

CITY OF LAKE FOREST



Operating Budget

Fiscal Year 2017-18

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OPERATING BUDGET FISCAL YEAR 2017-18

Elected Officials

Scott Voigts, Mayor
Leah Basile, Mayor Pro Tem
Dr. Jim Gardner, Council Member
Andrew Hamilton, Council Member
Dwight Robinson, Council Member

Planning Commission

Jolene Fuentes, Chair
Thomas Ludden, Vice Chair
Mark Armando, Commissioner
David Carter, Commissioner
Robert DeAlmeida, Commissioner

Parks and Recreation Commission

Loretta Herrin, Chair
Victor Scherr, Vice Chair
Francisco Barajas, Commissioner
Lisa Porter, Commissioner
Jim Rosenberg, Commissioner

City Staff

Debra Rose, City Manager
Keith D. Neves, Assistant City Manager

Gayle Ackerman, Director of Development Services
Jeff Adams, Division Chief - Fire Services
Brett Channing, Director of Management Services
Matthew Richardson, City Attorney
Stephanie Smith, City Clerk
Lieutenant Bradley Valentine, Chief of Police Services
Scott Wasserman, Director of Community Services
Tom Wheeler, Director of Public Works/City Engineer
Vacant, Deputy City Manager

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Section One

TABLE OF CONTENTS

Description

Section-Page

City Manager's Budget Message

1-1

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Mayor
Scott Voigts

Mayor Pro Tem
Leah Basile

Council Members
Dr. Jim Gardner
Andrew Hamilton
Dwight Robinson

City Manager
Debra DeBruhl Rose

June 20, 2017

Honorable Mayor and Members of the City Council:

The Fiscal Year 2017-18 Operating Budget is attached for your review and approval. Staff is pleased to present a balanced budget that is in line with the overall priorities of the community. Major initiatives include the initial phases of construction of the Lake Forest Civic Center, including grading, extension of (future) Civic Center Drive, and construction of the parking deck. Staff also will embark upon the update of the City's General Plan including extensive public outreach to engage residents, business community members, and other stakeholders in visioning the future of the community.

The budget reflects an operating budget of \$50.2 million and capital budget of \$64.7 million. The budget is comprised of the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, and Internal Service Fund. The table below summarizes the budgeted expenditures by fund.

**City of Lake Forest
Summary of Fiscal Year 2017-18 Budgeted Expenditures by Fund**

	Operating Budget (in million)	Capital Budget (in million)	Total (in million)	% of Total
General Fund	\$ 46.3	\$ 0	\$ 46.3	40.3%
Special Revenue Funds	\$ 2.7	\$ 3.2	\$ 5.9	5.1%
Debt Service Fund	\$ 1.1	\$ 0	\$ 1.1	1.0%
Capital Projects Funds	\$ 0	\$ 61.5	\$ 61.5	53.5%
Internal Service Fund	\$ 0.1	\$ 0	\$ 0.1	0.1%
Total	\$ 50.2	\$ 64.7	\$ 114.9	100.0%

Fiscal Year 2016-17 Review

The close of Fiscal Year 2016-17 finds the City in solid financial condition while maintaining high quality services. Due to prudent management of capital funds, the City continued to make significant strides in delivering several important projects meeting long-desired community priorities, many of which are discussed below. Based on public input regarding desired features and amenities, the City Council authorized the preparation of construction documents for the Civic Center campus buildings (i.e. Senior Center, Community Center, Council Chamber/Performing Arts Venue, and City Hall/Community Policing Center) and outdoor areas. The first phase of project construction, rough grading, began in the spring.

Lake Forest's New Neighborhoods continue to offer a variety of housing types. Staff continues to monitor building activity at the Baker Ranch, Portola Center, Encanto, and



Parkside communities. The El Paseo and Camden Square neighborhoods are now complete.

Other notable activity in Fiscal Year 2016-17 included:

- Adding three lanes to the City's arterial street system with the widening of Portola Parkway and enhancing pavement on Alton Parkway over the State Route 241 Toll Road.
- Expanding the purview of the Planning Commission to include traffic and parking related issues.
- Conducting an assessment of the City's street conditions, which determined the City's streets are in overall "Good" condition, with an average Pavement Condition Index of 80 out of 100.
- Connecting homeless individuals to needed resources and housing via the Orange County Sheriff's Department/Lake Forest Police Services' Homeless Liaison Officer.
- Relocating wildlife and initiating construction to renovate Village Pond Park.
- Completing designs for a new 5-acre community park located on Glenn Ranch Road at Saddleback Ranch Road.
- Completing extensive public outreach, including five community workshops attended by 120 people, with an additional 513 people completing online surveys to plan renovations at ten neighborhood parks.
- Doubling attendance at the Taste of Lake Forest, the signature event marking the close of the annual Shop & Dine Lake Forest Week.

We are pleased to highlight a few of the programs and projects conducted in Fiscal Year 2016-17. The department detail portion of the budget provides more information on the high quality services provided during the previous fiscal year.

Fiscal Year 2017-18

The City will continue its fiscally-conservative approach to budgeting ongoing operations and capital improvement projects. The City is in solid financial condition and will invest in the quality of life in Lake Forest in Fiscal Year 2017-18.

The City is now focused on building the Lake Forest Civic Center- dubbed the community's "100-Year Home." The Civic Center is a multiyear project and is the most significant capital project in the City's history. Rough grading for the site started in spring 2017 and is scheduled to be followed by construction of a parking deck as well as the extension of Indian Ocean. Indian Ocean will be renamed Civic Center Drive in 2018. Construction of the campus buildings is scheduled to begin at the end of 2017, while the Civic Center project is expected to be completed by summer 2019.

The upcoming year also will see sustained progress in the development of new master planned communities in Lake Forest. Construction of new homes in Baker Ranch,

which ultimately will include up to 2,379 new homes, is well underway. The project is receiving rave reviews, and sales are exceeding expectations. Construction will move forward on the new homes in the northeastern area of the Portola Center project, and model homes for five new products in the southern area are anticipated in November 2017. This project ultimately will bring up to 930 new homes and various public amenities, including a new 5-acre community park and connections to regional trails. Sales also are exceeding expectations for the Encanto and Parkside projects, comprising 52 and 190 homes respectively.

Initial grading is anticipated to commence for the Pinnacle at Serrano Highlands (approximately 85 new homes), and Serrano Summit (approximately 608 new homes). To keep the community apprised of these developments, staff will continue to update the "Lake Forest's New Neighborhoods" webpage (lakeforestca.gov/NewNeighborhoods) and Facebook page.

In the 2017-19 Capital Improvement Projects (CIP) Budget, 16 traffic and street related projects are scheduled to begin over the next two years. These projects are designed to improve safety, traffic flow, median and parkway landscaping, and maintain the roadway network. Other projects include school crosswalk safety enhancements, signal synchronization projects with neighboring cities, traffic modeling to support the General Plan update, street asphalt resurfacing, and sidewalk rehabilitation. Also included in the CIP are numerous playground repairs and enhancements, including the addition of shade structures to existing park playgrounds.

In the upcoming year, the City will continue efforts to attract new businesses and high quality jobs through a new Business Marketing Video that highlights recent business expansions and markets Lake Forest as the "Natural Choice for Business." Additionally, the City will create a Lifestyle/Destination video that promotes Lake Forest work/life balance, natural outdoor amenities, the Lake Forest Sports Park & Recreation Center, and Lake Forest hotels for tournaments, executive, or family stays. The City will continue its commitment to facilitating business growth with new and enhanced business seminars, communication, outreach, and networking initiatives incorporated in the annual Business Development and Attraction Work Plan. The City also plans to debut a series of web-based business resources videos that highlight starting a business in Lake Forest, financial resources for business development, and business expansion through GROW in Lake Forest.

As the City plans for the future, the Community Services Department will draft operational plans for the new Community Center, Performing Arts Venue, and Senior Center. This will include developing staffing models, drafting policies and procedures, and completing cost analyses and fee studies. Construction of the City's newest park located in Portola Hills will provide the community an additional dog park, a sand volleyball court, and pickleball courts along with other more traditional park amenities to enjoy.

The City also will look toward the future, as work commences on a comprehensive update to the General Plan, a foundation policy document that will guide decision

making related to the City's physical development. A robust public engagement and visionary process is underway to elicit information, ideas, priorities, and concerns from residents and businesses to form a shared vision for the future. Background studies and analytical tools are being developed to provide a comprehensive profile of the existing conditions in the City and to allow for the review of future land use scenarios. In addition, a General Plan Advisory Committee will be formed to provide input throughout the process.

Using technology to engage the community and increase efficiencies also is a priority for the coming year. The Public Communications division is planning to launch a mobile application (app) to give residents a convenient alternative for contacting the City, with options like reporting concerns, messaging staff, checking the City Council agenda, or registering for classes. An additional communications professional also is proposed to join the City team to work on expanded social media channels, How-to videos, crime prevention campaigns, and other community engagement. The City's Agenda Management System is scheduled for replacement in Fiscal Year 2017-18 as many new user-friendly features are now available to provide an enhanced experience for residents when viewing agenda reports or watching meetings live online. To ensure the City's data is available in the event of an emergency, the Information Technology division also is proposing to transition to a cloud-based backup system to gradually replace physical tapes.

The Fiscal Year 2017-18 Budget is balanced and reflects appropriate measures to ensure prudent care of the City's finances while maintaining high quality service levels to the community. It also fully funds the City's cash reserves while delivering priority capital projects. For more information on department objectives and initiatives for the upcoming fiscal year, please see the department detail portion of the budget.

Revenues

Looking forward, the City can expect an above-average increase in General Fund revenues in Fiscal Year 2017-18 as a result of property tax from the new developments. These estimates are based on current economic conditions, indicators, and the improving housing market. The Operating Budget for Fiscal Year 2017-18 forecasts General Fund revenues to be \$46.9 million, which is \$2.7 million (or 6.1%) above the Fiscal Year 2016-17 adopted budget.

As in past years, we have chosen to be conservative in estimating revenues for the upcoming fiscal year. Revenues may be realized at slightly higher or lower values, but staff believes the forecast should provide the City a conservative, comfortable range of expectations.

Expenditures

General Fund operating expenditures are forecasted at \$46.3 million, a \$3.4 million (or 8.0%) increase from the adopted budget of \$42.9 million from Fiscal Year 2016-17. A brief explanation of changes by department is shown under the heading *Budget Analysis* in the Summary Section of the Budget.

As in previous budget documents, each department develops annual goals consistent with the City's current Strategic Business Plan. Those various budget goals and objectives can be found in the departmental sections of the Budget.

Fund Balances

After transfers, staff is projecting a \$23.4 million General Fund balance, an increase of \$4.3 million from the adopted budget of \$19.1 million from Fiscal Year 2016-17. This increase is the result of new housing development and one-time building permit fees. Also, pursuant to City Council direction, General Fund reserves will remain fully funded, and the City will continue to be in solid financial condition.

Capital Projects

The City provides for capital projects in a separate two-year capital budget. To provide a comprehensive picture of all City funds in the Budget, revenue and expenditure projections for capital projects for Fiscal Year 2017-18 are shown in addition to operating activity in summary form in the Summary of Revenues, Expenditures, Transfers, and Fund Balances.

Conclusion

Throughout its history, while taking advantage of opportunities and meeting challenges, the City of Lake Forest has earned a strong reputation for solid conservative fiscal planning. The City has "lived within its means," maintained fully funded reserves despite the recent severe economic downturn, and planned for the future. This has allowed the City to continue to provide high-quality services and deliver important capital projects. In the coming years, the City is poised to deliver another landmark capital project – the Lake Forest Civic Center – that will contribute to the high quality of life in Lake Forest for generations to come. The City's ability to provide important capital projects, while maintaining existing public facilities and infrastructure, is due to conservative fiscal policies, forward thinking, strategic planning, and attention to detail in the delivery of daily public services.

Overall, Fiscal Year 2017-18 will see the City maintaining its solid financial condition while continuing to provide superior service and delivering important capital projects to enhance the quality of life in Lake Forest.

Sincerely,



Debra D. Rose
City Manager

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Section Two

TABLE OF CONTENTS

<u>Description</u>	<u>Section-Page</u>
Operating Budget Analysis	2-1
Summary of Revenues, Expenditures, Transfers, and Fund Balances	2-8
Summary of Financial Reserve Funds - Fiscal Year 2017-18	2-9
Carryover Appropriations Over \$100,000 - Fiscal Year 2015-16 Into Fiscal Year 2016-17	2-10
Summary of Revenues - All Funds	2-11
Summary of Expenditures by Department	2-13
Personnel Summary	2-15

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OPERATING BUDGET ANALYSIS

The following is a recap of major aspects of the Operating Budget (“Budget”). This analysis provides the City Council with a condensed picture of the overall Budget and an opportunity to point out changes from previous years.

REVENUES

The following is a discussion of the revenues by category.

TAXES

2014-15 Actual	\$35,394,067
2015-16 Actual	38,048,982
2016-17 Budget	37,437,400
2017-18 Adopted	38,752,400

On an overall basis, taxes continue their strong rebound from the declines related to the recession.

City property taxes are projected at 7.6% growth (including residual from the project area) for Fiscal Year 2017-18 based on projections by the City’s property tax consultant. The growth is attributed to the Proposition 13 inflation adjustment, new sales of property, and the restoration of values reduced during per Proposition 8.

Sales taxes are projected to increase by 2% from the Fiscal Year 2016-17 adopted budget due to higher levels of consumer activity and sales tax receipts.

Transient occupancy tax continues with a steady growth of 1.4% increase from the Fiscal Year 2016-17 adopted budget.

All other tax revenues (Franchise Fees and Real Property Transfer Tax) are projected to decrease 7.7% from the Fiscal Year 2016-17 adopted budget.

LICENSES & PERMITS

2014-15 Actual	\$2,200,372
2015-16 Actual	2,790,321
2016-17 Budget	2,302,500
2017-18 Adopted	2,963,900

Building permit revenues are projected to increase 29% from the Fiscal Year 2016-17 adopted budget primarily related to the increased permit activities from the development of new residential neighborhoods.

FROM OTHER GOVERNMENTS

2014-15 Actual	\$4,412,815
2015-16 Actual	4,286,419
2016-17 Budget	5,080,900
2017-18 Adopted	4,922,800

Revenues and grants from other governments are projected to decrease 3.1% from the Fiscal Year 2016-17 adopted budget. Revenues in this category typically vary based on grants for capital projects.

USER FEES & CHARGES

2014-15 Actual	\$21,655,740
2015-16 Actual	34,983,194
2016-17 Budget	18,763,700
2017-18 Adopted	19,635,900

Revenue from User Fees and Charges are expected to increase 4.6% from the Fiscal Year 2016-17 adopted budget primarily related to the increased permit activities from the development of new residential neighborhoods.

FINES & FORFEITURES

2014-15 Actual	\$445,789
2015-16 Actual	539,538
2016-17 Budget	415,000
2017-18 Adopted	415,000

No significant changes are anticipated.

USE OF MONEY & PROPERTY

2014-15 Actual	\$307,129
2015-16 Actual	821,496
2016-17 Budget	757,300
2017-18 Adopted	1,120,600

There are two primary components in this category. Investment earnings and City leased property (Golf Course and Horse Stables). Interest rates continue a

slow raise from their historically low levels. Staff will continue to keep an eye on the direction of the Federal Reserve Board and any rate adjustments.

OTHER REVENUE

2014-15 Actual	\$424,159
2015-16 Actual	493,808
2016-17 Budget	147,200
2017-18 Adopted	7,595,800

Receipts in this category are often irregular or one-time items. The amount for Fiscal Year 2017-18 primarily consists of reimbursements from developers and state mandated claims.

EXPENDITURES

The amounts listed for each department include City and Housing Authority expenditures.

CITY COUNCIL

2014-15 Actual	\$68,535
2015-16 Actual	53,975
2016-17 Budget	67,100
2017-18 Adopted	66,300

CITY MANAGER

2014-15 Actual	\$747,617
2015-16 Actual	715,572
2016-17 Budget	712,700
2017-18 Adopted	820,800

CITY CLERK

2014-15 Actual	\$615,721
2015-16 Actual	752,852
2016-17 Budget	787,900
2017-18 Adopted	787,900

ECONOMIC DEVELOPMENT/
COMMUNITY PRESERVATION

2014-15 Actual	\$1,399,347
2015-16 Actual	1,614,621
2016-17 Budget	1,574,100
2017-18 Adopted	1,932,500

CITY ATTORNEY

2014-15 Actual	\$963,070
2015-16 Actual	1,056,645
2016-17 Budget	1,318,000
2017-18 Adopted	1,318,000

FINANCE

2014-15 Actual	\$3,889,696
2015-16 Actual	8,649,899
2016-17 Budget	4,330,400
2017-18 Adopted	4,326,000

DEVELOPMENT SERVICES

2014-15 Actual	\$2,952,975
2015-16 Actual	3,085,798
2016-17 Budget	3,619,600
2017-18 Adopted	4,192,600

PUBLIC WORKS

2014-15 Actual	\$10,209,731
2015-16 Actual	11,854,965
2016-17 Budget	12,087,000
2017-18 Adopted	13,112,200

MANAGEMENT SERVICES

2014-15 Actual	\$1,921,975
2015-16 Actual	1,468,227
2016-17 Budget	1,646,400
2017-18 Adopted	1,983,200

COMMUNITY SERVICES

2014-15 Actual	\$3,604,457
2015-16 Actual	3,511,797
2016-17 Budget	3,712,100
2017-18 Adopted	3,991,500

POLICE SERVICES

2014-15 Actual	\$14,227,927
2015-16 Actual	14,814,170
2016-17 Budget	16,492,100
2017-18 Adopted	17,598,000

VEHICLE REPLACEMENT

2014-15 Actual	\$48,673
2015-16 Actual	41,455
2016-17 Budget	60,000
2017-18 Adopted	118,000

FUND ANALYSIS-OPERATING BUDGET

Following is a discussion of some of the City's larger funds with material activity budgeted in Fiscal Year 2017-18. Capital project funds are excluded as they are governed by biennial capital budgets.

GENERAL FUND

Revenues are projected at \$46.9 million (an increase of \$2.7 million or 6.1% from the Fiscal Year 2016-17 adopted budget). This increase is primarily related to the increased permit activities from the development of new residential neighborhoods and increases in certain revenue sources. More information regarding these increases is described in the revenue section above.

Operating expenditures are projected at \$46.3 million as compared to the Fiscal Year 2016-17 adopted budget amount of \$42.9 million (an increase of \$3.4 million or 8.0%). This increase is primarily related to the increased activities from the development of new residential neighborhoods, increased public safety costs and changes in contracts.

Net interfund transfers in are projected at \$0.1 million as compared to the Fiscal Year 2016-17 adopted budget amount of -\$0.1 million transfer out. In Fiscal Year 2017-18, net transfers provide adjustments for Reserves (\$0.1 million).

This fund is expected to have available fund balances of \$23.4 million at the end of the year, with General Fund reserves fully funded.

GAS TAX FUND

Revenues are projected at \$2.4 million, comparable to the Fiscal Year 2016-17 Budget of \$1.7 million. Expenditures are \$1.7 million in the Operating Budget and \$1.5 million in the adopted 2017-19 Capital Improvement Projects Budget. At the end of the year, it is expected that the fund will have \$0.7 million remaining fund balance.

MEASURE M2 FUND

Revenues are projected at \$1.3 million (a decrease of \$0.1 million from the Fiscal Year 2016-17 adopted budget). Expenditures are \$1.5 million in the adopted 2017-19 Capital Improvement Projects Budget for slurry seal and repaving projects. At the end of the year, it is expected that the fund will have \$0.2 million remaining fund balance.

AIR QUALITY IMPROVEMENT FUND

Revenues are projected to remain constant at \$0.1 million, the same as the Fiscal Year 2016-17 adopted budget. This fund is expected to have available fund balances of \$0.4 million at the end of the year.

POLICE GRANT FUNDS

These funds are balanced in regard to grant revenues and expenditures and the grant programs in Fiscal Year 2017-18 is the State COPS (Brulte) grant.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Entitlement revenues and expenditures are based on the Fiscal Year 2017-18 Draft Plan submitted to the Department of Housing and Urban Development and approved by the City Council. In addition, revenues and expenditures from the rehabilitation loan program are included.

HOUSING AUTHORITY FUND

Revenues are projected to be \$11,200. Expenditures are \$134,900 for ongoing programs and projects. The primary mission of the Authority is to advance the goals and objectives of the City's Housing Element and the Consolidated Plan.

FINANCING AUTHORITY FUND - CERTIFICATES OF PARTICIPATION

This fund is balanced with respect to interfund transfers in and payment related to the Alton Parkway Certificate of Participation.

RESERVE FUNDS

In accordance with the Reserve Policy adopted by the City Council in February 2007, three types of reserves were established: 1) Undesignated (2/3 of 40% of General Fund revenues), 2) Economic Contingency (1/3 of 40% of General Fund revenues), and 3) Emergency Services. The projected balances at June 30, 2018, are as follows:

General Fund - Undesignated	\$ 12.5 million
Economic Contingency	6.2 million
Emergency Services	3.0 million

SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances		Revenues		Expenditures		Transfers/Loans		Available Fund Balances June 30, 2018
	July 1, 2017	July 1, 2017	Operating	Capital	Total	less Expenditures	Loans		
<u>General Fund</u>	\$22,737,000	\$46,877,200	\$46,297,300	\$0	\$46,297,300	\$579,900	\$85,300	\$23,402,200	
<u>Special Revenue Funds:</u>									
Gas Tax	1,568,100	2,358,600	1,714,800	1,507,900	3,222,700	(864,100)	-	704,000	
Measure M2	396,800	1,289,600	-	1,478,700	1,478,700	(189,100)	-	207,700	
Measure M2 Senior Mobility Grant	64,300	75,300	80,000	-	80,000	(4,700)	-	59,600	
Measure M2 Project V	-	198,100	198,100	-	198,100	-	-	-	
Air Quality Improvement	295,000	105,800	47,500	-	47,500	58,300	-	353,300	
Suppl. Law Enforcement Grant	25,000	125,000	150,000	-	150,000	(25,000)	-	-	
Beverage Recycling Grant	19,200	22,000	20,000	-	20,000	2,000	-	21,200	
Waste Recycling Grant	1,800	42,000	41,000	-	41,000	1,000	-	2,800	
CDBG	131,400	462,500	356,500	175,000	531,500	(69,000)	-	62,400	
Housing Authority	392,500	11,200	134,900	-	134,900	(123,700)	-	268,800	
Special Revenue Subtotal	2,894,100	4,690,100	2,742,800	3,161,600	5,904,400	(1,214,300)	-	1,679,800	
<u>Debt Service Fund:</u>									
Financing Authority	-	-	1,088,900	-	1,088,900	(1,088,900)	1,088,900	-	
Total Operating Budget	25,631,100	51,567,300	50,129,000	3,161,600	53,290,600	(1,723,300)	1,174,200	25,082,000	
<u>Capital Project Funds:</u>									
City Facilities Fee Maintenance	2,058,400	399,500	-	-	-	399,500	(2,457,900)	-	
Capital Improvement Projects	5,081,400	164,300	-	1,696,900	1,696,900	(1,532,600)	-	3,548,800	
Foothill Circulation Phasing Plan	1,888,000	1,322,300	-	-	-	1,322,300	(1,088,900)	2,121,400	
City Facilities Replacement	-	-	-	-	-	-	2,457,900	2,457,900	
Park Development	4,534,900	1,076,600	-	4,550,000	4,550,000	(3,473,400)	-	1,061,500	
Affordable Housing	3,853,400	1,068,600	-	-	-	1,068,600	-	4,922,000	
OSA Capital Projects	38,486,900	14,475,400	-	55,000,000	55,000,000	(40,524,600)	16,139,200	14,101,500	
City Facilities Capital Improvement	11,978,100	4,161,100	-	-	-	4,161,100	(16,139,200)	-	
Lake Forest Transportation Mitigation	5,378,700	1,058,600	-	300,000	300,000	758,600	-	6,137,300	
Subtotal	73,259,800	23,726,400	-	61,546,900	61,546,900	(37,820,500)	(1,088,900)	34,350,400	
<u>Reserve Funds:</u>									
General (Designated)	950,900	-	-	-	-	-	-	950,900	
General (Undesignated)	12,557,400	-	-	-	-	-	(56,800)	12,500,600	
Economic Contingency	6,278,800	-	-	-	-	-	(28,500)	6,250,300	
Emergency Services	3,000,000	-	-	-	-	-	-	3,000,000	
Other Post-Employment Benefits Trust	481,700	-	-	-	-	-	-	481,700	
Pension Rate Stabilization Trust	1,092,900	-	-	-	-	-	-	1,092,900	
Subtotal	24,361,700	-	-	-	-	-	(85,300)	24,276,400	
<u>Internal Service Fund:</u>									
Vehicle Replacement	497,500	112,700	118,000	-	118,000	(5,300)	-	492,200	
Subtotal All City Funds	123,750,100	75,406,400	50,247,000	64,708,500	114,955,500	(39,549,100)	-	84,201,000	
Grand Total All Funds	\$123,750,100	\$75,406,400	\$50,247,000	\$64,708,500	\$114,955,500	(\$39,549,100)	\$0	\$84,201,000	

