

CITY OF LAKE FOREST



Operating Budget

Fiscal Year 2016-17

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OPERATING BUDGET FISCAL YEAR 2016-17

Elected Officials

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

Planning Commission

Jolene Fuentes, Chair
Thomas Ludden, Vice Chair
Mark Armando, Commissioner
Robert De Almeida, Commissioner
Jerry Verplancke, Commissioner

Parks and Recreation Commission

Jim Rosenberg, Chair
Loretta Herrin, Vice Chair
Francisco Barajas, Commissioner
Victor Scherr, Commissioner
Jeff Werkmeister, Commissioner

City Staff

Robert C. Dunek, City Manager

Gayle Ackerman, Director of Development Services
Jeff Adams, Division Chief - Fire Services
Keith D. Neves, Deputy City Manager/
Director of Finance/City Treasurer
Matthew Richardson, City Attorney
Debra Rose, Assistant City Manager/
Director of Economic Development/
Community Preservation
Hannah Shin-Heydorn, Director of Management Services
Stephanie Smith, City Clerk
Lieutenant Bradley Valentine, Chief of Police Services
Scott Wasserman, Director of Community Services
Tom Wheeler, Director of Public Works/City Engineer

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Section One

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City Manager's Budget Message

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June 21, 2016

Honorable Mayor and Members of the City Council:

The Operating Budget for the City of Lake Forest for Fiscal Year 2016-17 is attached for your review and approval. Staff is pleased to present a balanced budget based on our best professional judgment. This Budget is consistent with the City's Draft Five-Year Strategic Business Plan and contains all City funds, including the City's Housing Authority.

The City will be faced with new opportunities and challenges over the next five years including new neighborhoods, traffic mitigation, new park amenities and improvements, update of the City's General Plan, and construction of a new Civic Center and Senior Center. The City recognizes these challenges and will continue providing a high level of service to the citizens of Lake Forest.

Fiscal Year 2015-16 Review

The close of Fiscal Year 2015-16 finds the City in solid financial condition while maintaining high quality services. Due to prudent management of capital funds, the City continued to make significant strides in delivering several important projects meeting long-desired community priorities, many of which are discussed below. In December 2015, the City Council approved the contracts for the design and construction management teams for the Lake Forest Civic Center. In support of the conceptual design process, the City hosted four community engagement workshops as well as an online survey to gather public input regarding desired features and amenities. The community's feedback will help shape the direction and vision of the future Civic Center.

Progress in Lake Forest's New Neighborhoods continues to transform the community. Baker Ranch obtained all permits for its Phase I which consisted of 580 residential units and 619 apartments.¹ Phase 2 is off to a great start with 327 permits being obtained. In addition, 85% of the residential permits for the El Paseo and Camden Square neighborhoods have been acquired while eight models are now underway in the Portola Center Project area.

The evolution and availability of technology continues to provide opportunities to enhance communications, deliver new services and amenities, and modernize operations. The City continued its focus on maximizing social media integration into the City's overall communications efforts, engaging with more community members than ever on various social media platforms. The City also completed a significant upgrade to

¹ Of the 619 apartments, 189 apartments are reserved as affordable housing units.

Mayor
Andrew Hamilton

Mayor Pro Tem
Scott Voigts

Council Members
Dr. Jim Gardner
Adam Nick
Dwight Robinson

City Manager
Robert C. Dunek



the Energov planning, permitting, and code enforcement program, winning the “2016 Tyler Excellence Award.” The updated program provides employees with the tools to modernize operations – from providing real-time inspection statuses for building and code enforcement requests, to accessing an inter-departmental business database and providing automatic permit document exporting. In addition, enhancements to customer service include a number of new online capabilities, including scheduling of inspections, tracking of permit activity, and applying for transportation and temporary parking permits.

The City continued its investment in Public Safety by maintaining the high complement of police services offered by the Orange County Sheriff’s Department, as well as continuing the highly successful Community Emergency Preparedness Academy and Child Safety Program. The City and Orange County Sheriff’s Department also continued efforts to address and resolve quality of life issues. In response to neighborhood concerns, a successful joint effort between Police Services, Code Enforcement, and the City Attorney’s Office resulted in the eradication of a notorious drug house from a residential neighborhood. In addition, the Homeless Liaison Officer has continued to foster relationships with the City’s homeless population and, when possible, connect individuals to available resources. Last fiscal year, 21 homeless individuals were placed in housing through the assistance of the Homeless Liaison Officer.

In 2015, the City Council appointed six Lake Forest residents to serve on an Ad-Hoc Citizen’s Traffic Advisory Group (“CTAG”). The CTAG completed a review of traffic and transportation related issues and compiled a list of over 35 recommendations for the City Council’s consideration. In addition, the CTAG reviewed and addressed approximately 50 individual traffic and transportation related concerns from both the CTAG members and the public. The City continued to improve traffic signal coordination by completing two OCTA Traffic Signal Synchronization Projects (“TSSP”) and is constructing the final phases of three other projects.

In support of the business community, the City continued to prioritize economic development and business outreach. After five years, Shop & Dine Lake Forest Week has become a bona fide community tradition. Thanks to the extensive coupon book, residents could choose from special deals and offers from over 400 Lake Forest retailers and service providers. Participating businesses once again reported increased sales and new customers. The weeklong event culminated with the popular *Taste of Lake Forest* with attendance more than doubling and event revenues increasing by 45%.

The City’s support for its businesses continued, including enhanced marketing and promotion of Lake Forest hotels via new online videos targeting sports groups and the business community. Businesses continued to take advantage of popular long time offerings such as the job creation and retention program “GROW” (Growing and Retaining our Workforce) in Lake Forest and SCORE Business Counselors. Additionally, the City held the annual Business Appreciation Luncheon, New Business Reception, Hotel Roundtable, and the Commercial Broker/Property Manager Roundtable. The City also continued to work closely with the Lake Forest Chamber of

Commerce to promote business development through co-sponsored events such as the Secrets & Strategies for Business Success seminar and Lake Forest Job Fair.

In the past year, the Community Services Department experienced growth in attendance of approximately 20%. Programs that have seen increased attendance include skate and youth camps, the Annual Independence Day Parade, special events, contract classes, open gym, the Teen Lounge, and the Etnies Skate Park. The Lake Forest Sports Park and Recreation Center won five design awards in the past year and continues to grow in popularity. There were approximately 200,000 visits to the facility in 2015-16 which included 8,800 participants who used the athletic fields for organized sports and 2,400 who enjoyed the gymnasium during open gym hours.

The Community Services Department also kicked off the City's 25th Anniversary Celebration by forming a 25th Anniversary Committee to advise staff on the best ways to help the community celebrate this milestone. Celebratory activities include incorporating the anniversary theme into existing events, conducting special contests, softball and golf tournaments, giveaways, and light pole banner displays. The largest anniversary event will be a family carnival in September that will include the participation of local nonprofit organizations, carnival rides, game booths, bounce houses, and costumed characters.

In addition, the City Council approved a conceptual design for Portola Park that included a dog park, open grass area with a soccer field for children under 10 years old, pickle ball courts, a sand volleyball court, restrooms, a tot lot, picnic gazebos, and a parking lot. The final design contract was awarded and the project advanced toward completion; the City will begin construction after the developer dedicates the land, finishes grading, and transfers the building funds to the City pursuant to the Development Agreement.

We are pleased to highlight a few of the programs and projects conducted in Fiscal Year 2015-16. The department detail portion of the budget provides more information on the high quality services provided by the City of Lake Forest during the previous fiscal year.

Fiscal Year 2016-17

While there are some indications that the economy appears to be normalizing, the City will continue its fiscally-conservative approach to budgeting ongoing operations and capital improvement projects. Fortunately, the dissolution of the Lake Forest Redevelopment Agency did not impact the General Fund or the overall financial health of the City. The City, therefore, is in solid financial condition and will continue to make investments in the quality of life in the community in Fiscal Year 2016-17.

With the completion of the Sports Park, the City is now focused on developing the Lake Forest Civic Center- dubbed the community's "100-Year Home." The Civic Center will be located at the future extension of Indian Ocean adjacent to Serrano Creek, formerly the site of the Los Aliso Water District Headquarters. This unique location features the pastoral landscape and natural topography that defines Lake Forest and provides a

future connection to the Serrano Creek Trail. The project will be shaped by four planning principles affirmed by the City Council: reflect Lake Forest; be a destination; provide new amenities; and accommodate multiple uses. Throughout the design process, the City will engage and involve the community to ensure the community's values are reflected. Fiscal Year 2016-17 will see the completion of the design process resulting in construction documents.

In the 2015-17 Capital Improvement Projects budget, five Lake Forest Traffic Mitigation ("LFTM") projects will be initiated and completed. LFTM mitigates the impacts of development by improving certain intersections in the City and adjacent cities. In addition, with grant funding from OCTA, southbound Portola Parkway expands from two to three through lanes under the SR 241, with a constructed landscaped median added from SR 241 to El Toro Road.

In FY 2016-17, staff will continue working towards the goal of having all the traffic signals connected to the remote monitoring system that allows City and contract staff to review traffic signal operations in real time and resolve issues in a timely manner. Currently, 82 of the City's 91 traffic signals (90%) are connected to the system. This represents a significant increase from the program's inception in 2012, when only nine traffic signals (10%) were connected to the system. The City will also begin work on the El Toro traffic signal synchronization project, which will connect several additional traffic signals to the system. In addition, the City will look to secure funding for additional synchronization projects.

The upcoming year will also see continued progress in the development of new master planned communities in Lake Forest as part of the Opportunities Study Area. Construction of new homes in Baker Ranch, which may ultimately include up to 2,379 housing units, is well underway. The project is receiving rave reviews and sales are exceeding expectations. Brookfield and Taylor Morrison are projected to finish construction on the 219 housing units in the former auto center. Development plans are approved for the Portola Center project and model construction is underway. This project will ultimately bring up to 930 new housing units and various public amenities, including a new 5-acre community park and connections to regional trails.

Progress is also anticipated at Parkside (approved for up to 190 homes), the Pinnacle at Serrano Highlands (approved for up to 85 homes), and Serrano Summit (approved for up to 608 homes). To keep the community apprised of these developments, staff will continue to update the "Lake Forest's New Neighborhoods" webpage (lakeforestca.gov/NewNeighborhoods) and Facebook page.

Lake Forest will deliver on its commitment to community engagement by sponsoring the 2016 Biennial Resident and Business Survey. Conducted every two years, the survey provides a statistically reliable snapshot in time and provides valuable feedback on the opinions, priorities, and concerns of residents and businesses. The results of the survey will help inform the City's future goals and objectives.

In the upcoming year, the City will continue its efforts to attract new businesses and high quality jobs through new and enhanced business seminars, communication,

outreach, and networking initiatives incorporated in the annual Business Development and Attraction Work Plan. The City will continue to strengthen and develop partnerships with resource agencies that can provide Lake Forest businesses with a variety of resources and marketing tools to grow their business operations. The City plans to debut a new business marketing video to promote the City's competitive business climate, highlight growing business industries in Lake Forest, and market Lake Forest as the "Natural Choice for Business."

As the City plans for the future, the Community Services Department expects to increase attendance in recreation activities by an additional 10% in FY 2016-17. The City is taking concrete steps toward improving existing park space by completing phase II of the Neighborhood and Park Improvement Plan, which will study 10 parks to identify needed physical improvements. A consultant will be hired to conduct the study which will include a community consultation component to ensure that any renovations continue to meet the needs of the community. Staff also expects to complete the final design and start construction on Portola Community Park and complete the renovation of Village Pond Park. The expansion of programs at the Sports Park is expected to continue with the offering of new adult volleyball and basketball programs.

The Fiscal Year 2016-17 Budget is balanced and reflects appropriate measures to ensure prudent care of the City's finances while maintaining existing service levels to the community. It also fully funds the City's cash reserves while delivering priority capital projects. For more information on department objectives and initiatives for the upcoming fiscal year, please see the department detail portion of the budget.

Revenues

Looking forward, the City can expect a better than average increase in General Fund revenues in Fiscal Year 2016-17, as its sources are stabilizing and, in some cases, increasing. These estimates are based on current economic conditions and indicators and the improving housing market. The Operating Budget for Fiscal Year 2016-17 forecasts General Fund revenues to be \$44.2 million, which is \$3.2 million (or 7.8%) above the Fiscal Year 2015-16 adopted budget.

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

Expenditures

General Fund operating expenditures are forecasted at \$42.9 million, a \$2.8 million (or 6.6%) increase from the adopted budget of \$40.1 million from Fiscal Year 2015-16. A brief explanation of changes by department is shown under the heading *Budget Analysis* in the Summary Section of the Budget.

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

Fund Balances

After transfers, staff is projecting a \$19.1 million General Fund balance, a decrease of \$0.1 million from the adopted budget of \$19.2 million from Fiscal Year 2015-16. This decrease is the result of the City paying off its unfunded actuarial liability from CalPERS in Fiscal Year 2015-16. Also, pursuant to City Council direction, General Fund reserves will remain fully funded; and, the City will continue to be in solid financial condition.

Capital Projects

The City provides for capital projects in a separate two-year capital budget. To provide a comprehensive picture of all City funds in the Budget, revenue and expenditure projections for capital projects for Fiscal Year 2016-17 are shown in addition to operating activity in summary form in the Summary of Revenues, Expenditures, Transfers, and Fund Balances.

Conclusion

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

Over the next five years, the City will be faced with new opportunities and challenges, including the addition of approximately 13,200 new residents in Lake Forest’s new neighborhoods. The City will be responsible for providing services to these new areas, as well as maintenance responsibilities for the new Lake Forest Civic Center. The City recognizes the challenges posed by this growth – adjusting to a new baseline of revenues and expenditures - and has already begun to project revenue and expenditure trends to ensure Lake Forest’s continued solid financial position.

Overall, Fiscal Year 2016-17 will see the City maintaining its strong financial position while continuing to provide superior service and delivering important capital projects to enhance the quality of life in Lake Forest.

Sincerely,



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

2013-14 Actual	\$33,831,582
2014-15 Actual	35,394,067
2015-16 Budget	36,087,700
2016-17 Adopted	37,437,400

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

City property taxes are projected at 6.4% growth (including residual from the project area) for Fiscal Year 2016-17 based on projections by the City’s property tax consultant. The growth is attributed to the Proposition 13 inflation adjustment, new sales of property, and the restoration of values reduced during the recession per Proposition 8.

Sales taxes are projected to increase by 2% (adjusted for the one-time triple flip payoff of \$0.9 million received in Fiscal Year 2015-16) from the Fiscal Year 2015-16 adopted budget due to higher levels of consumer activity and sales tax receipts.

Transient occupancy tax continues with a steady growth of 7.1% increase from the Fiscal Year 2015-16 adopted budget.

All other tax revenues (Franchise Fees and Real Property Transfer Tax) are projected to increase 8.0% from the Fiscal Year 2015-16 adopted budget.

LICENSES & PERMITS

2013-14 Actual	\$2,640,893
2014-15 Actual	2,200,372
2015-16 Budget	1,756,300
2016-17 Adopted	2,302,500

Building permit revenues are expected to stay strong. The biggest activity is related to the Opportunities Study Area.

FROM OTHER GOVERNMENTS

2013-14 Actual	\$4,328,316
2014-15 Actual	4,412,815
2015-16 Budget	4,518,800
2016-17 Adopted	5,080,900

Revenues and grants from other governments are projected to increase 12% from the Fiscal Year 2015-16 adopted budget. Revenues in this category typically vary based on grants for capital projects. Gas tax is projected to decrease 2% annually moving forward because of the decline in the volume of gas being sold in the State.

USER FEES & CHARGES

2013-14 Actual	\$36,342,936
2014-15 Actual	21,655,740
2015-16 Budget	16,741,300
2016-17 Adopted	18,763,700

Revenue from User Fees and Charges are expected to stay strong in the next fiscal year. The biggest swing is related to the Opportunity Study Area's development activities and related impact fees being paid.

FINES & FORFEITURES

2013-14 Actual	\$585,640
2014-15 Actual	445,789
2015-16 Budget	385,000
2016-17 Adopted	415,000

No significant changes are anticipated.

USE OF MONEY & PROPERTY

2013-14 Actual	\$396,717
2014-15 Actual	307,129
2015-16 Budget	334,200
2016-17 Adopted	757,300

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

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

OTHER REVENUE

2013-14 Actual	\$1,395,957
2014-15 Actual	424,159
2015-16 Budget	796,000
2016-17 Adopted	147,200

Receipts in this category are often irregular or one-time items. The amount for Fiscal Year 2016-17 primarily consists of reimbursements for state mandated claims and legal settlements.

EXPENDITURES

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

CITY COUNCIL

2013-14 Actual	\$66,481
2014-15 Actual	68,535
2015-16 Budget	67,300
2016-17 Adopted	67,100

CITY MANAGER

2013-14 Actual	\$672,325
2014-15 Actual	747,617
2015-16 Budget	694,700
2016-17 Adopted	712,700

CITY CLERK

2013-14 Actual	\$498,181
2014-15 Actual	615,721
2015-16 Budget	662,900
2016-17 Adopted	787,900

ECONOMIC DEVELOPMENT/
COMMUNITY PRESERVATION

2013-14 Actual	\$1,287,618
2014-15 Actual	1,399,347
2015-16 Budget	1,465,600
2016-17 Adopted	1,574,100

CITY ATTORNEY

2013-14 Actual	\$1,061,203
2014-15 Actual	963,070
2015-16 Budget	1,318,000
2016-17 Adopted	1,318,000

FINANCE

2013-14 Actual	\$4,586,419
2014-15 Actual	3,889,696
2015-16 Budget	5,130,300
2016-17 Adopted	4,330,400

DEVELOPMENT SERVICES

2013-14 Actual	\$3,365,902
2014-15 Actual	2,952,975
2015-16 Budget	2,371,600
2016-17 Adopted	3,619,600

PUBLIC WORKS

2013-14 Actual	\$8,902,113
2014-15 Actual	10,209,731
2015-16 Budget	11,684,600
2016-17 Adopted	12,087,000

MANAGEMENT SERVICES

2013-14 Actual	\$1,657,809
2014-15 Actual	1,921,975
2015-16 Budget	1,598,900
2016-17 Adopted	1,646,400

COMMUNITY SERVICES

2013-14 Actual	\$2,980,123
2014-15 Actual	3,604,457
2015-16 Budget	3,523,200
2016-17 Adopted	3,712,100

POLICE SERVICES

2013-14 Actual	\$13,111,937
2014-15 Actual	14,227,927
2015-16 Budget	15,321,700
2016-17 Adopted	16,492,100

VEHICLE REPLACEMENT

2013-14 Actual	\$92,942
2014-15 Actual	48,673
2015-16 Budget	30,000
2016-17 Adopted	60,000

FUND ANALYSIS-OPERATING BUDGET

Following is a discussion of some of the City's larger funds with material activity budgeted in Fiscal Year 2016-17. Capital project funds are excluded as they are governed by biennial capital budgets.

GENERAL FUND

Revenues are projected at \$44.2 million (an increase of \$3.2 million or 7.8% from the Fiscal Year 2015-16 adopted budget). This increase is primarily due to building activity in the Opportunity Study Area and increases in certain revenue sources. More information regarding these increases is described in the revenue section above.

Operating expenditures are projected at \$42.9 million as compared to the Fiscal Year 2015-16 adopted budget amount of \$40.1 million (an increase of \$2.8 million or 6.6%). This increase is primarily due to building activity in the Opportunity Study Area and normal departmental activity and changes in contracts.

Net interfund transfers out are projected at -\$0.1 million as compared to the Fiscal Year 2015-16 adopted budget amount of -\$5.8 million. In Fiscal Year 2016-17, net transfers provide adjustments for Reserves (-\$0.1 million).

This fund is expected to have available fund balances of \$19.1 million at the end of the year, with General Fund reserves fully funded.

GAS TAX FUND

Revenues are projected at \$1.6 million, comparable to the Fiscal Year 2015-16 budget of \$1.7 million. Expenditures are \$1.7 million. The continued decrease in revenues is attributed to the overall decline in the volume of gas being sold in the State. At the end of the year, it is expected that the fund will have \$1.3 million remaining fund balance.

MEASURE M FUND

Revenues are projected at \$1.4 million (an increase of \$0.1 million from the Fiscal Year 2015-16 adopted budget). Expenditures are \$1.4 million in the adopted 2015-2017 Capital Improvement Projects Budget for slurry seal and repaving projects. At the end of the year, it is expected that the fund will have \$0.3 million remaining fund balance.

AIR QUALITY IMPROVEMENT FUND

Revenues are projected to remain constant at \$0.1 million, the same as the Fiscal Year 2015-16 adopted budget. Expenditures are \$0.2 million in the adopted 2015-2017 Capital Improvement Projects Budget. This fund is expected to have available fund balances of \$0.2 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 2016-17 is the State COPS (Brulte) grant.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Entitlement revenues and expenditures are based on the Fiscal Year 2016-17 Draft Plan submitted to the Department of Housing and Urban Development and approved by the City Council. In addition, revenues and expenditures from the rehabilitation loan program are included.

HOUSING AUTHORITY FUND

The Authority's primary source of funding is transfers in from affordable housing fees. Revenues are projected to be \$11,800. Expenditures are \$69,700 for ongoing programs and projects. The primary mission of the Authority is to advance the goals and objectives of the City's Housing Element and the Consolidated Plan.

