CITY of LAKE FOREST

Operating Budget

Fiscal Year 2010-2011

OPERATING BUDGET
FISCAL YEAR 2010-11

Elected Officials

Peter Herzog, Mayor
Richard T. Dixon, Mayor Pro Tem
Kathryn McCullough, Council Member
Marcia Rudolph, Council Member
Mark Tettemer, Council Member

Planning Commission

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

Parks and Recreation Commission

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

City Staff

Robert C. Dunek, City Manager

Gayle Ackerman, Director of Development Services
Elizabeth E. Andrew, Director of Finance/City Treasurer
David Belmer, Assistant City Manager/
Deputy Executive Director of Redevelopment
Mike Boyle, Division Chief - Fire Services
Lieutenant Doug Doyle, Chief of Police Services
Gary Magill, Director of Community Services
Debra Rose, Deputy City Manager/
Director of Management Services
Benjamin Siegel, Assistant to the City Manager
Scott C. Smith, City Attorney
Robert L. Woodings, Director of Public Works/City Engineer

Section One

TABLE OF CONTENTS

Description	Section-Page
City Manager's Budget Message	1-1

Mayor
Peter Herzog

Mayor Pro Tem
Richard Dixon

Council Members
Kathryn McIlhough
Marcia Rudolph
Mark Tettemer

City Manager
Robert C. Dunek

June 15, 2010

Honorable Mayor and Members of the City Council:

The Operating Budget ("Budget") for the City of Lake Forest ("City") for Fiscal Year 2010-11 is attached for your review and approval. This Budget has been prepared consistent with the City's Strategic Business Plan ("Plan") and is inclusive of all City funds including the City's Redevelopment Agency.

Fiscal Year 2009-10 Review

Economic development efforts continued to be a major focus for the City. A new economic development website – lakeforestbusiness.com – was launched in FY 2009-10 to promote Lake Forest as a premier location for businesses. The website includes a business-oriented quality of life video, testimonials from existing businesses, information on the successful *Shop & Dine* program, and *Commercial Properties Now*, a free service that offers information on available office, retail, and industrial space in the city. The City also formalized a partnership with the newly formed Lake Forest Chamber of Commerce to further promote business development. This partnership was celebrated with the 2010 State of the City event, held at the newly opened Mercedes-Benz of Foothill Ranch.

Despite the downturn in the economy, the City continued to secure alternative funding through its successful pursuit of grants. Police Services was the recipient of two grants – the Fiscal Year 2009 Recovery Act Edward Byrne Memorial JAG Program and Citizens Options for Public Safety. Receipt of a $712,400 Energy Efficiency Conservation Block Grant from the Federal Government will allow the City to fund four projects contributing to more energy efficient practices, including the purchase of an energy efficient vehicle, lighting controllers for Heroes Park, an Information Technology Energy Efficiency Project, and the citywide Traffic Signal Synchronization project.

Phase IV of the Opportunities Study was initiated, and focused on planning efforts for a new sports park, recreation center, and civic center. The City Council approved a Sports Park Consensus Master Plan to be used as a basis for environmental analysis and to allow the planning process to continue. The Plan,

based upon public input, consists of three phases of development which can be modified based upon priorities, site acquisition and budgetary constraints. The City also finalized the acquisition of a 6-acre parcel located adjacent to Whiting Ranch Wilderness Park. This property, along with two others geographically co-located, will be exchanged with the County of Orange for 58 acres northwest of Portola Parkway and El Toro Road to be used as part of the Sports Park. The environmental review process for the Whisler Ranch Development, a proposed 68 unit single-family home project located in the Opportunities Study area, initiated the City's review of precise development proposals associated with this long-term, important project.

On the technology front, a new, more customer friendly City web address – ***www.lakeforestca.gov*** - debuted in January (replacing the cumbersome *www.ci.lake-forest.ca.us* web address), and a new automated permitting system, Energov, launched in March. The new permitting system allows for the public to track building permits online or via telephone, permit applicants to track project status and submit plans electronically, and staff to increase internal efficiencies.

The City also made significant strides on high priority capital projects, such as the Alton Parkway Gap Closure. In conjunction with the County of Orange, the Alton Parkway improvements will ultimately connect Alton Parkway from Irvine Boulevard to Towne Centre Drive. The City's portion of the project, connecting Alton Parkway between Commercentre Drive and Towne Centre Drive, is now in design stages, with construction anticipated to begin early in Fiscal Year 2010-11.

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

In light of declines in major revenues, such as property taxes, sales taxes and investment earnings, cost reductions of $1.2 million were made during the Mid-Year Fiscal Year 2009-10 Budget Review. These reductions included cuts to out of town travel, training, park maintenance, legal advertising, extraordinary maintenance, and computer replacements. The cuts were carefully selected to avoid affecting existing service levels, while addressing the gap between revenues and expenditures.

In addition to the above, the City also continued to deliver quality services to the community in a variety of areas. The department detail portion of the budget provides more information on specific achievements in Fiscal Year 2009-10.

Fiscal Year 2010-11 Overview

The "new normal" economy will be a major theme for the foreseeable future, as the City adjusts to the sustained economic downturn and the subsequent impact on revenues and expenditures. Despite these challenges, the City is in solid financial condition and will continue to make investments in the quality of life of the community, even though the effects of the ongoing recession and loss of a few businesses have reduced the City's revenue base.

While the "Great Recession" has affected the City's operating (General) fund revenues, it has not had a significant, negative affect on our ability to provide important capital projects. One up-side to the current economy is that labor and commodity prices for capital projects are low. Since the City has saved money over the years for capital projects, it can still take advantage of lower construction costs to deliver high priority projects like the Alton Parkway Gap Closure, the Rancho Parkway Gap Closure, Traffic Signal Synchronization, and further progress on the OSA sports park. These signature projects are in various design phases now and will see important progress during the up-coming fiscal year consistent with City Council and community priorities.

In Fiscal Year 2010-11, the City also will update the Five-Year Strategic Business Plan. Like the private sector, the City Council uses survey data from the Resident and Business Survey, along with financial and demographic projections to make sound, strategic decisions regarding services and plans for new projects and facilities. Consistent with that Plan, the Budget focuses on the delivery of quality services and several important projects and initiatives. The Resident and Business Survey will be conducted in fall 2010.

Delivering on our commitment to providing quality recreation amenities, the Etnies Skatepark of Lake Forest will debut an expansion of 13,000 additional square feet, including new skate features. The eagerly awaited Heroes Park Snack Bar and Restroom project is expected to be completed in the fall. The new building will provide full service amenities to visitors of Heroes Park and allow local youth sports groups the opportunity to use the concession building to prepare and sell concessions during games. El Toro Park will also receive a substantial make-over, including new play equipment, a shade structure and new landscaping. Mountain View and Concourse Parks are also slated for improvements.

Street maintenance will continue to be a focus for the community, as the City's annual asphalt projects will occur on residential streets over the summer. Construction will also begin on Phase 1 of the Rockfield Boulevard Streetscape Project, encompassing Rockfield Boulevard between El Toro Road and Los Alisos Boulevard. The overall goals of this project are to implement traffic calming measures as well as enhance the streetscape with new medians and parkways.

We welcome and look forward to cultivating collaborative relationships with new and expanding businesses expected to open in town in Fiscal Year 2010-11, including a new Fresh & Easy, a new Walgreens, an expanded Smart & Final, and an expanded WalMart. An Economic Development Strategy will be developed over the upcoming year to continue to attract new businesses and high quality jobs to the city, and the partnership with the Lake Forest Chamber of Commerce will be advanced through the Fiscal Year 2010-11 Business Development and Attraction Work Plan.

New services proposed to enhance customer service at City Hall for Fiscal Year 2010-11 include accepting passport applications at City Hall, as well as using the facility as an early voting site for the November 2010 election. To enhance the convenience of transactions with residents and others who do business with the City, the acceptance of credit cards at City Hall will also be implemented. Each of these initiatives will be accomplished utilizing existing staff and resources.

Ongoing projects, such as efforts to implement the Revitalization Action Plan for the Light Industrial Area, will move forward through the fiscal year. The City will continue to communicate key messages related to traffic safety, fire safety, and traffic congestion relief to the public via newsletters, websites, and a new speaker's bureau.

Public safety remains a high priority for the City. Police Services will continue offering existing services as well as capitalizing on opportunities to increase education and awareness throughout the community. Key programs include the enhanced traffic enforcement program to ensure the safety of motorists and reduce the number of injury traffic accidents, along with the Special Enforcement Team. This team focuses on issues such as graffiti, truancy, gang membership, and outreach to the at-risk teen population. Existing community programming will be augmented with two new education programs, the visual crime prevention campaign "Don't Make It Easy," and the neighborhood ALERT! Program. Events and activities that foster community will also be offered throughout the year.

Overall, Fiscal Year 2010-11 looks to continue progress on major projects of community priority while maintaining the City's solid financial condition. The

department detail portion of the budget provides more information on specific major initiatives.