SUMMARY OF FINANCIAL RESERVE FUNDS

FISCAL YEAR 2017-18

Description	Balance June 30, 2017	Balance June 30, 2018
General (Designated):		
Cable Grant - Public Education and Government (PEG)	\$950,900	\$950,900
Total General (Designated)	\$950,900	\$950,900
General (Undesignated) ¹	12,557,400	12,500,600
Economic Contingency ²	6,278,800	6,250,300
Emergency Services ³	3,000,000	3,000,000
Other Post-Employment Benefits Trust	481,700	481,700
Pension Rate Stabilization Trust	1,092,900	1,092,900
Total Financial Reserves	\$24,361,700	\$24,276,400

¹ 2/3 of 40% of General Fund revenues per the Reserve Policy

² 1/3 of 40% of General Fund revenues per the Reserve Policy

³ Per approved reserve level as of June 30, 2016

**CARRYOVER APPROPRIATIONS OVER \$100,000
FISCAL YEAR 2015-16 INTO FISCAL YEAR 2016-17**

Description	Fund	Carryover Appropriation
Street Repaving and Slurry Seal	Capital Improvement Projects	\$250,000
Teed Street Storm Drain Improvements	Capital Improvement Projects	530,419
Irrigation Backflow Devices Protective Equipment	Capital Improvement Projects	100,000
Park Gazebo Replacement	Capital Improvement Projects	360,000
Environmental Tier 1 Improvements Phase 5	Capital Improvement Projects	120,000
Street Repaving and Slurry Seal	Capital Improvement Projects	859,216
Portola Center Park	Capital Improvement Projects	243,737
Village Pond Park	Capital Improvement Projects	2,004,533
ADA Phase 9	Capital Improvement Projects	126,614
Civic Center and Senior Center	Capital Improvement Projects	2,021,213
Lake Forest Sports Park Improvements-Phase 2	Capital Improvement Projects	333,378
	Total Appropriations Over \$100,000	<u>\$6,949,110</u>
	Total Carryover Appropriations	<u>\$8,524,213</u>

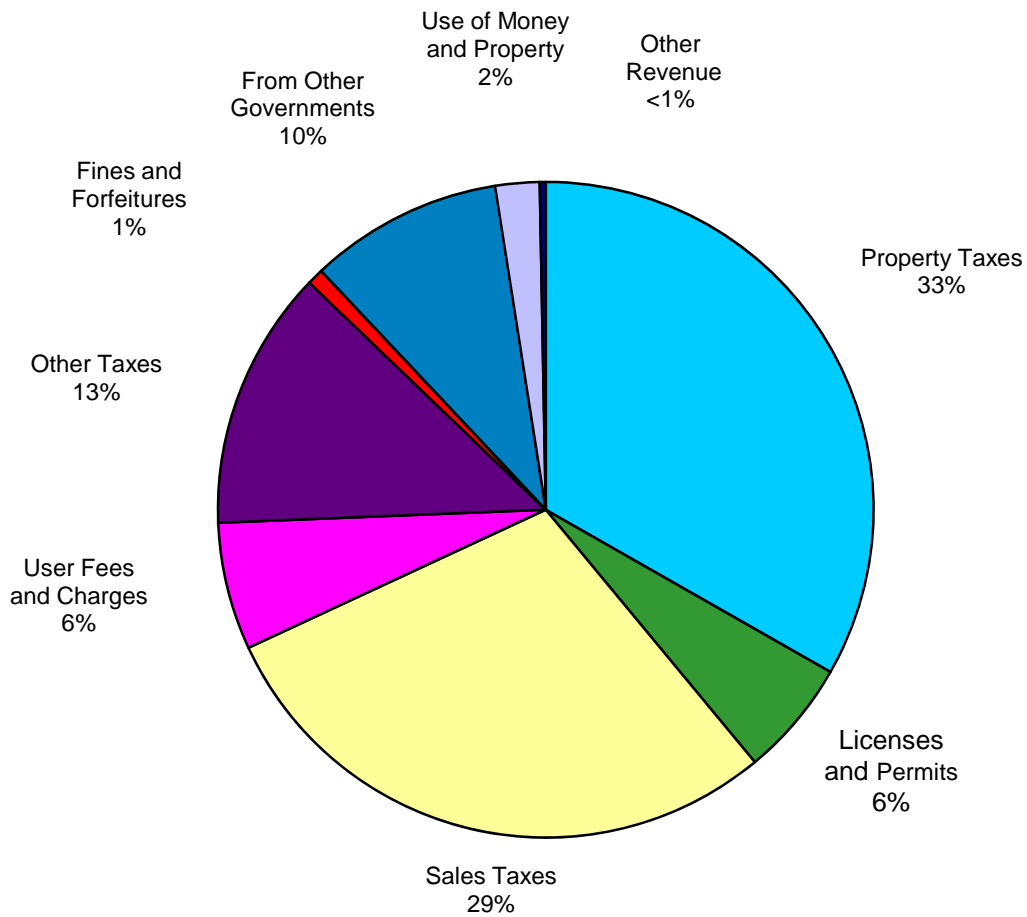
¹These carryover appropriations were approved by the City Council on December 20, 2016.

SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Property Taxes	\$14,983,662	\$15,555,942	\$15,927,400	\$17,142,400
Sales Tax	13,810,581	15,425,638	14,700,000	15,000,000
Other Taxes	6,599,824	7,067,402	6,810,000	6,610,000
Licenses and Permits	2,200,372	2,790,321	2,302,500	2,963,900
From Other Governments	4,412,815	4,286,419	5,080,900	4,922,800
User Fees and Charges	21,655,740	34,983,194	18,763,700	19,635,900
Fines and Forfeitures	445,789	539,538	415,000	415,000
Use of Money and Property	307,129	821,496	757,300	1,120,600
Other Revenue	424,159	493,808	147,200	7,595,800
Total All Funds	64,840,071	81,963,758	64,904,000	75,406,400
Less Capital Project Revenues	(19,179,493)	(31,773,951)	(16,934,200)	(23,839,100)
Grand Total All City Operating Funds	\$45,660,578	\$50,189,807	\$47,969,800	\$51,567,300

SUMMARY OF REVENUES - ALL FUNDS¹

FISCAL YEAR 2017-18



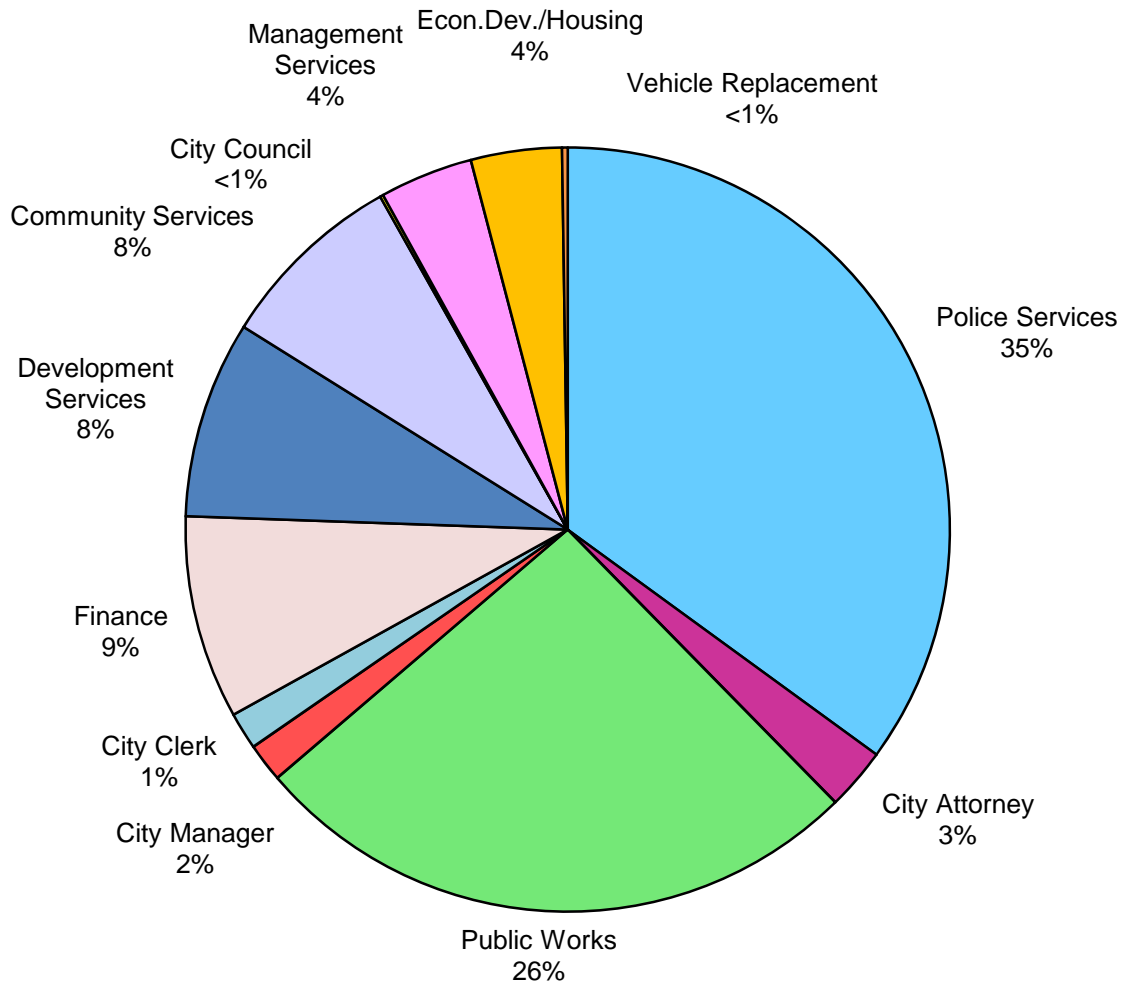
¹ Excludes all revenues in capital projects funds

SUMMARY OF EXPENDITURES BY DEPARTMENT

Department	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
City Council	\$68,535	\$53,975	\$67,100	\$66,300
City Manager	747,617	715,572	712,700	820,800
City Clerk	615,721	752,852	787,900	787,900
Economic Development/ Community Preservation	1,399,347	1,614,621	1,574,100	1,932,500
City Attorney	963,070	1,056,645	1,318,000	1,318,000
Finance	3,889,696	8,649,899	4,330,400	4,326,000
Development Services	2,952,975	3,085,798	3,619,600	4,192,600
Public Works	10,209,731	11,854,965	12,087,000	13,112,200
Management Services	1,921,975	1,468,227	1,646,400	1,983,200
Community Services	3,604,457	3,511,797	3,712,100	3,991,500
Police Services	14,227,927	14,814,170	16,492,100	17,598,000
Vehicle Replacement	48,673	41,455	60,000	118,000
Total Operating Expenditures	40,649,724	47,619,976	46,407,400	50,247,000
Capital Projects	12,118,353	3,257,756	5,851,800	64,708,500
Grand Total All City Funds	<u>\$52,768,077</u>	<u>\$50,877,732</u>	<u>\$52,259,200</u>	<u>\$114,955,500</u>

SUMMARY OF EXPENDITURES BY DEPARTMENT¹

FISCAL YEAR 2017-18



¹ Excludes capital improvement projects

PERSONNEL SUMMARY

Department	2015-16 Authorized		2016-17 Authorized		2017-18 Authorized	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
		Hours		Hours		Hours
<u>City Manager:</u>						
City Manager	1		1		1	
Assistant City Manager	0.4		0.4		0.7	
Assistant to the City Manager	1		1		1	
Executive Assistant	1		1		1	
Management Assistant	1		1		1	
Subtotal	4.4	0	4.4	0	4.7	0
<u>City Clerk:</u>						
City Clerk	1		1		1	
Assistant City Clerk	1		1		1	
Administrative Specialist	1		1		1	
Records Specialist	1		1		1	
Senior Office Specialist	1		1		1	
Subtotal	5	0	5	0	5	0
<u>Economic Development/Community</u>						
<u>Preservation:</u>						
Deputy City Manager	-		-		1	
Assistant City Manager/Director of Economic Development/Community Preservation	0.6		0.6		-	
Economic Development/Housing Manager	1		1		1	
Public Safety Manager	0.25		0.25		0.25	
Code Enforcement Supervisor	1		1		1	
Management Aide	1		1		-	
Management Analyst	-		1		1	
Management Assistant	1		-		1	
Code Enforcement Officer	2		2		2	
Community Preservation Technician	1		1		1	
Administrative Specialist	1		1		1	
Intern		1,560		1,560		1,920
Subtotal	8.85	1,560	8.85	1,560	9.25	1,920
<u>Finance:</u>						
Assistant City Manager	-		-		0.3	
Deputy City Manager / Director of Finance / City Treasurer	1		1		-	

PERSONNEL SUMMARY

Department	2015-16		2016-17		2017-18	
	Authorized		Authorized		Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<u>Finance (continued):</u>						
Assistant Director of Finance	-		-		1	
Accounting Manager	1		1		-	
Senior Accountant	1		1		1	
Management Analyst	1		1		1	
Accountant	1	1,040	1	1,040	1	1,040
Senior Accounting Technician	1		1		1	
Accounting Technician	1		1		1	
Subtotal	7	1,040	7	1,040	6.3	1,040
<u>Development Services:</u>						
Director of Development Services	1		1		1	
Planning Manager	1		1		1	
Principal Planner	1		1		-	
Senior Planner	1		1		2	
Associate Planner	1		1		1	
Assistant Planner	1		1		1	
Administrative Specialist	1		1		1	
Records Specialist		1,040		1,040		1,040
Senior Building Permit Technician	1		1		1	
Intern		1,040		1,040		1,040
Subtotal	8	2,080	8	2,080	8	2,080
<u>Public Works:</u>						
Director of Public Works/City Engineer	1		1		1	
Engineering Services Manager/ Assistant City Engineer	1		1		1	
Public Works Manager	1		1		1	
Traffic Engineering Manager	1		1		1	
Facilities Maintenance Supervisor	-		-		1	
Principal Civil Engineer	1		1		1	
Environmental Manager	1		1		1	
Water Quality Inspector	1		1		1	
Street Maintenance Inspector	1		1		1	
Administrative Specialist	1		1		1	
Engineering Technician	1		1		1	
Senior Landscape Inspector	1		1		1	

PERSONNEL SUMMARY

Department	2015-16 Authorized		2016-17 Authorized		2017-18 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<u>Public Works (continued):</u>						
Landscape Inspector	1		1		1	
Management Analyst	1		1		1	
Management Assistant	1		1		1	
Management Aide	1		1		1	
Intern		1,040		1,040		1,040
Subtotal	15	1,040	15	1,040	16	1,040
<u>Management Services:</u>						
Director of Management Services	1		1		1	
Information Technology Manager	1		1		1	
Human Resources Manager	-		-		1	
Senior Communications & Marketing Analyst	-		-		1	
GIS/Applications Analyst	-		1		1	
Management Analyst	2		2		1	
Public Relations Specialist	-		-		1	
GIS/Applications Technician	1		-		-	
Human Resources Technician	-			1,300	-	
Intern		1,040		1,040		1,040
Subtotal	5	1,040	5	2,340	7	1,040
<u>Community Services:</u>						
Director of Community Services	1		1		1	
Recreation Manager	2		2		2	
Senior Recreation Supervisor	2		2		2	
Recreation Supervisor	3		4		4	
Facilities Maintenance Specialist	1		1		1	
Administrative Specialist	1		1		1	
Recreation Coordinator		6,000		4,800		7,200
Recreation Specialist		13,925		13,925		13,925
Senior Recreation Leader		19,000		19,100		20,000
Recreation Leader		19,900		20,800		19,900
Subtotal	10	58,825	11	58,625	11	61,025

PERSONNEL SUMMARY

Department	2015-16		2016-17		2017-18	
	Authorized		Authorized		Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<hr/>						
<u>Police Services:</u>						
Public Safety Manager	0.75		0.75		0.75	
Subtotal	<u>0.75</u>	<u>0</u>	<u>0.75</u>	<u>0</u>	<u>0.75</u>	<u>0</u>
City Total	<u><u>64</u></u>	<u><u>65,585</u></u>	<u><u>65</u></u>	<u><u>66,685</u></u>	<u><u>68</u></u>	<u><u>68,145</u></u>

Section Three

TABLE OF CONTENTS

Description

Section-Page

Combined Program Revenues

3-1

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
General Fund				
Taxes				
Property Taxes - City:				
Secured	\$7,545,426	\$7,746,572	\$7,785,000	\$8,400,000
Unsecured	253,925	241,091	250,000	250,000
Supplemental	189,614	194,153	200,000	200,000
Prior Year	59,322	55,999	60,000	60,000
Homeowners' Exemptions	49,031	49,369	50,000	50,000
Penalties and Interest	18,891	16,599	18,000	18,000
Other Revenues	28,211	34,649	30,000	30,000
Property Taxes - Lighting District:				
Secured	637,989	628,612	650,000	675,000
Unsecured	19,936	18,464	19,000	19,000
Supplemental	14,663	14,944	14,000	14,000
Prior Year	4,639	4,394	4,000	4,000
Homeowners' Exemptions	3,847	3,798	3,800	3,800
Penalties and Interest	1,403	1,302	1,400	1,400
Other Revenues	2,279	2,784	2,200	2,200
Property Taxes - Motor				
Vehicle In-Lieu Backfill	6,154,486	6,543,212	6,840,000	7,415,000
Sales and Use Taxes	10,553,770	12,606,174	14,700,000	15,000,000
Sales Tax Triple Flip	3,256,811	2,819,464	-	-
Transient Occupancy Tax	3,406,661	3,575,733	3,550,000	3,600,000
Real Property Transfer Tax	572,957	925,915	600,000	600,000
Gaming Tax	59,104	63,445	60,000	60,000
Franchise Fees	2,561,102	2,502,309	2,600,000	2,350,000
Subtotal	35,394,067	38,048,982	37,437,400	38,752,400
Licenses and Permits				
Building Permit Fees	2,197,622	2,786,746	2,300,000	2,961,400
Sign Permits	2,750	3,575	2,500	2,500
Subtotal	2,200,372	2,790,321	2,302,500	2,963,900
From Other Governments				
Excess DMV Fees	32,432	32,307	32,000	32,000
MWDOC Grant	-	32,695	-	-
Project S Local Match	1,043	1,104	1,000	-
Project V Local Match	3,272	3,048	300	-
Waste Disposal Agreement	-	-	132,200	156,200
Subtotal	36,747	69,154	165,500	188,200

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<i>User Fees and Charges</i>				
Plan Check Fees	437,580	655,107	500,000	523,000
Fire Plan Check Fees	4,591	6,386	4,000	4,000
Planning/Zoning Fees	250,181	555,362	400,000	390,000
Massage Permit Fees	-	750	4,500	4,500
Engineering Fees	1,201,162	1,557,687	1,589,200	1,801,000
Park Reservation Fees	69,401	17,579	11,000	17,000
Community Events Fees	41,242	70,154	42,000	55,000
Facility Rentals	2,605	1,284	2,600	1,000
Teen Programs	22,594	43,012	23,000	32,000
Senior Programs	23,357	19,751	24,000	22,000
Recreation Classes	112,181	157,625	113,000	150,000
Youth Programs	81,957	69,073	82,000	63,000
Sports Programs	44,472	81,398	49,100	86,000
Sports Tournaments	-	16,960	8,500	19,000
Sports Field Reservation	-	109,582	50,000	105,000
Open Gym	-	-	-	10,000
Kids Factory Fees	25,489	40,760	30,000	43,000
Passport Fees	19,212	22,175	20,000	20,000
Filming Fees	75	7,660	2,500	100
Classes	14,043	14,961	14,100	16,000
Contests	525	872	1,500	1,000
Camps	41,464	57,718	42,000	55,000
Skate Park Programs	19,776	18,551	20,000	20,000
Non-Resident Card Fees	58,335	62,705	59,000	64,000
Merchandise Sales	35,895	31,239	36,000	35,000
Coca-Cola Revenues	186	-	100	-
Sponsorships	3,055	2,200	3,000	3,000
Notary Fees	50	140	100	100
Imaging Fees	23,950	28,961	24,000	24,000
Copies and Maps	83	61	100	100
Subtotal	2,533,461	3,649,713	3,155,300	3,563,800
<i>Fines and Forfeitures</i>				
Motor Vehicles Code Fines	293,609	392,238	290,000	290,000
Local Ordinance Violations	152,180	147,300	125,000	125,000
Subtotal	445,789	539,538	415,000	415,000

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<i>Use of Money and Property</i>				
Leases	120,780	118,522	121,000	122,000
Interest Income	146,201	567,482	452,000	726,900
Subtotal	266,981	686,004	573,000	848,900
<i>Other Revenue</i>				
State Mandated Claims	156,914	119,576	59,000	75,000
Legal Settlements	13,536	13,277	6,000	-
Reimbursements	2,437	23,151	-	-
Insurance Proceeds	259	-	-	-
Shop and Dine	22,584	27,463	25,000	20,000
Donations	-	912	-	-
Senior Donations	100	60	-	-
Other Revenue	117,001	65,891	50,000	50,000
Subtotal	312,831	250,330	140,000	145,000
General Fund Total	41,190,248	46,034,042	44,188,700	46,877,200
Special Revenue Funds				
<i>Gas Tax Fund</i>				
Section 2105	469,117	449,553	500,100	487,700
Section 2106	304,199	295,320	248,900	299,400
Section 2107	604,105	585,379	694,500	630,000
Section 2107.5	15,000	7,500	7,500	7,500
Section 2103	837,376	411,316	188,900	336,000
Loan Repayment	-	-	-	96,000
Road Maintenance				
Rehab Account	-	-	-	483,900
Interest Income	5,333	12,571	13,900	18,100
Subtotal	2,235,130	1,761,639	1,653,800	2,358,600
<i>Measure M2 Fund</i>				
Turnback Allocation	1,211,330	1,294,583	1,348,800	1,278,000
Interest Income	937	4,214	5,400	11,600
Subtotal	1,212,267	1,298,797	1,354,200	1,289,600

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Measure M2 Senior				
Mobility Program Fund				
OCTA Senior Mobility Grant	62,114	65,193	65,200	64,800
Fare Revenue	4,932	6,584	5,000	10,000
Interest Income	184	394	400	500
Subtotal	67,230	72,171	70,600	75,300
Measure M2 Project V Fund				
OCTA Project V Program	-	-	-	198,100
Subtotal	-	-	-	198,100
Air Quality Improvement Fund				
Air Quality Management				
District Fees	98,189	101,882	99,700	102,000
Interest Income	2,125	3,541	4,400	3,800
Reimbursements	-	129,135	-	-
Subtotal	100,314	234,558	104,100	105,800
Police Grants Fund				
Brulte/Justice Assistance				
Grants	156,802	161,858	125,000	125,000
Subtotal	156,802	161,858	125,000	125,000
Beverage Recycling Fund				
Beverage Grant	-	21,034	21,500	22,000
Subtotal	-	21,034	21,500	22,000
Waste Recycling Fund				
Waste Grant	40,000	40,200	41,000	42,000
Subtotal	40,000	40,200	41,000	42,000
Asset Forfeitures Fund				
Asset Forfeitures	-	1,404	-	-
Subtotal	-	1,404	-	-

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<i>Community Development</i>				
<i>Block Grant Fund</i>				
Entitlement Grant	577,836	445,717	399,100	462,200
Interest Income	8	-	-	300
Loan Interest	301	230	-	-
Subtotal	578,145	445,947	399,100	462,500
 <i>Housing Authority Fund</i>				
Interest Income	842	3,814	4,600	3,800
Other Revenue	72,566	106,824	-	-
Reimbursements	7,034	7,519	7,200	7,400
Subtotal	80,442	118,157	11,800	11,200
 Special Revenue				
Funds Total	4,470,330	4,155,765	3,781,100	4,690,100
 Capital Projects Funds				
<i>Capital Improvement</i>				
<i>Projects Fund</i>				
Orange County				
Transportation Authority				
Grants:				
CTFP	-	176,497	425,200	100,000
APM Federal	-	-	750,000	-
MWDOC	-	159,829	-	-
Interest Income	10,156	54,484	63,200	64,300
Developer Contributions	-	500,000	-	-
Subtotal	10,156	890,810	1,238,400	164,300
 <i>Foothill Circulation Phasing</i>				
<i>Plan Capital Projects Fund</i>				
County Grants:				
FCPP	954,772	1,057,168	-	1,322,300
Subtotal	954,772	1,057,168	-	1,322,300