FINANCING AUTHORITY FUND - CERTIFICATES OF PARTICIPATION

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

RESERVE FUNDS

In accordance with the Reserve Policy adopted by the City Council in February 2007, three types of reserves were established: 1) Undesignated (2/3 of 40% of General Fund revenues), 2) Economic Contingency (1/3 of 40% of General Fund revenues), and 3) Emergency Services. The projected balances at June 30, 2017, are as follows:

General Fund - Undesignated	\$ 11.8 million
Economic Contingency	5.9 million
Emergency Services	3.0 million

SUMMARY OF REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances		Revenues less Expenditures			Transfers/Loans		Available Fund Balances June 30, 2017
	July 1, 2016		Total					
	Revenues	Operating	Capital	Expenditures	Total	Revenues less Expenditures	Transfers/Loans	
General Fund	\$17,901,900	\$44,188,700	\$0	\$42,854,700	\$42,854,700	\$1,334,000	(\$126,800)	\$19,109,100
Special Revenue Funds:								
Gas Tax	1,395,700	1,653,800	45,000	1,704,800	(51,000)	-	-	1,344,700
Measure M	328,800	1,354,200	1,418,000	1,418,000	(63,800)	-	-	265,000
Measure M Senior Mobility Grant	63,000	70,600	-	67,700	2,900	-	-	65,900
Air Quality Improvement	308,100	104,100	131,300	47,500	178,800	(74,700)	-	233,400
Suppl. Law Enforcement Grant	-	125,000	-	125,000	-	-	-	-
Beverage Recycling Grant	4,300	21,500	-	20,000	1,500	-	-	5,800
Waste Recycling Grant	-	41,000	-	41,000	-	-	-	-
Asset Forfeitures	600	-	-	-	-	-	-	600
CDBG	132,000	399,100	153,100	378,000	531,100	(132,000)	-	-
Housing Authority	314,700	11,800	-	69,700	69,700	(57,900)	-	256,800
Special Revenue Subtotal	2,547,200	3,781,100	1,747,400	2,408,700	4,156,100	(375,000)	-	2,172,200
Debt Service Fund:								
Financing Authority	-	-	-	1,084,000	1,084,000	(1,084,000)	1,084,000	-
Total Operating Budget	20,449,100	47,969,800	1,747,400	46,347,400	48,094,800	(125,000)	957,200	21,281,300
Capital Funds:								
City Facilities Fee Maintenance	1,408,800	491,700	-	-	-	491,700	-	1,900,500
Capital Improvement Projects	6,944,200	1,238,400	1,388,200	1,388,200	(149,800)	(1,084,000)	-	5,710,400
Park Development/Const.	1,829,200	1,231,300	-	-	1,231,300	-	-	3,060,500
Affordable Housing Capital Projects	2,469,400	977,200	-	-	977,200	-	-	3,446,600
OSA Capital Projects	28,075,100	7,828,700	2,200,000	2,200,000	5,628,700	-	-	33,703,800
City Facilities Capital Projects	6,607,000	3,818,100	-	-	3,818,100	-	-	10,425,100
Lake Forest Transportation Mitigation	4,240,300	1,286,100	516,200	516,200	769,900	-	-	5,010,200
Subtotal	51,574,000	16,871,500	4,104,400	4,104,400	12,767,100	(1,084,000)	-	63,257,100
Reserve Funds:								
General (Designated)	950,900	-	-	-	-	-	-	950,900
General (Undesignated)	11,699,100	-	-	-	-	-	84,500	11,783,600
Economic Contingency	5,849,600	-	-	-	-	-	42,300	5,891,900
Emergency Services	3,000,000	-	-	-	-	-	-	3,000,000
Subtotal	21,499,600	-	-	-	-	-	126,800	21,626,400
Internal Service Fund:								
Vehicle Replacement	497,300	62,700	-	60,000	2,700	-	-	500,000
Subtotal All City Funds	94,020,000	64,904,000	5,851,800	46,407,400	52,259,200	12,644,800	-	106,664,800
Grand Total All Funds	\$94,020,000	\$64,904,000	\$5,851,800	\$46,407,400	\$52,259,200	\$12,644,800	\$0	\$106,664,800

SUMMARY OF FINANCIAL RESERVE FUNDS FISCAL YEAR 2016-17

Description	Balance June 30, 2016	Balance June 30, 2017
General (Designated):		
Cable Grant - Public Education and Government (PEG)	\$950,900	\$950,900
Total General (Designated)	\$950,900	\$950,900
General (Undesignated) ¹	11,699,100	11,783,600
Economic Contingency ²	5,849,600	5,891,900
Emergency Services ³	3,000,000	3,000,000
Total Financial Reserves	\$21,499,600	\$21,626,400

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

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

³ Per approved reserve level as of June 30, 2016

**CARRYOVER APPROPRIATIONS OVER \$100,000
FISCAL YEAR 2014-15 INTO FISCAL YEAR 2015-16**

Description	Fund	Carryover Appropriation
Teed Street Storm Drain Improvements	Capital Improvement Projects	\$556,768
Portola Streetscape	Capital Improvement Projects	110,765
Saddleback Ranch Traffic Enhancements	Capital Improvement Projects	1,323,252
Street Repaving and Slurry Seal	Capital Improvement Projects	122,920
ADA Phase VIII	Capital Improvement Projects	174,715
Portola Center Park	Capital Improvement Projects	282,318
Village Pond Park	Capital Improvement Projects	101,748
	Total Appropriations Over \$100,000	<u>\$2,672,486</u>
	Total Carryover Appropriations	<u>\$2,959,838</u>

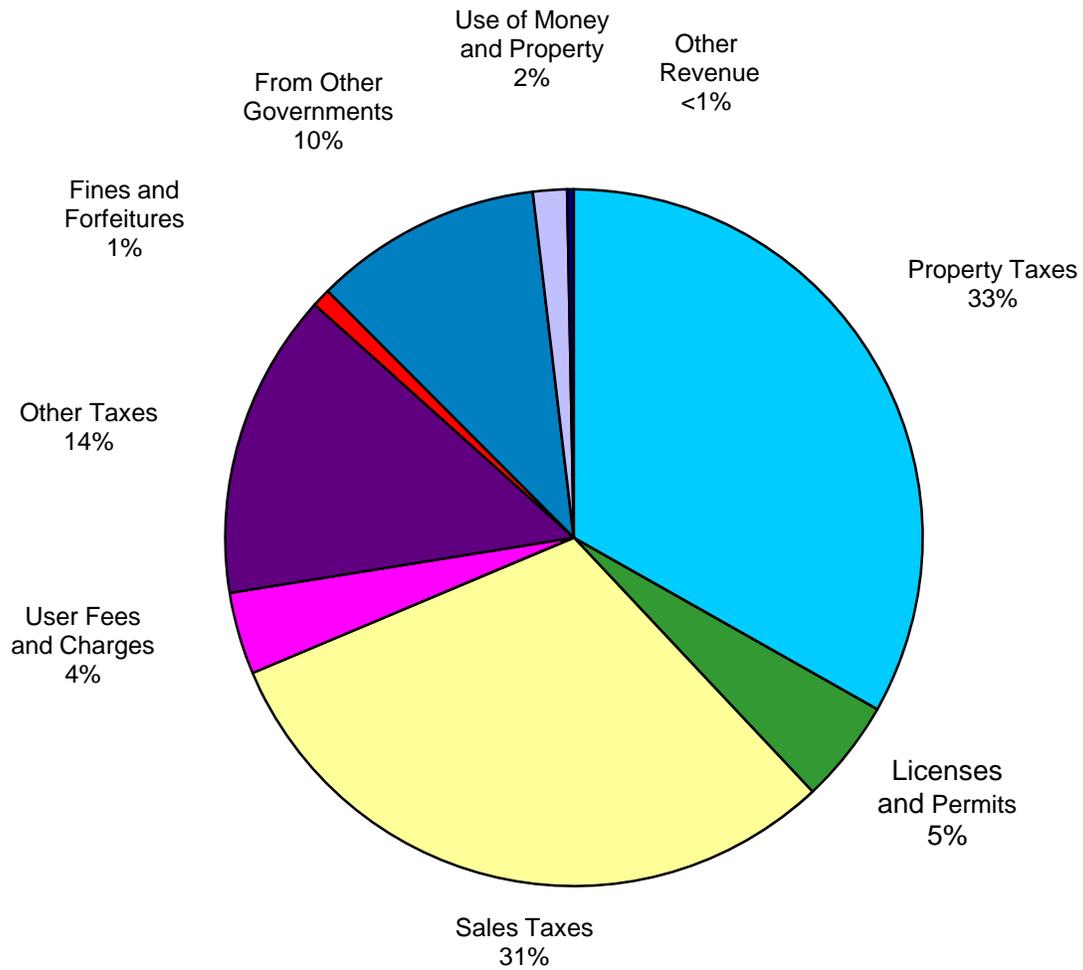
¹These carryover appropriations were approved by the City Council on December 5, 2015.

SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Property Taxes	\$14,560,685	\$14,983,662	\$14,975,200	\$15,927,400
Sales Tax	13,333,699	13,810,581	14,778,000	14,700,000
Other Taxes	5,937,198	6,599,824	6,334,500	6,810,000
Licenses and Permits	2,640,893	2,200,372	1,756,300	2,302,500
From Other Governments	4,328,316	4,412,815	4,518,800	5,080,900
User Fees and Charges	36,342,936	21,655,740	16,741,300	18,763,700
Fines and Forfeitures	585,640	445,789	385,000	415,000
Use of Money and Property	396,717	307,129	334,200	757,300
Other Revenue	1,395,957	424,159	796,000	147,200
Total All Funds	79,522,041	64,840,071	60,619,300	64,904,000
Less Capital Project Revenues	(34,404,409)	(19,179,493)	(15,637,400)	(16,934,200)
Grand Total All City Operating Funds	\$45,117,632	\$45,660,578	\$44,981,900	\$47,969,800

SUMMARY OF REVENUES - ALL FUNDS¹

Fiscal Year 2016-17



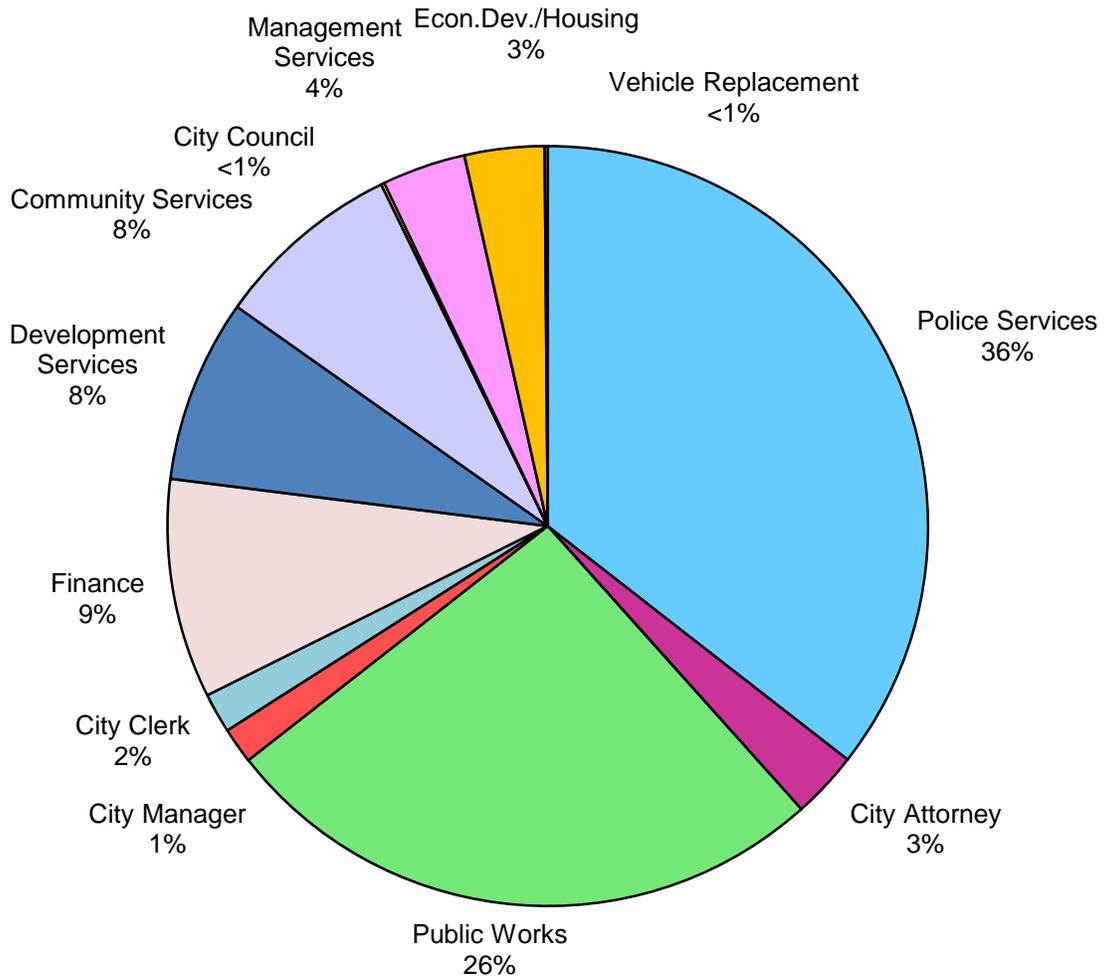
¹ Excludes all revenues in capital projects funds

SUMMARY OF EXPENDITURES BY DEPARTMENT

Department	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
City Council	\$66,481	\$68,535	\$67,300	\$67,100
City Manager	672,325	747,617	694,700	712,700
City Clerk	498,181	615,721	662,900	787,900
Economic Development/ Community Preservation	1,287,618	1,399,347	1,465,600	1,574,100
City Attorney	1,061,203	963,070	1,318,000	1,318,000
Finance	4,586,419	3,889,696	5,130,300	4,330,400
Development Services	3,365,902	2,952,975	2,371,600	3,619,600
Public Works	8,902,113	10,209,731	11,684,600	12,087,000
Management Services	1,657,809	1,921,975	1,598,900	1,646,400
Community Services	2,980,123	3,604,457	3,523,200	3,712,100
Police Services	13,111,937	14,227,927	15,321,700	16,492,100
Vehicle Replacement	92,942	48,673	30,000	60,000
Total Operating Expenditures	38,283,053	40,649,724	43,868,800	46,407,400
Capital Projects	35,027,954	12,118,353	8,970,300	5,851,800
Grand Total All City Funds	<u>\$73,311,007</u>	<u>\$52,768,077</u>	<u>\$52,839,100</u>	<u>\$52,259,200</u>

SUMMARY OF EXPENDITURES BY DEPARTMENT¹

Fiscal Year 2016-17



¹ Excludes capital improvement projects

PERSONNEL SUMMARY

Department	2014-15 Authorized		2015-16 Authorized		2016-17 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<u>City Manager:</u>						
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 Assistant	–		1		1	
Subtotal	<u>3.4</u>	<u>0</u>	<u>4.4</u>	<u>0</u>	<u>4.4</u>	<u>0</u>
<u>City Clerk: ²</u>						
City Clerk	1		1		1	
Assistant City Clerk	1		1		1	
Administrative Specialist	0.8		1		1	
Records Specialist	1		1		1	
Senior Office Specialist ¹	–		1		1	
Subtotal	<u>3.8</u>	<u>0</u>	<u>5</u>	<u>0</u>	<u>5</u>	<u>0</u>
<u>Economic Development/ Community Preservation:</u>						
Assistant City Manager/Director of Economic Development/ Community Preservation	0.6		0.6		0.6	
Economic Development/ Housing Manager	1		1		1	
Economic Development Manager Housing Manager	–		–		–	
Public Safety Manager	0.25		0.25		0.25	
Code Enforcement Supervisor	1		1		1	
Management Aide	1		1		1	
Management Analyst	–		–		1	
Management Assistant	1		1		–	
Code Enforcement Officer	2		2		2	
Community Preservation Technician	1		1		1	
Administrative Specialist	1		1		1	
Intern		1,560		1,560		1,560
Subtotal	<u>8.85</u>	<u>1,560</u>	<u>8.85</u>	<u>1,560</u>	<u>8.85</u>	<u>1,560</u>

PERSONNEL SUMMARY

Department	2014-15 Authorized		2015-16 Authorized		2016-17 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<u>Finance:</u>						
Deputy City Manager / Director of Finance / City Treasurer	-		1		1	
Director of Finance/City Treasurer	1		-		-	
Accounting Manager	1		1		1	
Senior Accountant	1		1		1	
Management Analyst	-		1		1	
Accountant	1	1,450	1	1,040	1	1,040
Human Resources Technician	0.45		-		-	
Senior Accounting Technician	-		1		1	
Accounting Technician	1		1		1	
Administrative Specialist	1		-		-	
Subtotal	<u>6.45</u>	<u>1,450</u>	<u>7</u>	<u>1,040</u>	<u>7</u>	<u>1,040</u>
<u>Development Services:</u>						
Director of Development Services	1		1		1	
Planning Manager	1		1		1	
Principal Planner	-		1		-	
Senior Planner	2		1		2	
Associate Planner	1		1		1	
Assistant Planner	1		1		1	
Administrative Specialist	1		1		1	
Records Specialist		1,040		1,040		1,040
Senior Office Specialist ¹	1		-		-	
Senior Building Permit Technician	1		1		1	
Intern		1,040		1,040		1,040
Subtotal	<u>9</u>	<u>2,080</u>	<u>8</u>	<u>2,080</u>	<u>8</u>	<u>2,080</u>
<u>Public Works:</u>						
Director of Public Works/ City Engineer	1		1		1	
Engineering Services Manager/ Assistant City Engineer	1		1		1	
Public Works Manager	1		1		1	
Public Works Supervisor	-		-		-	
Traffic Engineering Manager	1		1		1	
Principal Civil Engineer	1		1		1	

PERSONNEL SUMMARY

Department	2014-15 Authorized		2015-16 Authorized		2016-17 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<u>Public Works (continued):</u>						
Water Quality Administrator	1		-		-	
Environmental Manager	-		1		1	
Water Quality Inspector	1		1		1	
Street Maintenance Inspector	-		1		1	
Accountant	1		-		-	
Administrative Specialist	1		1		1	
Engineering Technician	1		1		1	
Senior Landscape Inspector	1		1		1	
Landscape Inspector	2		1		1	
Management Analyst	1		1		1	
Management Assistant	-		1		1	
Management Aide	-		1		1	
Intern		1,040		1,040		1,040
Senior Office Specialist	1		-		-	
Subtotal	<u>15</u>	<u>1,040</u>	<u>15</u>	<u>1,040</u>	<u>15</u>	<u>1,040</u>
<u>Management Services: ²</u>						
Deputy City Manager/Director of Management Services	1		-		-	
Director of Management Services	-		1		1	
Management Analyst	1		2		2	
Records System Coordinator	1		-		-	
GIS/Applications Technician	-		1		-	
GIS/Applications Analyst	-		-		1	
Information Technology Manager	1		1		1	
Administrative Services Manager	1		-		-	
Human Resources Technician	0.55		-			1,300
Administrative Specialist	0.2		-		-	
Senior Intern		1,040		-		-
Intern		1,040		1,040		1,040
Subtotal	<u>5.75</u>	<u>2,080</u>	<u>5</u>	<u>1,040</u>	<u>5</u>	<u>2,340</u>
<u>Community Services:</u>						
Director of Community Services	1		1		1	
Recreation Manager	2		2		2	
Administrative Specialist	1		1		1	

PERSONNEL SUMMARY

Department	2014-15 Authorized		2015-16 Authorized		2016-17 Authorized	
	Full Time	Part Time Hours	Full Time	Part Time Hours	Full Time	Part Time Hours
<u>Community Services (continued):</u>						
Senior Recreation Supervisor	-		2		2	
Recreation Center Supervisor	2		-		-	
Recreation Supervisor	-		3		4	
Senior Recreation Coordinator	2		-		-	
Recreation Coordinator		7,000		6,000		4,800
Senior Office Specialist	1		-		-	
Recreation Specialist		8,100		13,925		13,925
Senior Recreation Leader		19,100		19,000		19,100
Recreation Leader		18,900		19,900		20,800
Facilities Maintenance Specialist	1		1		1	
Subtotal	<u>10</u>	<u>53,100</u>	<u>10</u>	<u>58,825</u>	<u>11</u>	<u>58,625</u>
<u>Police Services:</u>						
Public Safety Manager	<u>0.75</u>		<u>0.75</u>		<u>0.75</u>	
Subtotal	<u>0.75</u>	<u>0</u>	<u>0.75</u>	<u>0</u>	<u>0.75</u>	<u>0</u>
City Total	<u><u>63</u></u>	<u><u>61,310</u></u>	<u><u>64</u></u>	<u><u>65,585</u></u>	<u><u>65</u></u>	<u><u>66,685</u></u>

¹ Transferred to City Clerk in Fiscal Year 2015-16

² In Fiscal Year 2015-16, the City Clerk's Office becomes a separate department as a result of the structural modification to the City's Organizational Chart. The City Clerk activity is reflected retroactively in the City Clerk Department.