As a general note, the Fiscal Year 2010-11 Budget is balanced and reflects appropriate measures to ensure prudent care of the City's finances while maintaining service levels to the community. Unlike previous years, however, the City will use approximately $700,000 in excess funds available to balance the General Fund, but also maintain fully funded reserve accounts. After using interfund transfers, the overall Operating Budget and each fund are projected to show positive or zero balances at the end of the fiscal year.

Revenues

Looking forward, we expect a modest decrease in General Fund revenues in Fiscal Year 2010-11, with revenue sources stabilizing and seeing a slight recovery in subsequent fiscal years, barring any unforeseen events. These estimates are based on the ongoing effects of the recession, the weak housing market and its effects on property taxes, and declining investment earnings due to historically low interest rates. The Operating Budget ("Budget") for Fiscal Year 2010-11 projects General Fund revenues to be $30 million, which is $0.7 million or 2% less than the revised estimate of $30.7 million, for Fiscal Year 2009-10.

Although the passage of Proposition 1A allows the City to estimate future revenues with more certainty than in the past, the State's budget deficit may put unprotected revenues at risk. A recent change to the law will eliminate Proposition 42 revenues in Fiscal Year 2010-11 and replace them with excise taxes. At this point, the ultimate effect of this new law on the City's revenues is unclear. Staff will continue to monitor the situation and report on any notable developments to the City Council.

As in past years, we have chosen to be conservative in estimating revenues for the Fiscal Year 2010-11 Budget. Revenues may be realized at higher or lower levels, but staff believes the forecast will allow the City a conservative cushion.

Expenditures

General Fund operating expenditures are forecasted at $30.7 million in Fiscal Year 2010-11, a $0.8 million or 2.7% decrease from the adjusted budget in the Fiscal Year 2009-10 Mid-Year Budget Review. A brief explanation of proposed changes by department is shown under the heading Budget Analysis, in the Summary Section of the Budget. More information on each department's operations can be found in the Departmental Activity Detail sections. Shown

below are some budget adjustments made to the Fiscal Year 2010-11 Budget to offset the declines in revenues during the past year.

Budget Adjustment	Department
Reviewed Redevelopment Agency funding allocations for percentages of positions to reflect Agency-related activities	Redevelopment/Economic Development and Management Services
Authorized temporary vacancies of personnel and contract positions	Various departments
Authorized transfer of Traffic Engineer costs to Gas Tax Fund to reduce professional services costs	Public Works
Recombined the mailing of the Leisure Times with the Leaflet	Community Services
Deferred some anticipated new programs	All Departments

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

Fund Balances

After transfers, the General Fund balance is projected to decrease by $19.9 million to $13 million. This decrease is due, in major part, to a transfer of $19.1 million to the Opportunities Study Area Capital Improvement Projects Fund. Pursuant to City Council direction, General Fund reserves will remain fully funded and the City will continue to be in solid financial condition.

Capital Projects

The City provides for capital projects in a separate two-year capital budget. The next Capital Improvement Projects Budget will be adopted in June 2011 and will cover the two-year period from July 2011 to June 2013.

To provide a comprehensive picture of all City funds in the Budget, revenue and expenditure projections for capital projects for Fiscal Year 2010-11 are shown in addition to operating activity in summary form in the Summary of Revenues, Expenditures, Transfers, and Fund Balances.

Conclusion

Since incorporation, the City of Lake Forest has followed a conservative fiscal path while still saving significant reserve funds and available cash to provide anticipated capital improvements deemed important to the community. The City is currently poised to deliver much needed capital projects like the Alton Parkway Gap Closure, Rancho Parkway Gap Closure, citywide traffic synchronization, a major sports park, a recreation center and civic center. The City's ability to provide these important capital projects while maintaining high services is due to conservative fiscal policies and strategic planning, along with a strong economy – one, however, which peaked in 2007.

Unfortunately, the City is not immune from economic recessions. In light of what is now being commonly referred to as the "new normal economy," the City is carefully monitoring revenue and expenditure trends to ensure Lake Forest's continued solid financial position. Our task is to re-align the City's revenues and expenditures over the next few years as the economy recovers and the Opportunity Study Area develops. This can be accomplished by the careful use of available fund balances (while simultaneously maintaining reserve funds) and fine-tuning expenditures as a new baseline of services emerges with the addition of new residents. Clearly, however, the City will need to remain flexible to respond quickly to any negative economic events that may occur.

Overall, in Fiscal Year 2010-11 the City continues to be on course to maintain a high quality of life and desirable environment for residents and businesses. As always, staff looks forward to the new fiscal year and opportunities to work with the community and City Council with enthusiasm and optimism.

Sincerely,

Robert C. Dunek
City Manger

Section Two

TABLE OF CONTENTS

Description	Section-Page
Operating Budget Analysis	2- 1
Summary of Revenues, Expenditures, Transfers, and Fund Balances	2-10
Summary of Financial Reserve Funds - Fiscal Year 2010-11	2-11
Carryover Appropriations Over $100,000 - Fiscal Year 2008-09 Into Fiscal Year 2009-10	2-12
Summary of Revenues - All Funds	2-13
Summary of Expenditures by Department	2-15
Personnel Summary	2-17

OPERATING BUDGET ANALYSIS

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

REVENUES

The following is a discussion of the revenues by category of the City and Redevelopment Agency ("Agency"):

TAXES

2008-09 Actual	$35,595,069
2009-10 Budget	34,415,900
2009-10 Estimated	33,112,300
2010-11 Adopted	32,480,200

City property taxes are expected to decrease by 3% from Fiscal Year 2009-10 revised estimates, since the assessed valuation for Fiscal Year 2010-11 will be based on sales activity in 2009 and a negative Proposition 13 inflation factor. During 2009, the decline in the real estate market continued and worsened from its inception in mid-2006, and thus, these revenues are expected to be lower than prior years. The County Assessor has continued to implement Proposition 8 adjustments to assessed values for properties that changed ownership in recent years. In Fiscal Year 2009-10, the City participated in the Proposition 1A securitization to enable receipt of property taxes withheld by the State. Without participation in the securitization, taxes would have been $1.3 million lower with repayment from the State in three years.

Agency tax increment is expected to decrease by 10% from the Fiscal Year 2009-10 revised estimates, mostly due to the fact that the Redevelopment Agency receives tax increment in a lump sum payment each year one year in arrears. Thus, revenues for Fiscal Year 2009-10 are based on sales activity in 2008, when significant declines in housing values were occurring.

Sales taxes are projected to increase by 3.4% from the Fiscal Year 2009-10 revised estimate due to the recent stabilization in consumer activity and sales tax receipts. All other tax revenues are expected to be relatively stable in the upcoming year.

LICENSES & PERMITS

2008-09 Actual	$483,310
2009-10 Budget	360,000
2009-10 Estimated	365,000
2010-11 Adopted	370,000

Building permit revenues have decreased since Fiscal Year 2008-09 due to the ongoing housing market decline and receipts are expected to be relatively stable since that time. Any permits related to the Opportunities Study development projects will be reflected at a later date after more information is available.

FROM OTHER GOVERNMENTS

2008-09 Actual	$4,864,785
2009-10 Budget	6,410,500
2009-10 Estimated	6,849,600
2010-11 Adopted	11,792,500

The increase in Fiscal Year 2010-11 is primarily related to anticipated grants for capital projects, such as Alton and Rancho Parkways.

USER FEES & CHARGES

2008-09 Actual	$1,035,113
2009-10 Budget	651,300
2009-10 Estimated	1,016,200
2010-11 Adopted	1,128,300

The increase in Fiscal Year 2010-11 is mostly due to anticipated park and affordable housing development impact fees.

FINES & FORFEITURES

2008-09 Actual	$556,560
2009-10 Budget	520,000
2009-10 Estimated	425,000
2010-11 Adopted	425,000

No significant changes are anticipated.

USE OF MONEY & PROPERTY

2008-09 Actual	$2,651,924
2009-10 Budget	1,849,800
2009-10 Estimated	1,602,300
2010-11 Adopted	820,300

The primary component in this category is investment earnings and rates continued to decline in Fiscal Year 2009-10, primarily due to multiple decreases in interest rates made by the Federal Reserve Board in response to the housing market decline, the credit crisis and the current economic decline.

OTHER REVENUE

2008-09 Actual	$95,258
2009-10 Budget	50,900
2009-10 Estimated	75,200
2010-11 Adopted	42,400

Receipts in Fiscal Year 2010-11 are expected to be lower than the revised estimate for Fiscal Year 2009-10. This is primarily due to various reimbursements for project costs and state mandated costs incurred by the City that are not budgeted until received or until information is provided to verify the future receipt of these items.

