitation for low income households and funding for sidewalk repairs continue to be the major program initiatives funded for FY 2013.

Fund Balance: Fund balance is budgeted to be \$13,830 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	-\$70,593	-\$3,540	-\$3,540	-\$5,150	45%
Revenues:					
CDBG Home Rehabilitation	71,915	112,070	145,740	75,000	-33%
Public Facilities/Infrastructure Grant	139,019	179,830	157,000	0	-100%
Sidewalk Program Grant	0	150,000	150,000	150,000	0%
Sidewalk Recovery Grant	16,607	0	0	0	0%
Commercial Rehabilitation Grant	22,981	51,280	51,280	20,000	-61%
Public Services Grant	63,644	59,000	59,000	52,000	-12%
CDBG Administration Grant	88,811	85,650	86,690	85,650	0%
Program Income	32,170	20,000	25,000	20,000	0%
Transfer From Other Funds	0	600	600	0	-100%
Total Revenues	435,147	658,430	675,310	402,650	-39%
Expenditures:					
Personnel	77,457	74,740	82,180	54,360	-27%
Contractual Services	99,689	202,520	202,290	100,500	-50%
Other Charges	43,185	59,000	59,000	52,000	-12%
Capital Outlay	121,013	150,000	150,000	150,000	0%
Interfund Transfers	20,457	199,830	177,000	20,000	-90%
Interfund Charges	6,290	6,450	6,450	6,810	6%
Total Expenditures	368,091	692,540	676,920	383,670	-45%
Ending Balance	-\$3,537	-\$37,650	-\$5,150	\$13,830	-137%
Programs:					
C.D.B.G. Housing Rehabilitation					
Contractual Services	71,915	145,740	145,740	75,000	-49%
Other Charges	0	20,000	20,000	20,000	0%
C.D.B.G. Commercial Rehabilitation					
Contractual Services	22,982	51,280	51,280	20,000	-61%
Public Services					
Other Charges	43,185	39,000	39,000	32,000	-18%
Transfer to General Fund	20,457	20,000	20,000	20,000	0%
City Administration					
Personnel	77,457	74,740	82,180	54,360	-27%
Contractual Services	4,792	5,500	5,270	5,500	0%
Interdepartmental Charges	6,290	6,450	6,450	6,810	6%
Public Facility/Infrastructure					
Ola Vista Sidewalk - Phase I and II	16,607	0	0	0	0%
Palizada Sidewalk - Recovery Grant	104,406	0	0	0	0%
Capital Outlay - Sidewalks	0	150,000	150,000	150,000	0%
Transfer to Other Funds	0	179,830	157,000	0	-100%
Total Expenditures	\$368,091	\$692,540	\$676,920	\$383,670	-45%

Air Quality Improvement Fund

019-819

Description: The Air Quality Improvement Fund is utilized for programs designed to reduce air pollution from motor vehicles pursuant to either the California Clean Air Act of 1988 and/or the South Coast Air Quality Management District's (AQMD) plan prepared pursuant to Section 40460 of the California Health and Safety Code.

Funding Source: This fund receives revenue from the South Coast Air Quality Management District which levies a fee on motor vehicles registered within the District. Forty percent of the fees collected are distributed to cities in the district that have adopted mobile source air pollution reduction ordinances.

Legal Basis: The fees collected to support this fund are governed by the provisions of Section 44223 of the California Health and Safety Code. The City adopted Ordinance No. 1047 on April 17, 1991. This ordinance requires that the fees received be deposited into a separate Air Quality Improvement Fund, and be used for programs described above. Resources in this fund are restricted.

Budget Overview: Revenues of \$85,500 are budgeted to be received during FY 2013. Expenditures of \$80,000 for Traffic Calming Improvements are budgeted in FY 2013.

Fund Balance: Fund balance will increase to \$271,030 by the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$311,933	\$339,270	\$339,270	\$265,530	-22%
Revenues:					
Other County Grants	19,000	10,000	10,000	0	-100%
Pollution Subventions	75,540	80,000	80,000	80,000	0%
Interest Earnings	5,274	7,100	5,700	5,500	-23%
Total Revenues	99,814	97,100	95,700	85,500	-12%
Expenditures:					
Contractual Services	72,477	105,440	105,440	80,000	-24%
Transfer to 2106 Gas Tax Fund	0	64,000	64,000	0	-100%
Total Expenditures	72,477	169,440	169,440	80,000	-53%
Ending Balance	\$339,270	\$266,930	\$265,530	\$271,030	2%

Police Grants Fund

002-217

Description: The Police Grants Fund was established in 2001 to track various Federal and State grants, donations to the Police Services programs and narcotic forfeiture monies.

Funding Source: This fund receives revenue from Federal grants (Local Law Enforcement Block Grant - LLEBG), State grants (Supplemental Law Enforcement and COPS), donations (Chaplains, Neighborhood Watch, Character Counts) and narcotic forfeitures. The grant monies from Local Law Enforcement and Supplemental Law Enforcement must be used for "front-line" enforcement such as additional personnel or field equipment. These are awarded on an annual basis. The COPS grant is allocated to the City from the State for the purpose of ensuring public safety. Donations are received from the community and local businesses for specific programs presented by the Sheriff's Department. Narcotic forfeiture monies are received from the Federal government for the City's participation in activities that recover cash or assets from convicted drug offenders.

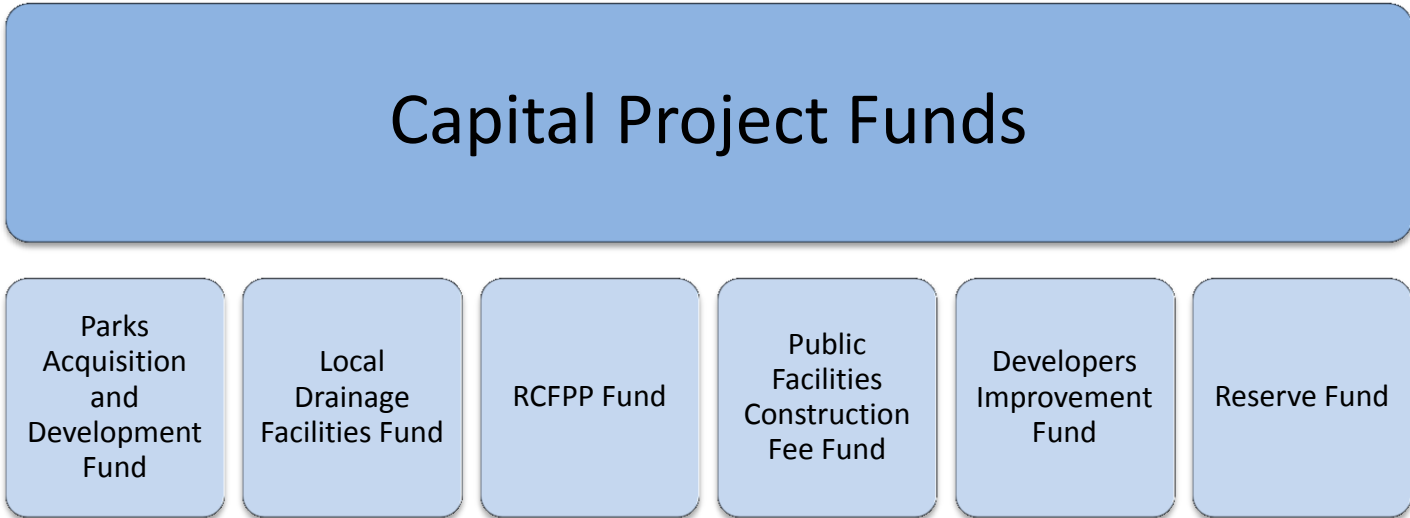
Legal Basis: The fees collected to support this fund are governed by the provisions of the individual grants and are to be used for programs described above. Resources in this fund are restricted.

Budget Overview: A deputy position is partially funded by a state COPS grant of \$100,000. Donations to this fund are used to fund the Crime Prevention, Character Counts, Parent Project and Chaplain programs. Program expenses vary depending on the amount of donations received.

Fund Balance: Fund balance will increase to \$45,370 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$43,443	\$45,600	\$45,600	\$45,170	-1%
Revenues:					
Federal & State Grants	129,500	152,460	152,460	100,000	-34%
Interest Earnings	800	200	480	200	0%
Donations from Private Sources	7,787	2,400	3,850	0	-100%
Total Revenues	138,087	155,060	156,790	100,200	-35%
Expenditures:					
Contractual Services	100,000	100,000	100,000	100,000	0%
Other Charges	35,932	60,220	57,220	0	-100%
Total Expenditures	135,932	160,220	157,220	100,000	-38%
Ending Balance	\$45,598	\$40,440	\$45,170	\$45,370	12%

Capital Project Funds account for the purchase or construction of major capital facilities.



The Redevelopment Agency Capital Project Fund is located in the Redevelopment Agency Funds Section of this Budget.

Parks Acquisition and Development Fund

031-862

Description: The Parks Acquisition and Development Fund was established to account for park development fees from all development sources and to control the distribution of funding for required park projects.

Funding Source: The Parks Acquisition and Development Fund is supported by park development fees.

Legal Basis: Revenues allocated to this fund are based on fees regulated by the Quimby Act. The Quimby Act, a California State law, requires developers to dedicate fees or land for public parks at a ratio of 5 acres per 1,000 residents in the new development. The fees collected are based upon the value of an acre of land within the development area. Resources in this fund are restricted.

Budget Overview: Revenues for this fund are derived mostly from development fees and interest on amounts held. One project, to construct the Vista Hermosa Picnic & Wedding Facility for \$75,000, is budgeted for 2013.

Fund Balance: The fund balance will remain at \$1.2 million in 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$20,444,346	\$11,765,670	\$11,765,670	\$1,217,920	-90%
Revenues:					
Park Fees	199,231	34,600	71,450	23,600	-32%
Interest Earnings	105,684	221,000	155,000	85,000	-62%
Donation from Private Sources	0	0	204,000	0	0%
Gain/Loss on Disposal	13,425,795	0	0	0	0%
Total Revenues	13,730,710	255,600	430,450	108,600	-58%
Expenditures:					
Capital Improvements*	13,236,135	9,959,370	9,959,370	75,000	-99%
Transfer to General Fund	9,150,000	0	0	0	0%
Transfer to Other Funds	0	1,000,000	1,000,000	0	-100%
Interfund Charges	23,250	18,830	18,830	65,860	250%
Total Expenditures	22,409,385	10,978,200	10,978,200	140,860	-99%
Ending Balance	\$11,765,671	\$1,043,070	\$1,217,920	\$1,185,660	14%
*Detail of Capital Improvements					
San Geronio Concession/Restroom	0	50,000	50,000	0	-100%
V. Hermosa/La Pata Sports Pk Phase IB	13,218,633	9,892,840	9,892,840	0	-100%
Courtney's Sand Castle Design	17,502	16,530	16,530	0	-100%
Vista Hermosa Picnic & Wedding Facility	0	0	0	75,000	100%
Total Capital Improvements	\$13,236,135	\$9,959,370	\$9,959,370	\$75,000	-99%

Local Drainage Facilities Fund

033-841

Description: The Local Drainage Facilities Fund was established in September 1983 to provide for the construction of drainage facilities within development areas. The four separate drainage basin areas within this fund are: Prima Deshecha, Segunda Deshecha, Marblehead Coastal and All Other Areas.

Funding Source: When a final parcel map or final tract map is filed with the City, a drainage fee is collected for deposit into the Local Drainage Facilities Fund. The monies derived from drainage fees are used to offset the cost of designing and constructing planned local drainage facilities designated in the Master Drainage Plan for the City.

Legal Basis: This fund was established by City Ordinance No. 874. Resources in this fund are restricted.

Budget Overview: No capital improvement projects are budgeted in FY 2013.

Fund Balance: Fund balance will remain at \$3.9 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance:					
Res. For Prima Deshecha	204,594	205,500	205,500	55,032	-73%
Res. For Segunda Deshecha	2,745,706	2,777,440	2,777,440	2,791,565	1%
Res. For Marblehead Coastal	105,966	107,280	107,280	109,140	2%
Res. For Other Areas	891,460	919,190	919,190	936,023	2%
Total Beginning Balance	\$3,947,726	\$4,009,410	\$4,009,410	\$3,891,760	-3%
Revenues:					
Drainage Fees	17,987	500	900	500	0%
Interest Earnings	49,017	69,500	69,500	61,000	-12%
Total Revenues	67,004	70,000	70,400	61,500	-12%
Expenditures:					
Contractual Services	1,638	0	0	0	0%
Interfund Charges	3,680	8,050	8,050	6,970	-13%
Interfund Transfers	0	180,000	180,000	0	-100%
Total Expenditures	5,318	188,050	188,050	6,970	-96%
Ending Balance:					
Res. For Prima Deshecha	205,496	55,032	55,032	52,405	-5%
Res. For Segunda Dechecha	2,777,440	2,791,565	2,791,565	2,831,840	1%
Res. For Marblehead Coastal	107,282	109,140	109,140	110,851	2%
Res. For Other Areas	919,194	935,623	936,023	951,194	2%
Total Ending Balance	\$4,009,412	\$3,891,360	\$3,891,760	\$3,946,290	1%

RCFPP Fund

020-419

Description: On March 15, 1989, the City Council of the City of San Clemente adopted the Regional Circulation Financing and Phasing Program (RCFPP). The RCFPP Fund is used to pay for the cost of installing major roadway systems in the City.

Funding Source: The RCFPP establishes the traffic impact fee schedule to be assessed on all new development on certain benefit zones within the City as well as the County portion of Talega Valley Rolling Hills.

Legal Basis: The RCFPP Fund was established by City Ordinance No. 998. Resources in this fund are restricted for the purpose of the development fees received.

Budget Overview: The RCFPP Fund has no capital improvements budgeted in FY 2013.

Fund Balance: A \$2.9 million balance is projected at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$4,070,395	\$3,142,880	\$3,142,880	\$2,880,650	-8%
Revenues:					
Developer Fees	309,911	0	2,880	0	0%
Measure M Grant	951,030	48,970	125,850	0	-100%
Interest Earnings	33,141	61,600	54,000	45,000	-27%
Transfer from Sewer Fund	130,700	0	0	0	0%
Total Revenues	1,424,782	110,570	182,730	45,000	-59%
Expenditures:					
Contractual Services	0	94,760	54,750	40,000	-58%
Capital Improvements*	2,342,152	377,860	377,860	0	-100%
Interfund Charges	10,150	12,350	12,350	17,290	40%
Total Expenditures	2,352,302	484,970	444,960	57,290	-88%
Ending Balance	\$3,142,875	\$2,768,480	\$2,880,650	\$2,868,360	4%
*Detail of Capital Improvements:					
Vista Hermosa Interchange	0	104,560	104,560	0	-100%
ECR & Pico Intersection Improvements	2,342,152	273,300	273,300	0	-100%
Intersection Improv. PCH/Capistrano	0	0	0	0	0%
Total Capital Improvements	\$2,342,152	\$377,860	\$377,860	\$0	-100%

Public Facilities Construction Fee Fund

030-818

Description: The Public Facilities Construction Fee Fund was established in May 1996 to combine the Public Safety Construction Fund, the In-lieu Parking (Beach Parking Impact Fee) Fund, and the related fees with a third fee - a Civic Center fee. The ordinance establishing this fund was developed to combine the developer fees collected for each of these funds based upon several studies.

Funding Source: The public facilities construction fee applies to new development, and the charge is collected at the time the building permit is issued. This fee was established to provide for future needs in the area of construction of public facilities and yet only charge new developments their fair share of the impacts resulting from this new development.

Legal Basis: This fund was established by City Ordinance No. 1174. Resources in this fund are restricted for the purpose of the development fees received.

Budget Overview: No capital projects are scheduled for FY 2013.

Fund Balance: Fund balance will end FY 2013 at \$13.7 million. Approximately \$5.3 million (\$3.2 million from the Public Safety Reserve and \$2.1 million from the Civic Center Reserve) is earmarked for a future Civic Center Renovation project.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance:					
Res. For 800MHz	174,651	150,560	150,560	128,510	-15%
Res. For Beach Parking	9,682,229	9,725,080	9,725,080	8,126,420	-16%
Res. For Public Safety Const.	6,830,154	4,656,040	4,656,040	3,152,110	-32%
Res. For Civic Center Const.	2,024,389	2,045,410	2,045,410	2,110,100	3%
Total Beginning Balance	\$18,711,423	\$16,577,090	\$16,577,090	\$13,517,140	-18%
Revenues:					
Beach Parking Impact Fees	9,637	21,400	13,240	13,240	-38%
Public Safety Const. Fees	72,915	27,040	122,560	16,710	-38%
Civic Center Const. Fees	6,044	9,300	42,190	5,750	-38%
Interest Earnings	175,150	225,700	225,700	180,000	-20%
Transfer from Other Funds	0	60,940	60,940	0	-100%
Total Revenues	263,746	344,380	464,630	215,700	-37%
Expenditures:					
Supplies	0	60,940	60,940	0	-100%
Contractual Services	54,168	74,520	71,580	26,660	-64%
Capital Improvements*	2,307,853	3,305,150	3,305,150	0	-100%
Other Charges	84	200	200	100	-50%
Interfund Transfers	0	45,000	45,000	0	-100%
Interfund Charges	35,980	41,710	41,710	35,510	-15%
Total Expenditures	2,398,085	3,527,520	3,524,580	62,270	-98%
Ending Balance:					
Res. For 800MHz	150,562	125,570	128,510	103,230	-18%
Res. For Beach Parking	9,725,077	8,134,580	8,126,420	8,226,520	1%
Res. For Public Safety Const.	4,656,038	3,056,588	3,152,110	3,202,510	5%
Res. For Civic Center Const.	2,045,405	2,077,212	2,110,100	2,138,310	3%
Total Ending Balance	\$16,577,084	\$13,393,950	\$13,517,140	\$13,670,570	2%

Public Facilities Construction Fee Fund

*Detail of Capital Improvements:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Downtown Fire Station	2,297,831	1,678,170	1,678,170	0	-100%
M02 Channel - MHC Parking Lots	10,022	381,980	381,980	0	-100%
M02 Channel Parking Improvements	0	1,200,000	1,200,000	0	-100%
Machinery and Equipment	0	45,000	45,000	0	-100%
<i>Total Capital Improvements</i>	\$2,307,853	\$3,305,150	\$3,305,150	\$0	-100%

Developers Improvement Fund

037-867

Description: The Developers Improvement Fund is used to account for the proceeds of settlements from developers and the future costs of maintaining and/or improving the streets or other infrastructure in the related development tracts. The Daon Street Improvement Reserve, established in FY 1987 is to be used for improvements to streets and other infrastructure for tracts 9066 and 9272. The Forster Ranch Improvement Reserve, established in FY 1990, is to be used for improvements to streets and other infrastructure within Forster Ranch. The In-Lieu Affordable Housing Reserve is used to build or rehabilitate affordable housing projects. This fee is collected from developers who opt to pay the fee rather than build affordable housing units required by the City. The Talega Bridge Maintenance Reserve is a fee on each development unit as part of the Talega Master Agreement. This fee is to be used for maintaining, repairing, restoring and replacing the Talega Bridges.

Funding Source: Funding for the Developers Improvement Fund is derived from developer agreements and fees.

Legal Basis: This fund is governed by court-ordered developer settlements and legal contracts. Resources in this fund are restricted based on developer agreements.

Budget Overview: No capital projects are budgeted in FY 2013. Affordable housing activity expenditures are budgeted in the amount of \$25,000 in FY 2013.

Fund Balance: Fund balance increases to \$9.0 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance:					
Restricted for Daon Tract	424,137	428,940	428,940	435,150	1%
Res. For Forster Ranch Lighting	9,538	9,650	9,650	9,790	1%
Res. For Forster Ranch Improvement	90,827	91,850	91,850	93,180	1%
Res. For Development Improvements	3,182,969	2,774,520	2,774,520	2,367,900	-15%
Res. For Talega Bridge Maintenance	492,362	582,360	582,360	676,280	16%
Res. For Storm Drain (Seg. Deshecha)	827,044	836,400	836,400	848,520	1%
Res. For In-Lieu Afford. Housing	4,267,681	4,315,960	4,315,960	2,553,510	-41%
In-Lieu Loans (Affordable Housing)	1,710,653	1,710,650	1,710,650	1,710,650	0%
Total Beginning Balance	\$11,005,211	\$10,750,330	\$10,750,330	\$8,694,980	-19%
Revenues:					
Bridge Maintenance	84,425	84,500	85,480	85,500	1%
In-Lieu Affordable Housing Fees	0	1,246,000	1,216,000	30,000	-98%
Interest Earnings	105,150	113,000	131,000	110,000	-3%
Community Enhancement Revenues	31,392	112,000	80,000	112,000	0%
South County Seniors Contribution	861,806	1,238,190	1,238,190	0	-100%
Total Revenues	1,082,773	2,793,690	2,750,670	337,500	-88%
Expenditures:					
Contractual Services	22,423	340,830	340,830	0	-100%
Capital Improvements*	1,308,526	1,415,470	1,415,470	0	-100%
Other Charges	0	3,041,000	3,041,000	25,000	-99%
Interfund Charges	6,710	8,720	8,720	7,420	-15%
Total Expenditures	1,337,659	4,806,020	4,806,020	32,420	-99%

Developers Improvement Fund

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Ending Balance:					
Restricted for Daon Tract	428,935	434,302	435,156	442,003	2%
Res. For Forster Ranch Lighting	9,646	9,771	9,790	9,944	2%
Res. For Forster Ranch Improvement	91,855	92,998	93,181	94,648	2%
Res. For Development Improvements	2,774,517	2,394,373	2,367,897	2,509,773	5%
Res. For Talega Bridge Maintenance	582,357	674,140	676,280	772,431	15%
Res. For Storm Drain (Seg. Deshecha)	836,400	846,855	848,521	861,884	2%
Res. For In-Lieu Afford. Housing	4,315,962	2,574,911	2,553,505	2,598,727	1%
In-Lieu Loans (Affordable Housing)	1,710,653	1,710,650	1,710,650	1,710,650	0%
Total Ending Balance	\$10,750,325	\$8,738,000	\$8,694,980	\$9,000,060	3%
*Detail of Capital Improvements:					
Downtown Senior Center	1,308,526	1,415,470	1,415,470	0	-100%
Total Capital Improvements	\$1,308,526	\$1,415,470	\$1,415,470	\$0	-100%

Reserve Fund

014-810

Description: The Reserve Fund consists of Accrued Leave, Capital Equipment, Park Asset Replacement and Facilities Maintenance Reserves. The Accrued Leave Reserve maintains funds to pay accrued employee benefits for General Fund employees who terminate during the budget year. The level of the reserve is based on an annual projection of employee retirements. The Capital Equipment Replacement Reserve was established to provide for the replacement of existing General Fund fixed assets as equipment or machinery become unserviceable or obsolete. In 2001, the Facilities Maintenance Reserve was established to provide for maintenance of City facilities. In 2010, the Park Asset Replacement Reserve was established to set aside funds for replacement of park assets.

Funding Source: Transfers from the General Fund are the major source of revenue used to establish these reserves. Replacement costs are charged directly to each user program for purchased capital equipment. The estimated replacement cost is established by factoring the original purchase price by an annual compounded inflation rate and then dividing the replacement cost by the number of years before replacement is scheduled.

Legal Basis: Resources in this fund are committed for the specific purpose the revenues were allocated.

Budget Overview: Based on the Long Term Financial Plan, FY 2013 includes budgeted transfers from the General Fund to the Accrued Leave Reserve (\$110,000), the Capital Equipment Reserve (\$40,000), and the Park Asset Replacement Reserve (\$67,000). Capital Equipment costs include Traffic Signal Battery Backup Systems, Traffic Signal Cabinet Replacements, and Traffic Signal LED Replacement projects.

Fund Balance: Fund Balance is budgeted to be \$3.3 million by the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance:					
Accrued Leave	658,648	701,320	701,320	755,450	8%
Capital Equipment	1,137,397	1,129,450	1,129,450	641,110	-43%
Facilities Maintenance	1,149,885	1,219,470	1,219,470	877,310	-28%
Park Asset Replacement	276,100	279,910	279,910	1,135,120	306%
Total Beginning Balance	\$3,222,030	\$3,330,150	\$3,330,150	\$3,408,990	2%
Revenues:					
Interest Earnings	44,443	65,000	62,000	60,000	-8%
Miscellaneous Income	0	110,000	75,000	0	-100%
Interfund Transfers	80,000	1,160,000	1,160,000	217,000	-81%
Interfund Charges	226,810	236,850	236,850	254,270	7%
Total Revenues	351,253	1,571,850	1,533,850	531,270	-66%
Expenditures:					
Accrued Leave	46,418	140,000	133,930	140,000	0%
Capital Equipment	174,137	662,660	661,160	460,000	-31%
Facilities Maintenance	22,586	760,160	509,920	58,000	-92%
Park Asset Replacement	0	150,000	150,000	0	-100%
Total Expenditures	243,141	1,712,820	1,455,010	658,000	-62%
Ending Balance:					
Accrued Leave	701,315	675,010	755,450	738,750	9%
Capital Equipment	1,129,449	750,630	641,110	375,100	-50%
Facilities Maintenance	1,219,470	628,170	877,310	936,310	49%
Park Asset Replacement	279,908	1,135,370	1,135,120	1,232,100	9%
Ending Balance	\$3,330,142	\$3,189,180	\$3,408,990	\$3,282,260	3%
Expenditures by Category:					
Personnel	46,418	140,000	133,930	140,000	0%
Capital Outlay*	196,723	1,572,820	1,321,080	518,000	-67%
Total	\$243,141	\$1,712,820	\$1,455,010	\$658,000	-62%

Reserve Fund

*Detail of Capital Improvements:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
<i>Capital Equipment Reserve:</i>					
Computer Equipment	0	7,500	6,000	0	-100%
Traffic Signal Battery Backup Systems	0	100,000	100,000	100,000	0%
Traffic Signal Cabinets Replacement	174,137	255,160	255,160	160,000	-37%
Traffic Signal LED Replacement	0	300,000	300,000	200,000	-33%
<i>Facilities Maintenance Reserve:</i>					
Ole Hanson Beach Club Rehabilitation	0	150,000	0	0	-100%
Community Center - Art Gallery Entry Improv	4,000	9,920	9,920	0	-100%
Corporation Yard Building A Rehabilitation	0	250,000	250,000	0	-100%
Community Center Rehabilitation	0	225,240	125,000	0	-100%
Replacement HVAC System for City Hall	18,586	0	0	0	0%
Stage Drapery Replacement	0	15,000	15,000	0	-100%
Community Center Auditorium Dividers	0	20,000	20,000	0	-100%
Replacement Broiler for 910 Calle Negocio	0	0	0	22,000	100%
Bldg Automation Control - 910 Calle Negocio	0	0	0	36,000	100%
Facilities Structural Assessment	0	90,000	90,000	0	-100%
<i>Park Asset Reserve:</i>					
Playground Equipment Replacements	0	125,000	125,000	0	-100%
San Gorgonio Park Walkway Light Replacement	0	25,000	25,000	0	-100%
Total Capital Improvements	\$196,723	\$1,572,820	\$1,321,080	\$518,000	-67%

Debt Service Funds account for the payment of general long-term debt principal, interest and related costs other than capitalized leases and compensated absences.



Debt Service Fund



Negocio Debt Service Fund

The Redevelopment Agency Debt Service Fund is located in the Redevelopment Agency Funds Section of this Budget.

Negocio Debt Service Fund

006-803

Description: The Negocio Debt Service Fund was established in FY 1994 to account for the accumulation of resources for the payment of principal and interest on the Certificates of Participation issued for the acquisition of the 910 Calle Negocio building.

Funding Source: The major source of revenue for this fund is transfers from the General Fund. Other sources of revenue include lease income and interdepartmental charges.

Legal Basis: Resources in this fund are restricted under debt agreements or assigned for Negocio operations.

Budget Overview: Rental charges to General Fund departments occupying the Negocio facility are charged and a transfer of \$312,030 from the General Fund is budgeted to maintain the fund balance. Rental income of \$344,460 is due to the rental a portion of the facility to third parties.

Fund Balance: Fund balance will increase to \$1,770 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$43,079	\$18,480	\$18,480	-\$182,520	-1088%
Revenues:					
Interest Earnings	-3,678	0	720	100	100%
Rental Income	79,889	352,380	218,100	344,460	-2%
Interfund Charges	100,140	97,260	97,260	97,310	0%
Transfer from General Fund	530,710	1,101,650	1,020,000	312,030	-72%
Transfer from Clean Ocean Fund	28,680	0	0	0	0%
Transfer from Other Funds	7,170	0	0	0	0%
Other Revenue	0	0	160	0	0%
Total Revenues	742,911	1,551,290	1,336,240	753,900	-51%
Expenditures*:					
Contractual Services	418,044	380,530	334,820	302,760	-20%
Capital Improvements	0	138,170	98,170	0	-100%
Debt Service	328,854	1,077,390	1,077,390	239,680	-78%
Interfund Charges	20,610	26,860	26,860	27,170	1%
Total Expenditures	767,508	1,622,950	1,537,240	569,610	-65%
Ending Balance	\$18,482	-\$53,180	-\$182,520	\$1,770	-103%
*Detail of Expenditures					
Contractual Services:					
Maintenance of Buildings	167,995	80,440	80,440	80,440	0%
Property Insurance	43,000	47,600	47,570	52,500	10%
Other Contractual	207,049	252,490	206,810	169,820	-33%
Total Contractual Services	418,044	380,530	334,820	302,760	-20%
Capital Outlay:					
Improvements other than Buildings	0	138,170	98,170	0	-100%
Debt Service:					
C.O.P. Principal	125,000	880,000	880,000	95,000	-89%
C.O.P. Interest	202,045	192,890	192,890	140,680	-27%
C.O.P. Fiscal Agent Charges	1,809	4,500	4,500	4,000	-11%
Total Debt Service	328,854	1,077,390	1,077,390	239,680	-78%
Interdepartmental Charges	20,610	26,860	26,860	27,170	1%
Total Expenditures	\$767,508	\$1,622,950	\$1,537,240	\$569,610	-65%

Enterprise funds are used to account for City operations that are financed and operated in a manner similar to private business enterprises. The intent in using this type of fund is to determine that the costs (expenses, including depreciation) of funding these services to the general public are financed or recovered primarily through user charges.

Enterprise Funds					
Water Fund	Sewer Fund	Storm Drain Fund	Clean Ocean Fund	Solid Waste Fund	Golf Fund
Water Operating	Sewer Operating	Storm Drain Operating	Clean Ocean Operating		Golf Operating
Water Depreciation Reserve	Sewer Depreciation Reserve	Storm Drain Utility Depreciation Reserve	Clean Ocean Improvement Reserve		Golf Depreciation Reserve
Water Acreage Fee Reserve	Sewer Connection Fee Reserve				Golf Improvement Reserve
Water Other Agency Depreciation Reserve	Sewer Other Agency Depreciation Reserve				

Water Fund

Water Operating Division Summary

Purpose Statement

To provide adequate supplies of potable and recycled water while meeting health and quality standards of the State Health Department and the Federal Safe Water Drinking Act.

Water Operating Division Services

- Operate, maintain and repair approximately 210 miles of water lines, 206 miles of pipelines, 14 reservoirs, 16 pump stations and 56 pressure reducing stations.
- Operate and maintain 2 groundwater wells and a treatment facility that produces 600 to 700 acre feet per year.
- Capacity to produce up to 6.5 acre feet per day of reclaimed water.
- Administer water related capital improvement projects.

	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Budget % Change
Beginning Balance:	\$840,643	\$130	\$130	\$300,493	231048%

Revenue Summary

Services Charges	11,811,907	13,519,700	13,931,520	14,692,570	9%
Other Water Charges	2,073,957	2,175,280	2,027,960	2,028,020	-7%
Other State Grants	0	34,000	0	0	-100%
Interest Earnings	13,765	1	3	8,344	834300%
Interfund Transfers	102,820	1,070,210	1,070,210	464,600	-57%
Total	\$14,002,449	\$16,799,191	\$17,029,693	\$17,193,534	2%

Program Summary

Water Administration	1,051,947	1,257,650	1,188,320	1,222,300	-3%
Water Production	9,761,876	11,378,100	11,367,940	12,037,740	6%
Transmission/Distribution	2,898,462	3,004,890	3,091,930	3,149,120	5%
Water Conservation	212,806	228,680	167,100	240,620	5%
Water Reclamation	917,875	964,990	914,040	747,490	-23%
Total Water	\$14,842,966	\$16,834,310	\$16,729,330	\$17,397,270	3%

Ending Balance:	\$126	-\$34,989	\$300,493	\$96,757	-377%
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Category Expenditure Summary

Personnel	2,543,474	2,732,420	2,579,870	2,788,580	2%
Supplies	6,878,255	7,938,040	7,898,040	8,204,430	3%
Contractual Services	1,749,231	2,117,220	2,204,940	2,270,540	7%
Other Charges	2,288,929	2,647,010	2,647,100	2,699,300	2%
Interdepartmental Charges	1,242,320	1,393,080	1,393,080	1,434,420	3%
Interfund Transfers	76,796	4,040	4,040	0	-100%
Total Operating Budget	14,779,005	16,831,810	16,727,070	17,397,270	3%
Non-Operating Expenditures	63,961	2,500	2,260	0	-100%
Total Water Budget	\$14,842,966	\$16,834,310	\$16,729,330	\$17,397,270	3%

Personnel Summary	24.7	24.75	24.75	24.75*
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* Includes 0.5 frozen position (not funded in FY 2013).

Significant Changes:

\$294,000 increase in Purchased Water due to a price increase from Metropolitan Water District as well as an anticipated increase in consumption.

\$123,000 increase in Electricity

Decision Packages:

\$20,000 for Certified Meter Reads

\$7,400 for Replacement of Carpet in Building N

Sewer Fund

Sewer Operating Division Summary

Purpose Statement

To provide maintenance and operation of the City's sewer infrastructure to ensure wastewater service to protect health and safety in compliance with all Local, State and Federal regulatory requirements.

Sewer Operating Division Services

- Operate, maintain and repair approximately 178 miles of sewer lines, 12 sewer lift stations and Water Reclamation Plant
- Treat wastewater through a series of physical, biological and chemical treatment processes.
- Manage discharge of treated water through the Land/Ocean Outfall.
- Administer wastewater related capital improvement projects.
- Administrate Pre-Treatment and Fat, Oil and Grease Program.

	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Budget % Change
Beginning Balance:	\$383,608	\$5,380	\$5,380	\$268,614	4893%
Revenue Summary					
Services Charges	7,690,559	7,930,130	8,079,800	8,604,470	9%
Other Sewer Charges	11,233	4,000	18,000	6,500	63%
Interest Earnings	5,391	84	84	6,919	8137%
Interfund Transfers	282,593	781,410	781,410	593,300	-24%
Total	\$7,989,776	\$8,715,624	\$8,879,294	\$9,211,189	6%
Program Summary					
Sewer Administration	1,190,296	1,347,880	1,272,980	1,298,960	-4%
Treatment	4,039,057	4,176,230	4,147,700	4,277,280	2%
Collection	3,138,656	3,207,160	3,195,380	3,249,530	1%
Total Sewer	\$8,368,009	\$8,731,270	\$8,616,060	\$8,825,770	1%
Ending Balance:	\$5,375	-\$10,266	\$268,614	\$654,033	-6471%
Category Expenditure Summary					
Personnel	2,075,148	2,287,670	2,045,690	2,275,200	-1%
Supplies	830,072	798,390	782,450	791,160	-1%
Contractual Services	1,659,560	1,709,880	1,853,620	1,835,190	7%
Other Charges	2,761,784	2,788,350	2,787,860	2,782,400	0%
Interdepartmental Charges	1,012,181	1,133,440	1,133,440	1,141,820	1%
Interfund Transfers	4,040	4,040	4,040	0	-100%
Total Operating Budget	8,342,785	8,721,770	8,607,100	8,825,770	1%
Non-Operating Expenditures	25,224	9,500	8,960	0	-100%
Total Sewer Budget	\$8,368,009	\$8,731,270	\$8,616,060	\$8,825,770	1%
Personnel Summary	20.55	20.50	20.50	20.50*	

* Includes 0.5 frozen position (not funded in FY 2013).

Significant Changes:

- \$163,000 increase in Electricity
- \$13,000 increase in Chemical Supplies
- \$19,000 reduction in Landfill Fees
- \$14,400 reduction in Purchased Water

Decision Packages:

- \$13,700 for Replacement of Two Existing Samplers in Lab
- \$7,400 for Replacement of Carpet in Building N

Storm Drain Fund

Storm Drain Operating Division Summary

Purpose Statement

To provide an uninterrupted storm drainage service that is operated and maintained in compliance with all regulatory requirements mandated under the National Pollution Discharge Elimination Storm Water (NPDES) program.

Storm Drain Operating Division Services

- Operate, maintain, clean and inspect 62.5 miles of storm drain lines and 1,880 catch basins (includes stenciling).
- Operate, maintain and clean water quality projects including Segunda Deshecha Canada facility and various vortex units throughout the City.
- Administer storm drain related capital improvement projects.

	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Budget % Change
Beginning Balance:	\$1,194,138	\$1,095,240	\$1,095,240	\$1,113,552	2%
Revenue Summary					
Services Charges	1,145,800	1,103,470	1,150,500	1,150,500	4%
Other Federal Grants	0	0	16,410	0	0%
Other State Grants	0	0	39,310	0	0%
Other Revenue	129,830	0	130	0	0%
Interest Earnings	15,534	14,642	14,642	33,188	127%
Interfund Transfers	147,000	489,700	489,700	483,000	-1%
Total	\$1,438,164	\$1,607,812	\$1,710,692	\$1,666,688	4%
Program Summary					
Storm Drain Administration	362,207	426,140	409,720	383,410	-10%
Storm Drain Maintenance	1,174,852	1,270,690	1,282,660	1,316,220	4%
Total Storm Drain	\$1,537,059	\$1,696,830	\$1,692,380	\$1,699,630	0%
Ending Balance:	\$1,095,243	\$1,006,222	\$1,113,552	\$1,080,610	7%
Category Expenditure Summary					
Personnel	326,728	315,960	328,260	346,400	10%
Supplies	14,960	22,100	20,300	21,050	-5%
Contractual Services	56,943	115,200	105,750	103,470	-10%
Other Charges	751,425	812,640	811,140	810,140	0%
Interdepartmental Charges	242,963	286,890	282,890	278,570	-3%
Interfund Transfers	144,040	144,040	144,040	140,000	-3%
Total Operating Budget	1,537,059	1,696,830	1,692,380	1,699,630	0%
Non-Operating Expenditures	0	0	0	0	0%
Total Storm Drain Budget	\$1,537,059	\$1,696,830	\$1,692,380	\$1,699,630	0%
Personnel Summary	2.75	2.75	2.75	2.75	

Clean Ocean Fund

Clean Ocean Operating Division Summary

Purpose Statement

To protect and improve local surface water quality by addressing storm water and urban runoff discharges and managing the City's storm water drainage system in compliance with applicable State and Federal regulations.

Clean Ocean Operating Division Services

- Conduct inspections of and provide feedback to commercial and industrial facilities on storm water best management practices.
- Respond to storm water municipal code violations and complaints, educate violators and issue citations if warranted.
- Investigate surface water quality conditions and implement solutions to minimize and mitigate pollutants entering the storm drain system.

Clean Ocean	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Budget % Change
Beginning Balance:	\$2,580,137	\$2,580,350	\$2,580,350	\$1,879,908	-27%

Revenue Summary

Urban Runoff Fee	1,862,932	1,787,290	1,837,000	1,817,000	2%
Parking Violations	323,254	299,000	296,000	297,000	-1%
Other Revenue	0	0	200	0	0%
Interest Earnings	32,319	46,628	40,968	48,291	4%
Interfund Transfers	12,420	3,400	3,400	0	-100%
Total	\$2,230,925	\$2,136,318	\$2,177,568	\$2,162,291	1%

Program Summary

Storm Water Permit Compliance	1,710,579	2,357,640	2,322,190	2,346,460	0%
Street Cleaning	520,134	578,850	555,820	579,700	0%
Total Clean Ocean Operating	\$2,230,713	\$2,936,490	\$2,878,010	\$2,926,160	0%

Ending Balance:	\$2,580,349	\$1,780,178	\$1,879,908	\$1,116,039	-37%
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Category Expenditure Summary

Personnel	360,709	368,560	372,440	372,170	1%
Supplies	18,597	131,500	98,150	62,050	-53%
Contractual Services	632,958	937,880	908,480	902,070	-4%
Other Charges	149,905	202,340	205,730	201,140	-1%
Interdepartmental Charges	372,754	416,100	413,100	392,620	-6%
Interfund Transfers	695,790	880,110	880,110	996,110	13%
Total Operating Budget	2,230,713	2,936,490	2,878,010	2,926,160	0%
Non-Operating Expenditures	0	0	0	0	0%
Total Clean Ocean Budget	\$2,230,713	\$2,936,490	\$2,878,010	\$2,926,160	0%

Personnel Summary	3.40	3.40	3.40	3.40	
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Significant Changes:

- \$36,000 reduction in Educational Materials
- \$33,850 reduction in Small Tools and Equipment due to one-time purchase budgeted in FY 2012
- \$20,000 reduction in Landfill Fees
- \$18,250 increase in Street Sweeping Services

Solid Waste Fund

Solid Waste Operating Division Summary

Purpose Statement

To protect and improve the City's local environment by maximizing recycling, and minimizing waste, through effective public education, extensive waste reduction and recycling programs, and compliance with State diversion mandates (AB939).

Solid Waste Operating Division Services

- Implement recycling and other waste reduction programs to comply with State waste diversion (AB939) mandate.
- Provide public education and assistance to residents, businesses and schools to increase recycling and reduce waste.
- Participate in regional solid waste and recycling planning.
- Administer the solid waste and recycling collection service contract.

	FY 2011 Actual	FY 2012 Adjusted	FY 2012 Projected	FY 2013 Budget	Budget % Change
Solid Waste					
Beginning Balance:	\$546,333	\$530,920	\$530,920	\$440,450	-17%
Revenue Summary					
Solid Waste Revenues	370,583	190,070	182,870	120,600	-37%
Total	\$370,583	\$190,070	\$182,870	\$120,600	-37%
Program Summary					
Solid Waste Management	385,999	300,880	273,340	220,790	-27%
Total Solid Waste Operating	\$385,999	\$300,880	\$273,340	\$220,790	-27%
Ending Balance:	\$530,917	\$420,110	\$440,450	\$340,260	-19%
Category Expenditure Summary					
Personnel	94,674	100,450	100,060	100,240	0%
Supplies	10,392	10,900	10,750	14,900	37%
Contractual Services	32,863	23,700	23,700	28,460	20%
Other Charges	2,349	2,450	450	2,450	0%
Interdepartmental Charges	48,310	76,610	76,610	74,740	-2%
Interfund Transfers	7,170	0	0	0	0%
Total Operating Budget	195,758	214,110	211,570	220,790	3%
Non-Operating Expenditures	190,241	86,770	61,770	0	-100%
Total Solid Waste Budget	\$385,999	\$300,880	\$273,340	\$220,790	-27%
Personnel Summary	1.00	1.00	1.00	1.00	

Significant Changes:

- \$62,000 reduction in Expenditure of Grants
- \$25,000 reduction in Capital Outlay due to trash enclosures budgeted in FY 2012

Golf Fund

Golf Operating Division Summary

Purpose Statement

Provide residents and visitors of San Clemente with a well maintained, sustainable, and financially self sufficient golf course for public recreation.

Golf Operating Division Services

- Provide recreational golf opportunities.
- Maintain the golf course at level B during peak season.
- Administer the pro-shop and food and beverage concessions.

