

CITY OF LAKE FOREST



**“Remember the Past,
Challenge the Future”**

**Operating Budget
Fiscal Year 2012-13**

OPERATING BUDGET FISCAL YEAR 2012-13

Elected Officials

Kathryn McCullough, Mayor
Scott Voigts, Mayor Pro Tem
Peter Herzog, Council Member
Marcia Rudolph, Council Member
Mark Tettemer, Council Member

Planning Commission

Jerry Verplancke, Chair
Terry Anderson, Vice Chair
David Carter, Commissioner
Tim Hughes, Commissioner
Jerry Zechmeister, Commissioner

Parks and Recreation Commission

John Irish, Chair
Loretta Herrin, Vice Chair
Steve Manning, Commissioner
Amanda Morrell, Commissioner
Jim Rosenberg, Commissioner

City Staff

Robert C. Dunek, City Manager

Gayle Ackerman, Director of Development Services
David Belmer, Assistant City Manager/
Director of Economic Development/
Community Preservation
Bryan Brice, Division Chief - Fire Services
Lieutenant Pat Higa, Chief of Police Services
Gary Magill, Director of Community Services
Keith D. Neves, Director of Finance/City Treasurer
Debra Rose, Deputy City Manager/
Director of Management Services
Scott C. Smith, City Attorney
Tom Wheeler, Director of Public Works/City Engineer

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City Manager's Budget Message

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Mayor
Kathryn McCullough

Mayor Pro Tem
Scott Voigts

Council Members
Peter Herzog
Marcia Rudolph
Mark Tetteimer

City Manager
Robert C. Dunek

June 19, 2012

Honorable Mayor and Members of the City Council:

The proposed Operating Budget for the City of Lake Forest for Fiscal Year 2012-13 is attached for your review and approval. The City staff are pleased to present a balanced budget based on our best professional judgment. This Budget has been prepared consistent with the City's Strategic Business Plan and is inclusive of all City funds including the City's Housing Authority.

Fiscal Year 2011-12 Review

The current fiscal year will end with the City in solid financial condition. Despite the loss of operational revenues in previous years, the City maintained higher quality services throughout the last fiscal period. Due to prudent management of capital funds, the City also made significant strides in delivering several important projects meeting long-desired community priorities. In all, the brief review that follows provides a partial glimpse into the progress achieved by the City of Lake Forest in Fiscal Year 2011-12.

Implementation of the Opportunities Study Area (OSA) projects continued to be one of the City's highest (if not the highest) priorities during the past year. Notable activity took place on the Sports Park, Recreation Center, Civic Center, and for development of five residential communities. Importantly, the last remaining land requirements were obtained and added to the Sports Park with the acquisition of adjacent properties. The addition brought the total acreage of the park to 86, with 57 acres being active use area and 29 acres passive use and environmental mitigation areas. Final construction plans for the Sports Park and Recreation Center were approved by the City Council. Permits were secured from several environmental resource agencies, clearing and grubbing of the site were completed, and construction bids for grading and drainage of the site were released. The construction of Rancho Parkway, which will provide access to the Sports Park, was started and scheduled for completion in late fall 2012.

Preparing for the future, the City validated Lake Forest's "100 Year Home" Civic Center Planning Principles, updated the Needs Assessment, and developed a Civic Center conceptual plan. The "100 Year Home" will not only reflect the



changing nature of interactions between the City and those we serve, but will also provide a number of amenities currently missing in the community. Importantly, the City took ownership of nine acres for the Civic Center site dedicated by the Irvine Ranch Water District (IRWD) as required by its development agreement.

Fiscal Year 2011-12 also marked the start of construction for residential development within the OSA, with KB Homes securing permits for 12 of the 75 homes approved on the Whisler site. An Area Plan and Tentative Tract Map were approved for the development of 608 homes on the IRWD property. The largest residential community approved by the City since incorporation, the Shea/Baker Ranch at 2,379 homes, also was approved. Additionally receiving Tentative Map approval for 85 single family homes was the Pinnacle at Serrano Summit proposed by Madison Properties. Staff continues to work with the owners of the Portola Center property and the surrounding neighborhood on the environmental assessment of the remaining community of the five proposed OSA projects and anticipates consideration by the City Council during the new fiscal year.

The City continued to prioritize economic development and business outreach efforts in Fiscal Year 2011-12. As part of its Business Development and Attraction Program, the City enhanced Shop and Dine Lake Forest with the inaugural Shop and Dine Lake Forest Week. This celebration in the local community resulted in over 200 businesses participating with special deals and offers that were advertised through print, radio, and cable TV commercials. Participating businesses reported increased sales and were able to attract new customers to their locations. The California Association of Local Economic Development presented the City with an *Award of Excellence* for this innovative business attraction and retention program. The City enhanced its web-based resources with a new Smart Phone application that promotes all available commercial sites for sale or lease in Lake Forest. The application also features the City's Economic Development Video containing testimonials from Lake Forest CEOs and executives on why Lake Forest is *The Natural Choice for Business*.

During Fiscal Year 2011-12, the City partnered with SCORE Business Counselors to provide counseling services at City Hall and co-sponsored informative workshops and seminars such as Legal Topics for Small Business and Align Social Media to Drive Business Objectives. The City also strengthened its business attraction and retention effort through the annual Business Appreciation Luncheon, New Business Reception, and Commercial Broker Roundtable. In addition, the City continued to work closely with the Lake Forest Chamber of Commerce to promote business development through co-sponsored events such as the State of the City and Secrets and Strategies to Business Success.

As in the past, the City continued to secure alternative funding for important safety programs through its successful pursuit of grants. Police Services was the recipient of two grants – the 2011 Edward Byrne Memorial JAG Program and Citizens Options for Public Safety. The City also secured roughly \$500,000 in Proposition 1B State-Local Partnership Program for the pavement management program.

The City made significant strides on high priority street related capital projects, such as finishing the Alton Parkway Gap Closure. In conjunction with the County of Orange, the Alton Parkway improvements ultimately connected Alton Parkway from Irvine Boulevard to Towne Centre Drive and were opened to motorists on June 20. The City also started construction on over \$7 million worth of streetscape projects this year with major improvements implemented on Trabuco Road, El Toro Road, Jeronimo Road, and Rockfield Boulevard. The overall goals of these projects were to implement traffic calming measures as well as enhance the streetscapes with new landscaped medians and parkways.

Today's constantly evolving technological landscape provides the City with a number of opportunities to provide faster and easier access to the information about which constituents care. As social media becomes more prevalent as a preferred means of staying connected, the City has embraced those aspects that will improve customer service and the flow of information with residents, businesses, and other stakeholders. Tools utilized included Facebook, Twitter, and a streaming video feature on the City's website. The City is also using geographic information systems to provide meaningful ways of accessing parks facilities data and capital improvement projects data through interactive online mapping websites, accessible via desktops and mobile devices. Technology has also allowed the City to offer online access to imaged copies of City records, including a document search capability, to facilitate access and transparency.

For the third year in a row, Lake Forest was recognized by Parenting OC Magazine as one of the "Best Family Neighborhoods" in Orange County, based upon the number and quality of parks and cultural resources, low crime rates, high academic performance index, and median sale prices for single-family homes. Once again, Lake Forest's low crime rate was also recognized by CQ Press City Crime Rankings, which compares FBI crime statistics among American cities with populations over 75,000.

As always, maintaining the quality of Lake Forest parks is a key initiative. Several park projects were completed this year, including the renovation of Mountain View and Concourse Parks. Improvements included the installation of new play equipment, shade structures, outdoor exercise equipment, landscape and irrigation improvements, new restroom buildings, and other related site improvements.

In addition, the Etnies Skatepark of Lake Forest dedicated an expansion of 13,000 additional square feet, making it the largest free skatepark in the nation. Plans and specifications for the renovation of Tamarisk and Rimgate Parks also were completed; construction is scheduled to begin in July 2012.

In conjunction with the above, the City also continued to deliver quality services to the community in a variety of areas. The department detail portion of the budget provides more information on specific achievements in Fiscal Year 2011-12.

Fiscal Year 2012-13 Overview

While recent indicators in the local economy are slightly improving, the City will continue to adjust to the recent economic downturn and the subsequent impact on revenues and expenditures. Despite the continued adjustment, the City is in solid financial condition and will continue to make investments in the quality of life of the community in Fiscal Year 2012-13.

While the “Great Recession” has affected the City’s operating (General) fund revenues, it has not had a significant, negative affect on our ability to provide important capital projects. One up-side to the current economy is that labor and commodity prices for capital projects are low. Since the City has saved money over the years for capital projects, it can still take advantage of lower construction costs to deliver high priority projects like the Rancho Parkway Gap Closure, Traffic Signal Synchronization, and construction of the Sports Park and Recreation Center. These signature projects will see important progress – and completion in some cases – during the up-coming fiscal year, consistent with City Council and community priorities.

Street maintenance will continue to be a focus for the community, as seen through the City’s annual street resurfacing and slurry seal program on residential streets and arterial roadways. Construction will complete on the Trabuco Road, El Toro Road, Jeronimo Road, and Rockfield Boulevard Streetscape Projects as we transition between fiscal years. The overall goals of these projects were to implement traffic calming measures as well as enhance aesthetics of the streetscapes with new medians and parkways.

The City will continue to focus on implementing its Economic Development Strategy over the upcoming year to attract new businesses and high quality jobs to the City through communication, outreach, and networking initiatives. The City will also implement the Fiscal Year 2012-13 Business Development and Attraction Work Plan which includes advancing the City’s enhanced partnership with the Lake Forest Chamber of Commerce.

On June 28, 2011, as part of the Fiscal Year 2011-2012 State Budget, the State Legislature passed two bills known as AB1X 26 and AB1X 27. On July 18, 2011,

the California Redevelopment Association (“CRA”) filed a lawsuit with the Supreme Court of the State of California (“Court”) (California Redevelopment Association v. Matosantos) challenging the constitutionality of AB1X 26 and AB1X 27 on behalf of redevelopment agencies. On December 29, 2011, the Court issued its opinion in the case, upholding AB1X 26 and invalidating AB1X 27. The effect of the ruling was that all redevelopment agencies throughout the State were dissolved effective February 1, 2012. Therefore, the Lake Forest Successor Agency and Oversight Board (for the former Redevelopment Agency) will continue the dissolution process over the next year including the potential liquidation of assets and securitization of remaining debt obligations.

As part of the City’s commitment to providing high quality services that meet the varied needs of its residents and local businesses, the City will once again conduct the biennial Community Satisfaction Study. The study provides formal feedback to the City regarding its performance. Results from the study help the City identify key issues of concern for residents and businesses, measure overall satisfaction, determine the effectiveness of the City’s communication efforts, and gather opinions regarding potential capital improvements and policy-related matters.

Communication will continue to be a top priority for the City. Utilizing existing and new technologies, the City will ensure that key messages related to community projects and issues of interest are made available through a variety of mediums. Topics will include capital improvement projects, traffic congestion relief, and recreation events.

Public safety remains a high priority for the community and the City. Police Services will continue offering existing services as well as capitalizing on opportunities to increase education and safety awareness throughout the community. Key programs include the enhanced traffic enforcement program to ensure the safety of motorists and reduce the number of injury traffic accidents, along with the Special Enforcement Team. This team focuses on issues such as graffiti, truancy, gang membership, and outreach to the at-risk teen population. Police Services will continue the development of community programming that includes car seat installations, identity protection, teen driver safety seminars, and walk-to-school day. Expansion of the Neighborhood Watch and Business Watch programs will also be a priority for the City.

As a general note, the Fiscal Year 2012-13 Budget is balanced and reflects appropriate measures to ensure prudent care of the City’s finances while maintaining service levels to the community, fully funding reserves, and delivering priority capital projects. For more specific information, the department detail portion of the budget provides greater specifics on major initiatives. After using interfund transfers, the overall Operating Budget and each fund are projected to show positive or zero balances (by design) at the end of the fiscal year.

Revenues

Looking forward, the City can expect a modest increase in General Fund revenues in Fiscal Year 2012-13, as its sources are stabilizing and, in some cases, increasing. These estimates are based on current economic conditions and indicators and the soft (but, firming) housing market. The Operating Budget for Fiscal Year 2012-13 projects General Fund revenues to be \$34.5 million, which is \$2.6 million or 7% above the Fiscal Year 2011-12 adopted budget.

Although the passage of Propositions 1A and 22 allow the City to estimate future revenues with more certainty than in the past, the State's budget deficit may continue to put any unprotected revenues at risk. This was evidenced by the State's recent elimination of redevelopment agencies. In addition, the expiration of previous tax increases in June 2011 will result in the loss of \$195,000 in Motor Vehicle In-Lieu Fees.

As in past years, we have chosen to be conservative in estimating revenues for the Fiscal Year 2012-13 Budget. 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 \$33.8 million in Fiscal Year 2012-13, a \$2.1 million or 6% increase from the adopted budget of \$31.7 million from the Fiscal Year 2011-12. A brief explanation of proposed changes by department is shown under the heading Budget Analysis in the Summary Section of the Budget.

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

Fund Balances

After transfers, the General Fund balance is projected to decrease by \$0.4 million to \$18.8 million. This decrease is insignificant when compared to overall activity in the General Fund. 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. The next Capital Improvement Projects Budget will be adopted in June 2013 and will cover the two-year period from July 2013 to June 2015.

To provide a comprehensive picture of all City funds in the Budget, revenue and expenditure projections for capital projects for Fiscal Year 2012-13 are shown in addition to operating activity in summary form in the Summary of Revenues, Expenditures, Transfers, and Fund Balances.

Conclusion

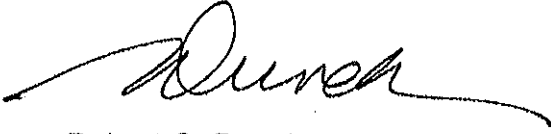
The City of Lake Forest has a strong reputation for solid conservative fiscal planning. During its 20 years of cityhood, Lake Forest has continually maintained balanced budgets, delivered and expanded important services, and planned and constructed significant capital projects while still saving significant reserve funds. Proud of its past record, the City is still poised to deliver more landmark capital projects like the Lake Forest Sports Park and Recreation Center – an 86-acre facility that will serve a critical role in the quality of life for generations to come. During the next year, the Rancho Parkway Gap Closure, completion of an \$8 million investment to improve parks citywide, will follow the grand opening of the Alton Parkway Gap Project. The City's ability to provide these important capital projects, while maintaining high services, is due to conservative fiscal policies, forward thinking strategic planning, and attention to detail in the delivery of daily public services.

Of course, the City was affected by the previous economic recession like all communities. Given its conservative nature, the City is carefully monitoring revenue and expenditure trends to ensure Lake Forest's continued solid financial position. Re-alignment of the City's revenues and expenditures over the next few years as the economy continues to recover will remain a priority. If the recovery does indeed strengthen and continue, the City will have weathered a significant economic event and emerged with even greater optimism for the future.

Overall, Fiscal Year 2012-13 will maintain the City's relatively strong financial position while continuing to provide superior service and delivering important capital projects to enhance the quality of life in Lake Forest.

The City staff remains committed to work in partnership with the City Council and the community to challenge the bright future of Lake Forest to be even better.

Sincerely,

A handwritten signature in black ink, appearing to read "Dunek", with a long horizontal flourish extending to the right.

Robert C. Dunek
City Manager

Section Two

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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

2010-11 Actual	\$34,652,892
2011-12 Budget	33,798,900
2011-12 Estimated	30,050,900
2012-13 Adopted	30,882,100

On an overall basis, taxes are beginning to rebound from declines related to the recession.

City property taxes are projected at two percent growth for Fiscal Year 2012-13 based on studies completed by one consultant and the Orange County Assessor’s Office. While property taxes may be starting to stabilize, the County Assessor continues to implement Proposition 8 adjustments to assessed values for properties that changed ownership in recent years.

On June 28, 2011, as part of the Fiscal Year 2011-2012 State Budget, the State Legislature passed two bills AB1X 26 and AB1X 27. On July 18, 2011, the California Redevelopment Association filed a lawsuit with the Supreme Court of the State of California (“Court”) (*California Redevelopment Association v. Matosantos*) challenging the constitutionality of AB1X 26 and AB1X 27 on behalf of redevelopment agencies. On December 29, 2011, the Court issued its opinion in the case, upholding AB1X 26 and invalidating AB1X 27. The effect of the ruling was that all redevelopment agencies throughout the State were dissolved effective February 1, 2012. The Lake Forest Redevelopment Agency received tax increment in a lump sum payment each year, one year in arrears. Thus, the Lake Forest Redevelopment Agency will no longer receive tax increment.

Sales taxes are projected to increase by 6% from the Fiscal Year 2011-12 adopted budget due to recent levels of consumer activity and sales tax receipts.

Transient occupancy taxes have begun to rebound and a 12% increase is expected from the Fiscal Year 2011-12 adopted budget.

All other tax revenues are expected to be relatively stable in the upcoming year.

LICENSES & PERMITS

2010-11 Actual	\$513,965
2011-12 Budget	480,000
2011-12 Estimated	550,000
2012-13 Adopted	755,000

Building permit revenues have also begun to rebound from the recession and receipts are expected to have steady growth in the next fiscal year. The biggest increase in activity is related to the Opportunities Study Area.

FROM OTHER GOVERNMENTS

2010-11 Actual	\$5,746,660
2011-12 Budget	3,868,600
2011-12 Estimated	4,404,200
2012-13 Adopted	6,232,600

Revenues in this category vary based on grants for capital projects. The increase in Fiscal Year 2012-13 is primarily related to the higher levels of available grants. Any grants that are obtained will be budgeted upon approval.

USER FEES & CHARGES

2010-11 Actual	\$1,443,707
2011-12 Budget	965,200
2011-12 Estimated	1,721,900
2012-13 Adopted	2,715,200

Revenue from User Fees and Charges has begun to rebound from the recession and receipts are expected to have steady growth in the next fiscal year. The biggest increase in activity is related to the Opportunity Study Area.

FINES & FORFEITURES

2010-11 Actual	\$557,083
2011-12 Budget	515,000
2011-12 Estimated	515,000
2012-13 Adopted	515,000

No significant changes are anticipated.

USE OF MONEY & PROPERTY

2010-11 Actual	\$439,476
2011-12 Budget	534,900
2011-12 Estimated	311,700
2012-13 Adopted	288,000

The primary component in this category is investment earnings, and interest rates have continued to decline due to historically low interest rates maintained by the Federal Reserve Board in response to the housing market decline, the credit crisis and the recession.

OTHER REVENUE

2010-11 Actual	\$528,742
2011-12 Budget	366,800
2011-12 Estimated	1,351,800
2012-13 Adopted	996,600

Receipts in this category are often irregular or one-time items. The high revised estimate for Fiscal Year 2011-12 is primarily related to reimbursement agreements for capital projects. The amount projected for Fiscal Year 2012-13 primarily consists of funding for the Successor Agency and its activities related to the dissolving of the Lake Forest Redevelopment Agency.

EXPENDITURES

The amounts listed for each department include City and Housing Authority expenditures. The following is a discussion of any significant changes including new positions or programs in the expenditures for each department:

CITY COUNCIL

2010-11 Actual	\$205,179
2011-12 Budget	231,200
2012-13 Proposed	152,700
2012-13 Adopted	152,700

CITY MANAGER

2010-11 Actual	\$865,311
2011-12 Budget	826,600
2012-13 Proposed	639,700
2012-13 Adopted	639,700

ECONOMIC DEVELOPMENT/
COMMUNITY PRESERVATION

2010-11 Actual ¹	\$3,299,857
2011-12 Budget ¹	3,419,100
2012-13 Proposed	2,583,900
2012-13 Adopted	2,583,900

CITY ATTORNEY

2010-11 Actual	\$1,504,316
2011-12 Budget	1,314,900
2012-13 Proposed	1,147,000
2012-13 Adopted	1,147,000

FINANCE

2010-11 Actual	\$1,404,742
2011-12 Budget	1,566,400
2012-13 Proposed	942,900
2012-13 Adopted	942,900

DEVELOPMENT SERVICES

2010-11 Actual	\$2,565,974
2011-12 Budget	2,580,100
2012-13 Proposed	2,200,200
2012-13 Adopted	2,200,200

PUBLIC WORKS

2010-11 Actual	\$8,586,279
2011-12 Budget	8,610,600
2012-13 Proposed	8,640,300
2012-13 Adopted	8,640,300

MANAGEMENT SERVICES

2010-11 Actual	\$2,204,391
2011-12 Budget	2,483,000
2012-13 Proposed	4,120,300
2012-13 Adopted	4,120,300

¹ Reflects Redevelopment, prior to being dissolved by the State of California.

OPERATIONS AND MAINTANENCE

Staff has created a New Division called Non-Departmental. All pro-rata share of City cost in each department have now been centrally budgeted in Management Services. These expenditures include rent, insurance, and Citywide supplies (copiers, toner, and phones).

COMMUNITY SERVICES

2010-11 Actual	\$3,061,497
2011-12 Budget	3,318,900
2012-13 Proposed	3,147,500
2012-13 Adopted	3,147,500

POLICE SERVICES

2010-11 Actual	\$12,849,991
2011-12 Budget	13,534,600
2012-13 Proposed	13,305,000
2012-13 Adopted	13,305,000

VEHICLE REPLACEMENT

2010-11 Actual	\$69,764
2011-12 Budget	78,000
2012-13 Proposed	35,000
2012-13 Adopted	35,000

FUND ANALYSIS-OPERATING BUDGET

Following is a discussion of some of the City's larger funds with material activity budgeted in Fiscal Year 2012-13. Capital project funds are excluded as they are governed by biennial capital budgets.