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<i>Opportunities Study Area</i>				
<i>Capital Projects Fund</i>				
Impact Fees	10,008,788	24,959,473	7,828,700	7,032,000
Reimbursements	31,728	-	-	7,443,400
Subtotal	10,040,516	24,959,473	7,828,700	14,475,400
<i>City Facilities</i>				
<i>Capital Projects Fund</i>				
Impact Fees	3,621,739	1,876,188	3,787,300	4,091,000
Interest Income	-	-	30,800	70,100
Subtotal	3,621,739	1,876,188	3,818,100	4,161,100
<i>Affordable Housing Capital</i>				
<i>Improvement Projects Fund</i>				
Impact Fees	951,277	481,452	964,100	1,044,000
Interest Income	4,494	11,303	13,100	24,600
Subtotal	955,771	492,755	977,200	1,068,600
<i>Park Development/</i>				
<i>Construction Fund</i>				
Impact Fees	1,510,008	686,665	1,209,100	1,043,900
Interest Income	6,501	19,211	22,200	32,700
Subtotal	1,516,509	705,876	1,231,300	1,076,600
<i>City Facilities Fee</i>				
<i>Maintenance Fund</i>				
Impact Fees	1,109,383	377,364	491,700	399,500
Subtotal	1,109,383	377,364	491,700	399,500
<i>LFTM Intersection</i>				
<i>Improvement Fund</i>				
Impact Fees	898,680	1,388,587	1,259,800	1,016,700
Interest Income	7,267	22,030	26,300	41,900
Subtotal	905,947	1,410,617	1,286,100	1,058,600
Capital Projects				
Funds Total	<u>19,114,793</u>	<u>31,770,251</u>	<u>16,871,500</u>	<u>23,726,400</u>

COMBINED PROGRAM REVENUES

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<i>Internal Service Fund</i>				
Vehicle Replacement				
Charges	62,700	-	62,700	112,700
Gain on Sale of Fixed Asset	2,000	3,700	-	-
Subtotal	64,700	3,700	62,700	112,700
Internal Service Fund Total	<u>64,700</u>	<u>3,700</u>	<u>62,700</u>	<u>112,700</u>
Grand Total All Funds	<u>\$64,840,071</u>	<u>\$81,963,758</u>	<u>\$64,904,000</u>	<u>\$75,406,400</u>

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Section Four

TABLE OF CONTENTS

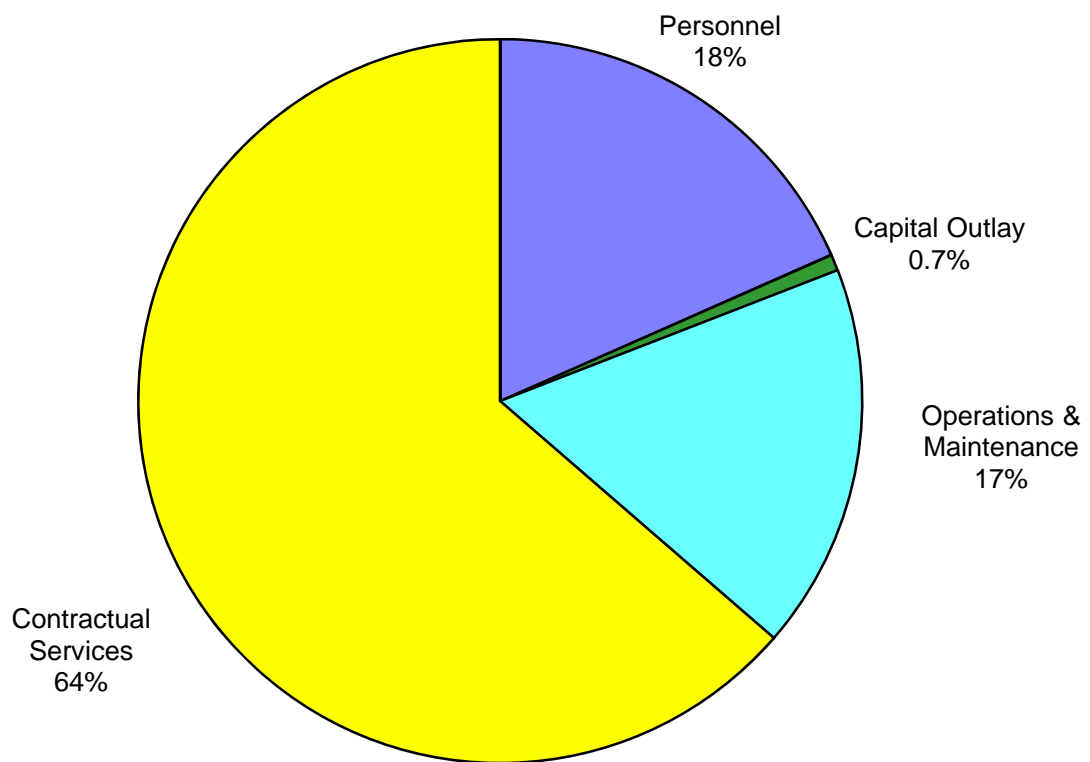
<u>Description</u>	<u>Section-Page</u>
Summary of Expenditures by Expenditure Category	4-1
City Council	4-3
City Manager	4-7
City Clerk	4-11
Economic Development/ Community Preservation	4-16
City Attorney	4-24
Finance	4-28
Development Services	4-36
Public Works	4-43
Management Services	4-56
Community Services	4-64
Police Services	4-75
Fire Services	4-81
Vehicle Replacement	4-83
Capital Expenditures	4-85
Interfund Transfers	4-90

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SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY

Department	Personnel	Operations & Maintenance	Contract Services	Capital Outlay	Totals
City Council	\$45,000	\$20,300	\$1,000	\$0	\$66,300
City Manager	760,100	20,700	40,000	-	820,800
City Clerk	483,400	229,000	75,500	-	787,900
Economic Development/ Community Preservation	1,055,800	85,200	791,500	-	1,932,500
City Attorney	-	-	1,318,000	-	1,318,000
Finance	738,400	3,397,000	190,600	-	4,326,000
Development Services	1,022,400	106,000	3,064,200	-	4,192,600
Public Works	1,966,500	2,470,600	8,598,100	77,000	13,112,200
Management Services	884,000	357,900	577,300	164,000	1,983,200
Community Services	2,174,200	1,729,900	81,900	5,500	3,991,500
Police Services	107,500	247,600	17,242,900	-	17,598,000
Vehicle Replacement	-	-	-	118,000	118,000
TOTALS	\$9,237,300	\$8,664,200	\$31,981,000	\$364,500	\$50,247,000

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY¹ FISCAL YEAR 2017-18



¹ Excludes capital improvement projects

CITY COUNCIL

DEPARTMENT DESCRIPTION

The City Council is comprised of five Lake Forest residents elected at large serving alternating four-year terms. The City Council selects a Mayor and Mayor Pro Tem annually. As a general law city, the City Council is responsible for making policy decisions and providing guidance to issues related to the overall quality of life, which City staff then executes. It also represents the City with other governmental and non-governmental entities in a myriad of ways. The City Council also serves as the Housing Authority Board and the Board of Directors for the Rancho Cañada Financing Authority.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Provided policy level guidance for Opportunities Study public and private projects including:
 - Development of the Lake Forest Civic Center and Senior Center
 - Mapping requirements for private development
 - Negotiation of Development Agreements
 - Creation of community facilities districts as necessary
 - Coordination of public services for new communities
2. Provided policy level direction relating to traffic coordination, synchronization, and circulation projects.
3. Provided policy level guidance as the City monitors and participants in the County's design and construction process for the expansion of the James A. Musick Jail Facility.
4. Provided policy level direction regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
5. Provided policy direction in the development of future park sites, including Whispering Hills and Portola Park.
6. Provided policy level direction and authorization for the disposition and development of Housing Authority assets.
7. Provided policy level guidance and support regarding the City's various economic development efforts, including the Business Development and Attraction Program.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Provide policy level direction to finalize design and begin construction of the City's new "100-Year Home" campus which will include the Senior Center and Community Center, Performing Arts Center, and Administrative Offices.
2. Continue providing policy level direction regarding the City's Communication Strategy including The Leaflet, the City websites, social media campaigns, and mobile applications.
3. Continue providing policy level direction related to traffic and parking including the establishment of the Planning and Traffic Commission and its workplan along with traffic synchronization and coordination projects in the Capital Improvement Projects Budget.
4. Provide policy level direction regarding the General Plan Update, including advancing major elements including the Economic Development Element and formation of the General Plan Advisory Committee.
5. Continue providing policy direction regarding the City's multifaceted approach to keep the crime rate down including; proactive policing, community policing, neighborhood watch, parking enforcement, and crime prevention efforts.
6. Continue providing policy level direction regarding park development including; Whispering Hills, Portola Park, and renovations to Village Pond Park.

CITY COUNCIL BUDGET OVERVIEW

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$36,991	\$36,137	\$35,800	\$45,000
Operations and Maintenance	31,094	17,838	30,300	20,300
Contract Services	450	-	1,000	1,000
Activity Total	\$68,535	\$53,975	\$67,100	\$66,300
 Funding Source:				
General Fund	\$68,535	\$53,975	\$67,100	\$66,300

CITY COUNCIL BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
City Council/Board Members (5)	\$34,572	\$34,182	\$33,800	\$42,300
Medicare	493	486	500	600
Retirement	1,926	1,469	1,500	2,100
Subtotal	36,991	36,137	35,800	45,000
<u>Operations and Maintenance:</u>				
Travel, Conferences, Meetings	14,070	7,237	18,100	18,100
Operating Supplies	537	549	1,500	1,500
Special Supplies	5,980	52	-	-
Printing and Duplicating	271	-	-	-
Subscriptions and Books	-	-	700	700
Telephone and Other	236	-	-	-
Computer Maintenance and Supply	10,000	10,000	10,000	-
Subtotal	31,094	17,838	30,300	20,300
<u>Contract Services:</u>				
Miscellaneous	450	-	1,000	1,000
Subtotal	450	-	1,000	1,000
Activity Total ¹	\$68,535	\$53,975	\$67,100	\$66,300

¹ The Memberships and Dues line item is transferred from City Council to City Clerk in Fiscal Year 2016-17.

CITY MANAGER

DEPARTMENT DESCRIPTION

The City Manager is responsible for making policy recommendations to the City Council and implementing them as adopted. The City Manager serves as the Chief Executive Officer of the City and is responsible for daily operations and services to the community provided by various City departments. Additional duties include, but are not limited to: (1) Representing the City in legislative and regulatory matters; (2) Overseeing City operations and providing direction to the Executive Management Team, Opportunities Study Area Team, Development Coordination Committee, and Neighborhood Enhancement Team; (3) Managing environmental issues; (4) Overseeing Annual Budget and Investment Policy; and (5) Working with other agencies to address regional issues.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Provided executive oversight and strategic guidance relative to the development of the City's new neighborhoods including:
 - Mapping requirements for private development
 - Negotiation and Implementation of Development Agreements
 - Coordination of public services for new communities
2. Provided executive leadership related to the development of various City Council-initiated policy discussions.
3. Monitored and participated in the County's design and construction process for the expansion of the James A. Musick Jail Facility.
4. Negotiated an Inter-Agency Agreement with the County of Orange to provide additional financial support to the Lake Forest Pet Adoption Center.
5. Completed work to unwind the former Lake Forest Redevelopment Agency; receiving approval for the Last and Final Recognized Obligations Payment Schedule from the State Department of Finance.
6. Provided executive oversight in the design and development of future park sites including; Whispering Hills, Portola Park, and Village Pond Park.
7. Provided executive oversight regarding the City's various economic development efforts, including the Business Development and Attraction Program.
8. Monitored proposed legislation that could potentially impact the City and recommended legislative positions to the City Council.
9. Collaborated with the Orange County Sheriff's Department to monitor crime rates and trends within the City and supported the "Don't Make it Easy" public safety education program.
10. Advanced the Lake Forest Civic Center and Senior Center Project into the "Pre-Construction" phase including work on schematic design. Completed various project milestones and further advanced work related to final design, grading, construction, and post-construction biological monitoring.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Continue providing executive leadership to staff regarding various City Council-initiated policy level discussions.
2. Continue to monitor proposed legislation that could potentially impact the City and recommended legislative positions to the City Council.
3. Continue to oversee the City's Ask Lake Forest program and respond to resident questions and requests.
4. Continue providing executive oversight to finalize design and begin construction of the City's new "100-Year Home" campus which will include the Senior Center and Community Center, Performing Arts Center, and Administrative Offices.
5. Continue providing executive oversight regarding the City's Communication Strategy for residents and the business community including; The Leaflet, the City websites, social media campaigns, and mobile applications.
6. Continue providing executive oversight related to traffic and parking including the establishment of the Planning and Traffic Commission and its work plan along with traffic synchronization and coordination projects in the Capital Improvement Projects Budget.
7. Provide executive oversight regarding the General Plan Update including advancing major components and creating opportunities for community participating through the formation of the General Plan Advisory Committee.
8. Continue providing executive oversight regarding the City's multifaceted approach to crime prevention including; proactive policing, community policing, neighborhood watch, parking enforcement; and educational campaigns.
9. Continue providing executive oversight direction regarding park development including; Whispering Hills, Portola Park, and renovations to Village Pond Park.

**CITY MANAGER
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$697,210	\$697,804	\$686,100	\$760,100
Operations and Maintenance	16,536	17,768	26,600	20,700
Contract Services	33,871	-	-	40,000
Activity Total	\$747,617	\$715,572	\$712,700	\$820,800
Funding Source:				
General Fund	\$747,617	\$715,572	\$712,700	\$820,800
Total Positions:				
Full-Time	3.4	4.4	4.4	4.7

PERFORMANCE MEASURES

Description	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>*Resident Requests</u>			
Ask Lake Forest Ticket Responses (City Manager)	169	240	150
Average # Calendar Days to Close out Tickets (City Manager)	6	5	5
Ask Lake Forest Tickets Reviewed (All Departments)	2,299	1,600	1,680
Average # Calendar Days to Close out Tickets (All Departments)	2.5	2	2
<u>*City Council Agenda Preparation</u>			
Agenda Reports Reviewed and Approved	314	300	315
City Council-Initiated Items Presented	17	22	23
<u>*Legislative Program</u>			
Legislative Bills Reviewed/Analyzed	26	30	32
State Legislative Bills Presented to City Council	8	10	11
<u>Efficiency</u>			
% of Departmental Objectives Accomplished	95%	95%	95%
<u>*Effectiveness</u>			
% Resident Satisfaction with City Services	90%	90%	90%

*New Performance Measure Categories for Fiscal Year 2016-2017

CITY MANAGER BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$582,721	\$577,722	\$552,000	\$614,500
Medicare	8,029	7,957	8,000	8,900
Retirement	56,377	44,022	47,500	53,200
Health Insurance	50,083	68,103	78,600	83,500
Subtotal	<u>697,210</u>	<u>697,804</u>	<u>686,100</u>	<u>760,100</u>
<u>Operations and Maintenance:</u>				
Memberships and Dues	1,885	2,595	2,100	1,900
Training and Education	-	419	300	300
Travel, Conferences, Meetings	3,677	2,321	11,000	11,000
Auto Allowance	8,916	12,163	12,300	6,400
Mileage Reimbursement	-	-	300	300
Operating Supplies	17	93	200	200
Printing and Duplicating	52	43	100	100
Postage and Deliveries	-	-	100	100
Subscriptions and Books	99	89	200	400
Software Licenses/Maintenance	1,890	45	-	-
Subtotal	<u>16,536</u>	<u>17,768</u>	<u>26,600</u>	<u>20,700</u>
<u>Contract Services:</u>				
General	-	-	-	40,000
Miscellaneous	33,871	-	-	-
Subtotal	<u>33,871</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Activity Total	<u><u>\$747,617</u></u>	<u><u>\$715,572</u></u>	<u><u>\$712,700</u></u>	<u><u>\$820,800</u></u>

CITY CLERK

DEPARTMENT DESCRIPTION

The City Clerk's Department is responsible for a variety of functions including accepting applications for U.S. Passports, providing Notary service to the public, preparing agendas and public hearing notices for Public Meetings, publishing/posting Resolutions and Ordinances, greeting the public at the City Hall lobby and on the telephone to answer/or refer citizen inquiries, accepting and processing claims, summons, and subpoenas, receiving and opening bids, maintaining the City's Central File System, accepting Deeds and Grants which convey an interest to the City, certifying documents, and maintaining custody of the City Seal.

Additionally, the role of the City Clerk includes serving as: (1) Clerk of the City Council and Secretary to the Lake Forest Housing Authority, Successor Agency to the Lake Forest Redevelopment Agency and Rancho Cañada Financing Authority; (2) Elections Official responsible for the conduct of elections and registering voters; (3) Filing Officer for the Political Reform Act to accept and transmit necessary Campaign Statements and Conflict of Interest Statements to the Fair Political Practices Commission; and (4) Custodian of Records and City Archivist/Historian who oversees authorized destruction of records, responds to public requests for records under the California Public Records Act and coordinates information requested by Subpoenas for Records.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Continued archive scanning of interdepartmental historical records in ongoing effort to achieve 100% digital retention of public documents.
2. Coordinated voter registration drive and voter registration assistance at City facilities in conjunction with the Orange County Registrar of Voters to increase voter participation in the November, 2016 General Municipal Election.
3. Conducted the November, 2016 General Municipal Election.
4. Implemented enterprise services marketing strategy to increase resident participation in the Passport Acceptance and Notary Public service opportunities.
5. Increased Department capabilities by providing a second fully-accredited Certified Municipal Clerk (CMC) to enhance professional level resources to the City Council, City staff, and community.
6. Automated the Commission application process to provide greater applicant customer service.
7. Implemented Open Data Portal for Public Records Requests, increasing government transparency and providing enhanced customer service.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Conduct Request for Proposal and purchasing process for replacement of the Agenda Management System.
2. Host two Passport Acceptance extended service hour days, resulting in increased participation by residents.
3. Conduct summer reading program at the Little Free Library to increase civic engagement.
4. Continue archive scanning of interdepartmental historical records in ongoing effort to achieve 100% digital retention of public documents.
5. Provide departmental support to the Civic Center project.

CITY CLERK BUDGET OVERVIEW

Expense Classification	Actual 2014-15	Actual 2015-16 ¹	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$371,622	\$471,256	\$465,200	\$483,400
Operations and Maintenance	122,793	138,948	167,700	229,000
Contract Services	91,322	142,648	155,000	75,500
Capital Outlay	29,984	-	-	-
Activity Total	\$615,721	\$752,852	\$787,900	\$787,900
Funding Source:				
General Fund	\$615,721	\$752,852	\$787,900	\$787,900
Total Positions:				
Full-Time	3.8	5.0	5.0	5.0

PERFORMANCE MEASURES

Description	Actual 2015-16 ¹	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Service Delivery</u>			
# of passport applications received *	706%	650	700
% of passport applications accepted by U.S. Department of State without errors*	100%	100%	100%
% of City Hall Operating Hours with Available Notary Public Service*	100%	90%	90%
<u>Public Records</u>			
# of public records requests received	685	700	650
% responded to within the regulations of the Public Records Act	100%	100%	100%
% responded to electronically via imaged records	87%	90%	95%
% of vital records (minutes, resolutions, ordinances, agreements) imaged within 10 days of signature	100%	100%	100%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2015-16</u> ¹	<u>Adopted Budget 2016-17</u>	<u>Adopted Budget 2017-18</u>
<u>Open Government</u>			
% of Statements of Economic Interest filed by statutory deadline*	100%	100%	100%
% of City Council meeting videos posted online within 24 hours*	95%	95%	100%
% of City Council meeting actions posted online within 24 hours*	95%	95%	100%

* New in FY 15-16

¹ In Fiscal Year 2015-16, the City Clerk's Office becomes a separate department as a result of the structural modification to the City's Organizational Chart.

CITY CLERK BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$283,833	\$358,158	\$338,300	\$354,900
Overtime	1,905	4,249	5,200	5,200
Medicare	3,887	4,934	4,900	5,100
Retirement	27,345	27,758	28,800	30,200
Health Insurance	54,652	76,157	88,000	88,000
Subtotal	371,622	471,256	465,200	483,400
<u>Operation and Maintenance:</u>				
Memberships and Dues ¹	59,565	61,228	62,000	64,900
Training and Education	1,883	6,012	4,400	4,400
Travel, Conferences, Meetings	1,035	7,076	7,200	7,200
Auto Allowance	3,012	4,835	4,800	4,800
Mileage Reimbursement	828	1,066	1,500	1,500
Operating Supplies	3,636	3,128	4,400	4,400
Special Supplies	-	6,234	7,000	7,000
Printing and Duplicating	-	-	1,300	1,300
Legal Advertising	13,301	13,062	21,000	21,000
Postage and Deliveries	68	52	2,100	500
Subscriptions and Books	490	2,298	2,100	2,100
Software Maintenance/Supply	-	-	-	10,000
Software Licenses/Maintenance	38,975	33,957	49,900	99,900
Subtotal	122,793	138,948	167,700	229,000
<u>Contract Services:</u>				
Elections	41,845	84,405	60,000	500
Citizens Academy ²	-	2,764	4,000	4,000
Codification	4,477	5,379	6,000	6,000
Records Management	45,000	50,100	85,000	65,000
Subtotal	91,322	142,648	155,000	75,500
<u>Capital Outlay:</u>				
Equipment	29,984	-	-	-
Subtotal	29,984	-	-	-
Activity Total	\$615,721	\$752,852	\$787,900	\$787,900

¹Majority of this line item is transferred from City Council in Fiscal Year 2016-17.

²Transferred from Public Information Division in Fiscal Year 2015-16.

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION

DEPARTMENT DESCRIPTION

The Economic Development/Community Preservation Department is responsible for the implementation of economic development, code enforcement, and affordable housing activities in the City. The department provides business assistance and educational programs; encourages growth and development of a diversified business community; administers the Community Development Block Grant, and provides staff support to the City Council.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Implemented the Fiscal Year 2016-17 Business Development and Attraction Work Plan, consisting of innovative business development and outreach resources.
2. Increased Shop & Dine Lake Forest Week sponsorship revenues by 20% and attendance at the Taste of Lake Forest by 20% (more than 3,600 residents).
3. Enhanced the City's digital business presence with resource videos that resulted in a 26% increase in e-newsletter views and a 21% increase in monthly website visits.
4. Facilitated Expedited Business Assistance Meetings with Kawasaki Motors Corporation, Image Options, and Vintage Design Group.
5. Planned and cosponsored the Southern California Economic Development Training Symposium with the California Association for Local Economic Development and Orange County Economic Development Working Group.
6. Administered the City's contractual partnership with the Lake Forest Chamber of Commerce comprised of cosponsored business events and marketing efforts promoting economic growth in Lake Forest.
7. Hosted the 2016 Lake Forest Business Appreciation Luncheon, attended by over 100 CEOs and senior-level executives representing more than 30 of the City's top producing companies.
8. Used the City's annual Community Development Block Grant to assist over 6,000 residents with social services and provided eight housing rehabilitation loans and exterior paint grants to five low-income households.
9. Utilized the Administrative Citation Program, resulting in more timely case resolution and a reduction in legal fees. Worked with the contractor that manages the citation process to collect unpaid fines from the Franchise Tax Board.
10. Managed 726 Code Enforcement cases using a consistent, comprehensive, and education-based approach, protecting public health, safety, aesthetics, and property values. Realized a closure rate of 91% for all cases received during the 2016 calendar year.

11. Developed two online videos to assist residents and members of the business community achieve compliance with the Municipal Code.
12. Implemented the City's new regulations for Massage Establishments, including educating business owners and managing the issuance of Massage Establishment Licenses. This effort includes continued monitoring of establishments and coordination with the California Massage Therapy Council.
13. Hosted a Shopping Center Roundtable to establish a dialogue between property managers, staff, and police services; focused on signage, uses, property maintenance, and public safety issues.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Develop a Shop & Dine Lake Forest marketing campaign that promotes the recently launched "Shop & Dine Lake Forest" mobile app and encourages the community's patronage of local businesses.
2. Utilize in-house resources to develop informational business videos and an Economic Development Instagram account that augment the City's business development and marketing efforts.
3. Host new business seminars and events that further promote business growth and expansion in Lake Forest.
4. Acquire software that provides detailed site-specific income and demographic data used to facilitate a company's location or relocation to Lake Forest.
5. Develop two on-line training videos to assist residents and members of the business community with achieving compliance with the Municipal Code.
6. Utilize the automated renewal process through the EnerGov to issue renewal notices and track compliance for the City's Massage Establishment licenses. Use of this system will streamline the renewal process and assist in successfully achieving compliance with the Municipal Code.
7. Establish a working group that includes the operators of drinking establishments that facilitates a positive dialogue with the City, creating and maintaining a safe and enjoyable environment while remaining compliant with regulations. This connectivity will be used to address issues as they arise in a cooperative and productive manner.