	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	Budget % Change
Beginning Balance:	\$22,886	-\$90,660	-\$90,660	\$41,631	-146%
Revenue Summary					
Golf Fees	1,822,221	1,995,000	1,980,000	1,980,000	-1%
Registration Fees	91,155	108,000	93,000	91,000	-16%
Concessions	215,424	240,500	220,000	225,000	-6%
Other Revenue	8,893	0	38,400	0	0%
Other Federal Grants	0	0	7,530	0	0%
Other State Grants	0	0	2,070	0	0%
Interest Earnings	349	-1,914	-1,629	600	-131%
Interfund Transfers	13,820	17,200	17,200	0	-100%
Total	\$2,151,862	\$2,358,786	\$2,356,571	\$2,296,600	-3%
Program Summary					
Golf Course Maintenance	2,265,412	2,271,220	2,224,280	2,292,700	1%
Total Golf	\$2,265,412	\$2,271,220	\$2,224,280	\$2,292,700	1%
Ending Balance:	-\$90,664	-\$3,094	\$41,631	\$45,531	-1572%
Category Expenditure Summary					
Personnel	814,739	842,320	851,620	847,110	1%
Supplies	126,656	152,650	132,100	136,600	-11%
Contractual Services	439,941	459,900	424,210	417,500	-9%
Other Charges	338,216	330,000	330,000	330,000	0%
Interdepartmental Charges	251,860	317,850	317,850	366,890	15%
Debt Service	275,000	168,500	168,500	194,600	15%
Total Operating Budget	2,246,412	2,271,220	2,224,280	2,292,700	1%
Non-Operating Expenditures	19,000	0	0	0	0%
Total Golf Budget	\$2,265,412	\$2,271,220	\$2,224,280	\$2,292,700	1%
Personnel Summary	8.50	8.50	8.50	8.50	

Significant Changes:

- \$20,500 reduction in Effluent Water costs
- \$16,000 reduction in Supplies
- \$14,000 reduction in Other Contractual Services

Water Depreciation Reserve

466

Description: The Water Depreciation Reserve is set up to account for funds set aside for replacement of Water Fund equipment that has reached the end of its useful life and for major repairs to the water system infrastructure. Depreciation is considered a normal operating expense, and funds are received from the general operating account. Depreciation charges are computed by dividing the initial cost of the item by the projected useful life of the item. A Water Asset Model determines depreciation contributions for major repairs to system infrastructure. These processes assure that funds will be available to purchase replacement equipment and rebuild water system infrastructure when equipment or infrastructure is no longer serviceable.

Funding Source: Depreciation on capital assets is the major source of funding for this program.

Legal Basis: This fund was established by City Ordinance No. 874. Resources in this program are assigned.

Budget Overview: Four capital improvement projects are budgeted for FY 2013. Capital improvement projects include \$750,000 for the Well Outlet Piping & Chemical Treatment project and \$200,000 for La Esperanza Pressure Reduction Station Rehabilitation. Contractual Services of \$450,000 includes \$300,000 for Water System Rehabilitation, \$75,000 for Meter Replacements, and \$75,000 for a Well Water Acquirer Study.

Net Working Capital Balance: The ending net working capital will decrease to \$4.9 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$10,320,405	\$10,199,570	\$10,199,570	\$5,102,414	-50%
Additions:					
Depreciation Funded	855,568	1,090,000	1,090,000	1,150,000	6%
Depreciation Asset Model	700,000	800,000	800,000	800,000	0%
Interest Earnings	102,607	116,405	116,404	141,677	22%
Transfer from Sewer Fund	0	30,000	30,000	15,000	-50%
Transfer from Water Acreage	315,000	360,000	360,000	0	-100%
Total Additions	1,973,175	2,396,405	2,396,404	2,106,677	-12%
Deductions:					
Contractual Services	554,282	1,313,050	1,313,050	462,740	-65%
Capital Improvements*	1,308,373	3,967,370	3,852,870	1,080,000	-73%
Interdepartmental Charges	105,359	100,420	115,140	112,490	12%
Transfer to General Fund	25,000	25,000	25,000	25,000	0%
Transfer to Water Fund	0	2,000,000	2,000,000	400,000	-80%
Transfer to Sewer Depreciation	30,000	57,500	57,500	100,000	74%
Transfer to Street Improvement	70,993	100,000	100,000	100,000	0%
Transfer to Storm Drain	0	30,000	30,000	0	-100%
Total Deductions	2,094,007	7,593,340	7,493,560	2,280,230	-70%
Ending Balance	\$10,199,573	\$5,002,635	\$5,102,414	\$4,928,861	-1%

Water Depreciation Reserve

*Detail of Capital Improvements:	FY 2011	FY 2012	FY 2012	FY 2013	% Budget 12
	Actual	Adj Budget	Projected	Budget	To Budget 13
Water System SCADA Implementation	824,553	864,360	864,360	0	-100%
Calle Real Pump Station Rehabilitation	0	148,350	148,350	0	-100%
Well No. 8	27,468	257,260	151,260	0	-100%
Del Cabo Water Line Replacement	7,292	130,000	130,000	0	-100%
Reservoir 9 & 10 Rehab. Study & Lining	0	96,920	96,920	0	-100%
El Levante Pump Station Rehab.	29,237	766,540	766,540	0	-100%
Reservoir 8 Cathodic Protection	546	174,460	174,460	0	-100%
Ave Caballeros Pressure Reducing Station Rehab.	183,293	8,500	0	0	-100%
Via Zafiro PRV Rehabilitation	28,177	146,820	146,820	0	-100%
Reservoir No. 4 Outlet Pipeline Replacement	108,853	791,150	791,150	0	-100%
Reservoir No. 1 Extension	73,706	181,290	181,290	0	-100%
Calafia Pump Station Surge Tank Rehabilitation	0	200,000	200,000	0	-100%
Vista Cayenta PRS Rehabilitation	0	200,000	200,000	0	-100%
Machinery & Equipment	25,248	1,720	1,720	0	-100%
Avenida Vaquero Waterline Replacement	0	0	0	80,000	100%
La Esperanza PRS Rehabilitation	0	0	0	200,000	100%
Samaritan Medical Center Water Valves	0	0	0	50,000	100%
Well Outlet Piping & Chemical Treatment	0	0	0	750,000	100%
Total Capital Improvements	\$1,308,373	\$3,967,370	\$3,852,870	\$1,080,000	-73%

Water Acreage Fee Reserve

467

Description: The Water Acreage Fee Reserve Fund is used to plan, design, inspect and construct telemetry systems, distribution lines, service lines, water takeouts, filtration plants, well fields, impounding reservoirs and chlorination systems.

Funding Source: The Water Acreage Fee Reserve Fund is supported by fees which are assessed for all parcels of land that are developed and are connected to the water system.

Legal Basis: This program was established by City Ordinance No. 874. Resources in this program are restricted.

Budget Overview: The FY 2013 budget includes \$40,000 for the Second Lower Class Feeder Evaluation & South County Water Reliability Study Update which will be performed by the Municipal Water District of Orange County (MWDOC).

Net Working Capital Balance: The ending net working capital will be \$754,460 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$8,284,796	\$8,196,000	\$8,196,000	\$788,681	-90%
Additions:					
Water Acreage Fees	368,917	1,600	30,250	400	-75%
Interest Earnings	86,382	93,539	93,541	21,899	-77%
Transfer from Depreciation Fund	72,756	1,000,000	1,000,000	0	-100%
Total Additions	528,055	1,095,139	1,123,791	22,299	-98%
Deductions:					
Contractual Services	280,000	183,780	153,780	40,000	-78%
Capital Improvements*	779	8,008,860	7,995,780	0	-100%
Interdepartmental Charges	21,070	21,550	21,550	16,520	-23%
Transfer to Other Funds	315,000	360,000	360,000	0	-100%
Total Deductions	616,849	8,574,190	8,531,110	56,520	-99%
Ending Balance	\$8,196,002	\$716,949	\$788,681	\$754,460	5%
*Detail of Capital Improvements:					
Reservoir 10 & 6 Water Line Land	707	19,520	19,520	0	-100%
Reservoir 10 & 6 Water Line	0	317,580	317,580	0	-100%
Reeves Pump Station	0	1,433,050	1,433,050	0	-100%
Upper Chiquita Res. Emergency Storage	72	5,909,380	5,896,300	0	-100%
IRWD Interconnections	0	329,330	329,330	0	-100%
Total Capital Improvements	\$779	\$8,008,860	\$7,995,780	\$0	-100%

Water Other Agency Depreciation Reserves

468

Description: The Water Other Agency Depreciation Reserves is set up to account for funds set aside for major repairs to the water system infrastructure that is owned, operated, and maintained by Joint Regional Water Supply System (JRWSS) which is a Joint Powers Authority. Depreciation is considered a normal operating expense, and funds are received from the general operating account. This process assures that funds will be available to replace equipment and rebuild water system infrastructure when equipment or infrastructure is no longer serviceable.

Funding Source: Depreciation on capital assets is the major source of funding for this program.

Legal Basis: Resources in this program are assigned.

Budget Overview: Contractual Services includes \$820,000 for 2013 JRWSS Agency Projects. One major project, the JWRSS 60-inch Lake Forest Drive Relocation for \$535,000, and a number of smaller projects make up the total capital budget. JRWSS delivers water to the City and charges the City for its proportional share of capital and maintenance projects to maintain their infrastructure.

Net Working Capital Balance: The ending net working capital will be \$1.8 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$4,009,982	\$4,736,330	\$4,736,330	\$1,875,632	-60%
Additions:					
Other Agency Depreciation Funded	700,000	700,000	700,000	700,000	0%
Interest Earnings	41,810	54,055	54,052	52,080	-4%
Total Additions	741,810	754,055	754,052	752,080	0%
Deductions:					
Contractual Services	4,263	3,596,510	3,596,510	820,000	-77%
Interdepartmental Charges	11,200	18,240	18,240	11,260	-38%
Total Deductions	15,463	3,614,750	3,614,750	831,260	-77%
Ending Balance	\$4,736,329	\$1,875,635	\$1,875,632	\$1,796,452	-4%

Sewer Depreciation Reserve

476

Description: The Sewer Depreciation Reserve Fund is an account for funds to be set aside for the replacement of equipment that has reached the end of its useful life and for major repairs to the sewer system infrastructure. Depreciation is considered a normal operating expense, and funds are received from the general operating account. Depreciation charges are computed by dividing the initial cost of the item by the projected useful life of the item. A Sewer Asset Model determines depreciation contributions for major repairs to the system infrastructure. These processes assure that funds will be available to purchase replacement equipment and rebuild sewer system infrastructure when equipment or infrastructure is no longer serviceable.

Funding Source: Depreciation on capital assets and interest income are the major sources of funding for this program.

Legal Basis: This fund was established by City Ordinance No. 874. Resources in this program are assigned.

Budget Overview: Contractual Services includes annual maintenance of \$400,000 and \$500,000 for Progressive Cavity Pump Replacements. Two Capital Improvement projects totaling \$900,000 include \$400,000 for the Aeration Basin Blower Rehabilitation and \$500,000 for the San Gabriel Force Main Rehabilitation. A one-time transfer of \$500,000 from the Depreciation Reserve to the Operating Fund is included in this year's budget.

Net Working Capital Balance: The net working capital will be \$4.4 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$9,536,115	\$10,885,740	\$10,885,740	\$5,461,786	-50%
Additions:					
Depreciation Funded	2,447,753	2,480,000	2,480,000	2,480,000	0%
Interest Earnings	134,023	169,436	169,436	140,663	-17%
Transfer from Sewer Connection Fee	55,000	920,000	920,000	0	-100%
Transfer from Clean Ocean Fund	60,000	65,000	65,000	0	-100%
Transfer from Water Depreciation	30,000	57,500	57,500	100,000	74%
Total Additions	2,726,776	3,691,936	3,691,936	2,720,663	-26%
Deductions:					
Contractual Services	531,502	1,632,050	1,627,130	1,333,360	-18%
Capital Improvements*	358,273	6,567,410	6,437,250	1,400,000	-79%
Interdepartmental Charges	141,939	101,510	101,510	94,580	-7%
Transfer to General Fund	25,000	25,000	25,000	25,000	0%
Transfer to Street Improvement	41,985	165,000	165,000	100,000	-39%
Transfer to Water Fund	0	30,000	30,000	0	-100%
Transfer to Storm Drain Fund	130,700	30,000	30,000	0	-100%
Transfer to Sewer Operating	147,753	700,000	700,000	500,000	-29%
Transfer to Sewer Connection	0	0	0	300,000	100%
Total Deductions	1,377,152	9,250,970	9,115,890	3,752,940	-59%
Ending Balance	\$10,885,739	\$5,326,706	\$5,461,786	\$4,429,509	-17%

Sewer Depreciation Reserve

*Detail of Capital Improvements:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Emergency Swr. Land Outfall Repair	0	57,450	57,450	0	-100%
Sewer System SCADA Implementation	130,591	2,060,450	2,060,450	0	-100%
Cypress Shores Pump Station & Pipeline Rehab.	2,580	40,070	40,070	0	-100%
WRP and Maint. Storage Area Const	114,894	130,160	0	0	-100%
Los Molinos Pump Station Rehab.	0	200,000	200,000	0	-100%
Water & Wastewater Fac. Reg. Assess.	782	106,150	106,150	0	-100%
Columbo Lift Station Protection	2,921	0	0	0	0%
Los Molinos Pump Station Emerg. Backup	0	700,000	700,000	0	-100%
Main Pump Station Rehabilitation	1,554	744,750	744,750	0	-100%
WRP Solids Handling	104,951	1,878,380	1,878,380	500,000	-73%
Aeration Basin Blower Rehabilitation	0	150,000	150,000	400,000	167%
Main Pump Station Force Cathodic Protection	0	500,000	500,000	0	-100%
San Gabriel Force Main Rehabilitation	0	0	0	500,000	100%
Total Capital Improvements	\$358,273	\$6,567,410	\$6,437,250	\$1,400,000	-79%

Sewer Connection Fee Reserve

477

Description: The Sewer Connection Fee Reserve account is used to construct new facilities required to collect, transport and treat the additional sewage generated by new development activity.

Funding Source: This program is funded by charging fees to developers and builders for connecting new facilities to the sewage system. The fee schedule is adjusted on a calendar year basis to allow for projected inflationary trends in new construction of capital projects.

Legal Basis: This program was established by City Ordinance No. 874. Resources in this program are restricted.

Budget Overview: One capital improvement project to add \$2.3 million to the existing Recycled Water Expansion project is budgeted for 2013. Engineering estimates increased the total cost of the project from \$22.2 million to \$24.5 million. The project is expected to begin construction during 2013.

Net Working Capital Balance: Net working capital will be \$5.6 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$8,375,250	\$8,825,650	\$8,825,650	\$5,460,901	-38%
Additions:					
Sewer Connection Fees	516,025	20,000	1,175,260	15,460	-23%
Sewer Permits	280	2,000	100	300	-85%
Clean Water Grant (Prop 50)	181,688	3,247,060	3,247,000	0	-100%
Loan Proceeds	0	12,800,000	12,800,000	2,000,000	-84%
Other Federal Grant	0	500,000	500,000	0	-100%
Interest Earnings	117,708	137,371	137,371	140,640	2%
Transfer from Sewer Depreciation	0	0	0	300,000	100%
Total Additions	815,701	16,706,431	17,859,731	2,456,400	-85%
Deductions:					
Capital Improvements*	286,236	20,278,690	20,278,690	2,300,000	-89%
Interdepartmental Charges	24,060	25,790	25,790	18,730	-27%
Transfer to Sewer Depreciation	55,000	920,000	920,000	0	-100%
Transfer to Water Depreciation	0	0	0	15,000	100%
Total Deductions	365,296	21,224,480	21,224,480	2,333,730	-89%
Ending Balance	\$8,825,655	\$4,307,601	\$5,460,901	\$5,583,571	30%
*Detail of Capital Improvements:					
Water Rec Odor Control Improvement	22,161	137,720	137,720	0	-100%
Marblehead Coastal Recycled Wtr Line	0	350,000	350,000	0	-100%
Recycled Water Expansion	264,075	19,790,970	19,790,970	2,300,000	-88%
Total Capital Improvements	\$286,236	\$20,278,690	\$20,278,690	\$2,300,000	-89%

Sewer Other Agency Depreciation Reserves

478

Description: The Sewer Other Agency Depreciation Reserve Fund is used to account for funds to be set aside for major repairs to the sewer system infrastructure that is owned, operated and maintained by South Orange County Wastewater Authority (SOCWA). Depreciation is considered a normal operating expense, and funds are received from the general operating account. This process assures that funds will be available to rebuild sewer system infrastructure when infrastructure is no longer serviceable.

Funding Source: Depreciation on capital assets and interest income are the major sources of funding for this program. Depreciation transfers from the Sewer Operating Fund totals \$250,000 for the fiscal year.

Legal Basis: Resources in this program are assigned.

Budget Overview: No capital projects are budgeted for 2013.

Net Working Capital Balance: The ending net working capital will be \$1.9 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$1,216,527	\$1,484,700	\$1,484,700	\$1,622,189	9%
Additions:					
Other Agency Depreciation Funded	275,000	250,000	250,000	250,000	0%
Interest Earnings	17,097	23,109	23,109	41,778	81%
Total Additions	292,097	273,109	273,109	291,778	7%
Deductions:					
Contractual Services	23,925	118,080	118,080	0	-100%
Interdepartmental Charges	0	17,540	17,540	13,820	-21%
Total Deductions	23,925	135,620	135,620	13,820	-90%
Ending Balance	\$1,484,699	\$1,622,189	\$1,622,189	\$1,900,147	17%

Storm Drain Utility Depreciation Reserve

553

Description: The Storm Drain Utility Depreciation Reserve was set up in FY 2002 to account for funds set aside for replacement of Storm Drain Fund equipment that has reached the end of its useful life and for major repairs to the Storm Drain Utility System infrastructure. Depreciation is considered a normal operating expense, and funds are received from the general operating account. Depreciation charges are computed by dividing the initial cost of the item by the projected useful life of the item and then budgeting the required amount. This process assures that funds will be available to purchase replacement equipment and rebuild Storm Drain Utility System infrastructure when equipment or infrastructure is no longer serviceable.

Funding Source: Depreciation on capital assets is a major source of funding for this program. Transfers from the Clean Ocean Operating Fund and the Storm Drain Operating Fund are made to support capital projects relating to water quality improvements.

Legal Basis: Resources in this program are assigned.

Budget Overview: Four projects are included in the FY 2013 Capital Improvement budget, which includes the \$1.1 million Via Ballena Storm Drain Relocation project. The Via Ballena project is dependent upon receiving a \$700,000 FEMA Grant. Storm Drain Rehabilitation of \$300,000 and a \$50,000 Via Alegra Storm Drain Outlet Rehabilitation project are included in contractual services.

Net Working Capital Balance: Ending net working capital will decrease to \$1.15 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$4,364,422	\$4,462,660	\$4,462,660	\$1,379,428	-69%
Additions:					
Depreciation Funded	751,425	810,000	810,000	810,000	0%
Interest Earnings	56,774	59,658	59,658	41,112	-31%
FEMA Grant	0	0	0	700,000	100%
Transfer from Operating Fund	140,000	0	0	0	0%
Transfer from Clean Ocean Fund	196,000	0	0	0	0%
Transfer from Water Fund	0	30,000	30,000	0	-100%
Transfer from Sewer Fund	0	30,000	30,000	0	-100%
Transfer from Gas Tax Fund	0	30,000	30,000	0	-100%
Transfer from Local Drainage Facilities	0	150,000	150,000	0	-100%
Total Additions	1,144,199	1,109,658	1,109,658	1,551,112	40%
Deductions:					
Contractual Services	239,962	492,570	492,570	370,000	-25%
Capital Improvements*	740,654	3,687,800	3,654,510	1,350,000	-63%
Interdepartmental Charges	65,346	45,810	45,810	58,020	27%
Total Deductions	1,045,962	4,226,180	4,192,890	1,778,020	-58%
Ending Balance	\$4,462,659	\$1,346,138	\$1,379,428	\$1,152,520	-14%

Storm Drain Utility Depreciation Reserve

*Detail of Capital Improvements:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Plaza La Playa Channel	427,542	368,290	368,290	0	-100%
Los Mares/Vaquero Storm Drain Upgrade	79,300	745,900	745,900	100,000	-87%
Columbo Storm Drain Extension	51,621	313,760	313,760	0	-100%
Acapulco & Cisco Storm Drain Rehab.	381	2,620	0	0	-100%
Cristobal Storm Drain Extension	640	367,440	367,440	0	-100%
211 & 225 Marquita Storm Drain Rehab	22,086	24,150	3,180	0	-100%
Acapulco Storm Drain Rehabilitation	11,756	103,290	103,290	0	-100%
Alameda Lane Drainage System Replace.	14,136	83,060	83,060	100,000	20%
Calle Heraldo Storm Drain Rehab.	22,585	12,390	2,690	0	-100%
Prima Deshecha Canada Channel (M01)	30,139	1,666,900	1,666,900	0	-100%
Via Ballena Emergency Storm Drain	80,468	0	0	0	0%
Via Ballena Storm Drain Relocation	0	0	0	1,100,000	100%
Via Montega/Cascadita Storm Drain to M01	0	0	0	50,000	100%
Total Capital Improvements	\$740,654	\$3,687,800	\$3,654,510	\$1,350,000	-63%

Clean Ocean Improvement Reserve

543

Description: Property owners in San Clemente approved the Clean Water Initiative in 2002, to help the City clean up urban runoff that flows from the City's storm drain system into the ocean. The Clean Water Initiative was renewed for an additional 6-year period in 2007.

Funding Source: The Clean Ocean Improvement Reserve is supported by transfers from the Clean Ocean Operating Fund, which derives revenue from fees assessed on improved parcels within the City of San Clemente and from Environmental Protection Agency grants.

Legal Basis: Resources in this program are restricted.

Budget Overview: One capital improvement project, the MO2 Water Quality Treatment Backwash Pipeline, for \$150,000, is budgeted for FY 2013.

Net Working Capital Balance: Net working capital will increase to \$3,401 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$87,478	\$31,640	\$31,640	-\$303,288	-1059%
Additions:					
Interest Earnings	1,096	572	502	-7,791	-1463%
Transfer from Operating Fund	91,000	299,000	299,000	480,000	61%
Total Additions	92,096	299,572	299,502	472,209	58%
Deductions:					
Contractual Services	90,412	259,580	259,580	0	-100%
Capital Improvements*	11,101	363,680	363,680	150,000	-59%
Interdepartmental Charges	46,420	11,170	11,170	15,520	39%
Total Deductions	147,933	634,430	634,430	165,520	-74%
Ending Balance	\$31,641	-\$303,218	-\$303,288	\$3,401	-101%
*Detail of Capital Improvements:					
MO2 Urban Runoff Treatment	2,220	0	0	0	0%
Linda Lane Runoff Treatment	8,881	363,680	363,680	0	-100%
MO2 Water Quality Treatment	0	0	0	150,000	100%
Total Capital Improvements	\$11,101	\$363,680	\$363,680	\$150,000	-59%

Golf Depreciation Reserve

666

Description: The Golf Depreciation Reserve provides for the replacement of equipment, machinery, and buildings that have reached the end of their useful lives. Depreciation is considered a normal operating expense, and funds are received from the general operating accounts. Depreciation charges are computed by dividing the initial cost of the item by its projected useful life. This account assures that funds will be available to purchase replacement equipment and to replace building infrastructure when they are no longer serviceable.

Funding Source: Depreciation on capital assets is the major source of funding for this program which is transferred from the Golf Operating Fund at the end of the fiscal year.

Legal Basis: Resources in this program are assigned.

Budget Overview: Equipment replacement in the total amount of \$277,000 is planned for 2013.

Net Working Capital Balance: The ending working capital balance will be \$1.5 million at the end of FY 2013. Working capital of \$1.2 million represents a loan receivable from Golf Operating.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$1,628,085	\$1,432,550	\$1,432,550	\$1,561,511	9%
Additions:					
Depreciation Funded	191,645	194,000	194,000	194,000	0%
Interest Earnings	24,809	30,245	25,741	22,525	-26%
Total Additions	216,454	224,245	219,741	216,525	-3%
Deductions:					
Capital Improvements*	99,041	59,500	59,500	277,000	366%
Interfund Charges	44,950	31,280	31,280	5,480	-82%
Interfund Transfers	268,000	0	0	0	0%
Total Deductions	411,991	90,780	90,780	282,480	211%
Ending Balance	\$1,432,547	\$1,566,015	\$1,561,511	\$1,495,556	-4%
*Detail of Capital Improvements:					
Machinery & Equipment	99,041	59,500	59,500	277,000	366%
Total Capital Outlay	\$99,041	\$59,500	\$59,500	\$277,000	366%

Golf Capital Improvement Reserve

667

Description: The Golf Capital Improvement Reserve provides for the replacement of golf course improvements, such as irrigation systems, tee box, green renovations, and other improvements on the golf course. Equipment, machinery, and buildings are covered under the Golf Depreciation Reserve and are not a part of this reserve.

Funding Source: Depreciation on capital improvements is the major source of funding for this program which is transferred from the Golf Operating fund at the end of the fiscal year.

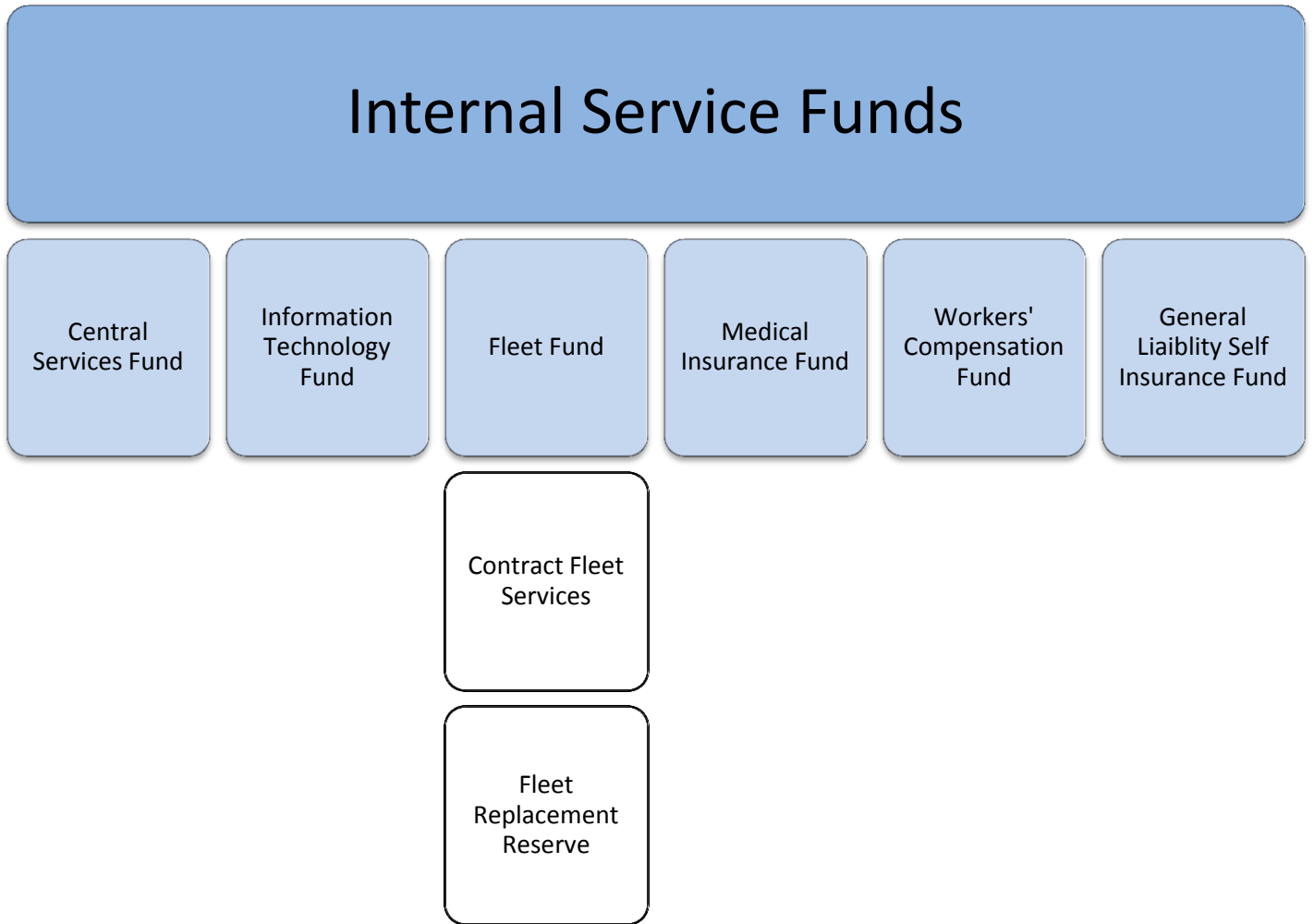
Legal Basis: This program was created by City Resolution No. 30-85 and 02-86. Resources in this program are assigned.

Budget Overview: Sidewalk repairs in the amount of \$20,000 are budgeted in FY 2013.

Net Working Capital Balance: The net working capital balance will be \$659,783 at the end of FY 2013. A portion of net working capital represents an interfund loan receivable.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$10,332	\$410,610	\$410,610	\$545,918	33%
Additions:					
Depreciation Funded	140,121	132,000	132,000	132,000	0%
Transfer from Golf Depreciation	268,000	0	0	0	0%
Interest Earnings	157	8,669	7,378	7,875	-9%
Total Additions	408,278	140,669	139,378	139,875	-1%
Deductions:					
Capital Improvements*	0	0	0	20,000	100%
Interdepartmental Charges	8,000	4,070	4,070	6,010	48%
Total Deductions	8,000	4,070	4,070	26,010	539%
Ending Balance	\$410,610	\$547,209	\$545,918	\$659,783	21%
*Detail of Capital Improvements:					
Concrete Sidewalk Repair	0	0	0	20,000	100%
Total Capital Improvements	\$0	\$0	\$0	\$20,000	100%

Internal Service Funds are established to finance and account for goods and services provided by one City department to other City departments on a cost reimbursement basis.



Central Services Fund

062-242/812

Description: The Central Services Fund provides duplicating, postage, and communications services for all programs.

Funding Source: Other City programs within funds are charged on a cost reimbursement basis. The cost of an individual copy in duplicating services is based on the total costs accumulated during the prior year. Machine rental, toner, paper, and miscellaneous costs are divided by the number of copies made during the prior year. The charges to each program for postage are compiled daily based upon actual usage. A small additional amount is charged for the maintenance costs of the postage meter. Communication charges are allocated to the using divisions based on the number of phone lines, radios, pagers, cellular phones, and lease phone lines. Imaging Fees offset Electronic Data Management System expenditures.

Legal Basis: Resources in this fund are assigned.

Budget Overview: Charges to other departments amount to \$449,630, a decrease of \$200,190, based on lower operating costs within the fund.

Net Working Capital Balance: The ending net working capital balance is \$112,360 at the end of FY 2013.

Expenditures By Category	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Personnel	150,114	164,540	61,910	62,390	-62%
Supplies	45,892	60,590	50,850	55,250	-9%
Contractual Services	334,872	351,710	330,520	354,180	1%
Other Charges	0	0	0	0	0%
Capital Outlay	0	10,510	10,380	0	-100%
Interdepartmental Charges	62,140	128,310	128,310	88,370	-31%
Debt Service	19,908	51,650	51,650	45,290	-12%
Total	\$612,926	\$767,310	\$633,620	\$605,480	-21%

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	-\$51,852	\$173,580	\$173,580	\$231,210	33%
Additions:					
Imaging Fees	41,142	31,000	36,000	36,000	16%
Interest	4,944	1,000	3,000	1,000	0%
Charges to Other Departments	675,040	649,820	649,820	449,630	-31%
Interfund Transfers	116,870	2,400	2,400	0	-100%
Other Revenues	358	0	30	0	0%
Total Additions	838,354	684,220	691,250	486,630	-29%
Deductions:					
Central Services	244,197	343,470	327,730	299,460	-13%
Communications	368,729	423,840	305,890	306,020	-28%
Total Deductions	612,926	767,310	633,620	605,480	-21%
Total Ending Balance	\$173,576	\$90,490	\$231,210	\$112,360	24%

Information Technology

063-241

Description: The Information Technology Fund is used to account for the costs associated with the City's centralized computer system and to distribute these costs to the departments using the system. Included are costs for hardware, software, computer training and staff support.

Funding Source: Other City programs within funds are charged on a cost reimbursement basis. The cost is determined based on the number of computer units within a department.

Legal Basis: Resources in this fund are assigned.

Budget Overview: Expenses in this fund include the costs to design, install, maintain and support the City's enterprise computer network, including servers, computers, and related networking equipment. Staff in this fund support the network, and provide training and support to other City staff, and maintain the City website.

Net Working Capital Balance: Net working capital is anticipated to decrease to \$145,470 at the end of FY 2013.

Expenditures By Category	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Personnel	698,079	705,530	718,150	718,560	2%
Supplies	3,947	5,750	5,700	5,750	0%
Contractual Services	462,268	571,630	473,800	493,020	-14%
Other Charges	9,098	10,450	10,450	10,450	0%
Capital Outlay	30,513	96,100	75,000	95,000	-1%
Interdepartmental Charges	77,000	133,130	133,130	146,790	10%
Total	\$1,280,905	\$1,522,590	\$1,416,230	\$1,469,570	-3%

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Bud 12 To Bud 13
Beginning Balance:					
Capital Equipment Reserve	31,000	36,000	36,000	65,150	81%
Net Working Capital	284,773	316,850	316,850	213,460	-33%
Total Beginning Balance	315,773	352,850	352,850	278,610	-21%
Additions:					
Charges to Other Departments	1,296,720	1,314,370	1,314,370	1,329,630	1%
Interest Earnings	6,132	7,300	7,300	6,800	-7%
Interfund Transfers	15,130	41,730	20,320	0	-100%
Total Additions	1,317,982	1,363,400	1,341,990	1,336,430	-2%
Deductions:					
Total Deductions	1,280,905	1,522,590	1,416,230	1,469,570	-3%
Ending Balance:					
Capital Equipment Reserve	36,000	65,150	65,150	65,150	0%
Net Working Capital	316,850	128,510	213,460	80,320	-37%
Ending Balance	\$352,850	\$193,660	\$278,610	\$145,470	-25%

Fleet Services Fund

065-619

Description: First Vehicle Services (FVS) is responsible for the preventative maintenance and repair for the City's vehicles and equipment. First Vehicle Services is a contracted service provider operating from the City's maintenance facility. First Vehicle Services guarantees vehicle availability, timeliness of performance and emergency road response.

Funding Source: Actual operations and maintenance costs from the prior year are charged to each vehicle through interdepartmental charges.

Legal Basis: Resources in this fund are assigned.

Budget Overview: Fuel costs have increased from the previous year. Contractual services are budgeted at the same level as the prior year fiscal year.

Net Working Capital Balance: Net working capital is anticipated to decrease to \$149,764 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$195,851	\$163,000	\$163,000	\$186,025	14%
Additions:					
Charges to Other Departments	1,077,733	1,168,340	1,168,340	1,131,720	-3%
Interest Earnings	2,093	3,598	2,905	2,749	-24%
Miscellaneous Income	37,011	20,000	30,000	30,000	50%
Transfer from Other Funds	9,500	0	0	0	0%
Total Additions	1,126,337	1,191,938	1,201,245	1,164,469	-2%
Deductions:					
Supplies	482,394	443,760	512,750	515,500	16%
Contractual Services	567,449	597,630	568,920	598,210	0%
Interdepartmental Charges	109,350	96,550	96,550	87,020	-10%
Total Deductions	1,159,193	1,137,940	1,178,220	1,200,730	6%
Ending Balance	\$162,995	\$216,998	\$186,025	\$149,764	-31%

Fleet Replacement Reserve Fund

065-824

Description: The Fleet Replacement Reserve includes funding set aside for the replacement of vehicles and other rolling stock as they become unserviceable, obsolete, or reach a predetermined service life. When new equipment is purchased, a replacement schedule is established so that funds will be available at the end of the useful life of the equipment. This provides for an orderly funding mechanism for purchasing replacement pieces of equipment.

Funding Source: Replacement costs, along with vehicle operating costs, are charged directly to each user program in all funds. The estimated replacement cost is established by factoring the original purchase price by an annual compounded inflation rate average of 3.0%. The annual replacement charge is then calculated by dividing the replacement cost by the number of years before replacement is scheduled.

Legal Basis: Resources in this program are assigned.

Budget Overview: Capital outlay of \$338,340 is budgeted for FY 2013 related to vehicle replacements.

Net Working Capital Balance: Net working capital will increase to \$3.6 million at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$3,655,831	\$3,484,180	\$3,484,180	\$3,434,625	-1%
Additions:					
Replacement Charges to Depts.	546,527	550,390	550,390	500,540	-9%
Interest Earnings	39,069	76,902	62,095	50,751	-34%
Gain/Loss on Disposal of Fixed Assets	14,401	0	22,270	0	0%
Total Additions	599,997	627,292	634,755	551,291	-12%
Deductions:					
Contractual Services	3,750	0	0	0	0%
Capital Outlay*	175,694	608,250	608,250	338,340	-44%
Interfund Charges	29,970	15,120	15,120	10,420	-31%
Transfer to General Fund	259,230	0	0	0	0%
Transfer to Golf Fund	13,820	0	0	0	0%
Transfer to Other Funds	289,180	60,940	60,940	0	-100%
Total Expenditures	771,644	684,310	684,310	348,760	-49%
Ending Balance	\$3,484,184	\$3,427,162	\$3,434,625	\$3,637,156	6%

Fleet Replacement Reserve

*Detail of Capital Outlay:	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Unit 1136 2011 Ford F350 Regular Cab	28,450	0	0	0	0%
Unit 1137 2011 Ford F350 Regular Cab	33,384	0	0	0	0%
Unit 1138 Honda ST1300PA9 Police Motorcycle	26,819	0	0	0	0%
Unit 1139 John Deere Compact Track Loader	70,474	0	0	0	0%
Unit 1140 Kubota RTV 900	13,902	0	0	0	0%
Fuel Island Cover	2,665	0	0	0	0%
Fuel Management Upgrade & Gate Replacement	0	130,000	130,000	0	-100%
2011 Ford F650	0	81,810	81,810	0	-100%
Rehab Vehicle 911 Utility Generator Trailer	0	10,000	10,000	0	-100%
Replace Unit 982, 2001 Ford F350	0	36,190	36,190	0	-100%
Replace Unit 934, Pro-patch	0	141,050	141,050	0	-100%
Replace Unit 954, Boom Truck	0	171,620	171,620	0	-100%
Replace Unit 1073, Yamaha Rhino	0	8,300	8,300	0	-100%
Replace Unit 1079, Honda Motorcycle	0	29,280	29,280	0	-100%
Purchase 2 2012 Jeep Wrangler Sport 4 x 4's	0	0	0	57,080	100%
Replace Vehicle #981 2001 Ford F-350	0	0	0	31,080	100%
Replace fleet equipment # 1099	0	0	0	89,680	100%
1-Ton Util. PU Truck- Replacing Unit 1011	0	0	0	33,090	100%
Replace fleet equipment #1100	0	0	0	89,680	100%
Fleet Replacement - RSVP Minivan - Unit 2194	0	0	0	22,200	100%
Fleet Replacement - Taurus - Unit 1047	0	0	0	15,530	100%
Total Capital Outlay	\$175,694	\$608,250	\$608,250	\$338,340	-44%

Medical Insurance Fund

066-814

Description: The Medical Insurance program is offered to all regular full-time employees and benefited part-time employees. The benefits covered include medical, vision and dental insurance. Health insurance is coordinated through the CalPERS health plans. The fund also includes retiree insurance and COBRA insurance.

Funding Source: Premiums are based on the specific medical insurance program which the employee has selected. The costs of the medical program are accounted for in this fund and charged back to the appropriate program.

Legal Basis: Resources in this fund are assigned.

Budget Overview: Expenses include premium payments for medical, dental and vision plans. The City continues to experience premium increases and costs. Costs are recovered through charges to other funds and employee paid premiums.

Net Working Capital Balance: Net working capital is anticipated to increase to \$10,680 at the end of FY 2013.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$9,476	-\$40,140	-\$40,140	\$10,370	-126%
Additions:					
Premiums Charged	2,698,389	3,013,700	2,889,000	2,978,000	-1%
COBRA Premiums	19,199	4,570	1,250	2,000	-56%
Retiree Premiums	132,379	175,000	167,000	177,000	1%
Interest Earnings	1,270	5,000	3,500	5,000	0%
Miscellaneous Income	5,472	8,800	6,000	6,000	-32%
Total Additions	2,856,709	3,207,070	3,066,750	3,168,000	-1%
Deductions:					
Claims Paid	242,060	250,000	247,000	255,000	2%
Premiums Paid	2,578,430	2,863,910	2,678,710	2,821,850	-1%
Claims Administration	39,845	42,380	41,000	43,000	1%
Other Charges	1,208	3,200	3,200	3,200	0%
Contractual Services	6,685	2,400	2,400	2,400	0%
Interfund Charges	38,100	43,930	43,930	42,240	-4%
Total Deductions	2,906,328	3,205,820	3,016,240	3,167,690	-1%
Ending Balance	-\$40,143	-\$38,890	\$10,370	\$10,680	-127%

Workers' Compensation Fund

067-815

Description: The City is self-insured for Workers' Compensation; however, the City receives an excess insurance supplement from CSAC Excess Insurance Authority. The City continues to use the manual rates approved by the California Department of Insurance to charge the various departments. Through the City's payroll system, premiums for this coverage are charged back to the various departments and operating funds are included in the employees' compensation package. Costs linked to running the program, such as providing a third-party claims administrator, are also shared using the same methodology.

Funding Source: The major source of funding for this program is the premiums charged to other funds.

Legal Basis: Resources in this fund are assigned.

Budget Overview: Revenue is anticipated to go down due to a lower premium charged to other funds. In addition, a refund to contributing funds in the amount of \$300,000 was completed in FY 2012.

Net Working Capital Balance: The ending working capital for FY 2013 will be \$1.6 million. This includes \$900,000 or three times the Self-insurance retention of \$300,000 based on the City's fiscal policy and \$0.7 million is available for remaining "tail" claims from the City's self-insurance program prior to 1995.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$2,117,408	\$2,023,380	\$2,023,380	\$1,674,100	-17%
Additions:					
Prem. Charged to Other Funds	361,622	372,000	372,000	377,000	1%
Insurance Reimbursements	20,481	85,000	85,000	0	-100%
Interest Earnings	22,821	36,000	32,300	30,000	-17%
Total Additions	404,924	493,000	489,300	407,000	-17%
Deductions:					
Supplies	3,899	5,000	5,000	5,000	0%
Contractual Services	15,243	9,450	9,780	7,000	-26%
Other Charges	439,681	511,000	510,140	448,000	-12%
Interfund Charges	40,130	13,660	13,660	43,990	222%
Interfund Transfers	0	300,000	300,000	0	-100%
Total Deductions	498,953	839,110	838,580	503,990	-40%
Ending Balance	\$2,023,379	\$1,677,270	\$1,674,100	\$1,577,110	-6%

General Liability Self Insurance Fund

068-816

Description: In order to control the costs of subsidence claims and continue to purchase liability and property insurance, the City in fiscal year 2005 entered into a joint powers agreement through the California Joint Powers Insurance Authority, (CJPIA), with 122 other agencies to purchase excess layers of protection. Under this program, the City will see substantial reduction of expenses related to subsidence claims, as this coverage will be provided through CJPIA. The City will continue to control costs through a combination of self-insurance and purchased insurance, while maintaining comprehensive coverage.

Funding Source: In addition to premium charges, claims adjustments, legal services and pool administration are necessary to maintain this program. Each of the operating funds is charged an amount in relation to the frequency and severity of claims which have been incurred. These amounts are transferred to the General Liability Self-Insurance Fund to pay for excess premiums. Insurance reimbursements represent excess premium refunds which are treated as one-time revenues, and are therefore not budgeted.

Legal Basis: This fund is governed by Resolution No. 67-78 and 18-80. Resources in this fund are restricted.