GENERAL FUND

Revenues are projected at \$34.5 million (an increase of \$2.6 million or 7% from the Fiscal Year 2011-12 adopted budget). This increase is primarily due to stabilization and increases in certain revenue sources. More information regarding these increases is described in the revenue section above.

Operating expenditures are projected at \$33.8 million as compared to the Fiscal Year 2011-12 Adopted Budget amount of \$31.7 million (an increase of \$2.1 million or 6%). This increase is primarily due to normal departmental activity and

changes in contracts. Other Fiscal Year 2012-13 changes in departmental expenditures and program costs are noted in the expenditures section above.

Net interfund transfers out are projected at -\$0.9 million as compared to the Fiscal Year 2011-12 Adopted Budget amount of -\$0.5 million. In Fiscal Year 2012-13, net transfers out primarily provide funding for Etnies Skatepark and reserves.

This fund is expected to have available fund balances of \$18.8 million at the end of the year, with General Fund reserves fully funded.

GAS TAX FUND

Revenues are projected at \$2.1 million, comparable to the Fiscal Year 2011-12 revised estimate. Expenditures are \$1.8 million, similar to the Fiscal Year 2011-12 Adopted Budget.

At the end of the year, it is expected that the fund will have \$0.9 million remaining fund balance.

MEASURE M FUND

Revenues are projected at \$1.1 million (an increase of \$0.1 million or almost 5% from the Fiscal Year 2011-12 revised estimate). Expenditures are \$1.1 million, comparable to the Fiscal Year 2011-12 amount as approved in the 2011-2013 Capital Improvement Projects Budget for slurry seal and repaving projects. At the end of the year, it is expected that the fund will have \$0.4 million remaining fund balance.

ETNIES SKATEPARK FUND

Revenues are projected at \$91,900 (an increase of \$11,700 or 12% from the Fiscal Year 2011-12 revised estimate). Expenditures are \$367,600, comparable to the Fiscal Year 2011-12 Adopted Budget amount of \$385,900 (a decrease of \$18,300 or 4%). This fund will have no estimated available fund balance at the end of the year after an interfund transfer from the General Fund of \$275,700.

AIR QUALITY IMPROVEMENT FUND

Revenues are projected to remain constant at \$0.1 million, the same as the Fiscal Year 2011-12 revised estimate. There are no proposed expenditures during Fiscal Year 2012-13 consistent with the Fiscal Year 2011-12 Adopted Budget. This fund is expected to have available fund balances of \$0.8 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 2012-13 is the State COPS (Brulte) grant and a Justice Assistance grant for an intelligence led policing program.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Entitlement revenues and expenditures are based on the Fiscal Year 2012-13 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.

FINANCING AUTHORITY FUND - CERTIFICATES OF PARTICIPATION

This fund is balanced with respect to interfund transfers in and expenditures.

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, 2012, are as follows:

General Fund - Undesignated	\$ 9.2 million
Economic Contingency	4.6 million
Emergency Services	3.0 million

SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances		Revenues		Expenditures		Revenues less Expenditures		Transfers/Loans		Available Fund Balances
	July 1, 2012	July 1, 2012	Operating	Capital	Total	Operating	Capital	Total	Operating	Capital	June 30, 2013
General Fund	\$19,047,241	\$34,451,300	\$33,783,400		\$33,783,400			\$33,783,400	\$667,900		\$18,799,121
Special Revenue Funds:											
Gas Tax	608,091	2,053,500	1,762,800		1,762,800			1,762,800	290,700		898,791
Measure M	380,500	1,128,000		1,130,000	1,130,000			1,130,000	(2,000)		378,500
Measure M Senior Mobility Grant	0	46,300	46,300		46,300			46,300	0		0
Etnies Skatepark	0	91,900	367,600		367,600			367,600	(275,700)	275,700	0
Air Quality Improvement	743,655	97,500							97,500		841,155
Suppl. Law Enforcement Grant	0	100,000	100,000		100,000			100,000	0		0
Justice Assistance Grant	0	18,500	18,500		18,500			18,500	0		0
Asset Forfeitures	11,720								0		11,720
Community Development											
Block Grant	0	568,400	413,400	155,000	568,400			568,400	0		0
Housing Authority	607,317	72,000	387,500		387,500			387,500	(315,500)		291,817
Disaster	6,178							0	0		6,178
Special Revenue Subtotal	2,357,461	4,176,100	3,096,100	1,285,000	4,381,100			4,381,100	(205,000)	275,700	2,428,161
Debt Service Fund:											
Financing Authority	10,552,500		432,021		432,021			432,021	(432,021)		10,120,479
Total Operating Budget	31,957,202	38,627,400	37,311,521	1,285,000	38,596,521			38,596,521	30,879	(640,320)	31,347,761
Capital Funds:											
Sports Park Maintenance	5,000	20,400			0			0	20,400		25,400
Capital Improvement Projects	3,587,316	1,857,900		3,430,800	3,430,800			3,430,800	(1,572,900)		2,014,416
Park Development/Const.	341,810	432,700			0			0	432,700		774,510
Affordable Housing Capital											
Projects	379,872	326,800			0			0	326,800		706,672
Opportunities Study Capital											
Projects	2,599,101	733,200			0			0	733,200		3,332,301
Lake Forest Transportation Mitigation	2,134,600	70,600		0	0			0	70,600		2,205,200
Subtotal	9,047,699	3,441,600	0	3,430,800	3,430,800			3,430,800	10,800	0	9,058,499
Reserve Funds:											
General (Designated)	2,115,241				0			0	0		2,115,241
General (Undesignated)	8,760,133				0			0	0	426,880	9,187,013
Economic Contingency	4,380,067				0			0	0	213,440	4,593,507
Emergency Services	3,000,000				0			0	0		3,000,000
Subtotal	18,255,441	0	0	0	0			0	0	640,320	18,895,761
Internal Service Fund:											
Vehicle Replacement	466,207		35,000		35,000			35,000	(35,000)		431,207
Subtotal All City Funds	59,726,549	42,069,000	37,346,521	4,715,800	42,062,321			42,062,321	6,679	0	59,733,228
Redevelopment Agency:											
Operating	0				0			0	0		0
Debt Service	0				0			0	0		0
Low and Moderate Income											
Housing	0				0			0	0		0
Subtotal	0	0	0	0	0			0	0	0	0
Grand Total All Funds	\$59,726,549	\$42,069,000	\$37,346,521	\$4,715,800	\$42,062,321			\$42,062,321	\$6,679	\$0	\$59,733,228

SUMMARY OF FINANCIAL RESERVE FUNDS

FISCAL YEAR 2012-13

Description	Balance June 30, 2012	Balance June 30, 2013
General (Designated):		
Potential Redevelopment Agency Projects	\$1,000,000	\$1,164,387
Cable Grant - Public Education and Government (PEG)	950,854	950,854
Prepaid Expenditures	164,387	
Total General (Designated)	2,115,241	2,115,241
General (Undesignated) ¹	8,760,133	9,187,013
Economic Contingency ²	4,380,067	4,593,507
Emergency Services ³	3,000,000	3,000,000
Total Financial Reserves	\$18,255,441	\$18,895,761

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, 2013

**CARRYOVER APPROPRIATIONS OVER \$100,000
FISCAL YEAR 2010-11 INTO FISCAL YEAR 2011-12¹**

Description	Fund	Carryover Appropriation
Sports Park	Opportunities Study Capital Improvement Projects	\$22,279,305
Trabuco Road Streetscape	Capital Improvement Projects	3,630,295
Park Improvements	Capital Improvement Projects	2,887,200
Rancho Parkway Improvements	Capital Improvement Projects	2,132,101
Rockfield Streetscape	Capital Improvement Projects	1,585,138
El Toro Streetscape Phase I	Capital Improvement Projects	1,548,255
Jeronimo Streetscape Phase I	Capital Improvement Projects	1,393,638
Street Repaving and Slurry Seal	Measure M Fund	1,000,821
Traffic Signal Synchronization	Capital Improvement Projects	741,550
Watershed Management Projects	Capital Improvement Projects	562,200
Wheelchair Access Ramp	Capital Improvement Projects	316,831
Concourse Park	Capital Improvement Projects	309,079
Street Repaving and Slurry Seal	General Fund	301,427
Play Equipment Replacement	Capital Improvement Projects	232,917
Commercentre Drive Improvements	Capital Improvement Projects	210,611
El Toro Road Lighting Landscape	Capital Improvement Projects	<u>127,732</u>
	Total Appropriations Over \$100,000	<u>\$39,259,100</u>
	Total Carryover Appropriations	<u><u>\$40,233,781</u></u>

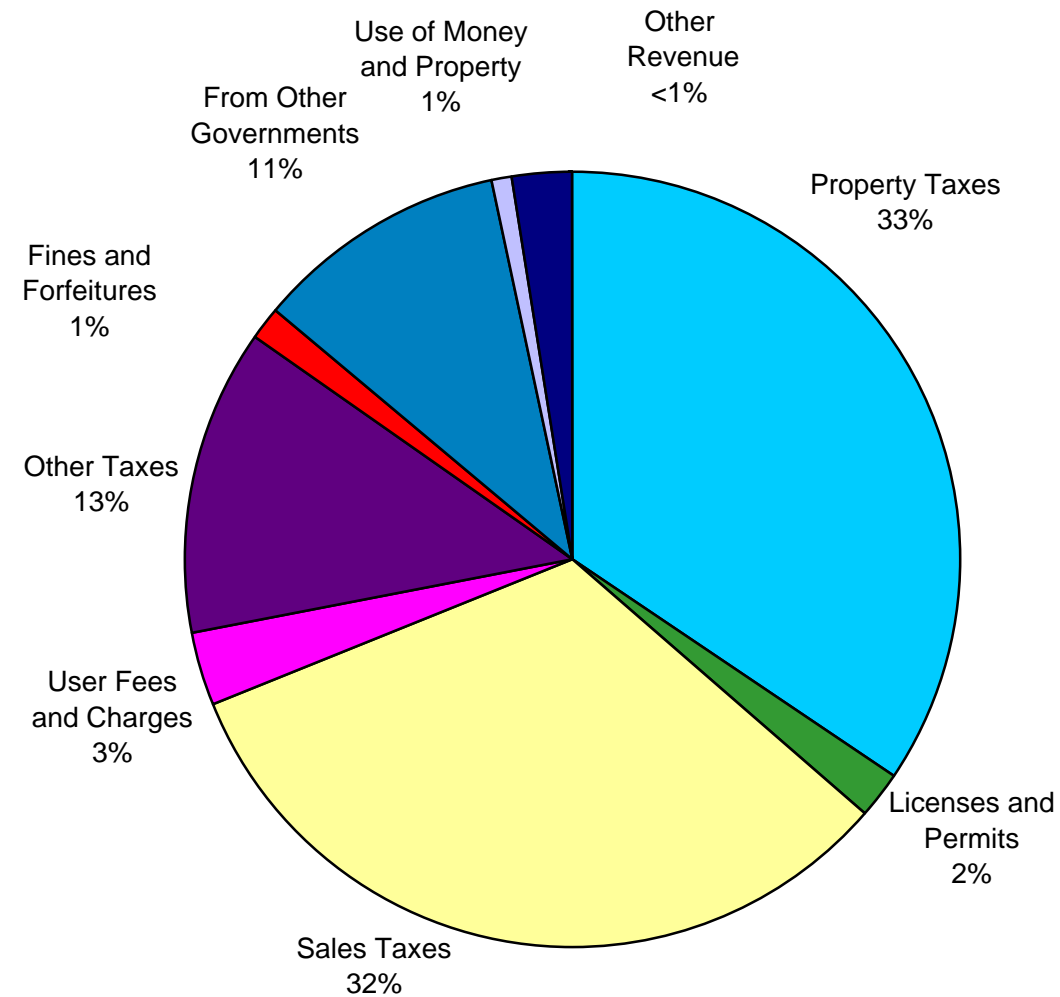
¹These carryover appropriations were approved by the City Council on 1/17/2012

SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2010-11	Adopted Budget 2011-12	Estimate 2011-12	Adopted Budget 2012-13
Property Taxes	\$17,021,564	\$17,183,100	\$12,651,100	\$13,282,300
Sales Tax	12,630,144	11,845,000	12,500,000	12,600,000
Other Taxes	5,001,184	4,770,800	4,899,800	4,999,800
Licenses and Permits	513,965	480,000	555,000	755,000
From Other Governments	5,746,660	3,868,600	4,404,200	6,232,600
User Fees and Charges	2,193,707	965,200	1,721,900	2,715,200
Fines and Forfeitures	557,083	515,000	515,000	515,000
Use of Money and Property	439,476	534,900	311,700	288,000
Other Revenue	528,742	366,800	1,351,800	996,600
Total All Funds	44,632,525	40,529,400	38,910,500	42,384,500
Less Redevelopment Agency	(4,573,870)	(4,498,500)		
Total City Funds	\$40,058,655	\$36,030,900	\$38,910,500	\$42,384,500
Less Capital Project Revenues	(2,082,678)	(358,200)	(2,011,400)	(3,441,600)
Grand Total All City Operating Funds	\$37,975,977	\$35,672,700	\$36,899,100	\$38,942,900

SUMMARY OF REVENUES - ALL FUNDS¹

Fiscal Year 2012-13



¹ Excludes all revenues in capital projects funds

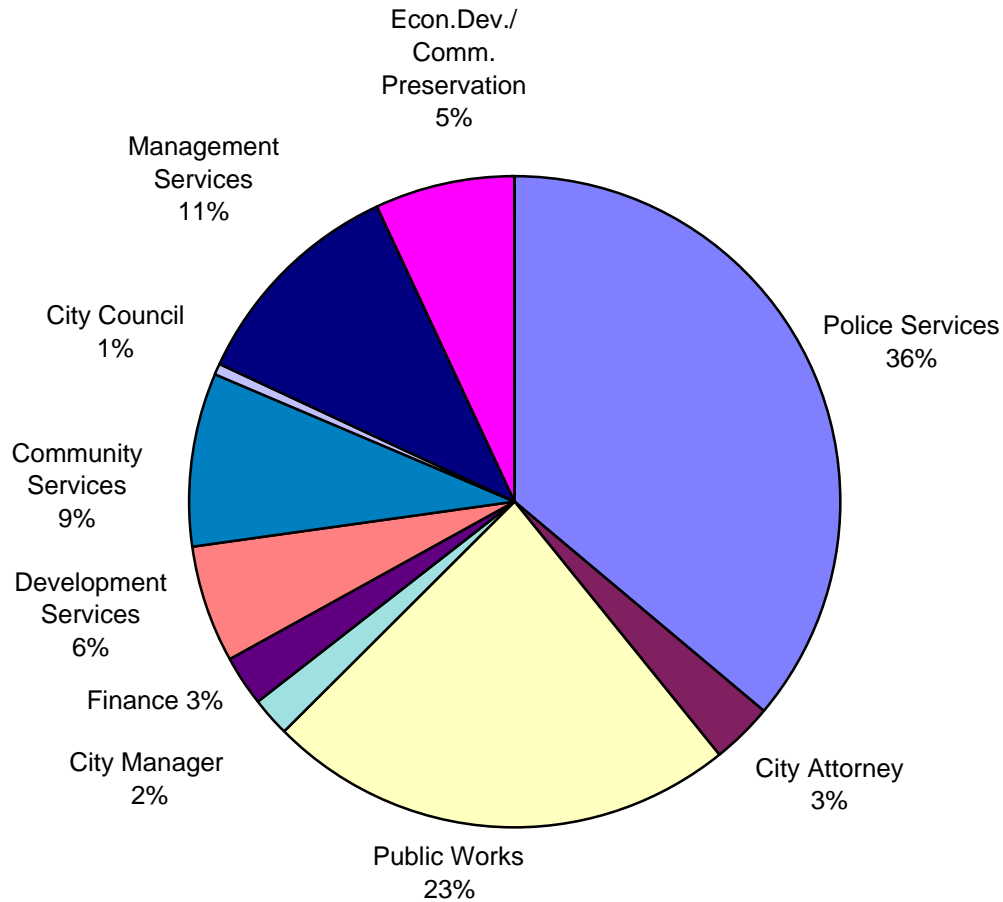
SUMMARY OF EXPENDITURES BY DEPARTMENT

Department	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
City Council	\$205,179	\$231,200	\$152,700	\$152,700
City Manager	865,311	826,600	639,700	639,700
Economic Development/ Community Preservation ¹	2,963,715	3,419,100	2,583,900	2,583,900
City Attorney	1,504,316	1,314,900	1,147,000	1,147,000
Finance	1,404,742	1,566,400	942,900	942,900
Development Services	2,565,974	2,580,100	2,200,200	2,200,200
Public Works	8,586,279	8,610,600	8,640,300	8,640,300
Management Services	2,204,391	2,483,000	4,120,300	4,120,300
Community Services	3,061,497	3,318,900	3,147,500	3,147,500
Police Services	12,849,991	13,534,600	13,305,000	13,305,000
Vehicle Replacement		78,000	35,000	35,000
Total Operating Expenditures	36,211,395	37,963,400	36,914,500	36,914,500
Less: Redevelopment Agency Operating Expenditures	(3,016,845)	(2,960,800)		
Total City Operating Expenditures	33,194,550	35,002,600	36,914,500	36,914,500
Capital Projects	24,593,710	1,336,300	4,715,800	4,715,800
Less: Redevelopment Agency Capital Projects	(1,120,999)			
Total City Capital Projects	23,472,711	1,336,300	4,715,800	4,715,800
Grand Total All City Funds	\$56,667,261	\$36,338,900	\$41,630,300	\$41,630,300

¹ Name Changed in Fiscal Year 2011-12

SUMMARY OF EXPENDITURES BY DEPARTMENT¹

Fiscal Year 2012-2013



¹ Excludes capital improvement projects

PERSONNEL SUMMARY

Department	2010-11		2011-12		2012-13	
	Authorized		Authorized		Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
City Manager:						
City Manager	1		1		1	
Assistant City Manager	0.4		0.4		0.4	
Assistant to the City Manager	1		1			
Senior Management Analyst					1	
Executive Assistant	1		1		1	
Management Analyst	1		1		0.2	
Subtotal	<u>4.4</u>	<u>0</u>	<u>4.4</u>	<u>0</u>	<u>3.6</u>	<u>0</u>
Economic Development/ Community Preservation:						
Assistant City Manager/Director of Economic Development/ Community Preservation	0.6		0.6		0.6	
Economic Development Specialist	1		1			
Economic Development Manager					1	
Housing Manager	1		1		1	
Redevelopment Project Manager ¹	1		1			
Code Enforcement Supervisor					1	
Management Analyst	1		1		0.8	
Code Enforcement Officer					2	
Community Preservation Technician					1	
Administrative Secretary Intern	1	2,080	1	2,080	1	2,080
Subtotal	<u>5.6</u>	<u>2,080</u>	<u>5.6</u>	<u>2,080</u>	<u>8.4</u>	<u>2,080</u>

¹No longer applicable.