Section Three

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COMBINED PROGRAM REVENUES

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
General Fund				
Taxes				
Property Taxes - City:				
Secured	\$7,371,816	\$7,545,426	\$7,241,300	\$7,785,000
Unsecured	231,414	253,925	225,000	250,000
Supplemental	294,805	189,614	300,000	200,000
Prior Year	71,302	59,322	70,000	60,000
Homeowners' Exemptions	50,032	49,031	50,000	50,000
Penalties and Interest	21,801	18,891	21,000	18,000
Other Revenues	38,431	28,211	30,900	30,000
Property Taxes - Lighting District:				
Secured	634,499	637,989	626,700	650,000
Unsecured	18,088	19,936	17,000	19,000
Supplemental	12,337	14,663	11,000	14,000
Prior Year	5,580	4,639	5,500	4,000
Homeowners' Exemptions	3,897	3,847	3,800	3,800
Penalties and Interest	1,629	1,403	1,600	1,400
Other Revenues	2,335	2,279	2,000	2,200
Property Taxes - Motor				
Vehicle In-Lieu Backfill	5,802,719	6,154,486	6,369,400	6,840,000
Sales and Use Taxes	9,926,485	10,553,770	14,778,000	14,700,000
Sales Tax Triple Flip	3,407,214	3,256,811	-	-
Transient Occupancy Tax	3,140,515	3,406,661	3,315,000	3,550,000
Real Property Transfer Tax	438,544	572,957	484,500	600,000
Gaming Tax	19,902	59,104	55,000	60,000
Franchise Fees	2,338,237	2,561,102	2,480,000	2,600,000
Subtotal	33,831,582	35,394,067	36,087,700	37,437,400
Licenses and Permits				
Building Permit Fees	2,638,793	2,197,622	1,753,800	2,300,000
Sign Permits	2,100	2,750	2,500	2,500
Subtotal	2,640,893	2,200,372	1,756,300	2,302,500
From Other Governments				
Excess DMV Fees	-	32,432	30,000	32,000
CTFP Funds	49,146	-	-	-
Project S Local Match	1,070	1,043	1,000	1,000
Project V Local Match	242	3,272	300	300
Waste Disposal Agreement	-	-	-	132,200

COMBINED PROGRAM REVENUES

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Hazardous Waste Drop				
Box Grant	76	-	-	-
Subtotal	50,534	36,747	31,300	165,500
<i>User Fees and Charges</i>				
Plan Check Fees	553,335	437,580	446,200	500,000
Fire Plan Check Fees	4,770	4,591	4,000	4,000
Planning/Zoning Fees	609,110	250,181	200,000	400,000
Massage Permit Fees	1,100	-	1,500	4,500
Engineering Fees	972,382	1,201,162	1,124,600	1,589,200
Park Reservation Fees	7,519	69,401	11,000	11,000
Recreation Fees	30,884	41,242	33,000	42,000
Facility Rentals	2,236	2,605	3,500	2,600
Teen Programs	7,891	22,594	16,000	23,000
Senior Programs	13,976	23,357	19,000	24,000
Excursions	7,002			
Recreation Classes	88,717	112,181	92,000	113,000
Youth Programs	58,774	81,957	58,000	82,000
Sports Programs	-	44,472	49,100	49,100
Sports Tournaments	-	-	-	8,500
Sports Field Reservation	-	-	-	50,000
Kids Factory Fees	-	25,489	30,000	30,000
Passport Fees	9,001	19,212	10,000	20,000
Filming Fees	250	75	200	2,500
Classes	15,802	14,043	12,500	14,100
Contests	-	525	1,500	1,500
Camps	45,083	41,464	32,000	42,000
Skate Park Programs	13,054	19,776	17,000	20,000
Non-Resident Card Fees	32,840	58,335	41,000	59,000
Merchandise Sales	36,626	35,895	35,000	36,000
Coca-Cola Revenues	279	186	100	100
Sponsorships	5,920	3,055	2,000	3,000
Notary Fees	180	50	100	100
Imaging Fees	27,069	23,950	20,000	24,000
Copies and Maps	351	83	300	100
Subtotal	2,544,151	2,533,461	2,259,600	3,155,300
<i>Fines and Forfeitures</i>				
Motor Vehicles Code Fines	298,332	293,609	275,000	290,000

COMBINED PROGRAM REVENUES

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Local Ordinance Violations	287,308	152,180	110,000	125,000
Subtotal	585,640	445,789	385,000	415,000
<i>Use of Money and Property</i>				
Leases	121,002	120,780	125,200	121,000
Interest Income	179,052	146,201	200,000	452,000
Subtotal	300,054	266,981	325,200	573,000
<i>Other Revenue</i>				
Successor Agency				
Reimbursements	284,225	-	-	-
State Mandated Claims	48,927	156,914	59,000	59,000
Legal Settlements	133,907	13,536	6,000	6,000
Reimbursements	18,461	2,437	-	-
Insurance Proceeds	1,939	259	-	-
Shop and Dine	26,756	22,584	-	25,000
Donations	303	-	-	-
Senior Donations	110	100	-	-
Other Revenue	132,902	117,001	100,000	50,000
Subtotal	647,530	312,831	165,000	140,000
General Fund Total	40,600,384	41,190,248	41,010,100	44,188,700
Special Revenue Funds				
<i>Gas Tax Fund</i>				
Section 2105	517,450	469,117	452,200	500,100
Section 2106	261,119	304,199	237,900	248,900
Section 2107	550,584	604,105	618,200	694,500
Section 2107.5	7,500	15,000	7,500	7,500
Section 2103	1,042,064	837,376	358,500	188,900
Interest Income	2,770	5,333	2,000	13,900
Reimbursements	32,772	-	-	-
Subtotal	2,414,259	2,235,130	1,676,300	1,653,800
<i>Measure M Fund</i>				
Turnback Allocation	1,151,398	1,211,330	1,338,500	1,348,800
Interest Income	1,424	937	1,400	5,400
Reimbursements	48,000	-	-	-
Subtotal	1,200,822	1,212,267	1,339,900	1,354,200

COMBINED PROGRAM REVENUES

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<i>Measure M Senior</i>				
<i>Mobility Program</i>				
OCTA Senior Mobility Grant	59,698	62,114	65,200	65,200
Fare Revenue	1,807	4,932	1,700	5,000
Interest Income	116	184	100	400
Subtotal	61,621	67,230	67,000	70,600
 <i>Air Quality Improvement Fund</i>				
Air Quality Management				
District Fees	97,397	98,189	95,700	99,700
Interest Income	1,863	2,125	1,500	4,400
Subtotal	99,260	100,314	97,200	104,100
 <i>Police Grants Fund</i>				
Brulte/Justice Assistance				
Grants	133,385	156,802	136,700	125,000
Subtotal	133,385	156,802	136,700	125,000
 <i>Beverage Recycling Fund</i>				
Beverage Grant	20,748	-	21,500	21,500
Subtotal	20,748	-	21,500	21,500
 <i>Waste Recycling Fund</i>				
Waste Grant	40,000	40,000	40,000	41,000
Subtotal	40,000	40,000	40,000	41,000
 <i>Asset Forfeitures Fund</i>				
Asset Forfeitures	12,433	-	-	-
Interest Income	190	-	-	-
Subtotal	12,623	-	-	-
 <i>Community Development</i>				
<i>Block Grant Fund</i>				
Entitlement Grant	384,006	577,836	462,200	399,100
Interest Income	-	8	-	-
Loan Interest	444	301	-	-
Subtotal	384,450	578,145	462,200	399,100

COMBINED PROGRAM REVENUES

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<i>Housing Authority Fund</i>				
Interest Income	319	842	-	4,600
Loan Repayment	71,056	-	-	-
Other Revenue	71,827	72,566	123,800	-
Reimbursements	6,878	7,034	7,200	7,200
Subtotal	150,080	80,442	131,000	11,800
Special Revenue				
Funds Total	4,517,248	4,470,330	3,971,800	3,781,100
Capital Projects Funds				
<i>Capital Improvement</i>				
<i>Projects Fund</i>				
Orange County				
Transportation Authority				
Grants:				
CTFP	-	-	653,400	425,200
APM Federal	-	-	-	750,000
County Grants:				
FCPP	1,392,293	954,772	-	-
Interest Income	9,439	10,156	-	63,200
Reimbursements	429,866	-	-	-
Other Revenue	120,000	-	500,000	-
Subtotal	1,951,598	964,928	1,153,400	1,238,400
<i>Opportunities Study Area</i>				
<i>Capital Projects Fund</i>				
Impact Fees	29,346,691	10,008,788	8,989,800	7,828,700
Reimbursements	39,084	31,728	-	-
Subtotal	29,385,775	10,040,516	8,989,800	7,828,700
<i>City Facilities</i>				
<i>Capital Projects Fund</i>				
Impact Fees	-	3,621,739	2,598,300	3,787,300
Interest Income	-	-	-	30,800
Subtotal	-	3,621,739	2,598,300	3,818,100

COMBINED PROGRAM REVENUES

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<i>Affordable Housing Capital Improvement Projects Fund</i>				
Impact Fees	71,042	951,277	666,500	964,100
Interest Income	2,605	4,494	2,500	13,100
Subtotal	73,647	955,771	669,000	977,200
<i>Park Development/ Construction Fund</i>				
Impact Fees	360,990	1,510,008	1,097,000	1,209,100
Interest Income	3,437	6,501	1,500	22,200
Subtotal	364,427	1,516,509	1,098,500	1,231,300
<i>City Facilities Fee Maintenance Fund</i>				
Impact Fees	387,039	1,109,383	299,500	491,700
Subtotal	387,039	1,109,383	299,500	491,700
<i>LFTM Intersection Improvement Fund</i>				
Impact Fees	2,208,923	898,680	766,200	1,259,800
Interest Income	-	7,267	-	26,300
Subtotal	2,208,923	905,947	766,200	1,286,100
Capital Projects Funds Total				
	34,371,409	19,114,793	15,574,700	16,871,500
<i>Internal Service Fund</i>				
Vehicle Replacement Charges	30,000	62,700	62,700	62,700
Gain on Sale of Fixed Asset	3,000	2,000	-	-
Subtotal	33,000	64,700	62,700	62,700
Internal Service Fund Total				
	33,000	64,700	62,700	62,700
Grand Total All Funds				
	\$79,522,041	\$64,840,071	\$60,619,300	\$64,904,000

Section Four

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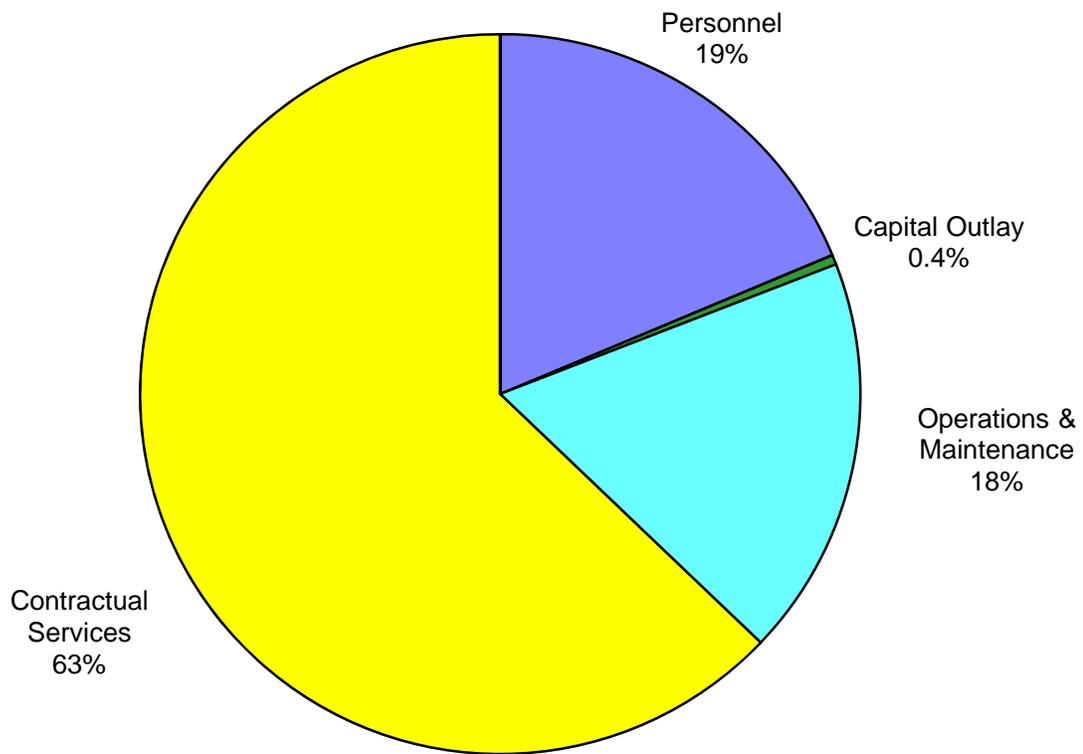
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SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY

Department	Personnel	Operations & Maintenance	Contract Services	Capital Outlay	Totals
City Council	\$35,800	\$30,300	\$1,000	\$0	\$67,100
City Manager	686,100	26,600	-	-	712,700
City Clerk	465,200	167,700	155,000		787,900
Economic Development/ Community Preservation	939,900	76,900	557,300	-	1,574,100
City Attorney	-	-	1,318,000	-	1,318,000
Finance	860,100	3,302,800	167,500	-	4,330,400
Development Services	1,009,400	95,200	2,515,000	-	3,619,600
Public Works	1,821,000	2,556,600	7,709,400	-	12,087,000
Management Services	671,700	322,400	528,300	124,000	1,646,400
Community Services	2,080,200	1,539,200	76,400	16,300	3,712,100
Police Services	105,200	237,900	16,149,000	-	16,492,100
Vehicle Replacement	-	-	-	60,000	60,000
TOTALS	\$8,674,600	\$8,355,600	\$29,176,900	\$200,300	\$46,407,400

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY¹ Fiscal Year 2016-17



¹ Excludes capital improvement projects

CITY COUNCIL

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Provided policy level guidance for Opportunities Study public and private projects including:
 - Development of the Lake Forest Civic Center and Senior Center
 - Mapping requirements for private development
 - Negotiation of any Development Agreements or amendments as necessary
 - Coordination of public services for new communities
2. Continued to provide policy direction relating to traffic coordination, synchronization, and circulation projects.
3. Continued to provide policy level direction regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
4. Continued to provide policy level direction and authorization in the disposition and development of Housing Authority assets.
5. Supported and provided policy direction regarding the City's various economic development efforts, including the Business Development and Attraction Program.
6. Provided policy level direction regarding proposed legislation that could potentially impact the City and support bills that may enhance the quality of life in Lake Forest.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

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

CITY COUNCIL BUDGET OVERVIEW

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$35,500	\$36,991	\$35,700	\$35,800
Operations and Maintenance	26,933	31,094	30,600	30,300
Contract Services	-	450	1,000	1,000
Capital Outlay	4,048	-	-	-
Activity Total	\$66,481	\$68,535	\$67,300	\$67,100
 Funding Source:				
General Fund	\$66,481	\$68,535	\$67,300	\$67,100

CITY COUNCIL BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
City Council/Board Members (5)	\$32,947	\$34,572	\$33,800	\$33,800
Medicare	469	493	500	500
Retirement	2,084	1,926	1,400	1,500
Subtotal	35,500	36,991	35,700	35,800
<u>Operations and Maintenance:</u>				
Travel, Conferences, Meetings	15,707	14,070	18,100	18,100
Operating Supplies	1,754	537	1,500	1,500
Special Supplies	4,472	5,980	-	-
Printing and Duplicating	-	271	-	-
Subscriptions and Books	-	-	700	700
Telephone and Other	-	236	300	-
Computer Maintenance and Supply	5,000	10,000	10,000	10,000
Subtotal	26,933	31,094	30,600	30,300
<u>Contract Services:</u>				
Miscellaneous	-	450	1,000	1,000
Subtotal	-	450	1,000	1,000
<u>Capital Outlay:</u>				
Equipment	4,048	-	-	-
Subtotal	4,048	-	-	-
Activity Total ¹	\$66,481	\$68,535	\$67,300	\$67,100

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

CITY MANAGER

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Provided executive oversight and strategic guidance for Opportunities Study public and private projects including:
 - Development of the Lake Forest Civic Center and Senior Center
 - Mapping requirements for private development
 - Negotiation and Implementation of Development Agreements
 - Creation of community facilities districts as necessary
 - Coordination of public services for new communities
2. Provided executive oversight relating to traffic coordination, synchronization, and circulation projects.
3. Provided executive leadership relating to the development of various agenda reports and policy research as requested by the City Council.
4. Monitored and participated in the County's design and construction process for the expansion of the James A. Musick Jail Facility.
5. Provided executive oversight regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
6. Provided executive oversight in the development of future park sites.
7. Continued overseeing management of the City's Ask Lake Forest system.
8. Continued providing executive oversight in the disposition and development of Housing Authority assets.
9. Continued providing executive oversight regarding the City's various economic development efforts, including the Business Development and Attraction Program.
10. Monitored proposed legislation that could potentially impact the City and recommended legislative positions to the City Council to support or oppose bills as appropriate.
11. Advanced negotiations with Irvine Ranch Water District regarding dedicated property for the Civic Center.
12. Hired Project Architect and Construction Manager for the Civic Center Project.

13. Initiated the Design Process for the Civic Center Project, including gathering public input.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Continue to provide executive oversight and strategic guidance for Opportunities Study public and private projects including:
 - Development of the Lake Forest Civic Center and Senior Center
 - Mapping requirements for private development
 - Negotiation of Development Agreements as necessary
 - Creation of community facilities districts as necessary
 - Coordination of public services for new communities
2. Provide executive oversight relating to the development of the Comprehensive General Plan Update Project.
3. Continue to provide executive oversight relating to traffic coordination, synchronization, and circulation projects.
4. Continue to provide executive leadership relating to development of various agenda reports and research as requested by the City Council.
5. Continue to monitor and participate in the County's design and construction process for the expansion of the James A. Musick Jail Facility.
6. Continue to provide executive oversight regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
7. Continue to provide executive oversight in the development future park sites, including Whispering Hills and Portola Park.
8. Continue to oversee the management of the City's Ask Lake Forest system.
9. Continue to provide executive oversight in the disposition and development of Housing Authority assets.
10. Continue to provide executive oversight regarding the City's various economic development efforts, including the Business Development and Attraction Program.
11. Continue to monitor proposed legislation that could potentially impact the City and recommend legislative positions to the City Council to support or oppose bills as appropriate.

**CITY MANAGER
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$625,499	\$697,210	\$669,900	\$686,100
Operations and Maintenance	14,633	16,536	24,800	26,600
Contract Services	32,193	33,871	-	-
Activity Total	\$672,325	\$747,617	\$694,700	\$712,700
Funding Source:				
General Fund	\$672,325	\$747,617	\$694,700	\$712,700
Total Positions:				
Full-Time	3.4	3.4	4.4	4.4

PERFORMANCE MEASURES

Description	Actual <u>2014-15</u>	Adopted Budget <u>2015-16</u>	Adopted Budget <u>2016-17</u>
*Resident Requests			
Ask Lake Forest Ticket Responses (City Manager)	195	230	240
Average # Calendar Days to Close out Tickets (City Manager)	5	5	5
Ask Lake Forest Tickets Reviewed (All Departments)	1,087	1,600	1,600
Average # Calendar Days to Close out Tickets (All Departments)	2	2	2
*City Council Agenda Preparation			
Agenda Reports Reviewed and Approved	365	310	300
City Council-Initiated Items Presented	13	21	22
*Legislative Program			
Legislative Bills Reviewed/Analyzed	20	26	30
State Legislative Bills Presented to City Council	6	8	10
Efficiency			
% of Departmental Objectives Accomplished	90%	95%	95%
*Effectiveness			
% Resident Satisfaction with City Services	90%	90%	90%

*New Performance Measure Categories for Fiscal Year 2016-2017

CITY MANAGER BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$514,820	\$582,721	\$537,900	\$552,000
Medicare	7,023	8,029	7,800	8,000
Retirement	52,898	56,377	45,600	47,500
Health Insurance	50,758	50,083	78,600	78,600
Subtotal	<u>625,499</u>	<u>697,210</u>	<u>669,900</u>	<u>686,100</u>
<u>Operations and Maintenance:</u>				
Memberships and Dues	1,400	1,885	2,000	2,100
Training and Education	-	-	200	300
Travel, Conferences, Meetings	3,634	3,677	9,200	11,000
Auto Allowance	9,115	8,916	12,300	12,300
Mileage Reimbursement	7	-	300	300
Operating Supplies	110	17	100	200
Printing and Duplicating	43	52	100	100
Postage and Deliveries	-	-	100	100
Subscriptions and Books	99	99	200	200
Software Licenses/Maintenance	225	1,890	300	-
Subtotal	<u>14,633</u>	<u>16,536</u>	<u>24,800</u>	<u>26,600</u>
<u>Contract Services:</u>				
Miscellaneous	32,193	33,871	-	-
Subtotal	<u>32,193</u>	<u>33,871</u>	<u>-</u>	<u>-</u>
Activity Total	<u>\$672,325</u>	<u>\$747,617</u>	<u>\$694,700</u>	<u>\$712,700</u>

CITY CLERK

DEPARTMENT DESCRIPTION

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

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Chartered one "Little Free Library" to increase civic engagement.
2. Implemented electronic recording of documents in partnership with the Orange County Clerk-Recorder.
3. Redesigned user interface portal to provide greater search capability and improved access of public documents through LakeForestRecords.com.
4. Updated City's Records Retention Resolution.
5. Developed curriculum for future "Youth in Government" Day in partnership with the Saddleback Valley Unified School District.
6. Substantially completed archive scanning of interdepartmental historical records to achieve 75% digital retention of public documents.
7. Created both physical and digital Opportunities Study Area centralized document repository.
8. Increased government transparency through the electronic filing of campaign finance reports, providing instant public access through the online records portal.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Continue archive scanning of interdepartmental historical records to achieve 100% digital retention of public documents.
2. Charter an additional “Little Free Library” to further increase civic engagement.
3. Coordinate voter registration drives and voter registration assistance at City facilities in conjunction with the Orange County Registrar of Voters to increase voter participation in the November, 2016 General Municipal Election.
4. Conduct the November, 2016 General Municipal Election.
5. Implement enterprise services marketing strategy to increase resident participation in the Passport Acceptance and Notary Public service opportunities.
6. Increase Department capabilities by providing a second fully-accredited Certified Municipal Clerk (CMC) to enhance professional level resources to the City Council, City staff, and community.
7. Automate the Commission application process to provide greater applicant customer service.
8. Implement Open Data Portal for Public Records Requests, increasing government transparency and providing enhanced customer service.

