



CITY OF CARLSBAD 2007-2008

BUDGET OVERVIEW

Our mission is to provide top quality service to our citizens and customers in a manner that enhances the quality of life for all who live, work and play in Carlsbad.

Building a Sustainable Community by Effectively Managing Today's Resources

Council's Top 12 Priorities

The Carlsbad City Council meets annually to review the City's progress and plan for the next year. This is the first step in the City's process of aligning the mission and vision for Carlsbad and the priorities of the City Council and residents.

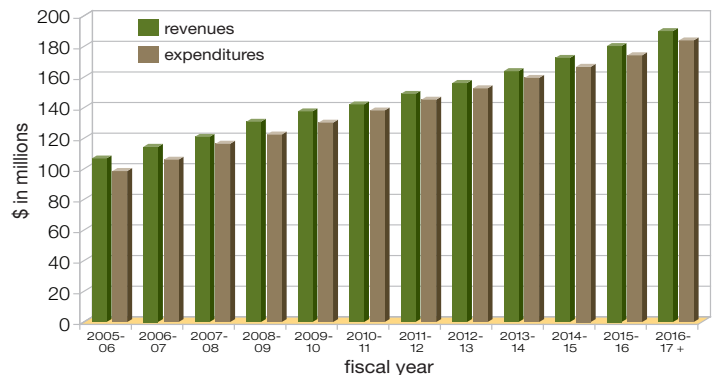
Listed below are Council's Top 12 Priorities for 2007-2008.

- Citizen Connection – A forum to discuss citywide planning issues**
- Village Standards – Revise Village building standards**
- Designate a location for the Public Safety Training Center/Public Works Facility**
- Communication with Residents**
- Beach Preservation**
- Development Services Review Process Implementation**
- Poinsettia Lane Road Widening**
- Open Space and Habitat Management**
- South Carlsbad Beachfront Plan – Ponto**
- Traffic Management**
- Alga Norte Community Park and Swim Complex**
- Quiet Zone**

Looking Forward: 10-Year Forecast

Financial Health is a top priority of the City Council and an important aspect in developing the budget for the City. The City prepares a **Ten-year Forecast** for the General Fund each year in order to understand the impact of actions taken today on the City's future. There are many new City facilities such as parks and civic facilities, that will add operating costs to the City's General Fund budget as they are completed and opened for use. The forecast incorporates the operating costs of these new facilities and helps the City achieve the goal set out by Council to maintain a **balanced budget**. The forecast graph shows that the General Fund is balanced into the future with a slight surplus in each year (less than 5%). For 2007-08 anticipated revenues are forecasted to exceed expenditures by approximately \$5.4 million dollars. Any surplus funds at the end of the year will be added to the City's fund balance to pay for unanticipated expenses or other "one-time" costs.

General Fund Revenues over Expenditures



For FY2007-08, estimated revenues are \$234.1 million. The adopted budget is \$219.9 million, with \$187.1 in the Operating Budget and \$32.8 million in the Capital Improvement Program.

City of Carlsbad Finance Department

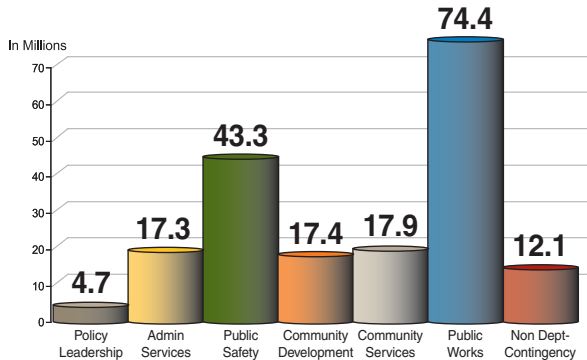
1635 Faraday Avenue • Carlsbad • CA • 92008-7314 • 760.602.2430

Visit us on our web site at: www.carlsbadca.gov/finance

Operating Budget

The \$187.1 million of the **FY2007-08 Operating Budget** funds the ongoing operations and services of the City and is categorized by major service area (MSA). The MSAs represent the key businesses of the City and a brief summary is provided for each of the MSAs.

2007-08 Operating Expenditures



The **Policy and Leadership** group encompasses all elected officials and the chief executive offices for the City. These include the offices of City Council, City Manager, Communication, City Clerk, City Attorney and City Treasurer.