Finance:

Director of Finance/ City Treasurer	1	1	1
Accounting Manager	1	1	1

PERSONNEL SUMMARY

Department	2010-11		2011-12		2012-13	
	Authorized		Authorized		Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
Finance (continued):						
Accountant	1		1		1	
Accountant						1,040
Senior Accounting Technician	1		1			
Accounting Technician	1		1		1	
Administrative Secretary	1		1		1	
Subtotal	<u>6</u>	<u>0</u>	<u>6</u>	<u>0</u>	<u>5</u>	<u>1,040</u>
Development Services:						
Director of Development Services	1		1		1	
Planning Manager	1		1		1	
Senior Planner	2		2		2	
Associate Planner	1		1		1	
Assistant Planner	1		1		1	
Code Enforcement Supervisor	1		1			
Code Enforcement Officer	2		2			
Community Preservation Technician	1		1			
Administrative Secretary	1		1		1	
Records System Administrator	1		1			
Records System Coordinator					1	
Records Specialist		1,248		1,248		1,040
Senior Office Specialist	1		1		1	
Senior Building Permit Technician					1	
Building Technician	1		1			
Intern		1,040		1,040		1,040
Subtotal	<u>14</u>	<u>2,288</u>	<u>14</u>	<u>2,288</u>	<u>10</u>	<u>2,080</u>
Public Works:						
Director of Public Works/ City Engineer	1		1		1	
Assistant City Engineer					1	
Engineering Services Manager	1		1			
Public Works Manager	1		1		1	
Public Works Supervisor	1		1			
Traffic Engineer	1					

PERSONNEL SUMMARY

Department	2010-11 Authorized		2011-12 Authorized		2012-13 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
Public Works (continued):						
Traffic Engineering Manager			1		1	
Principal Civil Engineer	1		1		1	
Water Quality Administrator					1	
Water Quality Specialist	1		1			
Administrative Secretary	1		1		1	
Engineering Technician	1		1		1	
Senior Landscape Inspector					1	
Landscape Inspector	2		2		2	
Management Analyst	1		1		1	
Senior Office Specialist	2		2		2	
Subtotal	<u>14</u>	<u>0</u>	<u>14</u>	<u>0</u>	<u>14</u>	<u>0</u>
Management Services:						
Deputy City Manager/Director of Management Services	1		1		1	
Management Analyst	1		1		1	
City Clerk	1		1		1	
Assistant City Clerk	1		1		1	
Executive Assistant	1		1		1	
Administrative Secretary	1		1		1	
Senior Office Specialist	1		1		1	
Records Specialist	1		1		1	
Information Technology Manager	1		1		1	
Administrative Services Manager					1	
Human Resources/Risk Manager	1		1			
Human Resources Technician	1		1		1	
Senior Intern		1,248		1,248		1,040
Subtotal	<u>11</u>	<u>1,248</u>	<u>11</u>	<u>1,248</u>	<u>11</u>	<u>1,040</u>
Community Services:						
Director of Community Services	1		1		1	
Recreation Manager					2	
Recreation Program Manager	2		2			
Administrative Secretary	1		1		1	
Recreation Center Supervisor					1	

PERSONNEL SUMMARY

Department	2010-11 Authorized		2011-12 Authorized		2012-13 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
Community Services (continued):						
Senior Recreation Coordinator					3	
Recreation Coordinator	4	4,800	4	4,800		6,000
Senior Office Specialist	1		1		1	
Recreation Leader		17,139		12,900		17,300
Recreation Specialist		2,000		3,000		3,000
Senior Recreation Leader		8,886		12,000		14,000
Facilities Maintenance Specialist	1		1		1	
Subtotal	<u>10</u>	<u>32,825</u>	<u>10</u>	<u>32,700</u>	<u>10</u>	<u>40,300</u>
Police Services:						
Public Safety Manager	1		1		1	
Administrative Secretary	1					
Subtotal	<u>2</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>0</u>
City Total	<u><u>67</u></u>	<u><u>38,441</u></u>	<u><u>66</u></u>	<u><u>38,316</u></u>	<u><u>63</u></u>	<u><u>46,540</u></u>

Section Three

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Description

Section-Page

Combined Program Revenues

3-1

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
General Fund				
Taxes				
Property Taxes - City:				
Secured	\$5,803,687	\$5,922,000	\$5,975,000	\$6,447,000
Unsecured	250,843	300,000	250,000	255,000
Supplemental	131,343	100,000	100,000	131,000
Prior Year	149,363	170,000	150,000	150,000
Homeowners' Exemptions	54,980	56,000	56,000	56,000
Penalties and Interest	43,109	50,000	50,000	50,000
Other Revenues	26,910	20,000	20,000	20,000
Property Taxes - Lighting				
District:				
Secured	462,285	448,000	470,000	480,000
Unsecured	19,489	20,000	18,000	19,000
Supplemental	5,484	4,000	4,000	5,000
Prior Year	11,594	15,000	15,000	15,000
Homeowners' Exemptions	4,241	4,300	4,300	4,300
Penalties and Interest	3,150	3,000	3,000	3,000
Other Revenues	1,499	800	800	1,000
Property Taxes - Motor				
Vehicle In-Lieu Backfill	5,547,575	5,603,000	5,535,000	5,646,000
Sales and Use Taxes	12,630,144	11,845,000	12,500,000	12,600,000
Transient Occupancy Taxes	2,439,443	2,200,000	2,400,000	2,500,000
Real Property Transfer				
Taxes	292,719	240,000	240,000	240,000
Franchise Fees	2,269,022	2,330,800	2,259,800	2,259,800
Subtotal	30,146,880	29,331,900	30,050,900	30,882,100
 Licenses and Permits				
Building Permit Fees	508,390	470,000	550,000	750,000
Sign Permits	5,575	10,000	5,000	5,000
Subtotal	513,965	480,000	555,000	755,000
 From Other Governments				
Motor Vehicle In-Lieu				
Fees	398,659	195,000		
Used Oil Recycling Grant			20,000	
Vehicle Abatement Fees	49,638	53,000	53,000	53,000
Senior Mobility Grant	34,442	36,600	36,600	
American Recovery and Reinvestment Act Grants	20,764		21,500	
Police Grants			26,600	

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
Beverage Container Recycling Grant	1,753	21,500	21,500	21,000
Hazardous Waste Drop Box Grant	8,154			
Subtotal	513,410	306,100	179,200	74,000
<i>User Fees and Charges</i>				
Recreation Programs	21,042	24,200	24,200	27,600
Senior Programs	13,467	16,000	16,000	13,000
Teen Programs	3,815	3,000	3,000	8,500
Youth Programs	32,727	25,000	25,000	32,000
Recreation Classes	75,190	38,000	70,000	70,000
Excursions	6,123	9,600	9,600	9,500
Facility Rentals	1,834	1,800	1,800	2,000
Park Reservation Fees	4,710	3,000	3,000	5,000
Sports Park Maint. Fees		28,100		
SMP-Fare Revenue	2,048			
Plan Check Fees	213,533	180,000	210,000	240,000
Fire Plan Check Fees	3,736	4,000	4,000	4,000
Engineering Fees	186,195	130,000	180,000	200,000
Planning/Zoning Fees	386,006	316,000	370,000	400,000
Opportunities Study Fees	22,107			
Massage Permit Fees	3,100		2,000	2,000
Imaging Fees	18,297	15,000	15,000	15,000
Copies and Maps	11,014	11,000	11,000	11,000
Subtotal	1,004,944	804,700	944,600	1,039,600
<i>Fines and Forfeitures</i>				
Motor Vehicles Code Fines	402,081	360,000	360,000	360,000
Local Ordinance Violations	155,002	155,000	155,000	155,000
Subtotal	557,083	515,000	515,000	515,000
<i>Use of Money and Property</i>				
Leases	110,126	114,000	114,000	114,000
Interest Income	166,865	300,000	150,000	150,000
Subtotal	276,991	414,000	264,000	264,000
<i>Other Revenue</i>				
Successor Agency Reimbursements				712,300

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
State Mandated Claims	50,705	25,000	49,000	49,000
Legal Settlements			142,500	
Reimbursements	557		140,000	150,000
Donations	2,000			
Senior Donations	257	300	300	300
Prior Year Adjustment	1,726			
Sponsorships	8,100			
Miscellaneous Revenue	36,369	10,000	10,000	10,000
Subtotal	99,714	35,300	341,800	921,600
General Fund Total	33,112,987	31,887,000	32,850,500	34,451,300
Special Revenue Funds				
Gas Tax Fund				
Section 2105	404,907	416,000	385,000	381,000
Section 2106	256,816	262,000	262,000	260,000
Section 2107	540,477	554,000	546,000	546,000
Section 2107.5	7,500	7,500	7,500	7,500
Section 2103	629,454	750,000	831,000	855,000
Proposition 42				
Proposition 1B Grant	347,132			
Interest Income	4,960	8,000	4,000	4,000
Reimbursements	40			
Subtotal	2,191,286	1,997,500	2,035,500	2,053,500
Measure M Fund				
Turnback Allocation	1,138,083	1,000,000	1,057,000	1,123,000
Interest Income	5,412	10,000	5,000	5,000
Reimbursements	27,015			
Subtotal	1,170,510	1,010,000	1,062,000	1,128,000
Measure M Senior Mobility Program				
OCTA Senior Mobility Grant			46,300	46,300
Interest Income				
Subtotal	0	0	46,300	46,300
Etnies Skatepark Fund				
Online Registration				
Non-Resident Card Fees	21,435	20,000	20,000	21,000
Merchandise Sales	17,800	17,000	17,000	20,000
Prior Year Adjustment	19			

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
Coca-Cola Revenues				2,000
Sponsorships	7,835	9,600	9,600	2,000
Filming Fees	330	300	300	400
Classes	14,313	9,000	9,000	10,000
Contests	756	1,800	1,800	1,500
Camps	26,752	13,000	13,000	26,000
Skatepark Programs	7,387	9,500	9,500	9,000
Subtotal	96,627	80,200	80,200	91,900
 <i>Air Quality Improvement Fund</i>				
Air Quality Management				
District Fees	86,499	93,000	93,000	93,000
Interest Income	2,775	9,000	4,500	4,500
Subtotal	89,274	102,000	97,500	97,500
 <i>Police Grant Funds</i>				
Brulte/Justice Assistance				
Grants	99,965		118,500	118,500
Interest Income	35			
Subtotal	100,000	0	118,500	118,500
 <i>Asset Forfeitures Fund</i>				
Interest Income	48	200	200	0
Subtotal	48	200	200	0
 <i>Community Development</i>				
<i>Block Grant Fund</i>				
Entitlement Grant	818,712	480,000	480,000	532,900
American Recovery and Reinvestment Act Grant	106,347			
Interest Income	133	100	100	100
Loan Interest	654	400	400	400
Loan Repayments	41,945	35,000	35,000	35,000
Subtotal	967,791	515,500	515,500	568,400
 <i>Housing Authority Fund</i>				
Other Revenue			30,000	
Reimbursements			6,700	72,000
Subtotal	0	0	36,700	72,000

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
<i>Disaster Fund</i>				
Federal Emergency Management Agency Grant	170,154			
Subtotal	170,154	0	0	0
Special Revenue Funds	4,785,690	3,705,400	3,992,400	4,176,100
Capital Funds				
<i>Capital Improvement Projects Fund</i>				
Federal Grants:				
American Recovery and Reinvestment Act	200,098		137,000	
State Park Roberti Z-Berg Harris Grant	122,613			
Orange County Transportation Authority Grants:				307,900
GMA 9	46,805			
SIP			225,000	
TE Grants				1,500,000
County Grants:				
City Aid Grant	575			
Foothill Circulation Phasing Plan	257,113			
Interest Income	92,281	60,000	30,000	10,000
Reimbursements	308,945		935,000	
Other Revenue		40,000	40,000	40,000
Subtotal	1,028,430	100,000	1,367,000	1,857,900
<i>Opportunities Study Area Capital Projects Fund</i>				
SBRA Impact Fees	750,000		250,000	
Whisler Impact Fees			141,000	733,200
Interest Income			14,000	
Reimbursements	37,504			
Other Revenue		250,000		
Subtotal	787,504	250,000	405,000	733,200

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
<i>Affordable Housing Capital Improvement Projects Fund</i>				
Whisler Impact Fees			90,100	326,800
Development Impact Fees	248,181			
Interest Income	954	1,200		
Subtotal	249,135	1,200	90,100	326,800
<i>Park Development/ Construction Fund</i>				
Whisler Impact Fees			121,000	432,700
Development Impact Fees	16,655			
Interest Income	954	7,000	3,500	
Subtotal	17,609	7,000	124,500	432,700
<i>Sports Park Maintenance Fund</i>				
Whisler Impact Fees			5,000	20,400
Interest Income				
Subtotal	0	0	5,000	20,400
<i>LFTM Intersection Improvement Fund</i>				
Whisler Impact Fees			19,800	70,600
Interest Income				
Subtotal	0	0	19,800	70,600
Capital Funds Total	2,082,678	358,200	2,011,400	3,441,600
<i>Internal Service Fund</i>				
Vehicle Replacement				
Charges	77,300	53,200	53,200	
Sale of Fixed Asset			3,000	
TVAP Grant		27,100		
Subtotal	77,300	80,300	56,200	0
Total All City Funds	\$40,058,655	\$36,030,900	\$38,910,500	\$42,069,000
<i>Low and Moderate Income Housing Fund</i>				
Tax Increment	810,798	811,000		

COMBINED PROGRAM REVENUES

Description	Actual 2010-11	Adopted Budget 2011-12	Estimated 2011-12	Adopted Budget 2012-13
Loan Repayments	2,086			
Interest Income	12,387	20,000		
Reimbursements	5,440	6,500		
Subtotal	830,711	837,500	0	0
<i>Debt Service Fund</i>				
Tax Increment	3,695,214	3,656,000		
Interest Income	41,892	5,000		
Reimbursements	6,053			
Subtotal	3,743,159	3,661,000	0	0
Total Redevelopment				
Agency	\$4,573,870	\$4,498,500	\$0	\$0
Grand Total All Funds	\$44,632,525	\$40,529,400	\$38,910,500	\$42,069,000

Section Four

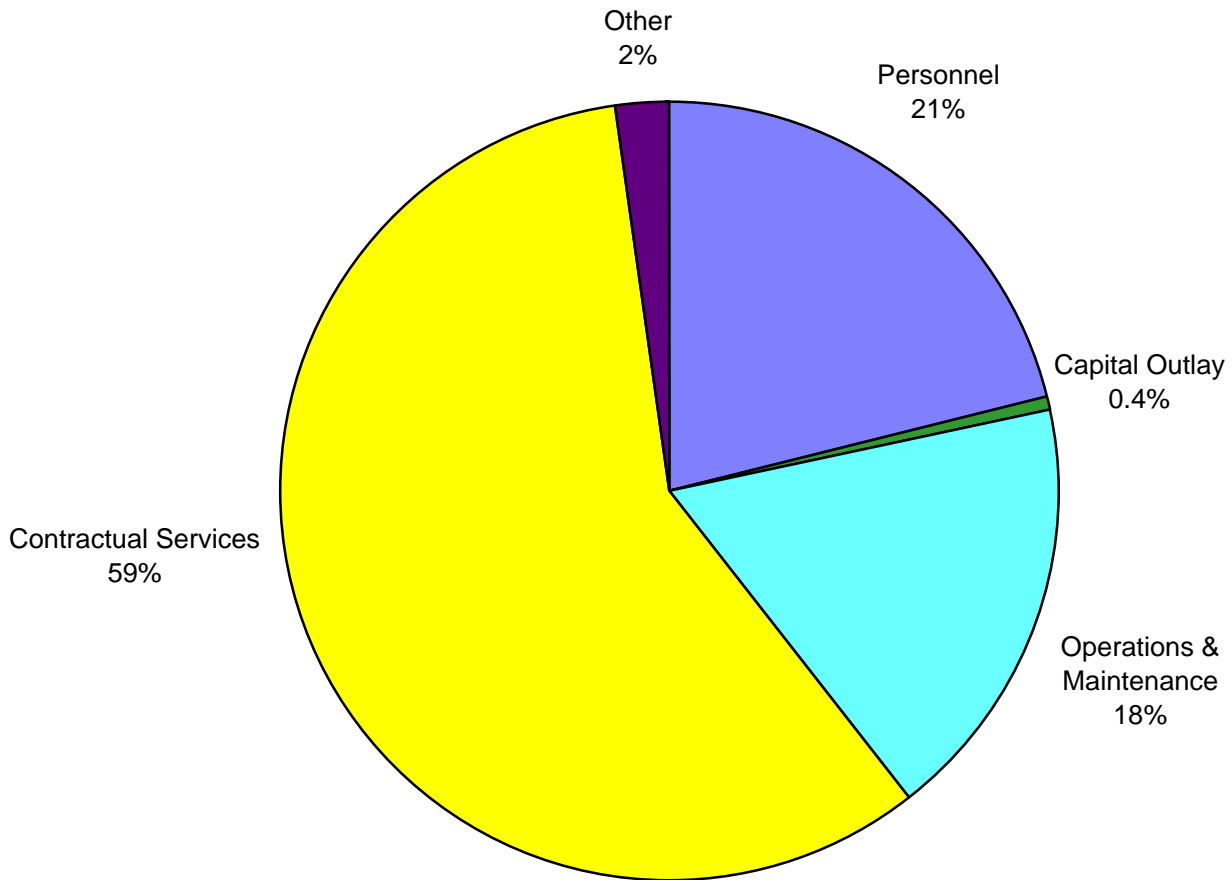
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SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY

Department	Personnel	Operations & Maintenance	Contract Services	Other	Capital Outlay	Totals
City Council	\$44,500	\$107,200	\$1,000			\$152,700
City Manager	586,300	23,400	30,000			639,700
Economic Development/ Community Preservation	981,000	143,000	685,900	\$774,000		2,583,900
City Attorney			1,147,000			1,147,000
Finance	594,200	214,500	134,200			942,900
Development Services	1,165,500	89,600	945,100			2,200,200
Public Works	1,592,900	1,734,100	5,313,300			8,640,300
Management Services	1,162,700	2,502,300	340,000		\$115,300	4,120,300
Community Services	1,545,000	1,553,500	41,000		8,000	3,147,500
Police Services	142,400	178,200	12,984,400			13,305,000
Vehicle Replacement					35,000	35,000
TOTALS	\$7,814,500	\$6,545,800	\$21,621,900	\$774,000	\$158,300	\$36,914,500

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY Fiscal Year 2012-2013



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 2011-12 MAJOR ACCOMPLISHMENTS

1. Provided policy level guidance for Phase IV of the Opportunities Study including, but not limited to:
 - Acquisition of final property to complete the Lake Forest Sports Park
 - Approval of the Sports Park Master Plan and Recreation Center and completion of construction plans and specifications for the park
 - Approved conceptual plans for the Lake Forest Civic Center
 - Tentative Map approval for four OSA private developments
 - Entered into various agreements for development
 - Established the Irvine Ranch Water District development project Community Facilities District
2. Increased transportation capacity through the following projects:
 - Completion of the Alton Parkway Gap Closure City segment (Commercentre Drive to Towne Center Drive)
 - Initiation of four traffic calming and streetscape improvement projects
 - Initiation of the Rancho Parkway Gap Closure
 - Initiation of the El Toro Road Traffic Light Synchronization Program project and the completion of Phases 1 and 2 of the Traffic Signal Synchronization project.
3. Provided policy level guidance on the City's position on the County's Master Planning process for the future expansion of the James A. Musick Jail facility.
4. Authorized the successful trial court litigation and cooperation with federal law enforcement officials to abate several marijuana dispensaries as public nuisances in the City.
5. Increased City park facilities with the completion of park renovations at Mountain View and Concourse Parks, as well as the Etnies Skatepark expansion project.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Provide policy level guidance for Opportunities Study public and private projects including:
 - Construction of the 86 acre Lake Forest Sports Park
 - Development of a Final Civic Center Master Plan
 - Complete mapping requirements for private developments
 - Creation of community facilities districts as necessary
 - Coordination of public services during construction of new communities
2. Increase transportation capacity through ongoing efforts to improve overall traffic flow and circulation and reduce traffic delay through major roadway and intersection improvements including completion of the Rancho Parkway extension.
3. Increase affordable housing capacity through the programs and administrative processes of the Lake Forest Housing Authority.
4. Increase City park facilities through continued implementation of the City's Parks and Recreation Five-Year Strategic Plan, including construction of Tamarisk and Rimgate Park Improvements and other Capital Improvement Projects.
5. Provide policy level guidance to conclude final abatement of previous storefronts and ensure continued monitoring for any marijuana dispensaries.

CITY COUNCIL BUDGET OVERVIEW

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$50,413	\$48,600	\$44,500	\$44,500
Operations and Maintenance ¹	154,686	165,200	107,200	107,200
Contract Services		17,400	1,000	1,000
Capital Outlay	80			
Activity Total	<u>\$205,179</u>	<u>\$231,200</u>	<u>\$152,700</u>	<u>\$152,700</u>

Funding Sources:

General Fund	\$201,849	\$227,600	\$152,700	\$152,700
Redevelopment Agency Operating Fund	3,330	3,600		

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

CITY COUNCIL BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
City Council/Board Members (5)	\$46,243	\$45,800	\$42,200	\$42,200
Medicare	668	700	600	600
Retirement	3,502	2,100	1,700	1,700
Subtotal	50,413	48,600	44,500	44,500
<u>Operations and Maintenance:</u>				
Memberships and Dues	63,237	44,100	60,700	60,700
Travel, Conferences, Meetings	21,977	35,000	37,300	37,300
Operating Supplies ¹	3,752	1,900	1,500	1,500
Special Supplies		7,000	7,000	7,000
Printing and Duplicating ¹	366	100		
Postage and Deliveries ¹	156	200		
Subscriptions and Books	20	700	700	700
Telephone and Other ¹	1,042	700		
City Hall Rent ¹	61,669	73,400		
Equipment Rentals/Leases ¹	506	300		
Equipment Maintenance ¹	46	200		
General Liability ¹	644	600		
Workers' Compensation ¹	1,271	1,000		
Subtotal	154,686	165,200	107,200	107,200
<u>Contract Services:</u>				
Miscellaneous		17,400	1,000	1,000
Subtotal	0	17,400	1,000	1,000
<u>Capital Outlay:</u>				
Furniture	80			
Subtotal	80	0	0	0
Activity Total	\$205,179	\$231,200	\$152,700	\$152,700

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

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 the various City departments. Additional duties include, but are not limited to: (1) Represent the City in legislative and regulatory matters (2) Oversee emergency management operations (3) Manage environmental issues (4) Oversee annual Budget and Investment Policy, and (5) Work with other agencies to address regional issues.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

1. Provided executive oversight and strategic guidance for Phase IV of the Opportunities Study including, but not limited to:
 - Acquisition of final property to complete the Lake Forest Sports Park
 - City Council approval of the Sports Park Master Plan and Recreation Center and completion of construction plans and specifications for the park
 - Securing the necessary resource agency approvals to begin clearing and grubbing in preparation for grading at the future Sports Park site
 - Initiated construction of Rancho Parkway
 - Approved conceptual plans for the Lake Forest Civic Center
 - Secured 9 acre site for the Lake Forest Civic Center
 - Tentative Map approval for four OSA private developments
 - Successful negotiation of various agreements for development
 - Established the Irvine Ranch Water District development project Community Facilities District
2. Provided executive oversight of four traffic calming and streetscape improvement projects.
3. Provided executive oversight for the completion of the Alton Parkway Gap Closure City segment (Commercentre Drive to Towne Center Drive).
4. Provided executive guidance for the ongoing mandate related to the National Pollutant Discharge Elimination System.
5. Coordinated with Orange County Sheriff's Department officials on the County's Master Planning process for the future expansion of the James A. Musick Jail facility.
6. Provided executive oversight and strategic guidance during the Redevelopment Agency (Agency) dissolution process while developing

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS (continued)

- strategies to preserve economic development opportunities, affordable housing programs, and former Agency funding and assets.
7. Reorganized the Redevelopment Agency department into the Economic Development/Housing Department responsible for comprehensive economic development and affordable housing activities in the City.
 8. Coordinated efforts with the City Attorney regarding the successful trial court litigation and cooperation with federal law enforcement officials to abate several marijuana dispensaries as public nuisances in the City.
 9. Provided oversight for park renovations at Mountain View and Concourse Parks, as well as the Etnies Skatepark expansion project.
 10. Provided executive oversight for the El Toro Road Traffic Light Synchronization Program project and the completion of Phases 1 and 2 of the Traffic Signal Synchronization project.
 11. Provided executive oversight and strategic guidance for a comprehensive human resources classification/compensation and organizational study.
 12. Successfully recruited key vacant executive management positions: Finance Director and Director of Public Works/City Engineer.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Provide executive oversight and strategic guidance for Opportunities Study public and private projects including:
 - Construction of the 86 acre Lake Forest Sports Park
 - Development of a Final Civic Center Master Plan
 - Complete mapping requirements for private developments
 - Creation of community facilities districts as necessary
 - Coordination of public services during construction of new communities
2. Provide executive oversight of efforts to improve overall traffic flow and circulation and reduce traffic delay through major roadway and intersection improvements including completion of the Rancho Parkway extension and streetscape projects.
3. Continue to monitor and participate in the County's design and construction process for the future expansion of the James A. Musick Jail Facility.
4. Provide executive oversight and strategic guidance for the programs and administrative processes of the Lake Forest Housing Authority.
5. Provide executive oversight for the continuing dissolution of the Lake Forest Redevelopment Agency and responsibilities of the Lake Forest Successor Agency and Oversight Board.
6. Provide executive oversight and strategic guidance for continued community revitalization efforts to encourage business growth and expansion utilizing available economic development tools and funding sources to support these activities.