CITY CLERK BUDGET OVERVIEW

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$372,861	\$371,622	\$447,400	\$465,200
Operations and Maintenance	115,966	122,793	155,000	167,700
Contract Services	4,406	91,322	60,500	155,000
Capital Outlay	4,948	29,984	-	-
Activity Total	\$498,181	\$615,721	\$662,900	\$787,900
Funding Source:				
General Fund	\$498,181	\$615,721	\$662,900	\$787,900
Total Positions:				
Full-Time	4.0	3.8	5.0	5.0

PERFORMANCE MEASURES

<u>Description</u>	<u>Actual 2014-15</u>	<u>Adopted Budget 2015-16 ¹</u>	<u>Adopted Budget 2016-17</u>
<u>Service Delivery</u>			
# of passport applications received *		550	650
% of passport applications accepted by U.S. Department of State without errors*		100%	100%
% of City Hall Operating Hours with Available Notary Public Service*		85%	90%
<u>Public Records</u>			
# of public records requests received	685	600	700
% responded to within the regulations of the Public Records Act	100%	100%	100%
% responded to electronically via imaged records	87%	85%	90%
% of vital records (minutes, resolutions, ordinances, agreements) imaged within 10 days of signature	100%	100%	100%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2014-15</u>	<u>Adopted Budget 2015-16 ¹</u>	<u>Adopted Budget 2016-17</u>
<u>Open Government</u>			
% of Statements of Economic Interest filed by statutory deadline*		100%	100%
% of City Council meeting videos posted online within 24 hours*		90%	95%
% of City Council meeting actions posted online within 24 hours*		90%	95%

* New in FY 15-16

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

CITY CLERK BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$280,868	\$283,833	\$324,900	\$338,300
Overtime	1,930	1,905	3,200	5,200
Medicare	3,775	3,887	4,700	4,900
Retirement	27,896	27,345	26,600	28,800
Health Insurance	58,392	54,652	88,000	88,000
Subtotal	<u>372,861</u>	<u>371,622</u>	<u>447,400</u>	<u>465,200</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues ¹	61,102	59,565	62,000	62,000
Training and Education	1,817	1,883	4,400	4,400
Travel, Conferences, Meetings	1,224	1,035	7,200	7,200
Auto Allowance	3,012	3,012	4,800	4,800
Mileage Reimbursement	384	828	1,500	1,500
Operating Supplies	4,577	3,636	4,400	4,400
Special Supplies	-	-	7,000	7,000
Printing and Duplicating	194	-	1,300	1,300
Legal Advertising	9,046	13,301	18,000	21,000
Postage and Deliveries	513	68	2,100	2,100
Subscriptions and Books	1,512	490	2,100	2,100
Software Licenses/Maintenance	32,585	38,975	40,200	49,900
Subtotal	<u>115,966</u>	<u>122,793</u>	<u>155,000</u>	<u>167,700</u>
<u>Contract Services:</u>				
Elections	500	41,845	500	60,000
Citizens Academy ²	-	-	4,000	4,000
Codification	3,906	4,477	6,000	6,000
Records Management	-	45,000	50,000	85,000
Subtotal	<u>4,406</u>	<u>91,322</u>	<u>60,500</u>	<u>155,000</u>
<u>Capital Outlay:</u>				
Equipment	4,948	29,984	-	-
Subtotal	<u>4,948</u>	<u>29,984</u>	<u>-</u>	<u>-</u>
Activity Total	<u><u>\$498,181</u></u>	<u><u>\$615,721</u></u>	<u><u>\$662,900</u></u>	<u><u>\$787,900</u></u>

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

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

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Produced the fifth Shop & Dine Lake Forest Week, which featured over 400 businesses and 22 sponsors including the City's largest employers.
2. Held the fourth Taste of Lake Forest attended by over 3,000 community members (more than double last year's attendance), and resulting in a 45% increase in Taste ticket revenues.
3. Sold the Housing Authority's Saguaro fourplex to Families Forward, an affordable housing nonprofit, to rent the units to income-eligible families and maintain affordable rents for 55 years.
4. Enhanced the City's digital business presence with a Shop & Dine Lake Forest consumer mobile application featuring a business directory and coupon offers from participating Lake Forest businesses, and dedicated Economic Development Facebook and LinkedIn accounts to further promote Lake Forest's business amenities and promote Lake Forest as a proactive business partner.
5. Administered the City's contractual partnership with the Lake Forest Chamber of Commerce comprised of cosponsored business events (e.g., Meet the Mayor, Lake Forest Job Fair, Business Mixer, and the annual Secrets & Strategies for Business Success) and collaborative business marketing efforts promoting economic growth in Lake Forest.
6. Hosted the 2015 Lake Forest Business Appreciation Luncheon representing more than 30 of the City's top employers and top producing companies and held industry-specific Roundtable discussions to discuss marketing resources.
7. Enhanced marketing and promotion of Lake Forest hotels by creating a dedicated Lake Forest Hotel Video that promotes the hotels to tournament groups using the facilities at the Lake Forest Sports Park, enhancements to the Lake Forest Sports Park webpage including a new "Hotel Accommodations" webpage and dedicated short videos detailing each hotel's amenities.
8. Used the City's annual Community Development Block Grant to assist over 6,000 residents with social services including food and emergency shelter, health care services, and youth and senior programs.

9. Promoted housing and neighborhood preservation by providing eleven low income households with housing rehabilitation loans and exterior painting of nine low-income households.
10. Implemented the Administrative Citation Program resulting in more timely case resolution and a reduction in legal fees.
11. Managed approximately 600 Code Enforcement cases using a consistent, comprehensive and education-based approach, protecting public health, safety, aesthetics, and property values. Realized a closure rate of 86% for all cases received in Fiscal Year 2014-15.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Implement the Fiscal Year 2016-17 Business Development and Attraction Work Plan comprised of new and enhanced resources and programs designed to meet the needs of small, mid-size, and large corporations and specific industry groups in Lake Forest.
2. Continue enhancing the City's digital business presence with a business marketing video that promotes the City's competitive business climate, highlights growing business industries in Lake Forest, and markets Lake Forest as the "Natural Choice for Business;" and create dedicated business resource videos that highlight key marketing programs and tools (e.g., Shop & Dine Lake Forest Week, Doing Business in Lake Forest, and Commercial Broker tools).
3. In partnership with the California Association of Local Economic Development and the Orange County Economic Development Working Group, plan a Southern California Economic Development Symposium that promotes Lake Forest as a leader in the economic development field and includes industry expert presentations on business financing and marketing and business growth and expansion.
4. Implement the FY 2016-2017 CDBG Action Plan, and monitor all public service providers receiving CDBG funding and providing housing and community development services to Lake Forest's underserved population.
5. Host a Shopping Center Roundtable to establish a dialog between property managers, staff and police services focused upon signage, uses, property maintenance, and public safety issues.
6. Implement the City's new regulations for Massage Establishments, including educating business owners, managing the issuance of Massage Establishment Licenses, and ongoing monitoring.
7. Develop two online videos to assist residents and members of the business community achieve compliance with the Municipal Code.
8. Continue to coordinate with Neighborhood Watch, Hotel Watch, and Business Watch programs to create greater public awareness and participation in the community preservation process.

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET OVERVIEW
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$966,219	\$927,638	\$929,900	\$939,900
Operations and Maintenance	53,870	62,706	76,700	76,900
Contract Services	267,529	409,003	459,000	557,300
Activity Total	<u>\$1,287,618</u>	<u>\$1,399,347</u>	<u>\$1,465,600</u>	<u>\$1,574,100</u>
Funding Sources:				
General Fund	\$1,080,655	\$1,101,037	\$1,087,100	\$1,126,400
Community Development				
Block Grant Fund	173,686	200,483	301,000	378,000
Housing Authority Fund	33,277	97,827	77,500	69,700
Total Positions:				
Full-Time	<u>8.85</u>	<u>8.85</u>	<u>8.85</u>	<u>8.85</u>

PERFORMANCE MEASURES

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Economic Development</u>			
# of website visits per year	N/A	N/A	10,000
# of business visitations per year	N/A	N/A	10
<u>Housing</u>			
# of homes/mobile homes to receive exterior painting	9	6	5
# of homes that will receive rehab loans	11	6	6
<u>Community Preservation</u>			
% of code violations voluntarily corrected	86%	90%	90%

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$739,483	\$703,151	\$685,600	\$689,200
Overtime	1,628	1,452	-	5,100
Part-Time Personnel	13,433	11,841	22,000	22,000
Medicare	10,016	9,491	10,300	10,300
Retirement	72,467	74,340	56,300	57,500
Health Insurance	129,192	127,363	155,700	155,800
Subtotal	966,219	927,638	929,900	939,900
<u>Operation and Maintenance:</u>				
Memberships and Dues	6,025	6,255	6,400	6,600
Training and Education	100	250	1,000	1,900
Travel, Conferences, Meetings	3,327	1,565	6,000	7,200
Auto Allowance	7,853	6,357	6,600	6,600
Mileage Reimbursement	125	324	400	700
Operating Supplies	1,596	1,056	1,700	1,800
Printing and Duplicating	331	1,325	800	800
Postage and Deliveries	6,002	7,291	7,500	8,600
Subscriptions and Books	8,974	9,195	11,000	8,600
Uniforms	1,132	792	1,700	1,700
Telephone and Other	2,454	2,850	2,700	2,700
Software Licenses/ Maintenance	10,210	10,805	13,700	13,700
Vehicle Replacement	-	7,900	7,900	7,900
Vehicle Maintenance	4,641	4,339	6,400	6,400
Website Update Services	1,100	2,402	2,900	1,700
Subtotal	53,870	62,706	76,700	76,900
<u>Contract Services:</u>				
Auditing	2,785	-	5,000	5,000
Low/Mod Housing	945	-	-	-
Special Audits	-	2,869	-	-
Property Disposition	-	8,500	-	-
Economic Development	69,248	76,791	80,000	80,000
Communications	8,102	14,844	15,000	45,000
Project Expenditures	1,312	2,502	-	-
General	15,335	61,797	57,000	75,000
Nuisance Abatement	5,601	32,195	10,000	10,000
Citations Collection	-	-	2,400	2,400
Public Service Grants	63,377	55,526	57,300	59,900

ECONOMIC DEVELOPMENT/COMMUNITY PRESERVATION - ALL DIVISIONS BUDGET DETAIL (continued)
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services (continued):</u>				
Building Maintenance	33,185	78,019	45,000	12,200
Housing Rehabilitation Loans	-	-	117,000	200,800
Rehabilitation Loan Fees	8,543	10,829	9,500	13,000
Rehabilitation Loan Services	21,843	25,210	21,000	24,000
Citywide Paint Program	37,253	39,921	39,800	30,000
Subtotal	267,529	409,003	459,000	557,300
Activity Total	\$1,287,618	\$1,399,347	\$1,465,600	\$1,574,100

ECONOMIC DEVELOPMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$233,554	\$263,792	\$254,300	\$267,600
Part-Time Personnel	13,433	11,841	22,000	22,000
Medicare	3,258	3,667	4,000	4,200
Retirement	22,684	25,019	19,900	21,800
Health Insurance	36,495	49,026	58,100	57,300
Subtotal	<u>309,424</u>	<u>353,345</u>	<u>358,300</u>	<u>372,900</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	5,800	6,105	6,100	6,300
Training and Education	100	200	200	700
Travel, Conferences, Meetings	2,041	1,504	3,600	4,800
Auto Allowance	4,457	4,308	4,400	4,400
Mileage Reimbursement	125	233	300	600
Operating Supplies	683	522	700	800
Printing and Duplicating	236	474	500	500
Postage and Deliveries	5,967	7,017	7,200	8,300
Subscriptions and Books	6,944	6,159	7,400	5,200
Website Update Services	1,100	2,402	2,900	1,700
Subtotal	<u>27,453</u>	<u>28,924</u>	<u>33,300</u>	<u>33,300</u>
<u>Contract Services:</u>				
Economic Development	69,248	76,791	80,000	80,000
Communications	8,102	14,844	15,000	45,000
Project Expenditures	1,312	2,502	-	-
Subtotal	<u>78,662</u>	<u>94,137</u>	<u>95,000</u>	<u>125,000</u>
Activity Total	<u><u>\$415,539</u></u>	<u><u>\$476,406</u></u>	<u><u>\$486,600</u></u>	<u><u>\$531,200</u></u>
<u>Funding Source:</u>				
General Fund	\$415,539	\$476,406	\$486,600	\$531,200

HOUSING DIVISION BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$175,864	\$113,469	\$108,100	\$117,400
Medicare	2,431	1,557	1,600	1,700
Retirement	15,158	12,400	9,100	10,100
Health Insurance	28,466	14,992	20,200	21,100
Subtotal	221,919	142,418	139,000	150,300
<u>Operation and Maintenance:</u>				
Training	-	-	200	600
Auto Allowance	2,657	1,296	1,400	1,400
Operating Supplies	34	49	200	200
Printing and Duplicating	43	52	100	100
Postage and Deliveries	35	214	200	200
Subscriptions and Books	700	1,241	700	500
Subtotal	3,469	2,852	2,800	3,000
<u>Contract Services:</u>				
General	15,335	61,797	57,000	75,000
Public Service Grants	63,377	55,526	57,300	59,900
Housing Rehabilitation Loans	-	-	117,000	200,800
Rehabilitation Loan Fees	8,543	10,829	9,500	13,000
Rehabilitation Loan Services	21,843	25,210	21,000	24,000
Citywide Paint Program	37,253	39,921	39,800	30,000
Building Maintenance	33,185	78,019	45,000	12,200
Auditing	2,785	-	5,000	5,000
Low/Mod Housing	945	-	-	-
Special Audits	-	2,869	-	-
Property Disposition	-	8,500	-	-
Subtotal	183,266	282,671	351,600	419,900
Activity Total	\$408,654	\$427,941	\$493,400	\$573,200
<u>Funding Sources:</u>				
General Fund	\$201,691	\$129,631	\$114,900	\$125,500
Community Development				
Block Grant Fund	173,686	200,483	301,000	378,000
Housing Authority Fund	33,277	97,827	77,500	69,700

COMMUNITY PRESERVATION DIVISION BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$330,065	\$325,890	\$323,200	\$304,200
Overtime	1,628	1,452	-	5,100
Medicare	4,327	4,267	4,700	4,400
Retirement	34,625	36,921	27,300	25,600
Health Insurance	64,231	63,345	77,400	77,400
Subtotal	<u>434,876</u>	<u>431,875</u>	<u>432,600</u>	<u>416,700</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	225	150	300	300
Training and Education	-	50	600	600
Travel, Conferences, Meetings	1,286	61	2,400	2,400
Auto Allowance	739	753	800	800
Mileage Reimbursement	-	91	100	100
Operating Supplies	879	485	800	800
Printing and Duplicating	52	799	200	200
Postage and Deliveries	-	60	100	100
Subscriptions and Books	1,330	1,795	2,900	2,900
Uniforms	1,132	792	1,700	1,700
Telephone and Other	2,454	2,850	2,700	2,700
Software Licenses/Maintenance	10,210	10,805	13,700	13,700
Vehicle Replacement	-	7,900	7,900	7,900
Vehicle Maintenance	4,641	4,339	6,400	6,400
Subtotal	<u>22,948</u>	<u>30,930</u>	<u>40,600</u>	<u>40,600</u>
<u>Contract Services:</u>				
Nuisance Abatement	5,601	32,195	10,000	10,000
Citations Collection	-	-	2,400	2,400
Subtotal	<u>5,601</u>	<u>32,195</u>	<u>12,400</u>	<u>12,400</u>
Activity Total	<u>\$463,425</u>	<u>\$495,000</u>	<u>\$485,600</u>	<u>\$469,700</u>
 <u>Funding Source:</u>				
General Fund	\$463,425	\$495,000	\$485,600	\$469,700

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 2015-16 MAJOR ACCOMPLISHMENTS

1. Continued implementation and development of projects in the Opportunities Study Area, including occupancy and mapping on approved developments.
2. Worked on development agreement and entitlement scoping on Baker and Meritage development applications.
3. Assisted staff in working with Irvine Ranch Water District to obtain Resource Agency permits for the Civic Center site.
4. Assisted staff in negotiations with Irvine Ranch Water District regarding dedicated property for the Civic Center site, related to Resource Agency permit requirements.
5. Represented the City in providing comments to regional water quality control boards relating to state and federal clean water act permits.
6. Assisted staff and Council in completion of review and update of procedures and standards for alcoholic beverages sales, including a policy and ordinance creating a new conditional use permit process.
7. Drafted ordinance overhauling the City's internal appeals procedures to bring the same into compliance with recent changes in case law. As part of this project, began review and implementation of new processes to ensure minimal future reliance on outside counsel in appeal hearings.
8. Drafted ordinance revising the City's sign code to repeal the Campaign Sign Ordinance and comply with recent Supreme Court case law.
9. Obtained a stipulated final judgment in the case *City of Lake Forest v. Jeff Stoner*, resulting in the sale of the Stoner drug house and an injunction barring any future drug-related activity.
10. As a result of litigation, obtained closure of the Green Room marijuana dispensary within weeks of filing an action against the owner and operator.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Continue to assist City in real estate transactions relating to acquisition and construction of public facilities in the Opportunities Study.
2. Continue to assist City in finalizing all aspects of real estate and environmental issues necessary for development of the Irvine Ranch Water District residential site.
3. Assist the City in obtaining permits, contractual clearance, and environmental clearance for development of its new Civic Center.
4. Continue work on project-level review of Opportunities Study projects.
5. Support City in economic development and housing initiatives.
6. Finalize and systematize the City's processes for special counsel substitutions in due process hearings.
7. Assist City staff in all aspects of the comprehensive Lake Forest General Plan update.
8. Assist City staff in ensuring appropriate oversight and use of development-related fees and existing fee programs to ensure full use by the City of fees in providing for City infrastructure and projects.
9. Continue to provide City with effective litigation support.

CITY ATTORNEY BUDGET OVERVIEW
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Contract Services	\$1,061,203	\$963,070	\$1,318,000	\$1,318,000
Activity Total	<u>\$1,061,203</u>	<u>\$963,070</u>	<u>\$1,318,000</u>	<u>\$1,318,000</u>

Funding Sources:

General Fund	\$1,004,713	\$896,794	\$1,272,000	\$1,272,000
General Fund - NPDES ¹	56,490	66,276	46,000	46,000

¹ NPDES = National Pollutant Discharge Elimination System

CITY ATTORNEY BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services:</u>				
Legal	\$884,489	\$898,949	\$1,026,000	\$1,026,000
Reimbursed Legal	145,361	32,650	260,000	260,000
Outside Legal	31,353	31,471	27,000	27,000
Miscellaneous Legal	-	-	5,000	5,000
Subtotal	1,061,203	963,070	1,318,000	1,318,000
Activity Total	\$1,061,203	\$963,070	\$1,318,000	\$1,318,000

FINANCE

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Continued to update the cash flow analysis for the Opportunity Study Area.
2. Formed an Ad-hoc committee and updated the Investment Policy.
3. Worked with Human Resources to implement an integrated human resources, administration, and payroll system to modernize existing system and comply with reporting requirements of the Affordable Care Act.
4. Continued the dissolution of the Redevelopment Agency and the collection and tracking of residual revenue from the project area.
5. Continued working with the County on the Foothill Circulation Phasing Plan Fee program.
6. Issued 395 invoices related to the Opportunity Study Area development for 366 single-family and 155 multi-family units.
7. Implemented credit card acceptance and integration of the City's platforms for building permitting and recreation registration with the City's accounting system.
8. Implemented a plan to retire the City's Unfunded Actuarial Accrued Liability related to pensions and established an irrevocable trust through Public Agency Retirement Services Pension Rate Stabilization Program to provide significant savings over time and reduce or eliminate fluctuation in the City's employer contributions to CalPERS.
9. Implemented Governmental Accounting Standards Board Statement of Accounting 68 in the City's financial statements related to pension accounting.
10. Commenced a needs assessment for implementation of a new accounting system.
11. Performed the accounting for the acceptance of developer constructed infrastructure under the Shea Baker Ranch Associates developer agreement which included the first phase of backbone infrastructure and Baker Ranch Community Park.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Continue to provide financial management and guidance for Opportunities Study Area (OSA) public and private projects including:
 - Monitor the OSA Financial Model to track and account for all impact fees
 - Monitor cash flow needs analysis for development of the Lake Forest Civic Center and Senior Center
 - Monitor financial terms and obligations of Developer Agreements and amendments as necessary
 - Perform the accounting for the acceptance of developer constructed infrastructure and other capital related assets as necessary
 - Creation of community facilities districts as necessary
 - Monitor cash flow needs analysis of the Foothill Circulation Phasing Plan Fee program for the 2011 Alton Certificates of Participation debt service requirements
2. Continue to provide financial management and guidance regarding the ongoing responsibilities of the Lake Forest Successor Agency and Oversight Board.
3. Continue to provide financial management and guidance in the disposition and development of Housing Authority Assets.
4. Prepare an analysis of the City's financial policies.
5. Continue to perform a needs assessment for implementation of a new accounting system.