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET OVERVIEW
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$927,638	\$936,584	\$939,900	\$1,055,800
Operations and Maintenance	62,706	60,931	76,900	85,200
Contract Services	409,003	617,106	557,300	791,500
Activity Total	\$1,399,347	\$1,614,621	\$1,574,100	\$1,932,500
 Funding Sources:				
General Fund	\$1,101,037	\$1,068,241	\$1,126,400	\$1,243,000
Community Development				
Block Grant Fund	200,483	181,867	378,000	356,500
Housing Authority Fund	97,827	364,513	69,700	134,900
Measure M2 Project V Fund	-	-	-	198,100
 Total Positions:				
Full-Time	8.85	8.85	8.85	9.25

PERFORMANCE MEASURES

<u>Description</u>	<u>Actual 2015-16</u>	<u>Adopted Budget 2016-17</u>	<u>Adopted Budget 2017-18</u>
<u>Economic Development</u>			
# of website visits per year	12,839	10,000	12,000
# of business visitations per year	33	10	10
<u>Housing</u>			
# of homes/mobile homes to receive exterior painting	9	5	5
# of homes that will receive rehab loans	11	6	6
<u>Community Preservation</u>			
% of code violations voluntarily corrected	91%	90%	90%

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$703,151	\$717,979	\$689,200	\$786,000
Overtime	1,452	1,847	5,100	5,000
Part-Time Personnel	11,841	17,341	22,000	24,500
Medicare	9,491	9,829	10,300	11,700
Retirement	74,340	54,850	57,500	65,800
Health Insurance	127,363	134,738	155,800	162,800
Subtotal	927,638	936,584	939,900	1,055,800
<u>Operation and Maintenance:</u>				
Memberships and Dues	6,255	6,065	6,600	7,100
Training and Education	250	239	1,900	1,900
Travel, Conferences, Meetings	1,565	6,441	7,200	7,400
Auto Allowance	6,357	6,674	6,600	8,600
Mileage Reimbursement	324	655	700	600
Operating Supplies	1,056	991	1,800	1,400
Printing and Duplicating	1,325	717	800	800
Postage and Deliveries	7,291	6,514	8,600	13,400
Subscriptions and Books	9,195	9,704	8,600	8,800
Uniforms	792	931	1,700	1,700
Telephone and Other	2,850	2,562	2,700	2,700
Software Licenses/ Maintenance	10,805	11,345	13,700	14,800
Vehicle Replacement	7,900	-	7,900	7,900
Vehicle Maintenance	4,339	7,011	6,400	6,400
Website Update Services	2,402	1,082	1,700	1,700
Subtotal	62,706	60,931	76,900	85,200
<u>Contract Services:</u>				
Auditing	-	2,955	5,000	5,000
Professional Services - Legal	-	-	-	35,000
Special Audits	2,869	-	-	-
Property Disposition	8,500	310,843	-	-
Economic Development	76,791	79,531	80,000	85,800
Communications	14,844	18,167	45,000	33,100
Project Expenditures	2,502	2,331	-	-
Project V Grant Program	-	-	-	198,100
General	61,797	59,703	75,000	113,000
Nuisance Abatement	32,195	-	10,000	10,000
Citations Collection	-	1,959	2,400	2,400

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET DETAIL (continued)
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Contract Services (continued):</u>				
Public Service Grants	55,526	47,500	59,900	60,000
Building Maintenance	78,019	23,174	12,200	12,400
Housing Rehabilitation Loans	-	-	200,800	169,700
Rehabilitation Loan Fees	10,829	11,164	13,000	13,000
Rehabilitation Loan Services	25,210	24,453	24,000	24,000
Citywide Paint Program	39,921	35,326	30,000	30,000
Subtotal	409,003	617,106	557,300	791,500
Activity Total	\$1,399,347	\$1,614,621	\$1,574,100	\$1,932,500

ECONOMIC DEVELOPMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$263,792	\$271,802	\$267,600	\$353,700
Part-Time Personnel	11,841	17,341	22,000	24,500
Medicare	3,667	3,841	4,200	5,500
Retirement	25,019	20,204	21,800	29,200
Health Insurance	49,026	50,284	57,300	64,300
Subtotal	<u>353,345</u>	<u>363,472</u>	<u>372,900</u>	<u>477,200</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	6,105	5,895	6,300	6,800
Training and Education	200	224	700	700
Travel, Conferences, Meetings	1,504	6,441	4,800	5,000
Auto Allowance	4,308	4,475	4,400	6,400
Mileage Reimbursement	233	655	600	600
Operating Supplies	522	679	800	800
Printing and Duplicating	474	119	500	500
Postage and Deliveries	7,017	6,290	8,300	13,100
Subscriptions and Books	6,159	7,609	5,200	5,400
Software Licenses/Maintenance	-	-	-	1,500
Website Update Services	2,402	1,082	1,700	1,700
Subtotal	<u>28,924</u>	<u>33,469</u>	<u>33,300</u>	<u>42,500</u>
<u>Contract Services:</u>				
Economic Development	76,791	79,531	80,000	85,800
Communications	14,844	18,167	45,000	33,100
Project Expenditures	2,502	2,331	-	-
Project V Grant Program	-	-	-	198,100
Subtotal	<u>94,137</u>	<u>100,029</u>	<u>125,000</u>	<u>317,000</u>
Activity Total	<u>\$476,406</u>	<u>\$496,970</u>	<u>531,200</u>	<u>\$836,700</u>
<u>Funding Source:</u>				
General Fund	\$476,406	\$496,970	\$531,200	\$638,600
Measure M2 Project V Fund	-	-	-	198,100

HOUSING DIVISION BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$113,469	\$119,562	\$117,400	\$120,400
Medicare	1,557	1,635	1,700	1,700
Retirement	12,400	9,855	10,100	10,400
Health Insurance	14,992	17,476	21,100	21,100
Subtotal	142,418	148,528	150,300	153,600
<u>Operation and Maintenance:</u>				
Training	-	-	600	600
Auto Allowance	1,296	1,440	1,400	1,400
Operating Supplies	49	105	200	200
Printing and Duplicating	52	89	100	100
Postage and Deliveries	214	224	200	200
Subscriptions and Books	1,241	700	500	500
Subtotal	2,852	2,558	3,000	3,000
<u>Contract Services:</u>				
General	61,797	59,703	75,000	113,000
Public Service Grants	55,526	47,500	59,900	60,000
Housing Rehabilitation Loans	-	-	200,800	169,700
Rehabilitation Loan Fees	10,829	11,164	13,000	13,000
Rehabilitation Loan Services	25,210	24,453	24,000	24,000
Citywide Paint Program	39,921	35,326	30,000	30,000
Building Maintenance	78,019	23,174	12,200	12,400
Auditing	-	2,955	5,000	5,000
Professional Services - Legal	-	-	-	35,000
Special Audits	2,869	-	-	-
Property Disposition	8,500	310,843	-	-
Subtotal	282,671	515,118	419,900	462,100
Activity Total	\$427,941	\$666,204	\$573,200	\$618,700
<u>Funding Sources:</u>				
General Fund	\$129,631	\$119,824	\$125,500	\$127,300
Community Development				
Block Grant Fund	200,483	181,867	378,000	356,500
Housing Authority Fund	97,827	364,513	69,700	134,900

COMMUNITY PRESERVATION DIVISION BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$325,890	\$326,615	\$304,200	\$311,900
Overtime	1,452	1,847	5,100	5,000
Medicare	4,267	4,353	4,400	4,500
Retirement	36,921	24,791	25,600	26,200
Health Insurance	63,345	66,978	77,400	77,400
Subtotal	<u>\$431,875</u>	<u>424,584</u>	<u>416,700</u>	<u>425,000</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	150	170	300	300
Training and Education	50	15	600	600
Travel, Conferences, Meetings	61	-	2,400	2,400
Auto Allowance	753	759	800	800
Mileage Reimbursement	91	-	100	-
Operating Supplies	485	207	800	400
Printing and Duplicating	799	509	200	200
Postage and Deliveries	60	-	100	100
Subscriptions and Books	1,795	1,395	2,900	2,900
Uniforms	792	931	1,700	1,700
Telephone and Other	2,850	2,562	2,700	2,700
Software Licenses/Maintenance	10,805	11,345	13,700	13,300
Vehicle Replacement	7,900	-	7,900	7,900
Vehicle Maintenance	4,339	7,011	6,400	6,400
Subtotal	<u>30,930</u>	<u>24,904</u>	<u>40,600</u>	<u>39,700</u>
<u>Contract Services:</u>				
Nuisance Abatement	32,195	-	10,000	10,000
Citations Collection	-	1,959	2,400	2,400
Subtotal	<u>32,195</u>	<u>1,959</u>	<u>12,400</u>	<u>12,400</u>
Activity Total	<u>\$495,000</u>	<u>\$451,447</u>	<u>\$469,700</u>	<u>\$477,100</u>
<u>Funding Source:</u>				
General Fund	\$495,000	\$451,447	\$469,700	\$477,100

CITY ATTORNEY

DEPARTMENT DESCRIPTION

The City Attorney acts as legal advisor to the City Council, City Manager, various City departments, commissions, committees and boards. The City Attorney prepares or approves as to legal form all proposed City ordinances, resolutions, agreements, contracts, deeds and other legal documents. The City Attorney also represents the City in all litigation in which the City is involved and prosecutes violations of City laws. The City of Lake Forest contracts with the law firm of Best, Best & Krieger LLP for legal services.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Continued implementation and development of new residential neighborhood projects, including occupancy and mapping on approved developments.
2. Negotiated and drafted development agreement amendment with Irvine Ranch Water District to allow for construction on the Civic Center site and participated in negotiations with Irvine Ranch Water District regarding dedicated property for the Civic Center site, related to Resource Agency permit requirements.
3. Assisted the City in obtaining permits and contractual clearance for development and construction of its new Civic Center.
4. Represented the City in providing comments to regional water quality control boards relating to state and federal clean water act permits.
5. Assisted staff in drafting a Request for Proposal to begin the City's 2040 General Plan update.
6. Drafted ordinance overhauling the City's marijuana ordinance to comply with new legislation related to home cultivation.
7. Drafted ordinance revising the City's massage ordinance.
8. Participated in PMAC.
9. Assisted in updating the City's Permit Parking Policy, the street sweeping policy, and related parking ordinances, including the ordinance creating the Parking and Traffic Commission.
10. Assisted staff with a Design-Build policy which allows the City to implement construction projects using the Design-Build Project Delivery Method. Drafted ordinance permitting the City to utilize Design-Build Project Delivery Method for Civic Center project.
11. Provided legal and land use advice for proposed Boys and Girls Club use at El Toro Park.
12. Oversaw negotiation between City Council and Interim City Manager and drafted Interim City manager employment agreement.
13. Guided staff through legal issues associated with bid protests on the Village Pond Park project, thereby allowing award of the construction contract and avoiding a legal challenge.

14. Oversaw real property negotiations for the Housing Authority parcels on El Toro Road, adjacent to the Kingdom Hall property.
15. Finalized updates to the City's Contracting and Purchasing Guidelines and annual update to City's standard template contracts and agreements.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Continue to assist City in real estate transactions relating to acquisition and construction of new residential neighborhoods and public facilities in the surrounding areas.
2. Continue work on project-level review of new neighborhood projects required for construction of residential units and cash flow for public facilities.
3. Support City in economic development and housing initiatives, including completing negotiations for Housing Authority parcels.
4. Continue to assist the City in implementing development and construction of its new Civic Center, including specialized work on habitat mitigation, design-build issues, and procurement issues.
5. Provide specialized CEQA and environmental guidance for all aspects of development of the Civic Center.
6. Finalize municipal code amendments to define and regulate short-term lodging, accessory dwelling units, and group counseling uses.
7. Work toward full resolution of issues between the Lake Forest Community Association and the City of Lake Forest.
8. Support staff in the General Plan review and revision process.
9. Continue to provide successful litigation support when issues arise that could impact the community.
10. Work with staff to implement City policies to comply with new laws related to the Public Records Act.
11. Continue to guide the City through storm water issues related to ongoing development, to ensure the City avoids liability for developer violations.

CITY ATTORNEY BUDGET OVERVIEW
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Contract Services	\$963,070	\$1,056,645	\$1,318,000	\$1,318,000
Activity Total	<u>\$963,070</u>	<u>\$1,056,645</u>	<u>\$1,318,000</u>	<u>\$1,318,000</u>

Funding Sources:

General Fund	\$896,797	\$1,018,892	\$1,272,000	\$1,272,000
General Fund - NPDES ¹	66,273	37,753	46,000	46,000

¹ NPDES = National Pollutant Discharge Elimination System

CITY ATTORNEY BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Contract Services:</u>				
Legal	\$898,949	\$1,030,156	\$1,026,000	\$1,026,000
Reimbursed Legal	32,650	23,483	260,000	260,000
Outside Legal	31,471	3,006	27,000	27,000
Miscellaneous Legal	-	-	5,000	5,000
Subtotal	963,070	1,056,645	1,318,000	1,318,000
Activity Total	\$963,070	\$1,056,645	\$1,318,000	\$1,318,000

FINANCE

DEPARTMENT DESCRIPTION

The Finance Department is responsible for a variety of functions including financial reporting, accounting, budgeting, payroll, accounts payable, investments, contract administration, purchasing, risk management, and long-term debt administration.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Continued to provide financial management and guidance for public and private projects including:
 - Monitored the Opportunities Study Area Financial Model to track and account for all impact fees
 - Monitored cash flow needs analysis for development of the Lake Forest Civic Center
 - Monitored financial terms and obligations of Developer Agreements and amendments as necessary
 - Performed the accounting for the acceptance of developer constructed infrastructure and other capital related assets
 - Monitored cash flow needs analysis of the Foothill Circulation Phasing Plan Fee program for the 2011 Alton Certificates of Participation debt service requirements
2. Continued to provide financial management and guidance regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
 - Received a Finding of Completion from the California State Department of Finance (DOF)
 - Received approval from the DOF of Last and Final ROPS
3. Continued to provide financial management and guidance regarding the City's Pension and Other Post-Employment Benefit Obligations.
 - Managed the City's irrevocable trust through the Public Agency Retirement Services Pension Rate Stabilization Program and the Other Post-Employment Benefits Trust.
 - Performed financial analysis to retire the City's unfunded Actuarial Accrued Liability related to pensions that would result in significant savings over time and reduce or eliminate fluctuation in the City's employer contributions to CalPERS.
 - Implemented Governmental Accounting Standards Board Statement of Accounting 74/75 in the City's financial statements related to Other Post-Employment Benefits accounting.
4. Commenced implementation of financial transparency dashboard and reporting tool.

5. Completed a needs assessment for implementation of a new accounting system.
6. Updated the City's Purchasing and Contract Guidelines.
7. Worked with Human Resources Division to implement an integrated human resources solution to automate the reporting requirements of the Affordable Care Act.
8. Issued 671 invoices related to the Opportunity Study Area development for 644 single-family and 155 multi-family units.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Continue to provide financial management and guidance for public and private projects including:
 - Monitor the Opportunities Study Area Financial Model to track and account for all impact fees
 - Monitor cash flow needs analysis for development of the Lake Forest Civic Center
 - Monitor financial terms and obligations of Developer Agreements and amendments as necessary
 - Perform the accounting for the acceptance of developer constructed infrastructure and other capital related assets as necessary
 - Monitor cash flow needs analysis of the Foothill Circulation Phasing Plan Fee program for the 2011 Alton Certificates of Participation debt service requirements
2. Continue to provide financial management and guidance regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
3. Continue to Provide financial management and guidance regarding the City's Pension and Other Post-Employment Benefit Obligations
4. Continue to provide financial management and guidance in the disposition and development of Housing Authority Assets.
5. Conduct Request for Proposal and purchasing process for replacement of the accounting system and commence implementation.
6. Prepare an analysis of the City's financial policies.

**FINANCE - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$737,946	\$750,844	\$860,100	\$738,400
Operations and Maintenance	2,964,590	7,766,999	3,302,800	3,397,000
Contract Services	187,160	132,056	167,500	190,600
Activity Total	\$3,889,696	\$8,649,899	\$4,330,400	\$4,326,000
Funding Sources:				
General Fund	\$2,803,674	\$7,556,753	\$3,246,400	\$3,237,100
Financing Authority Fund	1,086,022	1,093,146	1,084,000	1,088,900
Total Positions:				
Full-Time	6.45	7.00	7.00	6.30

PERFORMANCE MEASURES

Description	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Accounting</u>			
Management letter items	0	0	0
% of invoices paid without incurring finance charges	100%	100%	100%
Days after month end for issuance of financial reports	10	10	10
<u>Budget Preparation</u>			
Date Budget adopted	6/16/2015	6/21/2016	6/20/2017
General fund revenues collected as % of revised estimates ¹	103%	90%	90%
General fund expenditures expended as % budgeted ¹	97%	95%	95%
GFOA awards received	1	1	1

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2015-16</u>	<u>Adopted Budget 2016-17</u>	<u>Adopted Budget 2017-18</u>
<u>Investment Management</u>			
Invested funds as % of total cash and investments	99%	99%	99%
% of investments in compliance with policy	100%	100%	100%
% of investments within required safety ratings	100%	100%	100%

¹ Excludes carryovers

**FINANCE - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$532,780	\$588,166	\$633,400	\$534,200
Overtime	13	2,149	2,500	2,500
Part-Time Personnel	44,178	-	34,400	34,400
Medicare	7,753	7,890	9,700	8,200
Retirement	60,428	46,020	56,900	48,200
Health Insurance	92,794	106,619	123,200	110,900
Subtotal	<u>737,946</u>	<u>750,844</u>	<u>860,100</u>	<u>738,400</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,080	2,688	1,600	1,600
Training and Education	3,546	3,101	5,500	5,500
Travel, Conferences, Meetings	3,584	3,398	5,900	3,100
Auto Allowance	7,830	7,890	7,800	4,400
Mileage Reimbursement	277	120	500	500
Operating Supplies	46,749	47,933	46,400	46,400
Printing and Duplicating	7,937	8,823	8,500	8,500
Postage and Deliveries	15,149	10,105	15,500	18,500
Subscriptions and Books	1,055	1,055	1,000	1,000
Telephone and Other	24,428	32,380	34,700	34,700
City Hall Rent	979,902	962,702	980,000	1,009,400
Equipment Rentals/Leases	46,587	46,194	45,200	45,200
Equipment Maintenance	6,373	2,828	-	-
Software Licenses/Maint.	6,273	16,013	160,600	45,000
Bank Charges and Fees	6,047	12,948	19,500	32,800
Property Tax Administration	74,257	72,645	85,000	90,000
PERS Unfunded Liability	-	3,857,702	-	7,000
General Liability Insurance	487,563	1,228,746	629,800	702,400
Property Insurance	18,305	42,899	25,000	59,100
Worker's Compensation				
Insurance	114,930	301,898	108,300	155,000
Other Insurance	26,696	11,785	38,000	38,000
Debt Service Payments	1,086,022	1,093,146	1,084,000	1,088,900
Subtotal	<u>2,964,590</u>	<u>7,766,999</u>	<u>3,302,800</u>	<u>3,397,000</u>

FINANCE - ALL DIVISIONS BUDGET DETAIL (continued)
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Contract Services:</u>				
Printer Management	9,410	6,462	13,000	13,000
Auditing	32,765	30,320	40,000	41,400
Special Audits	5,650	2,550	14,800	15,600
Sales/Property Tax Audits	60,362	7,139	20,000	20,000
Payroll	45,298	49,860	48,000	55,000
General	33,675	35,725	31,700	45,600
Subtotal	187,160	132,056	167,500	190,600
Activity Total ¹	\$3,889,696	\$8,649,899	\$4,330,400	\$4,326,000

¹ The Non-Departmental Division is transferred from Management Services to Finance in Fiscal Year 2016-17.

FINANCE DIVISION BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel:				
Full-Time Personnel	\$532,780	\$588,166	\$633,400	\$534,200
Overtime	13	2,149	2,500	2,500
Part-Time Personnel	44,178	-	34,400	34,400
Medicare	7,753	7,890	9,700	8,200
Retirement	60,428	46,020	56,900	48,200
Health Insurance	92,794	106,619	123,200	110,900
Subtotal	<u>737,946</u>	<u>750,844</u>	<u>860,100</u>	<u>738,400</u>
Operation and Maintenance:				
Memberships and Dues	1,080	2,688	1,600	1,600
Training and Education	3,546	3,101	5,500	5,500
Travel, Conferences, Meetings	3,584	3,398	5,900	3,100
Auto Allowance	7,830	7,890	7,800	4,400
Mileage Reimbursement	277	120	500	500
Operating Supplies	2,448	1,854	1,400	1,400
Printing and Duplicating	3,602	3,873	3,500	3,500
Postage and Deliveries	149	105	500	500
Subscriptions and Books	1,055	1,055	1,000	1,000
Software Licenses/Maint.	6,273	16,013	160,600	45,000
Bank Charges and Fees	6,047	12,948	19,500	32,800
Property Tax Administration	74,257	72,645	85,000	90,000
Debt Service Payments	1,086,022	1,093,146	1,084,000	1,088,900
Subtotal	<u>1,196,170</u>	<u>1,218,836</u>	<u>1,376,800</u>	<u>1,278,200</u>
Contract Services:				
Auditing	32,765	30,320	40,000	41,400
Special Audits	5,650	2,550	14,800	15,600
Sales/Property Tax Audits	60,362	7,139	20,000	20,000
Payroll	45,298	49,860	48,000	55,000
General	33,675	35,725	31,700	45,600
Subtotal	<u>177,750</u>	<u>125,594</u>	<u>154,500</u>	<u>177,600</u>
Activity Total	<u>\$2,111,866</u>	<u>\$2,095,274</u>	<u>\$2,391,400</u>	<u>\$2,194,200</u>
Funding Source:				
General Fund	\$1,025,844	\$1,002,128	\$1,307,400	\$1,105,300
Financing Authority Fund	1,086,022	1,093,146	1,084,000	1,088,900

FINANCE - NON-DEPARTMENTAL DIVISION BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Operation and Maintenance:</u>				
Operating Supplies	\$44,301	\$46,079	\$45,000	\$45,000
Printing and Duplicating	4,335	4,950	5,000	5,000
Postage and Deliveries	15,000	10,000	15,000	18,000
Telephone and Other	24,428	32,380	34,700	34,700
City Hall Rent	979,902	962,702	980,000	1,009,400
Equipment Rentals/Leases	46,587	46,194	45,200	45,200
Equipment Maintenance	6,373	2,828	-	-
PERS Unfunded Liability	-	3,857,702	-	7,000
General Liability Insurance	487,563	1,228,746	629,800	702,400
Property Insurance	18,305	42,899	25,000	59,100
Worker's Compensation Insurance	114,930	301,898	108,300	155,000
Other Insurance	26,696	11,785	38,000	38,000
Subtotal	1,768,420	6,548,163	1,926,000	2,118,800
<u>Contract Services:</u>				
Printer Management	9,410	6,462	13,000	13,000
Subtotal	9,410	6,462	13,000	13,000
Activity Total	\$1,777,830	\$6,554,625	\$1,939,000	\$2,131,800
 Funding Source:				
General Fund	\$1,777,830	\$6,554,625	\$1,939,000	\$2,131,800

DEVELOPMENT SERVICES

DEPARTMENT DESCRIPTION

The Development Services Department is responsible for the administration of programs that guide the City's growth and development. The Department includes the Planning Division and the Building and Safety Services Division. The department provides planning-related staff support to the City Council and Planning Commission and coordinates the activities of the regional planning agencies affecting the City. The Building and Safety Services Division issues building permits and provides inspection services for new construction and remodeling activity throughout the City.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Provided assistance to the public, business and development community regarding land use and zoning matters. Reviewed and analyzed entitlement applications in accordance with the timelines established in the Government Code and presented recommendations to the Planning Commission and City Council.
2. Recommended the selection of a consulting firm and began the phased work program for a comprehensive update to the City's General Plan. Initiated Phase 1 of the program to engage the residents and businesses in the identification of a community wide vision and the preparation of background studies.
3. Worked with Irvine Ranch Water District (IRWD) to amend the Serrano Summit Area Plan and Master Tentative Tract Map to accommodate the final Civic Center design and grading parameters. Provided assistance to IRWD to facilitate the issuance of the necessary Resource Agency permits for the Civic Center site.
4. Facilitated the review, permitting and construction of approved OSA projects with other City Departments through monthly OSA coordination meetings, bi-weekly construction meetings and the monitoring of Conditions of Approval. Processed subsequent entitlement actions and coordinated the plan check and inspection process for 900 new homes, neighborhood parks and private recreation facilities.
5. Reviewed plans and issued 2,900 permits; performed 18,000 building inspections.
6. Coordinated the entitlement and permit issuance for three new hotels in the City.
7. Designed and implemented new cannabis, transitory lodging, and accessory dwelling unit regulations.
8. Reviewed projects within the City and in adjacent jurisdictions.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Continue the implementation of a robust public outreach program to identify the community's core values and vision and oversee the preparation of technical studies for the first phase of the General Plan Update.
2. Provide assistance to the public, business and development community regarding land use and zoning matters. Review and analyze new projects in accordance with the timelines established in the Government Code and presented recommendations to the Planning Commission and City Council.
3. Provide staff support and prepare agendas, reports and studies for the Planning and Traffic Commission.
4. Facilitate the review, permitting and construction of approved projects with other City Departments.
5. Provide assistance to the Civic Center design team to facilitate compliance with Resource Agency permitting requirements and the approval of construction documents.
6. Provide timely customer service for the review of building plans and inspections and provide enhanced services to the public and development community utilizing the City's technology.

**DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$1,081,569	\$1,027,557	\$1,009,400	\$1,022,400
Operations and Maintenance	58,984	60,556	95,200	106,000
Contract Services	1,812,422	1,997,685	2,515,000	3,064,200
Activity Total	<u>\$2,952,975</u>	<u>\$3,085,798</u>	<u>\$3,619,600</u>	<u>\$4,192,600</u>
Funding Source:				
General Fund	\$2,952,975	\$3,085,798	\$3,619,600	\$4,192,600
Total Positions:				
Full-Time	<u>9.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>

PERFORMANCE MEASURES

Description	Actual <u>2015-16</u>	Adopted Budget <u>2016-17</u>	Adopted Budget <u>2017-18</u>
<u>Building Inspection and Construction</u>			
<u>Plan Review</u>			
% of plan checks completed within timeframes established by City contract	100%	100%	100%
% of building inspections completed within timeframes established by City contract	100%	100%	100%
<u>Planning Division</u>			
% of staff planning reviews completed within established timeframes	95%	100%	100%
% of requests for information responded to within 24 hours	95%	95%	95%

**DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$810,132	\$805,060	\$747,700	\$759,300
Overtime	755	638	2,000	1,900
Part-Time Personnel	42,486	26,884	43,800	43,800
Medicare	11,693	11,364	11,500	11,700
Retirement	87,017	61,760	63,600	64,900
Health Insurance	129,486	121,851	140,800	140,800
Subtotal	<u>1,081,569</u>	<u>1,027,557</u>	<u>1,009,400</u>	<u>1,022,400</u>
<u>Operations and Maintenance:</u>				
Memberships and Dues	3,575	4,470	4,100	4,100
Training and Education	210	899	4,700	4,300
Travel, Conferences, Meetings	3,280	5,189	7,600	7,900
Individual Travel Accounts:				
Armando Travel	-	-	1,000	1,000
Brower Travel	-	125	-	-
Carter Travel	-	-	-	1,000
DeAlmeida Travel	40	150	1,000	1,000
Fuentes Travel	-	125	1,000	1,000
Hughes Travel	275	-	-	-
Ludden Travel	-	-	1,000	1,000
Verplancke Travel	-	125	1,000	-
Zechmeister Travel	525	-	-	-
Commissioner Stipend	-	-	14,200	14,200
Auto Allowance	15,481	13,995	13,800	13,800
Mileage Reimbursement	413	65	700	700
Operating Supplies	1,838	3,669	4,900	25,300
Printing and Duplicating	1,778	1,138	2,100	800
Postage and Deliveries	480	180	500	500
Subscriptions and Books	2,384	2,487	6,200	3,200
Uniforms	184	130	200	200
Telephone and Other	2,218	-	-	-
Equipment Rentals/Leases	4,693	5,119	5,200	-
Software Licenses/Maintenance	21,610	22,690	26,000	26,000
Subtotal	<u>58,984</u>	<u>60,556</u>	<u>95,200</u>	<u>106,000</u>
<u>Contract Services:</u>				
Planning	157,546	106,977	915,000	1,040,000
Opportunities Study	20	-	-	-
Building and Safety	1,654,856	1,890,708	1,600,000	2,012,200
Communications	-	-	-	12,000
Subtotal	<u>1,812,422</u>	<u>1,997,685</u>	<u>2,515,000</u>	<u>3,064,200</u>
Activity Total	<u>\$2,952,975</u>	<u>\$3,085,798</u>	<u>\$3,619,600</u>	<u>\$4,192,600</u>

DEVELOPMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$306,569	\$260,067	\$232,700	\$232,700
Overtime	-	-	500	300
Part-Time Personnel	23,045	9,388	29,800	29,800
Medicare	4,473	3,655	3,800	3,800
Retirement	33,336	20,619	21,000	21,100
Health Insurance	43,162	30,463	35,200	35,200
Subtotal	<u>410,585</u>	<u>324,192</u>	<u>323,000</u>	<u>322,900</u>
<u>Operations and Maintenance:</u>				
Memberships and Dues	900	1,115	1,000	1,000
Training and Education	15	67	1,600	1,200
Travel, Conferences, Meetings	670	2,004	1,600	1,900
Auto Allowance	4,819	4,856	4,800	4,800
Mileage Reimbursement	-	-	200	200
Operating Supplies	820	744	1,000	1,000
Subscriptions and Books	1,729	1,708	2,100	2,100
Subtotal	<u>8,953</u>	<u>10,494</u>	<u>12,300</u>	<u>12,200</u>
Activity Total	<u>\$419,538</u>	<u>\$334,686</u>	<u>\$335,300</u>	<u>\$335,100</u>
<u>Funding Source:</u>				
General Fund	\$419,538	\$334,686	\$335,300	\$335,100

DEVELOPMENT SERVICES - BUILDING DIVISION BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$69,245	\$69,888	\$66,200	\$66,200
Overtime	233	239	500	600
Medicare	926	927	1,000	1,000
Retirement	7,917	5,796	5,900	5,900
Health Insurance	14,387	15,231	17,600	17,600
Subtotal	92,708	92,081	91,200	91,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	440	240	600	600
Training and Education	-	635	1,100	1,100
Mileage Reimbursement	151	-	200	200
Operating Supplies	664	1,600	2,100	2,500
Printing and Duplicating	975	391	600	300
Subscriptions and Books	147	100	3,500	500
Uniforms	184	130	200	200
Telephone and Other	2,218	-	-	-
Equipment Rentals/Leases	4,693	5,119	5,200	-
Software Licenses/Maintenance	10,805	11,345	13,000	13,000
Subtotal	20,277	19,560	26,500	18,400
<u>Contract Services:</u>				
Building and Safety	1,654,856	1,890,708	1,600,000	2,012,200
Communications	-	-	-	12,000
Subtotal	1,654,856	1,890,708	1,600,000	2,024,200
Activity Total	\$1,767,841	\$2,002,349	\$1,717,700	\$2,133,900
 <u>Funding Source:</u>				
General Fund	\$1,767,841	\$2,002,349	\$1,717,700	\$2,133,900

DEVELOPMENT SERVICES - PLANNING DIVISION BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$434,318	\$475,105	\$448,800	\$460,400
Overtime	522	399	1,000	1,000
Part-Time Personnel	19,441	17,496	14,000	14,000
Medicare	6,294	6,782	6,700	6,900
Retirement	45,764	35,345	36,700	37,900
Health Insurance	71,937	76,157	88,000	88,000
Subtotal	578,276	611,284	595,200	608,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,235	3,115	2,500	2,500
Training and Education	195	197	2,000	2,000
Travel, Conferences, Meetings	2,610	3,185	6,000	6,000
<u>Commissioner Travel:</u>				
Armando Travel	-	-	1,000	1,000
Brower Travel	-	125	-	-
Carter Travel	-	-	-	1,000
DeAlmeida Travel	40	150	1,000	1,000
Fuentes Travel	-	125	1,000	1,000
Hughes Travel	275	-	-	-
Ludden Travel	-	-	1,000	1,000
Verplancke Travel	-	125	1,000	-
Zechmeister Travel	525	-	-	-
Commissioner Stipend	-	-	14,200	14,200
Auto Allowance	10,662	9,139	9,000	9,000
Mileage Reimbursement	262	65	300	300
Operating Supplies	354	1,325	1,800	21,800
Printing and Duplicating	803	747	1,500	500
Postage and Deliveries	480	180	500	500
Subscriptions and Books	508	679	600	600
Software Licenses/Maintenance	10,805	11,345	13,000	13,000
Subtotal	29,754	30,502	56,400	75,400
<u>Contract Services:</u>				
Planning	157,546	106,977	915,000	1,040,000
Opportunities Study	20	-	-	-
Subtotal	157,566	106,977	915,000	1,040,000
Activity Total	\$765,596	\$748,763	\$1,566,600	\$1,723,600
<u>Funding Source:</u>				
General Fund	\$765,596	\$748,763	\$1,566,600	\$1,723,600

PUBLIC WORKS

DEPARTMENT DESCRIPTION

The Public Works Department is dedicated to providing high quality public facilities and services to the Lake Forest community. The Department serves the community by developing, constructing, and maintaining the public infrastructure, which includes all public streets, sidewalks, storm drains, traffic signals, landscaping, parks, buildings, and solid waste collection services. In addition, the department checks plans, inspects grading and infrastructure construction for new developments and implements the City's Capital Improvement Program ("CIP"). The CIP is responsive to our community by delivering construction projects that enhance the quality of life in Lake Forest. The Department accomplishes this through five major disciplines: administration, engineering, infrastructure maintenance, traffic management, and water quality

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

Civic Center

1. Started rough grading of the Civic Center site and awarded a design and build contract for the Civic Center Parking Structure.

Traffic Improvements

2. Completed the construction of a second left turn lane for southbound Portola Pkwy at Bake Pkwy, and completed design of the restriping project at Alton Pkwy and Irvine Blvd. Both projects are designed to improve traffic flow per the Lake Forest Transportation Mitigation Program ("LFTM").
3. Completed the first annual review of traffic controls and conditions for schools, and updated the Safe Route to School plans for all public schools.
4. Completed the Portola Parkway widening and landscape improvements, which added a dedicated off-ramp exit lane and a third southbound lane through the SR-241 interchange to Rancho Parkway.
5. Added a third through lane in both directions on Alton Parkway over the SR-241.

Street Improvements

6. Continued the City's Pavement Management Program, slurry sealing local streets in two of the City's seven slurry seal zones and resurfaced the asphalt on Alton Parkway and Portola Parkway.
7. Completed the ninth phase of the City's ADA Ramp Improvement program, reconstructing 18 sidewalk access ramps. To date, the program has reconstructed 467 ramps at various locations in the City.
8. Rehabilitated 3,720 square feet of displaced and deficient concrete sidewalks in accordance with the City's Safe-Step Program.

Environmental

9. Awarded a construction contract for the Teed Street storm drain improvements, which will improve water drainage at the intersection of Teed Street and Vesper Road.
10. Retrofitted approximately 150 storm drains with special screens to prevent trash, debris, and other pollutants from flowing into the storm drain and discharging to local streams and beaches, using a competitive grant-funding award.

Park Improvements

11. Began construction to renovate Village Pond Park that is designed to improve park aesthetics and usability, discourage the overpopulation of waterfowl, and improve water quality in the pond.
12. Completed construction of additional lighting at the south tot lot and batting cages as well as the installation of handrails, guardrails and steps at the Lake Forest Sports Park.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

Civic Center

1. Complete rough grading, extension of Civic Center Drive, installation of underground utilities, and parking structure at the Civic Center.
2. Begin construction of four campus buildings.

Traffic Improvements

3. Initiate design of Lake Forest Transportation Mitigation (“LFTM”) project at El Toro and Portola/Santa Margarita to improve traffic flow by adding turn lanes.
4. Initiate design of traffic improvement projects at Bake Parkway and Trabuco/Irvine Boulevard to improve traffic flow.
5. Initiate design of the El Toro Road Traffic Signal Synchronization Program (TSSP) project from Bridger Road to Ridgeline Road.
6. Conduct annual traffic collision review and analysis.

Street Improvements

7. Continue the City’s Pavement Management Program, slurry sealing Zone E.
8. Complete construction of two ADA improvement projects.
9. Complete pavement resurfacing of portions of Dimension and Portola/SR241.

Environmental

10. Apply for competitive grant funding for storm drain retrofits to reduce trash, bacteria, and other pollutants from entering the City’s waterways.

Park Improvements

11. Initiate construction of Portola Community Park.
12. Complete construction of Village Pond Park Improvements.
13. Collaborate with Community Services to initiate the Neighborhood Park Improvement Plan.

**PUBLIC WORKS - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$1,456,450	\$1,748,428	\$1,821,000	\$1,966,500
Operations and Maintenance	1,925,293	2,243,904	2,556,600	2,470,600
Contract Services	6,826,785	7,862,633	7,709,400	8,598,100
Capital Outlay	1,203	-	-	77,000
Activity Total	<u>\$10,209,731</u>	<u>\$11,854,965</u>	<u>\$12,087,000</u>	<u>\$13,112,200</u>
Funding Sources:				
General Fund	\$8,230,549	\$10,146,513	\$10,318,700	\$11,288,900
Gas Tax Fund	1,851,674	1,619,437	1,659,800	1,714,800
Grant Funds	65,701	47,491	61,000	61,000
Air Quality Management				
District Fund	61,807	41,524	47,500	47,500
Total Positions:				
Full-Time	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	<u>16.0</u>

PERFORMANCE MEASURES

Description	Actual <u>2015-16</u>	Adopted Budget <u>2016-17</u>	Adopted Budget <u>2017-18</u>
<u>Development Plans Review</u>			
% of development plans review completed within 10 days	94%	90%	90%
% of traffic review for development site plans completed within 10 days	90%	90%	90%
<u>Park and Landscape Maintenance</u>			
% of service request responses accomplished within 5 days	100%	100%	100%
% of emergency responses accomplished within 4 hours	100%	100%	100%
% change: repair and replacement cost	38%	8%	8%
% change: contract maintenance cost	18%	1%	1%
% change: contract tree maintenance cost	40%	0%	0%
Improvements completed as % of planned	100%	100%	100%
Athletic fields repaired as % of planned	100%	100%	100%
% change: citizen requests	-19%	0%	0%

PERFORMANCE MEASURES (continued)

Description	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Park Planning and Construction</u>			
Improved acres as % of planned	100%	100%	100%
<u>Solid Waste Services</u>			
% change: citizen requests	220%	0%	0%
Residential Curbside Diversion %	N/A	N/A	45%
Multifamily Diversion %	N/A	N/A	20%
Commercial Diversion %	N/A	N/A	25%
<u>Streets and Right-of-Way Maintenance</u>			
% of paved street lane miles rated fair or better	99%	80%	80%
% of service request initial responses accomplished within 5 days	100%	100%	100%
% change: cost per sidewalk repair	0%	0%	0%
% change: cost per traffic signal maintained	0%	2%	2%
% change: cost per paved street curb mile swept	0%	0%	0%
% change: citizen requests	87%	0%	0%
<u>Traffic Circulation</u>			
Average turnaround time for emergency responses (hours)	2	2	2

**PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$1,093,138	\$1,367,952	\$1,402,200	\$1,518,000
Overtime	-	-	3,000	3,000
Part-Time Personnel	27,106	27,585	14,000	14,000
Medicare	15,158	18,714	20,600	22,100
Retirement	119,624	105,807	117,300	127,900
Health Insurance	201,424	228,370	263,900	281,500
Subtotal	1,456,450	1,748,428	1,821,000	1,966,500
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,519	1,907	4,500	5,100
Training and Education	979	1,745	7,200	8,100
Travel, Conferences, Meetings	2,547	8,483	8,300	8,400
Auto Allowance	12,851	16,994	16,800	16,800
Mileage Reimbursement	662	210	1,400	1,400
Operating Supplies	3,277	4,924	4,000	4,000
Printing and Duplicating	649	902	800	700
Postage and Deliveries	13	26	300	200
Subscriptions and Books	1,281	1,676	1,800	1,800
Uniforms	1,641	1,369	1,600	1,700
Bus Shelter Utilities	1,552	1,810	1,600	1,600
Street Light Utilities	582,398	572,622	582,500	570,000
Telephone and Other	2,253	4,934	4,400	8,000
MPS Utilities	261,405	264,164	300,700	300,700
Park Utilities	507,160	733,237	766,400	766,400
Alton Mitigation	28,896	34,185	29,300	9,100
Building Maintenance	16,880	13,894	25,000	26,000
Janitorial Maintenance	63,186	74,068	79,400	-
Electrical Maintenance	77,059	113,838	105,000	107,700
Building Repairs	3,654	7,957	43,000	38,000
Software Licenses/Maintenance	12,556	13,518	43,700	16,700
Vehicle Replacement	12,600	-	12,600	62,600
Vehicle Maintenance	7,865	5,560	11,800	7,700
NPDES ¹ Permit	151,117	169,431	244,000	241,500
Water Quality	95,303	124,481	185,500	191,400
Traffic Signal Utilities	75,990	71,969	75,000	75,000
Subtotal	1,925,293	2,243,904	2,556,600	2,470,600

**PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Contract Services:</u>				
General	6,765	12,021	-	-
Other	-	1,625	-	-
Project Engineering	954,203	1,503,088	1,385,300	1,435,000
Traffic Engineering	247,840	137,766	185,000	290,000
Office Engineering	89,674	8,221	25,000	200,000
Solid Waste	39,998	38,362	41,000	41,000
Beverage Container Recycling Grant	25,703	9,129	20,000	20,000
Park/MPS Landscape Repair	633,382	877,179	740,000	889,200
Park Landscape Maintenance	1,825,738	2,309,550	2,327,700	2,430,900
MPS Landscape Maintenance	810,578	799,520	848,500	957,100
Tree Maintenance	219,815	320,918	263,200	419,800
Backflow Prevention	10,060	9,244	13,000	13,000
Residential Street Sweeping	187,709	174,987	178,600	190,000
Arterial Street Sweeping	132,253	122,895	118,300	123,300
Citations Collection	-	-	3,000	3,000
Bus Shelter Maintenance	31,254	31,127	62,500	62,500
Traffic Signal Maintenance	240,898	211,498	302,500	327,500
Street Maintenance	1,370,915	1,295,503	1,195,800	1,195,800
Subtotal	<u>6,826,785</u>	<u>7,862,633</u>	<u>7,709,400</u>	<u>8,598,100</u>
<u>Capital Outlay:</u>				
Equipment	-	-	-	75,000
Computer	-	-	-	2,000
Furniture	1,203	-	-	-
Subtotal	<u>1,203</u>	<u>-</u>	<u>-</u>	<u>77,000</u>
Activity Total	<u>\$10,209,731</u>	<u>\$11,854,965</u>	<u>\$12,087,000</u>	<u>\$13,112,200</u>

¹ NPDES = National Pollutant Discharge Elimination System

² CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$385,181	\$314,313	\$309,400	\$311,000
Part-Time Personnel	27,106	27,585	14,000	14,000
Medicare	5,571	4,604	4,700	4,700
Retirement	44,911	24,563	26,500	26,800
Health Insurance	57,550	45,694	52,800	52,800
Subtotal	<u>520,319</u>	<u>416,759</u>	<u>407,400</u>	<u>409,300</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	504	701	800	800
Training and Education	699	591	800	800
Travel, Conferences, Meetings	884	3,774	3,000	3,000
Auto Allowance	4,819	4,855	4,800	4,800
Mileage Reimbursement	71	-	200	200
Operating Supplies	851	860	2,000	2,000
Postage and Deliveries	-	26	-	-
Printing and Duplicating	43	-	-	-
Subscriptions and Books	-	99	100	100
Subtotal	<u>7,871</u>	<u>10,906</u>	<u>11,700</u>	<u>11,700</u>
<u>Contract Services:</u>				
Solid Waste	39,998	38,362	41,000	41,000
Beverage Container Recycling Grant	25,703	9,129	20,000	20,000
Subtotal	<u>65,701</u>	<u>47,491</u>	<u>61,000</u>	<u>61,000</u>
<u>Capital Outlay:</u>				
Furniture	411	-	-	-
Subtotal	<u>411</u>	<u>-</u>	<u>-</u>	<u>-</u>
Activity Total	<u>\$594,302</u>	<u>\$475,156</u>	<u>\$480,100</u>	<u>\$482,000</u>
 <u>Funding Sources:</u>				
General Fund	\$528,601	\$427,665	\$419,100	\$421,000
Grant Funds	65,701	47,491	61,000	61,000

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel:				
Full-Time Personnel	\$311,426	\$311,069	\$321,300	\$330,000
Overtime	-	155	-	-
Medicare	4,204	4,205	4,700	4,800
Retirement	34,239	24,333	27,300	28,100
Health Insurance	43,162	45,694	52,800	52,800
Subtotal	393,031	385,456	406,100	415,700
Operation and Maintenance:				
Memberships and Dues	170	116	1,000	1,000
Training and Education	50	-	600	600
Travel, Conferences, Meetings	1,215	339	1,200	1,200
Auto Allowance	3,012	3,035	3,000	3,000
Mileage Reimbursement	101	-	700	700
Operating Supplies	400	138	400	400
Printing and Duplicating	442	250	300	300
Subscriptions and Books	1,281	1,281	1,400	1,400
Street Light Utilities	582,398	572,622	582,500	570,000
Telephone and Other	-	576	-	-
Software Licenses/Maintenance	3,602	3,782	3,600	3,600
Subtotal	592,671	582,139	594,700	582,200
Contract Services:				
Other	-	1,625	-	-
Project Engineering	954,203	1,503,088	1,385,300	1,435,000
Office Engineering	89,674	8,221	25,000	200,000
Subtotal	1,043,877	1,512,934	1,410,300	1,635,000
Activity Total	\$2,029,579	\$2,480,529	\$2,411,100	\$2,632,900
Funding Source:				
General Fund	\$2,029,579	\$2,480,529	\$2,411,100	\$2,632,900

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$59,324	\$202,153	\$236,500	\$286,200
Overtime	-	544	1,000	1,000
Medicare	813	2,654	3,400	4,100
Retirement	6,172	13,029	20,400	25,000
Health Insurance	48,957	51,746	59,800	68,600
Subtotal	115,266	270,126	321,100	384,900
<u>Operation and Maintenance:</u>				
Memberships and Dues	335	670	1,800	2,400
Training and Education	30	871	4,800	5,700
Travel, Conferences, Meetings	10	910	2,700	2,700
Auto Allowance	355	1,214	1,200	1,200
Mileage Reimbursement	296	123	300	300
Operating Supplies	1,537	2,077	800	800
Printing and Duplicating	121	243	200	200
Subscriptions and Books	-	296	100	100
Uniforms	1,184	1,177	1,400	1,400
Bus Shelter Utilities	1,552	1,810	1,600	1,600
Telephone and Other	713	2,445	3,000	3,000
MPS Utilities	261,405	264,164	300,700	300,700
Park Utilities	386,559	450,374	441,900	441,900
Alton Mitigation	28,896	34,185	29,300	9,100
Building Maintenance	15,613	2,268	8,500	8,500
Janitorial Maintenance	37,562	37,369	38,300	-
Electrical Maintenance	76,952	90,119	90,000	92,700
Building Repairs	1,835	2,866	8,000	8,000
Software Licenses/Maintenance	1,750	2,172	34,900	4,400
Vehicle Replacement	7,700	-	7,700	55,100
Vehicle Maintenance	7,115	3,715	8,500	5,000
Subtotal	831,520	899,068	985,700	944,800
<u>Contract Services:</u>				
Park/MPS Landscape Repairs	453,427	469,266	410,000	544,500
Park Landscape Maintenance	1,504,006	1,663,544	1,660,600	1,751,100
MPS Landscape Maintenance	810,578	799,520	848,500	957,100
Tree Maintenance	219,815	320,918	263,200	419,800

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Contract Services (continued):</u>				
Backflow Prevention	10,060	9,244	13,000	13,000
Bus Shelter Maintenance	31,254	31,127	62,500	62,500
Subtotal	3,029,140	3,293,619	3,257,800	3,748,000
<u>Capital Outlay:</u>				
Equipment	-	-	-	5,000
Computer	-	-	-	2,000
Furniture	792	-	-	-
Subtotal	792	-	-	7,000
Activity Total	\$3,976,718	\$4,462,813	\$4,564,600	\$5,084,700
Funding Source:				
General Fund	\$3,976,718	\$4,462,813	\$4,564,600	\$5,084,700