FISCAL YEAR 2012-13 MAJOR INITIATIVES (continued)

7. Provide executive oversight for the construction of Tamarisk and Rimgate Park Improvements and other Capital Improvement Projects.
8. Provide executive oversight and strategic guidance for a new sustainability plan to provide a financial framework during significant economic events.
9. Conclude final abatement of previous storefronts and ensure continued monitoring for any marijuana dispensaries.
10. Provide executive oversight and strategic guidance for the advancement of the Serrano Creek restoration project.

CITY MANAGER BUDGET OVERVIEW

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$714,997	\$693,000	\$586,300	\$586,300
Operations and Maintenance ¹	118,693	103,600	23,400	23,400
Contract Services	31,270	30,000	30,000	30,000
Capital Outlay	351			
Activity Total	\$865,311	\$826,600	\$639,700	\$639,700
Funding Sources:				
General Fund	\$813,391	\$775,400	\$639,700	\$639,700
Redevelopment Agency				
Operating Fund	50,650	51,200		
Air Quality Improvement Fund	1,270			
Total Positions:				
Full-Time	4.4	4.4	3.4	3.4

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Professional Leadership</u>			
% of departmental objectives accomplished	90%	90%	90%

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

CITY MANAGER BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$554,714	\$540,700	\$476,700	\$476,700
Medicare	8,086	7,800	6,900	6,900
Retirement ¹	88,411	77,300	48,800	48,800
Health Insurance	63,786	67,200	53,900	53,900
Subtotal	714,997	693,000	586,300	586,300
<u>Operations and Maintenance:</u>				
Memberships and Dues	1,930	2,700	2,700	2,700
Training and Education	135	500	500	500
Travel, Conferences, Meetings	1,573	6,400	7,900	7,900
Auto Allowance	11,932	12,000	9,200	9,200
Mileage Reimbursement	120	400	400	400
Operating Supplies ²	2,558	1,800	100	100
Printing and Duplicating ²	315	700	300	300
Postage and Deliveries ²	687	800	100	100
Subscriptions and Books	139	1,300	500	500
Telephone and Other ²	830	900		
City Hall Rent ²	75,031	54,700		
Equipment Rentals/Leases ²	2,228	1,300		
Miscellaneous Maintenance	7			
Equipment Maintenance ²	196	900		
Software Licenses/Maintenance	1,665	1,700	1,700	1,700
General Liability ²	7,895	7,500		
Workers' Compensation ²	11,452	10,000		
Subtotal	118,693	103,600	23,400	23,400
<u>Contract Services:</u>				
Miscellaneous	30,000	30,000	30,000	30,000
Go Local Study - Phase 2	1,270			
Subtotal	31,270	30,000	30,000	30,000

CITY MANAGER BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Capital Outlay:</u>				
Furniture	351			
Subtotal	351	0	0	0
Activity Total	\$865,311	\$826,600	\$639,700	\$639,700

¹ 401 (a) Plan administration fees transferred to the Management Services Department in Fiscal Year 2012-13.

² Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

City Council

1. Provided leadership and direction for the former Lake Forest Redevelopment Agency (“Agency”).

Executive Director

1. Continued to provide executive leadership for future redevelopment opportunities along El Toro Road prior to dissolution.
2. Provided executive leadership in response to efforts by the State to dissolve redevelopment agencies.
3. Provided executive leadership during the dissolution process of the former Agency.

Redevelopment/Economic Development

1. Implemented the Fiscal Year 2011-12 Business Development and Attraction Work Plan containing new and enhanced resources and seminars for the business community.
2. Coordinated and promoted business seminars and workshops held in partnership with local, state, or federal business resource agencies.
3. Administered the City and Agency’s contractual partnership with the Lake Forest Chamber of Commerce comprised of co-sponsored business events and collaborative business marketing efforts promoting economic growth in Lake Forest.
4. Implemented the City’s business visitation program and met with top employers and sales tax producing companies to strengthen the City’s partnership with the business community.
5. Developed and implemented the Shop & Dine Lake Forest Week citywide marketing program promoting the local economy and the diversity of businesses in Lake Forest. The inaugural program resulted in over 220 businesses participating with special offers and discounts during the weeklong celebration.
6. Conducted the 2011 Lake Forest Business Appreciation Luncheon attended by over 115 business owners representing more than 50 of the City’s top employers and top producing companies.
7. Developed and published the In Business newsletter featuring company profiles, and Q&A with a CEO, and a business tips article written by a

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS (continued)

- prominent Lake Forest company. The newsletter was disseminated to over 2,000 Lake Forest businesses, local hotels, and posted on the City's economic development website.
8. Created the Broker's Toolbox webpage designed specifically for commercial brokers doing business in Lake Forest and providing them with resources to streamline operations in Lake Forest.
 9. Created the Lake Forest Hotel Webpage and Guide featuring all Lake Forest hotels, a description of their amenities, and containing an interactive City map with location of each hotel, parks, shopping centers, and nearby restaurants.
 10. Prepared a draft Scope of Work for updating the City's current Economic Development Strategy.
 11. Prior to dissolution, worked cooperatively with property owners to facilitate continued revitalization of commercial centers and promote business growth and expansion in El Toro Redevelopment Project Area.
 12. Worked with the California Redevelopment Association and the League of California Cities to protect and preserve the former Agency's funding and limit restrictions on redevelopment activities.

Agency Attorney

1. Assisted the former Agency with questions related to AB1X 26 and AB1X 27.
2. Assisted the City Council/Successory Agency with implementation of AB1X 26.

Finance

1. Provided the former Agency with support relative to implementation of AB1X 26.

Development Services

1. Provided support to the former Agency regarding planning-related issues for potential revitalization opportunities in the Project Area.
2. Provided support to the former Agency regarding the implementation of the Revitalization Action Plan for the Light Industrial Area.
3. Processed development applications for new construction, reconstruction, and tenant improvements within the El Toro Redevelopment Project Area.

Public Works

1. Initiated construction for Phase I of the El Toro Road, Jeronimo Road Streetscape, and Rockfield Streetscape and Traffic Calming projects.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Implement the Fiscal Year 2012-13 Business Development and Attraction Work Plan with enhanced attraction and retention strategies and partnerships that promote business growth and expansion in Lake Forest.
2. Identify new web-based applications that can further promote the City's available commercial properties and the City as a competitive business location.

FISCAL YEAR 2012-13 MAJOR INITIATIVES (continued)

3. Continue Business Visitations to top employers, top sales tax producing companies, and fast growing companies in Lake Forest.
4. Administer the City's contractual partnership with the Lake Forest Chamber of Commerce.
5. Subject to City Council approval, draft a new Lake Forest Economic Development Strategy with current and long-term goals that can continue to position Lake Forest as a competitive business location.
6. Work closely with legal counsel and Finance Department to mitigate deleterious effects of AB1X 26 to the General Fund.
7. Work with the City's lobbyist and State legislators to modify existing legislation, or enact new legislation, that would allow the Housing Authority to retain housing assets of the former Agency.
8. Collaborate with public agencies and organizations to develop new tools for local economic development that include the ability to establish public-private partnerships, fund public infrastructure improvements, and enhance neighborhood preservation efforts.

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET OVERVIEW
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$271,460	\$711,300	\$981,000	\$981,000
Operations and Maintenance	76,010	183,400	143,000	143,000
Contract Services	833,991	1,006,300	685,900	685,900
Other	1,781,742	1,518,100	774,000	774,000
Capital Outlay	512			
Activity Total	\$2,963,715	\$3,419,100	\$2,583,900	\$2,583,900
 Funding Sources:				
General Fund	\$353,443	\$328,000	\$1,783,000	\$1,783,000
Community Development Block Grant Fund	370,920	352,700	413,400	413,400
Housing Authority Fund	653	170,600	387,500	387,500
Redevelopment Agency Debt Service Fund	1,781,742	1,518,100		
Redevelopment Agency Operating Fund	3,566	730,200		
Redevelopment Agency Low and Moderate Income Housing Fund	453,391	319,500		
 Total Positions:				
Full-Time	5.6	5.6	8.6	8.6

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Redevelopment</u>			
Establish performance goals and initiatives	100%	100%	N/A
% of Department objectives accomplished	100%	100%	N/A
% of Council/Agency/Commission requests completed	100%	100%	N/A
% of Agency Conformance applications reviewed within standard timeframes	100%	100%	N/A

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2010-11</u>	<u>Adopted Budget 2011-12</u>	<u>Adopted Budget 2012-13</u>
<u>Redevelopment (continued)</u>			
% of Ask Lake Forest requests responded within approved timeframe	100%	100%	N/A
<u>Economic Development</u>			
Timely responses within 72 hours to requests for welcome/information packets	100%	100%	100%
% increase in attendance at Economic Development programs	10%	10%	10%
Increase number of business outreach visits	10%	20%	10%
<u>Housing</u>			
# of homes/mobile homes to receive exterior painting	7	6	6
# of homes that will receive rehab loans	10	15	8
<u>Community Preservation¹</u>			
% of code violations voluntarily corrected	90%	90%	90%

¹ Community Preservation Division was transferred to the Economic Development/Community Preservation Department from the Development Services Department in Fiscal Year 2012-13. Prior to Fiscal Year 2012-13, the Division was named Code Enforcement.

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET DETAIL
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$192,075	\$518,700	\$727,900	\$727,900
Part-Time Personnel	6,468	28,000	28,000	28,000
Medicare	2,901	7,900	10,900	10,900
Retirement	31,490	72,700	74,700	74,700
Health Insurance	38,526	84,000	139,500	139,500
Subtotal	271,460	711,300	981,000	981,000
<u>Operation and Maintenance:</u>				
Memberships and Dues	5,100	9,400	6,000	6,000
Training and Education		4,100	1,100	1,100
Travel, Conferences, Meetings	17		2,000	2,000
Auto Allowance	4,874	12,000	9,000	9,000
Mileage Reimbursement		300	100	100
Operating Supplies ¹	3,426	5,000	2,900	2,900
Printing and Duplicating ¹	3,435	3,400	3,800	3,800
Postage and Deliveries ¹	3,182	4,100	900	900
Subscriptions and Books	8,662	12,900	14,200	14,200
Uniforms			1,700	1,700
Telephone and Other ¹	671	1,300	2,700	2,700
City Hall Rent ¹	36,532	93,400		
Equipment Rentals/Leases ¹	1,797	2,000		
Building Maintenance	6,997	15,000		
Miscellaneous Maintenance		5,000		
Equipment Maintenance ¹	272	1,300		
Software Licenses/Maintenance			10,300	10,300
Vehicle Maintenance			5,500	5,500
Real Property Maintenance			79,800	79,800
Website Update Services	1,045	3,000	3,000	3,000
General Liability ¹		5,400		
Workers' Compensation ¹		5,800		
Subtotal	76,010	183,400	143,000	143,000
<u>Contract Services:</u>				
Auditing	3,303	15,000	7,500	7,500
Legal	43,907		40,000	40,000
Economic Development	32,937	57,000	67,500	67,500
Housing		40,000	51,000	51,000
Redevelopment	220,072	90,000		
Miscellaneous	5,460			

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET DETAIL (continued)
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services (continued):</u>				
Communications	10,345	42,000	35,000	35,000
Commercial Façade Rehabilitation Loans		225,000		
General Administration	8,153	17,500	10,000	10,000
Administration			118,000	118,000
Public Service Grants	77,854	75,000	62,200	62,200
Housing Rehabilitation Loans	340,500	345,800	178,500	178,500
Rehabilitation Loan Fees	13,138	15,000	23,200	23,200
Rehabilitation Loan Services	37,966	44,000	53,000	53,000
Citywide Paint Program	40,356	40,000	40,000	40,000
Subtotal	<u>833,991</u>	<u>1,006,300</u>	<u>685,900</u>	<u>685,900</u>
<u>Other:</u>				
Pass-Through Payments	1,781,742	1,518,100		
Interest				
Saguaro Relocation			224,000	224,000
Debt Service Payments ²			550,000	550,000
Subtotal	<u>1,781,742</u>	<u>1,518,100</u>	<u>774,000</u>	<u>774,000</u>
<u>Capital Outlay:</u>				
Furniture	512			
Subtotal	<u>512</u>	<u>0</u>	<u>0</u>	<u>0</u>
Activity Total	<u>\$2,963,715</u>	<u>\$3,419,100</u>	<u>\$2,583,900</u>	<u>\$2,583,900</u>

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² Transferred from the Finance Department in Fiscal Year 2012-13.

ADMINISTRATION DIVISION BUDGET DETAIL
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Expense Classification	Actual 2010-11¹	Adopted Budget 2011-12¹	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Operation and Maintenance:</u>				
Operating Supplies			\$1,300	\$1,300
Printing and Duplicating			2,500	2,500
Postage and Deliveries			500	500
Subtotal	0	0	4,300	4,300
<u>Contract Services:</u>				
Legal			40,000	40,000
Administration			118,000	118,000
Subtotal	0	0	158,000	158,000
<u>Other:</u>				
Debt Service Payments ²			550,000	550,000
Subtotal	0	0	550,000	550,000
Activity Total	\$0	\$0	\$712,300	\$712,300
Funding Sources:				
General Fund			\$712,300	\$712,300

¹ Included in the former Redevelopment Department.

² Transferred from the Finance Department in Fiscal Year 2012-13.

ECONOMIC DEVELOPMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$93,645	\$88,000	\$222,000	\$222,000
Part-Time Personnel	6,468	14,000	24,500	24,500
Medicare	1,453	1,400	3,600	3,600
Retirement	15,405	12,500	23,000	23,000
Health Insurance	18,229	18,000	43,400	43,400
Subtotal	<u>135,200</u>	<u>133,900</u>	<u>316,500</u>	<u>316,500</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	5,100	5,000	5,800	5,800
Training and Education			200	200
Travel, Conferences, Meetings	17		1,100	1,100
Auto Allowance	1,828	1,800	4,500	4,500
Operating Supplies	1,022	1,300	600	600
Printing and Duplicating	764	100	500	500
Postage and Deliveries	2,369	2,600	200	200
Subscriptions and Books	8,178	10,700	12,000	12,000
Telephone and Other	293	300		
City Hall Rent	18,266	18,100		
Equipment Rentals/Leases	785	500		
Equipment Maintenance	71	300		
Website Update Services	1,045	1,500	3,000	3,000
Subtotal	<u>39,738</u>	<u>42,200</u>	<u>27,900</u>	<u>27,900</u>
<u>Contract Services:</u>				
Economic Development	32,937	57,000	67,500	67,500
Miscellaneous	5,460			
Communications	6,525	28,000	35,000	35,000
Subtotal	<u>44,922</u>	<u>85,000</u>	<u>102,500</u>	<u>102,500</u>
<u>Capital Outlay:</u>				
Furniture	124			
Subtotal	<u>124</u>	<u>0</u>	<u>0</u>	<u>0</u>
Activity Total	<u><u>\$219,984</u></u>	<u><u>\$261,100</u></u>	<u><u>\$446,900</u></u>	<u><u>\$446,900</u></u>
<u>Funding Source:</u>				
General Fund	\$217,734	\$255,200	\$446,900	\$446,900
Redevelopment Agency				
Operating Fund	2,250	5,900		

HOUSING DIVISION BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$98,430	\$156,100	\$220,500	\$220,500
Part-Time Personnel		3,500	3,500	3,500
Medicare	1,448	2,400	3,200	3,200
Retirement	16,085	21,800	22,600	22,600
Health Insurance	20,297	22,500	34,100	34,100
Subtotal	136,260	206,300	283,900	283,900
<u>Operation and Maintenance:</u>				
Memberships and Dues		700		
Training and Education		1,600		
Auto Allowance	3,046	4,400	4,500	4,500
Operating Supplies	1,104	1,300	200	200
Printing and Duplicating	171	500	100	100
Postage and Deliveries	313	500	100	100
Subscriptions and Books	484	700	700	700
Telephone and Other	378	400		
City Hall Rent	18,266	18,100		
Equipment Rentals/Leases	1,012	600		
Building Maintenance	6,997	15,000		
Equipment Maintenance	201	400		
Real Property Maintenance			79,800	79,800
Subtotal	31,972	44,200	85,400	85,400
<u>Contract Services:</u>				
General	8,153	17,500	10,000	10,000
Public Service Grants	77,854	75,000	62,200	62,200
Citywide Paint Program	40,356	40,000	40,000	40,000
Auditing	3,303	15,000	7,500	7,500
Housing		40,000	51,000	51,000
Legal	3,907			
Redevelopment	132,711			
Housing Rehabilitation Loans	340,500	345,800	178,500	178,500
Rehabilitation Loan Fees	13,138	15,000	23,200	23,200
Rehabilitation Loan Services	37,966	44,000	53,000	53,000
Subtotal	657,888	592,300	425,400	425,400
<u>Other:</u>				
Saguaro Relocation			224,000	224,000
Subtotal	0	0	224,000	224,000

HOUSING DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Capital Outlay:				
Furniture	160			
Subtotal	160	0	0	0
Activity Total	\$826,280	\$842,800	\$1,018,700	\$1,018,700
Funding Sources:				
General Fund			\$217,800	\$217,800
Community Development Block Grant Fund	\$370,920	\$352,700	413,400	413,400
Redevelopment Agency Operating Fund	1,316			
Housing Authority Fund	653	170,600	387,500	387,500
Agency Low/Mod Housing Fund	453,391	319,500		

COMMUNITY PRESERVATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$274,483	\$279,500	\$285,400	\$285,400
Overtime	708	1,500		
Medicare	3,860	4,000	4,100	4,100
Retirement	44,849	38,900	29,100	29,100
Health Insurance	57,180	60,000	62,000	62,000
Subtotal	381,080	383,900	380,600	380,600
<u>Operation and Maintenance:</u>				
Memberships and Dues	300	300	200	200
Training and Education	167	500	900	900
Travel, Conferences, Meetings	11		900	900
Auto Allowance				
Mileage Reimbursement	27	100	100	100
Operating Supplies	3,326	2,300	800	800
Printing and Duplicating	316	1,100	700	700
Postage and Deliveries	625	800	100	100
Subscriptions and Books	1,167	1,500	1,500	1,500
Uniforms	792	1,700	1,700	1,700
Telephone and Other	3,583	4,900	2,700	2,700
City Hall Rent	68,590	23,600		
Equipment Rentals/Leases	2,025	1,200		
Equipment Maintenance	185	800		
Software Licenses/Maintenance	6,784	10,300	10,300	10,300
Vehicle Replacement	6,400	6,400		
Vehicle Maintenance	9,303	5,500	5,500	5,500
Subtotal	103,601	61,000	25,400	25,400
<u>Capital Outlay:</u>				
Furniture	320			
Computer Software	158			
Subtotal	478	0	0	0
Activity Total	\$485,159	\$444,900	\$406,000	\$406,000
<u>Funding Sources:</u>				
General Fund	\$485,159	\$385,800	\$406,000	\$406,000
Redevelopment Agency				
Operating Fund	58,889	59,100		

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 2011-12 MAJOR ACCOMPLISHMENTS

1. Continued implementation of the Opportunities Study, including acquisition of more than 60 acres of land from the County of Orange and other owners for the development of parks.
2. Provided entitlement and CEQA representation on individual Opportunities Study projects.
3. Completion of Alton Road contract documents for construction of Alton connection.
4. Continued to assist the City in efforts to acquire and plan for the funding and construction of Alton Parkway. Draft contracts for award of same.
5. Successful trail court litigation and cooperation with federal law enforcement to abate several marijuana dispensaries as public nuisances.
6. Assisted Council in reevaluation of City's appeals ordinance.
7. Updated City's purchasing ordinance and policies.
8. Reviewed City's comprehensive wireless facility ordinance and represented City in FCC grievances against City. (Washington, DC office)
9. Monitored and implemented FPPC's opinions relating to Council appointments to regional boards. (Sacramento office)
10. Successfully prosecuted numerous misdemeanor cases arising within the City, including obtaining guilty verdicts, fines, and stay away orders for criminal defendants.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Continue to assist City in real estate transactions relating to acquisition and construction of public facilities in the Opportunities Study area.
2. Continue work on project-level review of Opportunities Study projects, including environmental review and development of facilities.
3. Coordinate nuisance abatement efforts with law enforcement activities.
4. Support City in economic development and housing initiatives.
5. Conclude abatement of marijuana dispensaries.
6. Advise on General Plan Update, including CEQA compliance.
7. Implement new telecommunications program, including justification for fair market charges for right-of-way placement (DC office)
8. Participate in FPPC's review of Conflict of Interest Regulations. (Sacramento office)

FISCAL YEAR 2012-13 MAJOR INITIATIVES (continued)

9. Assist City and its former Redevelopment Agency (“Agency”) in implementing state legislation and court decisions mandating elimination of the Agency and the transfer of administration of outstanding responsibilities to the City as successor agency.