**FINANCE - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$676,630	\$737,946	\$851,200	\$860,100
Operations and Maintenance	3,737,118	2,964,590	4,099,200	3,302,800
Contract Services	172,671	187,160	179,900	167,500
Activity Total	\$4,586,419	\$3,889,696	\$5,130,300	\$4,330,400
Funding Sources:				
General Fund	\$3,172,301	\$2,803,674	\$4,037,100	\$3,246,400
Financing Authority Fund	1,414,118	1,086,022	1,093,200	1,084,000
Total Positions:				
Full-Time	5.45	6.45	7.00	7.00

PERFORMANCE MEASURES

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Accounting</u>			
Management letter items	0	0	0
% of invoices paid without incurring finance charges	100%	100%	100%
Days after month end for issuance of financial reports	10	10	10
<u>Budget Preparation</u>			
Date Budget adopted	6/17/2014	6/16/2015	6/21/2016
General fund revenues collected as % of revised estimates ¹	105%	90%	90%
General fund expenditures expended as % budgeted ¹	97%	95%	95%
GFOA awards received	1	1	1

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2014-15</u>	<u>Adopted Budget 2015-16</u>	<u>Adopted Budget 2016-17</u>
<u>Investment Management</u>			
Invested funds as % of total cash and investments	99%	99%	99%
% of investments in compliance with policy	100%	100%	100%
% of investments within required safety ratings	100%	100%	100%

¹ Excludes carryovers

**FINANCE - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$492,814	\$532,780	\$627,900	\$633,400
Overtime	175	13	2,500	2,500
Part-Time Personnel	41,288	44,178	34,400	34,400
Medicare	7,179	7,753	9,600	9,700
Retirement	55,616	60,428	53,600	56,900
Health Insurance	79,558	92,794	123,200	123,200
Subtotal	676,630	737,946	851,200	860,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,200	1,080	1,400	1,600
Training and Education	4,020	3,546	5,500	5,500
Travel, Conferences, Meetings	2,924	3,584	3,400	5,900
Auto Allowance	7,830	7,830	7,800	7,800
Mileage Reimbursement	362	277	500	500
Operating Supplies	41,063	46,749	52,400	46,400
Printing and Duplicating	8,162	7,937	9,000	8,500
Postage and Deliveries	5,660	15,149	16,000	15,500
Subscriptions and Books	1,151	1,055	1,300	1,000
Telephone and Other	24,010	24,428	34,700	34,700
City Hall Rent	1,298,001	979,902	975,000	980,000
Office Relocation	45,037	-	-	-
Equipment Rentals/Leases	50,928	46,587	39,200	45,200
Equipment Maintenance	-	6,373	-	-
Software Licenses/Maint.	9,535	6,273	10,000	160,600
Bank Charges and Fees	6,000	6,047	21,100	19,500
Property Tax Administration	80,529	74,257	90,000	85,000
PERS Unfunded Liability	-	-	136,800	-
General Liability Insurance	578,986	487,563	1,229,000	629,800
Property Insurance	18,042	18,305	25,000	25,000
Worker's Compensation				
Insurance	107,393	114,930	303,000	108,300
Other Insurance	32,167	26,696	44,900	38,000
Debt Service Payments	1,414,118	1,086,022	1,093,200	1,084,000
Subtotal	3,737,118	2,964,590	4,099,200	3,302,800

FINANCE - ALL DIVISIONS BUDGET DETAIL (continued)
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services:</u>				
Other	1,000	-	-	-
Printer Management	11,791	9,410	13,000	13,000
Auditing	26,130	32,765	42,100	40,000
Special Audits	23,990	5,650	23,800	14,800
Sales/Property Tax Audits	29,931	60,362	24,500	20,000
Payroll	41,504	45,298	45,000	48,000
General	38,325	33,675	31,500	31,700
Subtotal	172,671	187,160	179,900	167,500
Activity Total ¹	\$4,586,419	\$3,889,696	\$5,130,300	\$4,330,400

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

FINANCE DIVISION BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$492,814	\$532,780	\$627,900	\$633,400
Overtime	175	13	2,500	2,500
Part-Time Personnel	41,288	44,178	34,400	34,400
Medicare	7,179	7,753	9,600	9,700
Retirement	55,616	60,428	53,600	56,900
Health Insurance	79,558	92,794	123,200	123,200
Subtotal	676,630	737,946	851,200	860,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,200	1,080	1,400	1,600
Training and Education	4,020	3,546	5,500	5,500
Travel, Conferences, Meetings	2,924	3,584	3,400	5,900
Auto Allowance	7,830	7,830	7,800	7,800
Mileage Reimbursement	362	277	500	500
Operating Supplies	698	2,448	1,400	1,400
Printing and Duplicating	4,030	3,602	4,000	3,500
Postage and Deliveries	220	149	1,000	500
Subscriptions and Books	1,151	1,055	1,300	1,000
Software Licenses/Maint.	9,535	6,273	10,000	160,600
Bank Charges and Fees	6,000	6,047	21,100	19,500
Property Tax Administration	80,529	74,257	90,000	85,000
Debt Service Payments	1,414,118	1,086,022	1,093,200	1,084,000
Subtotal	1,532,617	1,196,170	1,240,600	1,376,800
<u>Contract Services:</u>				
Other	1,000	-	-	-
Auditing	26,130	32,765	42,100	40,000
Special Audits	23,990	5,650	23,800	14,800
Sales/Property Tax Audits	29,931	60,362	24,500	20,000
Payroll	41,504	45,298	45,000	48,000
General	38,325	33,675	31,500	31,700
Subtotal	160,880	177,750	166,900	154,500
Activity Total	\$2,370,127	\$2,111,866	\$2,258,700	\$2,391,400
<u>Funding Source:</u>				
General Fund	\$956,009	\$1,025,844	\$1,165,500	\$1,307,400
Financing Authority Fund	1,414,118	1,086,022	1,093,200	1,084,000

FINANCE - NON-DEPARTMENTAL DIVISION BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Operation and Maintenance:</u>				
Operating Supplies	\$40,365	\$44,301	\$51,000	\$45,000
Printing and Duplicating	4,132	4,335	5,000	5,000
Postage and Deliveries	5,440	15,000	15,000	15,000
Telephone and Other	24,010	24,428	34,700	34,700
City Hall Rent	1,298,001	979,902	975,000	980,000
Office Relocation	45,037	-	-	-
Equipment Rentals/Leases	50,928	46,587	39,200	45,200
Equipment Maintenance	-	6,373	-	-
PERS Unfunded Liability	-	-	136,800	-
General Liability Insurance	578,986	487,563	1,229,000	629,800
Property Insurance	18,042	18,305	25,000	25,000
Worker's Compensation				
Insurance	107,393	114,930	303,000	108,300
Other Insurance	32,167	26,696	44,900	38,000
Subtotal	\$2,204,501	1,768,420	2,858,600	1,926,000
<u>Contract Services:</u>				
Printer Management	11,791	9,410	13,000	13,000
Subtotal	11,791	9,410	13,000	13,000
Activity Total	\$2,216,292	\$1,777,830	\$2,871,600	\$1,939,000
 <u>Funding Source:</u>				
General Fund	\$2,216,292	\$1,777,830	\$2,871,600	\$1,939,000

DEVELOPMENT SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Provided assistance to the public, business and development community through the review and analysis of proposed projects and presented recommendations to the Planning Commission and City Council.
2. Coordinated the plan review, permit issuance and building inspection for continued development in the Baker Ranch residential community, including approximately 900 homes and 4 parks, including the Central Linear Park.
3. Coordinated plan review for the first phase of the Portola Center residential community (Northwest Planning Area).
4. Continued to assist Irvine Ranch Water District to facilitate the issuance of the necessary Resource Agency permits for the Civic Center site.
5. Coordinated with Public Works on Sports Park mitigation implementation.
6. Implemented new cellular facility regulations, landscape water conservation requirements, massage regulations, PCN guidelines and updated signage regulations for campaign signs.
7. Provided timely customer service for the review of building plans and inspections and provided enhanced services to the public and development community utilizing the City's technology. Reviewed plans and issued 2065 permits; performed 16,639 building inspections.
8. Reviewed projects within the City and in adjacent jurisdictions including the environmental analysis for development on portions of the Heritage Fields (Great Park) and adjacent county parcels
9. Presented a phased work program for a comprehensive update to the City's General Plan and initiated Phase 1 of the program to engage the residents and business in the identification of a community wide vision and the preparation of background studies.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Provide assistance to the public, business and development community regarding land use and zoning matters. Review and analyze entitlement applications in accordance with the timelines established in the Government Code and present recommendations to the Planning Commission and City Council for consideration.
2. Implement the first of three phases of a comprehensive update to the City's General Plan. Prepare an RFP and select a consultant team to identify the future vision desired by the community. Implement a robust public outreach program to identify the community's core values and prepare technical studies in preparation of the second phase of the General Plan Update.
3. Work with Irvine Ranch Water District (IRWD) to amend the Serrano Summit Area Plan and Master Tentative Tract Map to accommodate the final Civic Center design and grading parameters. Provide assistance to the Civic Center design team to facilitate compliance with Resource Agency permitting requirements
4. Facilitate the review, permitting and construction of approved OSA projects with other City Departments through monthly OSA Executive meetings, bi-weekly construction coordination meetings and monitoring of Conditions of Approval. Process subsequent entitlement actions as specified in the associated Area Plans and coordinate the plan check process and field inspections.
5. Provide customer service to residents and businesses through the review of building plans and inspections in accordance with the timelines established in the Building and Safety Services contract.

**DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$1,135,009	\$1,081,569	\$1,018,500	\$1,009,400
Operations and Maintenance	60,435	58,984	88,100	95,200
Contract Services	2,170,458	1,812,422	1,265,000	2,515,000
Activity Total	<u>\$3,365,902</u>	<u>\$2,952,975</u>	<u>\$2,371,600</u>	<u>\$3,619,600</u>
Funding Source:				
General Fund	\$3,365,902	\$2,952,975	\$2,371,600	\$3,619,600
Total Positions:				
Full-Time	<u>9.0</u>	<u>9.0</u>	<u>8.0</u>	<u>8.0</u>

PERFORMANCE MEASURES

Description	Actual <u>2014-15</u>	Adopted Budget <u>2015-16</u>	Adopted Budget <u>2016-17</u>
<u>Building Inspection and Construction</u>			
<u>Plan Review</u>			
% of plan checks completed within timeframes established by City contract	100%	100%	100%
% of building inspections completed within timeframes established by City contract	100%	100%	100%
<u>Planning Division</u>			
% of staff planning reviews completed within established timeframes	95%	100%	100%
% of requests for information responded to within 24 hours	N/A	95%	95%
<u>Administration</u>			
% of Planning Commission issues completed addressed	100%	N/A	N/A

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$862,297	\$810,132	\$756,600	\$747,700
Overtime	2,346	755	2,000	2,000
Part-Time Personnel	36,736	42,486	43,800	43,800
Medicare	12,321	11,693	11,600	11,500
Retirement	89,928	87,017	63,700	63,600
Health Insurance	131,381	129,486	140,800	140,800
Subtotal	1,135,009	1,081,569	1,018,500	1,009,400
<u>Operations and Maintenance:</u>				
Memberships and Dues	3,183	3,575	4,000	4,100
Training and Education	2,037	210	4,600	4,700
Travel, Conferences, Meetings	3,072	3,280	7,300	7,600
<u>Individual Travel Accounts:</u>				
Armando Travel	-	-	-	1,000
Brower Travel	-	-	1,000	-
Carter Travel	95	-	-	-
DeAlmeida Travel	-	40	1,000	1,000
Fuentes Travel	-	-	1,000	1,000
Hughes Travel	95	275	-	-
Ludden Travel	-	-	1,000	1,000
Verplancke Travel	-	-	1,000	1,000
Zechmeister Travel	-	525	-	-
Commissioner Stipend	-	-	14,200	14,200
Auto Allowance	16,866	15,481	13,800	13,800
Mileage Reimbursement	535	413	700	700
Operating Supplies	3,405	1,838	4,000	4,900
Printing and Duplicating	824	1,778	1,900	2,100
Postage and Deliveries	59	480	500	500
Subscriptions and Books	4,531	2,384	3,000	6,200
Uniforms	194	184	400	200
Telephone and Other	-	2,218	1,700	-
Equipment Rentals/Leases	5,119	4,693	5,000	5,200
Software Licenses/Maintenance	20,420	21,610	22,000	26,000
Subtotal	60,435	58,984	88,100	95,200
<u>Contract Services:</u>				
Records Management	5,144	-	-	-
Planning	106,276	157,546	65,000	915,000
Opportunities Study	591	20	-	-
Building and Safety	2,058,447	1,654,856	1,200,000	1,600,000
Subtotal	2,170,458	1,812,422	1,265,000	2,515,000
Activity Total	\$3,365,902	\$2,952,975	\$2,371,600	\$3,619,600

DEVELOPMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$306,749	\$306,569	\$225,500	\$232,700
Overtime	408	-	700	500
Part-Time Personnel	18,316	23,045	29,800	29,800
Medicare	4,416	4,473	3,700	3,800
Retirement	30,617	33,336	19,600	21,000
Health Insurance	43,794	43,162	35,200	35,200
Subtotal	404,300	410,585	314,500	323,000
<u>Operations and Maintenance:</u>				
Memberships and Dues	890	900	1,000	1,000
Training and Education	303	15	1,600	1,600
Travel, Conferences, Meetings	617	670	1,300	1,600
Auto Allowance	4,819	4,819	4,800	4,800
Mileage Reimbursement	118	-	200	200
Operating Supplies	445	820	1,000	1,000
Printing and Duplicating	52			
Subscriptions and Books	1,708	1,729	2,000	2,100
Subtotal	8,952	8,953	11,900	12,300
<u>Contract Services:</u>				
Records Management	5,144	-	-	-
Subtotal	5,144	-	-	-
Activity Total	\$418,396	\$419,538	\$326,400	\$335,300
<u>Funding Source:</u>				
General Fund	\$418,396	\$419,538	\$326,400	\$335,300

DEVELOPMENT SERVICES - BUILDING DIVISION BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$66,461	\$69,245	\$64,600	\$66,200
Overtime	280	233	300	500
Medicare	892	926	900	1,000
Retirement	7,084	7,917	5,500	5,900
Health Insurance	14,598	14,387	17,600	17,600
Subtotal	89,315	92,708	88,900	91,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	440	440	500	600
Training and Education	554	-	1,000	1,100
Mileage Reimbursement	134	151	200	200
Operating Supplies	468	664	1,200	2,100
Printing and Duplicating	577	975	600	600
Subscriptions and Books	2,460	147	500	3,500
Uniforms	194	184	400	200
Telephone and Other	-	2,218	1,700	-
Equipment Rentals/Leases	5,119	4,693	5,000	5,200
Software Licenses/Maintenance	10,210	10,805	11,000	13,000
Subtotal	20,156	20,277	22,100	26,500
<u>Contract Services:</u>				
Building and Safety	2,058,447	1,654,856	1,200,000	1,600,000
Subtotal	2,058,447	1,654,856	1,200,000	1,600,000
Activity Total	\$2,167,918	\$1,767,841	\$1,311,000	\$1,717,700
<u>Funding Source:</u>				
General Fund	\$2,167,918	\$1,767,841	\$1,311,000	\$1,717,700

DEVELOPMENT SERVICES - PLANNING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$489,087	\$434,318	\$466,500	\$448,800
Overtime	1,658	522	1,000	1,000
Part-Time Personnel	18,420	19,441	14,000	14,000
Medicare	7,013	6,294	7,000	6,700
Retirement	52,227	45,764	38,600	36,700
Health Insurance	72,989	71,937	88,000	88,000
Subtotal	641,394	578,276	615,100	595,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,853	2,235	2,500	2,500
Training and Education	1,180	195	2,000	2,000
Travel, Conferences, Meetings	2,455	2,610	6,000	6,000
<u>Commissioner Travel:</u>				
Armando Travel	-	-	-	1,000
Brower Travel	-	-	1,000	-
Carter Travel	95	-	-	-
DeAlmeida Travel	-	40	1,000	1,000
Fuentes Travel	-	-	1,000	1,000
Hughes Travel	95	275	-	-
Ludden Travel	-	-	1,000	1,000
Verplancke Travel	-	-	1,000	1,000
Zechmeister Travel	-	525	-	-
Commissioner Stipend	-	-	14,200	14,200
Auto Allowance	12,047	10,662	9,000	9,000
Mileage Reimbursement	283	262	300	300
Operating Supplies	2,492	354	1,800	1,800
Printing and Duplicating	195	803	1,300	1,500
Postage and Deliveries	59	480	500	500
Subscriptions and Books	363	508	500	600
Software Licenses/Maintenance	10,210	10,805	11,000	13,000
Subtotal	31,327	29,754	54,100	56,400
<u>Contract Services:</u>				
Planning	106,276	157,546	65,000	915,000
Opportunities Study	591	20	-	-
Subtotal	106,867	157,566	65,000	915,000
Activity Total	\$779,588	\$765,596	\$734,200	\$1,566,600
<u>Funding Source:</u>				
General Fund	\$779,588	\$765,596	\$734,200	\$1,566,600

PUBLIC WORKS

DEPARTMENT DESCRIPTION

The Public Works Department is dedicated to providing high quality public facilities and services to the Lake Forest community. The Department serves the community by developing, constructing, and maintaining the public infrastructure, which includes all public streets, sidewalks, storm drains, traffic signals, landscaping, parks, buildings, solid waste collection services, and city fleet maintenance. In addition, the department checks plans, and inspects grading and infrastructure construction for new developments. The Department accomplishes this through five major disciplines: administration, engineering, infrastructure maintenance, traffic management, and water quality.

The Public Works Department is also responsible for implementation of the City's Capital Improvement Program ("CIP"). The CIP is responsive to our community by delivering construction projects that enhance the quality of life in Lake Forest. The City Council updates the CIP every two years based upon community input and the City's 5-Year Strategic Plan. The Department takes great pride in developing and preserving the infrastructure of Lake Forest for all of its residents, businesses, and visitors.

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Initiated construction of three traffic signal synchronization projects for Alton Parkway, Bake Parkway, and Barranca/Muirlands Boulevard.
2. Completed work with the Citizens Traffic Advisory Group to develop traffic and transportation-related recommendations for the City Council's consideration.
3. Reduced graffiti abatement costs by 42% by coordinating with utilities, homeowner associations, the County of Orange, and the City's Code Enforcement Division to encourage prompt graffiti removal by the appropriate property owners.
4. Increased diversion of commercial and multi-family waste from landfills by over 20% by implementing programs such as food waste recycling and source-separated recycling.
5. Exceeded requirement of 70 restaurants participating in food waste recycling in December 2015, one year earlier than goal date.
6. Initiated construction of ADA access ramp Phases 8 and 9 projects.
7. Completed design for the resurfacing of a portion of Alton Parkway.
8. Completed design for slurry seal of residential streets in Zone A.
9. Completed design for the widening and streetscape improvements of Portola Parkway from SR-241 to Rancho Parkway.
10. Completed design of the Village Pond Park improvements in conjunction with Community Services.

11. Completed all scheduled sidewalk inspections and repaired/replaced over 1,300 displacements in accordance with the City's Safe-Step Program.
12. Stabilized city-owned properties with preventative erosion control measures in anticipation of El Niño storms.
13. Completed four urban runoff reduction/water conservation projects using grant funding of over \$187,000.
14. Completed the replacement of the remaining 368 traffic signs as identified in the 2012 Retro Reflectivity Study.
15. Connected six additional traffic signals to the Central Traffic Management System bringing the total connections to 90% of all traffic signals.
16. Completed construction of Saddleback Ranch Road traffic calming project to increase sight distance, add bike lanes, and enhance public safety.
17. Represented the City during the adoption of the San Diego Regional Water Quality Control Boards MS4 permits.
18. Structured an agreement to amend two MS4 water permits designating a single regulatory agency oversight instead of two.
19. Oversaw development construction of 30 tracts, the pedestrian bridge over Alton Parkway, Borrego Trail, Linear Park, and Barker Ranch Dog Park.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Complete slurry seal of residential streets in two of the City's seven slurry seal zones.
2. Complete pavement resurfacing of portions of Alton and Portola Parkways.
3. Complete construction of the widening and landscape improvements on Portola Parkway from SR 241 to Rancho Parkway.
4. Complete construction of 18 ADA access ramps at various intersections.
5. Initiate construction of storm drain improvements on a portion of Teed Street.
6. Complete construction of two projects designed to mitigate traffic at Alton Parkway/Irvine Blvd and Bake Parkway/Portola Parkway.
7. Initiate bidding and construction process for Village Pond Park improvements.
8. Formalize and update the annual review of traffic controls and conditions, and update school route plans for all public schools.
9. Complete construction of Lake Forest Sports Park Phase 2 improvements.
10. Collaborate with Community Services to design the Portola Center Park.
11. Research, purchase, and implement a work order/asset management program to improve the maintenance and valuation of City assets.
12. Rehabilitate all displaced and deficient concrete sidewalks in accordance with the City's Safe-Step Program.
13. Implement recycled water projects in two qualifying City parks or medians.
14. Develop and construct trash control devices on approximately 150 storm drains identified in Phase 6 of the project to improve water quality.
15. Adopt and implement a new water quality permit in the City's portion of the Aliso Creek Watershed.