**PUBLIC WORKS - STREET MAINTENANCE/
TRAFFIC MANAGEMENT DIVISION
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted 2016-17	Adopted 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$119,065	\$294,301	\$294,400	\$299,400
Overtime	-	658	1,000	1,000
Medicare	1,610	4,005	4,300	4,300
Retirement	13,192	25,121	23,400	23,900
Health Insurance	12,939	44,131	51,000	51,000
Subtotal	146,806	368,216	374,100	379,600
<u>Operation and Maintenance:</u>				
Memberships and Dues	-	-	300	300
Training and Education	-	56	400	400
Auto Allowance	1,475	4,248	4,200	4,200
Operating Supplies	359	1,671	500	500
Subscriptions and Books	-	-	200	200
Telephone and Other	98	767	-	-
Software Licenses/Maintenance	3,602	3,782	2,600	6,100
Vehicle Replacement	-	-	-	2,600
Vehicle Maintenance	-	987	-	1,200
Traffic Signal Utilities	75,990	71,969	75,000	75,000
Subtotal	81,524	83,480	83,200	90,500
<u>Contract Services:</u>				
Traffic Engineering	247,840	137,766	185,000	290,000
Traffic Signal Maintenance	240,898	211,498	302,500	327,500
Street Maintenance	1,348,753	1,239,728	1,144,800	1,144,800
Subtotal	1,837,491	1,588,992	1,632,300	1,762,300
Activity Total	\$2,065,821	\$2,040,688	\$2,089,600	\$2,232,400
<u>Funding Sources:</u>				
General Fund	\$152,340	\$379,727	\$382,300	\$470,100
Gas Tax Fund	1,851,674	1,619,437	1,659,800	1,714,800
Air Quality Management District Fund	61,807	41,524	47,500	47,500

PUBLIC WORKS - SPORTS PARK DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$48,632	\$65,753	\$64,400	\$104,400
Overtime	-	-	1,000	1,000
Medicare	659	896	900	1,500
Retirement	5,488	5,471	5,700	9,300
Health Insurance	10,041	10,642	12,300	21,100
Subtotal	64,820	82,762	84,300	137,300
<u>Operation and Maintenance:</u>				
Auto Allowance	178	607	600	600
Park Utilities	120,601	282,863	324,500	324,500
Building Maintenance	1,267	11,626	16,500	17,500
Janitorial Maintenance	25,624	36,699	41,100	-
Electrical Maintenance	107	23,719	15,000	15,000
Building Repairs	1,819	5,091	35,000	30,000
Subtotal	149,596	360,605	432,700	387,600
<u>Contract Services:</u>				
General	6,765	12,021	-	-
Landscape Repairs	25,208	154,202	177,600	181,200
Landscape Maintenance	321,732	646,006	667,100	679,800
Subtotal	353,705	812,229	844,700	861,000
<u>Capital Outlay:</u>				
Equipment	-	-	-	70,000
Subtotal	-	-	-	70,000
Activity Total	\$568,121	\$1,255,596	\$1,361,700	\$1,455,900
Funding Source:				
General Fund	\$568,121	\$1,255,596	\$1,361,700	\$1,455,900

**PUBLIC WORKS - NPDES¹/WATER QUALITY DIVISION
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$169,510	\$180,363	\$176,200	\$187,000
Medicare	2,301	2,350	2,600	2,700
Retirement	15,622	13,290	14,000	14,800
Health Insurance	28,775	30,463	35,200	35,200
Subtotal	<u>216,208</u>	<u>226,466</u>	<u>228,000</u>	<u>239,700</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	510	420	600	600
Training and Education	200	227	600	600
Travel, Conferences, Meetings	438	3,460	1,400	1,500
Auto Allowance	3,012	3,035	3,000	3,000
Mileage Reimbursement	194	87	200	200
Operating Supplies	130	178	300	300
Printing and Duplicating	43	409	300	200
Postage and Deliveries	13	-	300	200
Uniforms	457	192	200	300
Telephone and Other	1,442	1,146	1,400	5,000
Software Licenses/Maintenance	3,602	3,782	2,600	2,600
Vehicle Replacement	4,900	-	4,900	4,900
Vehicle Maintenance	750	858	3,300	1,500
NPDES ¹ Permit	151,117	169,431	244,000	241,500
Water Quality	95,303	124,481	185,500	191,400
Subtotal	<u>262,111</u>	<u>307,706</u>	<u>448,600</u>	<u>453,800</u>
<u>Contract Services:</u>				
Park/MPS Landscape Repairs	154,747	253,711	152,400	163,500
Residential Street Sweeping	187,709	174,987	178,600	190,000
Arterial Street Sweeping	132,253	122,895	118,300	123,300
Citations Collection	-	-	3,000	3,000
Street Maint. - Storm Drains	22,162	55,775	51,000	51,000
Subtotal	<u>496,871</u>	<u>607,368</u>	<u>503,300</u>	<u>530,800</u>
Activity Total	<u>\$975,190</u>	<u>\$1,141,540</u>	<u>\$1,179,900</u>	<u>\$1,224,300</u>
<u>Funding Source:</u>				
General Fund	\$975,190	\$1,141,540	\$1,179,900	\$1,224,300

¹ NPDES = National Pollutant Discharge Elimination System

MANAGEMENT SERVICES

DEPARTMENT DESCRIPTION

Management Services includes the Human Resources, Information Technology, and Public Information divisions. It coordinates the recruitment of talented and highly qualified candidates to join the City's workforce and provides safety training. The department manages the City's technology needs and sets strategic guidelines to achieve long-term technology goals. It also manages public information, including City publications, websites, and communication with the media with the Director serving as the Public Information Officer.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. According to the biennial Community Satisfaction Survey, increased the percentage of residents using Facebook as a top information source to find out about City news and programming from 3% in 2014 to 10.5% in 2016.
2. Produced a "How To" educational video (recreation program registration with 972 views on Youtube and 417 views on Facebook), five short animated videos, and a City anniversary video (142 views on Youtube and 1,434 views on Facebook).
3. Engaged over 40 participants after launching three 25th anniversary contests (Blast from the Past Photo Contest, Happy Birthday Kids Art Contest, and a Testimonial Contest).
4. Collaborated with Police Services to initiate a "Don't Make It Easy" (DMIE) marketing campaign to raise crime prevention and personal safety awareness, which is one key contributing variable resulting in the largest decrease in property crimes in Orange County since 2015. Engaged nearly 300 participants after launching three DMIE contests (Burglar's Dream House Challenge, Home Security Checklist Challenge, and a Community Speaks Contest).
5. Upgraded the City's IT security framework to protect against intrusions and threats utilizing adaptive strategies, by deploying an advanced security appliance.
6. Completed the Information Technology Strategic Plan, guiding the City's technology and "Smart City" initiatives for the next two to five years.
7. Conducted incident response exercises to assess and improve IT's response to a potential information security breach.
8. Completed the Technology Design Development phase for the Civic Center Project including modern Audio/Visual systems, campus security systems, and telecommunications; much design focus is on "future-proofing" where possible, to accommodate the development of new technologies.
9. Implemented Affordable Care Act Records keeping system to improve operational efficiency.

10. Implemented iPads for external rater panels in order to have a paperless recruitment process.
11. Conducted the City's biennial Classification and Compensation Study to continue to attract and retain excellent employees.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Develop and implement marketing campaigns to promote and inform the community about important City projects (e.g. Civic Center Project, Village Pond Park, Neighborhood Park Improvement Project, and Traffic Safety).
2. Develop a City mobile application containing push notification capability and reporting functionality to facilitate communications between the public and the City.
3. Implement a Holiday Lighting Contest to foster community pride.
4. Lead the Civic Center technology selection process: Staff will view multiple system demonstrations in order to select the ideal audio-visual, facility security, CCTV, and telecommunication systems prior to issuance of bids.
5. Deploy MS Office 365, moving to the latest Office technology platform, while enhancing business continuity capabilities and collaboration tools.
6. Deploy new technology and procedures to launch an electronic plan review process, providing greater efficiency and speed in completing plan checks in the Development Services and Public Works departments.
7. Initiate a Request for Proposal for an information technology services consultant to provide computer systems support throughout the Civic Center and other City facilities.
8. Transform the City's legacy tape backup process by deploying a highly reliable and efficient modern cloud-based backup and recovery system; providing much higher reliability for disaster recovery.
9. Manage 2018 Classification and Compensation Study (off-year, as needed).
10. Review and Update City Policies and place all administrative policies on-line in ADP.
11. Increase training to include at least one training a month.
12. Expand employee wellness program through speakers and education.

**MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16 ¹	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$658,248	\$598,581	\$671,700	\$884,000
Operations and Maintenance	605,213	255,229	322,400	357,900
Contract Services	352,696	504,426	528,300	577,300
Capital Outlay	305,818	109,991	124,000	164,000
Activity Total	<u>\$1,921,975</u>	<u>\$1,468,227</u>	<u>\$1,646,400</u>	<u>\$1,983,200</u>
Funding Source:				
General Fund	\$1,921,975	\$1,468,227	\$1,646,400	\$1,983,200
Total Positions:				
Full-Time	<u>5.75</u>	<u>5.00</u>	<u>5.00</u>	<u>7.00</u>

PERFORMANCE MEASURES

Description	Actual 2015-16 ¹	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel Recruitment and Selection</u>			
% of employees passing probation	N/A	90%	98%
Average # of applications per open recruitment	80	90	75
<u>Training and Development</u>			
Performance evaluations - % completed on time	98%	95%	95%
Training/Wellness - # of in-house opportunities provided to employees	15	12	15
<u>Computer Systems</u>			
% computer help desk calls completed within 3 days	99%	85%	85%
% server availability	99.9%	99.5%	99.5%
<u>Communications</u>			
# of unique website visitors (per month)	N/A	15,000	18,000
# of engagement opportunities ²	N/A	8	10

¹ In Fiscal Year 2015-16, the City Clerk's Office becomes a separate department as a result of the structural modification to the City's Organizational Chart. The City Clerk activity is reflected retroactively in the City Clerk Department.

² Community contests.

**MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$501,840	\$451,492	\$468,600	\$662,600
Part-Time Personnel	9,010	12,294	49,300	13,500
Medicare	6,881	6,244	7,500	9,700
Retirement	57,998	36,882	43,300	56,000
Health Insurance	68,365	76,157	88,000	123,200
Annual Physical Exams	-	220	3,000	3,000
Pre-Employment Testing	9,654	9,472	6,000	10,000
Tuition Reimbursement	4,500	5,820	6,000	6,000
Subtotal	<u>658,248</u>	<u>598,581</u>	<u>671,700</u>	<u>884,000</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,925	2,445	2,800	2,800
Training and Education	15,581	16,708	32,400	32,300
Travel, Conferences, Meetings	139	4,826	6,800	10,200
Auto Allowance	10,841	7,926	7,700	10,700
Mileage Reimbursement	420	112	1,100	800
Operating Supplies	2,108	6,703	6,800	8,300
Recruitment Panel Hosting	-	1,049	1,000	1,100
Printing and Duplicating	1,700	3,485	4,700	4,700
Legal Advertising	2,236	1,624	1,000	1,800
Postage and Deliveries	33,258	35,754	36,400	36,400
Subscriptions and Books	13,663	26,698	15,700	16,100
Telephone and Other	11,480	5,579	13,600	14,200
Equipment Maintenance	2,084	2,897	3,900	3,900
Computer Maintenance/Supply	334,448	43,588	52,000	52,700
Software Licenses/Maintenance	87,443	86,939	110,600	133,000
Website Update Services	86,887	8,896	25,900	28,900
Subtotal	<u>605,213</u>	<u>255,229</u>	<u>322,400</u>	<u>357,900</u>
<u>Contract Services:</u>				
Newsletter	43,822	41,891	69,000	69,000
Citizen's Academy	3,876	-	-	-
Records Management	3,750	5,000	10,000	15,000
Miscellaneous	41,197	43,344	46,000	46,000
Information Services	205,881	395,426	338,000	356,000
Communications	13,125	18,765	21,300	41,300
General	41,045	-	44,000	50,000
Subtotal	<u>352,696</u>	<u>504,426</u>	<u>528,300</u>	<u>577,300</u>

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Capital Outlay:</u>				
Equipment	225,791	42,510	86,000	95,000
Furniture	29,587	2,872	3,000	3,000
Computers	37,360	57,046	30,000	44,000
Computer Software	13,080	7,563	5,000	22,000
Subtotal	305,818	109,991	124,000	164,000
Activity Total ¹	\$1,921,975	\$1,468,227	\$1,646,400	\$1,983,200

¹ The Non-Departmental Division is transferred from Management Services to Finance in Fiscal Year 2016-17.

MANAGEMENT SERVICES - PUBLIC INFORMATION DIVISION BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$185,765	\$139,471	\$131,300	\$196,500
Part-Time Personnel	9,010	12,294	13,500	13,500
Medicare	2,636	1,987	2,100	3,000
Retirement	21,159	11,863	11,800	16,300
Health Insurance	25,203	21,284	24,600	42,200
Subtotal	243,773	186,899	183,300	271,500
<u>Operation and Maintenance:</u>				
Memberships and Dues	350	880	900	900
Training and Education	145	56	1,500	1,000
Travel, Conferences, Meetings	-	1,127	1,000	1,500
Auto Allowance	3,162	1,957	1,900	1,900
Mileage Reimbursement	-	82	500	500
Operating Supplies	587	3,140	3,200	4,700
Printing and Duplicating	1,700	3,485	3,700	3,700
Postage and Deliveries	33,220	35,754	36,000	36,000
Subscriptions and Books	1,652	85	-	-
Software Licenses/Maintenance	4,711	6,290	7,600	7,800
Website Update Services	65,987	400	13,800	13,800
Subtotal	111,514	53,256	70,100	71,800
<u>Contract Services:</u>				
Newsletter	43,822	41,891	69,000	69,000
Citizen's Academy	3,876	-	-	-
Communications	13,125	18,765	21,300	41,300
General	41,045	-	44,000	50,000
Subtotal	101,868	60,656	134,300	160,300
Activity Total	\$457,155	\$300,811	\$387,700	503,600
<u>Funding Source:</u>				
General Fund	\$457,155	\$300,811	\$387,700	\$503,600

MANAGEMENT SERVICES - INFORMATION TECHNOLOGY DIVISION BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$156,536	\$216,208	\$227,600	\$244,200
Medicare	2,165	2,964	3,300	3,500
Retirement	17,817	16,739	18,600	19,900
Health Insurance	17,959	35,052	40,500	40,500
Subtotal	194,477	270,963	290,000	308,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	550	290	800	800
Training and Education	-	4,590	8,000	8,000
Travel, Conferences, Meetings	-	3,659	5,200	5,200
Auto Allowance	4,216	4,489	4,400	4,400
Operating Supplies	52	-	-	-
Subscriptions and Books	11,726	26,314	15,000	15,000
Telephone and Other	11,480	5,579	13,600	14,200
Equipment Maintenance	2,084	2,897	3,900	3,900
Computer Maintenance/Supply	334,448	43,588	52,000	52,700
Software Licenses/Maintenance	77,835	80,649	99,000	121,200
Website Update Services	20,900	8,496	12,100	15,100
Subtotal	463,291	180,551	214,000	240,500
<u>Contract Services:</u>				
Records Management	3,750	5,000	10,000	15,000
Information Services	205,881	395,426	338,000	356,000
Subtotal	209,631	400,426	348,000	371,000
<u>Capital Outlay:</u>				
Equipment	225,791	42,510	86,000	95,000
Computers	37,360	57,046	30,000	44,000
Computer Software	13,080	7,563	5,000	22,000
Subtotal	276,231	107,119	121,000	161,000
Activity Total	\$1,143,630	\$959,059	\$973,000	\$1,080,600
<u>Funding Source:</u>				
General Fund	\$1,143,630	\$959,059	\$973,000	\$1,080,600

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$159,539	\$95,813	\$109,700	\$221,900
Part-Time Personnel	-	-	35,800	-
Medicare	2,080	1,293	2,100	3,200
Retirement	19,022	8,280	12,900	19,800
Health Insurance	25,203	19,821	22,900	40,500
Annual Physical Exams	-	220	3,000	3,000
Pre-Employment Testing	9,654	9,472	6,000	10,000
Tuition Reimbursement	4,500	5,820	6,000	6,000
Subtotal	219,998	140,719	198,400	304,400
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,025	1,275	1,100	1,100
Training and Education	15,436	12,062	22,900	23,300
Travel, Conferences, Meetings	139	40	600	3,500
Auto Allowance	3,463	1,480	1,400	4,400
Mileage Reimbursement	420	30	600	300
Operating Supplies	1,469	3,563	3,600	3,600
Recruitment Panel Hosting	-	1,049	1,000	1,100
Printing and Duplicating	-	-	1,000	1,000
Legal Advertising	2,236	1,624	1,000	1,800
Postage and Deliveries	38	-	400	400
Subscriptions and Books	285	299	700	1,100
Software Licenses/Maintenance	4,897	-	4,000	4,000
Subtotal	30,408	21,422	38,300	45,600
<u>Contract Services:</u>				
Miscellaneous	41,197	43,344	46,000	46,000
Subtotal	41,197	43,344	46,000	46,000
<u>Capital Outlay:</u>				
Furniture	29,587	2,872	3,000	3,000
Subtotal	29,587	2,872	3,000	3,000
Activity Total	\$321,190	\$208,357	\$285,700	\$399,000
Funding Source:				
General Fund	\$321,190	\$208,357	\$285,700	\$399,000

COMMUNITY SERVICES

DEPARTMENT DESCRIPTION

The Community Services Department provides planning and coordination of recreation programs and activities for youth, teens, adults, families, seniors and individuals with special needs. Activities include youth camps and sports, citywide special events, excursions, senior services and contract classes. Community Services is responsible for the operation of several unique facilities that include the Sports Park and Recreation Center, Nature Park, and the Etnies Skate Park of Lake Forest. The department also coordinates and manages the planning and design of new recreation, community facilities and parks.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Increased overall attendance in recreation programs by 10%.
2. Launched adult basketball and volleyball leagues in the gymnasium at the Lake Forest Sports Park and Recreation Center.
3. Increased programming for the Special Needs Community by adding contracted classes, educational forums, the City's first Special Needs Resource Fair, and Special Needs Game Nights.
4. Increased recreation program revenue recovery to \$823,067 which represents an increase of 38% over the previous Fiscal Year.
5. Celebrated the City's 25th Anniversary with a series of events and activities culminating with the 25th Anniversary Carnival.
6. Collaborated with the County of Orange to offer the South County Pet Expo and Dog-a-Palooza event at the Lake Forest Sports Park and Recreation Center.
7. Completed the Final Design for Portal Park.
8. Completed the community consultation phase of the Neighborhood Improvement Plan to renovate 10 City Parks by soliciting feedback from 146 residents who attended park workshops and 513 who completed online surveys.
9. Began the renovation of Village Pond Park.
10. Completed capital improvement projects at the Etnies Skate Park including painting of the interior office, restrooms and the perimeter fence, replacing the CCTV system and installing a new public announcement system.
11. Completed the "Dogs on Leashes Campaign" public education campaign to educate residents about the City's dog leash laws.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Complete the design process for renovations at 10 City Parks as part of the Neighborhood Improvement Plan. This includes hiring a consultant to design proposed improvements, conducting meetings with residents at all 10 parks and presenting cost estimates and designs to the Parks Commission and City Council.
2. Maintain the current service level to the community including special events, services to children, youth and seniors and the operation of world class facilities such as the Lake Forest Sports Park and Etnies Skate Park of Lake Forest.
3. Complete the Operational Plans for the new Community Center, Performing Arts venue and Senior Center. This includes developing staffing models, drafting policies and procedures, and completing cost analysis and fee studies to determine appropriate fees.
4. Work with the consultant to develop a Wildlife Management Plan to control the animal population when Village Pond Park reopens.

**COMMUNITY SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$1,815,657	\$1,926,019	\$2,080,200	\$2,174,200
Operations and Maintenance	1,698,225	1,523,928	1,539,200	1,729,900
Contract Services	66,760	61,850	76,400	81,900
Capital Outlay	23,815	-	16,300	5,500
Activity Total	<u>\$3,604,457</u>	<u>\$3,511,797</u>	<u>\$3,712,100</u>	<u>\$3,991,500</u>
Funding Sources:				
General Fund	\$3,519,111	\$3,433,758	\$3,644,400	\$3,911,500
Measure M2 Senior Mobility Program Fund	61,531	78,039	67,700	80,000
Air Quality Management District Fund	23,815	-	-	-
Total Positions:				
Full-Time	<u>10.0</u>	<u>10.0</u>	<u>11.0</u>	<u>11.0</u>

PERFORMANCE MEASURES

Description	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
# of elementary students ¹ in SVUSD ² participating in kids factory after school programs	76,165	90,000	90,000
# of teens participating in teen programs ¹	11,288	13,000	13,000
# of seniors participating in senior programs ¹	24,866	30,000	32,000
# of participants in City programs ³	268,027	302,500	317,000
Total revenue	\$789,708	\$616,000	\$800,000
% of respondents reporting the quality of a program/event met their expectations.	N/A	85%	85%
% of respondents reporting they would attend/participate in a specific program again.	N/A	85%	85%
% of respondents reporting that they would recommend a specific program/event.	N/A	85%	85%

¹ Performance Measures show the number of times an enrollee attends a particular class or program.
In the case of Special Events, Performance Measures show the number of attendees at the event.

² Saddleback Valley Unified School District

³ City Programs refers to Recreation Classes, Camps, Family Excursions, Skate Park
Classes and Camps, Park and Field Rentals, and Special Events.