CITY ATTORNEY BUDGET OVERVIEW
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Operations and Maintenance ¹	\$9,891	\$15,900		
Contract Services	1,494,425	1,299,000	\$1,147,000	\$1,147,000
Activity Total	\$1,504,316	\$1,314,900	\$1,147,000	\$1,147,000

Funding Sources:

General Fund	\$1,347,941	\$1,182,900	\$1,107,000	\$1,107,000
General Fund - NPDES ²	79,148	40,000	40,000	40,000
Redevelopment Agency Operating Fund	35,101	52,000		
Low and Moderate Income Housing Fund	42,126	40,000		

¹ Transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² NPDES = National Pollutant Discharge Elimination System

CITY ATTORNEY BUDGET DETAIL
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Operations and Maintenance:</u>				
City Hall Rent ¹	\$9,891	\$15,900		
Subtotal	9,891	15,900	0	0
<u>Contract Services:</u>				
Legal	1,494,425	1,292,000	\$1,140,000	\$1,140,000
Outside Legal		2,000	2,000	2,000
Miscellaneous Legal		5,000	5,000	5,000
Subtotal	1,494,425	1,299,000	1,147,000	1,147,000
Activity Total	\$1,504,316	\$1,314,900	\$1,147,000	\$1,147,000

¹ Transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

FINANCE

DEPARTMENT DESCRIPTION

The Finance Department is responsible for a variety of functions including financial reporting, accounting, budgeting, payroll, accounts payable, investments, and long-term debt administration. The Director of Finance carries the subtitle of City Treasurer.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

1. Initiated the process to form a community facilities district for the Irvine Ranch Water District.
2. Oversaw analysis and the process to finance the City's segment of the Alton Parkway Gap Closure Project.
3. Implemented the use of purchasing cards to streamline the purchasing process.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Implement the acceptance of credit cards to enhance convenience of transactions with residents and others who do business with the City.
2. Coordinate the formation of community facilities districts related to future Opportunities Study Area property development.
3. Create a financial sustainability plan to provide a framework in which to proceed during significant financial events.
4. Continue with cashflow analysis for Opportunities Study Area.
5. Prepare an analysis of the City's financial policies.
6. Process a request for proposal for a new accounting system.
7. Implement Prosystems Fx Engagement accounting software to reduce outside consulting costs incurred for various reporting requirements.

FINANCE DEPARTMENT BUDGET OVERVIEW

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$561,998	\$622,000	\$594,200	\$594,200
Operations and Maintenance ¹	666,664	805,400	214,500	214,500
Contract Services	175,600	139,000	134,200	134,200
Capital Outlay	480			
Activity Total	\$1,404,742	\$1,566,400	\$942,900	\$942,900
Funding Sources:				
General Fund	\$766,537	\$950,500	\$942,900	\$942,900
Certificates of Participation Fund	547,138	557,200		
Community Facilities District Formation Fund	37,504			
Redevelopment Agency Operating Fund	53,563	58,700		
Total Positions:				
Full-Time	6.0	6.0	5.0	5.0

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<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	39	19	20
<u>Budget Preparation</u>			
Date Budget adopted	6/15/2010	6/21/2011	6/19/2012
General fund revenues collected as % of revised estimates ²	90%	90%	90%
General fund expenditures expended as % budgeted ²	95%	95%	95%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2010-11</u>	<u>Adopted Budget 2011-12</u>	<u>Adopted Budget 2012-13</u>
<u>Budget Preparation (continued):</u>			
Annual Financial Report awards received	1	1	1
<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%
Weighted average maturity (in days) ³	100	100	100

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² Excludes carryovers

³ Reflects intention to provide sufficient liquidity for significant future capital projects

FINANCE DEPARTMENT BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$375,833	\$460,200	\$428,200	\$428,200
Overtime	684	1,000	2,500	2,500
Part-Time Personnel	36,312		35,000	35,000
Medicare	5,963	6,700	6,800	6,800
Retirement	57,637	64,100	44,200	44,200
Health Insurance	85,569	90,000	77,500	77,500
Subtotal	561,998	622,000	594,200	594,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	705	1,200	1,100	1,100
Training and Education	1,203	2,800	3,600	3,600
Travel, Conferences, Meetings	1,126	500	2,500	2,500
Auto Allowance	4,931	7,800	7,800	7,800
Mileage Reimbursement	109	300	200	200
Operating Supplies ¹	4,045	4,500	1,900	1,900
Printing and Duplicating ¹	3,528	6,500	5,000	5,000
Postage and Deliveries ¹	1,047	1,400	1,000	1,000
Subscriptions and Books	885	1,900	800	800
Telephone and Other ¹	1,129	1,300		
Certificate Lease Payments ²	545,268	555,400		
City Hall Rent ¹	56,570	41,000		
Equipment Rentals/Leases ¹	3,037	1,800		
Equipment Maintenance ¹	1,010	1,300		
Software Licenses/Maint.	10,246	8,900	10,000	10,000
Bank Charges and Fees	13,227	21,600	25,600	25,600
Property Tax Administration		130,000	155,000	155,000
Cash (Over/Short)	177			
General Liability ¹	6,716	6,300		
Workers' Compensation ¹	11,705	10,900		
Subtotal	666,664	805,400	214,500	214,500
<u>Contract Services:</u>				
Other	2,332	1,800	4,500	4,500
Auditing	29,533	45,000	45,000	45,000
Special Audits	10,665	24,000	24,000	24,000
Sales Tax Audits	10,395	17,000	17,000	17,000
Payroll	15,892	16,000	16,000	16,000
Miscellaneous	39,566			

FINANCE DEPARTMENT BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services (continued):</u>				
District Formation	37,504			
General	29,713	35,200	27,700	27,700
Subtotal	175,600	139,000	134,200	134,200
<u>Capital Outlay:</u>				
Furniture	480			
Subtotal	480	0	0	0
Activity Total	\$1,404,742	\$1,566,400	\$942,900	\$942,900

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² Transferred to Administration - Economic/Housing in Fiscal Year 2012-13

DEVELOPMENT SERVICES

DEPARTMENT DESCRIPTION

The Development Services Department is responsible for the development and administration of programs that guide the City's growth and development. The department provides planning-related staff support to the Council and Planning Commission and coordinates the activities of the regional development agencies within the City. The two functional areas are Current and Advanced Planning and Building Services.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

1. Facilitated securing resource agency permits for the Sports Park, and assisted Public Works to oversee required mitigation and monitoring efforts.
2. Completed processing of area plan, tentative tract map, use permit, and environmental impact report for the Irvine Ranch Water District/Serrano Summit project (second approval of an Opportunities Study project) through Planning Commission and City Council approval.
3. Continued processing entitlements and environmental review of the Portola Center, Madison Investors/Pinnacle and Shea Baker Ranch properties within the Opportunities Study Area.
4. Issued grading and building permits for major new developments such as the Kaiser Medical Office Building, Whisler Ridge residential project, and a major expansion of the Foothill Ranch WalMart.
5. Expedited tenant improvement plans for major employers such as Oakley, Dynacast, and Panasonic Avionics.
6. Continued implementation of Building and Safety Services, Planning, and Code Enforcement software system, enhanced geographic information system layers to better serve the public, and implemented customer service enhancements, including automated inspection scheduling.
7. Continued implementation of the modernization and streamlining of the City's Zoning Ordinance by updating no-residential zoning districts and adopting regulations for development agreements.
8. Reviewed projects in adjacent jurisdictions and participated in forums regarding the implementation of SB375.
9. Reviewed Southern California Association of Governments regional transportation plan/sustainable communities strategy and related program environmental impact report, participated in discussions of the documents with the Orange County Council of Governments, and provided comments on the draft program environmental impact report during the public review period.
10. Coordinated with Orange County Fire Authority regarding revisions to the Very High Fire Hazard Severity Zone Maps through City Council approval.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS (continued)

11. Evaluated three properties for proposed residential General Plan amendments as part of a pre-application process.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Secure all necessary resource agenda permits for the Sports Park, and assist Public Works to oversee required mitigation and monitoring efforts.
2. Begin preparation of the City's 2014 Housing Element which is due to the California Department of Housing and Community Development in October 2013.
3. Continue implementing the modernization and streamlining of the City's Zoning Ordinance for Planning Commission and City Council consideration.
4. Expand the Neighborhood Outreach, Stabilization, and Revitalization programs into focused areas within the City.
5. Review projects in adjacent jurisdictions and participate in forums regarding the implementation of SB375 and monitor implementation of the Orange County Sustainable Communities Strategy.
6. Implement additional customer service enhancements, such as electronic plan submittal and review as part of the Building and Safety Services software.

**DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$1,534,446	\$1,537,900	\$1,165,500	\$1,165,500
Operations and Maintenance ¹	394,585	327,100	89,600	89,600
Contract Services	635,110	715,100	945,100	945,100
Capital Outlay	1,833			
Activity Total	\$2,565,974	\$2,580,100	\$2,200,200	\$2,200,200
Funding Sources:				
General Fund	\$2,442,660	\$2,456,700	\$2,200,200	\$2,200,200
Redevelopment Agency Operating Fund	123,314	123,400		
Total Positions:				
Full-Time	14.0	14.0	10.0	10.0

PERFORMANCE MEASURES

Description	Actual <u>2010-11</u>	Adopted Budget <u>2011-12</u>	Adopted Budget <u>2012-13</u>
<u>Building Inspection and Construction</u>			
<u>Plan Review</u>			
% of plan checks completed within timeframes established by City contract	100%	98%	100%
% of building inspections completed within timeframes established by City contract	100%	100%	100%
<u>Planning Division</u>			
% of staff planning reviews completed within annually established timeframes	95%	95%	95%
% of budgeted studies/projects completed	80%	100%	100%
<u>Administration</u>			
% of Planning Commission issues completed	100%	100%	100%

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$1,100,142	\$1,110,200	\$864,700	\$864,700
Overtime	890	3,500	800	800
Part-Time Personnel	39,034	42,300	43,000	43,000
Medicare	16,325	16,700	13,200	13,200
Retirement	178,415	155,200	88,800	88,800
Health Insurance	199,640	210,000	155,000	155,000
Subtotal	1,534,446	1,537,900	1,165,500	1,165,500
<u>Operations and Maintenance:</u>				
Memberships and Dues	3,470	4,000	3,700	3,700
Training and Education	791	1,500	4,100	4,100
Travel, Conferences, Meetings	488	300	5,900	5,900
<u>Individual Travel Accounts:</u>				
Carter Travel		1,000	1,000	1,000
Zechmeister Travel		1,000	1,000	1,000
Hughes Travel		1,000	1,000	1,000
Verplancke Travel		1,000	1,000	1,000
Anderson Travel		1,000	1,000	1,000
Commissioner Stipend	3,540	15,300	15,300	15,300
Auto Allowance	17,059	16,800	16,800	16,800
Mileage Reimbursement	128	700	700	700
Operating Supplies ¹	14,223	11,800	2,900	2,900
Printing and Duplicating ¹	1,531	4,100	1,800	1,800
Postage and Deliveries ¹	2,970	3,700	500	500
Subscriptions and Books	5,627	5,400	3,900	3,900
Uniforms	1,193	2,800	1,200	1,200
Telephone and Other ¹	6,408	9,300	1,200	1,200
City Hall Rent ¹	248,798	153,700		
Equipment Rentals/Leases ¹	14,774	11,600	6,000	6,000
Equipment Maintenance ¹	1,260	3,800		
Software Licenses/Maint.	20,352	30,900	20,600	20,600
Vehicle Replacement ²	6,400	6,400		
Vehicle Maintenance ²	9,303	5,500		
General Liability ¹	13,887	14,900		
Workers' Compensation ¹	22,383	19,600		
Subtotal	394,585	327,100	89,600	89,600

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services:</u>				
Records Management			5,000	5,000
Planning	124,657	235,100	190,100	190,100
Opportunities Study	32,599			
Building and Safety	477,854	480,000	750,000	750,000
Subtotal	635,110	715,100	945,100	945,100
<u>Capital Outlay:</u>				
Furniture	1,517			
Computer Software	316			
Subtotal	1,833	0	0	0
Activity Total	\$2,565,974	\$2,580,100	\$2,200,200	\$2,200,200

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² The Code Enforcement Division was moved to the Economic Development/Housing Department in Fiscal Year 2012-13 where these costs can be found.

DEVELOPMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$326,406	\$321,600	\$333,600	\$333,600
Overtime	43	300	300	300
Part-Time Personnel	20,298	29,800	29,800	29,800
Medicare	5,001	5,100	5,300	5,300
Retirement	51,772	45,200	34,400	34,400
Health Insurance	56,725	60,000	62,000	62,000
Subtotal	460,245	462,000	465,400	465,400
<u>Operations and Maintenance:</u>				
Memberships and Dues	590	700	700	700
Training and Education	215	300	1,200	1,200
Travel, Conferences, Meetings	174	300	1,500	1,500
Auto Allowance	4,874	4,800	4,800	4,800
Mileage Reimbursement	43	200	300	300
Operating Supplies	3,181	2,700	700	700
Printing and Duplicating	189	400		
Postage and Deliveries	704	700		
Subscriptions and Books	2,935	3,000	3,000	3,000
Telephone and Other	848	900		
City Hall Rent	36,104	29,100		
Equipment Rentals/Leases	2,278	1,300		
Equipment Maintenance	591	900		
General Liability	13,887	14,900		
Workers' Compensation	22,383	19,600		
Subtotal	88,996	79,800	12,200	12,200
<u>Contract Services:</u>				
Records Management			5,000	5,000
Subtotal	0	0	5,000	5,000
<u>Capital Outlay:</u>				
Furniture	359			
Computers Software	158			
Subtotal	517	0	0	0
Activity Total	\$549,758	\$541,800	\$482,600	\$482,600
<u>Funding Sources:</u>				
General Fund	\$539,284	\$531,800	\$482,600	\$482,600
Redevelopment Agency Operating Fund	10,474	10,000		

DEVELOPMENT SERVICES - BUILDING DIVISION BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$60,993	\$62,100	\$63,500	\$63,500
Overtime	139			
Medicare	854	900	900	900
Retirement	9,968	8,700	6,500	6,500
Health Insurance	13,975	15,000	15,500	15,500
Subtotal	85,929	86,700	86,400	86,400
<u>Operation and Maintenance:</u>				
Memberships and Dues	610	500	500	500
Training and Education		100	300	300
Mileage Reimbursement		100	100	100
Operating Supplies	3,236	2,900	700	700
Printing and Duplicating	507	900	500	500
Postage and Deliveries	782	800		
Subscriptions and Books	955	300	300	300
Uniforms	401	1,100	1,200	1,200
Telephone and Other	938	2,300	1,200	1,200
City Hall Rent	22,833	43,900		
Equipment Rentals/Leases	7,686	7,500	6,000	6,000
Equipment Maintenance	230	1,000		
Software Licenses/Maintenance	6,784	10,300	10,300	10,300
Subtotal	44,962	71,700	21,100	21,100
<u>Contract Services:</u>				
Building and Safety	477,854	480,000	750,000	750,000
Subtotal	477,854	480,000	750,000	750,000
<u>Capital Outlay:</u>				
Computers				
Computer Software				
Furniture	399			
Subtotal	399	0	0	0
Activity Total	\$609,144	\$638,400	\$857,500	\$857,500
<u>Funding Source:</u>				
General Fund	\$609,144	\$638,400	\$857,500	\$857,500

DEVELOPMENT SERVICES - PLANNING DIVISION BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$438,260	\$447,000	\$467,600	\$467,600
Overtime		1,700	500	500
Part-Time Personnel	18,736	12,500	13,200	13,200
Medicare	6,610	6,700	7,000	7,000
Retirement	71,826	62,400	47,900	47,900
Health Insurance	71,760	75,000	77,500	77,500
Subtotal	607,192	605,300	613,700	613,700
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,970	2,500	2,500	2,500
Training and Education	409	600	2,600	2,600
Travel, Conferences, Meetings	303		4,400	4,400
<u>Commissioner Travel:</u>				
Carter Travel		1,000	1,000	1,000
Zechmeister Travel		1,000	1,000	1,000
Hughes Travel		1,000	1,000	1,000
Verplancke Travel		1,000	1,000	1,000
Anderson Travel		1,000	1,000	1,000
Commissioner Stipend	3,540	15,300	15,300	15,300
Auto Allowance	12,185	12,000	12,000	12,000
Mileage Reimbursement	58	300	300	300
Operating Supplies	4,480	3,900	1,500	1,500
Printing and Duplicating	519	1,700	1,300	1,300
Postage and Deliveries	859	1,400	500	500
Subscriptions and Books	570	600	600	600
Telephone and Other	1,039	1,200		
City Hall Rent	121,271	57,100		
Equipment Rentals/Leases	2,785	1,600		
Equipment Maintenance	254	1,100		
Software Licenses/Maint.	6,784	10,300	10,300	10,300
Subtotal	157,026	114,600	56,300	56,300
<u>Contract Services:</u>				
Planning	124,657	235,100	190,100	190,100
Opportunities Study	32,599			
Subtotal	157,256	235,100	190,100	190,100

DEVELOPMENT SERVICES - PLANNING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Capital Outlay:</u>				
Furniture	439			
Subtotal	439	0	0	0
Activity Total	\$921,913	\$955,000	\$860,100	\$860,100
 Funding Sources:				
General Fund	\$867,962	\$900,700	\$860,100	\$860,100
Redevelopment Agency				
Operating Fund	53,951	54,300		

PUBLIC WORKS

DEPARTMENT DESCRIPTION

Public Works is responsible for engineering programs and maintenance services for: municipal services/facilities, public streets, storm drains, bicycle/pedestrian facilities, municipal buildings, trees, parks, public property medians, parkways, and slopes. In addition, Public Works also administers the water quality program to maintain compliance with federal, state, and local regulations and promote pollution prevention through inspections, education, and enforcement. The department investigates and resolves citizen inquiries related to engineering, maintenance, and traffic circulation issues. Public Works also performs many on-site field meetings with community representatives and conducts research in regards to contracts for maintenance and professional services for engineering. The department implements/manages programs and services for solid waste collection disposal and recycling, as well as initiates planning, budgeting, design, bidding, for construction contract administration and inspection of capital improvement projects. Other services offered by the Public Works Department are to analyze development applications to determine public works and transportation impacts; provide responsive transportation and encroachment permit processing and inspection services; maintenance of bus bench/shelter facilities; and work with other governmental agencies on design and construction of public facilities.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

1. Completed construction for the City's Alton Parkway project from Commercentre Drive to Towne Centre.
2. Participated in the County's Alton Parkway project team to complete construction of Alton Parkway and Commercentre Drive.
3. Successfully secured Measure M2 grant funds for the Rancho Parkway project in the amount of \$1,231,444 and for Catch Basin Pollutant Screen Retrofits project in the amount of \$58,000.
4. Completed project design for the Rancho Parkway and initiated construction.
5. Completed the Sports Park Clearing and Grubbing.
6. Completed project design for Sports Park Grading and Drainage.
7. Worked collaboratively with the Orange County Transportation Authority and neighboring cities on the El Toro Road Traffic Light Synchronization Program Project.
8. Completed Phases 1 and 2 of the Traffic Signal Synchronization project including installing new traffic signal controller equipment and implementation of new traffic signal timing.
9. Worked with Memorandum of Understanding stakeholders to advance the Serrano Creek Project.
10. Developed Request for Proposals for Professional Services for Solid Waste Services.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS (continued)

11. Completed construction of four streetscape improvement projects – El Toro Road, Jeronimo Road, Rockfield Boulevard and Trabuco Road streetscape projects.
12. Completed park renovations at Etnies Skate Park Expansion, Concourse Park, Mountain View Park, and Shade Structures at several City parks.
13. Completed design for the Americans with Disabilities Act Access Ramp Phase V (77 ramps) Improvement project.
14. Prepared bid documents and awarded a contract for On-Call Facility Repair Services.
15. Prepared a Request for Proposal and awarded a contract for Street Sweeping Services.
16. Extended contracts for Bus Shelter and Bus Bench Maintenance Services, Park Restroom Janitorial Services, Park Maintenance, Landscape Maintenance of Medians, Parkways, and Slopes, Tree Services, Sports Field Maintenance, City Hall Janitorial Services, and On-Call Electrical Repair Services.
17. Worked collaboratively with the Orange County Transportation Authority and neighboring cities on the I-5 Widening for High Occupancy Vehicle lanes from Route 73 to El Toro Road, for the Project Approval and Environmental Documentation process.
18. Worked collaboratively with the Orange County Transportation Authority and neighboring cities on the El Toro Road Interchange Modification Project Study Report.
19. Completed comprehensive updates to the City's Local Implementation Plan, the principal policy and guidance document for the water quality program.
20. Collaboratively developed the Model Water Quality Management Plan and Technical Guidance Document implementing new Low Impact Design and hydromodification requirements for land development and redevelopment.
21. Retrofitted 59 catch basins with automatic retractable screens as part of the M2 Environmental Tier 1 grant funding.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Complete the Rancho Parkway project construction.
2. Award second amendments to the Residential and Commercial Solid Waste Franchise Agreements for last available term extensions.
3. Develop Request for Proposals and award new franchise agreements for Residential and Commercial Solid Waste collection services.
4. Initiate construction of Sports Park Grading and Drainage Improvements.
5. Initiate construction of Sports Park Improvements.
6. Initiate construction of Recreation Center project.
7. Complete design of Teed Street Storm Drain Improvements project.
8. Initiate construction of Tamarisk Park and Rimgate Park Improvement projects.