**PUBLIC WORKS - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$1,428,123	\$1,456,450	\$1,785,100	\$1,821,000
Operations and Maintenance	1,728,506	1,925,293	2,485,900	2,556,600
Contract Services	5,745,484	6,826,785	7,413,600	7,709,400
Capital Outlay	-	1,203	-	-
Activity Total	<u>\$8,902,113</u>	<u>\$10,209,731</u>	<u>\$11,684,600</u>	<u>\$12,087,000</u>
Funding Sources:				
General Fund	\$7,162,379	\$8,230,549	\$9,709,000	\$10,318,700
Gas Tax Fund	1,699,619	1,851,674	1,824,400	1,659,800
Grant Funds	40,000	65,701	90,400	61,000
Air Quality Management District Fund	115	61,807	60,800	47,500
Total Positions:				
Full-Time	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>

PERFORMANCE MEASURES

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Development Plans Review</u>			
% of development plans review completed within 10 days	95%	90%	90%
% of traffic review for development site plans completed within 10 days	90%	90%	90%
<u>Park and Landscape Maintenance</u>			
% of service request responses accomplished within 5 days	100%	100%	100%
% of emergency responses accomplished within 4 hours	100%	100%	100%
% change: repair and replacement cost	63%	3%	8%
% change: contract maintenance cost	25%	10%	1%
% change: contract tree maintenance cost	0%	0%	0%
Improvements completed as % of planned	100%	100%	100%
Athletic fields repaired as % of planned	100%	100%	100%
% change: citizen requests	17%	0%	0%

PERFORMANCE MEASURES (continued)

<u>Description</u>	<u>Actual 2014-15</u>	<u>Adopted Budget 2015-16</u>	<u>Adopted Budget 2016-17</u>
<u>Park Planning and Construction</u>			
Improved acres as % of planned	100%	100%	100%
<u>Solid Waste Services</u>			
% change: cost per ton disposed	0%	3%	5%
% change recycled: commercial and multi-family	4%	10%	10%
% of service request initial investigation completed within 5 days	100%	100%	100%
% change: citizen requests	-88%	0%	0%
<u>Streets and Right-of-Way Maintenance</u>			
% of paved street lane miles rated fair or better	99%	80%	80%
% of service request initial responses accomplished within 5 days	100%	100%	100%
% change: cost per sidewalk repair	-20%	0%	0%
% change: cost per traffic signal maintained	0%	0%	2%
% change: cost per paved street curb mile swept	-7%	3%	0%
Days between street sweepings	7	7	7
% change: citizen requests	-26%	0%	0%
<u>Traffic Circulation</u>			
Average turnaround time for emergency responses (hours)	2	2	2

**PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$1,063,122	\$1,093,138	\$1,369,100	\$1,402,200
Overtime	-	-	3,000	3,000
Part-Time Personnel	33,895	27,106	14,000	14,000
Medicare	14,686	15,158	20,100	20,600
Retirement	112,049	119,624	115,000	117,300
Health Insurance	204,371	201,424	263,900	263,900
Subtotal	1,428,123	1,456,450	1,785,100	1,821,000
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,577	1,519	4,000	4,500
Training and Education	2,276	979	3,600	7,200
Travel, Conferences, Meetings	2,219	2,547	9,100	8,300
Auto Allowance	12,862	12,851	16,800	16,800
Mileage Reimbursement	219	662	1,200	1,400
Operating Supplies	3,916	3,277	3,300	4,000
Printing and Duplicating	1,418	649	800	800
Postage and Deliveries	165	13	300	300
Subscriptions and Books	1,473	1,281	2,100	1,800
Uniforms	10	1,641	1,600	1,600
Bus Shelter Utilities	1,611	1,552	1,600	1,600
Street Light Utilities	558,286	582,398	624,100	582,500
Telephone and Other	1,545	2,253	2,600	4,400
MPS Utilities	298,362	261,405	353,400	300,700
Park Utilities	369,882	507,160	637,000	766,400
Alton Mitigation	29,290	28,896	31,000	29,300
Building Maintenance	3,645	16,880	48,000	25,000
Janitorial Maintenance	32,028	63,186	87,200	79,400
Electrical Maintenance	46,224	77,059	105,000	105,000
Building Repairs	3,616	3,654	12,000	43,000
Software Licenses/Maintenance	10,209	12,556	22,200	43,700
Vehicle Replacement	30,000	12,600	12,600	12,600
Vehicle Maintenance	6,506	7,865	13,600	11,800
NPDES ¹ Permit	137,466	151,117	221,000	244,000
Water Quality	106,040	95,303	185,500	185,500
Traffic Signal Utilities	67,661	75,990	86,300	75,000
Subtotal	1,728,506	1,925,293	2,485,900	2,556,600

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services:</u>				
General	-	6,765	-	-
Project Engineering	832,605	954,203	979,200	1,385,300
Traffic Engineering	188,052	247,840	195,000	185,000
Office Engineering	86,197	89,674	25,000	25,000
Solid Waste	66,388	39,998	40,000	41,000
Miscellaneous	17,592	-	-	-
Beverage Container				
Recycling Grant	-	25,703	50,400	20,000
Park/MPS Landscape Repair	389,091	633,382	686,100	740,000
Park Landscape Maintenance	1,403,323	1,825,738	2,315,100	2,327,700
MPS Landscape Maintenance	650,650	810,578	829,300	848,500
Tree Maintenance	215,180	219,815	263,200	263,200
Backflow Prevention	10,617	10,060	13,000	13,000
Residential Street Sweeping	187,481	187,709	178,600	178,600
Arterial Street Sweeping	129,385	132,253	118,300	118,300
Citations Collection	-	-	3,000	3,000
Bus Shelter Maintenance	46,004	31,254	62,500	62,500
Traffic Signal Maintenance	278,588	240,898	301,200	302,500
Street Maintenance	1,244,331	1,370,915	1,353,700	1,195,800
Subtotal	<u>5,745,484</u>	<u>6,826,785</u>	<u>7,413,600</u>	<u>7,709,400</u>
<u>Capital Outlay:</u>				
Furniture	-	1,203	-	-
Subtotal	<u>-</u>	<u>1,203</u>	<u>-</u>	<u>-</u>
Activity Total	<u>\$8,902,113</u>	<u>\$10,209,731</u>	<u>\$11,684,600</u>	<u>\$12,087,000</u>

¹ NPDES = National Pollutant Discharge Elimination System

² CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$294,678	\$385,181	\$307,700	\$309,400
Part-Time Personnel	33,607	27,106	14,000	14,000
Medicare	4,350	5,571	4,700	4,700
Retirement	34,070	44,911	26,300	26,500
Health Insurance	56,786	57,550	52,800	52,800
Subtotal	<u>423,491</u>	<u>520,319</u>	<u>405,500</u>	<u>407,400</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	491	504	900	800
Training and Education	577	699	800	800
Travel, Conferences, Meetings	987	884	3,400	3,000
Auto Allowance	4,578	4,819	4,800	4,800
Mileage Reimbursement	36	71	200	200
Operating Supplies	827	851	2,000	2,000
Postage and Deliveries	142	-	-	-
Printing and Duplicating	-	43	-	-
Subscriptions and Books	192	-	200	100
Subtotal	<u>7,830</u>	<u>7,871</u>	<u>12,300</u>	<u>11,700</u>
<u>Contract Services:</u>				
Solid Waste	66,388	39,998	40,000	41,000
Miscellaneous	17,592	-	-	-
Beverage Container Recycling Grant	-	25,703	50,400	20,000
Subtotal	<u>83,980</u>	<u>65,701</u>	<u>90,400</u>	<u>61,000</u>
<u>Capital Outlay:</u>				
Furniture	-	411	-	-
Subtotal	<u>-</u>	<u>411</u>	<u>-</u>	<u>-</u>
Activity Total	<u>\$515,301</u>	<u>\$594,302</u>	<u>\$508,200</u>	<u>\$480,100</u>
 <u>Funding Sources:</u>				
General Fund	\$475,301	\$528,601	\$417,800	\$419,100
Grant Funds	40,000	65,701	90,400	61,000

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$298,964	\$311,426	\$308,900	\$321,300
Medicare	4,018	4,204	4,500	4,700
Retirement	32,070	34,239	26,300	27,300
Health Insurance	43,794	43,162	52,800	52,800
Subtotal	378,846	393,031	392,500	406,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	116	170	700	1,000
Training and Education	310	50	200	600
Travel, Conferences, Meetings	454	1,215	1,600	1,200
Auto Allowance	3,006	3,012	3,000	3,000
Mileage Reimbursement	-	101	700	700
Operating Supplies	563	400	400	400
Printing and Duplicating	284	442	300	300
Subscriptions and Books	1,281	1,281	1,400	1,400
Street Light Utilities	558,286	582,398	624,100	582,500
Software Licenses/Maintenance	3,403	3,602	3,600	3,600
Subtotal	567,703	592,671	636,000	594,700
<u>Contract Services:</u>				
Project Engineering	832,605	954,203	979,200	1,385,300
Office Engineering	86,197	89,674	25,000	25,000
Subtotal	918,802	1,043,877	1,004,200	1,410,300
Activity Total	\$1,865,351	\$2,029,579	\$2,032,700	\$2,411,100
 <u>Funding Source:</u>				
General Fund	\$1,865,351	\$2,029,579	\$2,032,700	\$2,411,100

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$196,733	\$59,324	\$235,600	\$236,500
Overtime	-	-	1,000	1,000
Part-Time Personnel	288	-	-	-
Medicare	2,622	813	3,400	3,400
Retirement	19,029	6,172	20,100	20,400
Health Insurance	43,356	48,957	59,800	59,800
Subtotal	262,028	115,266	319,900	321,100
<u>Operation and Maintenance:</u>				
Memberships and Dues	600	335	1,600	1,800
Training and Education	1,089	30	1,600	4,800
Travel, Conferences, Meetings	705	10	2,700	2,700
Auto Allowance	1,010	355	1,200	1,200
Mileage Reimbursement	-	296	100	300
Operating Supplies	304	1,537	400	800
Printing and Duplicating	508	121	200	200
Subscriptions and Books	-	-	100	100
Uniforms	-	1,184	1,400	1,400
Bus Shelter Utilities	1,611	1,552	1,600	1,600
Telephone and Other	983	713	1,800	3,000
MPS Utilities	298,362	261,405	353,400	300,700
Park Utilities	369,882	386,559	386,300	441,900
Alton Mitigation	29,290	28,896	31,000	29,300
Building Maintenance	3,645	15,613	8,000	8,500
Janitorial Maintenance	32,028	37,562	40,000	38,300
Electrical Maintenance	46,224	76,952	90,000	90,000
Building Repairs	3,616	1,835	8,000	8,000
Software Licenses/Maintenance	-	1,750	13,400	34,900
Vehicle Replacement	-	7,700	7,700	7,700
Vehicle Maintenance	6,445	7,115	10,300	8,500
Subtotal	796,302	831,520	960,800	985,700
<u>Contract Services:</u>				
Park/MPS Landscape Repairs	226,004	453,427	410,600	410,000
Park Landscape Maintenance	1,403,323	1,504,006	1,648,100	1,660,600
MPS Landscape Maintenance	650,650	810,578	829,300	848,500
Tree Maintenance	215,180	219,815	263,200	263,200

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

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services (continued):</u>				
Backflow Prevention	10,617	10,060	13,000	13,000
Bus Shelter Maintenance	46,004	31,254	62,500	62,500
Subtotal	<u>2,551,778</u>	<u>3,029,140</u>	<u>3,226,700</u>	<u>3,257,800</u>
<u>Capital Outlay:</u>				
Furniture	-	792	-	-
Subtotal	<u>-</u>	<u>792</u>	<u>-</u>	<u>-</u>
Activity Total	<u>\$3,610,108</u>	<u>\$3,976,718</u>	<u>\$4,507,400</u>	<u>\$4,564,600</u>
Funding Source:				
General Fund	\$3,610,108	\$3,976,718	\$4,507,400	\$4,564,600

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

Expense Classification	Actual 2013-14	2014-15	Adopted 2015-16	Adopted 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$93,483	\$119,065	\$284,800	\$294,400
Overtime	-	-	1,000	1,000
Medicare	1,277	1,610	4,100	4,300
Retirement	9,818	13,192	24,200	23,400
Health Insurance	19,999	12,939	51,000	51,000
Subtotal	<u>124,577</u>	<u>146,806</u>	<u>365,100</u>	<u>374,100</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	-	-	200	300
Training and Education	-	-	400	400
Travel, Conferences, Meetings	59	-	-	-
Auto Allowance	909	1,475	4,200	4,200
Operating Supplies	912	359	200	500
Printing and Duplicating	353	-	-	-
Postage and Deliveries	23	-	-	-
Subscriptions and Books	-	-	400	200
Telephone and Other	-	98	-	-
Software Licenses/Maintenance	3,403	3,602	2,600	2,600
Traffic Signal Utilities	67,661	75,990	86,300	75,000
Subtotal	<u>73,320</u>	<u>81,524</u>	<u>94,300</u>	<u>83,200</u>
<u>Contract Services:</u>				
Traffic Engineering	188,052	247,840	195,000	185,000
Traffic Signal Maintenance	278,588	240,898	301,200	302,500
Street Maintenance	1,165,433	1,348,753	1,302,700	1,144,800
Subtotal	<u>1,632,073</u>	<u>1,837,491</u>	<u>1,798,900</u>	<u>1,632,300</u>
Activity Total	<u>\$1,829,970</u>	<u>\$2,065,821</u>	<u>\$2,258,300</u>	<u>\$2,089,600</u>
<u>Funding Sources:</u>				
General Fund	\$130,236	\$152,340	\$373,100	\$382,300
Gas Tax Fund	1,699,619	1,851,674	1,824,400	1,659,800
Air Quality Management District Fund	115	61,807	60,800	47,500

PUBLIC WORKS - SPORTS PARK DIVISION BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel:				
Full-Time Personnel	\$0	\$48,632	\$63,000	\$64,400
Overtime	-	-	1,000	1,000
Medicare	-	659	900	900
Retirement	-	5,488	5,400	5,700
Health Insurance	-	10,041	12,300	12,300
Subtotal	-	64,820	82,600	84,300
Operation and Maintenance:				
Auto Allowance	-	178	600	600
Park Utilities	-	120,601	250,700	324,500
Building Maintenance	-	1,267	40,000	16,500
Janitorial Maintenance	-	25,624	47,200	41,100
Electrical Maintenance	-	107	15,000	15,000
Building Repairs	-	1,819	4,000	35,000
Subtotal	-	149,596	357,500	432,700
Contract Services:				
General	-	6,765	-	-
Landscape Repairs	-	25,208	135,500	177,600
Landscape Maintenance	-	321,732	667,000	667,100
Subtotal	-	353,705	802,500	844,700
Activity Total	\$0	\$568,121	\$1,242,600	\$1,361,700
Funding Source:				
General Fund	\$0	\$568,121	\$1,242,600	\$1,361,700

¹ This division was created in Fiscal Year 2014-15.

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

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$179,264	\$169,510	\$169,100	\$176,200
Medicare	2,419	2,301	2,500	2,600
Retirement	17,062	15,622	12,700	14,000
Health Insurance	40,436	28,775	35,200	35,200
Subtotal	<u>239,181</u>	<u>216,208</u>	<u>219,500</u>	<u>228,000</u>
<u>Operation and Maintenance:</u>				
Memberships and Dues	370	510	600	600
Training and Education	300	200	600	600
Travel, Conferences, Meetings	14	438	1,400	1,400
Auto Allowance	3,359	3,012	3,000	3,000
Mileage Reimbursement	183	194	200	200
Operating Supplies	1,310	130	300	300
Printing and Duplicating	273	43	300	300
Postage and Deliveries	-	13	300	300
Uniforms	10	457	200	200
Telephone and Other	562	1,442	800	1,400
Software Licenses/Maintenance	3,403	3,602	2,600	2,600
Vehicle Replacement	30,000	4,900	4,900	4,900
Vehicle Maintenance	61	750	3,300	3,300
NPDES ¹ Permit	137,466	151,117	221,000	244,000
Water Quality	106,040	95,303	185,500	185,500
Subtotal	<u>283,351</u>	<u>262,111</u>	<u>425,000</u>	<u>448,600</u>
<u>Contract Services:</u>				
Park/MPS Landscape Repairs	163,087	154,747	140,000	152,400
Residential Street Sweeping	187,481	187,709	178,600	178,600
Arterial Street Sweeping	129,385	132,253	118,300	118,300
Citations Collection	-	-	3,000	3,000
Street Maint. - Storm Drains	78,898	22,162	51,000	51,000
Subtotal	<u>558,851</u>	<u>496,871</u>	<u>490,900</u>	<u>503,300</u>
Activity Total	<u>\$1,081,383</u>	<u>\$975,190</u>	<u>\$1,135,400</u>	<u>\$1,179,900</u>
<u>Funding Source:</u>				
General Fund	\$1,081,383	\$975,190	\$1,135,400	\$1,179,900

¹ NPDES = National Pollutant Discharge Elimination System

MANAGEMENT SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Engage the Community: Initiated the community engagement process for the Lake Forest Civic Center through four community workshops and an online community survey.
2. Engage the Community: Hosted two website-focused scavenger hunts to introduce users to the City's new website and associated features and functionality.
3. Enhance Communications: Utilized audience profiling techniques to maximize social media integration into the City's overall marketing plans.
4. Enhance Communications: Developed a citywide resource guide, including a City map, listing various services, amenities, and facilities.
5. Deliver New Services and Amenities: Upgraded the City Hall Computer Training Lab with new computers, software, and peripherals to provide an improved, high-tech public workspace.
6. Deliver New Services and Amenities: Implemented acceptance of over-the-counter credit card payments for building permits and online permit applications and credit card payments for high-volume permit types.
7. Modernize Operations: Continued the City's effort to move towards a fully paperless recruitment process by implementing iPads for external rater panels.
8. Modernize Operations: Complied with records retention laws and improved search capabilities by securing a social media archiving system.
9. Modernize Operations: Integrated updated aerial photography into the City's Geographic Information System (GIS) to provide increased accuracy and alignment to existing City data.
10. Promote Information Security: Conducted an information security assessment to identify opportunities related to policies, procedures, and system configurations to better safeguard the City's electronic assets.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Modernize Operations: Upgrade the City's IT security framework to protect against intrusions and threats utilizing adaptive strategies.
2. Engage the Community: Based upon community input, develop and deliver design documents for the Lake Forest Civic Center.
3. Engage the Community: Conduct the biennial Community Satisfaction Survey.
4. Engage the Community: Implement contests and promotions using an online marketing platform integrated with the City's website and Facebook page.
5. Enhance Communications: Produce a series of how-to videos for the community on the City's most frequently requested services.
6. Enhance Communications: Develop a comprehensive style guide to promote consistency and branding across City communication channels.
7. Engage the Community: Launch a 25th anniversary community campaign to include anniversary-related contests and promotions.
8. Engage the Community: The Public Information Office will collaborate with Police Services to develop engaging social media campaigns and strategies to promote public safety programming and initiatives. Areas of focus will include Neighborhood Watch, public education, safety alerts, and community resources and tools.

**MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$642,640	\$658,248	\$615,400	\$671,700
Operations and Maintenance	551,524	605,213	340,900	322,400
Contract Services	350,059	352,696	530,300	528,300
Capital Outlay	113,586	305,818	112,300	124,000
Activity Total	\$1,657,809	\$1,921,975	\$1,598,900	\$1,646,400
Funding Source:				
General Fund	\$1,657,809	\$1,921,975	\$1,598,900	\$1,646,400
Total Positions:				
Full-Time	6.55	5.75	5.00	5.00

PERFORMANCE MEASURES

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel Recruitment and Selection</u>			
% of employees passing probation	N/A	N/A	90%
Average # of applications per open recruitment	112	90	90
<u>Training and Development</u>			
Performance evaluations - % completed on time	100%	90%	95%
Training/Wellness - # of in-house opportunities provided to employees	26	12	12
<u>Computer Systems</u>			
% computer help desk calls completed within 3 days	99%	85%	85%
% server availability	99.9%	99.5%	99.5%
<u>Communications</u>			
# of unique website visitors (per month)	N/A	N/A	15,000
# of engagement opportunities	N/A	N/A	8

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

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$474,184	\$501,840	\$452,400	\$468,600
Overtime	-	-	1,000	-
Part-Time Personnel	21,148	9,010	13,500	49,300
Medicare	6,677	6,881	6,700	7,500
Retirement	50,964	57,998	38,800	43,300
Health Insurance	77,253	68,365	88,000	88,000
Annual Physical Exams	500	-	3,000	3,000
Pre-Employment Testing	5,878	9,654	6,000	6,000
Tuition Reimbursement	6,036	4,500	6,000	6,000
Subtotal	642,640	658,248	615,400	671,700
<u>Operation and Maintenance:</u>				
Memberships and Dues	1,250	2,925	3,000	2,800
Training and Education	8,564	15,581	32,000	32,400
Travel, Conferences, Meetings	940	139	6,800	6,800
Auto Allowance	10,841	10,841	7,700	7,700
Mileage Reimbursement	624	420	1,000	1,100
Operating Supplies	1,792	2,108	6,800	6,800
Recruitment Panel Hosting	-	-	1,000	1,000
Printing and Duplicating	278	1,700	4,700	4,700
Legal Advertising	750	2,236	1,000	1,000
Postage and Deliveries	37,835	33,258	36,400	36,400
Subscriptions and Books	12,813	13,663	16,800	15,700
Telephone and Other	4,668	11,480	8,800	13,600
Equipment Maintenance	2,462	2,084	3,900	3,900
Computer Maintenance/Supply	353,749	334,448	74,800	52,000
Software Licenses/Maintenance	96,501	87,443	105,500	110,600
Website Update Services	19,430	86,887	30,700	25,900
Other Insurance	(973)	-	-	-
Subtotal	551,524	605,213	340,900	322,400
<u>Contract Services:</u>				
Newsletter	45,917	43,822	67,000	69,000
Citizen's Academy	3,657	3,876	-	-
Records Management	1,750	3,750	10,000	10,000
Miscellaneous	33,153	41,197	46,000	46,000
Information Services	257,347	205,881	386,000	338,000
Communications	8,235	13,125	21,300	21,300

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services (continued):</u>				
General	-	41,045	-	44,000
Subtotal	350,059	352,696	530,300	528,300
<u>Capital Outlay:</u>				
Equipment	41,240	225,791	41,000	86,000
Furniture	590	29,587	3,000	3,000
Computers	37,434	37,360	63,300	30,000
Computer Software	34,322	13,080	5,000	5,000
Subtotal	113,586	305,818	112,300	124,000
Activity Total ¹	\$1,657,809	\$1,921,975	\$1,598,900	\$1,646,400

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

MANAGEMENT SERVICES - PUBLIC INFORMATION DIVISION BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$181,419	\$185,765	\$127,800	\$131,300
Part-Time Personnel	7,821	9,010	13,500	13,500
Medicare	2,546	2,636	2,000	2,100
Retirement	19,427	21,159	11,100	11,800
Health Insurance	40,144	25,203	24,600	24,600
Subtotal	251,357	243,773	179,000	183,300
<u>Operation and Maintenance:</u>				
Memberships and Dues	275	350	1,100	900
Training and Education	1,019	145	1,500	1,500
Travel, Conferences, Meetings	478	-	1,000	1,000
Auto Allowance	3,162	3,162	1,900	1,900
Mileage Reimbursement	242	-	500	500
Operating Supplies	128	587	3,200	3,200
Printing and Duplicating	-	1,700	3,700	3,700
Postage and Deliveries	37,700	33,220	36,000	36,000
Subscriptions and Books	1,302	1,652	2,000	-
Software Licenses/Maintenance	4,399	4,711	4,600	7,600
Website Update Services	-	65,987	13,800	13,800
Subtotal	48,705	111,514	69,300	70,100
<u>Contract Services:</u>				
Newsletter	45,917	43,822	67,000	69,000
Citizen's Academy	3,657	3,876	-	-
Communications	8,235	13,125	21,300	21,300
General	-	41,045	-	44,000
Subtotal	57,809	101,868	88,300	134,300
Activity Total	\$357,871	\$457,155	\$336,600	\$387,700
<u>Funding Source:</u>				
General Fund	\$357,871	\$457,155	\$336,600	\$387,700