**COMMUNITY SERVICES - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$818,508	\$907,674	\$926,800	\$933,300
Overtime	344	-	-	-
Part-Time Personnel	716,852	750,991	830,200	910,300
Medicare	21,318	23,024	25,500	26,700
Retirement	114,762	92,017	104,100	110,300
Health Insurance	143,873	152,313	193,600	193,600
Subtotal	1,815,657	1,926,019	2,080,200	2,174,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	3,683	3,679	5,400	5,600
Training and Education	609	561	2,600	2,600
Travel, Conferences, Meetings	1,278	2,321	4,000	4,000
<u>Commissioner Travel:</u>				
Barajas Travel	-	920	1,000	1,000
Herrin Travel	1,436	1,000	1,000	1,000
Porter Travel	-	-	-	1,000
Rosenberg Travel	-	1,000	1,000	1,000
Scherr Travel	873	1,010	1,000	1,000
Werkmeister Travel	389	920	1,000	-
Commissioner Stipend	-	-	3,300	3,300
Auto Allowance	9,919	10,002	10,800	10,800
Mileage Reimbursement	144	314	1,000	1,000
Operating Supplies	33,249	46,126	42,200	63,700
Printing and Duplicating	68,167	68,018	117,000	123,500
Uniforms	2,334	859	-	-
Cost of Merchandise Sales	26,827	22,785	25,000	25,000
Telephone and Other	42,940	28,831	23,500	31,800
Janitorial Maintenance	-	-	-	103,200
Equipment Rentals/Leases	10,422	10,867	10,400	11,000
Building Maintenance	2,611	15,794	2,300	4,500
Building Repairs	-	-	-	3,000
Computer Maintenance/Supply	3,750	-	-	-
Software Licenses/Maint.	-	11,846	10,300	13,500
Vehicle Replacement	6,900	-	6,900	6,900
Vehicle Maintenance	9,836	5,041	7,600	7,600
Holiday Banners	12,796	7,796	11,000	21,000
Bank Charges and Fees	-	-	-	30,000
Community Services Programs	2,927	3,571	3,000	9,800

COMMUNITY SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Operation and Maintenance</u>				
<u>(continued):</u>				
Community Events	350,285	316,450	315,700	299,500
SVUSD ¹ Recreation Programs	449,749	500,775	492,300	497,400
Senior Mobility Grant Program	61,531	78,039	67,700	80,000
Teen Programs	35,019	38,432	37,500	38,200
Senior Transportation	234	-	-	-
Senior Programs	131,988	129,795	132,900	140,100
Excursions	4,747	-	-	-
Recreation Classes	78,813	122,819	97,500	105,000
Skate Park Programs	33,678	39,792	34,300	32,300
Youth Programs	43,237	36,188	36,000	29,000
Adult Sports Programs	13,440	18,377	34,000	21,600
Sports Park / Recreation Startup	254,414	-	-	-
Subtotal	<u>1,698,225</u>	<u>1,523,928</u>	<u>1,539,200</u>	<u>1,729,900</u>
<u>Contract Services:</u>				
Other	-	17,610	26,000	31,500
Miscellaneous	66,760	44,240	50,400	50,400
Subtotal	<u>66,760</u>	<u>61,850</u>	<u>76,400</u>	<u>81,900</u>
<u>Capital Outlay:</u>				
Equipment	-	-	16,300	3,500
Computer	-	-	-	2,000
Vehicles	23,815	-	-	-
Subtotal	<u>23,815</u>	<u>-</u>	<u>16,300</u>	<u>5,500</u>
Activity Total	<u><u>\$3,604,457</u></u>	<u><u>\$3,511,797</u></u>	<u><u>\$3,712,100</u></u>	<u><u>\$3,991,500</u></u>

¹ SVUSD = Saddleback Valley Unified School District

COMMUNITY SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$545,972	\$471,130	\$432,500	\$445,600
Part-Time Personnel	124,319	133,062	133,300	135,500
Medicare	9,183	8,256	8,200	8,400
Retirement	73,615	44,923	45,600	47,000
Health Insurance	86,324	71,667	82,800	82,800
Subtotal	839,413	729,038	702,400	719,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	3,348	3,583	5,400	5,600
Training and Education	459	40	500	500
Travel, Conferences, Meetings	1,278	2,321	4,000	4,000
<u>Commissioner Travel:</u>				
Barajas Travel	-	920	1,000	1,000
Herrin Travel	1,436	1,000	1,000	1,000
Porter Travel	-	-	-	1,000
Rosenberg Travel	-	1,000	1,000	1,000
Scherr Travel	873	\$1,010	1,000	1,000
Werkmeister Travel	389	920	1,000	-
Commissioner Stipend	-	-	3,300	3,300
Auto Allowance	9,919	7,036	6,900	6,900
Mileage Reimbursement	144	314	1,000	1,000
Operating Supplies	3,910	2,904	6,000	6,000
Printing and Duplicating	67,951	67,742	117,000	123,500
Uniforms	670	99	-	-
Telephone and Other	2,599	1,040	700	2,000
Janitorial Maintenance ⁵	-	-	-	43,700
Equipment Rentals/Leases ³	9,278	1,216	-	-
Building Maintenance ³	1,020	11,788	-	-
Computer Maintenance/Supply	3,750	-	-	-
Software Licenses/Maint.	-	11,846	10,300	10,300
Vehicle Replacement	6,900	-	6,900	6,900
Vehicle Maintenance	9,836	5,041	7,600	7,600
Holiday Banners	12,796	7,796	11,000	21,000
Bank Charges and Fees	-	-	-	30,000
Community Services Programs	2,927	3,571	3,000	9,800
SVUSD ² Recreation Programs	449,749	500,775	492,300	497,400
Senior Mobility Grant Program	61,531	78,039	67,700	80,000
Senior Transportation	234	-	-	-

COMMUNITY SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Senior Programs	131,988	129,795	132,900	140,100
Recreation Classes ¹	722	-	-	-
Subtotal	783,707	839,796	881,500	1,004,600
Contract Services:				
Other ⁴	-	17,610	26,000	31,500
Miscellaneous	16,360	-	-	-
Subtotal	16,360	17,610	26,000	31,500
Capital Outlay:				
Computer	-	-	-	2,000
Subtotal	-	-	-	2,000
Activity Total	\$1,639,480	\$1,586,444	\$1,609,900	\$1,757,400

Funding Sources:

General Fund	\$1,577,949	\$1,508,405	\$1,542,200	\$1,677,400
Measure M2 Senior Mobility Program Fund	61,531	78,039	67,700	80,000

¹ These programs were transferred to the Sports Park Division in Fiscal Year 2014-15.

² SVUSD = Saddleback Valley Unified School District

³ These items were moved to the Sports Park Division in Fiscal Year 2015-16.

⁴ Holiday lights were moved from Sports Park Division in Fiscal Year 2015-16.

⁵ This item was moved from Public Works Department in Fiscal Year 2017-18.

COMMUNITY SERVICES - SKATE PARK DIVISION BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$87,441	\$122,900	\$196,000	\$180,400
Part-Time Personnel	199,442	201,004	195,700	197,900
Medicare	4,028	4,540	5,700	5,500
Retirement	14,798	17,694	19,900	17,200
Health Insurance	14,387	21,284	42,200	42,200
Subtotal	320,096	367,422	459,500	443,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	165	-	-	-
Training and Education	150	521	2,100	2,100
Auto Allowance	-	1,200	1,200	1,200
Operating Supplies	21,342	26,269	24,200	29,000
Uniforms	1,018	-	-	-
Cost of Merchandise Sales	26,827	22,785	25,000	25,000
Telephone and Other	15,237	12,083	11,800	11,800
Equipment Rentals/Leases ¹	1,144	299	-	-
Building Maintenance	1,591	1,434	1,200	1,200
Skate Park Programs	33,678	39,792	34,300	32,300
Subtotal	101,152	104,383	99,800	102,600
<u>Capital Outlay:</u>				
Equipment	-	-	9,700	-
Subtotal	-	-	9,700	-
Activity Total	\$421,248	\$471,805	\$569,000	\$545,800
 Funding Sources:				
General Fund	\$421,248	\$471,805	\$569,000	\$545,800

¹ This item was moved to the Sports Park Division in Fiscal Year 2015-16.

COMMUNITY SERVICES - RECREATION AND SPORTS PARK DIVISION BUDGET DETAIL

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$185,095	\$242,090	\$217,500	\$224,600
Overtime	344	-	-	-
Part-Time Personnel	393,091	416,925	473,000	544,000
Medicare	8,107	9,249	10,000	11,100
Retirement	26,349	23,815	30,700	37,600
Health Insurance	43,162	44,131	51,000	51,000
Subtotal	656,148	736,210	782,200	868,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	170	96	-	-
Auto Allowance	-	981	1,500	1,500
Operating Supplies	7,997	16,953	12,000	28,700
Printing and Duplicating	216	276	-	-
Uniforms	646	760	-	-
Telephone and Other ¹	25,104	15,708	11,000	18,000
Equipment Rentals/Leases ¹	-	1,192	1,400	2,000
Building Maintenance ¹	-	2,572	1,100	3,300
Janitorial Maintenance ⁴	-	-	-	59,500
Building Repairs ⁴	-	-	-	3,000
Software Licenses/Maintenance	-	-	-	3,200
Community Events ²	350,285	833	-	-
Teen Programs	35,019	38,432	37,500	38,200
Excursions ³	4,747	-	-	-
Recreation Classes	78,091	122,819	97,500	105,000
Youth Programs	43,237	36,188	36,000	29,000
Adult Sports Programs	13,440	18,377	34,000	21,600
Sports Park/Recreation Startup	254,414	-	-	-
Subtotal	813,366	255,187	232,000	313,000
<u>Contract Services:</u>				
Miscellaneous	50,400	44,240	50,400	50,400
Subtotal	50,400	44,240	50,400	50,400

COMMUNITY SERVICES - RECREATION AND SPORTS PARK DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Capital Outlay:</u>				
Equipment	-	-	-	3,500
Vehicles	23,815	-	-	-
Subtotal	23,815	-	-	3,500
Activity Total	\$1,543,729	\$1,035,637	\$1,064,600	\$1,235,200
Funding Source:				
General Fund	\$1,519,914	\$1,035,637	\$1,064,600	\$1,235,200
Air Quality Management District Fund	23,815	-	-	-

¹ These items were transferred from the Administration Division in Fiscal Year 2015-16.

² This item was transferred to the Special Events Division in Fiscal Year 2015-16.

³ This item was transferred to the Administrative Division in Fiscal Year 2015-16.

⁴ This item was moved from Public Works Department in Fiscal Year 2017-18.

COMMUNITY SERVICES - SPECIAL EVENTS DIVISION BUDGET DETAIL

Expense Classification	Actual¹ 2014-15	Actual¹ 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$0	\$71,554	\$80,800	\$82,700
Part-Time Personnel	-	-	28,200	32,900
Medicare	-	979	1,600	1,700
Retirement	-	5,585	7,900	8,500
Health Insurance	-	15,231	17,600	17,600
Subtotal	-	93,349	136,100	143,400
<u>Operation and Maintenance:</u>				
Auto Allowance	-	785	1,200	1,200
Equipment Rentals/Leases	-	8,160	9,000	9,000
Community Events	-	315,617	315,700	299,500
Subtotal	-	324,562	325,900	309,700
<u>Capital Outlay:</u>				
Equipment	-	-	6,600	-
Subtotal	-	-	6,600	-
Activity Total	\$0	\$417,911	\$468,600	\$453,100
 <u>Funding Sources:</u>				
General Fund	\$0	\$417,911	\$468,600	\$453,100

¹ This Division was created in Fiscal Year 2015-16.

POLICE SERVICES

DEPARTMENT DESCRIPTION

Police Services is responsible for public safety and general law enforcement within the City, including patrol services, traffic enforcement and criminal investigation. Police Services provides a variety of community policing programs and services including crime prevention, emergency preparedness, and volunteer programs. The department also administers the animal care contract with the OC Animal Care.

FISCAL YEAR 2016-17 MAJOR ACCOMPLISHMENTS

1. Part One Crimes decreased 16.3% from the previous year, representing one of the most significant decreases in the county and supports the designation as one of the safest cities in the county. Deputies increased in-custody arrests by 17% as a result of 777 in-custody arrests, as well as 658 misdemeanor citations, and 182 warrant arrests, up 15% from 2015.
2. Through the Homeless Liaison Officer position, LFPS continued to foster a relationship with the City's homeless population and connect them with available resources. The Homeless Liaison Officer has established a rapport with the homeless population as well as charitable organizations to connect those in need with available services. Through these partnerships, 28 members of the homeless community were placed in housing, bringing the total number served to 49.
3. Traffic enforcement remained a priority for Police Services. There were a total of 442 reported collisions in 2016 compared to 420 collisions in 2015. Police Services issued 3,716 moving violations, which is a reduction compared to the previous year's total of 5,000. There were 3,279 parking citations issued in 2016, nearly the same amount of 3,193 issued in 2015. There were 1,734 non-hazardous citations issued, a slight increase from 2015.
4. The Community Emergency Preparedness Academy completed its twelfth session, bringing the number of graduates to 345 since the creation of the program. The program is delivered in partnership with the Orange County Sheriff's Department, Orange County Fire Authority and CARE Ambulance.
5. The Sheriff's Team of Active Retired Seniors (STARS) volunteers provided 7,540 hours of service to the community through the provision of customer service at the public counter, vacation checks, Fire Watch patrols, and working numerous special events.
6. Hosted the City's Child Safety Academies. The program teaches the principles of self-defense, abduction awareness, sexual assault prevention, internet safety, and self-empowerment. The program is free to Lake Forest residents.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Deliver the “Don’t Make it Easy” crime prevention campaign created to deliver safety messages to the public through the use of visual images.
2. Reduce graffiti and vandalism incidents by 10% and forward five cases to the City Attorney to seek restitution.
3. Increase community outreach by enhancing communication through multiple avenues such as social media (Facebook, Nextdoor), community groups, the Leaflet, and Homeowner’s Associations.
4. Increase the number of Neighborhood Watch and Business Watch participants through the use of social media outlets such as Facebook and Nextdoor.
5. As part of the Homeless Liaison Program, reunite at least three members of the homeless community with family members or resource providers to break the cycle of homelessness.
6. Operation of the Animal Adoption Center, a pilot program which focuses on improving the outcomes of adoptable pets.
7. Complete a Point of Dispensing (POD) exercise in cooperation with the OC Health Care Agency.

**POLICE SERVICES
BUDGET OVERVIEW**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$108,788	\$108,917	\$105,200	\$107,500
Operations and Maintenance	271,822	138,639	237,900	247,600
Contract Services	13,846,950	14,566,614	16,149,000	17,242,900
Capital Outlay	367	-	-	-
Activity Total	<u>\$14,227,927</u>	<u>\$14,814,170</u>	<u>\$16,492,100</u>	<u>\$17,598,000</u>

Funding Sources:

General Fund	\$14,049,946	\$14,592,057	\$16,367,100	\$17,448,000
Asset Forfeitures Fund	52,981	45,113	-	-
Brulte Grant Fund	125,000	177,000	125,000	150,000

Total Positions:

Full-Time	0.75	0.75	0.75	0.75
Direct Contract Staff	53.00	53.00	53.00	54.00
Shared Contract Staff	15.40	15.40	17.40	17.40
Total Contract Personnel	<u>68.40</u>	<u>68.40</u>	<u>70.40</u>	<u>71.40</u>

PERFORMANCE MEASURES

Description	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Community Policing</u>			
Community Presentations	20	30	30
Hours of community policing unit services	2,080	2,080	2,080
# of community members reached via social media			12,500
# of neighborhood watch presentations	15	30	30
# of neighborhood watch participants ¹	195	500	500
# of business watch participants	300	350	350
<u>Patrol Services</u>			
Average response time: emergency call (minutes)	4:24	5:00	5:00
Average response time: routine call (minutes)	14:02	12:00	12:00

PERFORMANCE MEASURES (continued)

Description	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Patrol Services (continued)</u>			
Crime rate per 1,000 pop: UCR Class I crimes	10.6	13	12
Crime rate per 1,000 pop: UCR Class II crimes	21.3	25	25
<u>Traffic Enforcement and Reporting</u>			
Traffic enforcement index ²	19.66	30	30
Injury traffic collisions	180	135	135
Speed related collisions	76	100	100
<u>Graffiti Program (TAGRS³)</u>			
Incidents of graffiti	166	500	250
<u>Paper Shredding Program</u>			
Incidents of fraud and identity theft	88	100	100

¹ The significant change in the number of participants from the Adopted Budget Fiscal Year 2015-16 is due to a change in methodology in counting program participants.

² Traffic enforcement index is the number of citations issued for moving violations for each injury traffic collision. According to the Northwestern University Traffic Institute, a Traffic Index of 25-35 is desired.

³ TAGRS = Tracking Automated Graffiti Reporting System

Crime rate per 1,000 population is based on five year average of Part 1 and Part 2 crimes reported to the FBI/ Uniform Crime Report.

**POLICE SERVICES
BUDGET DETAIL**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel:</u>				
Full-Time Personnel	\$86,837	\$88,855	\$83,400	\$85,500
Medicare	1,186	1,219	1,200	1,200
Retirement	9,949	7,419	7,400	7,600
Health Insurance	10,816	11,424	13,200	13,200
Subtotal	108,788	108,917	105,200	107,500
<u>Operation and Maintenance:</u>				
Membership and Dues	200	225	500	500
Training and Education	7,503	3,259	9,000	9,000
Travel, Conferences, Meetings	1,004	1,027	1,000	1,000
Auto Allowance	2,259	2,276	2,300	2,300
Operating Supplies	32,443	21,533	30,000	30,000
Printing and Duplicating	7,924	2,257	4,000	4,000
Postage and Deliveries	85	10	-	-
Subscriptions and Books	205	56	-	-
Uniforms	9,443	6,123	10,000	10,000
Telephone and Other	447	552	400	600
Equipment Maintenance	1,024	-	3,000	1,500
Vehicle Replacement	88,281	-	35,300	35,300
Vehicle Maintenance	48,461	52,008	56,600	57,600
Community Services Programs	72,543	49,313	85,800	95,800
Subtotal	271,822	138,639	237,900	247,600
<u>Contract Services:</u>				
Other	8,166	8,829	4,000	5,000
800Mhz Maint./Operation	37,801	235,172	331,100	178,000
Mobile Data Computers	7,228	10,282	12,000	12,000
Animal Care	201,369	316,513	899,000	586,600
Crossing Guards	236,485	263,769	275,000	275,000
Parking Ticket Admin.	3,312	3,252	5,000	5,000
Fingerprint ID System*	25,787	25,245	27,000	47,000
Law Enforcement:**	13,326,802	13,703,552	14,595,900	16,134,300
Administration (3.0)				
Patrol Sergeants (4.0)				
Patrol (31.0)				
Investigations (4.0)				
Motorcycle Deputies (3.0)				

POLICE SERVICES BUDGET DETAIL (continued)
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Contract Services (continued):</u>				
Law Enforcement (continued):**				
Commercial/Traffic Enforcement (1.0)				
Community Service Officers (4.0)				
Community Services/ Crime Prevention (3.0)				
Parking Enforcement Officer (1.0)				
Support/Other (17.4)				
Subtotal	13,846,950	14,566,614	16,149,000	17,242,900
<u>Capital Outlay:</u>				
Furniture	367	-		
Subtotal	367	-	-	-
Activity Total	\$14,227,927	\$14,814,170	\$16,492,100	\$17,598,000

* Implemented in Fiscal Year 2014-15.

** () Indicates number of persons assigned to the City of Lake Forest.

FIRE SERVICES

DEPARTMENT DESCRIPTION

The Orange County Fire Authority provides fire services to the City. The Authority provides fire protection and suppression, inspection services, paramedic emergency medical services, technical rescue services, and hazardous material response.

FISCAL YEAR 2016-17 ACCOMPLISHMENTS

1. Responded to 5,194 Fire and Emergency Services calls.
2. Provided 18 station tours.
3. Participated in the Citizens Leadership Academy on September 28, 2016.
4. Participated in the Community Emergency Preparedness Academy on April 13, 2016.
5. Participated in the National Night Out community safety event on August 2, 2016.
6. Participated in the Independence Day Parade.
7. Participated in 13 community events hosted by schools, businesses, or non-profit organizations.
8. Conducted nine (9) fire safety programs.
9. Completed 510 annual business inspections.
10. Completed 1,251 new construction inspections.
11. Conducted 417 plan reviews for businesses.
12. Issued 500 permits for new businesses and renewal of existing permits.

FISCAL YEAR 2017-18 MAJOR INITIATIVES

1. Support the Citizen's Leadership and Community Emergency Preparedness Academy programs.
2. Continue participation in the Independence Day Parade.
3. Increase the number of fire extinguisher classes by 50%.
4. Increase the number of ride-along opportunities to members of the community.
5. Increase smoke alarm safety education and free installations for the community.
6. Increase the number of fire station tours by 25%.

<p style="text-align: center;">FIRE SERVICES BUDGET OVERVIEW</p>

The Orange County Fire Authority funds its service in the City of Lake Forest using a formula derived from direct property tax income. The amount allocated is based on 11.11% of 1% of the total assessed value of properties in Lake Forest.

VEHICLE REPLACEMENT

DEPARTMENT DESCRIPTION

The Vehicle Replacement Fund is an Internal Service Fund created to isolate the costs of vehicles and to allocate those costs to the appropriate operating departments. The departments that have vehicles each pay annual amounts which are shown as expenditure items in the respective operating department budgets. These payments become revenue for the Vehicle Replacement Fund and provide future funding of new vehicles.

VEHICLE REPLACEMENT BUDGET DETAIL
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Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Depreciation Expense	\$48,673	\$41,455	\$0	\$0
Vehicles	-	-	60,000	118,000
Activity Total	<u>\$48,673</u>	<u>\$41,455</u>	<u>\$60,000</u>	<u>\$118,000</u>

CAPITAL EXPENDITURES

DEPARTMENT DESCRIPTION

Capital Expenditures account for those capital projects approved in the biennial Capital Improvement Projects Budgets.

**CAPITAL EXPENDITURES
BUDGET DETAIL**

Project	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Street Resurfacing/Slurry Seal	\$1,788,862	\$614,204	\$1,918,000	\$2,275,000
Street Resurfacing on El Toro Road Between I-5 and Bridger	96,409	-	-	-
ADA Access Ramp	239,476	176,397	153,100	175,000
Installation of Street Lights Internally Illuminated Street	-	12,707	35,000	-
Name Sign Panel Replacement	11,435	10,000	10,000	-
Portola Parkway Widening/ Streetscape	89,235	37,898	-	-
El Toro Public Spaces Project	98,124	-	-	-
Trabuco/Malastas Public Spaces	62,100	-	-	-
Street Sidewalk Rehabilitations	46,657	23,412	40,000	75,000
Neighborhood Tree and Sidewalk Rehabilitation	-	-	-	90,000
Street Traffic Sign Replacement	-	783	35,000	50,000
Teed Street Storm Drain Improvements	31,474	26,349	-	-
Dairy Fork Constructed Wetlands	13,249	28,366	-	-
Storm Drain Catch Basin Screens	88,389	-	250,000	133,500
ARS Catch Basin Retrofit	103,906	-	-	-
Storm Drain Master Plan, Asset Management Study and Implementation	-	-	-	30,000
Lake Forest Transportation Mitigation Improvements (LFTM)	3,083	-	-	-
Saddleback Ranch Road Traffic Enhancements	121,260	1,295,478	-	-
Alton Parkway Corridor Traffic Signal Synchronization	2,031	3,020	-	-
Bake Parkway Corridor Traffic Signal Synchronization	1,226	27,557	-	-
Barranca Pkwy/Muirlands Blvd. Traffic Signal Synchronization	3,335	4,298	-	-
Citywide Traffic Signal Coordination Master Plan	142,647	-	-	-
Jeronimo Road Corridor Traffic Signal Synchronization	5,485	41,509	-	-

**CAPITAL EXPENDITURES
BUDGET DETAIL (continued)**

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Lake Forest Drive Traffic				
Signal Synchronization	815	-	-	-
Los Alisos Boulevard Traffic				
Signal Synchronization	240	-	-	-
Santa Margarita Parkway				
Traffic Signal Synchronization	1,310	89	-	-
Signalized Intersection at				
Rancho Parkway and Sports				
Park Access Road	251,313	-	-	-
Trabuco Road Corridor Traffic				
Signal Synchronization	7,907	29,944	-	-
Alton Parkway/Irvine Boulevard				
Modification	-	-	116,200	-
Bake Parkway/Irvine Blvd -				
Trabuco Road Modification Ph. 1	-	2,060	-	-
Bake Parkway Trabuco /				
Irvine (Phase 2) and Review of				
Bake Parkway/Toledo Way and				
Bake Parkway/Jeronimo Road	-	-	-	300,000
Bake Parkway/Portola Parkway				
Modification	-	-	400,000	-
Bake Pkwy Eastbound Right-Turn				
Lane at Trabuco Road	-	-	-	40,000
Lake Forest Drive/Rancho				
Parkway Modification	-	1,700	-	-
Rockfield Boulevard Traffic				
Signal Synchronization	-	-	487,000	-
Traffic Signal System				
Communications Enhancements	-	3,047	87,500	-
Traffic Signal System Upgrades	-	-	-	380,000
I-5 Interchange Signs	-	-	-	417,500
Crosswalk Flashing Beacons	-	-	-	50,000
Raised Median Improvements				
and Repairs	-	-	-	40,000
Traffic Modeling Support for				
General Plan Update	-	-	-	100,000
Park ADA Access Repairs	285	-	-	-
Sports Park Improvement Ph. 2	-	26,622	-	-

CAPITAL EXPENDITURES BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Tamarisk Park Renovation	12,990	-	-	-
Barker Dog Park	-	3,893	-	-
Citywide Sport Court Resurfacing Project (Phase 2)	-	-	-	50,000
Park Amenities Replacement	-	-	40,000	40,000
Park Light Pole Replacement	-	-	30,000	-
Park Parking Lot Pavement Management	98,430	-	-	-
Park Sidewalk Rehabilitations	-	-	-	50,000
Lake Forest Sports Park Natural Turf Improvement Project	-	-	-	500,000
Park Light Pole and LED Lighting Replacement (Phase 2)	-	-	-	37,500
New Shade Structures for Parks	-	-	-	225,000
Barker Ranch Park	3,100	-	-	-
Neighborhood Park Renovations	-	-	-	350,000
Ridge Route Landscaping Improvement (Phase 3)	-	-	-	100,000
Portola Park	33,481	38,580	-	4,200,000
Whispering Hills Park	35,070	30,141	-	-
Village Pond Park	108,952	100,915	-	-
Water Conservation	-	-	50,000	-
Lake Forest Civic Center Sports Park	30,686	718,787	2,200,000	55,000,000
	8,585,391	-	-	-
Activity Total	<u>\$12,118,353</u>	<u>\$3,257,756</u>	<u>\$5,851,800</u>	<u>\$64,708,500</u>

CAPITAL EXPENDITURES BUDGET DETAIL (continued)

Expense Classification	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Funding Sources:				
Gas Tax Fund	\$107,844	\$10,783	\$45,000	\$1,024,000
Gas Tax Fund - Road Maintenance Rehab Account	-	-	-	483,900
Measure M2 Fund	1,788,862	614,204	1,418,000	1,478,700
Air Quality Management District Fund	416,309	257,743	131,300	-
Community Development Block Grant Fund	239,761	176,397	153,100	175,000
Capital Improvement Projects Fund	765,814	1,298,676	288,800	1,596,900
Park Development Capital Projects Fund	180,603	150,784	-	4,550,000
Opportunities Study Area Capital Projects Fund	8,616,077	745,409	2,200,000	55,000,000
Lake Forest Transportation Mitigation Fund	3,083	3,760	516,200	300,000
City of Irvine	-	-	9,800	-
Grants (Approval Pending):				
Arterial Pavement Management	-	-	500,000	-
Measure M2 CTFP Competitive Grant	-	-	589,600	100,000
Total	\$12,118,353	\$3,257,756	\$5,851,800	\$64,708,500

INTERFUND TRANSFERS

DESCRIPTION

Interfund transfers represent the redistribution of available fund balances between funds. Interfund transfers provide resources for specific purposes, for example, when multiple funds share the cost burden for capital projects or other programs.