FISCAL YEAR 2012-13 MAJOR INITIATIVES (continued)

9. Complete construction of Americans with Disabilities Act access ramps Phase V Improvements project (77 ramps).
10. Complete design and construction for Americans with Disabilities Act Access Ramps Phase VI Improvements project (40 ramps).
11. Develop a project under Phase 3 of the Traffic Signal Synchronization Project for traffic signal interconnection utilizing available Air Quality Management District and seeking Orange County Transportation Authority grant funding.
12. Develop a departmental policy and procedure for operational traffic reviews of City streets.
13. Seek M2 competitive grant funding opportunities through Orange County Transportation Authority's Environmental Cleanup Program (Project X).
14. Collaboratively develop a compliance strategy to meet the requirements of the forthcoming selenium Total Maximum Daily Load ("TMDL") for the Newport Bay Watershed.
15. Initiate collaborative development of a bacterial load reduction plan to meet requirements of the new bacteria TMDL adopted for the Aliso Creek Watershed within the San Diego Region.
16. Staff will begin the collaborative process with the City of Irvine, County of Orange, Orange County Transportation Authority, and other stakeholders to establish the Portola Parkway Gap Closure Project as a regional priority.
17. Work with Memorandum of Understanding stakeholders to advance the Serrano Creek project.
18. Approve grading plan Phase 1 for the Shea Baker Ranch Associates development.
19. Review and approve improvement plans for Shea Baker Ranch.

**PUBLIC WORKS - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$1,483,194	\$1,586,900	\$1,592,900	\$1,592,900
Operations and Maintenance ¹	1,954,040	1,924,700	1,734,100	1,734,100
Contract Services	5,147,927	5,098,000	5,313,300	5,313,300
Capital Outlay	1,118	1,000		
Activity Total	<u>\$8,586,279</u>	<u>\$8,610,600</u>	<u>\$8,640,300</u>	<u>\$8,640,300</u>
Funding Sources:				
General Fund	\$6,762,290	\$6,769,800	\$6,877,500	\$6,877,500
Gas Tax Fund	1,792,794	1,807,100	1,762,800	1,762,800
Redevelopment Agency Operating Fund	31,195	33,700		
Total Positions:				
Full-Time	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Development Plans Review</u>			
% of development plans review completed within 10 days	81%	90%	90%
% of traffic review for development site plans completed within 10 days	81%	90%	90%
<u>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	-20%	0%	0%
% change: landscape maintenance cost contracted services	42%	42%	10%
% change: citizen requests	35%	-5%	-5%
<u>Park Maintenance</u>			
% change: park maintenance cost	6%	0%	5%

PERFORMANCE MEASURES (continued)

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Park Maintenance (continued):</u>			
% of service request initial responses accomplished within 5 days	100%	100%	100%
Improvements completed as % of planned	100%	100%	100%
Athletic fields repaired as % of planned	100%	100%	100%
% change: citizen requests	-9%	-5%	-5%
<u>Park Planning and Construction</u>			
Improved acres as % of planned	100%	100%	100%
% change: cost per acre (acquisition)	N/A	0%	N/A
% change: cost per acre (planning)	N/A	0%	N/A
% change: cost per acre (design)	N/A	0%	N/A
<u>Solid Waste Services</u>			
% change: cost per ton disposed	4%	3%	3%
% change: cost per ton diverted	-2%	0%	0%
% change: staff hours per total tons	3%	5%	5%
% change: service requests per total tons	2%	3%	3%
% of service request initial investigation completed within 5 days	100%	100%	100%
% change: citizen requests	17%	-5%	-5%
<u>Streets and Right-of-Way Maintenance</u>			
% of paved street lane miles rated fair or better	73%	87%	80%
% of service request initial responses accomplished within 5 days	100%	100%	100%
% change: cost per sidewalk repair (square foot)	-3%	5%	5%
% change: cost per traffic signal maintained	0%	0%	0%
% change: cost per tree maintained	2%	19%	0%
% change: cost per paved street curb mile swept	0%	5%	-8%
Days between street sweepings	7	7	7
% change: citizen requests	-24%	-5%	-5%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2010-11</u>	<u>Adopted Budget 2011-12</u>	<u>Adopted Budget 2012-13</u>
<u>Traffic Circulation</u>			
Average turnaround time for emergency responses (hours)	2	2	2
% of building equipment maintenance requests responded to within 2 days	100%	100%	100%

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

**PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$1,098,247	\$1,192,700	\$1,232,200	\$1,232,200
Medicare	15,739	17,300	17,900	17,900
Retirement	174,757	165,900	125,800	125,800
Health Insurance	194,451	211,000	217,000	217,000
Subtotal	1,483,194	1,586,900	1,592,900	1,592,900
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,712	3,600	3,700	3,700
Training and Education	1,293	2,100	3,500	3,500
Travel, Conferences, Meetings	87	1,100	7,600	7,600
Auto Allowance	17,482	20,000	19,900	19,900
Mileage Reimbursement	225	700	700	700
Operating Supplies ¹	9,114	7,800	1,700	1,700
Printing and Duplicating ¹	2,468	1,600	500	500
Postage and Deliveries ¹	2,226	2,400	200	200
Subscriptions and Books	1,602	2,100	2,100	2,100
Bus Shelter Utilities	1,327	1,800	1,300	1,300
Street Light Utilities	575,475	576,000	576,000	576,000
Telephone and Other ¹	4,602	5,500		
MPS Utilities	212,523	258,000	260,000	260,000
Park Utilities	242,295	250,000	250,000	250,000
City Hall Rent ¹	148,599	139,400		
Equipment Rentals/Leases ¹	7,087	4,200		
Building Maintenance	5,830	22,500	6,500	6,500
Janitorial Maintenance	38,604	35,000	32,500	32,500
Electrical Maintenance	105,179	60,000	80,000	80,000
Building Repairs	4,344	8,000	8,000	8,000
Equipment Maintenance ¹	760	2,800	600	600
Software Licenses/Maint.	6,994	12,200	12,200	12,200
Vehicle Replacement	15,250	6,100		
Vehicle Maintenance	10,624	8,000	8,000	8,000
NPDES ² Permit	171,585	163,000	187,500	187,500
Water Quality	128,079	123,500	170,400	170,400
General Liability ¹	138,842	97,100		
Workers' Compensation ¹	22,356	19,200		
Traffic Signal Utilities	76,476	81,000	91,200	91,200
Miscellaneous Maintenance		10,000	10,000	10,000
Subtotal	1,954,040	1,924,700	1,734,100	1,734,100

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services:</u>				
Project Engineering	236,497	214,000	250,000	250,000
Traffic Engineering	226,088	65,000	125,000	125,000
Office Engineering	1,134	5,000	5,000	5,000
Solid Waste	1,164	1,000	151,000	151,000
Used Oil CIWMB ³ Grant	20,056			
Beverage Container				
Recycling Grant	1,763	21,500	21,500	21,500
Hazardous Waste Grant	8,154			
Park/MPS Landscape Repair	442,381	460,000	460,000	460,000
Park Landscape Maint.	1,242,764	1,270,400	1,268,200	1,268,200
MPS Landscape Maint.	573,640	661,000	713,000	713,000
Tree Maintenance	111,601	170,000	180,000	180,000
Backflow Prevention	9,545	5,000	5,000	5,000
Residential Street Sweeping	208,238	194,800	170,000	170,000
Arterial Street Sweeping	127,441	130,000	110,000	110,000
Bus Shelter Maintenance	154,636	163,000	163,000	163,000
Traffic Signal Maintenance	208,622	241,600	241,600	241,600
Street Maintenance	1,563,712	1,475,700	1,430,000	1,430,000
Curb and Gutter Repair	3,542	5,000	5,000	5,000
Sidewalk Repairs	6,949	15,000	15,000	15,000
Subtotal	5,147,927	5,098,000	5,313,300	5,313,300
<u>Capital Outlay:</u>				
Furniture	1,118	1,000		
Subtotal	1,118	1,000	0	0
Activity Total	\$8,586,279	\$8,610,600	\$8,640,300	\$8,640,300

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² NPDES = National Pollutant Discharge Elimination System

³ CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$273,728	\$276,300	\$282,800	\$282,800
Medicare	3,880	4,000	4,100	4,100
Retirement	44,219	38,400	28,800	28,800
Health Insurance	41,967	43,400	44,800	44,800
Subtotal	363,794	362,100	360,500	360,500
<u>Operation and Maintenance:</u>				
Memberships and Dues	305	800	800	800
Training and Education			800	800
Travel, Conferences, Meetings	87	700	3,400	3,400
Auto Allowance	4,631	4,600	4,600	4,600
Mileage Reimbursement	38	200	200	200
Operating Supplies	2,070	1,900	800	800
Printing and Duplicating	269	200		
Postage and Deliveries	452	500		
Subscriptions and Books	82	200	200	200
Telephone and Other	546	600		
City Hall Rent	34,277	49,800		
Equipment Rentals/Leases	1,463	900		
Equipment Maintenance	247	600		
General Liability Insurance	138,842	97,100		
Workers' Compensation Insurance	22,356	19,200		
Subtotal	205,665	177,300	10,800	10,800
<u>Contract Services:</u>				
Solid Waste	1,164	1,000	151,000	151,000
Used Oil CIWMB ¹ Grant	20,056			
Beverage Container Recycling Grant	1,763	21,500	21,500	21,500
Hazardous Waste Drop Box Grant	8,154			
Subtotal	31,137	22,500	172,500	172,500
<u>Capital Outlay:</u>				
Furniture	231			
Subtotal	231	0	0	0
Activity Total	\$600,827	\$561,900	\$543,800	\$543,800
 Funding Source:				
General Fund	\$591,211	\$550,500	\$543,800	\$543,800
Redevelopment Agency				
Operating Fund	9,616	11,400		

¹ CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$305,554	\$310,200	\$322,900	\$322,900
Medicare	4,404	4,500	4,700	4,700
Retirement	47,028	43,200	33,000	33,000
Health Insurance	47,832	51,000	52,700	52,700
Subtotal	404,818	408,900	413,300	413,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	125	500	500	500
Training and Education		200	200	200
Travel, Conferences, Meetings			1,000	1,000
Auto Allowance	5,296	5,700	5,700	5,700
Mileage Reimbursement	37	200	200	200
Operating Supplies	2,344	1,900	400	400
Printing and Duplicating	977	600	300	300
Postage and Deliveries	532	500		
Subscriptions and Books	1,520	1,400	1,400	1,400
Street Light Utilities	575,475	576,000	576,000	576,000
Telephone and Other	640	700		
City Hall Rent	49,330	37,700		
Equipment Rentals/Leases	1,722	1,000		
Equipment Maintenance	157	700		
Software Licenses/Maint.	3,392	2,600	2,600	2,600
Subtotal	641,547	629,700	588,300	588,300
<u>Contract Services:</u>				
Project Engineering	236,497	214,000	250,000	250,000
Office Engineering	1,134	5,000	5,000	5,000
Subtotal	237,631	219,000	255,000	255,000
<u>Capital Outlay:</u>				
Furniture	272			
Subtotal	272	0	0	0
Activity Total	\$1,284,268	\$1,257,600	\$1,256,600	\$1,256,600
 <u>Funding Sources:</u>				
General Fund	\$1,270,177	\$1,242,300	\$1,256,600	\$1,256,600
Redevelopment Agency				
Operating Fund	14,091	15,300		

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$213,056	\$214,800	\$224,300	\$224,300
Medicare	3,035	3,100	3,300	3,300
Retirement	34,478	29,900	22,900	22,900
Health Insurance	44,392	44,600	46,000	46,000
Subtotal	294,961	292,400	296,500	296,500
<u>Operation and Maintenance:</u>				
Memberships and Dues	850	2,000	2,000	2,000
Training and Education	964	1,200	1,600	1,600
Travel, Conferences, Meetings		400	1,800	1,800
Auto Allowance	1,523	1,600	1,500	1,500
Mileage Reimbursement		100	100	100
Operating Supplies	2,046	1,300		
Printing and Duplicating	570	200		
Postage and Deliveries	464	500		
Subscriptions and Books		100	100	100
Bus Shelter Utilities	1,097	1,800	1,300	1,300
Telephone and Other	2,022	2,600		
MPS Utilities	212,523	258,000	260,000	260,000
Park Utilities	242,295	250,000	250,000	250,000
City Hall Rent	19,629	18,000		
Equipment Rentals/Leases	1,503	900		
Building Maintenance	5,830	22,500	6,500	6,500
Janitorial Maintenance	38,604	35,000	32,500	32,500
Electrical Maintenance	105,179	60,000	80,000	80,000
Building Repairs	4,344	8,000	8,000	8,000
Equipment Maintenance	137	600	600	600
Software Licenses/Maint.		4,400	4,400	4,400
Vehicle Replacement	15,250	6,100		
Vehicle Maintenance	10,624	7,000	7,000	7,000
Subtotal	665,454	682,300	657,400	657,400
<u>Contract Services:</u>				
Park/MPS Landscape Repairs	322,042	320,000	320,000	320,000
Park Landscape Maintenance	1,242,764	1,270,400	1,268,200	1,268,200
MPS Landscape Maintenance	573,640	661,000	713,000	713,000
Tree Maintenance	111,601	170,000	180,000	180,000

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

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services (continued):</u>				
Backflow Prevention	9,545	5,000	5,000	5,000
Bus Shelter Maintenance	154,636	163,000	163,000	163,000
Subtotal	<u>2,414,228</u>	<u>2,589,400</u>	<u>2,649,200</u>	<u>2,649,200</u>
<u>Capital Outlay:</u>				
Furniture	237			
Subtotal	<u>237</u>	<u>0</u>	<u>0</u>	<u>0</u>
Activity Total	<u>\$3,374,880</u>	<u>\$3,564,100</u>	<u>\$3,603,100</u>	<u>\$3,603,100</u>
Funding Sources:				
General Fund	\$3,367,921	\$3,557,100	\$3,603,100	\$3,603,100
Redevelopment Agency Operating Fund	6,959	7,000		

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

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$148,371	\$229,800	\$236,900	\$236,900
Medicare	2,138	3,400	3,400	3,400
Retirement	23,455	31,900	24,200	24,200
Health Insurance	30,552	39,000	40,600	40,600
Subtotal	204,516	304,100	305,100	305,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,232	200	200	200
Training and Education	129	200	400	400
Travel, Conferences, Meetings			1,000	1,000
Auto Allowance	2,340	4,400	4,400	4,400
Operating Supplies	1,446	1,400	200	200
Printing and Duplicating	110	200		
Postage and Deliveries	447	400		
Subscriptions and Books		400	400	400
Bus Shelter Utilities	230			
Telephone and Other	493	600		
City Hall Rent	18,686	18,000		
Equipment Rentals/Leases	1,326	800		
Equipment Maintenance	121	500		
Software Licences/Maint.	3,602	2,600	2,600	2,600
Traffic Signal Utilities	76,476	81,000	91,200	91,200
Miscellaneous Maintenance		10,000	10,000	10,000
Subtotal	106,638	120,700	110,400	110,400
<u>Contract Services:</u>				
Traffic Engineering	226,088	65,000	125,000	125,000
Traffic Signal Maintenance	208,622	241,600	241,600	241,600
Street Maintenance	1,453,466	1,304,800	1,251,400	1,251,400
Curb and Gutter Repairs	3,542	5,000	5,000	5,000
Sidewalk Repairs	6,949	15,000	15,000	15,000
Subtotal	1,898,667	1,631,400	1,638,000	1,638,000
<u>Capital Outlay:</u>				
Furniture	209	1,000		
Subtotal	209	1,000	0	0
Activity Total	\$2,210,030	\$2,057,200	\$2,053,500	\$2,053,500
 <u>Funding Sources:</u>				
General Fund	\$417,236	\$250,100	\$290,700	\$290,700
Gas Tax Fund	1,792,794	1,807,100	1,762,800	1,762,800

PUBLIC WORKS - NPDES¹/WATER QUALITY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$157,538	\$161,600	\$165,300	\$165,300
Medicare	2,282	2,300	2,400	2,400
Retirement	25,577	22,500	16,900	16,900
Health Insurance	29,708	33,000	32,900	32,900
Subtotal	215,105	219,400	217,500	217,500
<u>Operation and Maintenance:</u>				
Memberships and Dues	200	100	200	200
Training and Education	200	500	500	500
Travel, Conferences, Meetings			400	400
Auto Allowance	3,692	3,700	3,700	3,700
Mileage Reimbursement	150	200	200	200
Operating Supplies	1,208	1,300	300	300
Printing and Duplicating	542	400	200	200
Postage and Deliveries	331	500	200	200
Telephone and Other	901	1,000		
City Hall Rent	26,677	15,900		
Equipment Rentals/Leases	1,073	600		
Equipment Maintenance	98	400		
Software Licenses/Maint.		2,600	2,600	2,600
Vehicle Maintenance		1,000	1,000	1,000
NPDES ¹ Permit	171,585	163,000	187,500	187,500
Water Quality	128,079	123,500	170,400	170,400
Subtotal	334,736	314,700	367,200	367,200
<u>Contract Services:</u>				
Park/MPS Landscape Repairs	120,339	140,000	140,000	140,000
Residential Street Sweeping	208,238	194,800	170,000	170,000
Arterial Street Sweeping	127,441	130,000	110,000	110,000
Storm Drains - Street Maint.	110,246	170,900	178,600	178,600
Subtotal	566,264	635,700	598,600	598,600
<u>Capital Outlay:</u>				
Furniture	169			
Subtotal	169	0	0	0
Activity Total	\$1,116,274	\$1,169,800	\$1,183,300	\$1,183,300
 Funding Source:				
General Fund	\$1,116,274	\$1,169,800	\$1,183,300	\$1,183,300

¹ NPDES = National Pollutant Discharge Elimination System

MANAGEMENT SERVICES

DEPARTMENT DESCRIPTION

Management Services includes the Human Resources, Information Technology, City Clerk, and Public Information divisions. It coordinates the recruitment of talented and highly qualified candidates to join the City's workforce, provides safety training, and directs the City's risk management program. The department manages the City's technology needs and sets strategic guidelines to achieve long-term technology goals. It maintains City records, the Lake Forest Municipal Code, and the City Council Agendas. 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 2011-12 MAJOR ACCOMPLISHMENTS

1. Validated Lake Forest's "100 Year Home" Civic Center Planning Principles, updated Needs Assessment, and developed a Civic Center conceptual plan.
2. Added streaming video capability to the homepage of the City's website and developed videos on community projects/issues of interest to feature.
3. Used social media to connect with residents, business owners, and stakeholders.
4. Implemented online access to imaged copies of City records, including document search capability, for public access on the City's website.
5. Developed interactive online Parks and Capital Improvement Projects mapping websites for public access on desktops and mobile devices.
6. Incorporated Emergency Operations Center policies and procedures into the Lake Forest Communications Plan.
7. Upgraded data backup system to improve disaster recovery capabilities.
8. Implemented an employee technology training program using in-house subject matter experts to maintain and develop proficiency and productivity.
9. Conducted comprehensive human resources classification and compensation study.
10. Implemented online employee benefits portal, transitioning from paper files to an electronic database.
11. Updated the Records Retention Schedule and implemented a City-wide centralized filing index.
12. Upgraded Storage Area Network, expanding storage capacity for City data.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Conduct municipal election of two members of the City Council.
2. Conduct biennial Community Satisfaction Survey.
3. Implement "paperless agenda" for City Council and Planning Commission, including use of wireless devices for reviewing agendas and meeting materials.
4. Provide notary public services to members of the public.

FISCAL YEAR 2012-13 MAJOR INITIATIVES (continued)

5. Feature a resident-submitted recurring column in the Leaflet highlighting newly remodeled homes.
6. Issue a Request for Proposals for computer support services.
7. Upgrade software and train City staff to use Office 2010 desktop productivity software.
8. Graduate the first cohort of employees in the City's Leadership Development Program for staff development.
9. Implement online Time Off Tracking module for employees to improve operational efficiency.
10. Expand the Energov System to incorporate Public Works and Water Quality, including facilitating mobile access for field staff.