EXPENDITURES

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

CITY COUNCIL

2008-09 Actual	$217,313
2009-10 Budget	251,600
2010-11 Proposed	247,300
2010-11 Adopted	221,500

CITY MANAGER

2008-09 Actual	$905,424
2009-10 Budget	987,600
2010-11 Proposed	876,900
2010-11 Adopted	876,900

REDEVELOPMENT/ ECONOMIC DEVELOPMENT

2008-09 Actual	$2,975,252
2009-10 Budget	3,579,400
2010-11 Proposed	3,209,500
2010-11 Adopted	3,458,300

CITY ATTORNEY

2008-09 Actual	$1,526,288
2009-10 Budget	887,700
2010-11 Proposed	1,216,900
2010-11 Adopted	1,216,900

FINANCE

2008-09 Actual	$1,778,500
2009-10 Budget	1,771,100
2010-11 Proposed	1,605,600
2010-11 Adopted	1,605,600

OPERATIONS AND MAINTENANCE:

Prepare annual report internally	($8,000)

DEVELOPMENT SERVICES

2008-09 Actual	$2,788,257
2009-10 Budget	2,501,900
2010-11 Proposed	2,588,500
2010-11 Adopted	2,593,500

OPERATIONS AND MAINTENANCE:

Wireless connections for Building System laptops	$1,200
California Building Codes reference books	600

PUBLIC WORKS

2008-09 Actual	$8,856,647
2009-10 Budget	8,888,700
2010-11 Proposed	8,288,900
2010-11 Adopted	8,288,900

MANAGEMENT SERVICES

2008-09 Actual	$2,881,776
2009-10 Budget	2,700,500
2010-11 Proposed	2,478,800
2010-11 Adopted	2,478,800

OPERATIONS AND MAINTENANCE:

California Building Codes reference books	$600

CONTRACT SERVICES:

Eliminate employee exercise classes	($5,000)

COMMUNITY SERVICES

2008-09 Actual	$2,997,839
2009-10 Budget	3,392,500
2010-11 Proposed	3,164,800
2010-11 Adopted	3,164,800

OPERATIONS AND MAINTENANCE:

Decrease postage by combining Leaflet and Leisure Times mailings	($27,000)

POLICE SERVICES

2008-09 Actual	$12,833,924
2009-10 Budget	13,431,200
2010-11 Proposed	13,169,300
2010-11 Adopted	13,169,300

VEHICLE REPLACEMENT

2008-09 Actual	$37,554
2009-10 Budget	
2010-11 Proposed	
2010-11 Adopted	

FUND ANALYSIS-OPERATING BUDGET

Following is a discussion of some of the City's larger funds with material activity budgeted in Fiscal Year 2010-11. Agency funds are not included in this discussion, as this has been addressed in the Agency Budget and capital project funds are also excluded as they are governed by bi-annual capital budgets.

GENERAL FUND

Revenues are projected at $30 million (a decrease of $0.6 million or 2.1% from the Fiscal Year 2009-10 revised estimate). This decrease is primarily due to

declines in property taxes and investment earnings. More information regarding these declines is described in the revenue section above.

Operating expenditures are projected at $30.7 million as compared to the Fiscal Year 2009-10 adopted budget amount of $31.8 million (a decrease of $1.1 million or 3%). This decrease is primarily due to previous and current actions taken to reduce costs in departments to address declines in revenues related to the recession. Other Fiscal Year 2010-11 changes in departmental expenditures and program costs are noted in the expenditures section above.

Net interfund transfers out are projected at -$19.1 million (excluding the memo transfer of $708,200 noted in the Summary of Revenues, Expenditures, Transfers, and Fund Balances) as compared to the Fiscal Year 2009-10 adopted budget amount of -$16.6 million (an increase of $2.5 million or 15%). In Fiscal Year 2010-11, net transfers out primarily provide funding for Opportunities Study capital projects.

This fund is expected to have available fund balances of $13.0 million at the end of the year, with General Fund reserves fully funded.

GAS TAX FUND

Revenues are projected at $2 million as compared to the Fiscal Year 2009-10 revised estimate of $1.8 million (an increase of $0.2 million or 1%). Revenue fluctuations are primarily attributable to estimated excise taxes in lieu of Proposition 42 revenues which were recently eliminated by State law.

Expenditures are $1.8 million, similar to the Fiscal Year 2009-10 adopted budget.

Interfund transfers out are projected at -$48,500 compared no budgeted transfers in Fiscal Year 2009-10. This transfer will provide funding for the Measure M Fund, which has a small shortfall related to declines in revenues during the last couple of years.

At the end of the year, it is expected that the fund will have $0.5 million remaining fund balance.

MEASURE M FUND

Revenues are projected at $0.8 million, similar to revised estimates for Fiscal Year 2009-10. Expenditures are $0.9 million as approved in the 2009-2011 Capital Improvement Projects Budget for slurry seal and repaving projects. As is

noted above, $48,500 will be transferred from the Gas Tax Fund to cover a small shortfall to arrive at an ending balance of zero.

ETNIES SKATEPARK FUND

Revenues are projected at $72,700, comparable to the Fiscal Year 2009-10 revised estimate of $78,700 (a decrease of $6,000 or 8%). Expenditures are $368,100, comparable to the Fiscal Year 2009-10 adopted budget amount of $385,300 (a decrease of $17,200 or 4%). This fund will have no estimated available fund balance at the end of the year after an interfund transfer from the General Fund of $295,400.

AIR QUALITY IMPROVEMENT FUND

Revenues are projected to remain constant at $0.1 million, the same as the Fiscal Year 2009-10 revised estimate. There are no proposed expenditures during Fiscal Year 2010-11, compared to $10,000 having been budgeted in Fiscal Year 2009-10 for the Go Local grant. Interfund transfers out are projected at $0.1 million compared no budgeted transfers in Fiscal Year 2009-10. This transfer will provide funding for the Traffic Synchronization project. This fund is expected to have available fund balances of $0.6 million at the end of the year.

POLICE GRANT FUNDS

These funds are balanced in regard to grant revenues and expenditures and the grant program in Fiscal Year 2010-11 is the State COPS (Brulte) grant.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Entitlement revenues and expenditures are based on the Fiscal Year 2010-11 Draft Plan submitted the Department of Housing and Urban Development and approved by the City Council. In addition, revenues and expenditures from the rehabilitation loan program are included.

FINANCING AUTHORITY FUND - CERTIFICATES OF PARTICIPATION

This fund is balanced with respect to interfund transfers in and expenditures. Funding is received each fiscal year from the Redevelopment Agency Debt Service Fund.

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, 2011, are as follows:

General Fund - Undesignated	$ 8.0 million
Economic Contingency	4.0 million
Emergency Services	3.0 million

SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances July 1, 2010	Revenues	Use of Excess Fund Balance	Expenditures Operating	Expenditures Capital	Expenditures Total	Revenues less Expenditures	Transfers/ Loans [1]	Available Fund Balances June 30, 2011
General Fund	$32,894,263	$30,040,600	$708,200	$30,748,800		$30,748,800	$0	($19,885,800)	$13,008,463
Special Revenue Funds:									
Gas Tax	343,875	2,014,500		1,793,800		1,793,800	220,700	(48,500)	516,075
Measure M	73,100	805,000			900,000	900,000	(95,000)	48,500	26,600
Ethies Skatepark		72,700		368,100		368,100	(295,400)	295,400	0
Air Quality Improvement	642,459	102,000				0	102,000	(143,000)	601,459
Police Grants		100,000		100,000		100,000	0		0
Asset Forfeitures	11,398	200				0	200		11,598
Community Development Block Grant	126,138	501,900		278,600	329,400	608,000	(106,100)		20,038
Special Revenue Subtotal	1,196,970	3,596,300		2,540,500	1,229,400	3,769,900	(173,600)	152,400	1,175,770
Debt Service Fund:									
Financing Authority	347			547,100		547,100	(547,100)	547,100	347
Total Operating Budget	34,091,580	33,636,900	708,200	33,836,400	1,229,400	35,065,800	(720,700)	(19,186,300)	14,184,580
Capital Funds:									
Capital Improvement Projects	9,721,432	8,061,000			9,212,000	9,212,000	(1,151,000)	143,000	8,713,432
Park Development/Const.	231,943	7,000				0	7,000		238,943
Affordable Housing Capital Projects	51,000	248,000				0	248,000		299,000
Opportunities Study Capital Projects					19,139,000	19,139,000	(19,139,000)	19,139,000	0
Subtotal	10,004,375	8,316,000		0	28,351,000	28,351,000	(20,035,000)	19,282,000	9,251,375
Reserve Funds:									
General (Designated)	3,573,612					0	0		3,573,612
General (Undesignated)	8,182,100					0	0	(171,200)	8,010,900
Economic Contingency	4,091,100		(708,200)			0	(708,200)	622,600	4,005,500
Emergency Services	2,970,000					0	0		2,970,000
Subtotal	18,816,812	0	(708,200)	0	0	0	(708,200)	451,400	18,560,012
Internal Service Fund:									
Vehicle Replacement	325,107	77,300		0		0	77,300		402,407
Subtotal All City Funds	63,237,874	42,030,200	0	33,836,400	29,580,400	63,416,800	(21,386,600)	547,100	42,398,374
Redevelopment Agency:									
Operating				1,081,200		1,081,200	(1,081,200)	1,081,200	0
Debt Service	4,520,230	4,080,000		1,645,700		1,645,700	2,434,300	(1,628,300)	5,326,230
Low and Moderate Income Housing	2,332,104	948,500		511,200		511,200	437,300		2,769,404
Subtotal	6,852,334	5,028,500		3,238,100	0	3,238,100	1,790,400	(547,100)	8,095,634
Grand Total All Funds	$70,090,208	$47,058,700	$0	$37,074,500	$29,580,400	$66,654,900	($19,596,200)	$0	$50,494,008

[1] $708,200 in transfers out in the General Fund and transfers in in the Economic Contingency Fund are for memo purposes only to reflect the usage of excess fund balance.