MANAGEMENT SERVICES - INFORMATION TECHNOLOGY DIVISION BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$149,745	\$156,536	\$222,800	\$227,600
Part-Time Personnel	13,327	-	-	-
Medicare	2,266	2,165	3,200	3,300
Retirement	16,182	17,817	19,000	18,600
Health Insurance	18,247	17,959	40,500	40,500
Subtotal	199,767	194,477	285,500	290,000
<u>Operation and Maintenance:</u>				
Memberships and Dues	-	550	800	800
Training and Education	248	-	8,000	8,000
Travel, Conferences, Meetings	-	-	5,200	5,200
Auto Allowance	4,216	4,216	4,400	4,400
Operating Supplies	181	52	-	-
Printing and Duplicating	43	-	-	-
Subscriptions and Books	11,240	11,726	14,100	15,000
Telephone and Other	4,668	11,480	8,800	13,600
Equipment Maintenance	2,462	2,084	3,900	3,900
Computer Maintenance/Supply	353,749	334,448	74,800	52,000
Software Licenses/Maintenance	84,962	77,835	96,900	99,000
Website Update Services	19,430	20,900	16,900	12,100
Subtotal	481,199	463,291	233,800	214,000
<u>Contract Services:</u>				
Records Management	1,750	3,750	10,000	10,000
Information Services	257,347	205,881	386,000	338,000
Subtotal	259,097	209,631	396,000	348,000
<u>Capital Outlay:</u>				
Equipment	41,240	225,791	41,000	86,000
Computers	37,434	37,360	63,300	30,000
Computer Software	34,322	13,080	5,000	5,000
Subtotal	112,996	276,231	109,300	121,000
Activity Total	\$1,053,059	\$1,143,630	\$1,024,600	\$973,000
 <u>Funding Source:</u>				
General Fund	\$1,053,059	\$1,143,630	\$1,024,600	\$973,000

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$143,020	\$159,539	\$101,800	\$109,700
Overtime	-	-	1,000	-
Part-Time Personnel	-	-	-	35,800
Medicare	1,865	2,080	1,500	2,100
Retirement	15,355	19,022	8,700	12,900
Health Insurance	18,862	25,203	22,900	22,900
Annual Physical Exams	500	-	3,000	3,000
Pre-Employment Testing	5,878	9,654	6,000	6,000
Tuition Reimbursement	6,036	4,500	6,000	6,000
Subtotal	191,516	219,998	150,900	198,400
<u>Operation and Maintenance:</u>				
Memberships and Dues	975	2,025	1,100	1,100
Training and Education	7,297	15,436	22,500	22,900
Travel, Conferences, Meetings	462	139	600	600
Auto Allowance	3,463	3,463	1,400	1,400
Mileage Reimbursement	382	420	500	600
Operating Supplies	1,483	1,469	3,600	3,600
Recruitment Panel Hosting	-	-	1,000	1,000
Printing and Duplicating	235	-	1,000	1,000
Legal Advertising	750	2,236	1,000	1,000
Postage and Deliveries	135	38	400	400
Subscriptions and Books	271	285	700	700
Software Licenses/Maintenance	7,140	4,897	4,000	4,000
Other Insurance	(973)	-	-	-
Subtotal	21,620	30,408	37,800	38,300
<u>Contract Services:</u>				
Miscellaneous	33,153	41,197	46,000	46,000
Subtotal	33,153	41,197	46,000	46,000
<u>Capital Outlay:</u>				
Furniture	590	29,587	3,000	3,000
Subtotal	590	29,587	3,000	3,000
Activity Total	\$246,879	\$321,190	\$237,700	\$285,700
Funding Source:				
General Fund	\$246,879	\$321,190	\$237,700	\$285,700

COMMUNITY SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. Increased program revenue to \$560,000.
2. Began accepting credit cards for program registration to make the registration process more convenient for residents.
3. Increased participation in Community Services activities by 20% from Fiscal Year 2014-15.
4. Initiated new adult softball leagues that served 151 teams and 2,416 individuals.
5. Offered quarterly dances for the Special Needs population, hosted 100 Special Needs Olympians for the 2015 World Games, and hosted a community resource fair to connect special needs individuals and families with local resources.
6. Completed sports field allocations for 40 user groups and 6,800 participants.
7. Completed the conceptual design for Portola Hills Community Park.
8. Increased attendance in skate camps by 20% from Fiscal Year 2014-15.
9. Redesigned the webpage for the Etnies Skate Park of Lake Forest to enable residents to pre-book birthday parties.
10. Launched new website pages for the Lake Forest Sports Park and Recreation Center as part of the City website redesign.
11. Collaborate with the County of Orange to host a Pet Expo at Sports Park. The event featured approximately 60 vendors and attracted over 1,000 participants.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Launch adult volleyball and basketball leagues at the Lake Forest Sports Park.
2. Increase programming for the Special Needs Population by 10% by adding contracted classes and educational forums for the Special Needs Community.
3. Increase attendance in recreation activities by 10%.
4. Increase recreation program revenue recovery to \$616,000.
5. Provide special activities and events to commemorate the City's 25th Anniversary.
6. Complete the Final Design of Portola Hills Community Park and start construction pending land parcel acceptance.
7. Complete phase II of the Neighborhood Improvement Plan, which will study 10 parks and include a community consultation component to determine the renovation needs of each park. The Plan will also include a study of the proposed Whispering Hills Park site to explore challenges and opportunities associated with a range of uses.
8. Complete the renovation of Village Pond Park.

**COMMUNITY SERVICES - ALL DIVISIONS
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$1,649,907	\$1,815,657	\$1,973,000	\$2,080,200
Operations and Maintenance	1,262,640	1,698,225	1,473,800	1,539,200
Contract Services	67,576	66,760	76,400	76,400
Capital Outlay	-	23,815	-	16,300
Activity Total	\$2,980,123	\$3,604,457	\$3,523,200	\$3,712,100
Funding Sources:				
General Fund	\$2,933,106	\$3,519,111	\$3,444,700	\$3,644,400
Senior Mobility Program Fund	47,017	61,531	78,500	67,700
Air Quality Management District Fund	-	23,815	-	-
Total Positions:				
Full-Time	10.0	10.0	10.0	11.0

PERFORMANCE MEASURES

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
# of elementary students ¹ in SVUSD ² participating in kids factory after school programs	89,342	105,000	90,000
# of teens participating in teen programs ¹	11,701	9,000	13,000
# of seniors participating in senior programs ¹	24,866	30,000	30,000
# of participants in City programs ³	156,227	275,000	302,500
Total revenue	\$560,000	\$400,000	\$616,000
% of respondents reporting the quality of a program/event met their expectations.	N/A	N/A	85%
% of respondents reporting they would attend/participate in a specific program again.	N/A	N/A	85%
% of respondents reporting that they would recommend a specific program/event.	N/A	N/A	85%

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

² Saddleback Valley Unified School District

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

**COMMUNITY SERVICES - ALL DIVISIONS
BUDGET DETAIL**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$825,343	\$818,508	\$835,600	\$926,800
Overtime	7	344	-	-
Part-Time Personnel	547,226	716,852	827,400	830,200
Medicare	18,936	21,318	24,100	25,500
Retirement	108,651	114,762	94,100	104,100
Health Insurance	149,744	143,873	191,800	193,600
Subtotal	1,649,907	1,815,657	1,973,000	2,080,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,579	3,683	4,000	5,400
Training and Education	6,813	609	1,500	2,600
Travel, Conferences, Meetings	955	1,278	1,700	4,000
<u>Commissioner Travel:</u>				
Barajas Travel	-	-	1,000	1,000
Herrin Travel	237	1,436	1,000	1,000
Manning Travel	45	-	-	-
Rosenberg Travel	379	-	1,000	1,000
Scherr Travel	424	873	1,000	1,000
Werkmeister Travel	45	389	1,000	1,000
Commissioner Stipend	-	-	3,300	3,300
Auto Allowance	10,842	9,919	10,800	10,800
Mileage Reimbursement	312	144	1,000	1,000
Operating Supplies	24,419	33,249	44,500	42,200
Printing and Duplicating	72,776	68,167	117,000	117,000
Postage and Deliveries	98	-	-	-
Uniforms	54	2,334	-	-
Cost of Merchandise Sales	26,210	26,827	25,000	25,000
Telephone and Other	11,096	42,940	22,200	23,500
Equipment Rentals/Leases	11,120	10,422	8,900	10,400
Building Maintenance	1,780	2,611	2,300	2,300
Equipment Maintenance	118	-	-	-
Computer Maintenance/Supply	8,899	3,750	-	-
Software Licenses/Maint.	8,985	-	10,300	10,300
Vehicle Replacement	-	6,900	6,900	6,900
Vehicle Maintenance	7,042	9,836	7,600	7,600
Holiday Banners	13,286	12,796	11,000	11,000
Community Services Programs	2,845	2,927	3,000	3,000
Community Events	322,550	350,285	266,000	315,700

COMMUNITY SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Operation and Maintenance</u>				
<u>(continued):</u>				
SVUSD ¹ Recreation Programs	387,407	449,749	489,700	492,300
Senior Mobility Grant Program	47,017	61,531	78,500	67,700
Teen Programs	22,809	35,019	37,500	37,500
Senior Transportation	-	234	-	-
Senior Programs	132,566	131,988	131,800	132,900
Excursions	2,216	4,747	-	-
Recreation Classes	67,585	78,813	84,500	97,500
Skate Park Programs	31,188	33,678	30,000	34,300
Youth Programs	37,943	43,237	35,500	36,000
Adult Sports Programs	-	13,440	34,300	34,000
Sports Park / Recreation Startup	-	254,414	-	-
Subtotal	<u>1,262,640</u>	<u>1,698,225</u>	<u>1,473,800</u>	<u>1,539,200</u>
<u>Contract Services:</u>				
Other	-	-	26,000	26,000
Miscellaneous	67,576	66,760	50,400	50,400
Subtotal	<u>67,576</u>	<u>66,760</u>	<u>76,400</u>	<u>76,400</u>
<u>Capital Outlay:</u>				
Equipment	-	-	-	16,300
Vehicles	-	23,815	-	-
Subtotal	<u>-</u>	<u>23,815</u>	<u>-</u>	<u>16,300</u>
Activity Total	<u>\$2,980,123</u>	<u>\$3,604,457</u>	<u>\$3,523,200</u>	<u>\$3,712,100</u>

¹ SVUSD = Saddleback Valley Unified School District

COMMUNITY SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$741,472	\$545,972	\$417,700	\$432,500
Overtime	7	-	-	-
Part-Time Personnel	359,574	124,319	128,900	133,300
Medicare	15,123	9,183	7,900	8,200
Retirement	94,569	73,615	42,200	45,600
Health Insurance	135,146	86,324	98,600	82,800
Subtotal	1,345,891	839,413	695,300	702,400
<u>Operation and Maintenance:</u>				
Memberships and Dues	2,414	3,348	3,800	5,400
Training and Education	6,663	459	500	500
Travel, Conferences, Meetings	945	1,278	1,400	4,000
<u>Commissioner Travel:</u>				
Barajas Travel	-	-	1,000	1,000
Herrin Travel	237	1,436	1,000	1,000
Manning Travel	45	-	-	-
Rosenberg Travel	379	-	1,000	1,000
Scherr Travel	424	873	1,000	1,000
Werkmeister Travel	45	389	1,000	1,000
Commissioner Stipend	-	-	3,300	3,300
Auto Allowance	10,842	9,919	6,900	6,900
Mileage Reimbursement	262	144	1,000	1,000
Operating Supplies	3,400	3,910	6,000	6,000
Printing and Duplicating	72,776	67,951	117,000	117,000
Postage and Deliveries	98	-	-	-
Uniforms	54	670	-	-
Telephone and Other	1,050	2,599	700	700
Equipment Rentals/Leases ³	8,614	9,278	-	-
Building Maintenance ³	680	1,020	-	-
Equipment Maintenance ³	118	-	-	-
Computer Maintenance/Supply	8,899	3,750	-	-
Software Licenses/Maint.	8,985	-	10,300	10,300
Vehicle Replacement	-	6,900	6,900	6,900
Vehicle Maintenance	7,042	9,836	7,600	7,600
Holiday Banners	13,286	12,796	11,000	11,000
Community Services Programs	2,845	2,927	3,000	3,000
Community Events ¹	322,550	-	-	-
SVUSD ² Recreation Programs	387,407	449,749	489,700	492,300

COMMUNITY SERVICES - ADMINISTRATION DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Senior Mobility Grant Program	47,017	61,531	78,500	67,700
Teen Programs ¹	22,809	-	-	-
Senior Transportation	-	234	-	-
Senior Programs	132,566	131,988	131,800	132,900
Excursions ¹	2,216	-	-	-
Recreation Classes ¹	67,585	722	-	-
Youth Programs ¹	37,943	-	-	-
Subtotal	1,170,196	783,707	884,400	881,500
Contract Services:				
Other ⁴	-	-	26,000	26,000
Miscellaneous	67,576	16,360	-	-
Subtotal	67,576	16,360	26,000	26,000
Activity Total	\$2,583,663	\$1,639,480	\$1,605,700	\$1,609,900

Funding Sources:

General Fund	\$2,536,646	\$1,577,949	\$1,527,200	\$1,542,200
Senior Mobility Program Fund	47,017	61,531	78,500	67,700

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

² SVUSD = Saddleback Valley Unified School District

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

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

COMMUNITY SERVICES - SKATE PARK DIVISION BUDGET DETAIL

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel:				
Full-Time Personnel	\$83,871	\$87,441	\$121,200	\$196,000
Part-Time Personnel	187,652	199,442	215,300	195,700
Medicare	3,813	4,028	4,900	5,700
Retirement	14,082	14,798	15,400	19,900
Health Insurance	14,598	14,387	24,600	42,200
Subtotal	304,016	320,096	381,400	459,500
Operation and Maintenance:				
Memberships and Dues	165	165	200	-
Training and Education	150	150	1,000	2,100
Travel, Conferences, Meetings	10	-	300	-
Auto Allowance	-	-	1,200	1,200
Mileage Reimbursement	50	-	-	-
Operating Supplies	21,019	21,342	28,500	24,200
Uniforms	-	1,018	-	-
Cost of Merchandise Sales	26,210	26,827	25,000	25,000
Telephone and Other	10,046	15,237	10,500	11,800
Equipment Rentals/Leases ¹	2,506	1,144	-	-
Building Maintenance	1,100	1,591	1,200	1,200
Skate Park Programs	31,188	33,678	30,000	34,300
Subtotal	92,444	101,152	97,900	99,800
Capital Outlay:				
Equipment	-	-	-	9,700
Subtotal	-	-	-	9,700
Activity Total	\$396,460	\$421,248	\$479,300	\$569,000

Funding Sources:

General Fund	\$396,460	\$421,248	\$479,300	\$569,000
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¹ This item was moved to the Sports Park Division in Fiscal Year 2015-16.

COMMUNITY SERVICES - RECREATION AND SPORTS PARK DIVISION BUDGET DETAIL

Expense Classification	Actual¹ 2013-14	Actual¹ 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$0	\$185,095	\$215,200	\$217,500
Overtime	-	344	-	-
Part-Time Personnel	-	393,091	455,700	473,000
Medicare	-	8,107	9,700	10,000
Retirement	-	26,349	28,900	30,700
Health Insurance	-	43,162	51,000	51,000
Subtotal	-	656,148	760,500	782,200
<u>Operation and Maintenance:</u>				
Memberships and Dues	-	170	-	-
Auto Allowance	-	-	1,500	1,500
Operating Supplies	-	7,997	10,000	12,000
Printing and Duplicating	-	216	-	-
Uniforms	-	646	-	-
Telephone and Other ²	-	25,104	11,000	11,000
Equipment Rentals/Leases ²	-	-	1,400	1,400
Building Maintenance ²	-	-	1,100	1,100
Community Events ³	-	350,285	-	-
Teen Programs	-	35,019	37,500	37,500
Excursions ⁴	-	4,747	-	-
Recreation Classes	-	78,091	84,500	97,500
Youth Programs	-	43,237	35,500	36,000
Adult Sports Programs	-	13,440	34,300	34,000
Sports Park / Recreation Startup	-	254,414	-	-
Subtotal	-	813,366	216,800	232,000
<u>Contract Services:</u>				
Miscellaneous	-	50,400	50,400	50,400
Subtotal	-	50,400	50,400	50,400

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

Expense Classification	Actual¹ 2013-14	Actual¹ 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Capital Outlay:</u>				
Vehicles	-	23,815	-	-
Subtotal	-	23,815	-	-
Activity Total	<u>\$0</u>	<u>\$1,543,729</u>	<u>\$1,027,700</u>	<u>\$1,064,600</u>
 Funding Source:				
General Fund	\$0	\$1,519,914	\$1,027,700	\$1,064,600
Air Quality Management				
District Fund	-	23,815	-	-

¹ This division was created in Fiscal Year 2014-15.

² These items were transferred from the Administration Division in Fiscal Year 2015-16.

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

⁴ This item was transferred to the Administrative Division in Fiscal Year 2015-16.

COMMUNITY SERVICES - SPECIAL EVENTS DIVISION BUDGET DETAIL

Expense Classification	Actual¹ 2013-14	Actual¹ 2014-15	Adopted¹ Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$0	\$0	\$81,500	\$80,800
Part-Time Personnel	-	-	27,500	28,200
Medicare	-	-	1,600	1,600
Retirement	-	-	7,600	7,900
Health Insurance	-	-	17,600	17,600
Subtotal	-	-	135,800	136,100
<u>Operation and Maintenance:</u>				
Auto Allowance	-	-	1,200	1,200
Equipment Rentals/Leases	-	-	7,500	9,000
Community Events	-	-	266,000	315,700
Subtotal	-	-	274,700	325,900
<u>Capital Outlay:</u>				
Equipment	-	-	-	6,600
Subtotal	-	-	-	6,600
Activity Total	\$0	\$0	\$410,500	\$468,600
 <u>Funding Sources:</u>				
General Fund	\$0	\$0	\$410,500	\$468,600

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

POLICE SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 MAJOR ACCOMPLISHMENTS

1. There were 1,017 reported Part One Crimes in 2015, up 28.9% from the previous year. This increase is consistent with figures from surrounding areas, largely attributable to the passage of Proposition 47. Deputies were responsible for 664 in-custody arrests, 690 misdemeanor citations, and 158 warrant arrests, up 20% from 2014.
2. Traffic enforcement remained a priority for Police Services. There were a total of 420 collisions in 2015 compared to 404 collisions in 2014. Police Services issued 5,000 hazardous citations, which is a significant increase compared to the previous year's total of 4,293. There were 3,193 parking citations issued in 2015, a decrease from 4,426 issued in 2014. There were 1,431 non-hazardous citations issued, a reduction from 2014.
3. Completed the eleventh annual Community Emergency Preparedness Academy in partnership with the City, the Orange County Sheriff's Department and the Orange County Fire Authority. The 30 graduates received classroom instruction and functional exercises on disaster preparedness. The Community Emergency Preparedness Academy has had 320 graduates since the creation of the program.
4. The Sheriff's Team of Active Retired Seniors (STARS) volunteers provided 7,440 hours of service to the community through Police Services, a 13% increase from the previous year. 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.
5. In cooperation with the Community Services Department, Police Services partnered with GET SAFE and hosted the City's first Child Safety Academy. The program teaches the principles of self-defense, abduction awareness, sexual assault prevention, internet safety, and self-empowerment. To date, Police Services has hosted 5 academies with a total of 105 children participating. The program is free to Lake Forest residents.

6. Through the Homeless Liaison Officer position, LFPS continued to foster a relationship with the City's homeless population and connect them with available resources. The Homeless Liaison Officer has established a rapport with the homeless population as well as charitable organizations to connect those in need with available services. Through these partnerships, 21 members of the homeless community were placed in housing.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

1. Reduce graffiti and vandalism incidents by 10% and forward five cases to the City Attorney to seek restitution.
2. Increase community outreach by enhancing communication through multiple avenues such as social media (Facebook, Nextdoor), community groups, the Leaflet, and Homeowner's Associations.
3. Increase the number of Neighborhood Watch and Business Watch participants through the use of social media outlets such as Facebook and Nextdoor.
4. As part of the Homeless Liaison Program, reunite at least three members of the homeless community with family members or resource providers to break the cycle of homelessness.
5. Increase responsiveness to community needs through feedback gathered from the OCSD online survey. The survey provides valuable feedback on how LFPS personnel interact with the community and the quality of service they provide. Information from field contacts will be analyzed and used to determine if any modifications need to be made to the service delivery model.
6. Complete a workload evaluation of sworn staffing levels and develop a proposal to implement findings and recommendations.