MANAGEMENT SERVICES - ALL DIVISIONS BUDGET OVERVIEW
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$1,069,142	\$1,161,500	\$1,162,700	\$1,162,700
Operations and Maintenance ¹	894,870	973,200	2,502,300	2,502,300
Contract Services	174,583	176,400	340,000	340,000
Capital Outlay	65,796	171,900	115,300	115,300
Activity Total	\$2,204,391	\$2,483,000	\$4,120,300	\$4,120,300
Funding Sources:				
General Fund	\$2,174,601	\$2,452,600	\$4,120,300	\$4,120,300
Redevelopment Agency Operating Fund	29,790	30,400		
Total Positions:				
Full-Time	11.0	11.0	11.0	11.0

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Personnel Recruitment and Selection</u>			
% of new hires passing probation	100%	90%	90%
Employee turnover rate	6%	5%	5%
Average # of applications per open recruitment	57	200	100
<u>Training and Development</u>			
Performance evaluations - % completed on time	80%	90%	90%
Training/Wellness - # of in-house opportunities provided to employees	11	N/A	12
<u>Risk Management</u>			
% of claims closed within 7 years	100%	100%	100%
<u>Computer Systems</u>			
% computer help desk calls completed within 3 days	89%	85%	85%
% server availability	99%	N/A	100%

PERFORMANCE MEASURES (continued)

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Publications</u>			
% meeting publication deadlines - Leaflet	91%	100%	100%
% meeting publication deadlines - e-Newsletter	91%	91%	91%
% of Council meeting action agendas completed within 5 working days after meeting	95%	100%	100%
% of Council meeting minutes completed/ approved within 30 days	100%	100%	100%
<u>Constituent Relationship Management</u>			
% of HR requests resolved to within 7 days	100%	N/A	100%
% of PR requests resolved to within 7 days	93%	N/A	100%
% of IT requests resolved to within 7 days	N/A	N/A	100%
% of CC requests resolved to within 7 days	92%	N/A	100%
<u>Public Requests</u>			
% responded to within the regulations of the Public Records Act	90%	100%	95%
<u>Elections</u>			
Cost per registered voter	\$0.92	N/A	\$1.20

¹ Some or all of these costs were transferred from other departments/divisions to the Non-Departmental Division of Management Services in Fiscal Year 2012-13.

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$731,729	\$846,600	\$859,600	\$859,600
Overtime	168	3,000	1,000	1,000
Part-Time Personnel	57,322	18,500	17,900	17,900
Medicare	11,193	12,400	12,800	12,800
Retirement	118,986	118,000	87,900	87,900
Health Insurance	141,268	150,000	170,500	170,500
Annual Physical Exams	1,528	3,000	3,000	3,000
Pre-Employment Testing	1,920	4,000	4,000	4,000
Tuition Reimbursement	5,028	6,000	6,000	6,000
Subtotal	1,069,142	1,161,500	1,162,700	1,162,700
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,345	3,200	3,500	3,500
Training and Education	12,589	43,400	38,900	38,900
Travel, Conferences, Meetings	2,839	2,100	3,300	3,300
Auto Allowance	10,921	13,800	13,800	13,800
Mileage Reimbursement	650	1,500	1,500	1,500
Operating Supplies ¹	12,948	30,700	81,800	81,800
Printing and Duplicating ¹	3,476	6,900	14,000	14,000
Legal Advertising	18,469	21,000	21,000	21,000
Postage and Deliveries ¹	32,978	33,400	52,900	52,900
Subscriptions and Books	15,797	21,600	21,800	21,800
Telephone and Other ¹	7,173	7,100	29,600	29,600
City Hall Rent ¹	175,192	116,200	1,212,000	1,212,000
Equipment Rentals/Leases ¹	6,075	3,600	28,600	28,600
Equipment Maintenance ¹	2,238	5,600	22,400	22,400
Computer Maintenance/Supply	395,705	423,600	414,600	414,600
Software Licenses/Maintenance	127,066	132,900	142,400	142,400
Website Update Services	12,000	22,000	33,200	33,200
General Liability ¹	11,056	10,300	208,500	208,500
Property Insurance ¹	15,080	23,000	23,000	23,000
Workers' Compensation ¹	16,684	14,300	100,200	100,200
Other Insurance ¹	13,589	37,000	35,300	35,300
Subtotal	894,870	973,200	2,502,300	2,502,300
<u>Contract Services:</u>				
Other	12	500		
Elections	41,715	1,500	60,000	60,000
Newsletter	54,548	66,000	67,000	67,000

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services (continued):</u>				
Citizen's Academy	2,489	4,000	4,000	4,000
Codification	3,586	9,300	9,300	9,300
Records Management		5,000	5,000	5,000
Miscellaneous	16,833	26,800	37,400	37,400
Information Services	11,055	11,000	65,000	65,000
Communications	6,817	32,300	32,300	32,300
General	37,528	20,000	60,000	60,000
Subtotal	174,583	176,400	340,000	340,000
<u>Capital Outlay:</u>				
Equipment	16,337	37,000	54,000	54,000
Furniture	959		1,000	1,000
Computers	27,124	44,000	19,000	19,000
Computer Software	21,376	90,900	41,300	41,300
Subtotal	65,796	171,900	115,300	115,300
Activity Total	\$2,204,391	\$2,483,000	\$4,120,300	\$4,120,300

¹ Some or all of these costs were transferred from other departments/divisions to the Non-Departmental Division of Management Services in Fiscal Year 2012-13.

MANAGEMENT SERVICES - PUBLIC INFORMATION DIVISION BUDGET DETAIL
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$199,202	\$196,700	\$221,200	\$221,200
Medicare	2,750	2,900	3,200	3,200
Retirement	31,686	27,300	22,600	22,600
Health Insurance	35,602	37,500	42,600	42,600
Subtotal	269,240	264,400	289,600	289,600
<u>Operation and Maintenance:</u>				
Memberships and Dues	115	700	800	800
Training and Education	675	1,500	1,500	1,500
Travel, Conferences, Meetings	479	400	1,000	1,000
Auto Allowance	2,437	2,400	3,200	3,200
Mileage Reimbursement	86	500	500	500
Operating Supplies	1,449	5,100	4,200	4,200
Printing and Duplicating	1,671	3,900	3,700	3,700
Postage and Deliveries	30,439	30,400	36,000	36,000
Subscriptions and Books	1,420	2,000	2,000	2,000
Telephone and Other	474	500		
City Hall Rent	49,630	31,800		
Equipment Rentals/Leases	1,265	700		
Equipment Maintenance	115	500		
Computer Maintenance/Supply	906			
Software Licenses/Maintenance	4,189	4,000	4,000	4,000
Website Update Services	12,000	18,000	13,800	13,800
General Liability	11,056	10,300		
Workers' Compensation	16,684	14,300		
Subtotal	135,090	127,000	70,700	70,700
<u>Contract Services:</u>				
Newsletter	54,548	66,000	67,000	67,000
Citizen's Academy	2,489	4,000	4,000	4,000
Communications	6,817	32,300	32,300	32,300
General	37,528	20,000	60,000	60,000
Subtotal	101,382	122,300	163,300	163,300

MANAGEMENT SERVICES - PUBLIC INFORMATION DIVISION BUDGET DETAIL (continued)
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Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Capital Outlay:</u>				
Furniture	200			
Subtotal	200	0	0	0
Activity Total	\$505,912	\$513,700	\$523,600	\$523,600
 Funding Source:				
General Fund	\$500,406	\$508,200	\$523,600	\$523,600
Redevelopment Agency				
Operating Fund	5,506	5,500		

MANAGEMENT SERVICES - INFORMATION TECHNOLOGY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$131,147	\$133,100	\$140,400	\$140,400
Part-Time Personnel	12,614	18,500	17,900	17,900
Medicare	2,097	1,900	2,300	2,300
Retirement	21,313	18,700	14,500	14,500
Health Insurance	17,517	18,800	19,400	19,400
Subtotal	184,688	191,000	194,500	194,500
<u>Operation and Maintenance:</u>				
Memberships and Dues	440	500	600	600
Training and Education	1,745	13,600	12,000	12,000
Travel, Conferences, Meetings	275		500	500
Auto Allowance	4,265	4,200	4,200	4,200
Operating Supplies	1,603	17,600		
Printing and Duplicating	116	200		
Postage and Deliveries	595	500		
Subscriptions and Books	11,805	15,300	15,500	15,500
Telephone and Other	5,425	5,100	2,400	2,400
City Hall Rent	9,243	31,100		
Equipment Rentals/Leases	1,392	800		
Equipment Maintenance	1,348	3,600	3,000	3,000
Computer Maintenance/Supply	394,799	423,600	414,600	414,600
Software Licenses/Maintenance	86,237	76,500	100,800	100,800
Website Update Services		4,000	19,400	19,400
Subtotal	519,288	596,600	573,000	573,000
<u>Contract Services:</u>				
Other	12	500		
Records Management		5,000	5,000	5,000
Information Services	11,055	8,000	65,000	65,000
Subtotal	11,067	13,500	70,000	70,000
<u>Capital Outlay:</u>				
Equipment	16,337	37,000	54,000	54,000
Furniture	220			
Computers	27,124	44,000	19,000	19,000
Computer Software	11,656	90,900	41,300	41,300
Subtotal	55,337	171,900	114,300	114,300
Activity Total	\$770,380	\$973,000	\$951,800	\$951,800
 Funding Source:				
General Fund	\$770,380	\$973,000	\$951,800	\$951,800

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$89,225	\$199,100	\$162,300	\$162,300
Overtime		1,000	1,000	1,000
Part-Time Personnel	44,708			
Medicare	1,910	2,900	2,400	2,400
Retirement	15,045	27,700	16,600	16,600
Health Insurance	17,310	18,700	31,000	31,000
Annual Physical Exams	1,528	3,000	3,000	3,000
Pre-Employment Testing	1,920	4,000	4,000	4,000
Tuition Reimbursement	5,028	6,000	6,000	6,000
Subtotal	176,674	262,400	226,300	226,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	850	1,200	1,100	1,100
Training and Education	7,920	24,500	23,500	23,500
Travel, Conferences, Meetings	1,342	300	600	600
Auto Allowance	1,172	4,200	3,400	3,400
Mileage Reimbursement	460	500	500	500
Operating Supplies	3,043	1,500	800	800
Printing and Duplicating	74	1,100	1,000	1,000
Legal Advertising	1,307	1,000	1,000	1,000
Postage and Deliveries	274	700	400	400
Subscriptions and Books	750	700	700	700
Telephone and Other	333	400		
City Hall Rent	21,944	18,100		
Equipment Rentals/Leases	886	500		
Equipment Maintenance	81	400		
Software Licenses/Maintenance	6,240	10,900	10,900	10,900
Property Insurance ¹	15,080	23,000		
Other Insurance ²	13,589	37,000	5,300	5,300
Subtotal	75,345	126,000	49,200	49,200
<u>Contract Services:</u>				
Miscellaneous	16,833	26,800	37,400	37,400
Subtotal	16,833	26,800	37,400	37,400

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Capital Outlay:</u>				
Furniture	140		1,000	1,000
Computer Software	3,000			
Subtotal	3,140	0	1,000	1,000
Activity Total	\$271,992	\$415,200	\$313,900	\$313,900
 Funding Source:				
General Fund	\$271,992	\$415,200	\$313,900	\$313,900

¹ Transferred to the Non-Departmental Division in FY 2012-13.

² 401 (a) Plan administrative fees transferred from City Manager's Department in Fiscal Year 2012-13.

MANAGEMENT SERVICES - CITY CLERK DIVISION
BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$312,155	\$317,700	\$335,700	\$335,700
Overtime	168	2,000		
Medicare	4,436	4,700	4,900	4,900
Retirement	50,942	44,300	34,200	34,200
Health Insurance	70,839	75,000	77,500	77,500
Subtotal	<u>438,540</u>	<u>443,700</u>	<u>452,300</u>	<u>452,300</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	940	800	1,000	1,000
Training and Education	2,249	3,800	1,900	1,900
Travel, Conferences, Meetings	743	1,400	1,200	1,200
Auto Allowance	3,047	3,000	3,000	3,000
Mileage Reimbursement	104	500	500	500
Operating Supplies	6,853	6,500	4,400	4,400
Printing and Duplicating	1,615	1,700	1,300	1,300
Legal Advertising	17,162	20,000	20,000	20,000
Postage and Deliveries	1,670	1,800	1,000	1,000
Subscriptions and Books	1,822	3,600	3,600	3,600
Telephone and Other	941	1,100		
City Hall Rent	94,375	35,200		
Equipment Rentals/Leases	2,532	1,600		
Equipment Maintenance	694	1,100		
Software Licenses/Maintenance	30,400	41,500	26,700	26,700
Subtotal	<u>165,147</u>	<u>123,600</u>	<u>64,600</u>	<u>64,600</u>
<u>Contract Services:</u>				
Elections	41,715	1,500	60,000	60,000
Codification	3,586	9,300	9,300	9,300
Information Services		3,000		
Subtotal	<u>45,301</u>	<u>13,800</u>	<u>69,300</u>	<u>69,300</u>
<u>Capital Outlay:</u>				
Furniture	399			
Computer Software	6,720			
Subtotal	<u>7,119</u>	<u>0</u>	<u>0</u>	<u>0</u>
Activity Total	<u>\$656,107</u>	<u>\$581,100</u>	<u>\$586,200</u>	<u>\$586,200</u>
Funding Sources:				
General Fund	\$631,823	\$556,200	\$586,200	\$586,200
Redevelopment Agency Operating Fund	24,284	24,900		

MANAGEMENT SERVICES - NON-DEPARTMENTAL DIVISION BUDGET DETAIL
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Expense Classification	Actual 2010-11¹	Adopted Budget 2011-12¹	Proposed Budget 2012-13	Adopted Budget 2012-13
Operation and Maintenance:				
Operating Supplies			\$72,400	\$72,400
Printing and Duplicating			8,000	8,000
Postage and Deliveries			15,500	15,500
Telephone and Other			27,200	27,200
City Hall Rent			1,212,000	1,212,000
Equipment Rentals/Leases			28,600	28,600
Equipment Maintenance			19,400	19,400
General Liability Insurance			208,500	208,500
Worker's Compensation Insurance			100,200	100,200
Property Insurance			23,000	23,000
Other Insurance			30,000	30,000
Subtotal			1,744,800	1,744,800
Activity Total			\$1,744,800	\$1,744,800
Funding Source:				
General Fund			\$1,744,800	\$1,744,800

¹ The Citywide allocations appeared in each department prior to Fiscal Year 2012-13.

COMMUNITY SERVICES

The Community Services Department provides planning and coordination of community recreation-related activities and programs that include youth, teens, adults, families and seniors. The department plans citywide special events, Nature Park and Skatepark programs, excursions and park openings. The department also coordinates and manages the planning and design of recreation and community facilities.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

1. Finalized master plan for the Sports Park and participated in the development of plans and specifications in preparation to bid for the Sports Park and recreation center.
2. Completed the installation of shade structures program and renovation of Mountain View and Concourse Parks.
3. Completed design services for Tamarisk and Rimgate park improvements.
4. Completed the Skatepark expansion project and hosted a celebration event.
5. Led the committee to develop activities to celebrate the City's 20th anniversary.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Complete design of the recreation center and begin construction of the Sports Park.
2. Complete construction of Tamarisk and Rimgate Parks renovation projects.
3. Develop an operating plan for the Sports Park.
4. Increase attendance in park and recreation activities by 5%.
5. Increase cost recovery rate to 10%.

**COMMUNITY SERVICES
BUDGET OVERVIEW**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$1,472,654	\$1,511,900	\$1,545,000	\$1,545,000
Operations and Maintenance ¹	1,543,942	1,760,000	1,553,500	1,553,500
Contract Services	37,751	39,000	41,000	41,000
Capital Outlay	7,150	8,000	8,000	8,000
Activity Total	<u>\$3,061,497</u>	<u>\$3,318,900</u>	<u>\$3,147,500</u>	<u>\$3,147,500</u>
Funding Sources:				
General Fund	\$2,725,336	\$2,933,000	\$2,733,600	\$2,733,600
Senior Mobility Program Fund			46,300	46,300
Etnies Skatepark Fund	336,161	385,900	367,600	367,600
Total Positions:				
Full-Time	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
# of elementary students in SVUSD ²			
participating in after school programs	74,962	80,000	80,000
# of teens participating in City programs	5,861	4,000	6,000
# of seniors participating in City programs	36,721	40,000	40,000
# of participants in City programs	197,522	210,000	205,000
Recreation class revenues:			
Total revenue	\$256,550	\$250,000	\$260,000
Cost recovery rate	8%	7%	10%

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² Saddleback Valley Unified School District

COMMUNITY SERVICES BUDGET DETAIL

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$720,394	\$721,000	\$756,100	\$756,100
Overtime	2,038			
Part-Time Personnel	450,613	515,700	531,300	531,300
Medicare	16,851	18,000	18,600	18,600
Retirement	138,622	107,200	84,000	84,000
Health Insurance	144,136	150,000	155,000	155,000
Subtotal	1,472,654	1,511,900	1,545,000	1,545,000
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,120	1,800	4,400	4,400
Training and Education	322	1,000	1,000	1,000
Travel, Conferences, Meetings	496	2,000	1,700	1,700
Commissioner Travel:				
Herrin Travel	50	1,000	1,000	1,000
Irish Travel		1,000	1,000	1,000
Manning Travel		1,000	1,000	1,000
Morrell Travel		1,000	1,000	1,000
Rosenberg Travel	50	1,000	1,000	1,000
Commissioner Stipend	1,357	3,300	3,300	3,300
Auto Allowance	11,013	10,800	10,800	10,800
Mileage Reimbursement	248	1,500	1,500	1,500
Operating Supplies ¹	37,160	41,300	30,300	30,300
Printing and Duplicating ¹	91,199	97,300	95,000	95,000
Postage and Deliveries ¹	4,115	9,400	5,200	5,200
Uniforms	366			
Telephone and Other ¹	11,102	24,900	18,800	18,800
City Hall Rent ¹	124,422	108,400		
Community Center Rent	84,134	281,800	286,100	286,100
Equipment Rentals/Leases ¹	20,683	17,900	12,500	12,500
Building Maintenance	1,935	3,000	3,000	3,000
Equipment Maintenance ¹	1,461	5,300		
Computer Maintenance/Supply	1,802			
Software Licenses/Maint.	8,827	9,300	9,300	9,300
Vehicle Replacement	9,000	9,000		
Vehicle Maintenance	6,603	9,000	9,000	9,000
Holiday Banners	15,428	16,000	18,000	18,000
Community Services Programs	2,000	3,000	3,000	3,000
General Liability ¹	31,639	75,400		

**COMMUNITY SERVICES
BUDGET DETAIL (continued)**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Operation and Maintenance</u>				
<u>(continued):</u>				
Workers' Compensation ¹	17,751	16,000		
Community Events	220,568	267,100	259,300	259,300
SVUSD ² Recreation Programs	532,841	383,000	395,600	395,600
Senior Mobility Grant Program	41,577	45,700	46,300	46,300
Teen Programs	25,368	24,200	27,800	27,800
Senior Programs	125,978	159,800	160,100	160,100
Excursions	6,598	9,900	7,200	7,200
Recreation Classes	50,897	65,500	84,500	84,500
Skatepark Programs	27,253	23,900	24,800	24,800
Youth Programs	28,579	28,500	30,000	30,000
Subtotal	<u>1,543,942</u>	<u>1,760,000</u>	<u>1,553,500</u>	<u>1,553,500</u>
<u>Contract Services:</u>				
Miscellaneous	37,751	39,000	41,000	41,000
Subtotal	<u>37,751</u>	<u>39,000</u>	<u>41,000</u>	<u>41,000</u>
<u>Capital Outlay:</u>				
Equipment	5,091	8,000	8,000	8,000
Furniture	2,059			
Subtotal	<u>7,150</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>
Activity Total	<u><u>\$3,061,497</u></u>	<u><u>\$3,318,900</u></u>	<u><u>\$3,147,500</u></u>	<u><u>\$3,147,500</u></u>

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² SVUSD = Saddleback Valley Unified School District

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 County of Orange Health Care Agency.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS

1. A national firm ranked Lake Forest the 9th safest city in the nation and 2nd safest in the State. There were 1,036 reported Part One Crimes in 2011. Deputies were responsible for 747 in-custody arrests, 1,546 misdemeanor citations, and 193 warrant arrests.
2. Traffic enforcement remained a priority for Police Services which issued 4,535 citations for moving violations, 4,163 parking citations, and 3,860 non-hazardous citations. There were 128 injury collisions and a total of 414 collisions.
3. Police Services has continued to keep the fight against graffiti and vandalism an enforcement priority. Through the efforts of the Neighborhood Enhancement Team, numerous arrests were made and restitution is being sought to offset the cost of graffiti removal.
4. Neighborhood Watch and Business Watch programs were conducted. Presentations were made to the public regarding a variety of public safety issues such as identity theft, personal safety, home safety, child safety, internet safety, and safety issues related to the senior community.
5. The Responsible Pet Ownership Program issued spay-neuter vouchers as well as continuing its public education efforts in cooperation with Orange County Animal Care.
6. The Emergency Operations Center was activated to participate in Golden Guardian 2012.
7. The Seventh Annual Community Emergency Preparedness Academy was completed. This eight-week program is a joint effort between the City, Orange County Sheriff's Department, Orange County Fire Authority, Doctor's Ambulance, and Southern California Edison. The twenty-five graduates were provided instruction in the fundamentals of disaster preparedness in a classroom environment as well as functional exercises. The Community Emergency Preparedness Academy has had 205 graduates since the creation of the program.
8. Conducted 104 car seat installations and inspections, distributed car seats to low-income families, and hosted a workshop for parents of teen drivers.