Administrative Services includes Finance, Records Management, Human Resources, Purchasing, Health Insurance, Risk Management, Workers' Compensation and Information Technology (IT).

Public Safety services include all of the Police and Fire programs such as Traffic, Field Operations, Vice, Narcotics, Juvenile Diversion and DARE programs, Fire Prevention, Disaster Preparedness and Emergency Operations. To maintain the current high safety levels, the Police Department will be hiring an additional Police Officer and a Community Service Officer II for Field Operations, and a Sergeant and a Police Officer for Traffic. A property and Evidence CSO II will be hired to process the current caseload and maintain the high level of integrity required to manage the large number of items and evidence held in the Police Department's property room. Finally, a part-time System Administrator I will be converted to a full-time position to maintain the increased number of new mobile computers and software systems that the Police Department utilizes.



Next year the Fire Department will hire a Battalion Chief for Administration to assist in the day to day management of the Fire Department. The new Battalion Chief will play an important role in the construction, move and occupancy of Fire Station No. 3 and Fire Station No. 6, planning and development of the Safety Training Facility and the continued coordination of the regional fire services.

Community Development provides the services that guide and oversee the planning and development of Carlsbad as depicted in the City's General Plan. The General Plan is the City's constitution "that expresses the goals" and public policy relative to land use. To improve the efficiency of the Community Development Department an additional Geographic Information Systems Technician will be hired in the GIS Program. The technician will help process the increasing number of service requests for maps and data analysis to assure information remains current. Also included under Community Development are the housing and redevelopment programs.

Community Services is made up of the Library, Recreation, Cultural Arts and Seniors programs. These programs provide educational and leisure opportunities for all of the citizens of Carlsbad. One new program being implemented this year in the Library is Radio Frequency Identification (RFID). The RFID project will allow patrons to automatically check out books and materials without having to wait in line. The technology will also make the restocking of materials far more efficient and ultimately result in costs savings from a reduction, through attrition, of a net of 7.5 hourly employees.

Public Works is responsible for the building and maintenance of the City's infrastructure and facilities and for the provision of utility services. It is comprised of the engineering, parks, streets, facilities, fleet, water and sewer departments. The Public Works Street Lighting Department will be hiring a Maintenance Aide next year to replace two temporary employees. Converting the two temporary positions will help insure that the appropriate training levels are maintained for staff. The Library Learning Center and the expanded Senior Center are anticipated to open in the next few months. The Public Works Department will be hiring a Building Maintenance Worker I to maintain these new facilities.

State Mandated Programs – In the 2007-2008 fiscal year there will be two legislatively mandated unfunded program expansions; the Storm Water Protection Program and the Wastewater Discharge Requirement (WDR).

In order to comply with the increasing requirements of Storm Water Regulations, the Public Works Storm Water program will receive additional funding of approximately \$1.2 million per year plus one-time expenditures of \$65,000 for two vehicles. The additional funding will be used to hire 3.5 new positions including a supervisor, an environmental specialist, a senior construction inspector and .5 Senior Office Specialist.

The WDR Program is a result of an Order issued by the State Water Resources Control Board for the purpose of ensuring that overflows from the sanitary sewers are reduced statewide. In order to comply with this unfunded mandate, 5.5 new employees and several new vehicles were approved. The total one-time cost for the vehicles is approximately \$500,000 plus nearly \$90,000 in annual ongoing costs. The positions will include four Utility Workers, one Public Works Superintendent, and a .5 Senior Office Specialist. The estimated additional cost for the positions and related operations costs will be \$315,000 for approximately half of the 2007-2008 fiscal year.

The **Non-Departmental and Contingency** accounts include programs benefiting the City as a whole such as community promotions, community contributions, assessment services and a transfer to the Infrastructure Replacement Fund of \$7.9 million.

New Capital Improvements

The \$32.8 million in additional funding for the **2007-08 Capital Improvement Program (CIP)** provides the funds for the construction (or replacement) of major infrastructure such as streets, libraries, parks, fire stations and administrative facilities. Some of the notable capital projects in the CIP include the following:

Civic Projects

Preliminary planning for a **Civic Center** has begun. The Civic Center will provide a gathering place for the community as well as consolidating City administrative operations into a centralized location. It also may include a variety of other services and recreational opportunities for citizens and visitors.