INTERFUND TRANSFERS BUDGET DETAIL
--

Transfer Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Transfers In:				
<u>General Fund</u>				
From Reserve Funds	\$0	\$0	\$0	\$56,800
From Economic Contingency	-	-	-	28,500
<u>Reserve Funds</u>				
From General Fund	146,100	1,255,000	84,500	-
<u>Economic Contingency Fund</u>				
From General Fund	73,000	627,500	42,300	-
<u>Housing Authority Fund</u>				
From Affordable Housing Fund	425,000	-	-	-
<u>Financing Authority Fund</u>				
From Foothill Circulation Phasing Plan Fund	1,086,022	1,093,200	1,084,000	1,088,900
<u>Capital Improvement Projects Fund</u>				
From General Fund	-	6,306,800	-	-
<u>City Facilities Replacement Fund</u>				
From City Facilities Fee Maintenance Fund	-	-	-	2,457,900
<u>Opportunities Study Area Capital Projects Fund</u>				
From City Facilities Capital Projects Fund	-	-	-	16,139,200
Total Transfers In	<u>\$1,730,122</u>	<u>\$9,282,500</u>	<u>\$1,210,800</u>	<u>\$19,771,300</u>

INTERFUND TRANSFERS BUDGET DETAIL (continued)
--

Transfer Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Transfers Out:				
<u>General Fund</u>				
To Capital Improvement Projects Fund	\$0	(\$6,306,800)	\$0	\$0
To Reserve Funds	(146,100)	(1,255,000)	(84,500)	-
To Economic Contingency	(73,000)	(627,500)	(42,300)	-
<u>Reserve Funds</u>				
To General Fund - Undesignated Reserve	-	-	-	(56,800)
To General Fund - Economic Contingency Reserve	-	-	-	(28,500)
<u>City Facilities Fee</u>				
<u>Maintenance Fund</u>				
To City Facilities Replacement Fund	-	-	-	(2,457,900)
<u>Foothill Circulation Phasing</u>				
<u>Plan Fund</u>				
To Financing Authority Fund	(1,086,022)	(1,093,200)	(1,084,000)	(1,088,900)
<u>Affordable Housing Fund</u>				
To Housing Authority Fund	(425,000)	-	-	-
<u>City Facilities Capital</u>				
<u>Projects Fund</u>				
To Opportunities Study Area Capital Projects Fund	-	-	-	(16,139,200)
Total Transfers Out	<u>(\$1,730,122)</u>	<u>(\$9,282,500)</u>	<u>(\$1,210,800)</u>	<u>(\$19,771,300)</u>
Net Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Section Five

TABLE OF CONTENTS

<u>Description</u>	<u>Section-Page</u>
General Fund Expenditures	
• General Fund	5-1
Special Revenue Fund Expenditures	
• Gas Tax Fund	5-2
• Measure M2 Fund	5-3
• Measure M2 Senior Mobility Program Fund	5-4
• Measure M2 Project V Fund	5-5
• Air Quality Management District Fund	5-6
• Police Grants Fund	5-7
• Beverage Recycling Grant Fund	5-8
• Waste Recycling Grant Fund	5-9
• Assets Forfeiture Fund	5-10
• Community Development Block Grant Fund	5-11
• Housing Authority Fund	5-12
Debt Service Fund Expenditures	
• Financing Authority Fund	5-13
Capital Project Fund Expenditures	
• City Facilities Fee Maintenance Fund	5-14
• Capital Improvement Projects Fund	5-15
• Foothill Circulation Phasing Plan Fund	5-16
• City Facilities Replacement Fund	5-17
• Park Development Fund	5-18
• Affordable Housing Fund	5-19
• Opportunities Study Area Fund	5-20
• City Facilities Capital Improvement Fund	5-21
• Lake Forest Transportation Mitigation Fund	5-22
Internal Service Fund Expenditures	
• Vehicle Replacement Fund	5-23

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GENERAL FUND

Description

This fund is used to account for all City resources which are not required by law or sound financial management to be accounted for in another fund. Principal sources of revenue include sales taxes, property taxes, licenses and permits, fees for services rendered, and State-shared revenue. This fund resources are primarily discretionary and are used to provide a broad range of services including most of those traditional to local government.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
City Council	\$68,535	\$53,975	\$67,100	\$66,300
City Manager	747,617	715,572	712,700	820,800
City Clerk	615,721	752,852	787,900	787,900
Economic Development/ Community Preservation	1,101,037	1,068,241	1,126,400	1,243,000
City Attorney	963,070	1,056,645	1,318,000	1,318,000
Finance	2,803,674	7,556,753	3,246,400	3,237,100
Development Services	2,952,975	3,085,798	3,619,600	4,192,600
Public Works	8,230,549	10,146,513	10,318,700	11,288,900
Management Services	1,921,975	1,468,227	1,646,400	1,983,200
Community Services	3,519,111	3,433,758	3,644,400	3,911,500
Police Services	14,049,946	14,592,057	16,367,100	17,448,000
TOTAL	\$36,974,210	\$43,930,391	\$42,854,700	\$46,297,300

GAS TAX SPECIAL REVENUE FUND

Description

This fund is used to account for revenue and expenditures of money appropriated under Streets and Highway Code Sections 2105, 2106, 2107, 2107.5, Proposition 1B of the State of California, and local Road Maintenance and Rehabilitation Account. These funds are earmarked for maintenance, rehabilitation, or improvement of public streets.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Public Works	\$1,851,674	\$1,619,437	\$1,659,800	\$1,714,800
Capital Projects	107,844	10,783	45,000	1,507,900
TOTAL	<u>\$1,959,518</u>	<u>\$1,630,220</u>	<u>\$1,704,800</u>	<u>\$3,222,700</u>

MEASURE M2 SPECIAL REVENUE FUND

Description

This fund is used to account for the City's share of the sales tax increase authorized by Orange County's Measure "M2". The monies are legally restricted for the acquisition, construction and improvement of public streets.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$1,788,862	\$614,204	\$1,418,000	\$1,478,700

MEASURE M2 SENIOR MOBILITY PROGRAM SPECIAL REVENUE FUND

Description

This fund is used to account for the City's share of the sales tax increase authorized by Orange County's Measure "M2". The monies are legally restricted for the Senior Mobility Program.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Community Services	\$61,531	\$78,039	\$67,700	\$80,000

MEASURE M2 PROJECT V SPECIAL REVENUE FUND

Description

This fund is used to account for the City's share of the sales tax increase authorized by Orange County's Measure "M2". The monies are legally restricted for Project V: Community-Based Transit/Circularators Program.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Economic Development/ Community Preservation	\$0	\$0	\$0	\$198,100

AIR QUALITY MANAGEMENT DISTRICT SPECIAL REVENUE FUND

Description

This fund is used to account for the City's share of vehicle registration fees collected under AB2766 that the State of California has allocated to address air quality concerns in Southern California. These monies are to be used to fund programs to reduce air pollution from mobile sources, such as cars, trucks, and buses.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Public Works	\$61,807	\$41,524	\$47,500	\$47,500
Community Services	23,815	-	-	-
Capital Projects	416,309	257,743	131,300	-
TOTAL	<u>\$501,931</u>	<u>\$299,267</u>	<u>\$178,800</u>	<u>\$47,500</u>

POLICE GRANTS SPECIAL REVENUE FUND

Description

This fund is used to account for certain police grants received by the City. This fund currently consists of a Supplemental Law Enforcement Fund grant, established pursuant to AB 3239 (Brulte) to account for revenues and expenditures for certain police services. Expenditures can only be used for police services and cannot supplant the existing police services budget.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Police Services	\$125,000	\$177,000	\$125,000	\$150,000

BEVERAGE RECYCLING GRANT SPECIAL REVENUE FUND

Description

This fund is used to account for revenue and expenditures related to grant funding received from the California State Department of Conservation for the purpose of implementing and supporting beverage recycling programs within the City.

Description	Expenditure Detail		Adopted	Adopted
	Actual	Actual	Budget	Budget
Description	2014-15	2015-16	2016-17	2017-18
Public Works	\$25,703	\$9,129	\$20,000	\$20,000

WASTE RECYCLING GRANT SPECIAL REVENUE FUND

Description

This fund is used to account for revenue and expenditures from the City's franchise hauler for the purpose of general recycling activities under AB 939.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Public Works	\$39,998	\$38,362	\$41,000	\$41,000

ASSETS FORFEITURE SPECIAL REVENUE FUND

Description

This fund is used to account for revenue and expenditures associated with asset forfeitures.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Police Services	\$52,981	\$45,113	\$0	\$0

COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND

Description

This fund is used to account for revenues received from the Federal Government under the Community Development Block Grant program. Eligible activities can include acquisition, disposition, planning studies, public services, housing and commercial rehabilitation, public facilities improvements, and administration.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Economic Development/ Community Preservation	\$200,483	\$181,867	\$378,000	\$356,500
Capital Projects	239,761	176,397	153,100	175,000
TOTAL	<u>\$440,244</u>	<u>\$358,264</u>	<u>\$531,100</u>	<u>\$531,500</u>

HOUSING AUTHORITY SPECIAL REVENUE FUND

Description

This fund is used to account for revenue and expenditures of a portion of the affordable housing administration in the City.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Economic Development/ Community Preservation	\$97,827	\$364,513	\$69,700	\$134,900

FINANCING AUTHORITY DEBT SERVICE FUND

Description

This fund is used to account for debt service activity for the 2004 Certificates of Participation through January 31, 2012. Upon dissolution of the Redevelopment Agency, the 2004 Certificates of Participation were transferred to the Successor Agency. This fund is also used to account for the debt service activity for the 2011 Lease Financing Certificates of Participation for Alton Pkwy.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Finance	\$1,086,022	\$1,093,146	\$1,084,000	\$1,088,900

CITY FACILITIES FEE MAINTENANCE CAPITAL PROJECTS FUND

Description

This fund is used to account for developer impact fees to maintain City facilities. The use of the monies would be consistent with the Five-Year Strategic Business Plan.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$0	\$0	\$0	\$0

CAPITAL IMPROVEMENT PROJECTS CAPITAL PROJECTS FUND

Description

This fund is used to accumulate financial resources for the purpose of providing funds for capital projects and economic development projects. The use of the monies would be consistent with the Five-Year Strategic Business Plan.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$765,814	\$1,298,676	\$1,388,200	\$1,696,900

FOOTHILL CIRCULATION PHASING PLAN CAPITAL PROJECTS FUND

Description

This fund is used to accumulate financial resources for the purpose of providing funds for acquisitioned construction of roads, bridges and intersection improvement as outlined by the Foothill Circulation Phasing Plan adopted by the County of Orange.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$0	\$0	\$0	\$0

CITY FACILITIES REPLACEMENT CAPITAL PROJECTS FUND

Description

This fund is used to accumulate financial resources for the purpose of maintaining and replacing city facilities and assets. The use of the monies would be consistent with the Five-Year Strategic Business Plan.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$0	\$0	\$0	\$0

PARK DEVELOPMENT CAPITAL PROJECTS FUND

Description

This fund is used to account for developer impact fees and other funds received by the City for the specific purpose of constructing new parks or renovating existing parks.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$180,603	\$150,784	\$0	\$4,550,000

AFFORDABLE HOUSING CAPITAL PROJECTS FUND

Description

This fund is used to account for developer impact fees for affordable housing purposes and related capital projects.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$0	\$0	\$0	\$0

OPPORTUNITIES STUDY AREA CAPITAL PROJECTS FUND

Description

This fund is used to account for costs to design and construct a sports park, recreation center, meeting facility, and a civic center. This fund is currently funded by developer impact fees to construct these facilities.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$8,616,077	\$745,409	\$2,200,000	\$55,000,000

CITY FACILITIES CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND

Description

This fund is used to account for developer impact fees to construct improvements City-wide.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$0	\$0	\$0	\$0

LAKE FOREST TRANSPORTATION MITIGATION CAPITAL PROJECTS FUND

Description

This fund is used to account for developer impact fees to improve specific intersections City-wide.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Capital Projects	\$3,083	\$3,760	\$516,200	\$300,000

VEHICLE REPLACEMENT INTERNAL SERVICE FUND

Description

This fund is an Internal Service Fund created to isolate the costs of vehicles and to allocate those costs to the appropriate operating departments. The departments that have vehicles each pay annual amounts which are shown as expenditure items in the respective operating department budgets. These payments become revenue for the Vehicle Replacement Fund and provide future funding of new vehicles.

Expenditure Detail

Description	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Depreciation Expense	\$48,673	\$41,455	\$0	\$0
Vehicles	-	-	60,000	118,000
TOTAL	<u>\$48,673</u>	<u>\$41,455</u>	<u>\$60,000</u>	<u>\$118,000</u>

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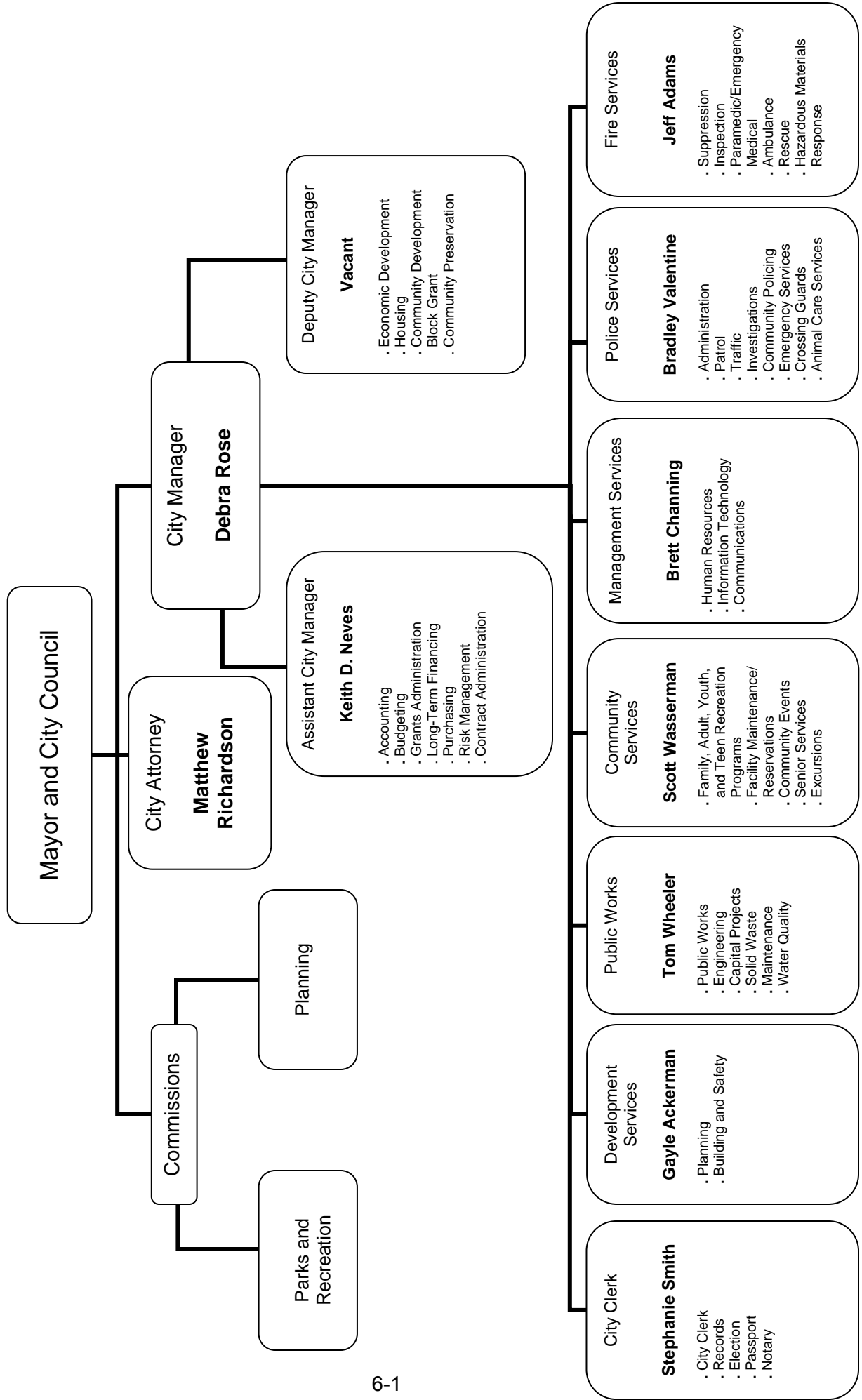
Section Six

TABLE OF CONTENTS

<u>Description</u>	<u>Section-Page</u>
Organizational Chart	6-1
Community History	6-2
Demographic Facts and Figures	6-4
Glossary of Budget Terms	6-5

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FISCAL YEAR 2017-18 ORGANIZATIONAL CHART



COMMUNITY HISTORY

Lake Forest incorporated as a new city, under the general laws of the State of California, on December 20, 1991. The City is Orange County's 31st city and the second largest in the Saddleback Valley.

When Don José Serrano settled the area, which was originally called Rancho Cañada De Los Alisos (the Valley of the Sycamores), through a Mexican Land Grant in 1846, he may have envisioned the area as it is today -- an area rich in family values with a hometown feel. For more than a century, the land was known as El Toro, after the bulls that roamed Don José Serrano's ranch. The land remained with Don José and his family until financial problems forced him to turn the land over to private interests. The legacy of the Serrano family lives on in Lake Forest through the Serrano Adobe - a part of the family's original ranch - located in Heritage Hill Historical Park.

In the early 1900s, Dwight Whiting, a resident of the area, planted 400 acres of fast-growing eucalyptus trees as an answer to the California lumber shortage. Although the trees failed as a source of lumber, in the 1960s, master developer Occidental Petroleum decided to create a master-planned community around the trees and man-made lakes. The eucalyptus provided landscaping for the modern homes and led to the "Forest" in Lake Forest.

Although Lake Forest has been an official city in Orange County since 1991, its history began long before then. Beginning as an agricultural area like most of the Orange County region, Lake Forest began to grow rapidly following World War II. Residential, commercial and industrial development began to replace the acres of citrus and other agricultural products. A significant reason for the change was the growing importance of the El Toro Marine Base. The growth of the Base increased the need for new homes and support services. Over time, the Lake Forest area was built into the City we know today.

Efforts toward incorporation began in August 1989 when a group of citizens formed the Community Coalition for Incorporation. Hoping to gain control of the issues affecting the Lake Forest area, the group worked toward gaining cityhood for Lake Forest. The group was successful in putting a measure on the ballot and cityhood was approved on March 5, 1991, along with the City's first City Council. On December 20, 1991, Lake Forest became the 31st City to incorporate in the County of Orange.

The City has grown in size from its original incorporated boundaries as a result of several annexations and is now 16.6 square miles.

The City of Lake Forest has balanced growth with an emphasis on quality of life. It provides a rich tapestry of activities for the young and old. The City features 31

public parks, which provide active recreational opportunities to area residents. The 1,500-acre Whiting Ranch Wilderness Park (County-operated) is in the northern part of the City and contains a vast amount of open space for hiking and equestrian activities.

The official City flower -- Purple Statice (Limonium), City bird – hummingbird, and City song -- “Beautiful City” by Steven Swartz, clearly acknowledge that Lake Forest is a beautiful city where “Remember the Past -- Challenge the Future” is more than just a slogan as we embrace the opportunities of today and tomorrow.

DEMOGRAPHIC FACTS AND FIGURES

Demographic Breakdown¹

Population	84,931
City Size	16.8 square miles
Housing Units	28,995

Ethnic Composition

White	65.9%
Asian	15.3%
Black	1.8%
Other	17.0%

27.5% of the population identifies as Hispanic

Median Age	38.9
Median Household Income	\$97,005

¹ Sources: State of California, Department of Finance (2017)
Nielsen Claritas

GLOSSARY OF BUDGET TERMS

Amendment An amendment is a change in the budget which occurs after its initial adoption. Such a change will consist of an increase or decrease in revenue which is recognized or in the level of authorized expenditures. Some amendments may be implemented by City staff, but most require formal action by the City Council.

Appropriation An authorization by the City Council to generate expenditures and to incur obligations for a specific purpose within a specific time frame.

Assessed Valuation A dollar value placed on real estate or other property (by Orange County) as a basis for levying property taxes.

Audit A review of the City's accounts by internal audit staff or an independent auditing firm to substantiate fiscal year end funds, salaries, reserves and cash on hand.

Beginning/Ending (Unappropriated) Fund Balance Unbudgeted resources available in a fund from the prior/current fiscal year after payment of the prior/current fiscal year's expenditures/expenses. This is not necessarily cash on hand.

Bond A City may raise capital by issuing a written promise to pay a specific sum of money, called the face value or principal amount, at a specific date or dates in the future, together with periodic interest at a special rate.

Budget A fiscal plan of financial operation listing an estimate of proposed applications or expenditures/expenses and the proposed means of financing them for a particular time period. The budget is proposed until it has been approved by the City Council.

Capital Improvement A permanent addition to the City's assets, including the design, construction or purchase of land, buildings or facilities, or major renovations of same.

Capital Improvements Program A financial plan of proposed capital improvement projects with single- and multiple-year capital expenditures/expenses.

Capital Outlay A budget appropriation category which budgets all equipment having a unit cost of more than a pre-approved amount and an estimated useful life over a pre-approved period.

Capital Improvement Project Funds These funds are used to account for monies received to fund capital outlays by operation departments and general bonded debt services.

City Manager's Budget Message A general discussion of the proposed/approved budget. The letter contains an explanation of principal budget items and summaries.

Debt Service Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or Certificates of Participation (COPs).

Debt Service Funds This fund type is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit An excess of expenditures or expenses over revenues (resources).

Department An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Division A sub-section (or activity) within a department which furthers the objectives of the City Council by providing specific services.

Encumbrances A legal obligation to pay funds, the expenditure/expense of which has not yet occurred (purchase orders). They cease to be encumbrances when the obligations are paid or otherwise terminated.

Expenditure The actual spending of governmental funds set aside by appropriation.

Fee A fee is a charge imposed by the City on the beneficiary of a service it provides. Its purpose is to help recover some or all of the cost incurred by the City in providing a service. By law, a fee may not exceed the cost of providing a service.

Fiscal Year A twelve-month period of time to which a budget applies. In the City of Lake Forest, the fiscal year is July 1 through June 30.

Full-Time Position A full-time position is one in which an employee is budgeted to work 40 hours per week or 2,080 hours each year. All full-time positions receive benefits such as holidays, vacations, sick pay, retirement, health insurance, etc.

Fund An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance The amount of financial resources in a fund. Generally, this represents the detail of the accumulation of annual operating surpluses and deficits since inception.

General Fund The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general obligations. Examples of departments financed by the General Fund include City Council, Police Services, and Public Works.

Grant Contributions, gifts of cash or other assets from another governmental entity to be expended for a specific purpose, activity or facility. An example is the Community Development Block Grant provided by the Federal government.

Interfund Transfer Money transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain costs.

Line-Item A line-item is the detailed grouping of expenditures used in the City's accounting system. It is subordinate to expense category. Typical line items are: professional services, office supplies, travel, postage, office equipment, etc.

Municipal Code A book which contains the City Council-approved ordinances currently in effect. The Code defines City policy with respect to areas such as planning, etc.

Ordinance A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An ordinance has a higher legal standing than a resolution.

Part-Time Position A part-time position is one in which an employee is budgeted to work less than 36 hours per week or for less than six months during the year. Part-time employees do not receive benefits such as holidays and vacations.

Reimbursement Payment of amount remitted on behalf of another party, department or fund.

Reserve An account used to record a portion of the fund balance as legally segregated for a specific use.

Resolution A special order of the City Council which has lower legal standing than an ordinance.

Revenue Bonds A type of bond usually issued to construct facilities. The bonds are repaid from the revenues produced by the operation of facilities.

Salaries and Benefits A budget category which generally accounts for full-time and temporary employees, overtime expenses and all employee benefits, such as medical insurance and retirement.

Special Revenue Fund This fund collects revenue which is restricted by the City, State, or Federal government as to how the City might spend it.

Tax A tax is a levy imposed by a local government in conformance with the Government Code to raise revenue for public purposes. There are two types of taxes: general taxes imposed for general governmental purposes, and special taxes imposed for specific purposes.