Budget Overview: Employer premiums charged remain the same as prior year. Capital outlay decreases due to the completion of a storm related project.

Net Working Capital Balance: Ending net working capital is \$150,160; including \$90,000 restricted for claims.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Total Beginning Balance	\$817,384	\$1,207,000	\$1,207,000	\$719,080	-40%
Additions:					
Employer Premiums	1,200,000	1,600,000	1,600,000	1,600,000	0%
Interest Earnings	18,489	7,800	7,600	5,900	-24%
Transfer from the General Fund	1,000,000	0	0	0	0%
Transfer from Other Funds	0	200	200	0	-100%
Miscellaneous Revenues	1,474	0	0	0	0%
Total Additions	2,219,963	1,608,000	1,607,800	1,605,900	0%
Deductions:					
Personnel	113,273	117,640	117,050	122,000	4%
Supplies	665	1,000	700	1,900	90%
Contractual Services	273,085	368,540	318,510	366,000	-1%
Other Charges	1,383,451	2,314,670	1,611,880	1,610,250	-30%
Capital Outlay	2,348	0	0	0	0%
Interfund Charges	57,530	47,580	47,580	74,670	57%
Total Deductions	1,830,352	2,849,430	2,095,720	2,174,820	-24%
Total Ending Balance	\$1,206,995	-\$34,430	\$719,080	\$150,160	-536%



The three **Redevelopment Agency (RDA) funds** are now effectively dissolved as of February 1, 2012 subject to a final review by the County and State. The FY 2012 fund balances are amounts available that may be redistributed to various taxing agencies.

However, certain encumbered agency assets, such as land, are transferred to the Successor Agency (the City) for disposition. Any proceeds from the disposition are expected to be used to offset the outstanding RDA obligations.

Redevelopment Agency Funds

Low and Moderate
Income Housing Special
Revenue Fund

Redevelopment Agency
Debt Service Fund

Redevelopment Agency
Capital Projects Fund

On February 1, 2012 the City became the successor agency for the RDA's operations and is responsible for the winding down of operational agreements. The obligations of the former RDA are reported to the County and the State through the Recognized Obligation Payment Schedule (ROPS), which requires approval of the San Clemente Oversight Board.

The reported obligations will be paid in the future from property taxes received in a separate unbudgeted fund named the Redevelopment Agency Recognized Obligation Retirement Fund administered by the City of San Clemente.

Redevelopment Agency Recognized Obligation Retirement Fund

RDA Low and Moderate Income Housing Fund

085-809

Description: The Redevelopment Agency Low and Moderate Income Housing Fund was used to account for projects that are designed to increase or improve low and moderate income housing, as required by section 33334.2 of the State's Health and Safety Code.

Funding Source: Revenues for these projects were derived from the 20% set aside property tax increment revenues transferred from the RDA Debt Service Fund.

Legal Basis: This fund is governed by the California Health and Safety Code. Resources in this fund are restricted based on State law, however are currently subject to the Agency's dissolution as of February 1, 2012.

Budget Overview: The FY 2012 other charges includes affordable housing grants . A Housing Specialist oversees affordable housing, the budget for the housing specialist was shifted to the General Fund in FY 2013.

Fund Balance: Fund balance will end FY 2012 at \$2.3 million, with \$1.2 available (unencumbered). Based on current state law, it is still uncertain as to extent of affordable housing assets that will be retained by the City.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance:					
Low/Moderate Income Housing Loans	1,206,346	1,206,350	1,206,350	1,206,350	-4%
Res. For Low Income Housing	668,249	900,280	900,280	1,086,510	-4%
Total Beginning Balance:	\$1,874,595	\$2,106,630	\$2,106,630	\$2,292,860	-4%
Revenues:					
Other Revenue	1,000	0	0	0	0%
Interest Earnings	34,850	20,000	13,000	0	-100%
Transfer from Debt Service Fund	470,898	480,000	310,000	0	-100%
Transfer from Other Funds	0	900	900	0	-100%
Total Revenues	506,748	500,900	323,900	0	-100%
Expenditures:					
Personnel	68,169	36,580	27,390	0	-100%
Supplies	223	700	170	0	-100%
Contractual Services	15,420	104,950	18,990	0	-100%
Other Charges	103,081	68,250	48,240	0	-100%
Interfund Charges	87,820	42,880	42,880	0	-100%
Total Expenditures	274,714	253,360	137,670	0	-100%
Ending Balance:					
Low/Moderate Income Housing Loans	1,206,346	1,206,350	1,206,350	1,206,350	0%
Res. For Low Income Housing	900,284	1,147,820	1,086,510	1,086,510	-5%
Total Ending Balance	\$2,106,630	\$2,354,170	\$2,292,860	\$2,292,860	-3%

RDA Debt Service Fund

087-805

Description: The San Clemente Redevelopment Project Area was formed in April 1975. The boundaries of the project area coincide with the boundaries of the Pier Bowl Specific Plan, and are as follows: the Pacific Ocean to the west, Linda Lane park to the north, Encino Lane, Avenida Palizada, Avenida Del Mar and Coronado Lane to the east and Cazador Lane to the south. Some of the public amenities in the project area include, Casa Romantica, the municipal parking lot, Parque Del Mar, Linda Lane Park and the Municipal Pier. The primary purpose of the project area is to prevent the spread of blight and eliminate deterioration within the project area. Consistent with this goal is the encouragement of economic development and public usage within the project area.

Funding Source: The major source of revenue in this fund is property taxes collected from the project area.

Legal Basis: The fund is governed by City Ordinance No. 642. Resources in this fund are restricted based on State law. However, effect February 1, 2012 the RDA is dissolved and the dissolution will be carried out by the City of San Clemente, who is the successor agency.

Budget Overview: Revenues are generated from property taxes in the Redevelopment Agency area will be redistributed to affected taxing agencies in FY 2013. The City's General Fund will receive approximately \$380,000 of the \$2.3 million of tax increment previously received in this fund.

Fund Balance: Fund balances will be \$771,690 at the end of FY 2012. The County of Orange will be requesting available funds in the future for redistribution.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$851,650	\$99,040	\$99,040	\$771,690	679%
Revenues:					
Tax Increment	2,331,428	2,305,800	1,525,830	0	-100%
Homeowners Exemption	4,969	4,000	2,390	0	-100%
Interest Earnings	5,162	19,500	4,300	0	-100%
Loan Proceeds	15,888	15,990	15,890	0	-100%
Total Revenues	2,357,447	2,345,290	1,548,410	0	-100%
Expenditures:					
Interdepartmental Charges	13,020	20,290	20,290	0	-100%
Contractual Services	0	0	610	0	0%
Transfer to Low & Mod. Housing	470,898	480,000	310,000	0	-100%
Other Charges	180,076	1,500	0	0	-100%
Debt Service*	2,446,059	2,856,830	544,860	0	-100%
Total Expenditures	3,110,053	3,358,620	875,760	0	-100%
Ending Balance	\$99,044	-\$914,290	\$771,690	\$771,690	-184%
*Detail of Debt Service:					
General Fund Loan Interest	60,850	54,830	31,980	0	-100%
General Fund Principal	208,980	215,000	125,420	0	-100%
Rpmt. Of Other Fund Advance	2,007,517	2,340,000	387,460	0	-100%
RDA County Passthrough Expense	168,712	247,000	0	0	-100%
Total Debt Service	\$2,446,059	\$2,856,830	\$544,860	\$0	-100%

RDA Capital Projects Fund

086-865

Description: The Redevelopment Agency Capital Projects Fund was used to account for the proceeds of notes, advances and other forms of indebtedness, and the expenditures of these funds for improvement, reconstruction and redevelopment projects within the boundaries of the San Clemente Redevelopment Agency. The Capital Projects Fund included operation and overhead costs, contractual services and capital improvement projects.

Funding Source: Advances, transfers from other funds, and interest comprise the revenue for this fund.

Legal Basis: City Ordinance No. 642 governs this fund. Resources in this fund are restricted based on State law.

Budget Overview: The Redevelopment Agency (RDA) was dissolved in 2012, ending all capital improvement activities from the San Clemente Redevelopment Agency. As directed by the State, a successor agency was created by the City to wind down operations. Certain obligations of the former RDA may be funded through the successor agency, allowing for additional capital and/or maintenance projects. Any projects costs that are allowable obligations will be paid through a retirement obligation fund.

Fund Balance: The beginning Fund balance is \$142,200. The County of Orange will be requesting any available funds in the future for redistribution.

Description	FY 2011 Actual	FY 2012 Adj Budget	FY 2012 Projected	FY 2013 Budget	% Budget 12 To Budget 13
Beginning Balance	\$77,257	\$398,680	\$398,680	\$142,200	-64%
Revenues:					
Interest Earnings	15,511	7,050	3,800	0	-100%
Other Federal Grants	0	0	46,430	0	0%
Other State Grants	0	0	12,770	0	0%
Miscellaneous Income	54,639	10,000	10,000	0	-100%
Transfer from General Fund	0	140,400	0	0	-100%
Advance from General Fund	2,007,517	2,340,000	387,460	0	-100%
Total Revenues	2,077,667	2,497,450	460,460	0	-100%
Expenditures:					
Contractual Services	1,678,744	611,390	556,120	0	-100%
Capital Improvements*	18,536	1,284,810	79,200	0	-100%
Interfund Transfers	0	134,000	0	0	-100%
Interdepartmental Charges	58,960	81,620	81,620	0	-100%
Total Expenditures	1,756,240	2,111,820	716,940	0	-100%
Ending Balance	\$398,684	\$784,310	\$142,200	\$142,200	-82%
*Detail of Capital Improvements:					
Pier Crossing Improvements	12,019	74,380	74,370	0	-100%
Pier Bowl Handicapped Parking	0	42,660	0	0	-100%
Pier Bowl/Beach Trail Way-Finding Signs	0	75,000	0	0	-100%
Trafalgar Canyon Bridge Rehab.	6,517	13,480	0	0	-100%
Pier Bowl Nuisance Water Discharge	0	99,290	0	0	-100%
Linda Lane Trail Lighting Enhancements	0	100,000	0	0	-100%
Base of Pier Restrooms Rehabilitation	0	300,000	0	0	-100%
Pier Bowl Street Improvements	0	80,000	0	0	-100%
Replacement of Marine Safety Sheet Piles	0	500,000	4,830	0	-100%
Total Capital Improvements	\$18,536	\$1,284,810	\$79,200	\$0	-100%

Capital Improvement Program

Introduction

The Capital Improvement Program (CIP) section of the Annual Budget document is intended to provide the reader with a summary of the major capital projects for FY 2013. The City's Capital Improvement Program is divided into six major categories:

- Drainage
- Parks and Medians
- Sewer
- Street
- Water
- Facilities and Other Improvements

This section provides a summary of the CIP process, master plans, six year project plans presented by the six major categories for easy reference, and an overview of *Carry Forward Projects* (projects appropriated by Council in previous fiscal years which are reappropriated into FY 2013). In addition, an easy-reference map allows the reader to identify the location of major new projects in FY 2013.

Individual project sheets outlining the project description, project location (including maps), projected cost, operation and maintenance costs and funding sources are included in this section and are organized based on the major categories listed previously.

Master Plans

The City utilizes "master plans" to guide the development and maintenance of existing infrastructure, as well as future capital improvements. The plans provide a foundation for the development of goals and priorities for capital improvement projects. The list of master plans includes:

- City General Plan
- Master Plan for City Facilities
- Park & Recreation Master Plan
- Regional Circulation Financing and Phasing Program (RCFPP)
- Street Improvement Program
- Water Master Plan
- Drainage Master Plan
- Wastewater (Sewer) Master Plan
- Water and Sewer Asset Management Plan
- Recycled Water Master Plan
- Urban Runoff Management Plan
- Other Specific Plans (e.g. Pier Bowl Specific Plan)

These master plans demonstrate the City's commitment to long-range capital improvement programming by focusing attention on the current and future needs of the community, while balancing the community's needs with its available fiscal resources.

CIP Process

The long-term Capital Improvement Program includes projects that have a value of \$25,000 or more with a minimum useful life of 5 years at a fixed location. Equipment, operating and maintenance costs are identified and will be included in future operating budgets.

Capital Improvement Program

The Capital Improvement Program Committee, consisting of members from all City departments, annually prepares and updates a six-year capital improvement plan. Projects are reviewed by the CIP Committee to ensure that the City’s priorities are addressed and that staffing levels and funds are adequate to complete the projects. Capital Improvement Program projects are addressed based on the following four categories:

- **Replacement**
Existing improvements that are deteriorated and need to be replaced and/or upgraded to continue to provide service and to meet current codes and regulations.
- **Expansion**
New improvements that are growth-related and funded through development fees. These improvements are identified in master plans and/or agreements, and funding sources are in place.
- **Growth**
New improvements based on projected development. These projects are “development dependent”, and the funding source is through future development fees and/or financing by developers.
- **Economic Vitality and Diversity**
This includes construction of improvements for promotion of economic vitality and diversity and to eliminate and prevent the spread of blight and deterioration in the City.

FY 2013 Capital Improvement Projects

The total budget for the City’s Capital Improvements in FY 2013 is \$13.4 million. There are 33 Capital Improvement Projects included in the program for FY 2013. The chart below summarizes the FY 2013 new CIP program by project amount (in millions), number, and type:

Category	Dollars (in millions)	Number of projects
Drainage	\$ 1.5	5
Parks & Medians	0.1	2
Sewer	3.7	4
Streets	5.8	15
Water	1.1	4
Facilities and Other Improvements	1.2	3
FY 2013 Capital Improvement Projects	\$ 13.4	33

The individual projects by category and fund are listed on the New Capital Improvements Projects – Summary by Category and the New Capital Improvements Projects – Summary by Fund schedules. A six year capital plan is presented. However, only the first year of projects are funded and approved with the additional years presented for planning purposes only. The Street projects (\$5.8 million) are primarily based on the Street Master Plan and the Street Improvement Program. Water (\$1.1 million), Sewer (\$3.7 million) and Drainage (\$1.5 million) projects are based on their respective master plans or to meet regulatory requirements. In addition, the Parks and Medians (\$0.1 million), and Facilities and Other Improvements (\$1.2 million) are based on the City Facilities Master Plan or additional Council identified needs.

Funding for the projects is outlined in the New Capital Improvement Projects – Revenue Summary. The Sidewalk Improvements/CDBG project is dependent upon the receipt of a Federal grant in FY 2013. Other projects are funded through existing revenues in the General, capital project, special revenue or depreciation reserve funds.

Capital Improvement Program

Maintenance and Other Projects

These projects include normal maintenance, studies or small contractual projects. The details of these projects are listed in the schedules of Maintenance and Other Projects – Summary by Category and the Maintenance and Other Projects – Summary by Fund. The City will spend \$4.6 million on 23 maintenance and other contractual projects which consist of \$0.4 million in Drainage, \$0.1 million in Parks & Medians, \$1.4 million in Sewer, \$1.2 million in Street, \$1.4 million in Water and \$0.1 million in Facilities and Other Improvements.

Category	Dollars (in millions)	Number of projects
Drainage	\$ 0.4	3
Parks & Medians	0.1	1
Sewer	1.4	5
Streets	1.2	5
Water	1.4	7
Facilities and Other Improvements	0.1	2
FY 2013 Maintenance and Other Projects	\$ 4.6	23

Funding sources for these projects are outlined on the Maintenance and Other Projects – Revenue Summary.

Significant Capital Projects and Operating Impacts

Three significant projects completed during the year that were non-routine in nature were:

- Vista Hermosa Sports Park Phase IB
- Downtown Fire Station
- Plaza La Playa Floodwall

The increases in the annual maintenance costs for the Vista Hermosa Sports Park (\$812,000) and the Downtown Fire Station (\$50,000) significantly impacted operating costs to the General Fund. Other significant projects that are carried forward and new projects that will require significant future annual maintenance costs include:

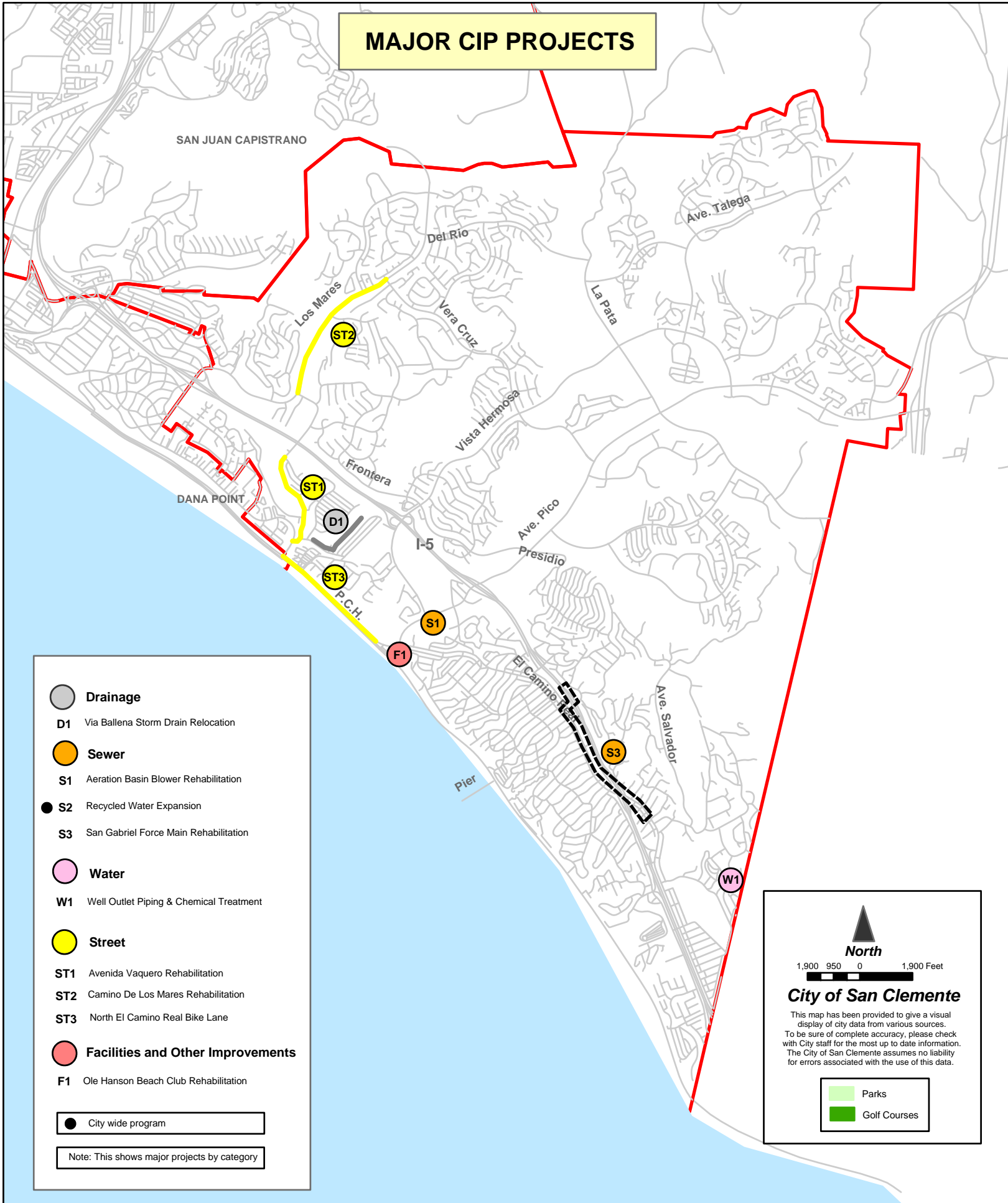
- Ole Hanson Beach Club Rehabilitation (annual maintenance costs to be determined)
- Recycled Water Expansion (net annual maintenance costs of \$45,000)

The project detail sheets show projected future operating costs by year and the related funding source.

Carry Forward Projects

Carry Forward Projects are CIP projects approved in prior fiscal years which are brought forward into the new fiscal year budget. There are **xxx** projects totaling **\$xx.x** million being carried forward into FY 2013. The project name, approved project budget, project costs to date and the FY 2013 Carry Forward amounts are listed in the Carry Forward Projects schedule.

MAJOR CIP PROJECTS



Drainage

D1 Via Ballena Storm Drain Relocation

Sewer

S1 Aeration Basin Blower Rehabilitation

S2 Recycled Water Expansion

S3 San Gabriel Force Main Rehabilitation

Water

W1 Well Outlet Piping & Chemical Treatment

Street

ST1 Avenida Vaquero Rehabilitation

ST2 Camino De Los Mares Rehabilitation

ST3 North El Camino Real Bike Lane

Facilities and Other Improvements

F1 Ole Hanson Beach Club Rehabilitation

● City wide program

Note: This shows major projects by category

North

1,900 950 0 1,900 Feet

City of San Clemente

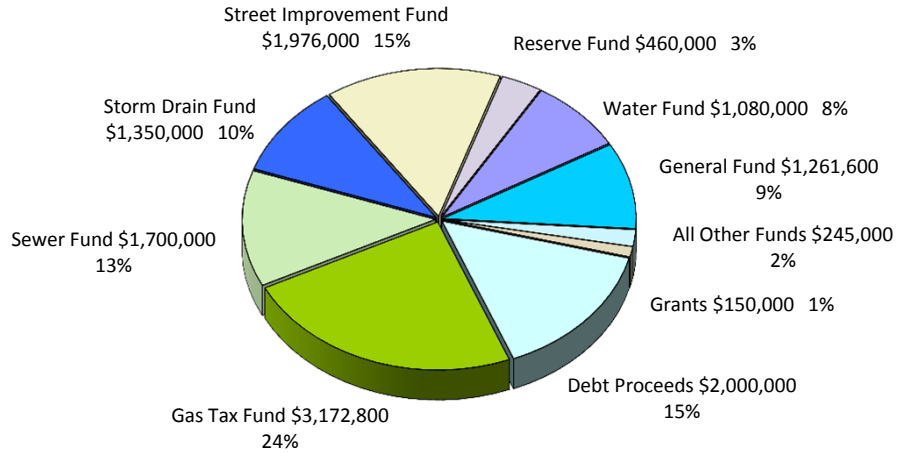
This map has been provided to give a visual display of city data from various sources. To be sure of complete accuracy, please check with City staff for the most up to date information. The City of San Clemente assumes no liability for errors associated with the use of this data.

Parks

Golf Courses

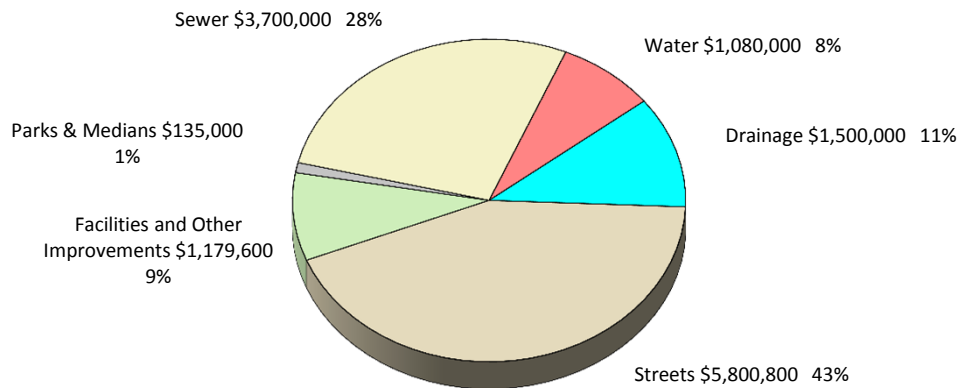
New Capital Improvement Projects - Graphs

Capital Improvement Projects Revenue Summary FY 2013



Total Capital Improvement Revenue Summary - \$13,395,400

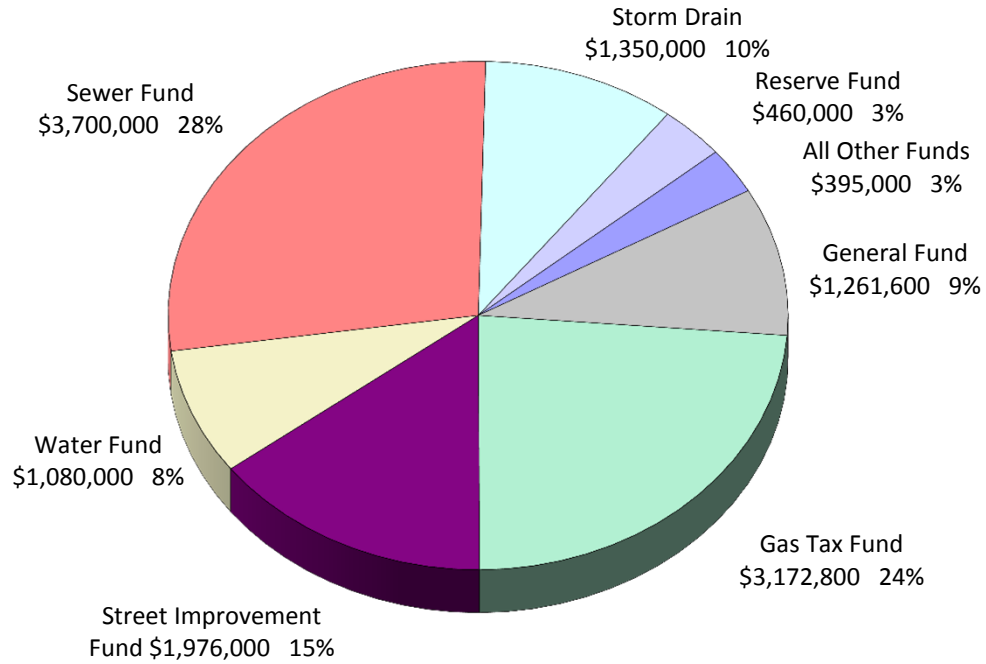
Capital Improvement Projects Expenditure by Category Summary FY 2013



Total Capital Improvement Expenditure Summary - \$13,395,400

New Capital Improvement Projects - Graphs

Capital Improvement Projects Expenditure By Fund Summary FY 2013



Total Capital Improvement Expenditure Summary - \$13,395,400

New Capital Improvement Projects

Summary by Category

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Drainage							
Alameda Lane Drainage System Replacement	100,000	100,000	0	0	0	0	0
Calle Los Molinos/Calle Bonito Storm Drain Extension	200,000	0	0	0	0	0	200,000
Del Cerro	1,759,000	0	0	0	0	1,759,000	0
Los Mares/Vaquero Storm Drain Upgrade	100,000	100,000	0	0	0	0	0
MO2 Reach "E" Natural Channel Slope Protection	500,000	0	0	500,000	0	0	0
MO203 San Clemente High School Storm Drain Improvements	800,000	0	800,000	0	0	0	0
MO208 Amanecer	350,000	0	0	0	350,000	0	0
MO2 Water Quality Treatment Backwash Pipeline	150,000	150,000	0	0	0	0	0
Plaza La Playa - R&R ex. 24" RCP 160'	200,000	0	0	0	200,000	0	0
Riviera Culvert Undercrossing	1,500,000	0	0	0	200,000	0	1,300,000
Santa Margarita - R&R 450' of 10" CMP on GC	70,000	0	70,000	0	0	0	0
Via Ballena Storm Drain Relocation	1,100,000	1,100,000	0	0	0	0	0
Via Montega/Cascadita Storm Drain to MO1	400,000	50,000	350,000	0	0	0	0
West Escalones Storm Drain System	610,000	0	0	60,000	550,000	0	0
	7,839,000	1,500,000	1,220,000	560,000	1,300,000	1,759,000	1,500,000
Beaches, Parks & Medians							
Avenida Del Mar Tree & Irrigation Replacement	313,000	0	63,000	250,000	0	0	0
Bonito Canyon Park Rehabilitation	1,000,000	0	0	0	0	100,000	900,000
Playground Equipment Replacements	661,000	0	125,000	128,000	132,000	136,000	140,000
Recycled Water Retrofit of City Parks & Medians	200,000	60,000	60,000	40,000	40,000	0	0
Riviera Stair Rehabilitation	55,000	0	0	0	0	0	55,000
San Luis Rey Park Upgrades: ADA Access & Basketball Courts	50,000	0	0	0	0	0	50,000
Steed Park Lighting Improvements	1,000,000	0	1,000,000	0	0	0	0
Trafalgar Canyon Bridge Rehabilitation	350,000	0	0	0	0	100,000	250,000
Vista Hermosa Corporate Picnic & Wedding Facility	75,000	75,000	0	0	0	0	0
	3,704,000	135,000	1,248,000	418,000	172,000	336,000	1,395,000
Sewer							
Aeration Basin Blower Rehabilitation	400,000	400,000	0	0	0	0	0
Aeration Basin #1 Rehabilitation (Lining)	450,000	0	0	0	450,000	0	0
Aeration Basin #2 Rehabilitation (Lining)	425,000	0	0	0	0	425,000	0
Aeration Basin #3 Rehabilitation (Lining)	425,000	0	0	0	0	0	425,000
Cypress Shores PS Force Main Slip Line	250,000	0	0	0	250,000	0	0
Digester #1 Structural & Mechanical Rehabilitation	1,200,000	0	0	200,000	1,000,000	0	0
Digester #2 Structural & Mechanical Rehabilitation	1,200,000	0	0	0	0	200,000	1,000,000
Frontera Pump Station Force Main Slip Line	250,000	0	0	250,000	0	0	0
Primary Clarifier 1,2 & 3 Rehabilitation (Lining)	300,000	0	0	300,000	0	0	0
Primary Clarifier 4 & 5 Rehabilitation (Lining)	525,000	0	525,000	0	0	0	0
Recycled Water Expansion	2,300,000	2,300,000	0	0	0	0	0
Recycled Water Storage Bay Rehabilitation	600,000	0	0	0	0	0	600,000
San Gabriel Force Main Rehabilitation	500,000	500,000	0	0	0	0	0
Sewer Facilities Generator Replacements (AQMD)	400,000	0	100,000	100,000	100,000	100,000	0
Sludge Dehydration System	1,000,000	0	0	0	0	0	1,000,000
Water Reclamation Plant Solids Handling	500,000	500,000	0	0	0	0	0
	10,725,000	3,700,000	625,000	850,000	1,800,000	725,000	3,025,000
Streets							
Arriba Linda & Cerrito Cielo Rehabilitation	240,000	240,000	0	0	0	0	0
Ave Carmelo	160,000	0	0	0	0	0	160,000
Ave Puente Rehabilitation - (Palizada to Del Poniente)	441,000	0	0	0	441,000	0	0
Ave Santa Inez	133,000	0	0	0	0	0	133,000
Avenida Pico Traffic Signal Synchronization	460,000	460,000	0	0	0	0	0
Avenida Vaquero Rehabilitation	880,000	880,000	0	0	0	0	0

New Capital Improvement Projects

Summary by Category

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Calle Amable	86,000	0	0	0	0	0	86,000
Calle Bonanza - (Los Mares to Cab. Del Norte)	304,000	0	0	0	304,000	0	0
Calle Brisa	86,000	0	0	0	0	0	86,000
Calle Chueca & Via Chueca Rehabilitation	231,000	0	0	231,000	0	0	0
Calle Contena	92,000	0	0	0	0	0	92,000
Calle Dulce	83,000	0	0	0	0	0	83,000
Calle Gaucho Rehabilitation - (Frontera to cul-de-sac)	207,000	0	0	207,000	0	0	0
Calle Gaucho Rehabilitation- (Guadalajara to Frontera)	427,000	0	0	427,000	0	0	0
Camino De Los Mares Frontage Road Rehabilitation	476,000	476,000	0	0	0	0	0
Camino De Los Mares Rehabilitation	1,400,000	1,400,000	0	0	0	0	0
Camino Del Rio & Camino De Los Mares	250,000	0	250,000	0	0	0	0
Camino Del Rio & Sarmentoso	250,000	0	250,000	0	0	0	0
Cerrito Cielo & Arriba Linda Rehabilitation	223,000	0	0	0	0	223,000	0
El Camino Real Rehabilitation	750,000	0	0	750,000	0	0	0
El Camino Real Traffic Signal Synchronization	573,000	573,000	0	0	0	0	0
Encino Lane & Arenoso Lane	235,000	0	0	0	0	0	235,000
Intersection Improvements At Ave La Pata & Ave Pico	750,000	0	100,000	0	650,000	0	0
Intersection Improvements At PCH & Camino Capistrano	500,000	0	100,000	400,000	0	0	0
La Pata - (Pico to Calle Extremo)	1,392,000	0	1,392,000	0	0	0	0
La Ventana Rehabilitation	150,000	150,000	0	0	0	0	0
Linda Lane	235,000	0	0	0	0	0	235,000
North El Camino Real Bike Lane	739,800	739,800	0	0	0	0	0
Safety/Quiet Zone Improvements - Design & Construction	42,000	42,000	0	0	0	0	0
San Pablo Rehabilitation - Acapulco to end	837,000	0	837,000	0	0	0	0
Sidewalk Improvements/CDBG	900,000	150,000	150,000	150,000	150,000	150,000	150,000
South El Camino Real Parkway Renovation/Upgrade	450,000	0	0	50,000	400,000	0	0
South El Camino Real - Valencia to Mendocino	1,109,000	0	0	0	1,109,000	0	0
Traffic Signal Battery Backup Systems	100,000	100,000	0	0	0	0	0
Traffic Signal Cabinets Replacements	160,000	160,000	0	0	0	0	0
Traffic Signal LED Replacement	200,000	200,000	0	0	0	0	0
Via Breve Rehabilitation	110,000	110,000	0	0	0	0	0
Via Delfin Rehabilitation - (San Pablo to cul-de-sac)	153,000	0	0	0	0	0	153,000
Via Ensueno Reconstruction - (San Pablo to end)	235,000	0	0	0	0	235,000	0
Via Pico Plaza Rehabilitation	120,000	120,000	0	0	0	0	0
Vista Cayenta Rehabilitation - (Valinda to Buena Suerte)	136,000	0	0	0	136,000	0	0
Vista Valinda Rehabilitation - (Ave Salvador to cul-de-sac)	250,000	0	0	0	250,000	0	0
	16,555,800	5,800,800	3,079,000	2,215,000	3,440,000	608,000	1,413,000
Water							
Avenida Vaquero Waterline Replacement	80,000	80,000	0	0	0	0	0
Bahia Pump Station Rehabilitation	200,000	0	0	200,000	0	0	0
Calle Escuelita Pump Station Modifications (Hermosa)	225,000	0	50,000	175,000	0	0	0
Calle Lobina Connection	200,000	0	0	0	200,000	0	0
El Camino Real Pipe Connection	220,000	0	0	0	0	40,000	180,000
Golf Course Reclaimed Water Reserv. Relining	350,000	0	0	0	350,000	0	0
Highland Light Ductile Iron Pipeline Replacements	2,400,000	0	1,200,000	0	0	1,200,000	0
La Esperanza Pressure Reduction Station Rehabilitation	200,000	200,000	0	0	0	0	0
La Pata Recycled Waterline Rehabilitation	500,000	0	0	500,000	0	0	0
La Pata, Esmarca, Patricia Check Valves	300,000	0	0	0	0	300,000	0
La Quinta Pressure Reduction Station Rehabilitation	200,000	0	0	0	0	200,000	0
Marbella Pressure Reduction Station Rehabilitation	200,000	0	200,000	0	0	0	0
Reservoir Improvement Projects	1,000,000	0	0	0	0	0	1,000,000
Reservoir No. 1 Expansion	2,500,000	0	0	0	2,500,000	0	0
Reservoir No. 12 Rehabilitation	550,000	0	100,000	450,000	0	0	0
Reservoir No. 6 Removal	100,000	0	0	0	0	0	100,000
Reservoir No. 8 (Acapulco) Pump Station Rehabilitation	150,000	0	0	0	0	0	150,000
Samaritan Medical Center Water Valves	50,000	50,000	0	0	0	0	0
Well Outlet Piping & Chemical Treatment	750,000	750,000	0	0	0	0	0
Zorra Pressure Reduction Station Rehabilitation	200,000	0	0	200,000	0	0	0
	10,375,000	1,080,000	1,550,000	1,525,000	3,050,000	1,740,000	1,430,000

New Capital Improvement Projects

Summary by Category

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Facilities and Other Improvements							
Base of Pier Beach Restrooms Rehabilitation	159,600	159,600	0	0	0	0	0
Animal Shelter Rehabilitation	140,000	0	40,000	100,000	0	0	0
Beach Trail Improvement at Corto Lane	150,000	0	0	0	0	0	150,000
Boca Del Canon Beach Restroom Replacement	460,000	0	100,000	360,000	0	0	0
Casa Romantica Parking Lot Surfacing	350,000	0	0	0	0	350,000	0
Civic Center Improvements	12,900,000	0	0	0	0	1,000,000	11,900,000
Community Center Termite, Exterior Painting and Re-roofing	150,000	0	150,000	0	0	0	0
Corp of Engineers Beach Replenishment	585,000	0	585,000	0	0	0	0
Corto Lane Beach Restrooms Replacement	460,000	0	0	0	0	0	460,000
End of Pier Restrooms Replacement	460,000	0	0	100,000	360,000	0	0
North Beach Restroom Replacement	460,000	0	0	0	0	100,000	360,000
Ole Hanson Beach Club Rehabilitation	1,000,000	1,000,000	0	0	0	0	0
Operational Continuity Data Center	280,000	20,000	260,000	0	0	0	0
Pier Structural Construction	1,000,000	0	0	0	200,000	800,000	0
T-Street Beach Restroom Replacement	460,000	0	0	0	100,000	360,000	0
Vista Bahia Restroom/Concession Bldg Rebuild	300,000	0	0	0	0	50,000	250,000
	19,314,600	1,179,600	1,135,000	560,000	660,000	2,660,000	13,120,000
Total CIP	68,513,400	13,395,400	8,857,000	6,128,000	10,422,000	7,828,000	21,883,000

* Shading indicates presented projects.

Maintenance and Other Projects

Summary by Category

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Drainage							
Calle Real Drainage System	30,000	0	0	30,000	0	0	0
City Master Plan of Drainage	250,000	0	250,000	0	0	0	0
East Ave San Juan Drainage System	30,000	0	0	30,000	0	0	0
Revetment Rehabilitation at 1304 Calle Toledo	80,000	20,000	60,000	0	0	0	0
Storm Drain Rehabilitation	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000
Trafalgar Canyon Outlet Water Quality Improvement	100,000	0	100,000	0	0	0	0
Via Alegre Storm Drain Outlet Rehabilitation	50,000	50,000	0	0	0	0	0
	1,840,000	370,000	610,000	260,000	200,000	200,000	200,000
Beaches, Parks & Medians							
Corto Beach Access Rebuild (study/design/construct)	380,000	0	0	0	80,000	300,000	0
El Portal Beach Access Rehabilitation	650,000	150,000	500,000	0	0	0	0
Parks & Recreation Master Plan Update	125,000	0	0	75,000	50,000	0	0
Pier Bowl Christmas Decorations	50,000	0	0	0	0	0	50,000
Pier Bowl Holiday Decorations	50,000	0	0	0	0	50,000	0
Pier Bowl Restroom Rehab	300,000	0	0	0	0	0	300,000
San Luis Rey; Tennis Lighting Replacement	75,000	0	0	75,000	0	0	0
T-Street Overpass Rehabilitation	50,000	0	0	0	50,000	0	0
Vista Bahia Sports Lighting Replacements	180,000	0	0	0	30,000	150,000	0
	1,860,000	150,000	500,000	150,000	210,000	500,000	350,000
Sewer							
Computerized Maintenance Management System Implem	500,000	250,000	250,000	0	0	0	0
Digester #2 Cleaning, Residual Disposal & Inspection	200,000	0	200,000	0	0	0	0
Odor Control Mechanical Piping Replacement	150,000	150,000	0	0	0	0	0
Primary Clarifier Scum Collector Covers	50,000	0	50,000	0	0	0	0
Progressive Cavity Pump Replacements	500,000	500,000	0	0	0	0	0
Sewer System Rehabilitation	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000
Sewer System Replacement	600,000	100,000	100,000	100,000	100,000	100,000	100,000
WRP Building Painting & Maintenance	200,000	0	0	200,000	0	0	0
	4,200,000	1,400,000	1,000,000	600,000	400,000	400,000	400,000
Streets							
Major Street Maintenance Program - FY 2013	3,300,000	550,000	550,000	550,000	550,000	550,000	550,000
Sidewalk Repair & Improvements	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Slurry Seal	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000
Street Improvement Design	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
Traffic Calming Program	480,000	80,000	80,000	80,000	80,000	80,000	80,000
Wayfinding Master Sign Program	1,140,000	0	200,000	235,000	235,000	235,000	235,000
	8,520,000	1,230,000	1,430,000	1,465,000	1,465,000	1,465,000	1,465,000
Water							
JRWSS 60-inch Lake Forest Drive Relocation	535,000	535,000	0	0	0	0	0
JWRSS Agency Projects	5,685,000	285,000	2,500,000	1,400,000	500,000	500,000	500,000
Meter Replacements	1,125,000	75,000	75,000	75,000	300,000	300,000	300,000
Second Lower Cross Feeder Evaluation & SOCW Report	40,000	40,000	0	0	0	0	0
Water System Rehabilitation	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000
Water System Replacement	600,000	100,000	100,000	100,000	100,000	100,000	100,000
Well No. 8 Enclosure	100,000	0	100,000	0	0	0	0
Well Water Acquirer Study	75,000	75,000	0	0	0	0	0
	9,960,000	1,410,000	3,075,000	1,875,000	1,200,000	1,200,000	1,200,000
Facilities and Other Improvements							
Alternative Fuel Station Study	70,000	0	70,000	0	0	0	0
Lifeguard Towers	70,000	30,000	20,000	20,000	0	0	0
Pier Timber Pile Inspection	50,000	25,000	0	25,000	0	0	0
	190,000	55,000	90,000	45,000	0	0	0
Total Maintenance & Other Projects	26,570,000	4,615,000	6,705,000	4,395,000	3,475,000	3,765,000	3,615,000

* Shading indicates presented projects.