**POLICE SERVICES
BUDGET OVERVIEW**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Personnel	\$109,646	\$108,788	\$104,900	\$105,200
Operations and Maintenance	147,720	271,822	218,900	237,900
Contract Services	12,854,272	13,846,950	14,997,900	16,149,000
Capital Outlay	299	367	-	-
Activity Total	<u>\$13,111,937</u>	<u>\$14,227,927</u>	<u>\$15,321,700</u>	<u>\$16,492,100</u>

Funding Sources:

General Fund	\$12,986,937	\$14,049,946	\$15,141,700	\$16,367,100
Asset Forfeitures Fund	-	52,981	35,000	-
Brulte Grant Fund	125,000	125,000	145,000	125,000

Total Positions:

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

PERFORMANCE MEASURES

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Community Policing</u>			
# of community/school presentations	24	30	30
Hours of community policing unit services	2,080	2,080	2,080
# of neighborhood watch presentations	15	30	30
# of neighborhood watch participants ¹	195	1,850	500
# of business watch participants	300	300	350
<u>Patrol Services</u>			
Average response time: emergency call (minutes)	4:13	5:00	5:00
Average response time: routine call (minutes)	13:17	12:00	12:00
Crime rate per 1,000 pop: UCR Class I crimes crimes	12.7	13	13

PERFORMANCE MEASURES (continued)

Description	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Patrol Services (continued)</u>			
Crime rate per 1,000 pop: UCR Class II crimes	20.4	25	25
<u>Traffic Enforcement and Reporting</u>			
Traffic enforcement index ²	27.8	30	30
Injury traffic collisions	178	135	135
Speed related collisions	59	100	100
<u>Graffiti Program (TAGRS³)</u>			
Incidents of graffiti	378	750	500
<u>Paper Shredding Program</u>			
Incidents of fraud and identity theft	51	150	100

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

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

³ TAGRS = Tracking Automated Graffiti Reporting System

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

**POLICE SERVICES
BUDGET DETAIL**

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Personnel:</u>				
Full-Time Personnel	\$87,998	\$86,837	\$83,400	\$83,400
Medicare	1,206	1,186	1,200	1,200
Retirement	9,494	9,949	7,100	7,400
Health Insurance	10,948	10,816	13,200	13,200
Subtotal	109,646	108,788	104,900	105,200
<u>Operation and Maintenance:</u>				
Membership and Dues	270	200	500	500
Training and Education	2,764	7,503	5,500	9,000
Travel, Conferences, Meetings	1,883	1,004	1,000	1,000
Auto Allowance	2,273	2,259	2,300	2,300
Operating Supplies	15,852	32,443	30,000	30,000
Printing and Duplicating	2,596	7,924	4,000	4,000
Postage and Deliveries	-	85	-	-
Subscriptions and Books	104	205	-	-
Uniforms	14,054	9,443	10,000	10,000
Telephone and Other	313	447	400	400
Equipment Maintenance	473	1,024	3,000	3,000
Vehicle Replacement	-	88,281	35,300	35,300
Vehicle Maintenance	67,501	48,461	56,600	56,600
Community Services Programs	39,637	72,543	70,300	85,800
Subtotal	147,720	271,822	218,900	237,900
<u>Contract Services:</u>				
Other	2,154	8,166	4,000	4,000
800Mhz Maint./Operation	16,644	37,801	205,300	331,100
Mobile Data Computers	11,529	7,228	12,000	12,000
Animal Care	254,219	201,369	260,400	899,000
Crossing Guards	227,851	236,485	275,000	275,000
Parking Ticket Admin.	4,539	3,312	5,000	5,000
Fingerprint ID System*	-	25,787	25,300	27,000
Law Enforcement:**	12,337,336	13,326,802	14,210,900	14,595,900
Administration (3.0)				
Patrol Sergeants (4.0)				
Patrol (31.0)				
Investigations (4.0)				
Motorcycle				
Deputies (3.0)				

POLICE SERVICES BUDGET DETAIL (continued)
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Contract Services (continued):</u>				
Law Enforcement (continued):**				
Commercial/Traffic Enforcement (1.0)				
Community Service Officers (4.0)				
Community Services/ Crime Prevention (3.0)				
Support/Other (17.40)				
Subtotal	12,854,272	13,846,950	14,997,900	16,149,000
<u>Capital Outlay:</u>				
Furniture	299	367		
Subtotal	299	367	-	-
Activity Total	<u>\$13,111,937</u>	<u>\$14,227,927</u>	<u>\$15,321,700</u>	<u>\$16,492,100</u>

* Implemented in Fiscal Year 2014-15.

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

FIRE SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2015-16 ACCOMPLISHMENTS

1. Responded to 4,873 Fire and Emergency Services calls.
2. Provided eight station tours.
3. Participated in the Citizens Leadership Academy on September 23, 2015.
4. Participated in the Community Emergency Preparedness Academy March 4, 2015, through April 8, 2015.
5. Participated in the National Night Out community safety event held in conjunction with the City of Mission Viejo on August 4, 2015.
6. Participated in the Independence Day Parade.
7. Participated in 12 community events hosted by schools, businesses, or non-profit organizations.
8. Conducted two fire safety programs.
9. Hosted four ride-alongs.
10. Completed 493 annual business inspections.
11. Completed 1,298 new construction inspections.
12. Conducted 417 plan reviews for businesses.
13. Issued 534 permits for new businesses.

FISCAL YEAR 2016-17 MAJOR INITIATIVES

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

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

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

VEHICLE REPLACEMENT

DEPARTMENT DESCRIPTION

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

VEHICLE REPLACEMENT BUDGET DETAIL
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Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Depreciation Expense	\$37,117	\$48,673	\$0	\$0
Vehicles	55,825	-	30,000	60,000
Activity Total	<u>\$92,942</u>	<u>\$48,673</u>	<u>\$30,000</u>	<u>\$60,000</u>

CAPITAL EXPENDITURES

DEPARTMENT DESCRIPTION

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

**CAPITAL EXPENDITURES
BUDGET DETAIL**

Project	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Street Resurfacing/Slurry Seal	\$1,838,096	\$1,788,862	\$1,600,500	\$1,918,000
Street Resurfacing on El Toro Road Between I-5 and Bridger	-	96,409	-	-
Installation of Street Lights Internally Illuminated Street	1,550	-	15,000	35,000
Name Sign Panel Replacement	9,400	11,435	10,000	10,000
Portola Parkway Widening/ Streetscape	-	89,235	800,000	-
El Toro Public Spaces Project	-	98,124	-	-
Trabuco/Malastas Public Spaces	-	62,100	-	-
Sidewalk Gap Repairs	-	46,657	40,000	40,000
Street Traffic Sign Replacement	-	-	55,000	35,000
Teed Street Storm Drain Improvements	1,250	31,474	-	-
Dairy Fork Constructed Wetlands Environmental Tier 1	-	13,249	-	-
ARS Catch Basin Retrofit	-	88,389	125,000	250,000
Lake Forest Transportation Mitigation Improvements	26,796	3,083	-	-
Saddleback Ranch Road Traffic Enhancements	35,488	121,260	-	-
Traffic Signal Modification at Alton Parkway/Towne Centre Drive/Rancho Parkway	44,414	-	-	-
Alton Parkway Corridor Traffic Signal Synchronization	-	2,031	-	-
Bake Parkway Corridor Traffic Signal Synchronization	-	1,226	-	-
Barranca Pkwy/Muirlands Blvd. Traffic Signal Synchronization	230	3,335	-	-
Citywide Traffic Signal Coordination Master Plan	-	142,647	-	-
Jeronimo Road Corridor Traffic Signal Synchronization	515	5,485	-	-
Lake Forest Drive Traffic Signal Synchronization	4,927	815	-	-
Los Alisos Boulevard Traffic Signal Synchronization	3,520	240	-	-

CAPITAL EXPENDITURES BUDGET DETAIL (continued)

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Santa Margarita Parkway				
Traffic Signal Synchronization	1,700	1,310	-	-
Signalized Intersection at				
Rancho Parkway and Sports				
Park Access Road	6,956	251,313	-	-
Trabuco Road Corridor Traffic				
Signal Synchronization	600	7,907	-	-
Alton Parkway/Irvine Boulevard				
Modification	-	-	38,800	116,200
Alton Parkway/Toledo Way				
Modification	-	-	7,700	-
Bake Parkway/Irvine Blvd -				
Trabuco Road Modification Ph.	-	-	18,200	-
Bake Parkway/Portola Parkway				
Modification	-	-	-	400,000
Lake Forest Drive/Rancho				
Parkway Modification	-	-	17,800	-
Rockfield Boulevard Traffic				
Signal Synchronization	-	-	98,000	487,000
Traffic Signal System				
Communications Enhancements	-	-	64,300	87,500
Park ADA Access Repairs	146,796	285	-	-
ADA Access Ramp	-	239,476	161,200	153,100
Civic Center and Senior Center	74,116	30,686	2,740,000	2,200,000
Sports Park	30,150,624	8,585,391	-	-
Sports Park Improvement Ph. 2	-	-	360,000	-
Play Equipment Replacement	238,330	-	-	-
Rimgate Park Renovation	475,317	-	-	-
Shade Structure Program	11,993	-	-	-
Tamarisk Park Renovation	1,920,431	12,990	-	-
Barker Dog Park	-	-	5,000	-
Etnies Skate Park Facilities				
Painting and Repairs	-	-	30,000	-
Irrigation Backflow Devices	-	-	100,000	-
Park Amenities Replacement	-	-	-	40,000
Park Gazabo Replacement	-	-	360,000	-
Park Light Pole Replacement	34,905	-	30,000	30,000
Park Parking Lot Pavement				

CAPITAL EXPENDITURES BUDGET DETAIL (continued)

Expense Classification	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Management	-	98,430	-	-
Park Playground Resilient Surface Sealant Installation	-	-	50,000	-
Park Restrooms Floor Sealant Installation	-	-	25,000	-
Park Restrooms Repair	-	-	90,000	-
Solar Compactor Receptacle Installation	-	-	72,100	-
Barker Ranch Park	-	3,100	-	-
Portola Center Park	-	33,481	-	-
Whispering Hills Park	-	35,070	-	-
Village Pond Park	-	108,952	2,003,700	-
Alton Park Monument Sign	-	-	3,000	-
Water Conservation	-	-	50,000	50,000
Activity Total	<u>\$35,027,954</u>	<u>\$12,118,353</u>	<u>\$8,970,300</u>	<u>\$5,851,800</u>
Funding Sources:				
Capital Improvement Projects Fund	\$3,193,544	\$765,814	\$1,406,800	\$288,800
Gas Tax Fund	9,400	107,844	65,000	45,000
Measure M Fund	1,408,230	1,788,862	1,350,500	1,418,000
Air Quality Management Fund	18,448	416,309	73,100	131,300
Beverage Recycling Container Grant Fund	-	-	72,100	-
Community Development Block Grant Fund	146,796	239,761	161,200	153,100
Opportunities Study Capital Projects Fund	30,224,740	8,616,077	3,100,000	2,200,000
Lake Forest Transportation Mitigation Fund	26,796	3,083	82,500	516,200
Park Development Fund	-	180,603	2,003,700	-
City of Irvine	-	-	2,000	9,800
Grants (Approval Pending): Arterial Pavement Management	-	-	250,000	500,000
Measure M2 CTFP Competitive Grant	-	-	403,400	589,600
Total	<u>\$35,027,954</u>	<u>\$12,118,353</u>	<u>\$8,970,300</u>	<u>\$5,851,800</u>

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
<u>Transfers In:</u>				
<u>General Fund</u>				
From Lake Forest				
Transportation Mitigation	\$0	\$0	\$2,291,100	\$0
<u>Reserve Funds</u>				
From General Fund	-	146,100	491,900	84,500
<u>Capital Improvement</u>				
<u>Projects Fund</u>				
From General Fund	521,400	-	7,400,000	-
<u>Opportunities Study</u>				
<u>Capital Projects Fund</u>				
From Financing Authority				
Fund	10,000,000	-	-	-
<u>Etnies Skate Park Fund</u>				
From General Fund	4,150	-	-	-
<u>Economic Contingency Fund</u>				
From General Fund	272,353	73,000	246,000	42,300
<u>Housing Authority Fund</u>				
From Low and Moderate				
Income Housing Fund	210	-	-	-
From Affordable Housing				
Fund	-	425,000	-	-
<u>Financing Authority Fund</u>				
From Capital Improvement				
Projects Fund	1,293,648	1,086,022	1,093,200	1,084,000
Total Transfers In	\$12,091,761	\$1,730,122	\$11,522,200	\$1,210,800

INTERFUND TRANSFERS BUDGET DETAIL (continued)
--

Transfer Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Transfers Out:				
<u>General Fund</u>				
To Capital Improvement				
Projects Fund	(\$521,400)	\$0	(\$7,400,000)	\$0
To Etnies Skate Park Fund	(4,150)	-	-	-
To Reserve Funds	-	(146,100)	(491,900)	(84,500)
To Economic Contingency	(272,353)	(73,000)	(246,000)	(42,300)
<u>Capital Improvement</u>				
<u> Projects Fund</u>				
To Financing Authority Fund	(1,293,648)	(1,086,022)	(1,093,200)	(1,084,000)
<u>Lake Forest Transportation</u>				
<u> Mitigation Fund</u>				
To General Fund	-	-	(2,291,100)	-
<u>Financing Authority Fund</u>				
To Opportunities Study				
Capital Projects Fund	(10,000,000)	-	-	-
<u>Low and Moderate</u>				
<u> Income Housing Fund</u>				
To Housing Authority Fund	(210)	-	-	-
<u>Affordable Housing Fund</u>				
To Housing Authority Fund	-	(425,000)	-	-
Total Transfers Out	(\$12,091,761)	(\$1,730,122)	(\$11,522,200)	(\$1,210,800)
Net Total	\$0	\$0	\$0	\$0

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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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
City Council	\$66,481	\$68,535	\$67,300	\$67,100
City Manager	672,325	747,617	694,700	712,700
City Clerk	498,181	615,721	662,900	787,900
Economic Development/ Community Preservation	1,080,655	1,101,037	1,087,100	1,126,400
City Attorney	1,061,203	963,070	1,318,000	1,318,000
Finance	3,172,301	2,803,674	4,037,100	3,246,400
Development Services	3,365,902	2,952,975	2,371,600	3,619,600
Public Works	7,162,379	8,230,549	9,709,000	10,318,700
Management Services	1,657,809	1,921,975	1,598,900	1,646,400
Community Services	2,933,106	3,519,111	3,444,700	3,644,400
Police Services	12,986,937	14,049,946	15,141,700	16,367,100
TOTAL	\$34,657,279	\$36,974,210	\$40,133,000	\$42,854,700

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Public Works	\$1,699,619	\$1,851,674	\$1,824,400	\$1,659,800
Capital Projects	9,400	107,844	65,000	45,000
TOTAL	\$1,709,019	\$1,959,518	\$1,889,400	\$1,704,800

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Capital Projects	\$1,408,230	\$1,788,862	\$1,350,500	\$1,418,000

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Community Services	\$47,017	\$61,531	\$78,500	\$67,700

AIR QUALITY MANAGEMENT DISTRICT FUND

Description

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

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Public Works	\$115	\$61,807	\$60,800	\$47,500
Community Services	-	23,815	-	-
Capital Projects	18,448	416,309	73,100	131,300
TOTAL	<u>\$18,563</u>	<u>\$501,931</u>	<u>\$133,900</u>	<u>\$178,800</u>

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. Expenditures can only be used for police services and cannot supplant the existing police services budget.

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Police Services	\$125,000	\$125,000	\$145,000	\$125,000

BEVERAGE RECYCLING GRANT FUND

Description

The Beverage Recycling Grant Fund is used to account for revenues and expenditures related to grant funding received from the California State Department of Conservation for the purpose of implementing and supporting beverage recycling programs within the City.

Description	Expenditure Detail		Adopted	Adopted
	Actual	Actual	Budget	Budget
2013-14	2014-15	2015-16	2016-17	2016-17
Public Works	\$0	\$25,703	\$50,400	\$20,000
Capital Projects	-	-	72,100	-
TOTAL	\$0	\$25,703	\$122,500	\$20,000

WASTE RECYCLING GRANT FUND

Description

The Waste Recycling Grant Fund is used to account for revenues and expenditures from the City's franchise hauler for the purpose of general recycling activities under AB 939.

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Public Works	\$40,000	\$39,998	\$40,000	\$41,000

ASSETS FORFEITURE FUND

Description

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

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Police Services	\$0	\$52,981	\$35,000	\$0

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Economic Development/ Community Preservation	\$173,686	\$200,483	\$301,000	\$378,000
Capital Projects	146,796	239,761	161,200	153,100
TOTAL	<u>\$320,482</u>	<u>\$440,244</u>	<u>\$462,200</u>	<u>\$531,100</u>

HOUSING AUTHORITY FUND

Description

The Housing Authority Fund is used to account for receipts and expenditures of a portion of the affordable housing administration in the City.

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Economic Development/ Community Preservation	\$33,277	\$97,827	\$77,500	\$69,700

FINANCING AUTHORITY FUND

Description

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

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Finance	\$1,414,118	\$1,086,022	\$1,093,200	\$1,084,000

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Capital Projects	\$3,193,544	\$765,814	\$2,062,200	\$1,388,200

PARK DEVELOPMENT CAPITAL PROJECTS FUND

Description

The Park Development Construction Fund was established to accumulate In-lieu fees from developers for the purpose of Constructing and or upgrading City parks throughout the community.

Expenditure Detail

Description	Actual 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Capital Projects	\$0	\$180,603	\$2,003,700	\$0

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Capital Projects	\$30,224,740	\$8,616,077	\$3,100,000	\$2,200,000

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Capital Projects	\$26,796	\$3,083	\$82,500	\$516,200

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 2013-14	Actual 2014-15	Adopted Budget 2015-16	Adopted Budget 2016-17
Depreciation Expense	\$37,117	\$48,673	\$0	\$0
Vehicles	55,825	-	30,000	60,000
TOTAL	<u>\$92,942</u>	<u>\$48,673</u>	<u>\$30,000</u>	<u>\$60,000</u>

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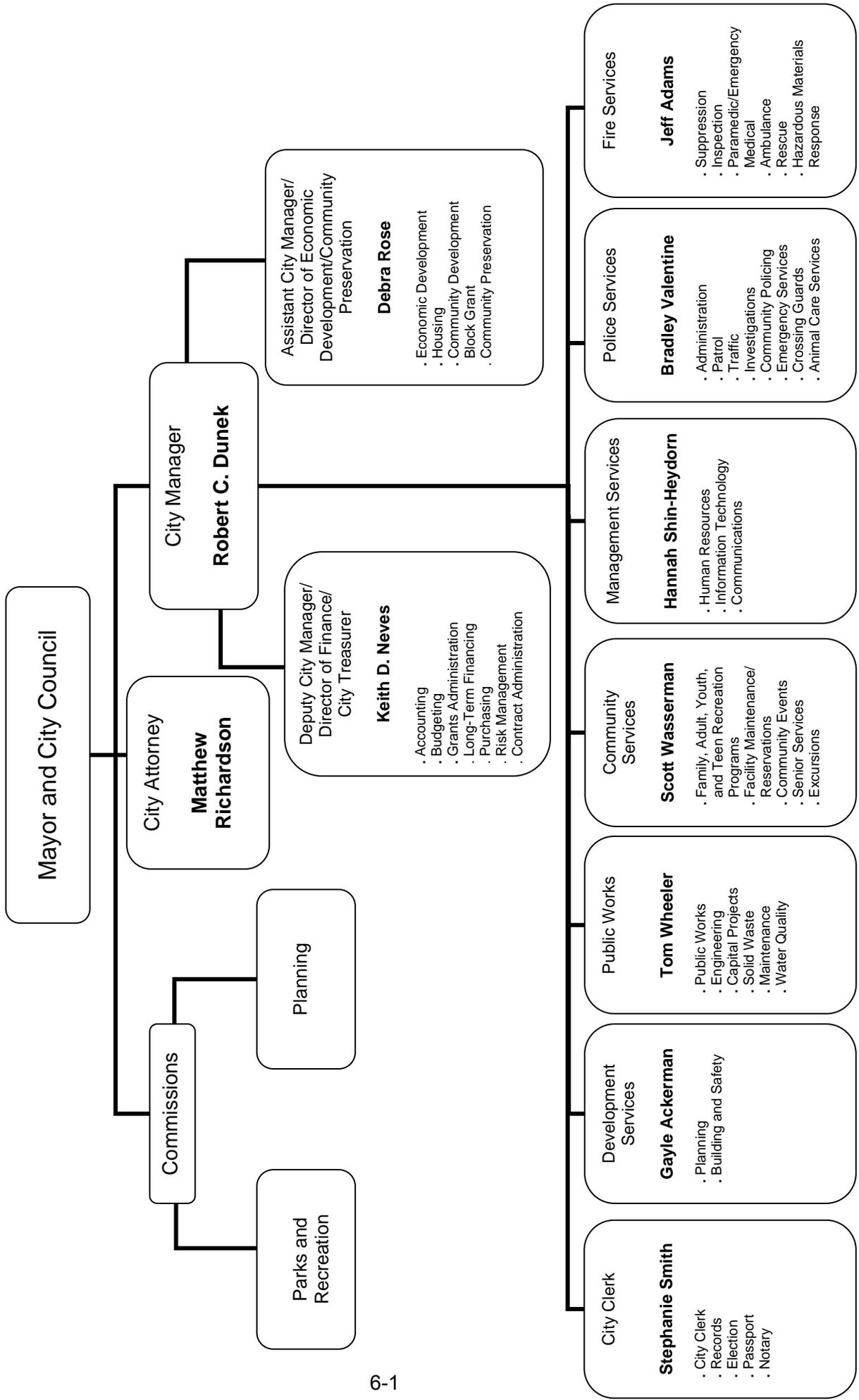
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FISCAL YEAR 2016-17 ORGANIZATIONAL CHART



COMMUNITY HISTORY

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

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

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

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

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

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

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

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

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

DEMOGRAPHIC FACTS AND FIGURES

Demographic Breakdown¹

Population	83,910
City Size	16.8 square miles
Housing Units	28,443

Ethnic Composition

White	67.2%
Asian	14.2%
Black	1.8%
Other	16.8%

27.5% of the population identifies as Hispanic

Median Age	38.6
Median Household Income	\$95,987

¹ Sources: State of California, Department of Finance (2016)
Nielsen Claritas

GLOSSARY OF BUDGET TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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