FISCAL YEAR 2011-12 MAJOR ACCOMPLISHMENTS (continued)

9. Operation of the Parolee Compliance Team, which monitors the activities of parolees within the City and ensures that they maintain compliance with the condition of their release.
10. The Sheriff's Team of Active Retired Seniors (STARS) volunteers provided 5,392 hours of service to the community through Police Services. The STARS provide customer service at the public counter of Police Services, conduct vacation checks per citizen request, provide Fire Watch patrols, and staff special events.
11. Orange County Animal Care resolved 250 complaints made using the Barking Dog Ordinance adopted by the City.
12. Point of Dispensing plans were completed, each of these plans received approval by the Federal government. These actions plans identified 2 sites in the city that can be used to dispense large quantities of medicine or emergency supplies during a catastrophic health emergency. Reimbursement and incentive funding was received as a result of completing these plans.
13. A Business Continuity Plan was completed; this plan provides guidance and serves as a single point of information to help direct actions to be taken in response to a significant interruption of business activity. The plan directs actions to be taken in response to an event, as well as resumption of City activity.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Provision of an effective traffic enforcement program to ensure the safety of motorists and reduce the number of injury traffic accidents in the City.
2. Police Services will continue to keep the fight against graffiti and vandalism an enforcement priority. Legal action seeking restitution will be taken against those the commit acts of vandalism that result in costs to the City. Target areas have been identified throughout the City in which directed enforcement efforts will be made.
3. Continue development of community programming that includes car seat installations, identity protection, teen driver safety seminars, Walk to School Day, and bicycle helmet and car seat distribution to low-income families.
4. Continue operation of the Parolee Compliance Team in order to monitor the activities of parolees to ensure that they remain in compliance with the conditions of their release.
5. Add 100 Neighborhood Watch and Business Watch participants, increasing the number of participants to 1,170.

**POLICE SERVICES
BUDGET OVERVIEW**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Personnel	\$141,529	\$142,000	\$142,400	\$142,400
Operations and Maintenance ¹	386,639	388,700	178,200	178,200
Contract Services	12,319,741	13,003,900	12,984,400	12,984,400
Capital Outlay	2,082			
Activity Total	<u>\$12,849,991</u>	<u>\$13,534,600</u>	<u>\$13,305,000</u>	<u>\$13,305,000</u>
Funding Sources:				
General Fund	\$12,731,471	\$13,534,600	\$13,186,500	\$13,186,500
Police Grant Funds:				
Grant Fund	100,000		100,000	100,000
Justice Assistance Grant Fund	18,520		18,500	18,500
Total Positions:				
Full-Time	1	1	1	1
Direct Contract Staff	39.25	39.25	39.25	39.25
Shared Contract Staff	14.25	14.25	14.25	14.25
Total Contract Personnel	<u>53.50</u>	<u>53.50</u>	<u>53.50</u>	<u>53.50</u>

PERFORMANCE MEASURES

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Community Policing</u>			
# of community/school presentations	38	50	50
Hours of community policing unit services	2,080	2,080	2080
# of neighborhood watch presentations	20	30	30
# of neighborhood watch participants	1,070	900	1170
# of business watch participants	276	300	300

PERFORMANCE MEASURES (continued)

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
<u>Patrol Services</u>			
Average response time: emergency call (minutes)	4:34	5:00	5:00
Average response time: routine call (minutes)	12:01	12:00	12:00
Crime rate per 1,000 pop: UCR Class I crimes		15	15
Crime rate per 1,000 pop: UCR Class II crimes		29	29
% of preventive patrol time		40%	40%
<u>Traffic Enforcement and Reporting</u>			
Traffic enforcement index ²	37.23	30	30
Injury traffic collisions	128	133	133
Speed related collisions	83	100	100
Graffiti Program (TAGRS ³) Incidents of graffiti	993	750	750
<u>Paper Shredding Program</u>			
Incidents of fraud and identify theft	1,141	250	500
<u>Car Seat Safety Program</u>			
Installations	104	125	125
<u>Animal Care</u>			
Animals impounded	612	600	600
Animal licenses issued	8,716	9,500	9,500
Orange County Animal Control programming events ⁴	2	2	2

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

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

⁴ Events include pet adoptions, licensing, and vaccinations

**POLICE SERVICES
BUDGET DETAIL**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Personnel:</u>				
Full-Time Personnel	\$107,990	\$110,100	\$113,700	\$113,700
Medicare	1,583	1,600	1,600	1,600
Retirement	17,631	15,300	11,600	11,600
Health Insurance	14,325	15,000	15,500	15,500
Subtotal	141,529	142,000	142,400	142,400
<u>Operation and Maintenance:</u>				
Membership and Dues	200	500	500	500
Training and Education	826	5,000	3,000	3,000
Travel, Conferences, Meetings	2,665	9,700	3,500	3,500
Auto Allowance	3,046	3,000	3,000	3,000
Operating Supplies ¹	23,466	52,500	47,100	47,100
Printing and Duplicating ¹	7,442	11,500	4,000	4,000
Postage and Deliveries ¹	938	1,000		
Subscriptions and Books	1,372			
Uniforms	12,603	10,000	10,000	10,000
Telephone and Other ¹	1,484	1,300		
City Hall Rent ¹	152,243	122,500		
Equipment Rentals/Leases ¹	5,998	4,900		
Building Maintenance	400			
Equipment Maintenance ¹	849	4,200	3,000	3,000
Vehicle Replacement	49,700	31,700		
Vehicle Maintenance	51,356	56,900	56,900	56,900
Community Services Programs	34,357	38,100	47,200	47,200
General Liability ¹	37,250	35,500		
Workers' Compensation ¹	444	400		
Subtotal	386,639	388,700	178,200	178,200
<u>Contract Services²:</u>				
Other	1,672			
<u>Law Enforcement:</u>				
Administration (2.0)	537,619	528,900	526,400	526,400
Patrol Sergeants (3.5)	910,106	870,000	985,900	985,900
Patrol (31.0)	6,649,252	6,458,200	6,536,100	6,536,100
Investigations (4.0)	966,565	912,200	919,700	919,700
Motorcycle Deputies (4.0)	621,963	853,300	647,400	647,400

**POLICE SERVICES
BUDGET DETAIL (continued)**

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Contract Services²</u>				
<u>(continued):</u>				
Law Enforcement (con't.):				
Commercial/Traffic Enforcement (1.0)	207,047	208,300	210,800	210,800
Community Service Officers (5.0)	557,856	505,500	515,400	515,400
Community Services/ Crime Prevention (3.0)	531,888	503,100	507,900	507,900
Support/Other (14.25)	819,845	1,492,200	1,605,400	1,605,400
800Mhz Maint./Operation	28,807	36,400	35,400	35,400
Mobile Data Computers	123,998	125,800	104,000	104,000
Animal Care	136,808	255,000	155,000	155,000
Crossing Guards	221,527	250,000	230,000	230,000
Parking Ticket Admin.	4,788	5,000	5,000	5,000
Subtotal	<u>12,319,741</u>	<u>13,003,900</u>	<u>12,984,400</u>	<u>12,984,400</u>
<u>Capital Outlay:</u>				
Furniture	2,082			
Subtotal	<u>2,082</u>	<u>0</u>	<u>0</u>	<u>0</u>
Activity Total	<u>\$12,849,991</u>	<u>\$13,534,600</u>	<u>\$13,305,000</u>	<u>\$13,305,000</u>

¹ Some or all of these costs were transferred to the Non-Departmental Division in Management Services in Fiscal Year 2012-13.

² () 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 2011-12 ACCOMPLISHMENTS

1. Portola Hills/Foothill Ranch Fire Plan update completed.
2. Participated in the Independence Day Parade.
3. Participated in the Citizen Leadership and Community Emergency Preparedness Academy programs.
4. Conducted one drowning prevention program.
5. Delivered four Team Fire Force Life and Fire Safety Programs to fourth grade students.
6. Provided twenty-one fire station tours.
7. Hosted one ride along for a community member.
8. Conducted one emergency preparedness class.
9. Conducted eighteen fire safety programs.
10. Participated in twelve speaking engagements.
11. Conducted two fire extinguisher training programs.
12. Participated in twelve community events.

FISCAL YEAR 2012-13 MAJOR INITIATIVES

1. Design and implement a cooking fire safety program.
2. Support the Citizen Leadership and the Community Emergency Preparedness Academy programs.
3. Increase the delivery of Team Fire Force fire safety class for fourth graders.
4. Increase the number of ride-along opportunities to members of the community.
5. Redesign the fire inspection program focusing on the top five fire risks.
6. Continue participation in the Independence Day Parade.
7. Provide fire station tours.

FIRE SERVICES BUDGET OVERVIEW

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
--

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Police Services Department:				
Motorcycle		\$27,100		
Commercial Enforcement Vehicle		50,900		
S.T.A.R.S. Van			\$35,000	\$35,000
Activity Total	\$0	\$78,000	\$35,000	\$35,000

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 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Street Resurfacing/Slurry Seal	\$2,032,975	\$920,000	\$1,130,000	\$1,130,000
Prop 1B Asphalt Rehabilitation	347,131			
Alton Parkway Improvements	3,307,163			
Commercentre Improvements	174,389			
Trabuco Road Streetscape	97,506			
Installation of Street Lights	12,091			
Lake Forest Transportation Mitigation Improvements ¹	30,926			
El Toro Road Traffic and Landscape Improvements	10,268			
Sidewalk Repairs	49,596	40,000	41,200	41,200
Rancho Parkway Improvements	41,606			
Skatepark Expansion	949,763			
Play Equipment Replacement	145,140			
Light Industrial Area Street Improvements	213,233			
Traffic Signal Synchronization	620,242		2,500,000	2,500,000
El Toro Park Improvements Americans with Disabilities Access Ramp Improvements	467,483 227,256	151,300	155,000	155,000
Jeronimo Road Streetscape	31,629			
El Toro Streetscape - Phase 1	18,360			
Rockfield Streetscape	44,919			
Traffic Signal Preemption	36,629			
Heroes Park Snack Bar and Restroom	496,112			
Concourse Park Renovation	481,553			
Rimgate Park Renovation	18,816			
Mountain View Park Renovator	565,606			
Shade Structure Program	39,180			
Tamarisk Park Renovation	18,816			
Regency Park Improvements		40,000	341,000	341,000
Bake Median Improvements		25,000	225,000	225,000
Teed Street Storm Drain Improvements		40,000	200,000	200,000
Traffic Signals Conductor Replacement Program		120,000	123,600	123,600
Community Meeting Facility	6,238			

CAPITAL EXPENDITURES BUDGET DETAIL (continued)

Expense Classification	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
City Hall	32,289			
Sports Park	13,010,238			
Recreation Center	158,787			
Activity Total	\$23,685,940	\$1,336,300	\$4,715,800	\$4,715,800
Funding Sources:				
General Fund	\$325,622			
Capital Improvement Projects Fund	7,344,171	\$265,000	\$1,430,800	\$1,430,800
Gas Tax Fund	347,131			
Measure M Fund	1,523,991	920,000	1,130,000	1,130,000
Community Development Block Grant Fund	693,314	151,300	155,000	155,000
Redevelopment Agency Operating Fund	213,233			
Opportunities Study Capital Projects Fund	13,207,552			
Lake Forest Transportation Mitigation Fund ¹	30,926			
Grants (Approval Pending):				
Measure M Signal Improvement Program			2,000,000	2,000,000
County Foothill Circulation Phasing Plan Grant				
	\$23,685,940	\$1,336,300	\$4,715,800	\$4,715,800

¹ This will be rebudgeted in the 2013-15 Capital Improvement Projects Budget.

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 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
Transfers In:				
<u>General Fund</u>				
From Reserve Fund				
From Disaster Fund	\$19,031			
<u>Reserve Funds</u>				
From General Fund		\$159,300	\$640,320	\$640,320
<u>Capital Improvement Projects Fund</u>				
From RDA Debt Service Fund	3,224,000			
From Air Quality Improvement Fund	62,500			
From Disaster Fund	91,820			
<u>Opportunities Study Capital Projects Fund</u>				
From General Fund	19,139,000			
From Capital Improvement Projects Fund				
From Park Development/ Construction Fund				
<u>Lake Forest Transportation Mitigation Capital Projects Fund</u>				
From Capital Improvement Projects Fund				
<u>Gas Tax Fund</u>				
From Disaster Fund	59,303			
<u>Measure M Fund</u>				
From Gas Tax Fund				
<u>Etnies Skatepark Fund</u>				
From General Fund	232,908	305,700	275,700	275,700
<u>Disaster Fund</u>				
From General Fund				
<u>Housing Authority Fund</u>				
From Redevelopment Agency Low and Moderate Income Housing Fund	326,000	170,600		

INTERFUND TRANSFERS BUDGET DETAIL
--

Transfer Description	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
<u>Financing Authority Fund</u>				
From Redevelopment Agency Debt Service Fund	546,791	557,200		
<u>Redevelopment Agency Operating Fund</u>				
From Redevelopment Agency Debt Service Fund	920,754	1,083,200		
Total Transfers In	\$24,622,107	\$2,276,000	\$916,020	\$916,020
Transfers Out:				
<u>General Fund</u>				
To Capital Improvement Projects Fund				
To Opportunities Study Capital Projects Fund	(\$19,139,000)			
To Etnies Skatepark Fund	(232,908)	(\$305,700)	(\$275,700)	(\$275,700)
To Disaster Fund				
To Reserve Funds		(159,300)	(640,320)	(640,320)
<u>Reserve Funds</u>				
To General Fund - Designated Reserve				
To General Fund - Undesignated Reserve				
To General Fund - Economic Contingency Reserve				
<u>Capital Improvement Projects Fund</u>				
To Opportunities Study Capital Projects Fund				
To Lake Forest Transportation Mitigation Capital Projects Fund				
<u>Disaster Fund</u>				
To General Fund	(19,031)			
To Capital Improvement Projects Fund	(91,820)			

INTERFUND TRANSFERS BUDGET DETAIL
--

Transfer Description	Actual 2010-11	Adopted Budget 2011-12	Proposed Budget 2012-13	Adopted Budget 2012-13
To Gas Tax Fund	(59,303)			
<u>Air Quality Improvement Fund</u>				
To Capital Improvement Projects Fund	(62,500)			
<u>Park Development/ Construction Fund</u>				
To Opportunities Study Capital Projects Fund				
Transfers Out (continued):				
<u>Redevelopment Agency Debt Service Fund</u>				
To Redevelopment Agency Operating Fund	(920,754)	(1,083,200)		
To Financing Authority Fund	(546,791)	(557,200)		
To Capital Improvement Projects Fund	(3,224,000)			
<u>Redevelopment Agency Low and Moderate Income Housing Fund</u>				
To Housing Authority Fund	(326,000)	(170,600)		
Total Transfers Out	<u>(\$24,622,107)</u>	<u>(\$2,276,000)</u>	<u>(\$916,020)</u>	<u>(\$916,020)</u>
Net Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Section Five

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GENERAL FUND

Description

The General 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. General 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 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
City Council	\$201,849	\$227,600	\$152,700
City Manager	813,391	775,400	639,700
Economic Development	353,443	328,000	1,783,000
City Attorney	1,427,089	1,222,900	1,147,000
Finance	766,537	950,500	942,900
Development Services	2,442,660	2,456,700	2,200,200
Public Works	6,762,290	6,769,800	6,877,500
Management Services	2,174,601	2,452,600	4,120,300
Community Services	2,725,336	2,933,000	2,733,600
Police Services	12,731,471	13,534,600	13,186,500
Capital Projects	325,622		
TOTAL	<u>\$30,724,289</u>	<u>\$31,651,100</u>	<u>\$33,783,400</u>

GAS TAX FUND

Description

The Gas Tax Fund is used to account for the City's share of tax revenues collected by the State on the sale of fuel for motor vehicles. The use of these funds is restricted to the construction, improvements, and maintenance of public streets.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Public Works	\$2,139,926	\$1,807,100	\$1,762,800

MEASURE M FUND

Description

The Measure M Fund was established to account for funds which are "turned back" to cities for street maintenance and/or street improvement purposes.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Street Repaving and Slurry Seal	\$1,523,991	\$920,000	\$1,130,000

MEASURE M

SENIOR MOBILITY PROGRAM FUND

Description

The Senior Mobility Program Fund was established to provide seniors with trips to community centers, congregate meal programs, medical appointments, and shopping centers, using small buses or through taxi voucher programs.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Senior Mobility Program			\$46,300

ETNIES SKATEPARK FUND

Description

The Etnies Skatepark Fund is used to account for revenues received from user fees for programs and sponsors. The expenditures account for operations of the Skatepark.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Community Services	\$336,159	\$385,900	\$367,600

POLICE GRANTS FUND

Description

The Police Grants 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 and a Justice Assistance grant for an intelligence led policing program. Expenditures can only be used for police services and cannot supplant the existing police services budget.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Police Services	\$118,520		\$118,500

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Description

The Community Development Block Grant 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 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Economic Development	\$1,064,233	\$352,700	\$413,400
Capital Projects		151,300	155,000
TOTAL	<u>\$1,064,233</u>	<u>\$504,000</u>	<u>\$568,400</u>

FINANCING AUTHORITY FUND

Description

The Financing Authority Fund is used to account for debt service activity for the 2004 Certificates of Participation.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Finance	\$547,138	\$557,200	\$432,000

CAPITAL IMPROVEMENT PROJECTS FUND

Description

The Capital Improvement Projects Fund was established 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 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Capital Projects	\$7,344,171	\$265,000	\$3,430,800

OPPORTUNITIES STUDY CAPITAL PROJECTS FUND

Description

The Opportunities Study Capital Projects Fund was established to accumulate financial resources for the purpose of providing funds for certain public facilities related to the Opportunities Study Area.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Capital Projects	<u>\$13,245,056</u>		

LAKE FOREST TRANSPORTATION MITIGATION FUND

Description

The Lake Forest Transportation Mitigation Fund was established to accumulate financial resources for the purpose of providing funds for traffic improvements related to the Opportunities Study Area.

Expenditure Detail

Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13¹
Capital Projects	\$30,926		

¹This will be rebudgeted in the 2013-15 Capital Improvement Projects Budget

VEHICLE REPLACEMENT FUND

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.

Expenditure Detail

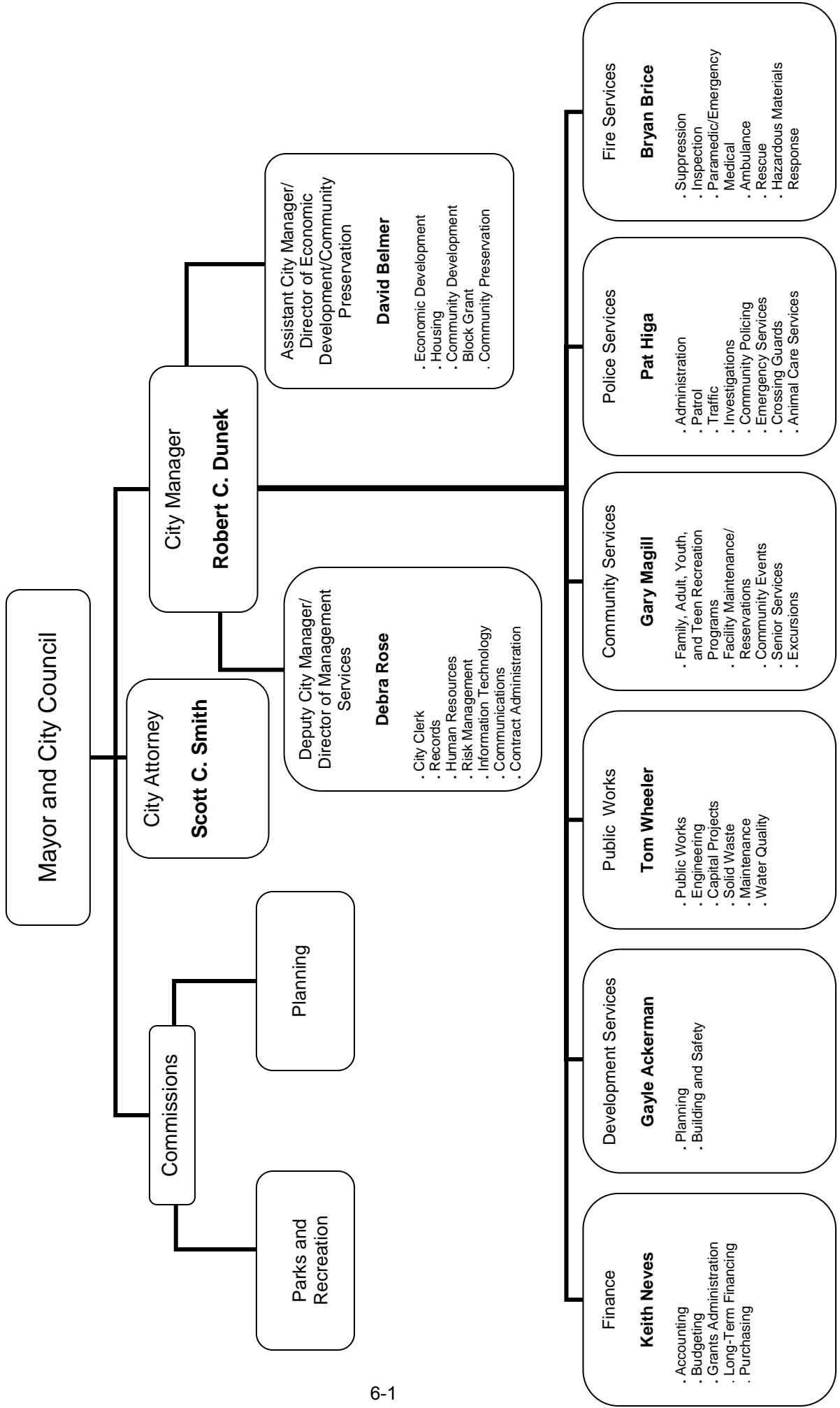
Description	Actual 2010-11	Adopted Budget 2011-12	Adopted Budget 2012-13
Vehicles		\$78,000	\$35,000

Section Six

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FISCAL YEAR 2012-13 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 28

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	77,490
City Size	16.6 square miles
Housing Units	27,115
Ethnic Composition	
White	44.3%
Hispanic	25.8%
Asian/Pacific Islanders	13.6%
Black	1.6%
Other	14.8%
Median Age	36.1
Median Household Income	\$87,555

¹ Sources: State of California, Department of Finance (2011)
Nielsen Claritas (2012)

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.