New Capital Improvement Projects

Summary by Fund

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund							
Avenida Del Mar Tree & Irrigation Replacement	313,000	0	63,000	250,000	0	0	0
Base of Pier Beach Restrooms Rehabilitation	159,600	159,600	0	0	0	0	0
Beach Trail Improvement at Corto Lane	150,000	0	0	0	0	0	150,000
Boca Del Canon Beach Restroom Replacement	460,000	0	100,000	360,000	0	0	0
Bonito Canyon Park Rehabilitation	1,000,000	0	0	0	0	100,000	900,000
Casa Romantica Parking Lot Surfacing	350,000	0	0	0	0	350,000	0
Corp of Engineers Beach Replenishment	585,000	0	585,000	0	0	0	0
Corto Lane Beach Restrooms Replacement	460,000	0	0	0	0	0	460,000
End of Pier Restrooms Replacement	460,000	0	0	100,000	360,000	0	0
North Beach Restroom Replacement	460,000	0	0	0	0	100,000	360,000
Ole Hanson Beach Club Rehabilitation	1,000,000	1,000,000	0	0	0	0	0
Pier Structural Construction	1,000,000	0	0	0	200,000	800,000	0
Recycled Water Retrofit of City Parks & Medians	200,000	60,000	60,000	40,000	40,000	0	0
Riviera Stair Rehabilitation	55,000	0	0	0	0	0	55,000
Safety/Quiet Zone Improvements - Design & Construction	42,000	42,000	0	0	0	0	0
South El Camino Real Parkway Renovation/Upgrade	450,000	0	0	50,000	400,000	0	0
San Luis Rey Park Upgrades: ADA Access & Basketball Courts	50,000	0	0	0	0	0	50,000
Steed Park Lighting Improvements	1,000,000	0	1,000,000	0	0	0	0
T-Street Beach Restroom Replacement	460,000	0	0	0	100,000	360,000	0
Trafalgar Canyon Bridge Rehabilitation	350,000	0	0	0	0	100,000	250,000
Vista Bahia Restroom/Concession Bldg Rebuild	300,000	0	0	0	0	50,000	250,000
	9,304,600	1,261,600	1,808,000	800,000	1,100,000	1,860,000	2,475,000
Gas Tax Fund							
Ave Carmelo	160,000	0	0	0	0	0	160,000
Ave Puente Rehabilitation - (Palizada to Del Poniente)	441,000	0	0	0	441,000	0	0
Ave Santa Inez	133,000	0	0	0	0	0	133,000
Avenida Pico Traffic Signal Synchronization	460,000	460,000	0	0	0	0	0
Calle Amable	86,000	0	0	0	0	0	86,000
Calle Bonanza - (Los Mares to Cab. Del Norte)	304,000	0	0	0	304,000	0	0
Calle Brisa	86,000	0	0	0	0	0	86,000
Calle Chueca & Via Chueca Rehabilitation	231,000	0	0	231,000	0	0	0
Calle Contena	92,000	0	0	0	0	0	92,000
Calle Dulce	83,000	0	0	0	0	0	83,000
Calle Gaucho Rehabilitation - (Frontera to cul-de-sac)	207,000	0	0	207,000	0	0	0
Calle Gaucho Rehabilitation- (Guadalajara to Frontera)	427,000	0	0	427,000	0	0	0
Camino De Los Mares Rehabilitation	1,400,000	1,400,000	0	0	0	0	0
Camino Del Rio & Camino De Los Mares	250,000	0	250,000	0	0	0	0
Camino Del Rio & Sarmentoso	250,000	0	250,000	0	0	0	0
Cerrito Cielo & Arriba Linda Rehabilitation	223,000	0	0	0	0	223,000	0
El Camino Real Rehabilitation	750,000	0	0	750,000	0	0	0
El Camino Real Traffic Signal Synchronization	573,000	573,000	0	0	0	0	0
Encino Lane & Arenoso Lane	235,000	0	0	0	0	0	235,000
La Pata - (Pico to Calle Extremo)	1,392,000	0	1,392,000	0	0	0	0
Linda Lane	235,000	0	0	0	0	0	235,000
North El Camino Real Bike Lane	739,800	739,800	0	0	0	0	0
South El Camino Real - Valencia to Mendocino	1,109,000	0	0	0	1,109,000	0	0
Via Delfin Rehabilitation - (San Pablo to cul-de-sac)	153,000	0	0	0	0	0	153,000
Via Ensueno Reconstruction - (San Pablo to end)	235,000	0	0	0	0	235,000	0
Vista Cayenta Rehabilitation - (Valinda to Buena Suerte)	136,000	0	0	0	136,000	0	0
Vista Valinda Rehabilitation - (Ave Salvador to cul-de-sac)	250,000	0	0	0	250,000	0	0
	10,640,800	3,172,800	1,892,000	1,615,000	2,240,000	458,000	1,263,000
Reserve Fund							
Animal Shelter Rehabilitation	140,000	0	40,000	100,000	0	0	0
Community Center Termite, Exterior Painting and Re-roofing	150,000	0	150,000	0	0	0	0
Playground Equipment Replacements	661,000	0	125,000	128,000	132,000	136,000	140,000
Traffic Signal Battery Backup Systems	100,000	100,000	0	0	0	0	0
Traffic Signal Cabinets Replacements	160,000	160,000	0	0	0	0	0
Traffic Signal LED Replacement	200,000	200,000	0	0	0	0	0
	1,411,000	460,000	315,000	228,000	132,000	136,000	140,000

New Capital Improvement Projects

Summary by Fund

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Miscellaneous Grants Fund							
Sidewalk Improvements/CDBG	900,000	150,000	150,000	150,000	150,000	150,000	150,000
	900,000	150,000	150,000	150,000	150,000	150,000	150,000
RCFPP Fund							
Intersection Improvements At Ave La Pata & Ave Pico	750,000	0	100,000	0	650,000	0	0
Intersection Improvements At PCH & Camino Capistrano	500,000	0	100,000	400,000	0	0	0
	1,250,000	0	200,000	400,000	650,000	0	0
Public Facility Const Fund							
Civic Center Improvements	12,900,000	0	0	0	0	1,000,000	11,900,000
	12,900,000	0	0	0	0	1,000,000	11,900,000
Parks Acquisition and Development Fund							
Vista Hermosa Corporate Picnic & Wedding Facility	75,000	75,000	0	0	0	0	0
	75,000	75,000	0	0	0	0	0
Local Drainage Facilities							
Del Cerro	1,759,000	0	0	0	0	1,759,000	0
MO2 Reach "E" Natural Channel Slope Protection	500,000	0	0	500,000	0	0	0
MO203 San Clemente High School Storm Drain Improvements	800,000	0	800,000	0	0	0	0
MO208 Amanecer	350,000	0	0	0	350,000	0	0
	3,409,000	0	800,000	500,000	350,000	1,759,000	0
Street Improvement Fund							
Arriba Linda & Cerrito Cielo Rehabilitation	240,000	240,000	0	0	0	0	0
Avenida Vaquero Rehabilitation	880,000	880,000	0	0	0	0	0
Camino De Los Mares Frontage Road Rehabilitation	476,000	476,000	0	0	0	0	0
La Ventana Rehabilitation	150,000	150,000	0	0	0	0	0
San Pablo Rehabilitation - Acapulco to end	837,000	0	837,000	0	0	0	0
Via Breve Rehabilitation	110,000	110,000	0	0	0	0	0
Via Pico Plaza Rehabilitation	120,000	120,000	0	0	0	0	0
	2,813,000	1,976,000	837,000	0	0	0	0
Water Depreciation Reserve							
Avenida Vaquero Waterline Replacement	80,000	80,000	0	0	0	0	0
Bahia Pump Station Rehabilitation	200,000	0	0	200,000	0	0	0
El Camino Real Pipe Connection	220,000	0	0	0	0	40,000	180,000
Highland Light Ductile Iron Pipeline Replacements	2,400,000	0	1,200,000	0	0	1,200,000	0
La Esperanza Pressure Reduction Station Rehabilitation	200,000	200,000	0	0	0	0	0
La Pata Recycled Waterline Rehabilitation	500,000	0	0	500,000	0	0	0
La Pata, Esmarca, Patricia Check Valves	300,000	0	0	0	0	300,000	0
La Quinta Pressure Reduction Station Rehabilitation	200,000	0	0	0	0	200,000	0
Marbella Pressure Reduction Station Rehabilitation	200,000	0	200,000	0	0	0	0
Reservoir Improvement Projects	1,000,000	0	0	0	0	0	1,000,000
Reservoir No. 1 Expansion	2,500,000	0	0	0	2,500,000	0	0
Reservoir No. 12 Rehabilitation	550,000	0	100,000	450,000	0	0	0
Reservoir No. 6 Removal	100,000	0	0	0	0	0	100,000
Reservoir No. 8 (Acapulco) Pump Station Rehabilitation	150,000	0	0	0	0	0	150,000
Samaritan Medical Center Water Valves	50,000	50,000	0	0	0	0	0
Well Outlet Piping & Chemical Treatment	750,000	750,000	0	0	0	0	0
Zorra Pressure Reduction Station Rehabilitation	200,000	0	0	200,000	0	0	0
	9,600,000	1,080,000	1,500,000	1,350,000	2,500,000	1,740,000	1,430,000
Water Acreage Fee Reserve							
Calle Escuelita Pump Station Modifications (Hermosa)	225,000	0	50,000	175,000	0	0	0
Calle Lobina Connection	200,000	0	0	0	200,000	0	0
	425,000	0	50,000	175,000	200,000	0	0
Sewer Connection Fee Reserve							
Recycled Water Expansion	2,300,000	2,300,000	0	0	0	0	0
	2,300,000	2,300,000	0	0	0	0	0

New Capital Improvement Projects

Summary by Fund

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Depreciation Reserve							
Aeration Basin Blower Rehabilitation	400,000	400,000	0	0	0	0	0
Aeration Basin #1 Rehabilitation (Lining)	450,000	0	0	0	450,000	0	0
Aeration Basin #2 Rehabilitation (Lining)	425,000	0	0	0	0	425,000	0
Aeration Basin #3 Rehabilitation (Lining)	425,000	0	0	0	0	0	425,000
Cypress Shores PS Force Main Slip Line	250,000	0	0	0	250,000	0	0
Digester #1 Structural & Mechanical Rehabilitation	1,200,000	0	0	200,000	1,000,000	0	0
Digester #2 Structural & Mechanical Rehabilitation	1,200,000	0	0	0	0	200,000	1,000,000
Frontera Pump Station Force Main Slip Line	250,000	0	0	250,000	0	0	0
Primary Clarifier 1,2 & 3 Rehabilitation (Lining)	300,000	0	0	300,000	0	0	0
Primary Clarifier 4 & 5 Rehabilitation (Lining)	525,000	0	525,000	0	0	0	0
Recycled Water Storage Bay Rehabilitation	600,000	0	0	0	0	0	600,000
San Gabriel Force Main Rehabilitation	500,000	500,000	0	0	0	0	0
Sewer Facilities Generator Replacements (AQMD)	400,000	0	100,000	100,000	100,000	100,000	0
Sludge Dehydration System	1,000,000	0	0	0	0	0	1,000,000
Wastewater Reclamation Plant Solids Handling	500,000	500,000	0	0	0	0	0
	8,425,000	1,400,000	625,000	850,000	1,800,000	725,000	3,025,000
Clean Ocean Fund							
MO2 Water Quality Treatment Backwash Pipeline	150,000	150,000	0	0	0	0	0
	150,000	150,000	0	0	0	0	0
Golf Fund							
Golf Course Reclaimed Water Reserv. Relining	350,000	0	0	0	350,000	0	0
	350,000	0	0	0	350,000	0	0
Storm Drain Utility Depreciation Reserve							
Alameda Lane Drainage System Replacement	100,000	100,000	0	0	0	0	0
Calle Los Molinos/Calle Bonito Storm Drain Extension	200,000	0	0	0	0	0	200,000
Los Mares/Vaquero Storm Drain Upgrade	100,000	100,000	0	0	0	0	0
Plaza La Playa - R&R ex. 24" RCP 160'	200,000	0	0	0	200,000	0	0
Riviera Culvert Undercrossing	1,500,000	0	0	0	200,000	0	1,300,000
Santa Margarita - R&R 450' of 10" CMP on GC	70,000	0	70,000	0	0	0	0
Via Ballena Storm Drain Relocation	1,100,000	1,100,000	0	0	0	0	0
Via Montega/Cascadita Storm Drain MO1	400,000	50,000	350,000	0	0	0	0
West Escalones Storm Drain System	610,000	0	0	60,000	550,000	0	0
	4,280,000	1,350,000	420,000	60,000	950,000	0	1,500,000
Information Technology							
Operational Continuity Data Center	280,000	20,000	260,000	0	0	0	0
	280,000	20,000	260,000	0	0	0	0
Total CIP	68,513,400	13,395,400	8,857,000	6,128,000	10,422,000	7,828,000	21,883,000

* Shading indicates presented projects.

Maintenance and Other Projects

Summary by Fund

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund							
Corto Beach Access Rebuild (study/design/construct)	380,000	0	0	0	80,000	300,000	0
El Portal Beach Access Rehabilitation	650,000	150,000	500,000	0	0	0	0
Lifeguard Towers	70,000	30,000	20,000	20,000	0	0	0
Major Street Maintenance Program - FY 2013	3,300,000	550,000	550,000	550,000	550,000	550,000	550,000
Parks & Recreation Master Plan Update	125,000	0	0	75,000	50,000	0	0
Pier Bowl Christmas Decorations	50,000	0	0	0	0	0	50,000
Pier Bowl Holiday Decorations	50,000	0	0	0	0	50,000	0
Pier Bowl Restroom Rehab	300,000	0	0	0	0	0	300,000
Pier Timber Pile Inspection	50,000	25,000	0	25,000	0	0	0
San Luis Rey; Tennis Lighting Replacement	75,000	0	0	75,000	0	0	0
Sidewalk Repair & Improvements	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Slurry Seal	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000
T-Street Overpass Rehabilitation	50,000	0	0	0	50,000	0	0
Vista Bahia Sports Lighting Replacements	180,000	0	0	0	30,000	150,000	0
Wayfinding Master Sign Program	1,140,000	0	200,000	235,000	235,000	235,000	235,000
	8,820,000	1,155,000	1,670,000	1,380,000	1,395,000	1,685,000	1,535,000
Air Quality Fund							
Alternative Fuel Station Study	70,000	0	70,000	0	0	0	0
Traffic Calming Program	480,000	80,000	80,000	80,000	80,000	80,000	80,000
	550,000	80,000	150,000	80,000	80,000	80,000	80,000
Local Drainage Facilities							
City Master Plan of Drainage	250,000	0	250,000	0	0	0	0
	250,000	0	250,000	0	0	0	0
Street Improvement Fund							
Sewer System Replacement	600,000	100,000	100,000	100,000	100,000	100,000	100,000
Street Improvement Design	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
Water System Replacement	600,000	100,000	100,000	100,000	100,000	100,000	100,000
	2,400,000	400,000	400,000	400,000	400,000	400,000	400,000
Water Depreciation Reserve							
Meter Replacements	1,125,000	75,000	75,000	75,000	300,000	300,000	300,000
Water System Rehabilitation	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000
Well No. 8 Enclosure	100,000	0	100,000	0	0	0	0
Well Water Acquirer Study	75,000	75,000	0	0	0	0	0
	3,100,000	450,000	475,000	375,000	600,000	600,000	600,000
Water Acreage Fee Reserve							
Second Lower Cross Feeder Evaluation & SOCW Report	40,000	40,000	0	0	0	0	0
	40,000	40,000	0	0	0	0	0
Water Other Agency Reserve Fund							
JWRSS Agency Projects	5,685,000	285,000	2,500,000	1,400,000	500,000	500,000	500,000
JRWSS 60-inch Lake Forest Drive Relocation	535,000	535,000	0	0	0	0	0
	6,220,000	820,000	2,500,000	1,400,000	500,000	500,000	500,000
Sewer Depreciation Reserve							
Computerized Maintenance Management System Implem	500,000	250,000	250,000	0	0	0	0
Digester #2 Cleaning, Residual Disposal & Inspection	200,000	0	200,000	0	0	0	0
Odor Control Mechanical Piping Replacement	150,000	150,000	0	0	0	0	0
Primary Clarifier Scum Collector Covers	50,000	0	50,000	0	0	0	0
Progressive Cavity Pump Replacements	500,000	500,000	0	0	0	0	0
Sewer System Rehabilitation	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000
WRP Building Painting & Maintenance	200,000	0	0	200,000	0	0	0
	3,600,000	1,300,000	900,000	500,000	300,000	300,000	300,000

Maintenance and Other Projects

Summary by Fund

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Clean Ocean Fund							
Trafalgar Canyon Outlet Water Quality Improvement	100,000	0	100,000	0	0	0	0
	100,000	0	100,000	0	0	0	0
Storm Drain Utility Fund							
Calle Real Drainage System	30,000	0	0	30,000	0	0	0
East Ave San Juan Drainage System	30,000	0	0	30,000	0	0	0
Revetment Rehabilitation at 1304 Calle Toledo	80,000	20,000	60,000	0	0	0	0
Storm Drain Rehabilitation	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000
Via Alegre Storm Drain Outlet Rehabilitation	50,000	50,000	0	0	0	0	0
	1,490,000	370,000	260,000	260,000	200,000	200,000	200,000
Total Maintenance & Other Projects	26,570,000	4,615,000	6,705,000	4,395,000	3,475,000	3,765,000	3,615,000

* Shading indicates presented projects.

New Capital Improvement Projects

Revenue Summary

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	9,304,600	1,261,600	1,808,000	800,000	1,100,000	1,860,000	2,475,000
Other Funds							
Clean Ocean Fund	150,000	150,000	0	0	0	0	0
Reserve Fund	1,411,000	460,000	315,000	228,000	132,000	136,000	140,000
Gas Tax Fund	10,640,800	3,172,800	1,892,000	1,615,000	2,240,000	458,000	1,263,000
Golf Capital Improvement Reserve	350,000	0	0	0	350,000	0	0
Information Technology Fund	280,000	20,000	260,000	0	0	0	0
Local Drainage Facilities Fund	3,409,000	0	800,000	500,000	350,000	1,759,000	0
Parks Acquisition & Development Fund	75,000	75,000	0	0	0	0	0
Public Facilities Construction Fee Fund	12,900,000	0	0	0	0	1,000,000	11,900,000
RCFPP Fund	1,250,000	0	200,000	400,000	650,000	0	0
Sewer Depreciation Reserve	8,725,000	1,700,000	625,000	850,000	1,800,000	725,000	3,025,000
Storm Drain Deprec. Reserve Fund	4,280,000	1,350,000	420,000	60,000	950,000	0	1,500,000
Street Improvement Fund	2,813,000	1,976,000	837,000	0	0	0	0
Water Acreage Fee Reserve	425,000	0	50,000	175,000	200,000	0	0
Water Depreciation Reserve	9,600,000	1,080,000	1,500,000	1,350,000	2,500,000	1,740,000	1,430,000
Total Other Funds	56,308,800	9,983,800	6,899,000	5,178,000	9,172,000	5,818,000	19,258,000
Grants							
CDBG Grant	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Total Grants	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Debt Proceeds							
SRF Loan	2,000,000	2,000,000	0	0	0	0	0
Total Debt Proceeds	2,000,000	2,000,000	0	0	0	0	0
Total Funding	68,513,400	13,395,400	8,857,000	6,128,000	10,422,000	7,828,000	21,883,000

Maintenance and Other Projects

Revenue Summary

Description	6 Yr. Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	8,520,000	1,105,000	1,620,000	1,330,000	1,345,000	1,635,000	1,485,000
Other Funds							
Clean Ocean Fund	100,000	0	100,000	0	0	0	0
Local Drainage Facilities Fund	250,000	0	250,000	0	0	0	0
Air Quality Management Fund	550,000	80,000	150,000	80,000	80,000	80,000	80,000
Sewer Depreciation Reserve	4,295,000	1,300,000	900,000	640,000	485,000	485,000	485,000
Street Improvement Fund	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
Storm Drain Deprec. Reserve Fund	1,550,000	400,000	290,000	260,000	200,000	200,000	200,000
Water Acreage Fee Reserve	40,000	40,000	0	0	0	0	0
Water Depreciation Reserve	3,845,000	670,000	695,000	485,000	665,000	665,000	665,000
Water Other Agency Reserve	6,220,000	820,000	2,500,000	1,400,000	500,000	500,000	500,000
Total Other Funds	18,050,000	3,510,000	5,085,000	3,065,000	2,130,000	2,130,000	2,130,000
Grants							
Total Grants	0	0	0	0	0	0	0
Total Funding	26,570,000	4,615,000	6,705,000	4,395,000	3,475,000	3,765,000	3,615,000

Capital Improvement Program

Drainage

Drainage Master Plan

The Drainage master plan was originally developed in 1982. The master plan was developed to:

- Evaluate existing facilities and conditions
- Identify and integrate future drainage facilities required for development in the City
- Determine the cost of future facilities and improvements to existing facilities
- Determine funding mechanisms for new construction and improvements

The original report identified deficiencies in existing drainage facilities amounting to \$1.2 million (in 1982 dollars) and new construction for the development of undeveloped land amounting to \$23.3 million (in 1982 dollars).

The City's 1993 Long Term Financial Plan identified \$2.5 million in unfunded storm drain repair and replacement projects with no funding source in place to address the needs. Therefore, the Storm Drain fund and fee was established to meet the identified needs. In addition to the Storm Drain fee the Clean Water Initiative was approved in 2002 by property owners which funded the Urban Runoff Management Fee Program. The Clean Water initiative was renewed in 2007. This program was established to help the City prevent urban runoff that flows from the City's storm drain system into the ocean.

Drainage Funds

The following funds account for drainage activities and capital improvements:

- Storm Drain Enterprise Fund
- Clean Ocean Enterprise Fund

Drainage Projects

The FY 2013 budget includes 5 capital improvement projects for \$1.5 million and 3 maintenance projects in the amount of \$370,000.

Capital improvement projects in FY 2013 are:

- Alameda Lane Drainage System Replacement
- Los Mares/Vaquero Storm Drain Upgrade
- MO2 Water Quality Treatment Backwash Pipeline
- Via Ballena Storm Drain Relocation
- Via Montega/Cascadita Storm Drain to MO1

Maintenance and other projects in FY 2013 are:

- Revetment Rehabilitation at 1304 Calle Toledo
- Storm Drain Rehabilitation
- Via Alegre Storm Drain Outlet Rehabilitation

Individual project sheets for both capital improvement projects and maintenance projects are on the following pages.

Developer Improvements

All storm drain improvements within the Marblehead Coastal project site will be completed by the developer. Future maintenance in this area will be funded from storm drain fees collected from the new property owners.

Funding Sources

Drainage capital projects are primarily funded through multiple funding sources, including transfers from the Storm Drain and Clean Ocean Operating funds, annual depreciation transfers to Depreciation Reserves, and capital grants. Individual project sheets identify the primary source of funding for each project and the operating impact.

The City does not anticipate a lack of funding in the near future, but has determined the following alternatives may be used to finance projects:

- Issuance of debt (bond, notes, advances from other funds)
- Rate increases or additional fees
- Other grant funding sources
- Funding from an alternative City fund
- Reallocation of funds from existing projects

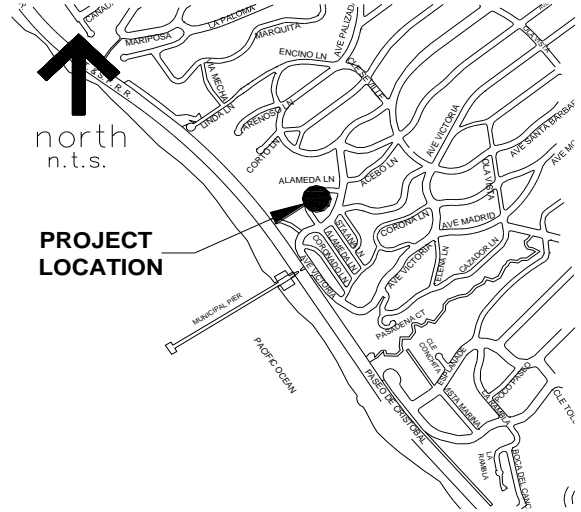
Alameda Lane Drainage System Replacement

Capital Project - Drainage

Project Description:

The Alameda Lane drainage pipelines are too small for City equipment to clean. The result is flow in gutter which causes algae growth and discoloration of the concrete surfaces. Hydrology and hydraulic calculations have been performed to properly size the proposed drainage system. During design and preparation of the plans and specifications in FY 2012, the scope of work was extended to also include rehabilitation of the downstream storm drain.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and new construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	25,000	25,000					
Construction Costs	75,000	75,000					
Total Construction	100,000	100,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	100,000	100,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	100,000	100,000					
Total Funding	100,000	100,000					

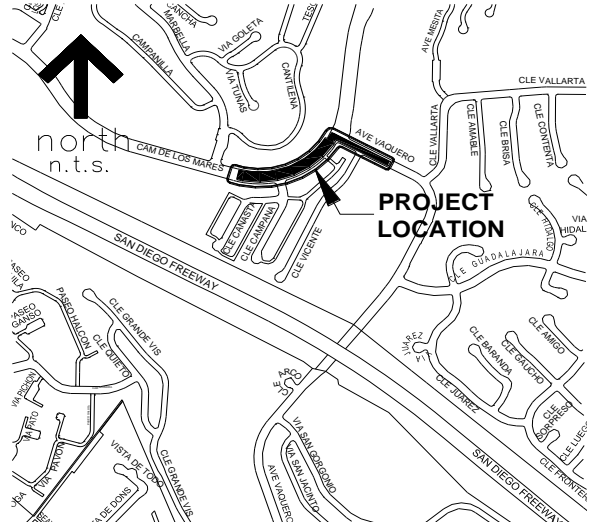
Los Mares/Vaquero Storm Drain Upgrade

Capital Project - Drainage

Project Description:

The City's storm drain at Camino de Los Mares near the intersection of Avenida Vaquero requires increased maintenance and rehabilitation due to movement in the area. The storm drain needs to be upsized and relocated from its current location extending from approximately 600 feet west of the intersection of Marbella and Camino de Los Mares to the Prima Deshecha Canada Channel (M01) at Avenida Vaquero, where it outlets. A total of \$850,000 was budgeted in previous fiscal years for this project.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and new construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	100,000	100,000					
Total Construction	100,000	100,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	100,000	100,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	100,000	100,000					
Total Funding	100,000	100,000					

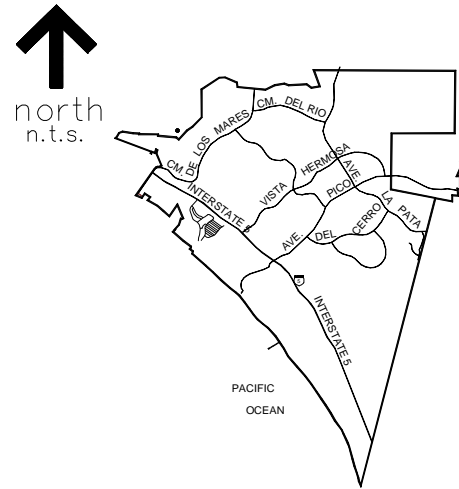
MO2 Water Quality Treatment Backwash Pipeline

Capital Project - Drainage

Project Description:

The City collects dry weather urban water runoff from the Segunda Deshecha Channel (MO2). This runoff is treated with pressure filters at the Water Reclamation Plant that require backwashing. Algae blooms in the channel have made backwashing difficult due to the low volume of water collected in the channel. The project will construct a new pipeline from the recycled water system within the WRP to supply sufficient backwash water which will improve treatment efficiency of the filters. The project is consistent with the purpose of the Clean Ocean Program.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: New construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	150,000	150,000					
Total Construction	150,000	150,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	150,000	150,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Clean Ocean Fund	150,000	150,000					
Total Funding	150,000	150,000					

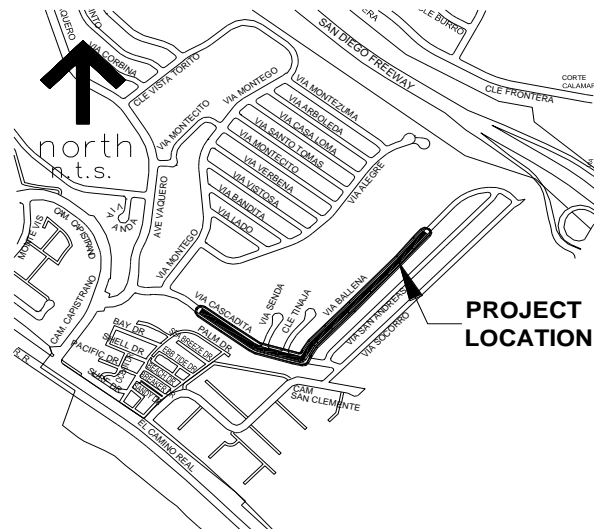
Via Ballena Storm Drain Relocation

Capital Project - Drainage

Project Description:

Due to slope failure between Via Ballena and Shorecliffs Golf Course the storm drain line was damaged. Federal Emergency Management Agency (FEMA) funded construction of a storm drain as part of an emergency repair. Staff is requesting FEMA to provide funding to relocate the storm drain within Via Ballena roadway. Preliminary estimated project cost for this relocation is \$1,100,000. Staff estimates the City's matching contribution to be approximately \$400,000. This project is contingent upon receiving funds from FEMA.

Project Location:



Project Management: Engineering Division
Supporting Division: None
Type of Project: Replacement and new construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	200,000	200,000					
Construction Costs	900,000	900,000					
Total Construction	1,100,000	1,100,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,100,000	1,100,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	400,000	400,000					
FEMA Grant	700,000	700,000					
Total Funding	1,100,000	1,100,000					

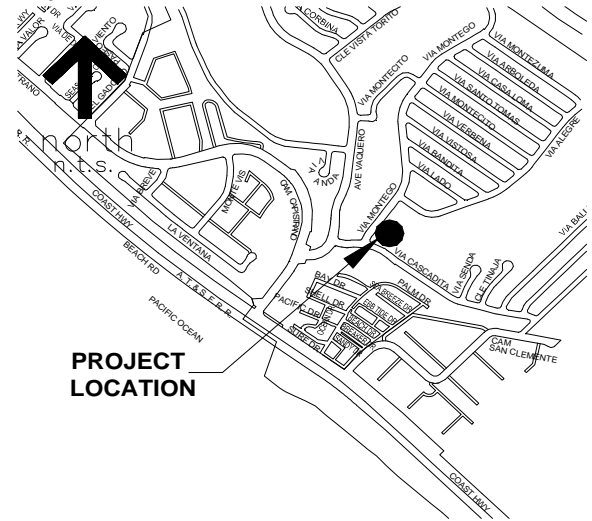
Via Montega/Cascadita Storm Drain to MO1

Capital Project - Drainage

Project Description:

Currently there is no storm drain system at the intersection of Via Montega and Via Cascadita. During heavy rain events, the storm runoff is not contained within the street, and has flooded private properties. A storm system needs to be designed and constructed at this intersection to convey the storm runoff to the nearby Prima Dechesha Canada Channel (MO1). Design will be in FY 2013 with construction in FY 2014.

Project Location:



Project Management: Engineering Division
Supporting Division: None
Type of Project: Replacement and new construction
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	50,000	50,000					
Construction Costs	350,000		350,000				
Total Construction	400,000	50,000	350,000				

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	400,000	50,000	350,000				

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	400,000	50,000	350,000				
Total Funding	400,000	50,000	350,000				

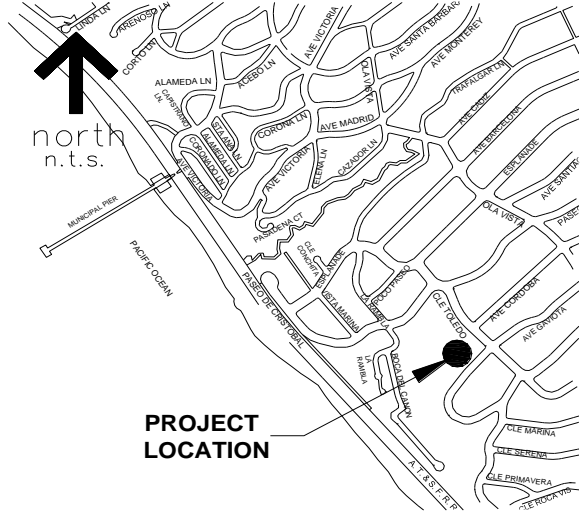
Revetment Rehabilitation at 1304 Calle Toledo

Maintenance and Other Project - Drainage

Project Description:

The storm drain outlet at 1304 Calle Toledo needs to be rehabilitated to prevent erosion of the creek bed and side slopes. Hydrology and hydraulic calculations will be performed to properly size the required revetment. Design will be in FY 2013, with construction in FY 2014. A California Coastal Commission permit will need to be secured prior to construction.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	20,000	20,000					
Construction Costs	60,000		60,000				
Total Construction	80,000	20,000	60,000				

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	80,000	20,000	60,000				

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	80,000	20,000	60,000				
Total Funding	80,000	20,000	60,000				

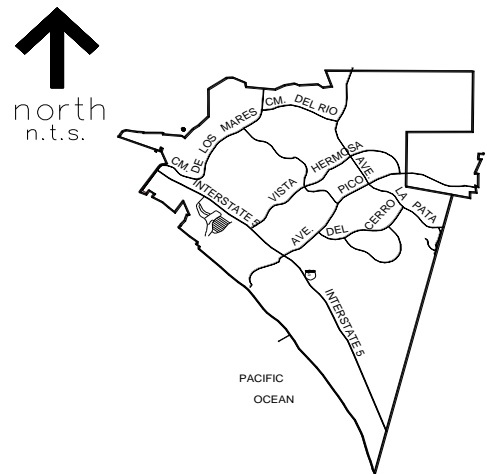
Storm Drain Rehabilitation

Maintenance and Other Project - Drainage

Project Description:

Storm drain pipelines and catch basins throughout the City will be replaced or repaired to increase service life. The locations and rehabilitation are determined by the City's Utilities staff based on underground video. Funding is also used for unanticipated storm drain repairs or minor failures that occur after winter rain events.

Project Location:



Project Management: Utilities Division
Supporting Division: Engineering Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000
Total Construction	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000
Total Funding	1,300,000	300,000	200,000	200,000	200,000	200,000	200,000

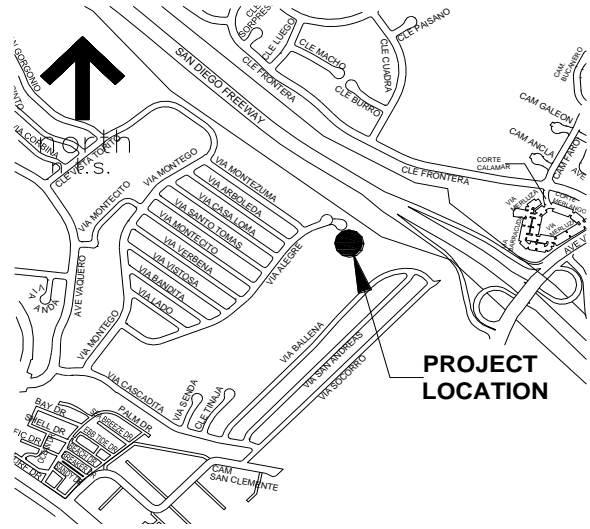
Via Alegre Storm Drain Outlet Rehabilitation

Maintenance and Other Project - Drainage

Project Description:

The outlet of this storm drain system is submerged in the Cascadita waterway. A relief point will be constructed near the submerged outlet to mitigate the possibility of runoff backing up in the existing storm drain pipeline.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	50,000	50,000					
Total Construction	50,000	50,000					

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	50,000	50,000					

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Storm Drain Dep. Reserve	50,000	50,000					
Total Funding	50,000	50,000					

Capital Improvement Program

Parks and Medians

Parks & Recreation Master Plan

In 1988, the City developed a Parks and Recreation master plan. The plan was designed to address open space requirements and the development of park amenities which are consistent with the elements defined in the City's General Plan. The updated Parks and Recreation master plan was approved by the City Council in June 1999.

Parks and Median Funds

The following funds account for park and median activities and capital improvements:

- General Fund
- Gas Tax Fund
- Other Funds
- Parks Acquisition and Development Fund

Parks & Recreation Facility Improvements

The FY 2013 budget includes 2 capital improvement projects for a total of \$135,000 and 1 maintenance project for \$150,000.

Capital improvement projects are listed below:

- Recycled Water Retrofit of City Parks & Medians
- Vista Hermosa Corporate Picnic & Wedding Facility

Maintenance and other projects in FY 2013 are:

- El Portal Beach Access Rehabilitation

Individual project sheets for capital improvement projects are on the following pages.

Developer Improvements

The Parks and Recreation master plan designates park sites or open space within the development area of the Marblehead Coastal planned community. Construction of the parks has been addressed within the developer agreement. Upon completion, the City will be responsible for operating and maintenance costs.

There are four new parks, median & trail related developer improvement projects which have been put on hold as a result of the bankruptcy filing by SunCal, the Marblehead developer.

- Marblehead Coastal Sports Park (construction started)
- Marblehead Coastal Parks (construction started)
- Marblehead Coastal Trails (construction started)
- Marblehead Medians (construction started)

Funding Sources

Parks and median capital projects are funded through multiple funding sources, including transfers from the General fund and the Parks Acquisition and Development fund, grant funding, and developer contributions and deposits.

The City does not anticipate a lack of funding in the near future, but has determined the following alternatives may be used to finance projects:

- Issuance of debt (bond, notes, advances from other funds)
- Additional development fees
- Other grant funding sources
- Contributions from other City funds
- Reallocation of funds from existing projects
- Sale of surplus property

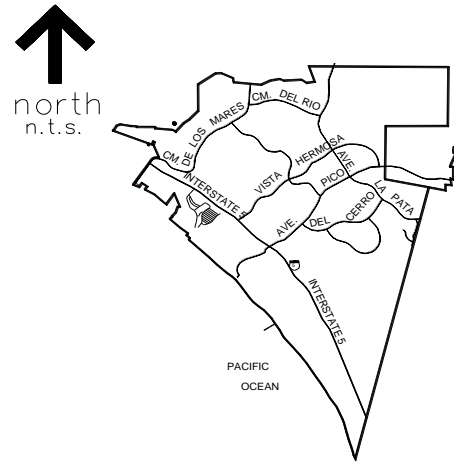
Recycled Water Retrofit of City Parks & Medians

Capital Project - Parks & Median

Project Description:

The City will commence construction of the Recycled Water System Expansion project in fiscal year 2013. As one of the largest users of recycled water, the City must retrofit irrigation systems to CA Department of Health standards to ensure the safe use of recycled water.

Project Location:



Project Management: Engineering Division
Supporting Division: Beaches, Parks and Recreation
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	200,000	60,000	60,000	40,000	40,000		
Total Construction	200,000	60,000	60,000	40,000	40,000		

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	200,000	60,000	60,000	40,000	40,000		

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	200,000	60,000	60,000	40,000	40,000		
Total Funding	200,000	60,000	60,000	40,000	40,000		

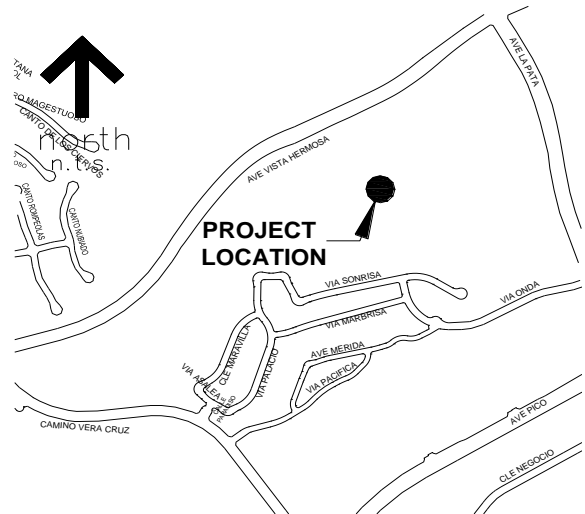
Vista Hermosa Corporate Picnic & Wedding Facility

Capital Project - Parks & Median

Project Description:

Improvements to approximately one-quarter acre of undeveloped land at the far western edge of the Vista Hermosa Sports Park. The project would include the purchase and installation of a small gazebo, picnic tables and BBQ's, modifications to existing irrigation, landscaping with native plants and grasses, site work for access to the gazebo which would include a short section of DG path, an accessible approach and/or ramp, and minimal parking improvements.

Project Location:



Project Management: Beaches, Parks and Recreation
Supporting Division: Engineering Division
Type of Project: New Construction
Impact on Operating Budget: Rental of the completed facility is anticipated to generate \$16,000/yr in revenue.

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	10,000	10,000					
Construction Costs	65,000	65,000					
Total Construction	75,000	75,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations	(64,000)			(16,000)	(16,000)	(16,000)	(16,000)
Maintenance & Repair							
Total O & M Cost	(64,000)			(16,000)	(16,000)	(16,000)	(16,000)
Total Project Cost	11,000	75,000		(16,000)	(16,000)	(16,000)	(16,000)

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Parks Acquisition Dev. Fund	75,000	75,000					
Total Funding	75,000	75,000					

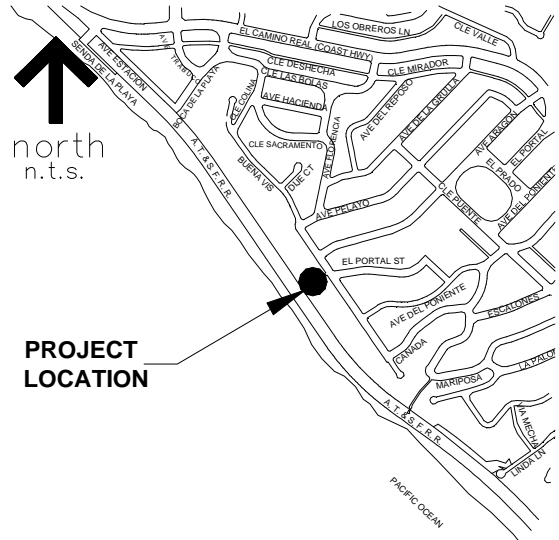
El Portal Beach Access Rehabilitation

Maintenance and Other Project - Parks and Median

Project Description:

The El Portal Beach Access was constructed in the mid-1960's. Several storms have eroded the soils around the foundation of the structure causing the steps to no longer be level. Design work including geotechnical investigation and structural recommendations is proposed in FY 2013 with construction anticipated in FY 2014.

Project Location:



Project Management: Beaches, Parks and Recreation
Supporting Division: Engineering Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering		150,000					
Construction Costs	650,000		500,000				
Total Construction	650,000	150,000	500,000				

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	650,000	150,000	500,000				

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	650,000	150,000	500,000				
Total Funding	650,000	150,000	500,000				

Capital Improvement Program

Sewer

Wastewater (Sewer) Master Plan

The City's Wastewater (Sewer) master plan was completed in 1982. The original master plan provided:

- Analysis of the condition and capacity of the existing wastewater system
- Collection and treatment system improvements or system deficiencies
- System improvements necessary to provide service to future development sites such as Forster Ranch, Rancho San Clemente, Marblehead Coastal and Talega Valley

The master plan was updated in September 1995 to include changes in the City of San Clemente General Plan adopted in 1993. Also, in 2006 the City completed a Sewer Asset Management Study that projects capital costs and funding needs over the next 20 years. This study determined the required funding that is needed for long term replacement and rehabilitation of wastewater infrastructure.

The major components of the Wastewater system include:

- Gravity and trunk sewers
- Force mains
- Pump stations
- Water Reclamation Plant (WRP)

Sewer Fund

The following enterprise funds accounts for sewer activities and capital improvements:

- Sewer Operating Fund
- Sewer Depreciation Reserve Fund
- Sewer Connection Fee Reserve Fund
- Sewer Other Agency Reserve Fund

Wastewater Improvements

The FY 2013 budget includes 4 capital improvement projects for a total of \$3.7 million and 5 maintenance projects in the amount of \$1.4 million.

Capital improvement projects are listed below:

- Aeration Basin Blower Rehabilitation
- Recycled Water Expansion
- San Gabriel Force Main Rehabilitation
- Water Reclamation Plant Solids Handling

Maintenance and other projects in FY 2013 are:

- Computerized Maintenance Management System Implementation
- Odor Control Mechanical Piping Replacement
- Progressive Cavity Pump Replacements
- Sewer System Rehabilitation
- Sewer System Replacement

Individual project sheets for both capital improvement projects and maintenance projects are on the following pages.

Developer Improvements

Sewer infrastructure within the Marblehead Coastal development will be constructed by the developer. Future maintenance and replacement of infrastructure in this area will be funded from sewer service charges collected from new utility users.

Funding Sources

Funding for these improvements will be from Sewer Depreciation Reserve. The Sewer Depreciation Reserve consists of funds set aside from the Sewer Operating Fund to pay for replacement equipment or to rebuild existing sewer system infrastructure.

The City does not anticipate a lack of funding in the near future, but has determined the following alternatives may be used to finance projects:

- Issuance of debt (bond, notes, advances from other funds)
- Rate increases
- Additional connection charges
- Other grant funding sources
- Funding from an alternative City fund
- Reallocation of funds from existing projects

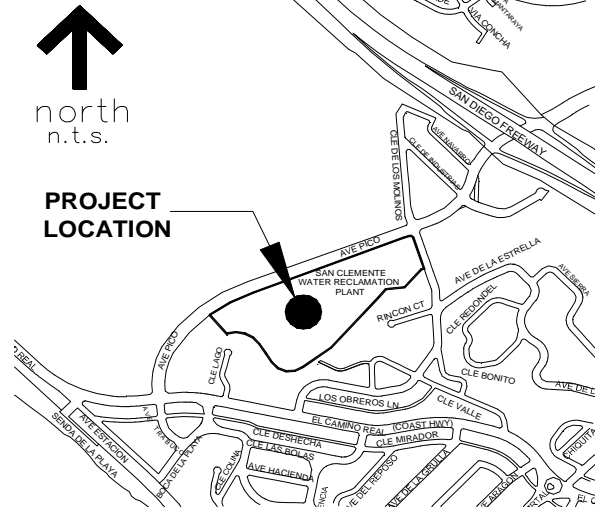
Aeration Basin Blower Rehabilitation

Capital Project - Sewer

Project Description:

The aeration basin blowers are large air compressors which provide oxygen to the bacteria used to break down wastewater. The blowers are the highest energy demanding components of the Water Reclamation Plant. The existing blowers are over 20 years old and inefficient by current standards. New variable speed technology blowers will be installed to replace equipment that has met its useful life. The project design was budgeted for \$150,000 in FY 2012.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: Energy savings are anticipated. Savings will be confirmed at project completion.