SUMMARY OF FINANCIAL RESERVE FUNDS
FISCAL YEAR 2010-11

Description	Balance July 1, 2010	Balance June 30, 2011
General (Designated):		
City Loan to Redevelopment Agency	$1,138,143	$1,138,143
Potential Redevelopment Agency Projects	1,000,000	1,000,000
Cable Grant - Public Education and Government (PEG)	950,854	950,854
Prepaid Expenditures	484,615	484,615
Total General (Designated)	3,573,612	3,573,612
General (Undesignated)[1]	8,182,100	8,010,900
Economic Contingency[2]	4,091,100	4,005,500
Emergency Services[3]	2,970,000	2,970,000
Total Financial Reserves	$18,816,812	$18,560,012

[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] Reduced for programs related to disaster recovery. This reduction required approval by four of the five Council Members.

CARRYOVER APPROPRIATIONS OVER $100,000
FISCAL YEAR 2008-09 INTO FISCAL YEAR 2009-10[1]

Description	Fund	Carryover Appropriation
Park Improvements	Capital Improvement Projects	$4,802,800
Trabuco Road Streetscape	Capital Improvement Projects	2,107,357
Street Repaving and Slurry Seal	Gas Tax Fund	1,119,650
Rockfield Streetscape	Capital Improvement Projects	1,053,043
Americans with Disabilities Act Access Ramps	Capital Improvement Projects	771,203
Street Repaving and Slurry Seal	General Fund	665,083
Watershed Management Projects	Capital Improvement Projects	562,200
El Toro Park Improvements	Community Development	471,087
Heroes Park Snack Bar and Restroom	Capital Improvement Projects	415,845
Play Equipment Replacement	Capital Improvement Projects	397,050
Traffic Signal Preemption	Capital Improvement Projects	343,891
Rue De Fortuna Neighborhood Traffic Improvements	Capital Improvement Projects	300,000
Jeronimo Streetscape	Capital Improvement Projects	295,409
Sports Park	Opportunities Study Capital Improvement Projects	241,949
Civic Center	Opportunities Study Capital Improvement Projects	266,570
New Street Lights - Various Locations	Capital Improvement Projects	263,000
Street Repaving and Slurry Seal - County City Aid Program Grant	Capital Improvement Projects	262,500
Street Repaving and Slurry Seal	Measure M Fund	248,944
Recreation Center	Opportunities Study Capital Improvement Projects	133,679
Building Permit System	General Fund	155,109
Light Industrial Area Zoning Revitalization (Planning Division)	General Fund	155,000
Total Carryover Appropriations Over $100,000		$15,031,369
Total Carryover Appropriations		$15,617,580

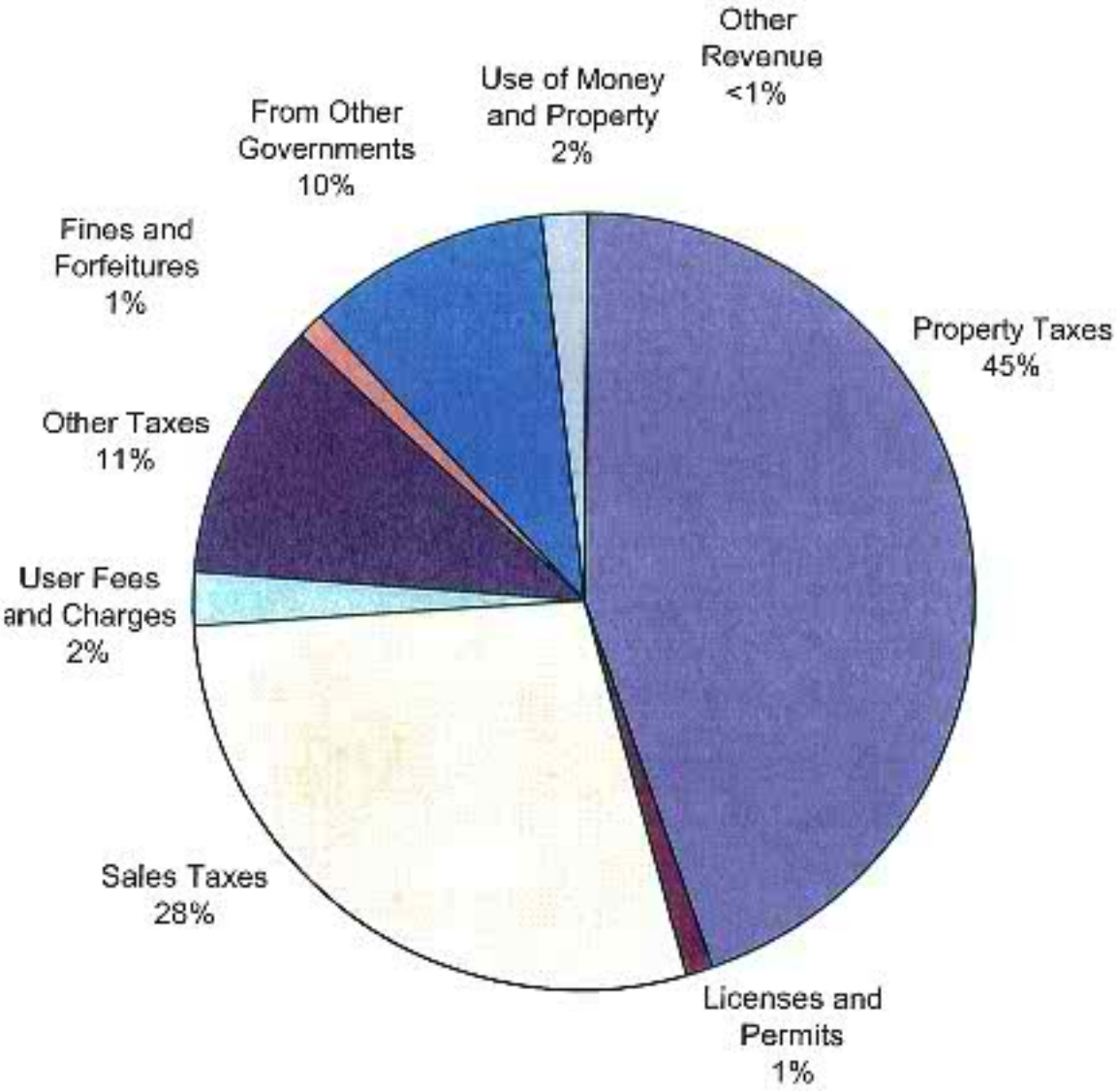
[1]These carryover appropriations were approved by the City Council on November 17, 2009.

SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2008-09	Adopted Budget 2009-10	Estimate 2009-10	Proposed Budget 2010-11
Property Taxes	$18,285,378	$17,966,900	$18,264,200	$17,247,100
Sales Tax	12,482,010	12,082,000	10,600,000	10,962,000
Other Taxes	4,827,681	4,367,000	4,248,100	4,271,100
Licenses and Permits	483,310	360,000	365,000	370,000
From Other Governments	4,864,785	6,410,500	6,939,200	11,792,500
User Fees and Charges	1,035,113	651,300	1,016,200	1,128,300
Fines and Forfeitures	556,560	520,000	425,000	425,000
Use of Money and Property	2,651,924	1,849,800	1,602,300	820,300
Other Revenue	95,258	50,900	75,200	42,400
Total All Funds	45,282,019	44,258,400	43,535,200	47,058,700
Less Redevelopment Agency	(5,349,356)	(5,348,000)	(5,563,100)	(5,028,500)
Total City Funds	$39,932,663	$38,910,400	$37,972,100	$42,030,200
Less Capital Project Revenues	($572,228)	($2,914,300)	($3,640,400)	($8,316,000)
Grand Total All City Operating Funds	39,360,435	35,996,100	34,331,700	33,714,200

SUMMARY OF REVENUES - ALL FUNDS[1]

Fiscal Year 2010-11



[1] Includes Redevelopment Agency activity and excludes all revenues in capital project funds.