Fire Station No. 3 is currently located at the corner of Chestnut and Catalina. As the City grows eastward, relocation of this station is needed to help ensure the five-minute response time. The new station is budgeted as a 6,200-square-foot facility and the cost is projected at \$6.8 million.

The **Safety Training Center** was authorized under Proposition C in 2002. Preliminary design work is underway and approximately \$1 million has been appropriated for design. The center is envisioned to be a multi-function training complex for the City's Police and Fire services. A centralized facility will provide a more efficient and effective approach to a wide range of critically important training needs.

The **Public Works Center** will include offices, shops, a yard, warehouse and parking to accommodate the Public Works Department. Initial estimates put the cost at approximately \$27.3 million.



The **Library Learning Center** will provide a permanent location for the Adult Learning and the Centro de Información programs. The existing building adjacent to Holiday Park will be remodeled with approximately 5,000 additional square feet added for an estimated cost of \$6.1 million.

Park Development



The construction is complete on the City's new 18-hole Golf Course, **The Crossings at Carlsbad**. The golf course opened in the Summer of 2007 and is located along the north side of Palomar Airport Road at Hidden Valley Road.

The championship caliber public golf course is 6,835 yards and includes a 28,000-square-foot clubhouse and a practice center. Half of the 400-acre site will be preserved for habitat and will help tie together more than 1,000 acres of Open Space in the central

part of the City. The City has contracted with Kemper Sports Management (KSM) for operations of the course. Inquiries should be directed to www.thecrossingsatcarlsbad.com or by phone at (760) 476-9933.

The current vision for the **Pine Park Community Center** is to construct a 20,000-square-foot community facility and gymnasium. The facility will include basketball, volleyball, gymnastics, multi-purpose rooms, meeting rooms, a teen center and office space. The total cost of this project is anticipated to be \$9.3 million and construction is scheduled to begin in 2010-2011.



Poinsettia Park will be expanded in the upcoming year with the addition of seven new tennis courts and two additional parking lots. The construction of the Community Center is scheduled to begin in 2011-2012

and includes amenities such as a community facility, gymnasium, enclosed soccer field, tot lot, picnic areas, tennis clubhouse and a stadium court. The total cost is expected to be approximately \$14.6 million.

The 1st floor area of the existing **Senior Center** will be remodeled to include additional amenities for the senior community. These may include items such as an exercise room, art room, TV room, multi-purpose room, game room, health screening room and a computer room. The 2nd floor will be remodeled to house City offices. The total estimated costs for the remodel will be approximately \$1.6 million.

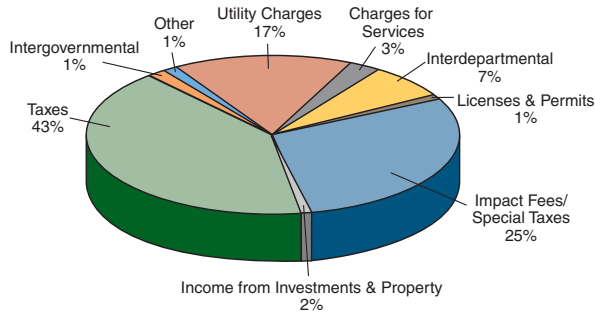
The design of the **Alga Norte Park and Aquatic Center** has been completed. This is a 30-acre park in the Southeast Quadrant with ball fields, picnic areas, tot lots, a skate park, a dog park, restrooms, parking facilities and an aquatic center. The aquatic center will include a 50-meter competition pool, a 12-lane instructional pool and a therapy pool, as well as a water play area with slides. The total complex is budgeted at \$50.4 million with \$22.1 million allocated to the park and \$28.3 million for the aquatic center. The facility is scheduled to open in the Spring of 2010.

The **Leo Carrillo Park Phase III** project is part of the original 2,538-acre working rancho, home to actor Leo Carrillo. It is located in the Southwest Quadrant, approximately one mile south of Palomar Airport Road. Initial restoration was completed and the park opened to the public in 2003. Future work includes renovation of the barn into a small theatre, restoration of the cantina, equipment shed, blacksmith shop, carriage house and water tank. A botanical garden, picnic areas, and trails will also be added to enhance the visitor's experience at the ranch.

Streets

The **Faraday Avenue Extension** will provide another long-awaited link between Vista and Carlsbad. Faraday Avenue will go from the Carlsbad border and link up with the existing Faraday Avenue at El Camino Real. This project is being built by the developers in the area and reimbursed from the proceeds of an upcoming bond issue. The opening of Faraday Avenue is anticipated to be in Fall 2007.