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	400,000	400,000					
Total Construction	400,000	400,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	400,000	400,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	400,000	400,000					
Total Funding	400,000	400,000					

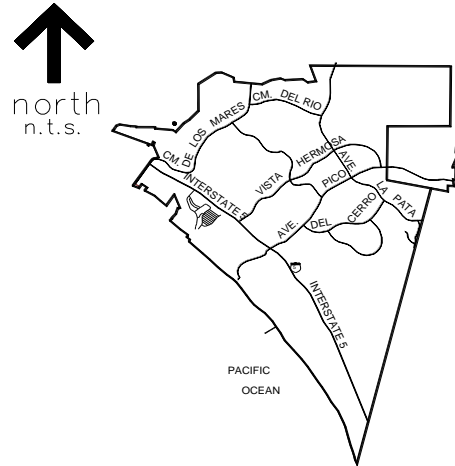
Recycled Water Expansion

Capital Project - Sewer

Project Description:

The Recycled Water (RW) Expansion will increase the City's recycled water production by 932 acre-feet annually, thus decreasing the City's demand for imported water. The project will increase the Water Reclamation Plant (WRP) treatment capacity to 5 million gallons per day and provide for construction of RW pump stations, 9 miles of pipelines and conversion of a reservoir for RW use. The project is funded from the State Proposition 50 grant, EPA grant, SWRCB loan and the City's Sewer Depreciation and Connection Fee funds. The City's existing project budget of \$22.2M is proposed to be increased to \$24.5M based on the latest project estimate.

Project Location:



- Project Management:** Engineering Division
- Supporting Division:** Utilities Division
- Type of Project:** New Construction
- Impact on Operating Budget:** None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	2,300,000	2,300,000					
Total Construction	2,300,000	2,300,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	2,300,000	2,300,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	300,000	300,000					
SWRCB-SRF Loan	2,000,000	2,000,000					
Total Funding	2,300,000	2,300,000					

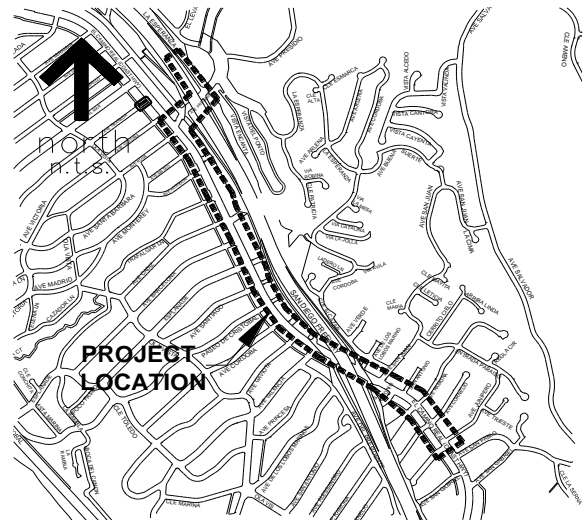
San Gabriel Force Main Rehabilitation

Capital Project - Sewer

Project Description:

The San Gabriel Force Main pumps sewage collected in the southern area of the City to the gravity sewer network for conveyance to the Water Reclamation Plant. Over the last two years, two emergency repairs have been constructed due to the deterioration of the force main. Design work is underway to evaluate the best methodology to replace the force main in El Camino Real. FY 2013 funding will be used to construct the project and minimize the risk of future costly emergency repairs.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	500,000	500,000					
Construction Costs							
Total Construction	500,000	500,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	500,000	500,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	500,000	500,000					
Total Funding	500,000	500,000					

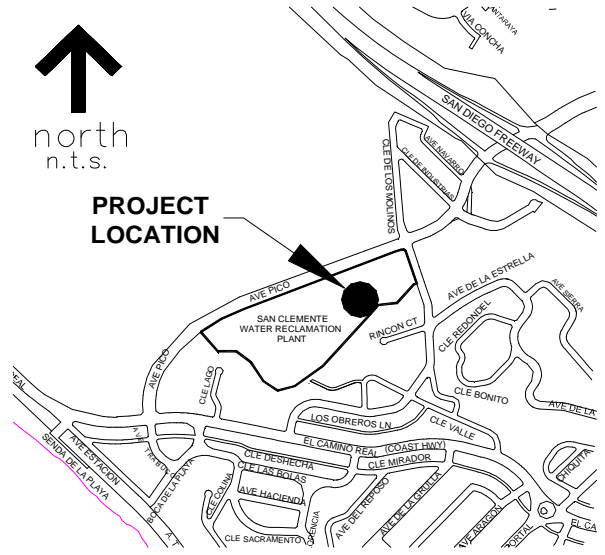
WRP Solids Handling

Capital Project - Sewer

Project Description:

Solids handling is an integral part of the treatment process at the Water Reclamation Plant. The process involves thickening and dewatering of digested sludge to reduce the volume of sludge transported offsite for disposal. The belt filter presses and electrical components are over twenty years old and have reached the end of their useful life. Maintaining the equipment has become increasingly difficult because the manufacturer no longer makes certain replacement parts. The upgraded system will include new technology that requires less chemicals and will reduce current sludge volume transported offsite for disposal.

Project Location:



- Project Management:** Engineering Division
- Supporting Division:** Utilities Division
- Type of Project:** Replacement and rehabilitation of existing utilities
- Impact on Operating Budget:** None at this time. Operations costs reductions are anticipated once the project is constructed.

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	500,000	500,000					
Total Construction	500,000	500,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	500,000	500,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	500,000	500,000					
Total Funding	500,000	500,000					

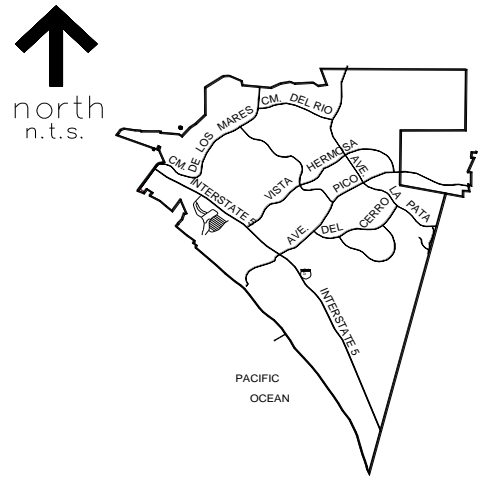
Computerized Maintenance Management System Implementation

Maintenance and Other Project - Sewer

Project Description:

The Utilities Division's Computerized Maintenance Management System (CMMS) assists operations and maintenance personnel by scheduling routine maintenance and replacement of water and sewer assets. The current system is outdated and needs to be updated to help maintenance workers do their jobs more effectively and improve managers ability to better allocate resources. Updating the current system was deemed a high priority in a Utilities Staffing Analysis that was completed in spring 2012.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	500,000	250,000	250,000				
Total Construction	500,000	250,000	250,000				

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	500,000	250,000	250,000				

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	220,000	110,000	110,000				
Water Deprec. Reserve	220,000	110,000	110,000				
Storm Drain Dep. Reserve	60,000	30,000	30,000				
Total Funding	500,000	250,000	250,000				

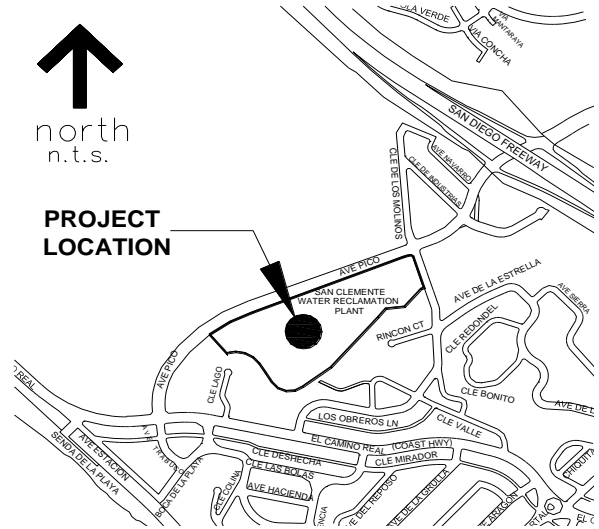
Odor Control Mechanical Piping Replacements

Maintenance and Other Project - Sewer

Project Description:

The Water Reclamation Plant is equipped with two odor scrubbers to reduce foul odors that emanate from the treatment process. In recent years, maintenance repairs have been required to remedy isolated piping failures that are part of the odor control system. The project will replace all piping and mechanical components that have met their useful life to ensure the odor control system continues to operate properly.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	150,000	150,000					
Total Construction	150,000	150,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	150,000	150,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	150,000	150,000					
Total Funding	150,000	150,000					

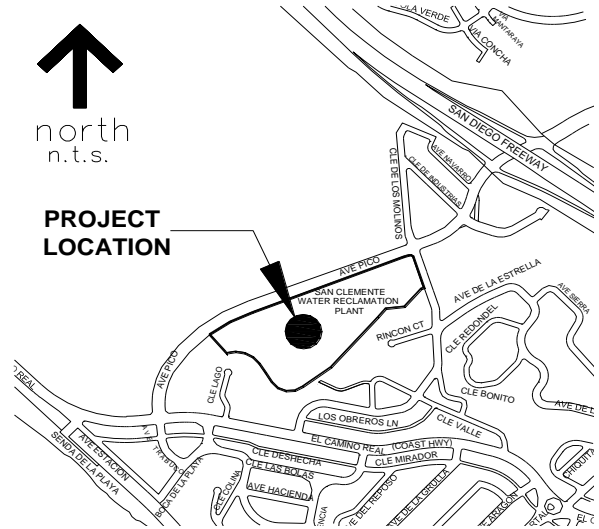
Progressive Cavity Pump Replacements

Maintenance and Other Project - Sewer

Project Description:

The Water Reclamation Plant (WRP) is equipped with a total of eight progressive cavity pumps. The pumps are used to convey collected sludge through the wastewater treatment process and are vital to the plants operation. The pumps were installed in the early 1990's during the WRP expansion and have met their useful life. Replacement parts for the pumps are no longer available from the manufacturer. The pumps need to be replaced to ensure plant operations are not impacted.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	75,000	75,000					
Construction Costs	425,000	425,000					
Total Construction	500,000	500,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	500,000	500,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	500,000	500,000					
Total Funding	500,000	500,000					

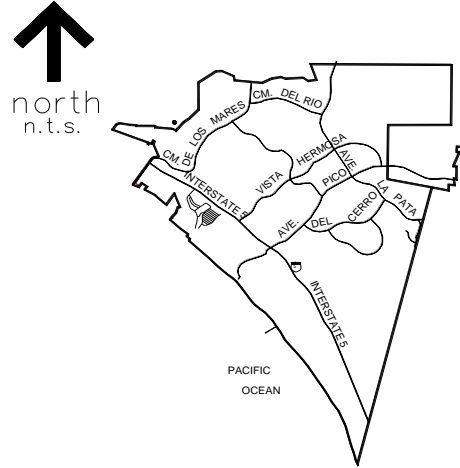
Sewer System Rehabilitation

Maintenance and Other Project - Sewer

Project Description:

Sewer lines and manholes throughout the City will be lined or replaced to increase service life and to prevent sewer leaks. The locations are determined by the City's Utilities staff underground video of pipelines or inspection of manholes. In addition, minor modifications to pump station valves, motors, pumps and pipelines will be completed to improve the overall sewer system. Funding will provide approximately \$200,000 for sewer pipe lining, \$150,000 for scheduled preventative maintenance and \$50,000 for unscheduled emergency maintenance.

Project Location:



Project Management: Utilities & Engineering Division
Supporting Division: None
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000
Total Construction	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000
Total Funding	2,000,000	400,000	400,000	300,000	300,000	300,000	300,000

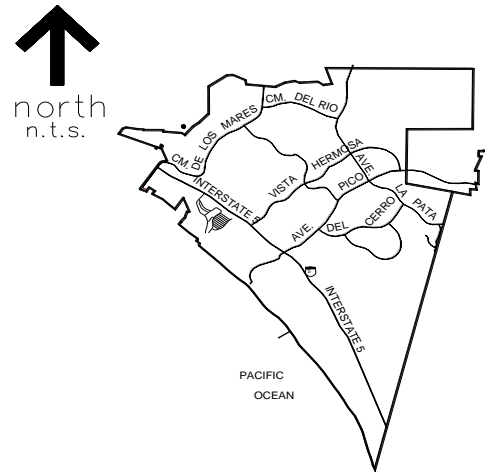
Sewer System Replacement

Maintenance and Other Project - Sewer

Project Description:

Sewer lines and manholes will be rehabilitated in conjunction with the Street Improvement Program. City Utilities staff will determine the locations through the use of video inspection prior to the design of street replacement overlay. Coordinating sewer replacement prior to street paving will minimize the need for sewer related construction in a recently paved street.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	600,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Construction	600,000	100,000	100,000	100,000	100,000	100,000	100,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	600,000	100,000	100,000	100,000	100,000	100,000	100,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Sewer Deprec. Reserve	600,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	600,000	100,000	100,000	100,000	100,000	100,000	100,000

Capital Improvement Program

Street

Street Master Plan

A section of the City's General Plan, the Growth Management Element, established policies and standards for the street circulation system. Specific standards were established to ensure that new development did not degrade or impact the circulation system. The City also established a Regional Circulation Financing and Phasing Program (RCFPP) to ensure that funds would be available to make improvements when necessary to implement the circulation standards.

In addition, as a part of the 1995 Long Term Financial Plan process, the City established a Street Improvement Program to address street deterioration throughout the City. An aggressive program to restore 60 miles, or one-half of the City's street system, over 18 years was implemented. This program was funded from an annual homeowner assessment based on type of street (public or private) and parcel type and transfers from the General Fund, Gas Tax Fund, Water Depreciation Reserve and Sewer Depreciation Reserve. The Street Improvement Program expired in 2012. The City is preparing Engineer's Reports to support a program renewal which is subject to voter approval.

Street Funds

The following funds account for street activities and capital improvements:

- General Fund
- Gas Tax Fund
- Regional Circulation Financing and Phasing Program (RCFPP) Fund
- Street Improvement Fund
- Reserve Fund

Street Improvements

The FY 2013 budget includes 15 capital improvement projects for \$5.8 million and 5 maintenance projects in the amount of \$1.2 million.

Capital improvement projects are listed below:

- Arriba Linda & Cerrito Cielo Rehabilitation
- Avenida Pico Traffic Signal Synchronization
- Avenida Vaquero Rehabilitation

- Camino De Los Mares Frontage Road Rehabilitation
- Camino De Los Mares Rehabilitation
- El Camino Real Traffic Signal Synchronization
- La Ventana Rehabilitation
- North El Camino Real Bike Lane
- Safety/Quiet Zone Improvements - Design & Construction
- Sidewalk Improvements/CDBG
- Traffic Signal Battery Backup Systems
- Traffic Signal Cabinets Replacements
- Traffic Signal LED Replacement
- Via Breve Rehabilitation
- Via Pico Plaza Rehabilitation

Maintenance and other projects in FY 2013 are:

- Major Street Maintenance Program
- Sidewalk Repair & Improvements
- Slurry Seal
- Street Improvement Design
- Traffic Calming Program

Individual project sheets for both capital improvement projects and maintenance projects are on the following pages.

Developer Improvements

The developer agreement for Marblehead Coastal contains provisions for the construction of the major arterial, collector and residential streets included within the project area. The majority of residential streets within the project will be private streets.

Funding Sources

Street capital projects are primarily funded through multiple funding sources, including transfers from the General fund, Gas Tax funds, special assessments, grant funding, and developer contributions.

The City does not anticipate a lack of funding in the near future, but has determined the following alternatives may be used to finance projects:

- Issuance of debt (bond, notes, or special assessment districts)
- Other grant funding sources
- Increased contributions from other City funds

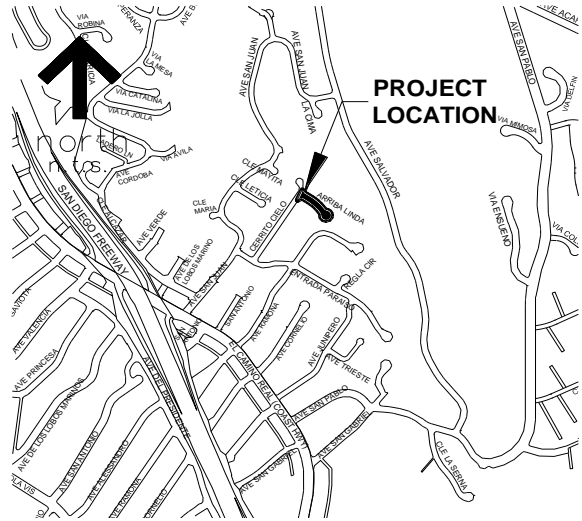
Arriba Linda & Cerrito Cielo Rehabilitation

Capital Project - Street

Project Description:

This project consists of rehabilitating Arriba Linda from Cerrito Cielo to East End. Deteriorated and deficient curb, gutter, access ramps and pavement areas will be reconstructed as needed. Pavement will be cold milled as necessary to make grade. The entire road width will be overlaid with 2-inches of rubberized asphalt.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	240,000	240,000					
Total Construction	240,000	240,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	240,000	240,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Street Improv. Fund	240,000	240,000					
Total Funding	240,000	240,000					

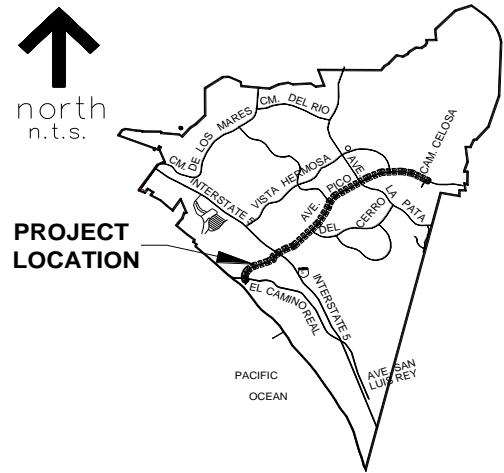
Avenida Pico Traffic Signal Synchronization

Capital Project - Street

Project Description:

The project will synchronize traffic signals on Avenida Pico. The limits are from El Camino Real to Camino Celosa (3.72 miles). A total of 21 signalized intersections will be synchronized, of which 18 intersections would receive new controllers (including Caltrans' two I-5 ramps). The project will replace the existing twisted-pair conductors with fiber optic cable and would include video detection at some intersections. Branch interconnects would be installed to central control locations that are located in the Engineering Building and the City Signal Maintenance Facility.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Traffic Signal Synchronization
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	30,000	30,000					
Construction Costs	430,000	430,000					
Total Construction	460,000	460,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	460,000	460,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
M2 Grant (80%)	368,000	368,000					
Gas Tax Fund (20%)	92,000	92,000					
Total Funding	460,000	460,000					

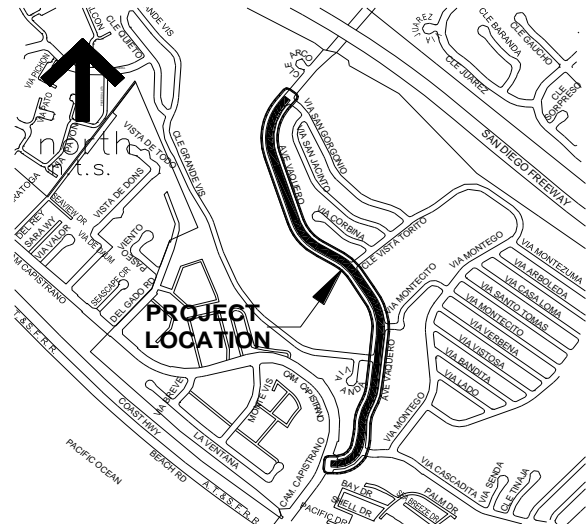
Avenida Vaquero Rehabilitation

Capital Project - Street

Project Description:

This project consists of rehabilitating Avenida Vaquero from Camino Capistrano to Via San Gorgonio. Deteriorated and deficient curb, gutter, access ramps and pavement areas will be reconstructed as needed. Pavement will be cold milled as necessary to make grade. The entire road width will be overlaid with 2-inches of rubberized asphalt.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	880,000	880,000					
Total Construction	880,000	880,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	880,000	880,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Street Improv. Fund	880,000	880,000					
Total Funding	880,000	880,000					

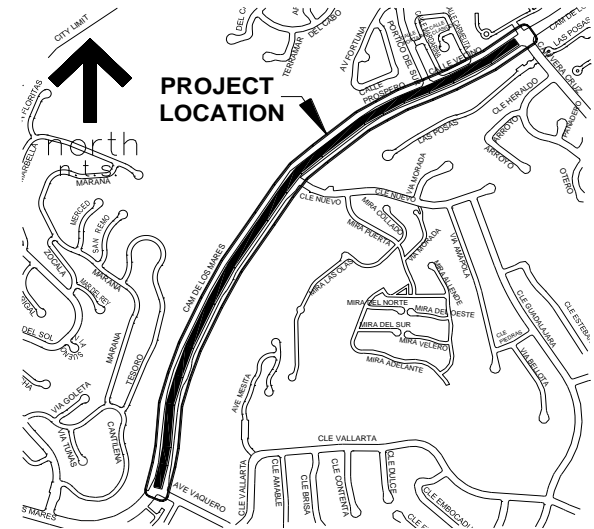
Camino De Los Mares Rehabilitation

Capital Project - Street

Project Description:

This project consists of rehabilitating Camino de los Mares from Avenida Vaquero to Camino Vera Cruz. Deteriorated and deficient curb, gutter, access ramps and pavement areas will be reconstructed as needed. Pavement will be cold milled as necessary to make grade. The entire road width will be overlaid with 2-inches of rubberized asphalt.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	1,400,000	1,400,000					
Total Construction	1,400,000	1,400,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,400,000	1,400,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Gas Tax Fund	1,400,000	1,400,000					
Total Funding	1,400,000	1,400,000					

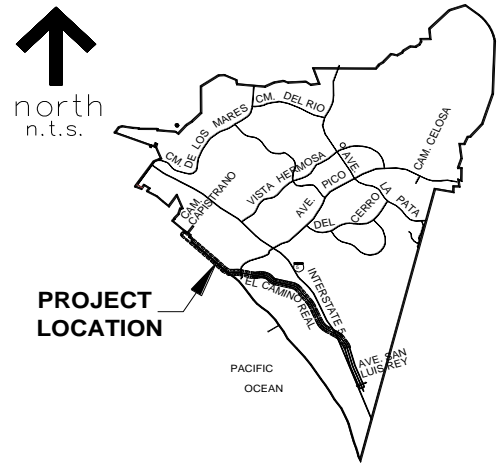
El Camino Real Traffic Signal Synchronization

Capital Project - Street

Project Description:

The project will synchronize traffic signals on El Camino Real. The limits are from Avenida San Luis Rey in the south to Camino Capistrano in the north (4.37 miles). A total of 18 signalized intersections will be synchronized, of which 13 would receive new controllers (including Caltrans' two I-5 ramp controllers). The project includes installation of conduit and fiber optic cable along the entire corridor to allow signals to be controllable from the central locations in the Engineering Building and the City Signal Maintenance Facility.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Traffic Signal Synchronization
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	30,000	30,000					
Construction Costs	543,000	543,000					
Total Construction	573,000	573,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	573,000	573,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
M2 Grant (80%)	458,400	458,400					
Gas Tax Fund (20%)	114,600	114,600					
Total Funding	573,000	573,000					

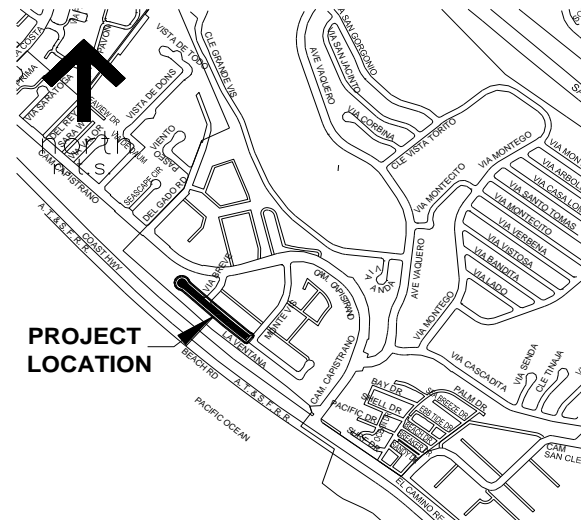
La Ventana Rehabilitation

Capital Project - Street

Project Description:

This project consists of rehabilitating La Ventana from Monte Vista to Northern cul de sac. Deteriorated and deficient curb, gutter, access ramps and pavement areas will be reconstructed as needed. Pavement will be cold milled as necessary to make grade. The entire road width will be overlaid with 2-inches of rubberized asphalt.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	150,000	150,000					
Total Construction	150,000	150,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	150,000	150,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Street Improv. Fund	150,000	150,000					
Total Funding	150,000	150,000					

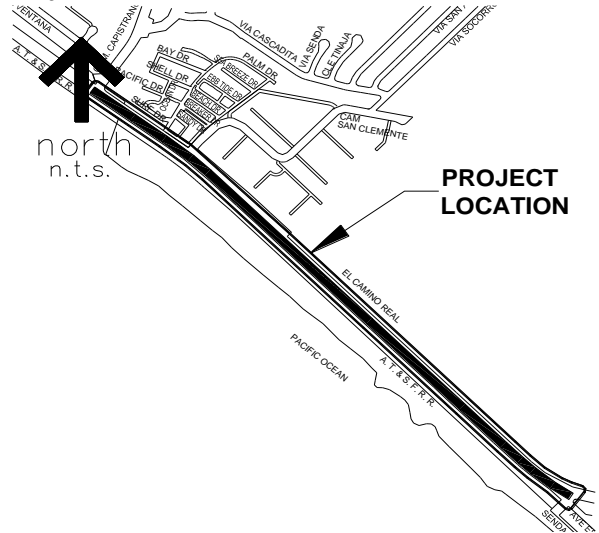
North El Camino Real Bike Lane

Capital Project - Street

Project Description:

The project will construct a 0.9-mile long Class I bicycle path project on the ocean side of North El Camino Real between Camino Capistrano and Avenida Estacion. The bike path is planned to be 12 feet wide and be separated from traffic lanes by a K-rail concrete barrier. The project also consists of restriping, installing sidewalk pavers, upgrading existing pedestrian ramps and traffic signal lights. The project is funded with a Highway Safety Improvement Program (HSIP) grant with the maximum federal reimbursement ratio of 90% of the eligible expenditures.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and new construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	79,000	79,000					
Construction Costs	660,800	660,800					
Total Construction	739,800	739,800					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	739,800	739,800					

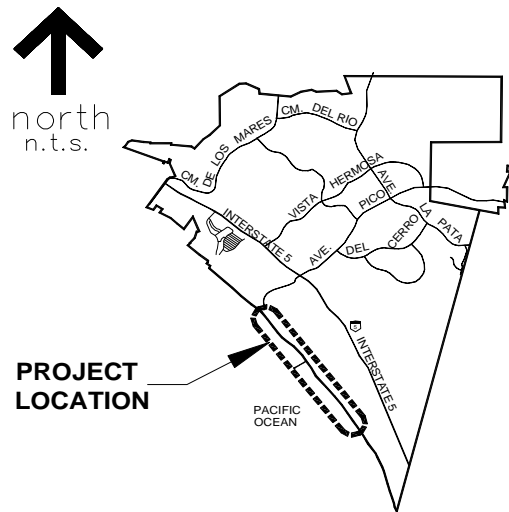
Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
HSIP Grant (90%)	665,800	665,800					
Gas Tax Fund	74,000	74,000					
Total Funding	739,800	739,800					

Safety/Quiet Zone Improvements - Design & Construction Capital Project - Street

Project Description:

The City is collaborating with the Orange County Transportation Authority (OCTA) to reduce train horn noise. Signage improvements, additional barriers, rail signalization improvements, pedestrian crossings, improvements to beach access points and wayside horns are needed. North Beach and Pier improvements have been completed by OCTA. The total project cost is estimated at \$3,900,000 with an anticipated cost share of 88% (\$3,432,000) by OCTA and 12% (\$468,000) by the City. Project funding was budgeted in FY 2011 for all seven crossings. FY 2013 funding is needed to offset the loss of the Redevelopment Agency contribution.

Project Location:



Project Management: Engineering Division
Supporting Division: None
Type of Project: New Construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	42,000	42,000					
Total Construction	42,000	42,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	42,000	42,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	42,000	42,000					
Total Funding	42,000	42,000					

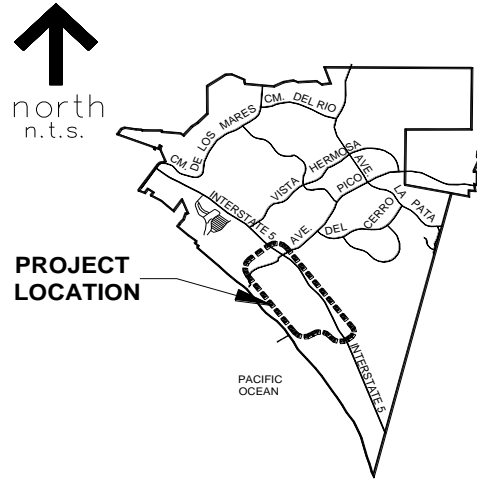
Sidewalk Improvements / CDBG

Capital Project - Street

Project Description:

The CDBG Sidewalk Improvements Program was developed to install missing sidewalk sections within the CDBG target area. Public hearings will be held to determine public interest for specific locations.

Project Location:



Project Management: Engineering Division
Supporting Division: Planning Division
Type of Project: New Construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Total Construction	900,000	150,000	150,000	150,000	150,000	150,000	150,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	900,000	150,000	150,000	150,000	150,000	150,000	150,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
CDBG Grant	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Total Funding	900,000	150,000	150,000	150,000	150,000	150,000	150,000

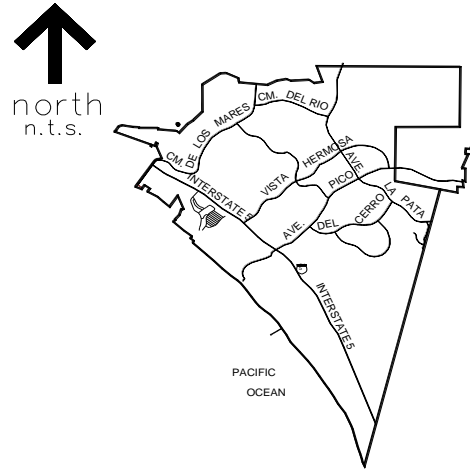
Traffic Signal Battery Backup Systems

Capital Project - Street

Project Description:

This project includes replacing two antiquated and unreliable traffic signal battery backup systems. The intersection locations are: 1) Camino De Los Mares and Camino Vera Cruz; 2) Avenida Pico and Vista Hermosa (East). These battery backup systems provide temporary power to traffic signals during power outages.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	100,000	100,000					
Total Construction	100,000	100,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	100,000	100,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Facilities Maint. Reserve	100,000	100,000					
Total Funding	100,000	100,000					

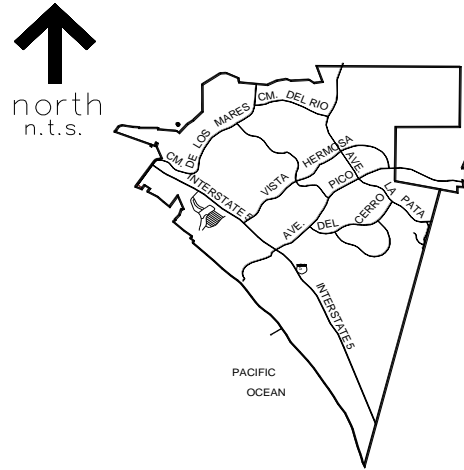
Traffic Signal Cabinets Replacement

Capital Project - Street

Project Description:

The existing traffic signal controller cabinets located at the intersections of Camino De Los Mares/El Molino and Camino De Los Mares/Marbella are deteriorated at the base and are in need of replacement. New stainless steel cabinets will replace the existing cabinets at both locations.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	160,000	160,000					
Total Construction	160,000	160,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	160,000	160,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Facilities Maint. Reserve	160,000	160,000					
Total Funding	160,000	160,000					

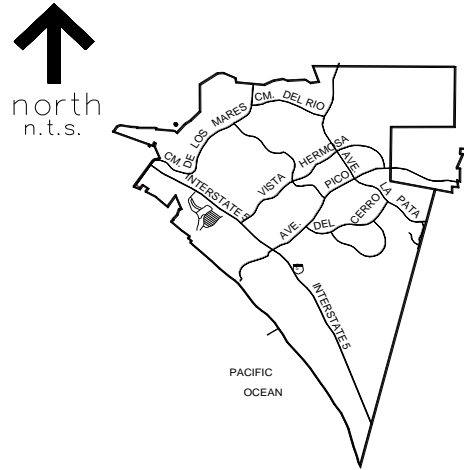
Traffic Signal LED Replacement

Capital Project - Street

Project Description:

This project will replace failing LED traffic signal lights that have reached the end of their design life. It will also upgrade traffic signals that currently use conventional incandescent lamps with LED replacements. LEDs are much more energy efficient and require less maintenance. The anticipated useful life of the proposed traffic signal LEDs is 12 years.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	200,000	200,000					
Total Construction	200,000	200,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	200,000	200,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Facilities Maint. Reserve	200,000	200,000					
Total Funding	200,000	200,000					

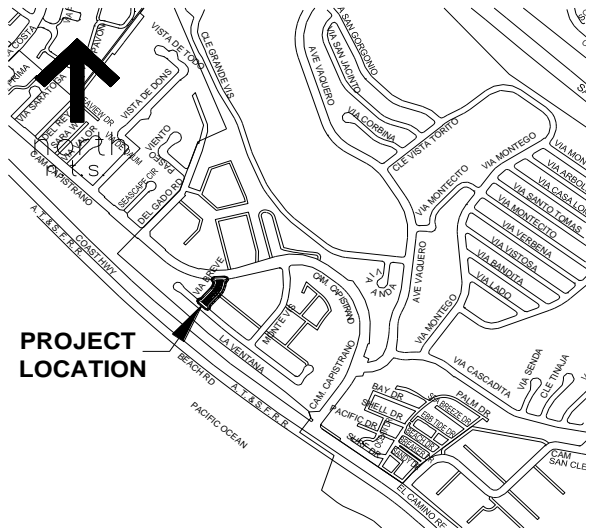
Via Breve Rehabilitation

Capital Project - Street

Project Description:

This project consists of rehabilitating Via Breve from west of Camino Capistrano to La Ventana. Deteriorated and deficient curb, gutter, access ramps and pavement areas will be reconstructed as needed. Pavement will be cold milled as necessary to make grade. The entire road width will be overlaid with 2-inches of rubberized asphalt.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	110,000	110,000					
Total Construction	110,000	110,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	110,000	110,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Street Improv. Fund	110,000	110,000					
Total Funding	110,000	110,000					

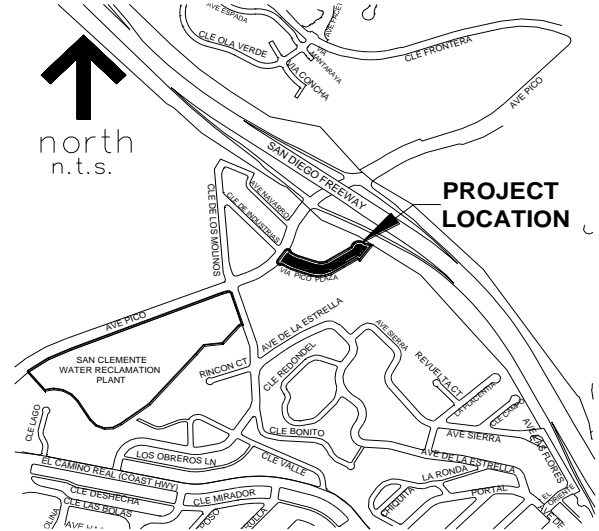
Via Pico Plaza Rehabilitation

Capital Project - Street

Project Description:

This project consists of rehabilitating Via Pico Plaza from Avenida Pico to East End. Deteriorated and deficient curb, gutter, access ramps and pavement areas will be reconstructed as needed. Pavement will be cold milled as necessary to make grade. The entire road width will be overlaid with 2-inches of rubberized asphalt.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	120,000	120,000					
Total Construction	120,000	120,000					

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	120,000	120,000					

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Street Improv. Fund	120,000	120,000					
Total Funding	120,000	120,000					

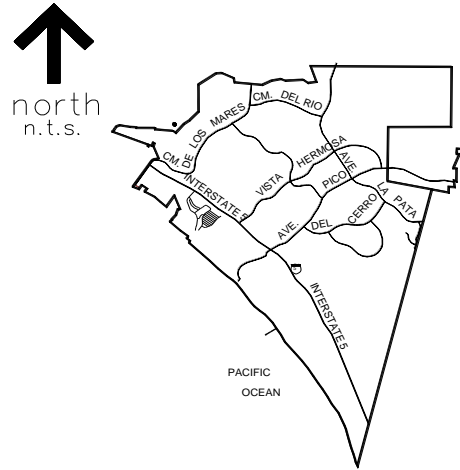
Major Street Maintenance Program

Maintenance and Other Project - Street

Project Description:

The Engineering Division has managed the Major Maintenance Program since FY 2000. Streets proposed for FY 2013 include Cazador Lane, Encino Lane, Arenoso Lane, Via Senda and Calle Tinaja. Other streets will be included depending on the remaining fund balance.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Rehabilitation of street pavement section
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	3,300,000	550,000	550,000	550,000	550,000	550,000	550,000
Total Construction	3,300,000	550,000	550,000	550,000	550,000	550,000	550,000

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	3,300,000	550,000	550,000	550,000	550,000	550,000	550,000

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	3,000,000	500,000	500,000	500,000	500,000	500,000	500,000
Water Deprec. Reserve	150,000	25,000	25,000	25,000	25,000	25,000	25,000
Sewer Deprec. Reserve	150,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Funding	3,300,000	550,000	550,000	550,000	550,000	550,000	550,000

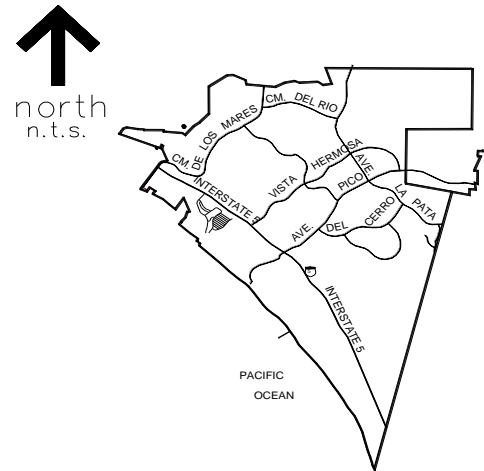
Sidewalk Repair and Improvements

Maintenance and Other Project - Street

Project Description:

The Sidewalk Repair Program was established to repair deficient sidewalks and remove trip hazards throughout the City. The locations of deficient sidewalks to be repaired and/or replaced are prioritized according to the extent of the vertical displacements. The program also administers a cost sharing feature with the property owners as described in Resolution 03-04.

Project Location:



Project Management: Engineering Division
Supporting Division: None
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Total Construction	900,000	150,000	150,000	150,000	150,000	150,000	150,000

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	900,000	150,000	150,000	150,000	150,000	150,000	150,000

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	900,000	150,000	150,000	150,000	150,000	150,000	150,000
Total Funding	900,000	150,000	150,000	150,000	150,000	150,000	150,000

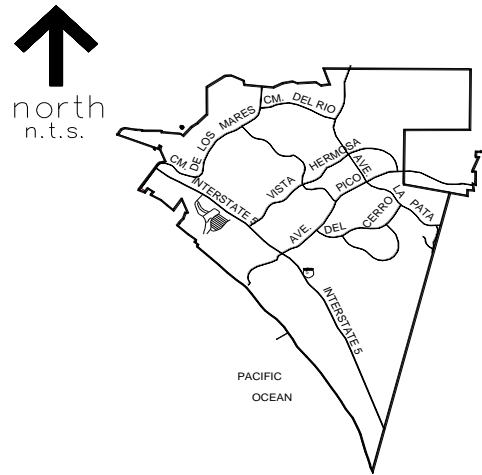
Slurry Seal

Maintenance and Other Project - Street

Project Description:

The City allocates \$250,000 annually to provide slurry seal to the City streets identified with the highest need as determined by staff. The annual Slurry Seal Program extends the life of the existing City streets and delays the need for rehabilitation or reconstruction. All public streets are typically slurry sealed on a 7 to 10 year cycle as funding permits.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Construction	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Funding	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000

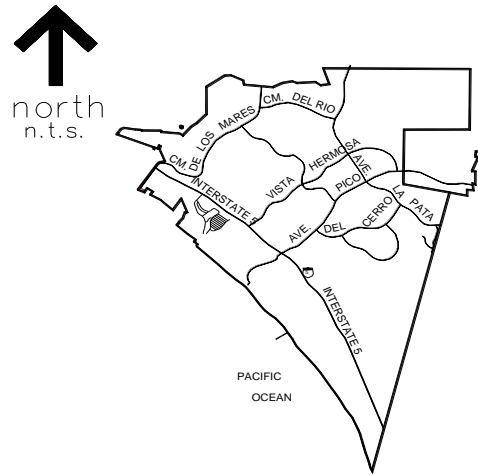
Street Improvement Design

Maintenance and Other Project - Street

Project Description:

The City spends \$200,000 annually to design street improvements scheduled for construction in the following fiscal year.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
Construction Costs							
Total Construction	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Street Improv. Fund	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total Funding	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000

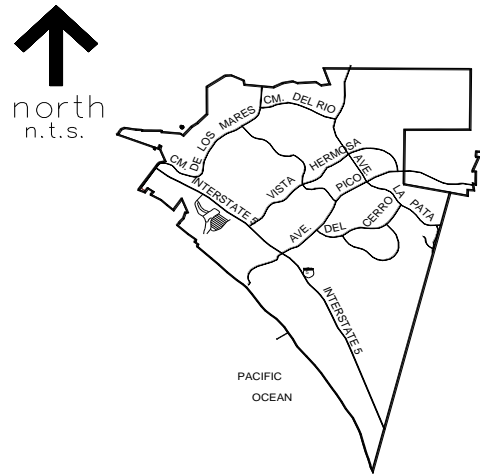
Traffic Calming Program

Maintenance and Other Project - Street

Project Description:

The Traffic Calming Program enhances safety on the streets and reduces the negative effects of motor vehicles while maintaining acceptable traffic flow. Traffic Calming measures include purchasing new equipment and installation of physical traffic improvements on City streets.