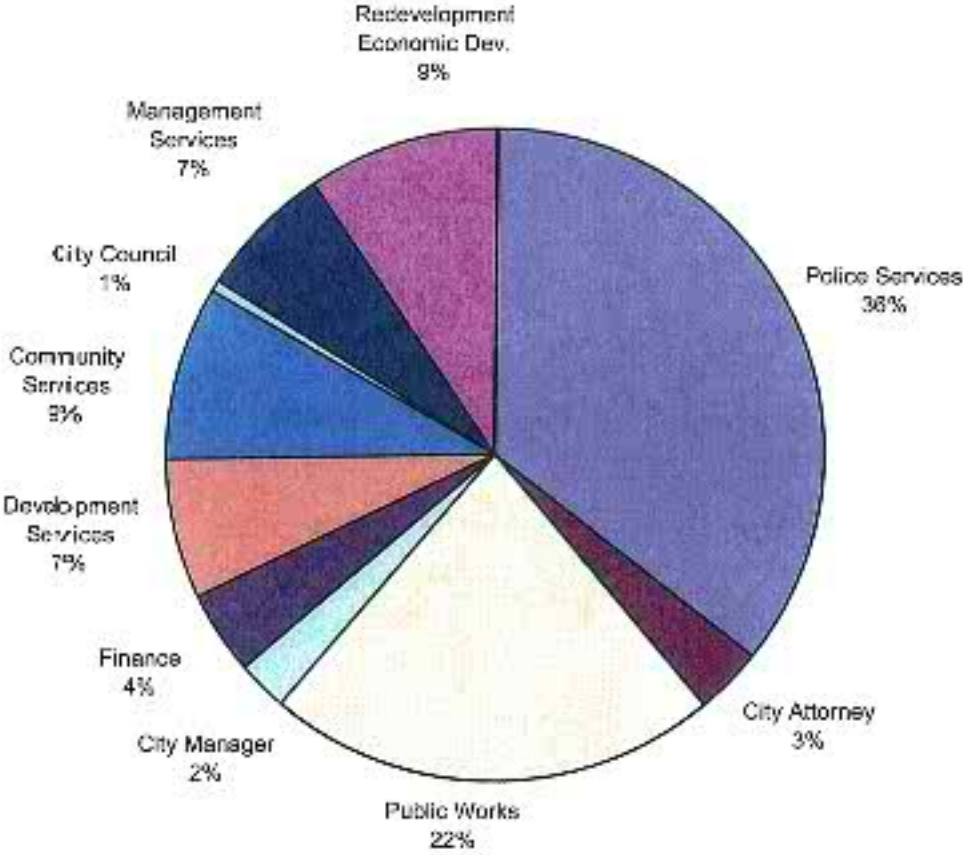
SUMMARY OF EXPENDITURES BY DEPARTMENT

Department	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
City Council	$217,313	$251,600	$247,300	$221,500
City Manager	905,424	987,600	876,900	876,900
Redevelopment/Economic Development	2,975,252	3,579,400	3,209,500	3,458,300
City Attorney	1,526,288	887,700	1,216,900	1,216,900
Finance	1,778,500	1,771,100	1,605,600	1,605,600
Development Services	2,788,257	2,501,900	2,593,500	2,593,500
Public Works	8,856,647	8,888,700	8,288,900	8,288,900
Management Services[1]	2,881,776	2,700,500	2,478,800	2,478,800
Community Services	2,997,839	3,392,500	3,164,800	3,164,800
Police Services	12,833,924	13,431,200	13,169,300	13,169,300
Vehicle Replacement	37,554		136,100	
Total Operating Expenditures	37,798,774	38,392,200	36,987,600	37,074,500
Less: Redevelopment Agency Operating Expenditures	(3,808,206)	(3,192,200)	(2,989,300)	(3,238,100)
Total City Operating Expenditures	33,990,568	35,200,000	33,998,300	33,836,400
Capital Projects	6,755,157	29,143,100	29,580,400	29,580,400
Less: Redevelopment Agency Capital Projects	(63,805)	(900,000)		
Total City Capital Projects	6,691,352	28,243,100	29,580,400	29,580,400
Grand Total All City Funds	$40,681,920	$63,443,100	$63,578,700	$63,416,800

[1] The City Clerk's Department became a division of Management Services in Fiscal Year 2009-10, thus City Clerk activity is reflected retroactively in the Management Services Department.

SUMMARY OF EXPENDITURES BY DEPARTMENT[1]

Fiscal Year 2010-2011



[1] Includes Redevelopment Agency activity and excludes capital improvement projects

PERSONNEL SUMMARY

Department	2008-09 Authorized Full Time	2008-09 Authorized Part Time Hours	2009-10 Authorized Full Time	2009-10 Authorized Part Time Hours	2010-11 Authorized Full Time	2010-11 Authorized Part Time Hours
City Manager:						
City Manager	1		1		1	
Assistant City Manager/ Deputy Executive Director - Redevelopment Agency	0.5		0.5		0.4	
Assistant to the City Manager	1		1		1	
Executive Assistant	1		1		1	
Management Analyst	1		1		1	
Intern		1,248		1,248		
Subtotal	4.5	1,248	4.5	1,248	4.4	0
Redevelopment/Economic Development:						
Assistant City Manager/ Deputy Executive Director - Redevelopment Agency	0.5		0.5		0.6	
Economic Development Specialist	1		1		1	
Housing Manager	1		1		1	
Redevelopment Project Manager	1		1		1	
Management Analyst	1		1		1	
Administrative Secretary	1		1		1	
Intern		1,040		2,080		2,080
Subtotal	5.5	1,040	5.5	2,080	5.6	2,080
Finance:						
Director of Finance/ City Treasurer	1		1		1	
Accounting Manager	1		1		1	
Accountant	1		1		1	

PERSONNEL SUMMARY

Department	2008-09 Authorized Full Time	2008-09 Authorized Part Time Hours	2009-10 Authorized Full Time	2009-10 Authorized Part Time Hours	2010-11 Authorized Full Time	2010-11 Authorized Part Time Hours
Finance (continued):						
Contracts/Purchasing Administrator	1		1			
Senior Accounting Technician	1		1		1	
Accounting Technician		1,040	1		1	
Administrative Secretary	1		1		1	
Subtotal	6	1,040	7	0	6	0
Development Services:						
Director of Development Services	1		1		1	
Planning Manager	1		1		1	
Senior Planner	2		2		2	
Associate Planner	1		1		1	
Assistant Planner	2		1		1	
Code Enforcement Supervisor	1		1		1	
Code Enforcement Officer	2		2		2	
Community Preservation Technician	1		1		1	
Administrative Secretary	1		1		1	
Records System Administrator					1	
Records Specialist	1		1	1,248		1,248
Senior Office Specialist			1		1	
Building Technician	1	1,248	1		1	
Intern		4,160		1,040		1,040
Subtotal	14	5,408	14	2,288	14	2,288
Public Works:						
Director of Public Works/ City Engineer	1		1		1	
Engineering Services Manager	1		1		1	
Public Works Manager	1		1		1	
Public Works Supervisor	1		1		1	

PERSONNEL SUMMARY

Department	2008-09 Authorized Full Time	2008-09 Authorized Part Time Hours	2009-10 Authorized Full Time	2009-10 Authorized Part Time Hours	2010-11 Authorized Full Time	2010-11 Authorized Part Time Hours
Public Works (continued):						
Traffic Engineer	1		1		1	
Civil Engineering Associate	1					
Principal Civil Engineer			1		1	
Water Quality Specialist	1		1		1	
Administrative Secretary	1		1		1	
Engineering Technician	1		1		1	
Landscape Inspector	2		2		2	
Management Analyst	1		1		1	
Senior Office Specialist	2		2		2	
Forestry Intern		1,000		1,000		
Subtotal	14	1,000	14	1,000	14	0
Management Services:[1]						
Director of Management Services	1		1			
Deputy City Manager/Director of Management Services					1	
Management Analyst	1		1		1	
City Clerk	1		1		1	
Assistant City Clerk	1		1		1	
Executive Assistant					1	
Administrative Secretary	2		2		1	
Senior Office Specialist	2		1		1	
Records Specialist	1		1		1	
Information Technology Manager	1		1		1	
Human Resources/Risk Management Manager [2]	1		1		1	
Human Resources Technician	1		1		1	
Intern		2,288		2,288		1,248
Subtotal	11	2,288	10	2,288	11	1,248

PERSONNEL SUMMARY

Department	2008-09 Authorized Full Time	2008-09 Authorized Part Time Hours	2009-10 Authorized Full Time	2009-10 Authorized Part Time Hours	2010-11 Authorized Full Time	2010-11 Authorized Part Time Hours
Community Services:						
Director of Community Services	1		1		1	
Recreation Program Manager	2		2		2	
Administrative Secretary	1		1		1	
Recreation Coordinator	4	3,900	4	6,000	4	4,800
Senior Office Specialist	1		1		1	
Recreation Leader		17,840		17,139		17,139
Recreation Specialist		2,000		2,000		2,000
Senior Recreation Leader		8,886		8,886		8,886
Facilities Maintenance Specialist	1	1,000	1		1	
Subtotal	10	33,626	10	34,025	10	32,825
Police Services:						
Public Safety Manager	1		1		1	
Administrative Secretary [2]	1		1		1	
Subtotal	2	0	2	0	2	0
City Total	67	45,650	68	42,929	67	38,441

[1] The City Clerk's Department became a division of the Management Services Department in Fiscal Year 2009-10, thus City Clerk activity is reflected retroactively in the Management Services Department.