Where the money comes from ...



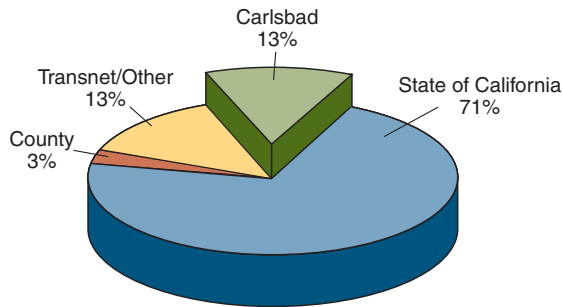
Estimated Revenues \$234.1 million

The City has a mixture of **revenue** sources, listed below are the top three:

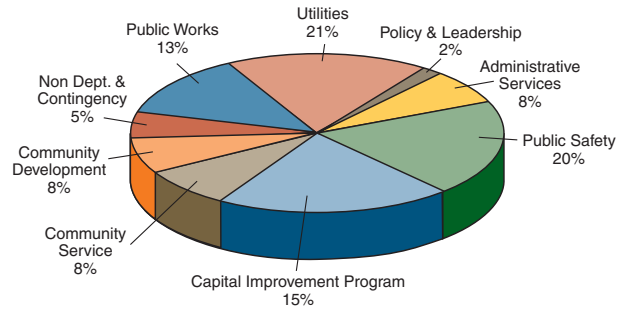
- **Taxes** include the City's share of sales and property taxes, transient occupancy taxes (hotel taxes), franchise taxes, and others. See below for a breakdown of how much Carlsbad receives.
- **Impact fees/Special taxes** are funds received from property owners. They can include fees to mitigate the impact of development and for the replacement of infrastructure such as water and sewer lines.
- **Utility Charges** are revenues received by the Enterprise funds. Enterprise funds are similar to a business in that rates are charged to support the operations that supply a service such as, water and sanitation services and solid waste management.

Sales Tax

Does a dollar spent in Carlsbad, stay in Carlsbad?



Where the money goes ...



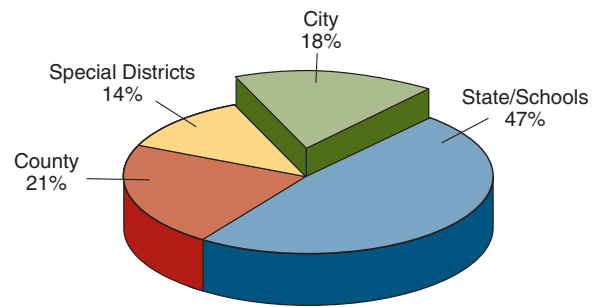
Adopted Budget \$219.9 million

The **Adopted Budget** is comprised of the Operating Budget and the Capital Improvement Program.

- The **Operating Budget**, which funds the day-to-day operations such as Police, Fire, Library and Recreation activities, accounts for \$187.8 million or 85% of the total adopted budget.
- The City's **Capital Improvement Program (CIP)** makes up the remaining \$32.8 million or 15% of the total. CIP Projects are generally defined as construction (or reconstruction/replacement) of major infrastructure such as streets, libraries, parks, administrative facilities, as well as water and sewer facilities.

Property Tax

Where do my property taxes go?



City of Carlsbad 2007-2008 Budget is Available

- Copies of the detailed budgets are available for purchase through the Finance Department.
- Reference copies are available at the Carlsbad Dove and Cole libraries, City Clerk's Office, and the Finance Department.
- The budget is also available for viewing on the City's web site www.carlsbadca.gov/finance
- For information contact the City of Carlsbad, 1635 Faraday Ave., Carlsbad, CA 92008 or call (760) 602-2430.

Key Statistics

Date of Incorporation.....	July 16, 1952
Type of City	General Law
Form of Government	Council/Manager
Area	42.19 square miles
Population	101,337
Net Assessed Valuation	\$20,059,893,358
Miles of Streets	338
Fire Stations	6
Firefighters and Officers	88
Police Stations	1
Sworn Police Officers.....	117
Water Connections	27,500
Parks	31
Area of Parks (inc. Open Space).....	973 acres
Libraries.....	2
Authorized Full Time City Employees	711