Project Location:



Project Management: Engineering Division
Supporting Division: Maintenance Division
Type of Project: New Equipment
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	480,000	80,000	80,000	80,000	80,000	80,000	80,000
Total Construction	480,000	80,000	80,000	80,000	80,000	80,000	80,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	480,000	80,000	80,000	80,000	80,000	80,000	80,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Air Quality Mgmt. Fund	480,000	80,000	80,000	80,000	80,000	80,000	80,000
Total Funding	480,000	80,000	80,000	80,000	80,000	80,000	80,000

Capital Improvement Program

Water

Water Master Plan

The City's Water master plan was originally developed in 1982, and updated in 1994, 1999, 2001 and 2006. The master plan provides the following:

- Review of existing facilities and conditions
- Review of service delivery methods and capacity of the coordinated efforts of the regional water supply system from Municipal Water District of Orange County and Metropolitan Water District
- Determination of the existing and ultimate water systems capacity
- Determination of the cost of future facilities and improvements to existing facilities
- Operational deficiencies in the water distribution system
- Funding sources available for improvements to existing facilities and construction of new facilities

The master plan is essential to the City because most of the City's water supply is purchased from Metropolitan Water District and imported through the Joint Transmission Main and Water Importation Pipeline. The City's water needs are supplemented by ground water pumped from 2 City owned wells.

Additionally, in 2006 the City completed a Water Asset Management Study that projects capital costs and funding needs over the next 20 years. The purpose of the study was to determine required funding for long term replacement and rehabilitation of the water infrastructure.

Major components of the Water system include:

- Reservoirs
- Water Distribution Lines
- Pump Stations
- Pressure Reducing Stations

Water Fund

The following enterprise funds account for water activities and capital improvements:

- Water Operating Fund
- Water Depreciation Reserve Fund
- Water Acreage Fee Reserve Fund
- Water Other Agency Reserve Fund

Water Improvements

The FY 2013 budget includes 4 capital improvement projects for a total of \$1.1 million and 7 maintenance projects in the amount of \$1.4 million.

Capital improvement projects are listed as follows:

- Avenida Vaquero Waterline Replacement
- La Esperanza Pressure Reduction Station Rehabilitation
- Samaritan Medical Center Water Valves
- Well Outlet Piping & Chemical Treatment

Maintenance and other projects in FY 2013 are:

- JRWSS 60-inch Lake Forest Drive Relocation
- JWRSS Agency Projects
- Meter Replacements
- Second Lower Cross Feeder Evaluation & SOCW Report
- Water System Rehabilitation
- Water System Replacement
- Well Water Acquirer Study

Individual project sheets for both capital improvement projects and maintenance projects are on the following pages.

Developer Improvements

All water related infrastructure within the Marblehead Coastal development will be constructed by the developer. Future maintenance and replacement of infrastructure in these areas will be funded from water service charges collected from new utility users.

Capital Improvement Program

Water

Funding Sources

Funding for these improvements will be from the Water Fund Depreciation Reserve, the Water Acreage Fee Reserve, and the Water Other Agency Reserve. The Water Depreciation Reserve consists of funds set aside from the Water Operating Fund to pay for replacement equipment, or to rebuild existing water system infrastructure. The Water Other Agency Fund is used to set aside funds for repair and replacement of JRWSS assets. The Water Acreage Fee Reserve is supported by fees assessed on all parcels of land that are developed and connected to the water system. This assures that development driven infrastructure improvements are fully funded by the developers.

The City does not anticipate a lack of funding in the near future, but has determined the following alternatives may be used to finance projects:

- Additional issuance of debt (bond, notes, advances from other funds)
- Rate increases
- Additional acreage development fees
- Other grant funding sources
- Funding from an alternative City fund
- Reallocation of funds from existing projects

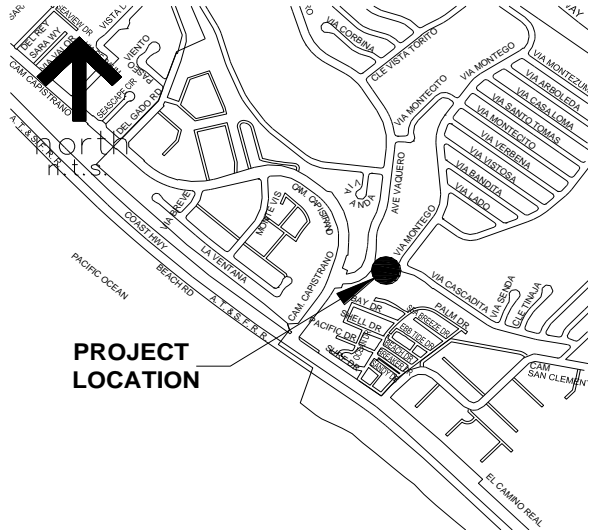
Avenida Vaquero Waterline Replacement

Capital Project - Water

Project Description:

The segment of water system pipeline within Avenida Vaquero at Calle Cascadita has undergone recent repairs due to corrosion. The 300 foot segment of ductile iron pipe will be replaced to City standards with a non-metallic PVC pipe to mitigate future corrosion potential.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	15,000	15,000					
Construction Costs	65,000	65,000					
Total Construction	80,000	80,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	80,000	80,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	80,000	80,000					
Total Funding	80,000	80,000					

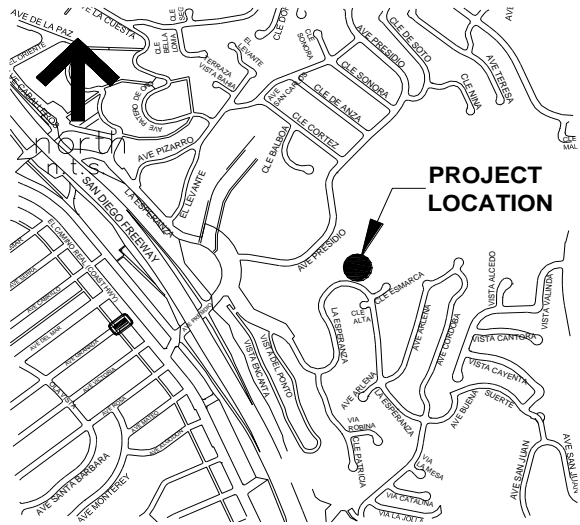
La Esperanza PRS Rehabilitation

Capital Project - Water

Project Description:

The pressure reducing station on La Esperanza has deteriorated and is near the end of its useful life. Critical components of the system have become obsolete making repairs difficult to complete. Design and construction are scheduled for FY 2013.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	25,000	25,000					
Construction Costs	175,000	175,000					
Total Construction	200,000	200,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	200,000	200,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	200,000	200,000					
Total Funding	200,000	200,000					

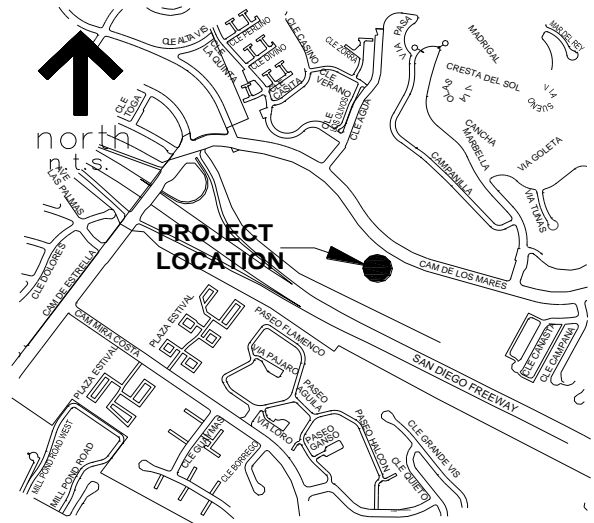
Samaritan Medical Center Water Valves

Capital Project - Water

Project Description:

The existing water system along Camino De Los Mares has a limited number of isolation valves to maintain service to the medical center in the event of a scheduled water system shutdown. New valves will be installed at key locations to improve water service reliability to the medical center.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: New Construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	50,000	50,000					
Total Construction	50,000	50,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	50,000	50,000					

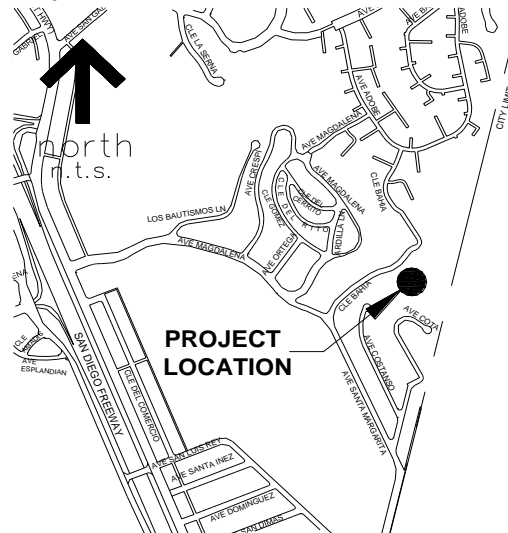
Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	50,000	50,000					
Total Funding	50,000	50,000					

Well Outlet Piping & Chemical Treatment Capital Project - Water

Project Description:

In order to maximize groundwater production, the outlet pipeline between the Well Water Treatment Plant (WTP) and Reservoir No. 1 will be upsized from a 12-inch to 20-inch diameter. The chemical treatment at the WTP will be upgraded from chlorine gas to sodium hypochlorite to improve safety of the facility and coincide with similar chemical treatment upgrades at the Water Reclamation Plant.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	750,000	750,000					
Total Construction	750,000	750,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	750,000	750,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	750,000	750,000					
Total Funding	750,000	750,000					

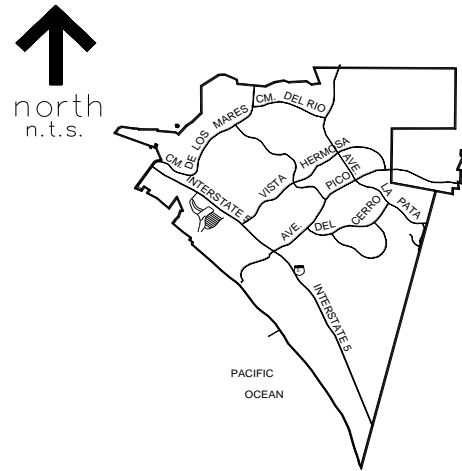
JRWSS 60-inch Lake Forest Drive Relocation

Maintenance and Other Project - Water

Project Description:

The City along with other member agencies of the Joint Regional Water Supply System (JRWSS) are funding capital projects for shared assets as required in the operating agreements for the importation pipelines known as the Joint and Local Transmission Mains along with 2 regional reservoirs. Approximately 6,000 feet of 60-inch Joint Transmission Main near SR-133 and Lake Forest Drive is located in a wetland area and is need of a valve replacement and repairs. Rather than repair the pipeline, the section will be relocated into the extension of Lake Forest Drive as part of a development project which will improve future access.

Project Location:



Project Management: JRWSS
Supporting Division: Engineering and Utilities Div.
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	535,000	535,000					
Total Construction	535,000	535,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	535,000	535,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Other Agency	535,000	535,000					
Total Funding	535,000	535,000					

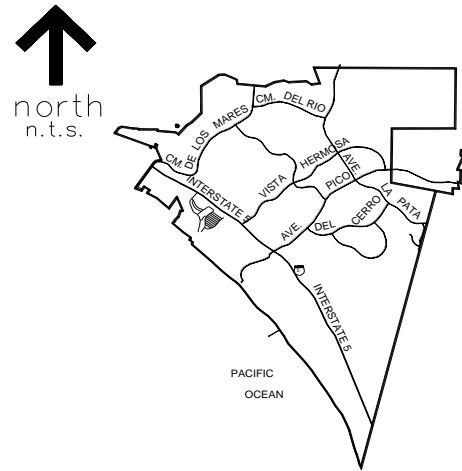
JRWSS Agency Projects

Maintenance and Other Project - Water

Project Description:

The City along with other member agencies of the Joint Regional Water Supply System (JRWSS) are funding capital projects for shared assets as required in the operating agreements for the importation pipelines known as the Joint and Local Transmission Mains along with 2 regional reservoirs. JRWSS has identified capital needs in FY 2013 which include: Asset Management Plan, Master Plan Update, SCADA Upgrades, Blow Off Modifications, Atlas Mapping, Cathodic Protection Improvements and internal pipeline inspections.

Project Location:



Project Management: JRWSS
Supporting Division: Engineering and Utilities Div.
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	950,000	50,000	400,000	200,000	100,000	100,000	100,000
Construction Costs	4,735,000	235,000	2,100,000	1,200,000	400,000	400,000	400,000
Total Construction	5,685,000	285,000	2,500,000	1,400,000	500,000	500,000	500,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	5,685,000	285,000	2,500,000	1,400,000	500,000	500,000	500,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Other Agency	5,685,000	285,000	2,500,000	1,400,000	500,000	500,000	500,000
Total Funding	5,685,000	285,000	2,500,000	1,400,000	500,000	500,000	500,000

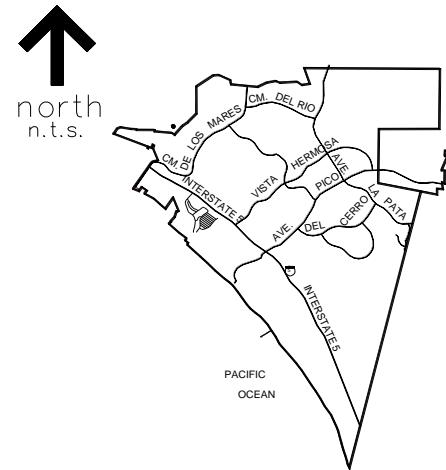
Meter Replacements

Maintenance and Other Project - Water

Project Description:

The City maintains approximately 17,200 water meters within its service area. To keep the City's accounting of water use accurate, meters are replaced on a periodic basis or at the end of their useful life. The majority of the current funding is to replace meters that have become either stuck, broken or have developed cracked lenses.

Project Location:



Project Management: Utilities Division
Supporting Division: Maintenance Division
Type of Project: Maintenance renovation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	1,125,000	75,000	75,000	75,000	300,000	300,000	300,000
Total Construction	1,125,000	75,000	75,000	75,000	300,000	300,000	300,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,125,000	75,000	75,000	75,000	300,000	300,000	300,000

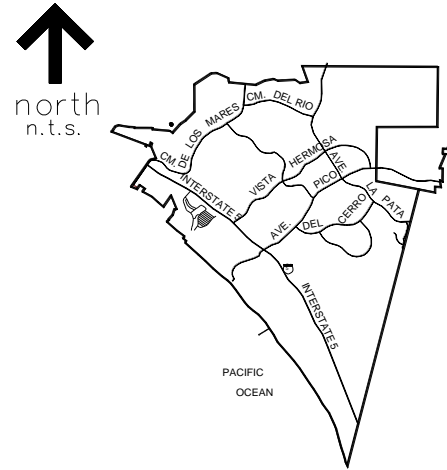
Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	900,000	60,000	60,000	60,000	240,000	240,000	240,000
Sewer Deprec. Reserve	225,000	15,000	15,000	15,000	60,000	60,000	60,000
Total Funding	1,125,000	75,000	75,000	75,000	300,000	300,000	300,000

Second Lower Class Feeder Evaluation & South Orange County Water Reliability Study Update
Maintenance and Other Project - Water

Project Description:

Municipal Water District of Orange County (MWDOC) and water agencies in South Orange County have been conducting meetings with Metropolitan Water District (MWD) to evaluate the connection of the Second Lower Cross Feeder to the East Orange County Feeder #2. The pipeline connections would allow for treated MWD water to be provided to Orange County in the event of a Diemer Plant outage. In 2005, MWDOC completed a South Orange County Water Reliability Study. Since its completion, several projects have been completed and there has been interest by local agencies to update the regional study.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Study
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	40,000	40,000					
Construction Costs							
Total Construction	40,000	40,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	40,000	40,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Acreage Fee Res.	40,000	40,000					
Total Funding	40,000	40,000					

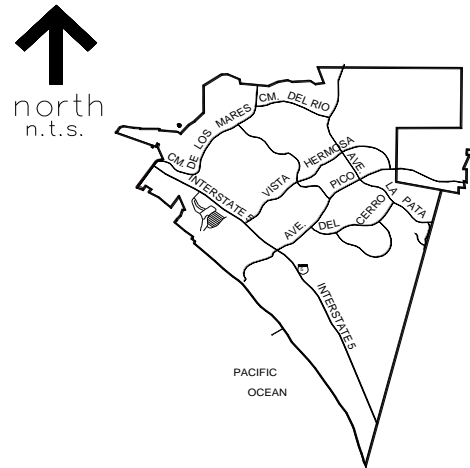
Water System Rehabilitation

Maintenance and Other Project - Water

Project Description:

Existing water distribution systems valves, services, main lines, pumps and electrical equipment will be replaced as part of annual maintenance or on an as needed basis. Funding will provide approximately \$200,000 for scheduled preventative maintenance and \$100,000 for unscheduled emergency maintenance.

Project Location:



Project Management: Utilities Division
Supporting Division: Engineering Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000
Total Construction	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	1,800,000	300,000	300,000	300,000	300,000	300,000	300,000

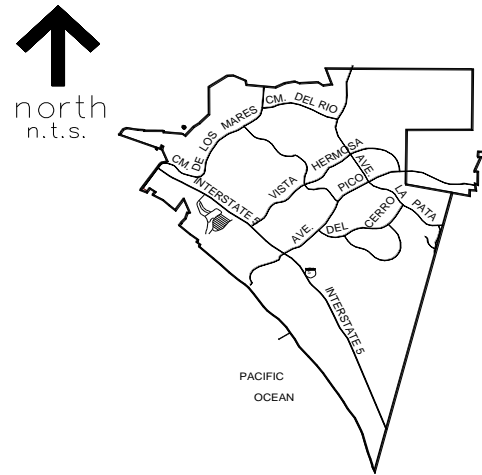
Water System Replacement

Maintenance and Other Project - Water

Project Description:

Water lines, fire hydrants and water services will be rehabilitated in conjunction with the Street Improvement Program. City Utilities staff will determine the locations through leak detection equipment, visual inspection and potholing prior to the design of street replacement overlay. Coordinating water replacement prior to street paving will minimize the need for water related construction in a recently paved street.

Project Location:



Project Management: Engineering Division
Supporting Division: Utilities Division
Type of Project: Replacement and rehabilitation of existing utilities
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	600,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Construction	600,000	100,000	100,000	100,000	100,000	100,000	100,000

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	600,000	100,000	100,000	100,000	100,000	100,000	100,000

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Deprec. Reserve	600,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	600,000	100,000	100,000	100,000	100,000	100,000	100,000

Capital Improvement Program

Facilities and Other Improvements

City Facilities Master Plan

In 2000, the City developed a master plan for City Facilities. The plan was designed to address the City's needs for new City Facilities in relationship to the estimated construction costs and available funding sources.

Facilities and Other Improvement Funds

The following funds account for City facilities and other capital improvements:

- General Fund
- Public Facilities Construction Fee Fund
- Developers Improvement Fund
- Reserve Fund – Facilities Maintenance and Capital Equipment
- Fleet Maintenance Reserve Fund

Other Facility Improvements

The FY 2013 budget includes 3 capital improvement projects for a total of \$1.2 million and 2 maintenance projects in the amount of \$55,000.

Capital improvement projects are listed below:

- Base of Pier Beach Restrooms Rehabilitation
- Ole Hanson Beach Club Rehabilitation
- Operational Continuity Data Center

Maintenance and other projects in FY 2013 are:

- Lifeguard Towers
- Pier Timber Pile Inspection

Individual project sheets for both capital improvement projects and maintenance projects are on the following pages.

Funding Sources

Facility and other improvement capital projects are primarily funded through multiple funding sources, including transfers from the General, the Reserve funds, and grants.

The City does not anticipate a lack of funding in the near future, but has determined the following alternatives may be used to finance projects:

- Issuance of debt (bond, notes, advances from other funds)

- Additional charges to departments to fund additional reserves
- Other grant funding sources
- Reallocation of funds from existing projects

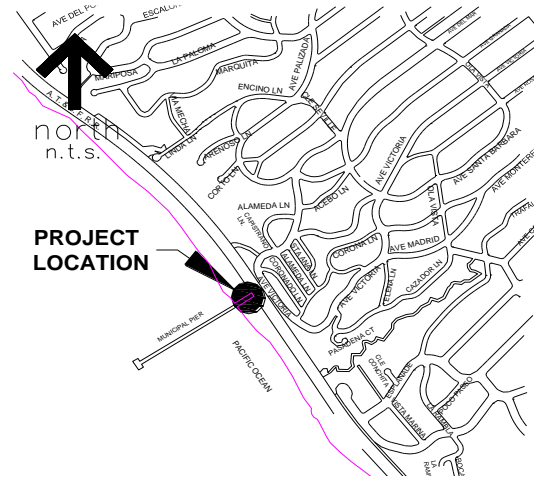
Base of Pier Restroom Rehabilitation

Capital Project - Facilities and Other Improvement

Project Description:

The City beach restrooms have deteriorated and are in need of rehabilitation. The beach restrooms serve approximately two million users per year and are vital to the quality of life of both residents and visitors alike. This project is the first phase of a multi-year beach restroom improvement program. The project was budgeted in FY 2012 with contributions from both the General Fund and the Redevelopment Agency. FY 2013 funding is proposed to offset the loss of the Redevelopment Agency contribution to the project.

Project Location:



Project Management: Beaches, Parks and Recreation
Supporting Division: None
Type of Project: Rehabilitation
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	159,600	159,600					
Total Construction	159,600	159,600					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	159,600	159,600					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	159,600	159,600					
Total Funding	159,600	159,600					

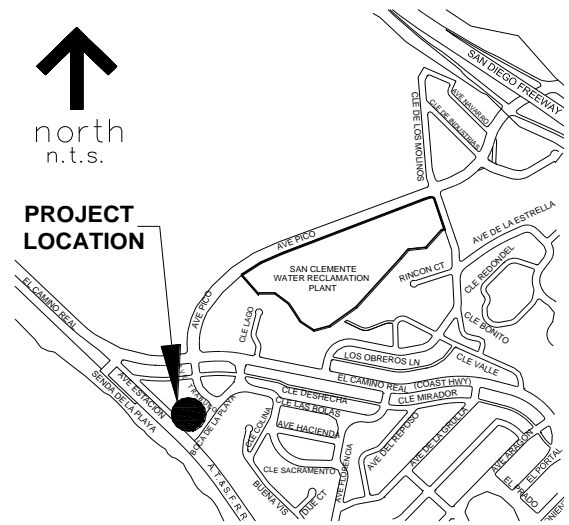
Ole Hanson Beach Club Rehabilitation

Capital Project - Facilities and Other Improvement

Project Description:

The Ole Hanson Beach Club is deteriorating due to its age and exposure to the marine environment. \$1.5 million was budgeted in FY 2012 to rehabilitate the building. Due to the Beach Club's listing on the Federal historic register, a historic architect was retained to evaluate the upgrade possibilities prior to the preparation of plans and specifications. Construction and closure of the facility was coordinated with the opening of La Pata Vista Hermosa Sports Park. An additional \$1 million is proposed to add the rehabilitation of the existing pools into the current scope of work for a total project cost of \$2.5 million.

Project Location:



Project Management: Engineering Division
Supporting Division: Beaches, Parks and Recreation
Type of Project: Rehabilitation
Impact on Operating Budget: Impact to revenue due to facility closure during construction.

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	1,000,000	1,000,000					
Total Construction	1,000,000	1,000,000					

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	1,000,000	1,000,000					

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	1,000,000	1,000,000					
Total Funding	1,000,000	1,000,000					

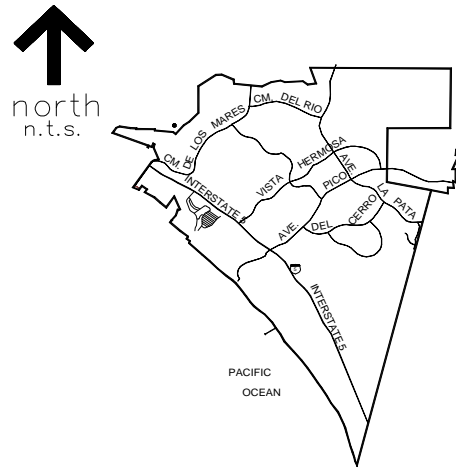
Operational Continuity Data Center

Capital Project - Facilities and Other Improvement

Project Description:

The Operational Continuity Data Center (OCDC) will consolidate all critical City computer resources under one roof at the City's Water Reclamation Plant (WRP). The OCDC will operate the City's Enterprise systems, including Financial, Citizen Services, Email, WEB, SCADA, Traffic Control, and the EOC. These systems will be consolidated from three locations to the OCDC. This access controlled facility will include back-up power, cooling and fire suppression systems to operate the OCDC during a major City wide emergency. Design phase will occur in FY 2013, with construction phase planned for 2014.

Project Location:



Project Management: Information Systems
Supporting Division: Engineering Division
Type of Project: Maintenance upgrades
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering							
Construction Costs	280,000	20,000	260,000				
Total Construction	280,000	20,000	260,000				

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	280,000	20,000	260,000				

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Information Technology Fund	280,000	20,000	260,000				
Total Funding	280,000	20,000	260,000				

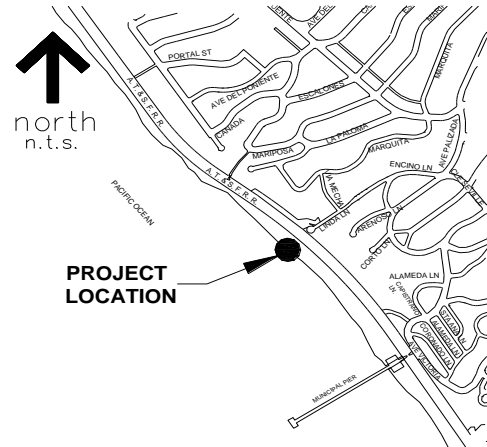
Lifeguard Towers

Maintenance and Other Project - Facility and Other Improvement

Project Description:

The City's beaches have eroded from Linda Lane north to Dije Court stairs to the point that placing lifeguard towers on the sand is often impossible. This project is to design and build three lifeguard towers that match the existing towers on the beach, but have a base custom built into the openings between, or on, existing rip rap. This will free up valuable towel space and provide lifeguards with adequate protection from the sun and weather from an elevated vantage point. One tower will be added each year, starting at Linda Lane in FY 2013, Mariposa in FY 2014, and El Portal in FY 2015.

Project Location:



Project Management: Beaches, Parks and Recreation
Supporting Division: Engineering Division
Type of Project: New Construction
Impact on Operating Budget: None

Project Cost	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	15,000	15,000					
Construction Costs	55,000	15,000	20,000	20,000			
Total Construction	70,000	30,000	20,000	20,000			

Operation & Maintenance Costs	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	70,000	30,000	20,000	20,000			

Funding Source	Six Year						
	Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	70,000	30,000	20,000	20,000			
Total Funding	70,000	30,000	20,000	20,000			

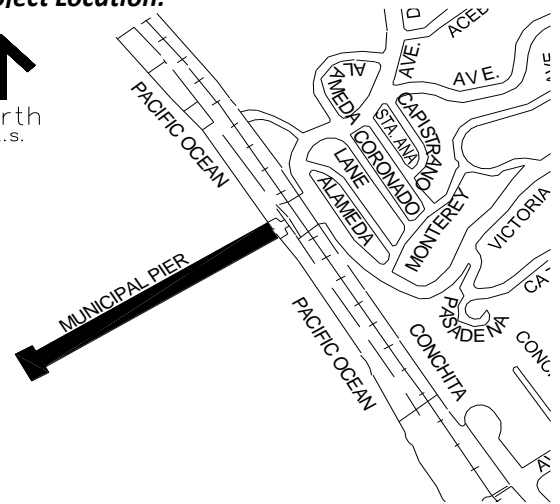
Pier Timber Pile Inspection

Maintenance and Other Project - Facility and Other Improvement

Project Description:

As a requirement of the Coastal Commission development permit that was previously secured for the Pier improvements, the City is obligated to perform timber pile inspection once every two years. A coastal engineer will be retained to perform this inspection.

Project Location:



Project Management: Engineering Division
Supporting Division: Beaches, Parks and Recreation
Type of Project: Preliminary engineering
Impact on Operating Budget: None

Project Cost	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Construction Costs							
Land Acquisition							
Preliminary Engineering	50,000	25,000		25,000			
Construction Costs							
Total Construction	50,000	25,000		25,000			

Operation & Maintenance Costs	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Staff							
Operations							
Maintenance & Repair							
Total O & M Cost							
Total Project Cost	50,000	25,000		25,000			

Funding Source	Six Year Total	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	75,000	25,000		25,000			
Total Funding	50,000	25,000		25,000			

Capital Improvement Program

The Carry Forward section is pending on the FY 2012 year end data. Information will be provided as part of year end document.

Capital Improvement Program

The Carry Forward section is pending on the
FY 2012 year end data.

(Second page)

Capital Improvement Program

The Carry Forward section is pending on the
FY 2012 year end data.

(Third page)



Fiscal Policy

Core Values of Financial Sustainability

Financial stability – The City will create financial stability to provide the community with a consistent and adequate level of public services. The City will take a long-term approach to its finances by developing and maintaining long-term plans, carefully weighing the cost and benefits of development opportunities and adhering to sound debt, reserve and investment policies.

Quality of life and local economic vitality – The City will provide effective and efficient services to ensure a safe and healthy atmosphere for its residents, businesses and visitors, while preserving and enhancing its unique cultural and environmental attributes.

Accountability and Financial Planning – The City will institute financial planning that ensures City services are provided at the best value and that the services are in alignment with the needs and wants of the community.

Environmental and economic sustainability – The City’s financial strategy will support continued investment in the renovation and maintenance of physical infrastructure/facilities and in policies and programs that support a clean and healthy natural environment.

Transparency and engagement – The City will be accountable for producing value for the community by producing planning and report mechanisms that make it clear how the City plans to use its resources to achieve the community vision. The City is committed to engaging the public as a partner in formulating plans and delivering services.

Fiscal Policy Statement	Status	Comments
<p>Operating Budget Policies The City will adopt a balanced budget by June 30 of each year. A balanced budget is defined as one in which total expenditures equal total revenue. An entity has a budget surplus if expenditures are less than revenues. It has a budget deficit if expenditures are greater than revenues.</p>	✓	
<p>An annual base operating budget will be developed by verifying or conservatively projecting revenues and expenditures for the current and forthcoming fiscal year.</p>	✓	
<p>Current revenues will be sufficient to support current operating expenditures and a budgeted positive operating position will be maintained.</p>	✓	
<p>The City will annually review the General Fund operating position to determine if funds are available to operate and maintain future capital facilities. If funding is not available for operations and maintenance costs, the City will delay construction of the new facilities.</p>	✓	

Fiscal Policy

Fiscal Policy Statement	Status	Comments
Revenue Policies		
The City will try to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source.	✓	
The City will estimate its annual revenues by an objective, analytical process utilizing trend, judgmental, and statistical analysis as appropriate	✓	
All City Council-established General Fund User fees will be reviewed and adjusted annually as part of the budget process by each City department and the analysis with recommended changes will be provided to the City Council. The basis for adjustment will be the cost of providing services, inflationary impacts, or other budgetary factors as appropriate. User fees will be established to recover the full cost of services provided, except when the City Council determines that a subsidy from the General Fund is in the public interest.	✓	
One-time operating, capital, and reserve revenues will be used for one-time expenditures. Exceptions must be formally adopted by Council action and may only offset operating expenditures for a limited time period of less than five fiscal years.	✓	
The City will annually identify developer fees and permit charges received from “non-recurring” services performed in the processing of new development and use those funds to meet peak workload requirements.	✓	
Expenditure Policies		
The purchase of new or replacement capital equipment with a value of \$5,000 or more and with a minimum useful life of two years will require budget approval.	✓	
The City will annually project its equipment replacement and maintenance needs for the next five years and will update this projection each year. A maintenance and replacement schedule will be developed and followed.	✓	

Fiscal Policy

Fiscal Policy Statement	Status	Comments
<p>Utility Rates and Fees Policies</p> <p>The City will set fees and user charges for each utility fund at a level that fully supports the total direct and indirect cost of the activity. Indirect costs include the cost of annual depreciation of capital assets and overhead charges.</p>	✓	Annual review completed. Water rates increased 7.0%. Sewer rates increased 8.0%.
<p>Utility rates will be established for each of the next five years and this rate projection will be updated annually.</p>	✓	
<p>Capital Improvement Budget Policies</p> <p>The City will make all capital improvements in accordance with an adopted capital improvement program and will include an annual six-year plan for capital improvements (CIP design, development, implementation, and operating and maintenance costs.) The first year of the six-year plan must be fully funded in the adopted budget. Projects that are not fully funded must be removed or delayed until adequate funding exists for design, construction, operating and maintenance.</p>	✓	33 new Capital projects = \$13.4 million
<p>Capital Improvement projects must project operating and maintenance costs for the five-year forecast period to ensure that future year budgets maintain a positive operating position.</p>	✓	
<p>The Park Acquisition & Development Fund and other special development impact funds may only be used to fund facilities included in the Master Plan for City Facilities.</p>	✓	
<p>Short-Term Debt Policies</p> <p>The City may use short-term debt to cover temporary or emergency cash flow shortages. All short-term borrowing will be subject to Council approval by ordinance or resolution.</p>	✓	
<p>The City may issue interfund loans to meet short-term cash flow needs. Short-term is defined as a period of one year or less. Interfund loans will be permitted only if a specific source of repayment is identified within the “borrowing” fund. Excess funds must be available and the use of these funds will not impact the “lending” fund’s current operations. The prevailing interest rate, as established by the City Treasurer, will be paid to the lending fund. Short-term interfund loans require Council approval.</p>	✓	

Fiscal Policy

Fiscal Policy Statement	Status	Comments
Long-Term Debt Policies		
The City will confine long-term borrowing to capital improvements that cannot be funded from current revenues.	✓	
The City may issue long-term interfund loans to fund capital improvements. Interfund loans will be permitted only if a specific source of repayment is identified within the “borrowing” fund. Excess funds must be available and the use of these funds will not impact the “lending” fund’s long-term operations. Long-term interfund loans will be fully amortized (principal and interest included in payment). The prevailing interest rate and duration of the loan will be established by the City Treasurer. Principal and interest will be paid to the lending fund. Long-term interfund loans require Council approval. Long-term interfund loans will be disclosed in the City’s annual Operating Budget.	✓	The Golf Fund will borrow \$0.75 million from the Workers’ Compensation Self-insurance reserve. The loan will be fully amortized over a five-year period.
The City will establish and maintain a Debt Policy	✓	
Fund Balance and Reserve Policies		
The City will maintain emergency reserve equal to 9% of operating expenditures of the General Fund. The primary purpose of this reserve is to protect the City’s essential service programs and funding requirements during periods of economic downturn (defined as a recession lasting two or more years), or other unanticipated or emergency expenditures that could not be reasonably foreseen during preparation of the budget.	✓	Emergency Reserve=\$4.5 million, or 9% of General Fund operating expenditures.
The City will maintain an emergency reserve equal to 12% of operating expenses for Enterprise Funds. The primary purpose of these reserves is to protect the Funds during periods of economic downturn, other unanticipated expenses, or emergency expenses that could not be reasonably foreseen during preparation of the budget.	--	Emergency Reserve=12% of Fund operating expenses: Water \$30,000 Sewer \$60,000 Storm Drain \$178,000 Solid Waste \$26,000 Golf \$10,000
The City will maintain \$10 million as a Sustainability fund balance in the General Fund. This fund balance will provide for economic and financial stability. Sustainability fund balance can be used only by formal action of City Council for specific purposes such as providing consistent and adequate level of services, provide for future capital needs, or provide for asset replacement.	✓	Sustainability fund balance = \$10 million
The City will establish an account to accumulate funds to be used for payment of accrued employee benefits for terminated employees. The level of this reserve will be maintained at a level at least equal to projected costs for employees who are eligible for retirement.	✓	Accrued Leave Reserve = \$739,000

Fiscal Policy

Fiscal Policy Statement	Status	Comments
<p>The City will establish a Capital Equipment Replacement Reserve and a Facilities Maintenance Capital Asset Reserve for the accumulation of funds for the replacement of worn and obsolete equipment other than vehicles and for costs associated with the maintenance of all City facilities. These reserves will be maintained at a level at least equal to the projected five-year capital asset replacement and maintenance costs.</p>	✓	<p>Capital Equipment Reserve = \$375,000 Facilities Maintenance Reserve = \$936,000</p>
<p>The City will establish Water, Sewer, Storm Drain and Golf depreciation reserves for costs associated with the major maintenance and capital improvement costs included in the Enterprise Funds. The minimum reserve level shall be at a level equal to the projected three-year capital and major maintenance costs.</p>	--	<p>Water Depreciation Reserve = \$4.9 million Sewer Depreciation Reserve = \$4.4 million Storm Drain Depreciation Reserve = \$1.2 million Golf Depreciation Reserve = \$ 0.3 million</p>
<p>The City will establish a Golf Course Improvement reserve for costs associated with capital improvements budgeted in the Golf Course Fund. The reserve will be maintained at a level at least equal to the projected three year costs.</p>	✓	<p>Golf Course Improvement reserve = \$46,000</p>
<p>The City will establish a Park Asset Replacement Reserve with a target balance of \$1.2 million for replacement of park assets in the future. The reserve balance will be reviewed annually and funded through one-time revenues or undesignated General Fund balance transfers, when available.</p>	✓	<p>Park Asset Replacement Reserve = \$1,232,000</p>
<p>The General Liability self-insurance reserve will be maintained at a level which, together with purchased insurance policies, adequately protects the City. The City will maintain a reserve of one times its annual insurance authority premium. In addition, the City will perform an annual analysis to document those claims which are not covered by the insurance pool to which the City belongs, and reserve an additional appropriate amount to pay for such uncovered claims.</p>	--	<p>General Liability Reserve = \$150,000</p>
<p>The Workers' Compensation self-insurance reserve will be maintained at a level which, together with purchased insurance policies, adequately protects the City. The City will maintain a reserve of three times its self insurance retention for those claims covered by the insurance pool (of which the City is a member). In addition, the City will perform an annual analysis of past claims not covered by the insurance pool, and reserve an appropriate amount to pay for uncovered claims.</p>	--	<p>Workers Compensation Reserve = \$827,000</p>

Fiscal Policy

Fiscal Policy Statement	Status	Comments
The City will establish a Fleet Replacement Reserve for costs associated with the replacement of vehicles and other rolling stock (such as trailers, compressors or other equipment on wheels) as they become unserviceable, obsolete or reach a predetermined service life. The reserve will be maintained at a level at least equal to the projected five-year fleet replacement costs.	✓	Fleet Replacement Reserve = \$3.6 million
Investment Policies		
The City Treasurer will annually submit an investment policy to the City Council for review and adoption.	✓	
Accounting, Auditing & Financial Reporting Policies		
The City's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles and standards of the government Accounting Standards Board.	✓	
An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official Comprehensive Annual Financial Report, including an audit opinion.	✓	
A fixed asset system will be maintained to identify all City assets, their condition, historical cost, replacement value, and useful life.	✓	A Fixed asset inventory is maintained as part of GASB34
Quarterly financial, capital improvement program and investment reports will be submitted to the City Council and will be made available to the public.	✓	
An annual revenue manual will be prepared after the close of the fiscal year. The manual will provide information on the revenue source, legal authorization, timing of receipts and historical collection over the last five year period. Fee schedules or calculations will also be provided.	✓	
Full and continuing disclosure will be provided in the general financial statements and bond representations.	✓	
A good credit rating in the financial community will be maintained.	✓	Standard & Poor's = AAA
Establish and maintain a formal compensation plan for all employee salary or wage ranges.	✓	
Establish a position control system to ensure that staffing levels are maintained at the levels approved by City Council.	✓	

Fiscal Policy

Fiscal Policy Statement	Status	Comments
Long Term Financial Policies		
Annually prepare a five year forecast that maintains the current level of services, including known changes that will occur during the forecast period. If the forecast does not depict a positive operating position in all five-years of the forecast, the City will strive to balance the operating budget for all years included in the five-year financial forecast.	✓	
Annually evaluate trends from a budget-to-actual perspective and from a historical year-to-year perspective to identify areas where resources have been over allocated. This would improve the accuracy of revenue and expenditure forecast by eliminating the impact of recurring historical variances	✓	

Legend:

- ✓ Budget complies with Fiscal Policy Standard
- Fiscal Policy Standard is not met in Budget

Appropriations Limit

Appropriations Limit

State Proposition 4, commonly known as the Gann Initiative, was approved by California Voters in November 1979. Proposition 4 created Article XIII B of the California State Constitution, which places limits on the amount of revenue that can be spent by government agencies. This is referred to as the Gann Appropriation Limit or Gann Limit.

A subsequent related State initiative, Proposition 111, was approved by the State's voters in June 1990. This legislation provided new adjustment formulas to make the Gann Limit more responsive to local growth issues and to address concerns regarding the accountability of local governments in adopting their limits. Prior to each fiscal year, city councils must adopt by resolution the Gann Appropriation Limit for the city for the upcoming year. In addition, cities are required to conduct a review of their limits during annual financial audits.

The appropriations limitation imposed by Propositions 4 and 111 creates a restriction on the amount of revenue that can be appropriated in any fiscal year. The limit is based on actual appropriations during the 1978-79 fiscal year and is increased each year using population and inflation growth factors. Only revenues that are classified as "proceeds of taxes" are subject to the limit. The use of "non-tax proceeds" (user fees, rental income, franchise fees, Gas Tax revenue) is not restricted.

During any fiscal year, a city may not appropriate any proceeds of taxes it receives in excess of its established limit. Excess funds received in any given year may be carried into the subsequent year for use if the city is below its limit for that year. Any excess funds remaining after the second year would be required to be returned to local taxpayers by reducing tax rates or fees. As an alternative, a majority of the voters may approve an "override" to increase the city's appropriation limits.

The Gann Limit had little impact in the early 1980s as a result of the high rate of inflation during that period. Because the appropriations limit for most cities increased faster than actual revenue growth, cities were generally below their limits. This trend changed during the mid-1980s, as exemplified by the State of California's \$1.1 billion refund to taxpayers in 1987 when it collected revenues in excess of its Limit. The Limit also served as the major barrier to increasing taxes on gasoline in the late 1980s. In recent years, the trend has reversed again for most cities. As the rate of revenue growth slows and the growth factors, especially population, increase at a steady rate, most cities, including San Clemente, are experiencing comfortable gaps between their appropriations limits and their actual appropriations.

Appropriations Limit

To be replaced with Appropriations Limit Graph upon receipt of necessary data from State of California, typically received in May.

Debt Summary

Debt Summary

The debt summary section of the budget is intended to provide an overview of the City's debt capacity and provide a listing of outstanding debt, including bond repayment schedules.

The City of San Clemente does not expect to incur additional indebtedness for general government operations over the next five years. All capital improvements will be paid on a pay-as-you-go basis (utilizing fund balances) and through the use of developer fees. Council policies have been established to ensure that debt payments are made in a timely manner.

Fiscal and Debt Policies

The City Council adopted Fiscal Policy provides guidance pertaining to the issuance of both short-term and long-term debt. As indicated in the policy, the City prefers to use special assessment, revenue, or other self supporting bonds instead of general obligation bonds. Additionally, the City is required to confine long-term borrowing to capital improvements that cannot be funded from current revenues.

The City has also adopted a Debt Policy that established the parameters for issuing and managing debt issued by the City and component units. The policy provides guidance to the City Council so as not to exceed acceptable levels of indebtedness and risk; directs staff on objectives to be achieved, both before bonds are sold and for the ongoing management of the debt program; facilitates the debt issuance process by making important decisions ahead of time; and promotes objectivity in decision making and limits the role of political influence.

Bond Ratings

The City of San Clemente's current bond rating from Standard & Poor's = AAA.

Debt Capacity

The City has a legal debt limitation not to exceed 3.75% of the total assessed valuation of taxable property within City boundaries. As indicated by the table, the City's legal debt margin is \$477 million.