[2] Temporary 1-Year Vacancy

Section Three

TABLE OF CONTENTS

Description	Section-Page
Combined Program Revenues	3-1

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
General Fund				
Taxes				
Property Taxes - City:				
Secured	$6,032,441	$5,950,000	$4,616,200	$5,772,000
Unsecured	252,461	263,000	230,000	224,000
Supplemental	212,432	230,000	100,000	100,000
Prior Year	262,378	100,000	300,000	200,000
Homeowners' Exemptions	56,370	56,000	56,000	56,000
Penalties and Interest	51,922	30,000	60,000	50,000
Other Revenues	28,123	600	23,100	20,000
Prop 1A Securitization			1,333,800	
Property Taxes - Lighting District:				
Secured	468,490	461,000	461,000	448,000
Unsecured	19,607	20,000	20,000	20,000
Supplemental	8,808	10,000	4,000	4,000
Prior Year	19,161	10,000	15,000	15,000
Homeowners' Exemptions	4,349	4,300	4,300	4,300
Penalties and Interest	3,688	2,000	3,000	3,000
Other Revenues	1,571		800	800
Property Taxes - Motor Vehicle In-Lieu Backfill	5,777,122	5,662,000	5,636,300	5,468,000
Sales and Use Taxes	12,482,010	12,082,000	10,600,000	10,962,000
Transient Occupancy Taxes	2,227,264	1,925,000	1,800,000	1,800,000
Real Property Transfer Taxes	245,995	200,000	220,000	220,000
Franchise Fees	2,354,422	2,242,000	2,228,100	2,251,100
Subtotal	30,508,614	29,247,900	27,711,600	27,618,200
Licenses and Permits				
Building Permit Fees	474,520	350,000	360,000	360,000
Sign Permits	8,790	10,000	5,000	10,000
Subtotal	483,310	360,000	365,000	370,000
From Other Governments				
Motor Vehicle In-Lieu Fees	266,153	195,000	135,000	195,000
Used Oil Recycling Grant	11,436	23,700	23,700	23,700

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
From Other Governments (con't.)				
Vehicle Abatement Fees	89,042	60,000	53,000	53,000
Orange County Transportation Authority Grants:				
Senior Mobility	13,127	27,200	27,200	34,000
Go Local Program	3,212			
Emergency Operating Center Planning Grant	4,515			
Homeland Security Grant			33,700	
Rubberized Asphalt Grant			89,600	
Metropolitan Water District of Orange County Grant	224,260			
Justice Assistance Grant	8,082			
Alcoholic Beverage Control Grant	11,119			
American Recovery and Reinvestment Act Grants			122,600	
Beverage Container Recycling Grant	(32,044)	21,500	21,500	21,500
County Recycling/Waste Diversion Grant	5,212			
Subtotal	604,114	327,400	506,300	327,200
User Fees and Charges				
Recreation Programs	22,765	26,000	26,000	24,200
Senior Programs	3,228	3,000	3,000	16,000
Teen Programs	2,887	3,500	3,500	2,500
Youth Programs	2,582	14,700	14,700	23,400
Recreation Classes	18,817	19,300	19,300	12,000
On-line Recreation Registration	62,693	45,000	45,000	45,000
Excursions	10,306	11,000	11,000	9,600
Facility Rental	1,178	600	600	1,400
Park Reservation Fees	855	800	800	1,200
Plan Check Fees	162,125	145,000	145,000	145,000
Fire Plan Check Fees	4,052	6,200	4,000	4,000
Engineering Fees	115,084	110,000	85,000	85,000

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
User Fees and Charges (con't.)				
Planning and Zoning Fees	186,273	110,000	314,000	345,000
Opportunities Study Fees	199,572		180,000	
Records Retention/ Imaging Fees	11,819	4,000	9,000	9,000
Copies and Maps	8,373	5,000	7,000	7,000
Subtotal	812,609	504,100	867,900	730,300
Fines and Forfeitures				
Motor Vehicles Code Fines	360,946	330,000	270,000	270,000
Local Ordinance Violations	195,614	190,000	155,000	155,000
Subtotal	556,560	520,000	425,000	425,000
Use of Money and Property				
Leases	120,038	114,000	114,000	114,000
Interest Income	1,713,129	1,120,000	620,000	420,000
Subtotal	1,833,167	1,234,000	734,000	534,000
Other Revenue				
Donations			2,000	
State Mandated Claims	15,689	25,000	41,500	25,000
Prior Year Adjustments	(62,765)		17,200	
Senior Donations	869	900	900	900
Reimbursements	20,257		1,200	
Miscellaneous Revenue	8,901	25,000	10,000	10,000
Subtotal	(17,049)	50,900	72,800	35,900
General Fund Total	34,781,325	32,244,300	30,682,600	30,040,600
Special Revenue Funds				
Gas Tax Fund				
Section 2105	425,942	400,000	416,000	416,000
Section 2106	268,872	255,000	262,000	262,000
Section 2107	567,444	535,000	554,000	554,000
Section 2107.5	7,500	7,500	7,500	7,500

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
Special Revenue Funds (con't.)				
Section 7360				750,000
Proposition 42	662,711	670,000	600,000	
Proposition 1B Grant	43,537			
Interest Income	50,433	25,000	25,000	25,000
Subtotal	2,026,439	1,892,500	1,864,500	2,014,500
Measure M Fund				
Turnback Allocation	952,352	900,000	780,000	780,000
Arterial Highway Rehabilitation Program Grant	149,120			
Rubberized Asphalt Grant			26,600	
Interest Income	31,357	25,000	25,000	25,000
Reimbursements	38,525			
Subtotal	1,171,354	925,000	831,600	805,000
Etnies Skatepark Fund				
Online Registration	12,967	14,000	15,000	18,000
Non-Resident Admissions			7,000	9,000
Merchandise Sales	13,331	13,000	20,000	15,000
Coca-Cola Revenues	5,081	6,000	6,000	1,000
Sponsorships	24,175	32,000	9,000	9,600
Filming Fees	2,050	600	300	300
Classes	5,545	6,100	6,100	6,000
Contests	1,190	1,800	1,800	1,800
Camps	3,530	2,500	2,500	2,500
Skatepark Programs	7,564	9,200	11,000	9,500
Subtotal	75,433	85,200	78,700	72,700
Air Quality Improvement Fund				
Air Quality Management District Fees	91,469	93,000	93,000	93,000
Interest Income	13,752	20,000	9,000	9,000
Subtotal	105,221	113,000	102,000	102,000

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
Police Grant Funds				
COPS (Brulte) Grant	75,843	124,700	100,000	100,000
Justice Assistance Grant		40,000	40,000	
Interest Income		500		
Subtotal	75,843	165,200	140,000	100,000
Asset Forfeitures Fund				
Interest Income	266	200	200	200
Subtotal	266	200	200	200
Community Development Block Grant Fund				
Entitlement Grant	944,273	478,600	478,600	481,400
Interest Income	125	100	100	100
Rehabilitation Loan Interest	2,397		400	400
Loan Repayments	63,983	30,000	20,000	20,000
Subtotal	1,010,778	508,700	499,100	501,900
2007 Fire Disaster Fund				
Federal Emergency Management Agency Grant	4,806			
Office of Emergency Services Grant	422			
Subtotal	5,228	0	0	0
Special Revenue Funds	4,470,562	3,689,800	3,516,100	3,596,300
Capital Funds				
Capital Improvement Projects Fund				
Federal Grants:				
American Recovery and Reinvestment Act		749,300	1,241,500	
Transportation Enhancement		500,000	500,000	

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
Capital Improvement Projects Fund (con't.)				
State Park Per Capita Grant			207,400	
Orange County Transportation Authority Grants:				[1]
Signal Improvement Program		250,000	250,000	573,000
Master Plan of Arterial Highways Grant		525,000		4,228,000 [1]
County Grants:				[1]
Foothill Circulation Phasing Plan		525,000	792,500	3,200,000
Interest Income	447,451	350,000	350,000	60,000
Reimbursements	10,031			
Prior Year Adjustments	14,016			
Miscellaneous Revenues	87,000			
Subtotal	558,498	2,899,300	3,341,400	8,061,000
Miscellaneous				
Affordable Housing Capital Improvement Projects Fund				
Development Impact Fees			51,000	248,000
Subtotal	0	0	51,000	248,000
Park Development/ Construction Fund				
Development Impact Fees			241,000	
Interest Income	13,730	15,000	7,000	7,000
Subtotal	13,730	15,000	248,000	7,000
Capital Funds Total	572,228	2,914,300	3,640,400	8,316,000
Debt Service Fund				
Financing Authority Fund				
Interest Income	2			
Subtotal	2	0	0	0

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
Reserve Fund				
Emergency Services Fund				
American Recovery and Reinvestment Act Grants			90,000	
Subtotal	0	0	90,000	0
Internal Service Fund				
Vehicle Replacement Fund				
Vehicle Replacement Charges	92,180	62,000	62,000	77,300
American Recovery and Reinvestment Act Grants			7,600	
Sale of Fixed Assets	(20,738)			
Capital Contribution	37,104			
Subtotal	108,546	62,000	69,600	77,300
Total All City Funds	$39,932,663	$38,910,400	$37,998,700	$42,030,200
Redevelopment Agency				
Operating Fund				
Reimbursements	$1,260			
Subtotal	$1,260	$0	$0	$0
Low and Moderate Income Housing Fund				
Tax Increment	923,613	933,000	990,100	892,000
Loan Repayments			200	
Interest Income	91,657	50,000	50,000	50,000
Reimbursements			2,200	6,500
Subtotal	1,015,270	983,000	1,042,500	948,500

COMBINED PROGRAM REVENUES

Description	Actual 2008-09	Adopted Budget 2009-10	Estimated 2009-10	Adopted Budget 2010-11
Debt Service Fund				
Tax Increment	4,162,842	4,235,000	4,410,600	3,970,000
Interest Income	169,984	130,000	110,000	110,000
Subtotal	4,332,826	4,365,000	4,520,600	4,080,000
Total Redevelopment Agency	$5,349,356	$5,348,000	$5,563,100	$5,028,500
Grand Total All Funds	$45,282,019	$44,258,400	$43,561,800	$47,058,700

[1] Grant approval pending.

Section Four

TABLE OF CONTENTS

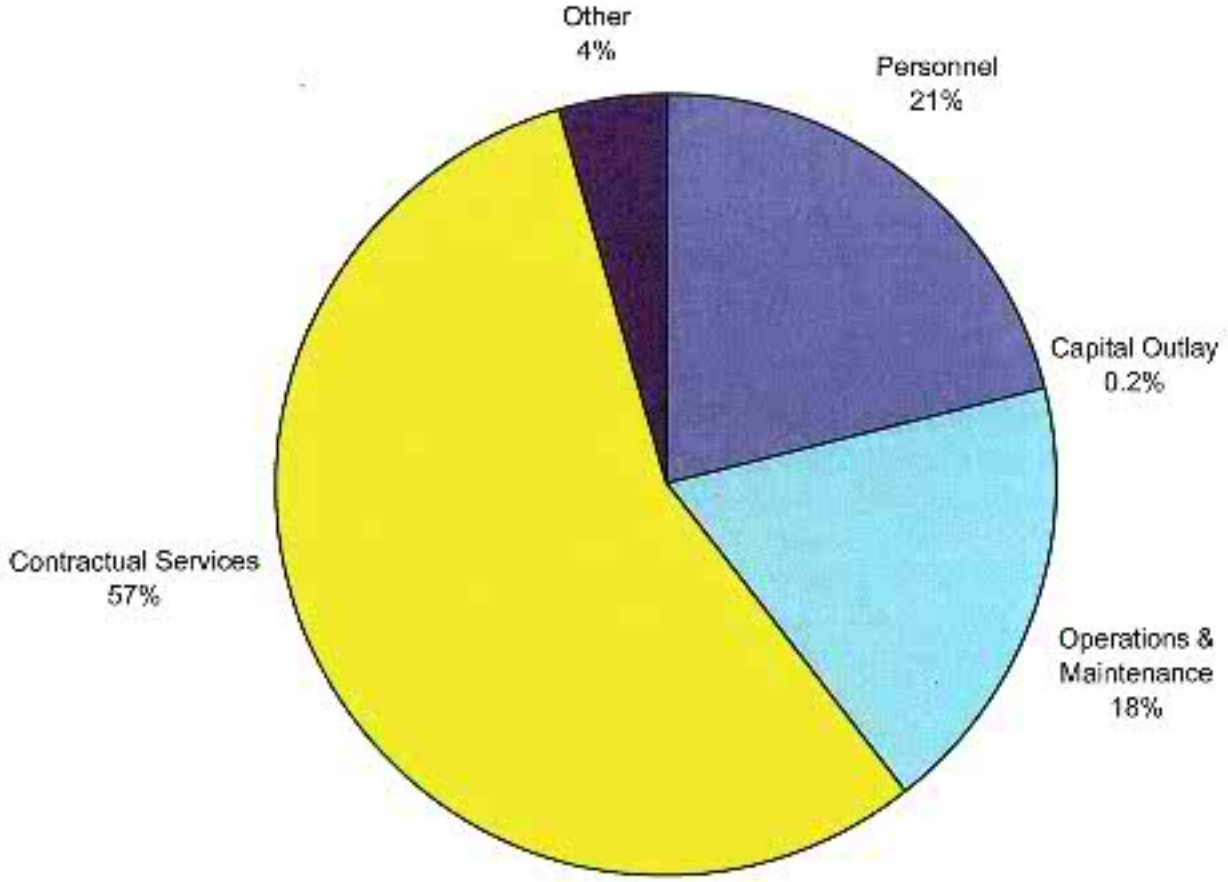
Description	Section-Page
Summary of Expenditures by Expenditure Category	4- 1
City Council	4- 3
City Manager	4- 7
Redevelopment/Economic Development	4-11
City Attorney	4-23
Finance	4-26
Development Services	4-31
Public Works	4-43
Management Services	4-61
Community Services	4-74
Police Services	4-78
Fire Services	4-84
Vehicle Replacement	4-86
Capital Expenditures	4-88
Interfund Transfers	4-92

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY[1]

Department	Personnel	Operations & Maintenance	Contract Services	Other	Capital Outlay	Totals
City Council	$49,500	$171,000	$1,000			$221,500
City Manager	717,200	129,700	30,000			876,900
Redevelopment/ Economic Development	691,600	171,200	949,800	1,645,700		3,458,300
City Attorney		9,900	1,207,000			1,216,900
Finance	641,600	824,200	139,800			1,605,600
Development Services	1,489,400	433,700	670,400			2,593,500
Public Works	1,543,700	1,979,700	4,765,500			8,288,900
Management Services	1,055,300	996,300	358,700		68,500	2,478,800
Community Services	1,477,600	1,648,200	39,000			3,164,800
Police Services	133,200	442,000	12,594,100			13,169,300
TOTALS	$7,799,100	$6,805,900	$20,755,300	$1,645,700	$68,500	$37,074,500

[1] Includes Redevelopment Agency operating costs of $2,989,000 for Fiscal Year 2010-11.

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY[1] Fiscal Year 2010-2011



[1] Includes Redevelopment Agency activity

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 Redevelopment Agency.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Approved the development agreement with Shea Baker Ranch Associates to end Phase III of the Opportunities Study.
2. Provided policy level guidance in advancing Phase IV of the Opportunities Study, including, but not limited to, acquiring 32 acres of property for exchange with the County of Orange to enhance the City's recreation open space, completion of the Sports Park Master Plan, and initiation of the design process for the Sports Park and Recreation Center.
3. Provided policy level guidance in advancing the Alton Parkway gap closure through support of County of Orange's efforts to proceed with the construction of the County segment (Alton Parkway and Commercentre Drive) and initiation of design of the Alton segment within the City of Lake Forest (Commercentre Drive to Town Center Drive).
4. Provided policy level guidance to executive staff coordinating with the Orange County Sheriff's Department on the County's Master Planning process for the future expansion of the Musick Jail facility.
5. Increased community awareness and public safety by coordinating with the Orange County Sheriff's Department and Orange County Fire Authority to present fire and evacuation plans for the Woods Area to Homeowner's Associations.
6. Increased City's public park resources through implementation of the City's Parks & Recreation Five-Year Strategic Plan, which included completion of the Heroes Park Snack Bar and Restroom facility, the renovation of the El Toro Park playground, initiation of construction for the Etnies Skatepark expansion project, and improvements to Mountain View and Concourse Parks.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Provide policy level guidance for implementation of the Opportunities Study Phase IV, including, but not limited to, overseeing the design and construction of the Sports Park and Recreation Center and Civic Center projects.

FISCAL YEAR 2010-11 MAJOR INITIATIVES (continued)

2. Increase transportation capacity through the completion of the Alton Parkway gap closure and encourage the completion of Portola Parkway.
3. Provide policy level guidance in coordination with the County's Master Planning process for the future expansion of the Musick Jail facility.
4. Increase City park facilities through continued implementation of the City's Parks and Recreation Five-Year Strategic Plan, including improvements to various parks in the community.

CITY COUNCIL
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$47,603	$49,500	$49,500	$49,500
Operations and Maintenance	169,710	200,100	196,800	171,000
Contract Services		1,000	1,000	1,000
Capital Outlay		1,000		
Activity Total	$217,313	$251,600	$247,300	$221,500
Funding Sources:				
General Fund	$214,163	$248,000	$243,700	$217,900
Redevelopment Agency Operating Fund	3,150	3,600	3,600	3,600

CITY COUNCIL
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
City Council/Board Members (5)	$44,248	$45,800	$45,800	$45,800
Medicare	642	700	700	700
Retirement	2,713	3,000	3,000	3,000
Subtotal	47,603	49,500	49,500	49,500
Operations and Maintenance:				
Memberships and Dues	52,729	66,400	66,400	60,100
Travel, Conferences, and Meetings	22,028	34,500	34,500	35,000
Individual Travel Accounts:				
Dixon Travel	4,231	4,000	4,000	
Herzog Travel	3,177	4,000	4,000	
McCullough Travel	6,650	4,000	4,000	
Rudolph Travel	6,629	4,000	4,000	
Tetterner Travel	523	4,000	4,000	
Operating Supplies	3,291	2,100	2,100	2,100
Special Supplies	5,217	7,000	7,000	7,000
Printing and Duplicating	152	100	100	100
Postage and Deliveries	204	200	200	200
Subscriptions and Books		700	700	700
Telephone and Other	1,183	700	700	700
City Hall Rent	54,238	61,100	62,700	62,700
Equipment Rental and Leases	350	300	300	300
Equipment Maintenance	174	200	200	200
General Liability Insurance	7,780	5,600	600	600
Workers' Compensation Insurance	1,154	1,200	1,300	1,300
Subtotal	169,710	200,100	196,800	171,000
Contract Services:				
Miscellaneous		1,000	1,000	1,000
Subtotal	0	1,000	1,000	1,000
Capital Outlay:				
Equipment		1,000		
Subtotal	0	1,000	0	0
Activity Total	$217,313	$251,600	$247,300	$221,500