*General Obligation Bonds
Outstanding June 30, 2013* None

Computation of Legal Debt Margin for Fiscal Year Ending June 30, 2013	
Total assessed value	\$12,726,627,660
Debt Limit (3.75% of total assessed value)	\$477,248,537

Outstanding Debt

The following is a summary of City debt:

A total of \$3.795 million in Certificates of Participation (COP's) were issued in June 1993 to finance the purchase of a commercial building for use by the City's Public Works and Community Development departments. Of this amount, \$1.24 million was tax-exempt and \$2.555 million was taxable debt. Transfers from General Fund and charges to departments are used to repay debt service principal and interest. The Tax-exempt portion of the COP's was paid in full by Council direction on June 30, 2012, leaving only the taxable portion outstanding.

Debt Outstanding Certificates of Participation				
General Government Debt	Date Issued	Amount Issued	Amount Outstanding 6/30/12	Amount Outstanding 6/30/13
Certificates of Participation	6/93	\$3,795,000	\$1,655,000	\$1,560,000

Debt Summary

Debt Outstanding Golf Operating Fund

In June 2007, the Golf Operating Fund executed an Interfund Loan Agreement in the amount of \$2,500,000 with the Public Facilities Construction Fee Fund for interim financing to fund the construction of a new Golf Course Clubhouse. The Golf Course Clubhouse project, totaling \$5.3 million, was funded from existing Golf Course Improvement Reserve fund balances and the balance of the proceeds from this loan. In June 2012 the interim financing loan was converted into two long term notes; a five-year, fully amortized \$750,000 Interfund Loan between the Golf Operating Fund and the Workers' Compensation Fund, and a \$1.75 million interest-only note, bearing a 2% rate, from the Golf Depreciation and Capital Improvement Reserves. Upon repayment of the Workers' Compensation loan, the remaining \$1.75 million loan will be fully amortized over a ten-year period. Interest and principal payments are made on June 30th.

The Golf Operating Fund intended to execute a fully-amortized, 30 year loan to repay the Interfund Loan and \$984,000 advanced by the General Fund to the Golf Operating Fund between FY 2003 and FY 2006.

Golf Operating Fund Debt	Original Date Issued	Amount Issued	Amount Outstanding 6/30/12	Amount Outstanding 6/30/13
Loan from Workers' Compensation Fund	6/12	\$ 750,000	\$ 750,000	\$ 605,880
Loan from Golf Depreciation and Capital Improvement Reserves	6/12	\$1,750,000	\$1,750,000	\$1,750,000

Market conditions since 2007 have prevented the execution of a 30 year loan under terms approved by the City Council. The Golf Course Operating Fund has repaid the Interfund Loan Agreement with the Public Facilities Construction Fee Fund, and executed two long term notes as discussed previously. The City will continue to track market conditions to consider external financing for a fully-amortized 15 year loan to replace the internal long term loans.

As indicated previously, the General Fund advanced \$984,000 to the Golf Operating Fund. The advances were made as follows; \$282,000 in FY 2003, \$192,000 in FY 2004, \$310,000 in FY 2005 and \$200,000 in FY 2006. The advances were made for general operating purposes and are not related to the Golf Course Clubhouse project. The Golf Fund repaid \$144,000 in 2008, \$203,000 in 2009, \$290,000 in 2010, and \$263,000 in 2011, and \$121,000 in 2012. The General Fund advance has been fully repaid.

Debt Outstanding Redevelopment Agency

In July 1998, the RDA refinanced outstanding debt that was used to purchase the Casa Romantica historical site. Additionally, financing was included for two major capital projects and to fund operating deficits in the RDA. The total financing amounted to \$3,849,000. The first borrowing was in the form of an interfund loan from the Sewer Depreciation Reserve. The loan had been structured with payments due on June 30 each year, an annual interest rate of 5.7% and a term of 20 years. The second debt was an interfund loan from the General Liability Self-Insurance Fund in the amount of \$550,000. Payments were due June 30 each year with a term of 10 years and an interest rate of 5.7%.

Redevelopment Agency Debt	Date Issued	Amount Issued	Amount Outstanding 6/30/11	Amount Outstanding 2/1/12
Loan from General Fund	7/02	\$3,420,690	\$1,903,760	\$1,778,343

In July, 2002 both of the existing interfund loans were consolidated and repaid with a new interfund loan from the General Fund. The new loan amounted to \$3,420,690. The loan is structured payments annually. However, on February 1, 2012 the Redevelopment Agency was dissolved and the outstanding loan amount of \$1,778,343, pending current legislation, is not considered enforceable and may not be reimbursed to the General Fund.

Debt Summary

Debt Repayment Schedules

This section provides repayment schedules for City, Golf, and RDA debt issues.

Negocio Certificates of Participation			
Year	Interest	Principal	Outstanding
			\$3,795,000
1993-94	\$288,540	\$40,000	3,755,000
1994-95	286,140	45,000	3,710,000
1995-96	283,215	45,000	3,665,000
1996-97	280,240	45,000	3,620,000
1997-98	277,215	50,000	3,570,000
1998-99	273,705	50,000	3,520,000
1999-00	270,135	60,000	3,460,000
2000-01	265,860	60,000	3,400,000
2001-02	261,560	65,000	3,335,000
2002-03	256,810	70,000	3,265,000
2003-04	251,610	75,000	3,190,000
2004-05	246,015	80,000	3,110,000
2005-06	239,995	85,000	3,025,000
2006-07	233,550	95,000	2,930,000
2007-08	226,385	100,000	2,830,000
2008-09	218,795	105,000	2,725,000
2009-10	210,780	115,000	2,610,000
2010-11	202,045	120,000	2,490,000
2011-12	192,885	835,000	1,655,000
2012-13	70,337	95,000	1,560,000
2013-14	66,300	105,000	1,455,000
2014-15	61,837	115,000	1,340,000
2015-16	56,950	125,000	1,215,000
2016-17	51,537	135,000	1,080,000
2017-18	45,900	145,000	935,000
2018-19	39,737	160,000	775,000
2019-20	32,937	170,000	605,000
2020-21	25,712	185,000	420,000
2021-22	17,850	200,000	220,000
2022-23	9,350	220,000	-0-
	\$5,243,927	\$3,795,000	

Loan from Workers' Compensation to Golf			
Date	Interest	Principal	Outstanding
2011-12			\$750,000
2012-13	\$15,000	\$144,119	605,881
2013-14	12,118	147,001	458,880
2014-15	9,178	149,941	309,939
2015-16	6,179	152,940	155,999
2016-17	3,120	155,999	-0-
	\$45,594	\$750,000	

Debt Summary

Assessment District Description

The information below provides a general description of the *Assessment Districts* and the related debt and the debt outstanding. These obligations are *not* direct obligations of the City, and the data is provided for informational purposes only.

Re-Assessment District No. 98-1, issued in July, 2007 in the amount of \$14,235,000 to redeem the remaining outstanding prior bonds issued under the *Improvement and Sewer Refinancing District 98-1*, issued in June, 1999 in the amount of \$15,355,000 and used to finance public improvements within the Forster Ranch development and to defease a portion of the Series A and B Bonds, originally issued to construct the City's wastewater treatment plant.

Assessment District Debt	Date Issued	Amount Issued	Amount Outstanding 6/30/12	Amount Outstanding 6/30/13
Re-Assessment District 98-1 Improvement & Sewer Refinancing	7/07	\$ 14,235,000	\$ 12,680,000	\$ 12,180,000
Underground Utility District	9/99	\$ 1,150,000	\$ 330,000	\$ 295,000
Community Facilities District	12/99	\$ 5,755,000	\$ 5,005,000	\$ 4,850,000

Underground Utility Assessment District 99-1, issued in September, 1999 in the amount of \$1,150,000 to finance the construction and acquisition of underground electrical and communication facilities within the district.

Community Facilities District 99-1, issued in August 2011 in the amount of \$5,005,000 to refund outstanding debt of the December, 1999 issue that was issued in the amount of \$5,755,000 to finance construction of various public improvements within the district, commonly referred to as Plaza Pacifica.



Performance Measures

Performance measures are designed to determine accountability, improve service quality, allocate resources and evaluate departmental performance in meeting San Clemente’s Mission Statement. In this section, performance measures are presented by the City’s major departments and reflect operations of all City funds.

A summary by department of the performance measures to the Mission Statement focus is summarized in the table below. Performance measures assess workloads, efficiency and effectiveness in meeting the needs of the citizens of San Clemente.

DEPARTMENTS

General Government encompasses the City Manager, City Clerk, and Economic Development. Performance measures focus on providing information to citizens, citizen interaction and general oversight to ensure ongoing efficiency and effectiveness.

Finance and Administrative Services is comprised of Treasury, Finance, Human Resources, Risk Management, and Information Technology functions. Performance measures focus on financial accountability, workforce activity, risk services and technology demands to allow City activities to function.

Public Safety includes Police and Fire contracted services. Performance measures in this area address the timeliness and service levels related to ongoing public safety as well as public preventative and education services.

Community Development consists of Building, Planning, and Code Enforcement divisions. Performance measures address the implementation of the City’s vision through land development, housing, construction and code enforcement activities.

Public Works includes Engineering, Maintenance, as well as, Water, Sewer, Storm Drain, Clean Ocean and Solid Waste services. Performance measures address the development, operations and maintenance of City infrastructure, providing safe water supplies and sanitary disposal of waste, and improving local water quality.

Beaches, Parks & Recreation includes Administration, Recreation, Parks Maintenance, Marine Safety, and Golf Course services. Performance measures address the preservation and oversight of City beaches, parks and facilities, special community events, and the offering of recreation activities to meet the community needs while maintaining the City’s character.

Mission Statement Focus

Safe/Healthy Atmosphere	Responsible Growth & Preservation	Long-Term Stability	Balanced Community
✓	✓	✓	✓
		✓	
✓			
✓	✓		✓
✓	✓	✓	
✓	✓		✓

Detailed performance measures are presented this section by Department.

Performance Measures

General Government

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>City Manager</u>			
Efficiency:			
Percent of customer service requests or complaints resolved or informed of Budget action within 10 days*	98.0%	98.0%	98.0%
* Annual measurement			
<u>City Clerk</u>			
Workload Outputs:			
Number of Regular City Council minutes prepared within 21 days of meeting	12	10	23
Number of City Council Agendas/Packets posted 7 days prior to meeting	23	23	23
Number of formal public records requests	212	200	200
Effectiveness:			
Percent of Regular Council Minutes produced within 21 days	50.0%	43.0%	100.0%
Percentage of Agendas/Packets provided at least 7 days prior to the meeting	100.0%	100.0%	100.0%
Percentage of public records requests responded to within 10 days	100.0%	100.0%	100.0%

Performance Measures

Finance & Administrative Services

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Finance & Administrative Services Administration</u>			
Efficiency:			
Percentage of quarterly reports completed within the end of the month after the financial close of the quarter.	100.0%	100.0%	100.0%
Rate of return on investments compared to the City benchmark (City rate/Benchmark rate)	1.96%/3.5%	1.20%/1.5%	1.20%/1.5%
Effectiveness:			
Percent of actual General Fund revenues to projections*	85.7%	98.0%	98.0%
Percentage of City operating funds in balance*	97.2%	100.0%	100.0%
Percentage of adopted fiscal policies in compliance*	92.9%	98.0%	98.0%
* Annual measurement.			
<u>Finance Division</u>			
Workload Outputs:			
Number of accounting transactions processed	26,444	28,000	28,900
Number of TOT audits performed per year	0	0	4
Number of utility bills generated per year	220,614	218,000	218,000
Number of business licenses issued	5,288	5,150	5,100
Efficiency:			
Average cost to process accounting transactions	\$29.85	\$31.00	\$31.00
Average cost to generate a utility bill	\$3.30	\$3.15	\$3.20
Average cost to generate a business license	\$34.03	\$37.50	\$38.50
Effectiveness:			
Percentage of total annual TOT revenue audited	0.0%	0.0%	50.0%
Percentage accuracy of financial transactions within established accuracy rates	99.0%	99.0%	98.0%
Percentage of receivables written off	0.29%	0.30%	0.20%
Percentage of receivables over 60 days old	20.7%	21.0%	15.0%

Performance Measures

Finance & Administrative Services

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Human Resources</u>			
Workload Outputs:			
Number of recruitments opened	31	35	35
Number of liability claims filed	56	28	40
Number of workers' compensation claims filed	26	22	22
Number of benefited part-time and full-time employees processed through initial benefit enrollment	8	10	10
Number of employees completing a HR customer satisfaction survey	0	100	100
Efficiency:			
Average cost per liability claim settled	\$2,685	\$2,290	\$3,350
Average amount paid on a workers' compensation claim	\$1,790	\$1,865	\$1,825
Effectiveness:			
Percent of total number of liability claims filed that settled	25.0%	43.0%	31.0%
Percent change in the number of work comp claims filed	24.0%	-15.0%	0.0%
Percent of employees giving and overall satisfaction rating of "Excellent"	0.0%	80.0%	85.0%
<u>Information Technology</u>			
Workload Outputs:			
Number of workstation computers administered	244	248	253
Number of server computers administered	25	26	26
Efficiency:			
Percentage of time that servers are operational (server uptime)	99.5%	99.0%	99.9%
Percentage of time that workstations are operational (workstation uptime)	98.5%	98.0%	99.9%
Percentage of total time that network communications equipment is operational (network communications)	99.8%	99.9%	99.9%
Percent of requests for computer services resolved within 3 working days	99.4%	98.0%	100.0%

Performance Measures

Public Safety

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Contract Police Services</u>			
Workload Outputs:			
Number of total calls for service	25,008	25,000	25,000
Number of emergency calls received (Priority 1)	240	264	300
Number of traffic collision reports	426	200	200
Number of Part 1 crimes committed per 1,000 population	1.11	1.08	1.15
Efficiency:			
Average response time from dispatch to on-scene emergency calls	4:27	5:00	5:00
Average response time from receipt of call to on-scene emergency calls	6:27	6:00	6:00
Percentage of preventative patrol time - day shift (6:00 a.m. to 6:00 p.m.)	39.1%	40.0%	40.0%
Percentage of preventative patrol time - day shift (10:00 a.m. to 8:00 p.m.)	39.8%	40.0%	40.0%
Percentage of preventative patrol time - night shift (6:00 p.m. to 6:00 a.m.)	40.2%	40.0%	40.0%
Percentage of preventative patrol time - night shift (5:00 p.m. to 3:00 a.m.)	40.2%	40.0%	40.0%
Effectiveness:			
Percentage of emergency calls responded to in 5 minutes or less	94.5%	95.0%	95.0%
Percentage change in Part I crimes from prior year current year	-5.7%	-7.5%	1.0%
<u>Contract Fire Services</u>			
Workload Outputs:			
Number of emergency calls	2,695	3,000	3,000
Number of new construction fire inspections performed	349	480	400
Number of fire inspections performed	674	775	1,000
Number of fire plan checks completed	308	300	300
Efficiency:			
Average response time for emergency calls	5:53	5:52	7:00
Effectiveness:			
Percentage of calls with response time within 7 minutes	75.8%	76.0%	85.0%
Percentage of technical on-site inspections scheduled within 24 hours	100.0%	100.0%	90.0%
Percentage of all plan checks completed within adopted turn around time goals based on plan types	100.0%	100.0%	90.0%
Percentage of 5 day turn around plan checks completed within goal	100.0%	100.0%	90.0%
Percentage of 10 day turn around plan checks completed within goal	100.0%	100.0%	90.0%

Performance Measures

Community Development

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Building</u>			
Workload Outputs:			
Number of building permits issued	3,018	3,000	3,000
Number of Plan Reviews performed	2,511	2,500	2,500
Number of building inspections completed	13,964	13,500	13,500
Number of customers served at Building counter	4,511	5,000	5,000
Efficiency:			
Number of Plan Reviews performed per Plan Check staff	1,096	1,000	1,000
Number of inspection conducted per inspector	4,186	3,857	3,857
Number of customers served per Permit Tech	2,256	2,500	2,500
Effectiveness:			
Percentage of new projects: First review completed within 15 work days	100.0%	97.0%	98.0%
Percentage plan review rechecks: Reviewed within 10 work days	99.3%	97.0%	98.0%
Percentage response to the public at the counter in 10 minutes	78.8%	78.0%	80.0%
<u>Planning</u>			
Workload Outputs:			
Number of discretionary applications completed	71	80	80
Number of zoning plan checks completed	378	400	400
Number of people assisted at counter/over phone	7,942	8,000	8,000
Number of training sessions to maintain Certified Local Government status	7	10	10
Number of training sessions attended by PC	21	14	14
Efficiency:			
Number of people assisted at counter/phone per FTE	19.3	15.0	15.0
Number of Plan checks completed/FTE/Week	1.6	2.0	2.0
Number of applications completed/FTE/Week	3.6	4.0	4.0

Performance Measures

Community Development

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Planning (continued)</u>			
Effectiveness:			
Percentage of FTE's time funded by Developer Deposit and fixed fees	18.5%	20.0%	20.0%
Percentage of initial plan reviews completed within 15 days	97.2%	95.0%	95.0%
Percentage of plan rechecks: reviewed within 10 days	90.0%	95.0%	95.0%
Percent of Zoning Administrator applications completed within 6 weeks	97.9%	98.0%	98.0%
Percent of Planning Commission applications completed within 14 weeks	99.0%	98.0%	98.0%
Percent of City Council applications completed within 19 weeks	100.0%	98.0%	98.0%
Percent of calls returned within one business day	97.2%	95.0%	95.0%
Percent of counter served within 10 minutes	75.2%	75.0%	75.0%
Percent of counter served within 20 minutes	93.9%	95.0%	95.0%
<u>Code Compliance</u>			
Workload Outputs:			
Number of new cases	1,658	1,494	2,129
Number of lots cleared by Weed Abatement	24	12	20
Number of graffiti cases	515	320	585
Number of case actions	4,902	4,146	4,006
Number of weekend inspection conducted	1,479	2,260	1,587
Number of hours of certification/training	13	260	104
Efficiency:			
Number of new cases per officer	114	106	126
Cost of weed abatement per lot	\$374	\$964	\$428
Cost of graffiti removal per case	\$128	\$148	\$119
Number of actions per officer	331	305	363
Number of weekend inspections conducted per officer	247	284	303
Effectiveness:			
Percent of graffiti cases closed within 6 hours	88.2%	89.7%	88.8%
Percentage of cases acknowledged within 2 days	94.7%	84.8%	90.5%
Percentage of cases resolved within 10 work days	76.2%	85.0%	79.5%

Performance Measures

Community Development

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Housing Administration</u>			
Workload Outputs:			
Number of Home Rehab loans provided to property owners	5	3	6
Number of businesses receiving commercial facade grants	12	3	8
Number of non-profits receiving Social Program grants	14	14	6
Effectiveness:			
Percentage of Home Rehab & commercial grants expended	90.0%	43.0%	85.0%
Percentage General fund social program grants expended	100.0%	50.0%	100.0%

Performance Measures

Public Works

Performance Measures	2011 Actual	2012 Projected	2013 Budget
Engineering			
Workload Outputs:			
Number of permits issued	307	250	250
Number of inspections stops conducted	2,762	2,500	2,500
Number of projects submitted for 1st plan check	58	40	40
Number of projects submitted for additional plan checks	95	80	80
Number of research projects conducted	467	600	600
Number of miles of streets designed	2.22	3.00	3.00
Number of miles of streets constructed	2.82	3.00	3.00
Number of traffic citizens complaints received	113	120	120
Efficiency:			
Time spent per first plan review (average hours)	5.32	7.00	7.00
Time spent per additional plan review (average hours)	3.42	5.00	5.00
Time spent per research project	2.34	2.50	2.50
Design cost less than 15% of the projected costs	90.6%	90.0%	85.0%
Final project costs within budget	97.2%	90.0%	85.0%
Percent of response to citizen complaints within 45 days	83.8%	85.0%	80.0%
Effectiveness:			
Percent of project reviews completed in 15 days (1st plan check)	88.4%	90.0%	90.0%
Percent of project reviews completed in 10 days (add'l plan check)	83.7%	85.0%	90.0%
Percent of research projects completed in 10 days	98.8%	95.0%	95.0%
Percent of projected street design completed	74.0%	100.0%	85.0%
Percent of street miles completed	75.2%	80.0%	85.0%
Percent of traffic complaints resolved	68.5%	80.0%	80.0%
Maintenance			
Workload Outputs:			
Number of potholes repaired	618	550	500
Number of signs repaired or replaced	1,770	1,800	1,800
Number of work orders received/completed by Facilities Maintenance Section	2,364	2,000	2,000
Number of street light/traffic signal repairs	835	750	800
Number of USA responses (Underground Service Alerts)	720	550	600

Performance Measures

Public Works

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Maintenance (continued)</u>			
Efficiency:			
Average sq. ft. of pothole repairs provided per day of service	337	450	450
Average # of signs maintained per hour of service provided	4.6	5.5	4.5
Average # of facilities maintenance work orders completed per day of service	10.7	10.0	10.0
Average # of USA completed per day of service	3.2	2.5	3.0
Average number of streetlight/traffic signal repairs per day	3.8	3.5	4.0
Effectiveness:			
Percentage of pothole service requests repaired within 3 working days	100.0%	100.0%	100.0%
Percentage of signage repair requests responded to and completed within 3 working days	100.0%	100.0%	100.0%
Percentage of facilities maintenance work orders responded to in 3 working days	100.0%	100.0%	100.0%
Percentage of street light / traffic signal service Requests completed within 3 working days	99.8%	100.0%	100.0%
Percentage of USA service requests completed within 3 working days	100.0%	100.0%	100.0%
<u>Water</u>			
Workload Outputs:			
Number of maintenance procedures at reservoirs, pump stations, valves, hydrants and operating equipment	3,675	3,600	3,600
Number of miles of planned leak detection on water pipeline	166.6	170	170
Number of samples taken to test compliance	8,611	8,600	8,600
Number of emergency calls for service	993	500	500
Efficiency:			
Percentage of maintenance procedures completed on time	94.8%	96.0%	96.0%
Percentage of system water loss	3.5%	3.0%	3.0%
Effectiveness:			
Percentage of leaks repaired within 48 hours	95.0%	97.0%	96.0%
Percentage of monitoring samples in full compliance	100.0%	100.0%	100.0%
Percentage of emergency calls responded within 15 minutes during working hours	100.0%	100.0%	100.0%
Percentage of emergency calls responded within 30 minutes during non-working hours	100.0%	100.0%	100.0%

Performance Measures

Public Works

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Sewer</u>			
Workload Outputs:			
Number of maintenance procedures at treatment plant, pump stations and recycled water facilities	3,939	4,000	4,000
Number of samples taken to test compliance	13,978	14,000	14,000
Number of miles of planned video inspections on sewer collection system	29.6	30.0	30.0
Number of miles of planned cleaning procedures on sewer collection system	166.5	170.0	170.0
Number of emergency calls for service	216	100	100
Efficiency:			
Percentage of maintenance procedures completed on time	94.7%	94.0%	94.0%
Percentage of monitoring samples in full compliance	100.0%	100.0%	100.0%
Percentage of sewer collection system cleaned annually	23.8%	95.0%	95.0%
Percentage of sewer collection system inspected annually	4.4%	20.0%	20.0%
Effectiveness:			
Percentage of emergency calls responded within 15 minutes during working hours	100.0%	100.0%	100.0%
Percentage of emergency calls responded within 30 minutes during non-working hours	100.0%	100.0%	100.0%
<u>Storm Drain</u>			
Workload Outputs:			
Number of miles of storm drain pipelines cleaned	1.02	2.50	3.00
Number of miles of storm drain video inspection	2.70	2.00	3.00
Number of catch basins cleaned/inspected/stenciled	1,826	1,200	1,200
Number of emergency calls for service	12	14	20
Efficiency:			
Percentage of storm drain pipelines cleaned annually	1.6%	4.0%	4.0%
Percentage of storm drain system inspected annually	4.2%	4.5%	5.0%
Percentage of catch basins cleaned/inspected annually	97.1%	98.0%	95.0%
Effectiveness:			
Number of emergency calls/percentage of time responding within 15 minutes during working hours	100.0%	100.0%	100.0%
Number of emergency calls/percentage of time responding within 30 minutes during non-working hours	100.0%	100.0%	100.0%

Performance Measures

Public Works

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Clean Ocean</u>			
Workload Outputs:			
Number of facilities inspected for storm water compliance	157	95	95
Number of water quality enforcement actions issued	159	180	200
Number of local outreach impressions per year	2,888,048	3,000,000	3,000,000
Efficiency:			
Number of facility inspections per FTE (1 FTE)	157	95	95
Number of water quality enforcement actions issued per FTE (2 FTE)	80	90	100
Number of public outreach "impressions" per capita	42	47	47
<i>** "impressions" refers to the estimated number of individuals receiving education</i>			
<u>Solid Waste</u>			
Workload Outputs:			
Number of residents participating in the Household Hazardous Waste (HHW) Program per quarter	N/A	New	3,500
Number of Waste Management Plans approved	N/A	New	10
Number of Public Outreach impressions	N/A	New	22,000
Number of trash barrel placement violations	N/A	New	200
Tons of Solid Waste disposed	N/A	New	36,148
Efficiency:			
Total % of participation for residential HHW pick-ups (19,000 households)	N/A	New	17.5%
Total number of Waste Management Plans approved per quarter within 24 hours	N/A	New	188
Total number of trash barrel placement violations resolved within 7 days	N/A	New	150
Effectiveness:			
Cost of Public Outreach impressions	N/A	New	\$10.00
Solid Waste program cost per ton diverted	\$5.19	\$4.76	\$4.00

** Solid Waste performance measures are based on waste diversion controlled by CR&R*

Performance Measures

Public Works

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Contract Fleet Maintenance</u>			
Workload Outputs:			
Total number of vehicles maintained	146	154	170
Number of work orders completed	724	700	750
Number of preventative maintenance services completed	272	269	300
Number of repeat work orders needed	2	2	2
Effectiveness:			
Percentage of fleet available per month	99.0%	97.5%	95.0%
Percentage of reworks relative to total work orders	0.3%	0.3%	0.0%
Percentage of preventative maintenance services completed within 1 day	100.0%	100.0%	90.0%

Performance Measures

Beaches, Parks & Recreation

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Beaches, Parks & Recreation Administration</u>			
Workload Outputs:			
Number of development plans reviewed	21	5	5
Number of active park CIP projects	13	13	10
Number of completed park CIP projects	-	3	4
Number of CIP project change orders that required City Council approval	-	0	0
Efficiency:			
Hours spent reviewing each set of development plans	13	50	50
Effectiveness:			
Percentage of development plans reviewed within 2 weeks	100.0%	100.0%	100.0%
Percentage of park CIP projects completed within budget as established at time of contract award	0.0%	100.0%	100.0%
<u>Parks & Beach Maintenance</u>			
Workload Outputs:			
Maintain industry standard ratio of 50 acres of landscape monitored per inspector - 276 acres	82.4	77.8	77.8
Trim 2,000 trees annually to ensure a 7 year cycle	2,405	2,000	2,000
Resolve 90% of all service requests within 10 days	86.5%	88.7%	88.7%
Efficiency:			
Ratio of acres of landscapes monitored per contract inspector	165%	156.0%	156.0
Effectiveness:			
Percentage of trees trimmed to maintain an average 7-year trimming cycle	120.2%	100.0%	100.0%
Maintain parks at established levels measured on a scale of A-F: <i>A-excellent, B- above average, C- average, D-low level, F-minimum level per the 1999 Parks & Rec. Master Plan.</i>			
Maintenance level of beaches (target level = C)	C	C+	C+
Maintenance level of parks (target level = C)	C	C	C
Maintenance level of park sports fields (target level = B)	B	B+	B+
Maintenance level of streetscapes (target level = C)	C	C+	C+

Performance Measures

Beaches. Parks & Recreation

Performance Measures	2011 Actual	2012 Projected	2013 Budget
Recreation			
Workload Outputs:			
Number of aquatic enrollments	4,728	4,000	7,000
Number of other registrations	15,126	13,000	13,000
Number of classes/programs offered	817	700	700
Number of attendees at special events	114,475	120,000	120,000
Number of rentals at Community Center	163	168	170
Number of rentals at Beach Club	86	94	0
Number of partnered community events	47	37	37
Efficiency:			
Percent of registrations taken on-line	32.3%	34.3%	35.0%
Percentage of total expenditures recovered by revenues	69.3%	73.8%	65.0%
Effectiveness:			
Percentage customer satisfaction response of satisfactory or above for recreation and leisure classes/facility rentals*	97.8%	97.3%	100.0%
Percent of classes/programs cancelled	16.5%	15.9%	15.0%
Number of customer requested refunds for classes/programs	358	400	400
* Annual measurement			
Marine Safety			
Workload Outputs:			
Number of beach visitors (estimate)	2,283,200	2,100,000	2,200,000
Number of swimmer rescues	1,670	2,500	3,000
Number of preventative actions via public education/warnings	24,445	43,000	43,000
Number of people reached through public education programs	15,216	27,000	30,000
Number of drownings with lifeguards on duty	0	0	0
Efficiency:			
Visitors per lifeguard (8 hour shift)	786	621	650
Rescues per lifeguard FTE (2080 hours)	80	200	230
Effectiveness:			
Percentage of swimmer rescues without a drowning	100.0%	100.0%	100.0%
Percentage of swimmer rescues compared to preventative actions	3.3%	6.0%	8.0%
Percent of City elementary schools reached through public education*	0.7%	20.0%	70.0%
* Annual measurement			

Performance Measures

Beaches. Parks & Recreation

Performance Measures	2011 Actual	2012 Projected	2013 Budget
<u>Golf Operating</u>			
Workload Outputs:			
Number of golf rounds played - projected	88,629	93,000	93,000
Number of golf course acres maintained	133	133	133
Total revenue generated by the Golf Course	\$2,152,582	\$2,340,000	\$2,300,000
Efficiency:			
Course utilization (rounds played/available tee times*)	96.3%	100.0%	100.0%
Cost per round	\$22.72	\$24.00	\$24.00
Percentage cost of recovery	93.6%	100.0%	100.0%
Effectiveness:			
Number of complaints per 1,000 rounds	1.4	2.0	3.0
Maintenance quality of golf course retained at a level B May through October	100.0%	100.0%	100.0%
Maintenance quality of golf course retained at a level C November through April	100.0%	100.0%	100.0%

Staffing

FY 2013 Staffing Changes:

Requests for position changes, new positions, and reclassifications are considered during the budgetary process. The following staffing changes in FY 2013 will allow departments to most effectively and efficiently provide City services. (Note: FTE = Full-Time Equivalent.)

Community Development/Public Works/Engineering

Reclassify the Information Systems Technician to Technical Applications Specialist (1 FTE), in recognition of the specialized computer applications that the incumbent works on and the responsibility that the incumbent will have in helping to administer the new phone system.

Finance and Administrative Services – Municipal Services

Reclassify the Senior Utility Billing Specialist to Utility Billing Coordinator (1 FTE), in recognition of taking over the day-to-day, lead supervisory duties of the Utility Billing Specialists. The existing Utility Billing Coordinator position would maintain responsibility over the cashing system, EDEN system, and the monthly bill generating. Both Coordinators would act as backup to the other.

Vacant Positions

The City currently has seven vacant positions that appear in the staffing chart, but they have not been funded for FY 2013.

- Management Analyst II (BPR)
- Senior Management Analyst (Utilities)
- Business Relations Officer
- Senior Code Compliance Officer
- Code Compliance Officer
- Associate Planner
- Senior Communications Technician

Positions Eliminated During FY 2012:

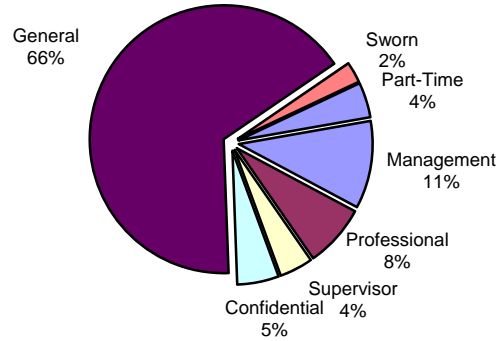
- Human Resources Analyst II
- Senior Planner (Limited-term)
- Principal Planner
- Recreation Coordinator
- City Traffic Engineer
- Office Specialist II (City Clerk)
- Assistant Planner
- Office Specialist I (Planning)

Staffing

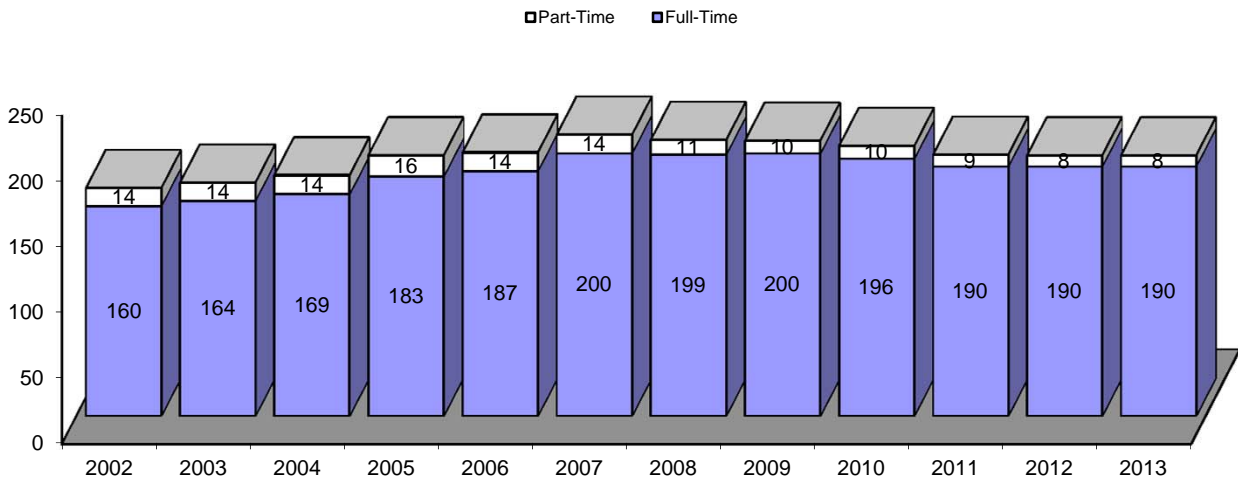
FY 2013 Proposed Staffing Changes

Department	Change
Community Development/Public Works/Engineering	
Information Systems Technician	-1.00
Technical Applications Specialist	1.00
Finance & Administrative Services - Municipal Services	
Sr. Utility Billing Specialist	-1.00
Utility Billing Coordinator	1.00
Net FTE Adjustment	0.00

Workforce by Category



Historical FTE Comparison



Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
City Manager						
City Manager	M	1.00	1.00	1.00	1.00	1.00
Executive Assistant	C	1.00	1.00	1.00	1.00	1.00
Assistant to the City Manager (PT)	PT	0.68	0.68	0.68	0.68	0.68
Total Full Time		2.00	2.00	2.00	2.00	2.00
Total Part Time		0.68	0.68	0.68	0.68	0.68
Total City Manager		2.68	2.68	2.68	2.68	2.68
Finance & Admin. Services						
Assistant City Manager/FAS Director	M	1.00	1.00	1.00	1.00	1.00
Senior Administrative Assistant	C	1.00	1.00	1.00	1.00	1.00
Total Full Time		2.00	2.00	2.00	2.00	2.00
Total Finance & Admin. Services		2.00	2.00	2.00	2.00	2.00
City Clerk						
City Clerk/Executive Analyst	M	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	C	1.00	1.00	1.00	1.00	1.00
Records Management Coordinator	G	1.00	1.00	1.00	1.00	1.00
Office Specialist II	G	1.00	1.00	1.00	0.00	0.00
Sr. Office Specialist	G	0.00	0.00	0.00	1.00	1.00
Office Specialist I (PT)	PT	0.50	0.50	0.50	0.50	0.50
Total Full Time		4.00	4.00	4.00	4.00	4.00
Total Part Time		0.50	0.50	0.50	0.50	0.50
Total City Clerk		4.50	4.50	4.50	4.50	4.50
Financial Services						
Financial Services Manager	M	0.00	0.00	1.00	1.00	1.00
Accounting Supervisor	SP	1.00	1.00	0.00	0.00	0.00
Senior Accountant	G	1.00	1.00	1.00	1.00	1.00
Senior Accounting Specialist	C	1.00	1.00	1.00	1.00	1.00
Accounting Specialist I	G	2.00	2.00	2.00	2.00	2.00
Total Full Time		5.00	5.00	5.00	5.00	5.00
Total Financial Services		5.00	5.00	5.00	5.00	5.00
Municipal Services						
Municipal Services Manager	M	0.00	0.00	1.00	1.00	1.00
Finance Manager	M	1.00	1.00	0.00	0.00	0.00
Central Services Officer	P	1.00	1.00	1.00	1.00	1.00
Central Services Assistant	G	0.25	0.25	0.50	0.50	0.50
Customer Service Specialist II	G	1.00	1.00	1.00	0.00	0.00
Business License Specialist	G	0.00	0.00	0.00	1.00	1.00
Utility Billing Coordinator	G	1.00	1.00	1.00	1.00	1.00
Sr Utility Billing Specialist	G	0.00	1.00	1.00	1.00	1.00
Utility Billing Specialist II	G	3.11	2.11	2.11	2.11	2.11
Business Relations Officer	G	1.00	1.00	1.00	1.00	1.00
Total Full Time		8.36	8.36	8.61	8.61	8.61
Total Municipal Services		8.36	8.36	8.61	8.61	8.61

M = Manager P = Professional SP = Supervisor C = Confidential G = General S = Sworn PT = Benefited Part Time

Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Central Services						
Central Services Assistant	G	0.75	0.75	0.50	0.50	0.50
Total Full Time		0.75	0.75	0.50	0.50	0.50
Total Central Services		0.75	0.75	0.50	0.50	0.50
General Liability						
Risk Management Analyst	G	1.00	1.00	0.00	0.00	0.00
Human Resources Analyst I	C	0.00	0.00	1.00	0.00	0.00
Human Resources Analyst II	C	0.00	0.00	0.00	1.00	1.00
Total Full Time		1.00	1.00	1.00	1.00	1.00
Total General Liability		1.00	1.00	1.00	1.00	1.00
Information Technology						
Information Systems Manager	M	1.00	1.00	1.00	1.00	1.00
Information Systems Analyst	C	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	G	1.00	1.00	1.00	2.00	2.00
Information Systems Technician	G	1.00	1.00	1.00	0.00	0.00
GIS Coordinator	G	1.00	1.00	1.00	1.00	1.00
Total Full Time		5.00	5.00	5.00	5.00	5.00
Total Information Technology		5.00	5.00	5.00	5.00	5.00
Human Resources						
Human Resources Manager	M	1.00	1.00	1.00	1.00	1.00
Benefits Analyst	C	1.00	1.00	0.00	0.00	0.00
Human Resources Analyst II	C	1.00	1.00	2.00	1.00	1.00
Human Resources Analyst II (Limited Term)	C	1.00	1.00	0.00	0.00	0.00
Human Resources Assistant	C	1.00	1.00	1.00	1.00	1.00
Total Full Time		5.00	5.00	4.00	3.00	3.00
Total Human Resources		5.00	5.00	4.00	3.00	3.00
Engineering						
Assistant City Engineer	M	2.00	2.00	2.00	2.00	2.00
City Traffic Engineer	SP	1.00	1.00	1.00	0.00	0.00
Transportation Engineering Manager	SP	0.00	0.00	0.00	1.00	1.00
Associate Civil Engineer	P	3.00	1.00	1.00	1.00	1.00
Assistant Engineer	G	4.00	4.00	4.00	4.00	4.00
Sr. Construction Inspector	G	1.00	1.00	1.00	1.00	1.00
Sr. Engineering Technician	G	2.00	3.00	3.00	3.00	3.00
Engineering Technician	G	1.00	0.00	0.00	0.00	0.00
Principal Civil Engineer	SP	2.00	2.00	1.00	1.00	1.00
Senior Civil Engineer	P	3.00	3.00	4.00	4.00	4.00
Construction Inspector	G	1.00	1.00	1.00	1.00	1.00
Management Analyst II	G	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	G	1.00	1.00	1.00	1.00	1.00
Office Specialist II	G	2.00	1.00	0.60	0.60	0.60
Information Systems Technician	G	0.00	0.00	0.25	0.25	0.25
Office Specialist II (PT)	PT	0.50	0.50	0.50	0.50	0.50
Total Full Time		24.00	21.00	20.85	20.85	20.85
Total Part Time		0.50	0.50	0.50	0.50	0.50
Total Engineering		24.50	21.50	21.35	21.35	21.35

M = Manager P = Professional SP = Supervisor C = Confidential G = General S = Sworn PT = Benefited Part Time

Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Building						
Building Official	M	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	G	1.00	1.00	1.00	1.00	1.00
Plans Examiner	G	1.00	1.00	1.00	1.00	1.00
Sr. Plan Check Engineer	P	1.00	1.00	1.00	1.00	1.00
Plan Check Engineer	P	1.00	1.00	0.00	0.00	0.00
Building Inspector II (Limited Term)	G	2.00	1.00	0.00	0.00	0.00
Building Inspector II	G	2.00	2.00	2.00	2.00	2.00
Senior Permit Technician	G	1.00	1.00	1.00	1.00	1.00
Permit Technician	G	2.00	2.00	1.00	1.00	1.00
Administrative Assistant	G	1.00	1.00	1.00	1.00	1.00
Information Systems Technician	G	1.00	1.00	0.25	0.25	0.25
Community Development Specialist	G	0.00	0.00	1.00	1.00	1.00
Customer Service Specialist II	G	1.00	1.00	1.00	1.00	1.00
Total Full Time		15.00	14.00	11.25	11.25	11.25
Total Building		15.00	14.00	11.25	11.25	11.25
Code Compliance						
Code Compliance Manager	M	1.00	1.00	1.00	1.00	1.00
Senior Code Compliance Officer	G	1.00	1.00	1.00	1.00	1.00
Code Compliance Officer	G	2.00	2.00	2.00	2.00	2.00
Office Specialist II (PT)	PT	0.50	0.50	0.50	0.50	0.50
Total Full Time		4.00	4.00	4.00	4.00	4.00
Total Part Time		0.50	0.50	0.50	0.50	0.50
Total Code Compliance		4.50	4.50	4.50	4.50	4.50
Planning						
City Planner	M	1.00	1.00	1.00	1.00	1.00
Principal Planner	M	2.00	2.00	1.00	0.00	0.00
Principal Planner - Limited Term	M	0.00	0.00	0.00	1.00	1.00
Senior Planner - Limited Term	P	0.00	0.00	1.00	0.00	0.00
Associate Planner	P	5.00	5.00	5.00	6.00	6.00
Assistant Planner	G	1.00	1.00	1.00	0.00	0.00
Housing Specialist	G	0.00	0.00	0.00	0.00	1.00
Administrative Assistant	G	1.00	1.00	1.00	1.00	1.00
Office Specialist II	G	1.00	1.00	1.00	1.00	1.00
Information Systems Technician	G	0.00	0.00	0.25	0.25	0.25
Office Specialist I (PT)	PT	0.50	0.50	0.50	0.00	0.00
Total Full Time		11.00	11.00	11.25	10.25	11.25
Total Part Time		0.50	0.50	0.50	0.00	0.00
Total Planning		11.50	11.50	11.75	10.25	11.25

M = Manager P = Professional SP = Supervisor C = Confidential G = General S = Sworn PT = Benefited Part Time

Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Community Development Admin.						
Community Development Director	M	1.00	1.00	1.00	1.00	1.00
Senior Housing Coordinator	P	1.00	1.00	0.00	0.00	0.00
Administrative Assistant	C	0.50	0.50	0.50	0.50	0.50
Information Systems Technician	G	0.00	0.00	0.25	0.25	0.25
Housing Specialist	G	0.75	0.75	1.00	1.00	0.00
Total Full Time		2.50	2.50	2.75	2.75	1.75
Total CD Administration		3.25	3.25	2.75	2.75	1.75
Water						
Utilities Manager	M	0.45	0.45	0.45	0.45	0.45
Administrative Assistant	G	1.00	1.00	1.00	1.00	1.00
Lead Operator	G	3.00	3.25	3.25	3.25	3.25
Chief Operator	SP	1.00	1.20	1.20	1.20	1.20
Utilities Operations Supervisor	SP	1.50	1.45	1.45	1.45	1.45
Plant Operator II	G	2.00	1.40	1.40	1.40	1.40
Plant Operator I	G	0.00	0.15	0.15	0.15	0.15
Lead Electrical Instrumentation Technician	G	0.50	0.40	0.40	0.40	0.40
Electrical Instrumentation Technician II	G	0.50	0.40	0.40	0.40	0.40
Electrical Instrumentation Technician I	G	0.00	0.40	0.40	0.40	0.40
Utilities Mechanic II	G	1.06	0.40	0.40	0.40	0.40
Utilities Mechanic I	G	0.00	0.80	0.80	0.80	0.80
Utilities Mechanic OIT	G	0.00	0.45	0.40	0.45	0.45
Utilities Chief Mechanic	G	0.00	0.40	0.40	0.40	0.40
Maintenance Leadworker	G	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	G	1.00	0.00	0.00	0.00	0.00
Distribution Operator OIT	G	0.00	1.00	1.00	1.00	1.00
Utility Customer Service Representative	G	1.00	1.00	1.00	1.00	1.00
Distribution/Collection Systems Operator I	G	5.00	1.00	3.00	3.00	3.00
Distribution/Collection Systems Operator II	G	2.00	6.00	4.00	4.00	4.00
Senior Management Analyst	G	1.00	1.50	1.00	1.00	1.00
Water Resources/Conservation Mgmt Analyst	G	1.00	1.00	1.00	1.00	1.00
Laboratory Supervisor	G	0.00	0.30	0.30	0.30	0.30
Laboratory Technician I	G	0.00	0.30	0.30	0.30	0.30
Total Full Time		23.01	25.25	24.70	24.75	24.75
Total Water		23.01	25.25	24.70	24.75	24.75
Sewer						
Utilities Manager	M	0.45	0.45	0.45	0.45	0.45
Utility Operations Supervisor	SP	1.50	1.40	1.40	1.40	1.40
Lead Operator	G	2.50	2.15	2.15	2.15	2.15
Chief Operator	SP	1.00	0.80	1.80	0.80	0.80
Plant Operator II	G	3.00	2.50	2.50	2.50	2.50
Plant Operator I	G	0.00	0.85	0.85	0.85	0.85
Lead Electrical Instrumentation Technician	G	0.50	0.60	0.60	0.60	0.60
Electrical Instrumentation Technician II	G	0.50	0.60	0.60	0.60	0.60

M = Manager P = Professional SP = Supervisor C = Confidential G = General S = Sworn PT = Benefited Part Time

Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Electrical Instrumentation Technician I	G	1.00	0.45	0.45	0.45	0.45
Utilities Mechanic II	G	1.94	0.60	0.60	0.60	0.60
Utilities Mechanic I	G	1.00	1.05	1.05	1.05	1.05
Utilities Chief Mechanic	G	0.00	0.60	0.60	0.60	0.60
Utilities Mechanic OIT	G	0.00	0.55	0.60	0.55	0.55
Maintenance Worker II	G	1.00	0.00	0.00	0.00	0.00
Distribution/Collection Systems Operator I	G	3.00	2.10	2.10	2.10	2.10
Distribution/Collection Systems Operator II	G	1.00	1.40	0.40	1.40	1.40
Laboratory Technician I	G	1.00	0.70	0.70	0.70	0.70
Principal Management Analyst	G	0.50	0.00	0.00	0.00	0.00
Senior Management Analyst	G	0.50	0.50	1.00	1.00	1.00
Pre-Treatment Compliance Inspector	G	1.00	1.00	1.00	1.00	1.00
Laboratory Supervisor	G	1.00	0.70	0.70	0.70	0.70
Office Specialist II	G	1.00	1.00	1.00	1.00	1.00
Total Full Time		23.39	20.00	20.55	20.50	20.50
Total Sewer		23.39	20.00	20.55	20.50	20.50
Environmental Services Operating						
Water Quality Code Compliance Inspector	G	2.00	2.00	2.00	2.00	2.00
Management Analyst II	G	1.00	1.00	1.00	1.00	1.00
Office Specialist II	G	1.00	1.00	0.40	0.40	0.40
Total Full Time		4.00	4.00	3.40	3.40	3.40
Total Environmental Services Operating		4.00	4.00	3.40	3.40	3.40
Storm Drain Utility						
Utilities Manager	M	0.10	0.10	0.10	0.10	0.10
Utility Operations Supervisor	SP	0.00	0.15	0.15	0.15	0.15
Lead Operator	G	0.50	0.60	0.60	0.60	0.60
Plant Operator II	G	0.00	0.10	0.10	0.10	0.10
Electrical Instrumentation Technician I	G	0.00	0.15	0.15	0.15	0.15
Utilities Mechanic I	G	0.00	0.15	0.15	0.15	0.15
Distribution/Collection System Operator I	G	0.00	0.90	0.90	0.90	0.90
Distribution/Collection Systems Operator II	G	1.00	0.60	0.60	0.60	0.60
Total Full Time		1.60	2.75	2.75	2.75	2.75
Total Storm Drain Utility		1.60	2.75	2.75	2.75	2.75
Public Works Administration						
Public Works Director/City Engineer	M	1.00	1.00	1.00	1.00	1.00
Emergency Planning Officer	P	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	C	0.50	0.50	0.50	0.50	0.50
Total Full Time		2.50	2.50	2.50	2.50	2.50
Total Public Works Administration		2.50	2.50	2.50	2.50	2.50

M = Manager P = Professional SP = Supervisor C = Confidential G = General S = Sworn PT = Benefited Part Time

Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Maintenance Services						
Maintenance Services Manager	M	1.00	1.00	1.00	1.00	1.00
Maintenance Operations Supervisor	SP	1.00	1.00	1.00	1.00	1.00
Facilities Maintenance Coordinator	G	1.00	1.00	1.00	1.00	1.00
Sr. Facilities Maint. Specialist	G	1.00	1.00	1.00	1.00	1.00
Facilities Maintenance Specialist	G	1.00	1.00	2.00	0.00	0.00
Facilities Maintenance Specialist I	G	0.00	0.00	0.00	1.00	1.00
Facilities Maintenance Specialist II	G	0.00	0.00	0.00	1.00	1.00
Maintenance Leadworker	G	1.00	1.00	1.00	1.00	1.00
Master Electrician	G	1.00	1.00	1.00	1.00	1.00
Electrician II	G	1.00	1.00	1.00	2.00	2.00
Electrician I	G	1.00	1.00	1.00	0.00	0.00
Parking Meter Technician	G	1.00	1.00	1.00	1.00	1.00
Maintenance Worker II	G	3.00	4.00	3.00	4.00	4.00
Maintenance Worker I	G	1.00	1.00	1.00	0.00	0.00
Administrative Assistant	G	1.25	1.25	1.00	1.00	1.00
Sr. Communications Technician	G	1.00	1.00	1.00	1.00	1.00
Contract Maintenance Coordinator	G	1.00	1.00	1.00	1.00	1.00
Total Full Time		17.25	18.25	18.00	18.00	18.00
Total Maintenance Services		17.25	18.25	18.00	18.00	18.00
Solid Waste Management						
Environmental Services Coordinator	G	1.00	1.00	1.00	1.00	1.00
Total Full Time		1.00	1.00	1.00	1.00	1.00
Total Solid Waste Management		1.00	1.00	1.00	1.00	1.00
Beaches, Parks & Rec Admin						
Beaches, Parks and Recreation Director	M	1.00	1.00	1.00	1.00	1.00
Landscape Architect	P	1.00	1.00	1.00	1.00	1.00
Management Analyst II	G	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	C	1.00	1.00	1.00	1.00	1.00
Total Full Time		4.00	4.00	4.00	4.00	4.00
Total Beaches, Parks & Rec Admin		4.00	4.00	4.00	4.00	4.00
Recreation						
Recreation Manager	M	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	G	2.00	2.00	2.00	2.00	2.00
Recreation Coordinator	G	3.00	3.00	2.00	3.00	3.00
Recreation Specialist	G	1.00	1.00	1.00	2.00	2.00
Rec Facilities Coordinator	G	1.00	1.00	1.00	1.00	1.00
Sr. Customer Service Specialist	G	1.00	1.00	1.00	1.00	1.00
Customer Service Specialist II	G	2.00	2.00	2.00	2.00	2.00
Recreation Coordinator (PT)	PT	0.75	0.75	0.75	0.00	0.00
Recreation Specialist (PT)	PT	2.00	2.00	2.00	2.00	2.00
Pool Facilities Maintenance Worker (PT)	PT	0.00	0.00	0.00	0.75	0.75
Recreation Facilities Specialist (PT)	PT	0.75	0.75	0.75	0.75	0.75
Total Full Time		11.00	11.00	10.00	12.00	12.00
Total Part Time		3.50	3.50	3.50	3.50	3.50
Total Recreation		14.50	14.50	13.50	15.50	15.50

M = Manager P = Professional SP = Supervisor C = Confidential G = General S = Sworn PT = Benefited Part Time

Staffing Chart

	Status	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Beaches & Parks Maintenance						
Beaches & Parks Maint. Manager	M	1.00	1.00	1.00	1.00	1.00
Senior Inspector	G	1.00	0.00	0.00	0.00	0.00
Maintenance Contract Inspector	G	3.00	3.00	3.00	3.00	3.00
Beaches & Parks Inspector Coordinator	G	0.00	1.00	1.00	1.00	1.00
Facilities Maintenance Coordinator	G	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	G	0.75	0.75	1.00	1.00	1.00
Maintenance Worker I	G	2.00	2.00	1.00	0.00	0.00
Maintenance Worker II	G	0.00	0.00	0.00	1.00	1.00
Total Full Time		8.75	8.75	8.00	8.00	8.00
Total Beaches & Parks Maintenance		8.75	8.75	8.00	8.00	8.00
Marine Safety						
Marine Safety Chief	S	1.00	1.00	1.00	1.00	1.00
Marine Safety Lieutenant	S	1.00	1.00	1.00	1.00	1.00
Marine Safety Officer	S	3.00	3.00	3.00	3.00	3.00
Office Specialist II (PT)	PT	0.75	0.75	0.75	0.75	0.75
Ocean Lifeguard Supervisor (PT)	PT	1.50	1.50	1.50	1.50	1.50
Total Full Time		5.00	5.00	5.00	5.00	5.00
Total Part Time		2.25	2.25	2.25	2.25	2.25
Total Marine Safety		7.25	7.25	7.25	7.25	7.25
Golf Course						
Golf Course Manager	M	1.00	1.00	1.00	1.00	1.00
Golf Course Maint. Supervisor	SP	1.00	0.00	0.00	0.00	0.00
Maintenance Leadworker	G	1.00	1.00	1.00	1.00	1.00
Golf Course Mechanic	G	1.00	1.00	1.00	1.00	1.00
Golf Course Maint. Worker	G	5.00	5.00	5.00	5.00	5.00
Office Specialist II (PT)	PT	0.50	0.50	0.50	0.50	0.50
Total Full Time		9.00	8.00	8.00	8.00	8.00
Total Part Time		0.50	0.50	0.50	0.50	0.50
Total Golf Course		9.50	8.50	8.50	8.50	8.50
Grand Total Full Time		200.11	196.11	190.11	190.11	190.11
Grand Total Part Time (FTE)*		9.68	9.68	8.93	8.43	8.43
Total		209.79	205.79	199.04	198.54	198.54

*Includes only Benefited Part-time positions. FTE's for hourly, non-benefited Part-time staff are not included in the Staffing Chart.

Contract Staffing Chart

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Fire Contract					
Battalion Chief	3.00	3.00	3.00	3.00	3.00
Administrative Division Captain	1.00	1.00	1.00	0.00	0.00
Fire Captains	6.00	6.00	6.00	6.00	6.00
Fire Paramedic Captains	3.00	3.00	3.00	3.00	3.00
Fire Engineers	6.00	6.00	6.00	6.00	6.00
Paramedic Engineers	3.00	3.00	3.00	3.00	3.00
Paramedic Firefighters	9.00	9.00	9.00	9.00	9.00
Firefighters	6.00	6.00	6.00	6.00	6.00
Emergency Transport Technicians	6.00	6.00	6.00	6.00	6.00
Total Fire Contract	43.00	43.00	43.00	42.00	42.00
Police Contract					
Lieutenant	1.00	1.00	1.00	1.00	1.00
Patrol Sergeant	4.00	4.00	4.00	4.00	4.00
Administrative Sergeant	1.00	1.00	1.00	1.00	1.00
Investigator	3.00	3.00	3.00	3.00	3.00
Deputy: Aliso Viejo (DET)	1.00	1.00	1.00	1.00	1.00
Deputy/Patrol	29.00	29.00	29.00	29.00	29.00
Deputy/School Resource	1.00	1.00	1.00	1.00	1.00
Deputy/Motorcycle	4.00	4.00	4.00	4.00	4.00
Community Services Officer	5.00	5.00	5.00	5.00	5.00
Investigative Assistant	1.00	1.00	0.00	0.00	0.00
Crime Prevention Specialist	2.00	2.00	2.00	2.00	2.00
Staff Assistant	1.00	1.00	1.00	1.00	1.00
Office Specialist	4.00	4.00	3.00	3.00	3.00
Total Police Contract	57.00	57.00	55.00	55.00	55.00
Animal Services Contract					
General Manager	1.00	1.00	1.00	1.00	1.00
Animal Services Officer	2.00	2.00	2.00	2.00	2.00
Kennel Attendant	2.75	2.75	2.75	2.75	2.75
Animal Services Supervisor	1.50	1.50	1.50	1.50	1.50
Office Specialist	0.75	0.75	0.00	0.00	0.00
Reserve Animal Services Officer	0.50	0.50	0.50	0.00	0.00
Customer Service Specialist II	0.50	0.50	0.50	1.00	1.00
Total Animal Services Contract	9.00	9.00	8.25	8.25	8.25
Fleet Contract					
General Manager	1.00	1.00	1.00	1.00	1.00
Technician II	3.00	3.00	2.00	2.00	2.00
Office Clerk	0.75	0.75	0.75	0.75	0.75
Total Fleet Contract	4.75	4.75	3.75	3.75	3.75

FTE's for hourly, non-benefited part-time staff are not included in this chart.

Glossary

AB939:

In 1989, Assembly Bill 939, known as the Integrated Waste Management Act, was passed because of the increase in waste stream and the decrease in landfill capacity. Mandates a reduction of waste being disposed: jurisdictions were required to meet diversion goals of 25% by 1995 and 50% by the year 2000. AB 939 also established an integrated framework for program implementation, solid waste planning, and solid waste facility and landfill compliance.

AB2928:

A State of California Assembly Bill entitled "Traffic Congestion Relief Act" that provides funding for the street and highway pavement maintenance, rehabilitation and reconstruction of necessary associated facilities.

Accounting System:

The set of records and procedures which are used to record, classify, and report information on the financial status and operations of the City.

Accrual Basis Accounting:

Under this accounting method, transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements. All proprietary and fiduciary funds are accounted for using the accrual basis of accounting.

AHRP (Arterial Highway Rehabilitation Program):

County of Orange grant funding distributed to cities for street rehabilitation and for projects related to increasing street capacity.

Air Quality Improvement Fund:

The Air Quality Improvement Fund is used to account for revenues and expenditures relating to the reduction of vehicle pollution.

Appropriation:

An authorization made by the City Council which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are typically granted for a one-year period.

Appropriation Ordinance:

The official legal document approved by the City Council authorizing city officials to obligate and expend resources.

Assessed Valuation:

The estimated value of real and personal property used by the Orange County Assessor as the basis for levying property taxes.

Balanced Budget:

A balanced budget is one in which total expenditures equal total revenue. An entity has a budget surplus if expenditures are less than revenues. It has a budget deficit if expenditures are greater than revenues.

Bond (Debt Instrument):

A written promise to pay a specified sum of money at a specified future date, at a specified interest rate. Bonds are typically used to finance capital facilities.

Bond Rating:

The City has an "issuer bond rating" of AAA awarded by the rating firm of Standard & Poor's. An obligation rated "AAA" is the highest rating assigned by Standard & Poor's. This means that the City's capacity to meet its financial commitment on the debt obligation is extremely strong.

Budget:

A financial plan, including proposed expenditures and estimated revenues, for a period in the future.

Budget Document:

The official financial spending and resource plan submitted by the City Manager and adopted by the City Council explaining the approved budget to the public and City Council.

Budget Message:

A written explanation by the City Manager on the approved budget. The budget message explains principal budget and policy issues and presents an overview of the City Manager's budget recommendations.

Budget Overview:

This section provides an overview of the changes adopted in the budget. Additionally, the significant impacts of budgetary changes are outlined along with dollar amounts (Increase/Decrease).

CalPERS:

Public Employees Retirement System provided for Public Safety personnel by the State of California.

Capital Assets:

Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Improvements:

Buildings, structures, or attachments to land such as sidewalks, trees, drives, tunnels, drains and sewers.

Capital Improvement Program (CIP):

A plan, over a period of six years, setting forth each capital project; the amount to be expended in each year; and the method of financing capital expenditures.

Capital Projects Fund:

In governmental accounting, this is a fund that accounts for financial resources to be used for the acquisition or construction of capital facilities. The total cost of a capital project is accumulated in a single expenditure account which accumulates until the project is completed, at which time the fund ceases to exist.

Glossary

Capital Outlay:

Expenditures which result in the acquisition of or additions to fixed assets. Examples include land, buildings, machinery and equipment, and construction projects.

CDBG (Community Development Block Grant):

Federal grant funds distributed from the U.S. Department of Housing and Urban Development (HUD). The City primarily uses these funds for housing rehabilitation, public improvements, and local social programs.

Carry Forward Projects:

Capital improvement projects approved in prior fiscal years which have been brought forward into the new fiscal year budget.

Central Services Fund:

The Central Services Fund is used to account for the cost of providing central mail, reprographic services and for the operating costs of routine and emergency communications for all City Departments.

California Joint Powers Insurance Authority (CJPIA):

This is a public-entity risk pool comprised of a cooperative group of governmental agencies joined together to finance the exposure of liability and workers' compensation risks. The City is self-insured for both liability and workers' compensation insurance. CJPIA provides coverage for liability claims in excess of \$50,000.

Citizens Options for Public Safety (COPS) Grant:

The City has included \$100,000 in the Police Grant Fund in anticipation of California legislative approval of the annual appropriation to counties and cities for public safety. The grants are distributed based on population. The funds are restricted to "front-line" law enforcement efforts and will be used to partially fund a deputy position.

Clean Ocean Fund:

This fund, created in January of 2003, accounts for activities associated with improving surface water quality and for complying with Federal and State mandated storm water/urban runoff discharge issues. The average residential fee of \$5.02 per month and \$43.90 per undeveloped acre per month are billed as part of the City's utility billing services.

Clean Ocean Improvement Reserve:

The Clean Ocean Improvement Reserve provides for capital improvements necessary to comply with the requirements of the State of California clean ocean water quality program.

Coastal Advisory Committee (CAC):

A City Council appointed committee to make recommendations on coastal zone policies and to serve as an advocate on coastal related issues.

Coastal Animal Services Authority (CASA):

The Joint Powers Agency (JPA) which provides animal control and shelter for the cities of San Clemente and Dana Point.

COBRA:

Congress passed the landmark Consolidated Omnibus Budget Reconciliation Act (COBRA) health benefit provisions in 1986. The law amends the Employee Retirement Income Security Act (ERISA), the Internal Revenue Code and the Public Health Service Act to provide continuation of group health coverage that otherwise would be terminated.

COLA:

Cost of Living Allowance.

Comprehensive Annual Financial Report (CAFR):

The official financial report of the City. It includes an audit opinion as well as basic financial statements and supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions.

Constant Dollars:

A measure of the cost of goods or services with the effects of inflation removed.

Contingency:

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contingent Liabilities:

Items which may become liabilities of the City but are undetermined at a given date, such as pending lawsuits, unsettled disputed claims, unfilled purchase orders, and uncompleted contracts.

Contract Services:

Services provided to the City from the private sector or other public agencies.

Contributed Capital:

Resources which are externally restricted for the acquisition or construction of capital assets. This category includes, but is not limited to, capital grants, residual equity transfers in and contributions from developers.

Cost Allocation:

A fair and equitable methodology for identifying and distributing direct and indirect costs, from a service provider to the service consumer. In the City's case, the general fund is the service provider, while the external funds are the service consumer.

Debt Service:

Payment of interest and repayment of principal to holders of the City's debt instruments.

Glossary

Debt Service Fund:

A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Decision Package:

A standardized format whereby departments may request budgetary consideration for new programs, positions, capital equipment, and reclassification.

Deficit:

The excess of liabilities over assets.

Department of Justice Grant (DOJ):

Grants approved as part of the 2009 Economic Stimulus package. The grants will assist in local efforts to prevent or reduce crime and violence.

Depreciation:

Cost recorded based on an assets estimated useful life due to a decrease in value based on wear and tear, decay and general decline in value.

Developer Fees and Permits:

Fees that are charged for specific Community Development services.

Developers Improvement Fund:

The Developers Improvement Fund is used to account for the proceeds of settlements from developers and the future costs of maintaining and/or improving the streets or other infrastructure in the related development tracts.

Electronic Document Management System (EDMS):

The City implemented a two-year project in 2000 to convert the City's current and future records from paper to electronic storage. The Electronic Document Management System (EDMS) provides a program that allows retrieval of stored documents by staff and the public. Within the Central Services Fund, funding is appropriated for the on-going conversion of documents to the system. Divisions are allocated EDMS charges through interdepartmental charges, one year in arrears, for the scanning of documents.

Encumbrance:

An amount of money committed for the payment of goods and services not yet received or paid for.

Enterprise Fund:

In governmental accounting, a fund that provides goods or services to the public for a fee that makes the entity self-supporting. It basically follows GAAP as does a commercial enterprise.

EPA Grant:

The Environmental Protection Agency (EPA) grant funding is dispersed by the EPA to the City via project-specific grants for

the planning and implementation of urban runoff water quality improvement initiatives. Under terms of these grants, the City is required to provide matching funds for 45% of the project cost.

eSan Clemente:

The City's Information Technology Action Plan consists of several initiatives designed to expand communication with the residents of San Clemente and to expand on-line services.

Expenditures:

Where accounts are kept on the accrual or modified accrual basis of accounting, expenditures are recognized when goods are received or services rendered.

Facilities Maintenance Reserve:

The Facilities Maintenance Reserve provides a funding source for maintenance of City facilities. Facilities maintenance expenditures include costs such as flooring replacement, roof replacement, interior and exterior painting, HVAC replacement and parking lot seal coat/stripping for all City facilities, plus the compressor, speed drive and boiler for the City pool.

FEMA:

Federal Emergency Management Agency.

FHWA (Federal Highway Administration):

A governmental agency responsible for administration of Federal grant programs for streets and highways.

Fiduciary Funds:

Funds used to report assets held in a trustee or agency capacity for others.

Fiscal Year:

A 12-month period to which the annual operating budget applies and at the end of which the City determines its financial position and results of its operations. San Clemente's fiscal year runs from July 1 - June 30.

Five-Year Financial Forecast:

Estimates of future revenues and expenditures to help predict the future financial condition of the community. The Five Year Financial Forecast is included in the City's annual Long Term Financial Plan.

Fixed Assets:

Assets which are intended to be held or used for a long term, such as land, buildings, improvements other than buildings, machinery and equipment.

Fleet Maintenance Fund:

The Fleet Maintenance Fund is used to account for the operation, maintenance and replacement of City owned vehicles and equipment.

Glossary

Fleet Replacement Reserve:

The Fleet Replacement Reserve accounts for funds set aside for replacement of Fleet vehicles and equipment.

FLSA (Fair Labor Standards Act):

The Fair Labor Standards Act sets minimum wage, overtime pay, equal pay and Child Labor Standards for private and public sector employees. Enforcement of the FLSA is assigned to the Department of Labor, Wage and Hour Division.

Full Time Equivalents (FTE):

The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. For example, a full-time employee (1 FTE) is paid for 2,080 hours per year, while a .5 FTE would work 1,040 hours per year.

Fund:

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities.

Fund Accounting:

System used by nonprofit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements.

Fund Balance:

The excess of fund assets and resources over fund liabilities is defined as Fund Equity. A portion of Fund Equity may be reserved or designated; the remainder is available for appropriation, and is referred to as the Fund Balance.

Fund Equity:

The excess of fund assets and resources over fund liabilities. A portion of the equity of a governmental fund may be reserved or designated; the remainder is referred to as fund balance.

Gas Tax Fund:

The Gas Tax Fund is used to account for revenues and expenditures apportioned under the Streets and Highways Code of the State of California. Expenditures may be made for any street related purpose in the City's system of streets, County bikeways and pedestrian walkways.

General Employee:

Administrative and clerical support, maintenance workers, skilled trade and craft workers.

General Fund:

In governmental accounting, the fund used to account for all assets and liabilities of a nonprofit entity, except those particularly assigned for other purposes in another more specialized fund. It is the primary operating fund of the City of San Clemente.

General Government:

City Manager, City Council, City Clerk, and Economic Development Divisions.

General Liability Self-Insurance Fund:

The General Liability Self-Insurance Fund is used to provide the City with liability and property insurance. Coverage is provided through the City's participation in a joint powers agreement through the CJPIA.

General Obligation Bonds:

Bonds for which the full faith and credit of the City is pledged for payment.

General Plan:

Document which incorporates the strategic vision of the community into guiding principals for land use, urban design, housing, mobility, economic development, public health and safety, environmental resources, utilities, recreation and historic and cultural resources.

Generally Accepted Accounting Principles (GAAP):

Uniform minimum standards for financial accounting and reporting. They govern the form and content of the basic financial statements of the City.

"Go Local" Transit Program:

Proposed trolley line linking Dana Point, San Juan Capistrano, and San Clemente. The line will coordinate resources between the three Cities and the Orange County Transportation Authority.

Golf Course Capital Improvement Reserve:

The Golf Course Capital Improvement Reserve provides for capital improvements to the existing golf course.

Golf Course Fund:

The Gold Course Fund is used to account for the operation, maintenance and replacement of assets associated with the City-owned 18-hole golf course.

Golf Depreciation Reserve:

The Golf Depreciation Reserve accounts for funds set aside for replacement or major repairs of Golf Fund equipment or facilities.

Government Accounting Standards Board (GASB):

An organization created to provide comparability and consistency between different government agencies. GASB issues statements regarding various accounting issues and provides guidelines on how accounting transactions should be recorded.

Glossary

GASB Statement No. 34:

GASB 34 requires state and local governments to produce financial statements on an accrual basis, in much the same manner as private sector businesses. The objective is to enhance the understandability and usefulness of the financial reports of state and local governments to the public, legislative and oversight bodies, and investors and creditors.

GASB 45:

GASB 45 requires the measurement and recognition criteria for other Post Employment Benefits (OPEB) for reporting purposes. The objective is to recognize the cost of benefits, provide information on related liabilities and provide information for assessing fiscal health for future periods.

GASB 54:

GASB 54 is intended to improve the usefulness of the amount reported in fund balance by providing a more structured classification. It also clarifies the definition of existing governmental fund types.

Governmental Fund:

Governmental Funds are a self-balance set of accounts whose primary sources are taxes, intergovernmental revenues, and other nonexchange revenues.

Homeowners Exempt Subvention:

Supplemental homeowner's property tax used for public utilities.

HUD:

US Department of Housing and Urban Development.

Improvements:

Buildings, structures, or attachments to land such as sidewalks, trees, drives, tunnels, drains and sewers.

Information Technology Fund:

The Information Technology Fund is used to account for the costs associated with the City's centralized computer system and to distribute these costs to the departments using the system on a pro rata basis. Included are costs for hardware and software maintenance and development, computer training and staff support.

Interdepartmental/Interfund Transfers:

Flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment.

Interest and Rentals:

Revenue derived from the use of property or money.

Interfund Payments:

Expenditures made to other City funds for services rendered.

Interfund Transfers:

Revenues earned for services provided to other City funds.

Intergovernmental Revenue:

Revenue received from other governmental agencies and municipalities, such as grants from the State or Federal government.

Intergovernmental Services:

Purchases from other governments of those specialized services typically performed by local governments.

Internal Service Fund:

Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City.

Joint Regional Water Supply System (JRWSS):

A joint powers authority that owns, operates and maintains the water system infrastructure.

Lease-Purchase Agreements:

Contractual agreements which are termed "leases", but which in substance amount to purchase contracts.

Levy:

(Verb) To impose taxes, special assessments or service charges for the support of governmental activities.

(Noun) The total amount of taxes, special assessments or service charges imposed by Orange County levying property taxes.

Licenses and Permits:

Revenues earned by the issuance of licenses or permits levied in accordance with the benefits conferred by the license or permit.

Local Drainage Facilities Fund:

The Local Drainage Facilities Fund is used to account for drainage fees collected to defray the cost of designing and constructing local drainage facilities and the expenditures for those purposes.

Long-Term External Debt:

Debt borrowed from a source outside the City with a maturity of more than one year after the date of issuance.

Long-Term Financial Plan (LTFP):

A plan which identifies fiscal issues and opportunities, establishes fiscal policies and goals, examines fiscal trends, produces a financial forecast, and provides for feasible solutions.

Maintenance:

Expenditures made to keep an asset in proper condition or to keep an asset in working order to operate within its original capacity.

Major Fund:

Funds in which revenues, expenditures, assets or liabilities are at least 10% of corresponding totals for all governmental or enterprise funds, and at least 5% of the aggregate amount for all governmental and enterprise funds for the same item.

Glossary

Managerial:

Department Heads, Division Managers and Major Program Leaders.

Measure M:

A local initiative that increased sales taxes by one-half percent approved by Orange County Voters in 1990, which provides funding for transportation improvements.

Measure M GMA (Growth Management Area):

The Growth Management Area is one of the programs established by the Orange County Transportation Authority for the purpose of allocating Measure M grant funding. Under this program, the County is divided into eleven GMA's that compete for these funds. The cities of San Clemente, Dana Point, and San Juan Capistrano make up one of the GMA's.

Medical Insurance Fund:

The Medical Insurance Fund accounts for expenditures for medical benefits offered to all regular full-time employees.

Miscellaneous Grants Fund:

The Miscellaneous Grants Fund is used to account for federal grants received from the Department of Housing and Urban Development (HUD). The grants are to be used for the development of a viable community by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Modified Accrual Basis:

Under this accounting method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures for the most part are recognized when the related fund liability is incurred except for prepayments, accumulated employee leave and long-term debt. All governmental funds are accounted for using the modified accrual basis of accounting.

Negocio Debt Service Fund:

The Negocio Debt Service Fund is used to account for the accumulation of funds for the payment of interest and principal on Certificates of Participation (COP). Proceeds from the COP were used for the purchase of the building located at 910 Negocio, San Clemente. Debt service is financed by revenues generated from the lease of the building.

Net Working Capital:

Net Working Capital is a common accounting formula used for financial analysis. It is defined as current assets minus current liabilities. Usually simply called working capital.

NPDES (National Pollution Discharge Elimination System):

Permit system established by the U. S. Environmental Protection Agency to regulate discharge of treated sewage, storm water and urban runoff.

Object:

An expenditure classification which refers to the type of item purchased or the service obtained. Examples include personnel, supplies, and contract services.

OCTA:

Orange County Transit Authority.

OES:

Office of Emergency Services.

Operating Budget:

The operating budget is the primary means by which most of the financing of acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is required by law.

Operating Funds:

Funds which are utilized to account for the day-to-day activities of the fund. Examples of this type of fund would be Water Operating, Sewer Operating, Central Services and the General Fund.

Operating Transfer:

Routine or recurring transfer of assets between funds.

Other Charges:

Expenditures that do not fit in other categories, such as insurance premiums and claims, and service/social program expenditures.

Other (than pensions) Post Employment Benefits (OPEB):

Other Post Employment Benefits refer to benefits other than pensions paid by the employer for retired employees. This refers to retiree medical, dental, prescription drug, vision, life insurance, group legal and long-term care benefits.

Other Revenues:

Revenues from sources other than those specifically identified that are too immaterial in amount to justify the creation of new revenue account line items.

Overhead Charges:

General Fund Overhead (Cost Allocation Program) charges are the recapturing of the cost of services provided to the other funds from the General Fund. These costs would include Personnel, Finance, Payroll, Accounts Payable, Accounts Receivable, City Clerk, and general administration, utilities, maintenance, etc.

Parimutuel Taxes:

"Parimutuel" is a system of betting on races in which the winning bettors share the total amount bet minus a percentage to the operators. The tax is collected by registered racetracks (collectors) and remitted to the City.

Glossary

Parks Acquisition and Development Fund:

The Parks Acquisition and Development Fund is used to account for the revenues received from developer fees and the expenditures for the acquisition, construction, improvement or renovation of City owned parks.

Park Asset Replacement Reserve:

The City Council has established a Park Asset Replacement Reserve with a target balance of \$1.2 million for the replacement of park assets.

Performance Measure:

Represents the objectives of each City department along with a target date for achieving the objective.

Performance Results:

A summary of major accomplishments and objectives that were met during the fiscal year.

Personnel:

Salaries paid to City employees. Included are items such as regular full time, regular part time, premium overtime and special duty pay.

Personnel Benefits:

Those benefits paid by the City as conditions of employment. Examples include insurance and retirement benefits.

Police Grants Fund:

The Police Grants Fund is used to account for revenues and expenditures relating to police grants.

Professional:

Technical experts, analysts, professional engineers and planners.

Program:

Organizational units directed to attain specific purposes or objectives.

Projected Surplus/Deficit:

The projected surplus/deficit is the net of forecasted receipts and forecasted disbursements. A surplus is the result of receipts exceeding disbursements, and a deficit is the result of disbursements exceeding receipts.

Proposition 1B - Transportation Bond Program:

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act approved by the voters in 2006. The bill authorizes grants for the purpose of improving highway safety, traffic reduction, air quality, and port security.

Proposition 13:

Limits the local property tax rate to a maximum of 1% of a property's assessed market value, rolled back assessments to 1975 values, and unless a property was sold, capped the increase

in assessed values at 2%. New taxes, such as a parcel tax, must be approved by two-thirds of local voters.

Proposition 42:

Transportation Funding Plan that requires, effective July 1, 2008, existing revenues resulting from state sales and use taxes be used for public transit and mass transportation; city and county street and road repairs and improvements; and state highway improvements. Imposes the requirement for a two-thirds of the Legislature to suspend or modify the percentage allocation of the revenues.

Proposition 50:

Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act was approved by the voters in 2002. The bill authorizes grants and loans for the purpose of protecting drinking water from intentional contamination.

Proposition 57:

Proposition 57, the Governor's Economic Recovery Bond bill, was approved by the voters in March 2004. This bill authorized the State to sell \$15 billion of deficit financing bonds to put the budget back in balance. Proposition 57 includes a proposed "triple flip" which essentially swaps one-quarter percent of the local sales tax for an equal amount of "in-lieu" sales tax.

Proposition 58:

Passed in March 2004, this proposition changed the State Constitution and mandates the passage of a balanced budget. If the Legislature and Governor do not pass a balanced budget by July 1, the appropriation level from the previous year's budget will remain in effect. Constitutional changes were enacted upon which set up a special reserve account that would reach \$8 billion or 5% of the General Fund. This legislation also restricts the use of certain types of borrowing to cover state deficits.

Proposition 218:

A statewide initiative passed by the voters of California on November 5, 1996. The initiative provided voters with the right to vote on new taxes. The passage of Proposition 218 also eliminated the City's Lighting & Landscape assessment district because assessments considered "general benefits" such as beach maintenance could not be assessed to property owners.

Proprietary Fund:

Proprietary Funds are a self-balance set of accounts that focus on determination of operating income and whose primary revenue sources are user charges to achieve cost recovery.

Public Facilities Construction Fund:

The Public Facilities Construction Fund is used to account for developer fees collected at the time a building permit is issued to provide for future public facilities necessitated by new development and expenditures for construction of beach parking facilities, public safety buildings or equipment and public facilities.

Glossary

Purpose Statement:

This provides a general description of the primary purpose of a department or division.

Quimby Act:

The Quimby Act was first established in 1965 by the California legislature. It provides provisions in the Subdivision Map Act for the dedication of fees and/or parkland. California State law requires developers to dedicate fees or land for public parks at a ratio of 5 acres per 1,000 residents in the new development.

RCFPP:

See Regional Circulation Financing and Phasing Program.

RDA:

Redevelopment Agency. (Dissolved 2/1/2012)

Redevelopment:

The planning, development, clearance, reconstruction, or rehabilitation, or any combination of these, of all or part of a survey area, and the provision of such residential, commercial, industrial, public, or other structures or spaces as may be appropriate or necessary in the interest of the general welfare, including recreational and other facilities incidental or appurtenant to them.

Redevelopment Agency Capital Projects Fund:

The Redevelopment Agency Capital Projects Fund is used to account for the proceeds of notes, advances and other forms of indebtedness, and the expenditure of these funds for improvement, reconstruction and redevelopment projects within the specified boundaries of the San Clemente Redevelopment Agency.

Redevelopment Agency Debt Service Fund:

The Redevelopment Agency Debt Service Fund is used to account for the accumulation of funds for the payment of interest and principal on advances from the City of San Clemente and other long-term debt. Debt service is financed through property tax revenues.

Redevelopment Agency Low and Moderate Income Housing Fund:

The Redevelopment Agency Low and Moderate Income Housing Fund is used to account for the 20% set aside property tax increment revenues and the associated expenditures to be used for increasing or improving low and moderate income housing, as required by Section 33334.2 of the Health and Safety Code.

Regional Circulation Financing and Phasing Program (RCFPP) Fund:

The Regional Circulation Financing and Phasing Program Fund is used to account for the revenues received from developer traffic impact fees and the expenditures for roadway improvements to accommodate new development.

Reserve:

An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

Reserve Fund:

The Reserve Fund is used to account for funds set aside for capital equipment replacement, facilities maintenance and accrued employee benefits for retired, terminated or former employees funded from the General Fund.

Resources:

Total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

Retained Vehicle:

A vehicle in the City's fleet that is still in operation, but is held past the scheduled date of replacement. The Retained vehicles do not have monies set aside for replacement.

Revenue Bonds:

Bonds issued pledging future revenues, usually water or sewer charges to cover debt payments.

Safety/Quiet Zone:

A designated section or railroad including one or more consecutive public grade crossings in which trains are prohibited from sounding their horns.

SCADA:

Supervisory Control and Data Acquisition System.

SCCEA:

San Clemente City Employee Association represents the City union employees.

Service Charges:

Charges for specific services rendered.

Service Description:

A description of the services or functions provided by each department or division.

Sewer Connection Fee Reserve:

The Sewer Connection Fee Reserve is used to construct new facilities required to collect, transport and treat the additional sewage generated by new development.

Sewer Depreciation Reserve:

The Sewer Depreciation Reserve accounts for funds set aside for replacement or major repairs of Sewer Fund equipment or sewer system infrastructure.

Sewer Fund:

The Sewer Fund is used to account for the activities associated with the collection and treatment of wastewater by the City.

Glossary

Solid Waste Management Fund:

The Solid Waste Management Fund is used to account for the activities associated with the collection, recycling, and disposal of residential and commercial solid waste within the City.

SONGS:

San Onofre Nuclear Generating Station.

South Coast Air Quality Management District (AQMD):

AQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties.

South Orange County Wastewater Authority (SOCWA):

Created on July 1, 2001 as a Joint Powers Authority with no taxing authority to plan for, acquire, construct, maintain, repair, manage, operate and control facilities for the collection, transmission, treatment and disposal of wastewater, the reclamation and use of wastewater for beneficial purposes, and the production, transmission, storage and distribution of non-domestic water.

Special Assessment Bonds:

Bonds payable from the proceeds of special assessments.

Special Revenue Fund:

In governmental accounting, fund used to account for the proceeds of special revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

State Revolving Fund (SRF):

State program provides low-cost financing to public agencies for a wide variety of infrastructure projects.

Storm Drain Depreciation Reserve:

The Storm Drain Depreciation Reserve accounts for funds set aside for replacement or major repairs of the Storm Drain Utility Fund equipment or storm drain system infrastructure.

Storm Drain Utility Fund:

The Storm Drain Utility Fund is used to account for the activities associated with the operation and maintenance of the City's storm water collection system.

Strategic Priorities:

The key issues facing the City which are prioritized annually by the City Council. These priorities are then utilized to develop workplans within the adopted budget prepared by City staff.

Street Improvement Fund:

The Street Improvement Fund is used to account for revenues and expenditures related to the rehabilitation of City streets.

Successor Agency:

The entity responsible for winding down the operations of the Redevelopment Agency.

Subsidence Claims:

Claims pending against the City's General Liability Self-insurance Fund for land movement.

Subventions:

Revenues collected by the State which are allocated to the City on a formula basis. For example, motor vehicle and gasoline taxes.

Supervisorial:

Division and major program supervisors.

Supplemental Appropriation:

An appropriation approved by the Council after the initial budget is adopted.

Supplies:

An expenditure classification for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas, inventory or resale items and small tools and equipment.

Sustainability Action Plan:

A plan to facilitate a coordinated approach from implementing sustainable practices and technologies.

Sustainability Reserve:

A \$10 million General Fund reserve to provide for economic and financial stability. The reserve may only be used by formal action of City Council.

Sworn:

Full-time Lifeguard and safety personnel. Fire & Police personnel are included within Police & Fire contracts with the County of Orange.

Taxes:

Compulsory charges levied by the City, County & State for the purpose of financing services performed for the common benefit.

TEA (Transportation Enhancement Activities):

A federal grant funding distributed to cities for transportation enhancements.

TOT (Transient Occupancy Tax):

Pursuant to the California State Revenue and Taxation Code Section 7280, a tax levied on any person occupying a hotel or motel room or rental property for less than 30 consecutive calendar days. The City's levy is 10% of the rent charged to the occupant.

Glossary

Transportation Bond Program:

Proposition 1B provides that a percentage of proceeds of State bonds be used to fund the mobility, safety, and air quality improvements of Street and highway maintenance, rehabilitation, reconstruction, or storm damage repair conducted by cities.

Triple Flip:

The “triple flip” swaps one-quarter of the City’s local sales taxes to secure \$15 billion in deficit financing bonds approved through the passage of Proposition 57 (flip #1). The State intends to replace this revenue with Educational Revenue Augmentation Fund (ERAF) property tax money that was taken from cities and counties in the early ‘90’s (flip #2). Using ERAF money to backfill the sales tax taken from cities will increase the States obligation to fund schools from *other* general fund resources (flip #3). Another impact of the triple flip upon the City will be cash flow. Sales tax, which is received monthly, will be reduced by 25% and will be “backfilled” with property tax, which will be received bi-annually in January and May.

Urban Runoff Management Plan (URMP):

A plan to identify and implement programs that will reduce or eliminate polluted discharges and improve local water quality. The plan consists of three main components; structural treatment projects, dry weather monitoring/illegal discharge detection and elimination and public education. The URMP is managed through the Clean Ocean Fund.

Vehicle License Fees (VLF):

An annual fee on the ownership of a registered vehicle in California paid to the Department of Motor Vehicles (DMV). The state retains authority over both the amount of revenues that are collected and the method of their distribution to local governments and the Legislature holds the authority to alter the level of VLF revenues.

Water Acreage Fee Reserve:

The Water Acreage Fee Reserve is used to account for fees assessed to developers on all parcels of land developed and connected to the City’s water system. Expenditures from this fund are made to plan, design, inspect and construct new water system infrastructure and equipment.

Water Depreciation Reserve:

The Water Depreciation Reserve accounts for funds set aside for replacement or major repairs of Water Fund equipment or water system infrastructure.

Water Fund:

The Water Fund is used to account for the activities associated with the purchase, treatment, distribution and transmission of water by the City and its users.

Workers’ Compensation Fund:

The Workers’ Compensation Fund accounts for the cost to provide Workers’ Compensation insurance coverage to all City employees in compliance with State of California requirements.

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