CITY MANAGER

DEPARTMENT DESCRIPTION

The City Manager is responsible for making policy recommendations to the City Council and implementing them as adopted. The City Manager serves as the Chief Executive Officer of the City and is responsible for daily operations and services to the community provided by the various City departments. Additional duties include, but are not limited to: (1) Represent the City in legislative and regulatory matters (2) Oversee emergency management operations (3) Manage environmental issues (4) Oversee annual Budget and Investment Policy (5) Work with other agencies to address regional issues, and (6) Serve as Executive Director of the Lake Forest Redevelopment Agency.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Completed negotiations leading to an approved development agreement with Shea Baker Ranch Associates to end Phase III of the Opportunities Study.
2. Advanced Phase IV of the Opportunities Study including, but not limited to, acquiring 32 acres of property for exchange with the County of Orange to enhance the City's recreation open space, completion of the Sports Park Master Plan and initiation of the design process for the Sports Park/Recreation Center.
3. Advanced Alton Parkway gap closure through support of County of Orange's efforts to proceed with the construction of the County segment (Alton Parkway and Commercentre Drive), and initiation of design of the Alton segment within the City of Lake Forest (Commercentre Drive to Towne Center Drive).
4. Provided executive guidance for the ongoing mandate from National Pollutant Discharge Elimination System on the Urban Runoff Plan.
5. Provided executive oversight during implementation of the Revitalization Action Plan for the Light Industrial Area, which included approval of LIA Design Guidelines, approval of a zoning amendment to eliminate heavy industrial uses not currently in operation, continued code enforcement efforts, completion of infrastructure improvements, and initiation of efforts to add landscaping to the railroad right-of-way.
6. Coordinated with Orange County Sheriff's Department officials on the County's Master Planning process for the future expansion of the Musick Jail facility.
7. Coordinated with Orange County Fire Authority and Orange County Sheriff's Department to present fire and evacuation plans for the Woods Area to Homeowner Associations.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS (continued)

8. Administered the detailed service planning and community outreach processes for the City's Metrolink shuttle project concepts under the Orange County Transportation Authority's Go Local grant program.
9. Provided executive guidance and oversight in the completion of commercial revitalization projects along El Toro Road.
10. Provided executive oversight during implementation of the City's Parks and Recreation Five-Year Strategic Plan, which included completion of the Heroes Park Snack Bar and Restroom facility, the renovation of the El Toro Park Playground, the initiation of construction for the Etnies Skatepark Expansion Project, and improvements to Mountain View and Concourse Parks.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Provide executive oversight and guidance for implementation of the Opportunities Study Phase IV, including, but not limited to, overseeing the design and construction of the Sports Park/Recreation Center and Civic Center projects.
2. Provide executive oversight of efforts to expedite completion of the Alton Parkway gap closure, and encourage the completion of Portola Parkway.
3. Continue to monitor and participate in the County's Master Planning process for the future expansion of the Musick Jail facility.
4. Oversee progress of the City's Parks and Recreation Five-Year Strategic Plan, including improvements to various parks within the community, and provide overall coordination of the City's 2009-11 Capital Improvement Program.

CITY MANAGER
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$746,088	$777,800	$717,200	$717,200
Operations and Maintenance	130,201	141,800	129,700	129,700
Contract Services	29,135	68,000	30,000	30,000
Activity Total	$905,424	$987,600	$876,900	$876,900
Funding Sources:				
General Fund	$874,917	$925,700	$826,600	$826,600
Redevelopment Agency Operating Fund	30,507	51,900	50,300	50,300
Air Quality Improvement Fund		10,000		
Total Positions:				
Full-Time	4.5	4.5	4.4	4.4

PERFORMANCE MEASURES

Desciption	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Professional Leadership			
% of departmental objectives accomplished	90%	90%	90%

CITY MANAGER
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$536,043	$542,700	$526,000	$526,000
Part-Time Personnel	6,674	18,800		
Temporary Personnel		1,000		
Medicare	8,234	8,100	7,600	7,600
Retirement	133,907	138,500	116,400	116,400
Health Insurance	61,230	68,700	67,200	67,200
Subtotal	746,088	777,800	717,200	717,200
Operations and Maintenance:				
Memberships and Dues	3,250	4,900	2,700	2,700
Training and Education	280	1,500	500	500
Travel, Conferences, and Meetings	9,215	11,400	6,400	6,400
Auto Allowance	12,101	12,100	11,600	11,600
Mileage Reimbursement	185	400	400	400
Operating Supplies	4,695	3,000	3,000	3,000
Printing and Duplicating	754	700	700	700
Postage and Deliveries	1,209	900	900	900
Subscriptions and Books	89	2,600	1,300	1,300
Telephone and Other	1,146	1,000	1,000	1,000
City Hall Rent	67,216	75,700	77,700	77,700
Equipment Rentals and Leases	1,788	1,400	1,500	1,500
Equipment Maintenance	997	900	900	900
Software Licenses and Maintenance	1,530	4,000	1,700	1,700
General Liability Insurance	17,432	12,400	7,900	7,900
Workers' Compensation Insurance	8,314	8,900	11,500	11,500
Subtotal	130,201	141,800	129,700	129,700
Contract Services:				
Legislative Assistance/Lobbying	29,135	58,000	30,000	30,000
Go Local Study - Phase 2		10,000		
Subtotal	29,135	68,000	30,000	30,000
Activity Total	$905,424	$987,600	$876,900	$876,900

REDEVELOPMENT/ECONOMIC DEVELOPMENT

DEPARTMENT DESCRIPTION

The Redevelopment/Economic Development Department is responsible for the creation and implementation of comprehensive redevelopment, economic development, and affordable housing and revitalization activities in the City. The department coordinates public information and promotional tools; provides business assistance programs; encourages growth and development of a diversified business community; and provides staff support to the Council/Agency and Commissions.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Led a City staff team to continue implementation of the Revitalization Action Plan for the Light Industrial Area.
2. Worked cooperatively with property owners to facilitate continued revitalization of commercial centers and promote business growth and expansion in the Arbor.
3. Pursued affordable housing opportunities to alleviate or avoid excess surplus in the Low and Moderate Housing Fund to address the City/Agency's affordable housing needs.
4. Explored the potential of an Economic Development Strategy.
5. Implemented the Fiscal Year 2009-10 Business Development and Attraction Work Plan and formed a partnership with the new Lake Forest Chamber of Commerce.
6. Prepared 5-year Implementation Plan Update, 10-Year Affordable Housing Compliance Plan, and updated the CDBG Consolidated Plan.
7. Evaluated potential development options and issues for the Agency Parcel *(former Orange County Transportation Authority Parcel)*.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Continue to implement the Revitalization Action Plan for the Light Industrial Area.
2. Work cooperatively with property owners to facilitate continued revitalization of commercial centers and promote business growth and expansion in Redevelopment Project Area.
3. Pursue affordable housing opportunities to alleviate or avoid excess surplus in the Low and Moderate Housing Fund to address the City/Agency's affordable housing needs.
4. Present an Economic Development Strategy for City Council consideration.
5. Implement the Fiscal Year 2010-11 Business Development and Attraction Work Plan including advancing the City's enhanced partnership with the Lake Forest Chamber of Commerce.

FISCAL YEAR 2010-11 MAJOR INITIATIVES (continued)

6. Pursue the potential sale of Agency Parcel (*former Orange County Transportation Authority Parcel).*
7. To the extent possible, continue to be a funding partner with the City on streetscape and infrastructure improvements in the Redevelopment Project Area.
8. Work with the California Redevelopment Association to protect and preserve the Agency's funding and limit restrictions on redevelopment activities.

REDEVELOPMENT/ECONOMIC DEVELOPMENT - ALL DIVISIONS BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$501,094	$680,600	$691,600	$691,600
Operations and Maintenance	223,416	172,700	171,200	171,200
Contract Services	730,952	1,078,200	949,800	949,800
Other	1,516,139	1,647,900	1,396,900	1,645,700
Capital Outlay	3,651			
Activity Total	$2,975,252	$3,579,400	$3,209,500	$3,458,300
Funding Sources:				
General Fund	$289,774	$360,300	$325,600	$325,600
Community Development Block Grant Fund	315,740	370,700	278,600	278,600
Redevelopment Agency Debt Service Fund	1,516,139	1,647,900	1,396,900	1,645,700
Redevelopment Agency Operating Fund	549,434	760,300	737,200	737,200
Redevelopment Agency Low and Moderate Income Housing Fund	304,165	440,200	471,200	471,200
Total Positions:				
Full-Time	5.5	5.5	5.6	5.6

PERFORMANCE MEASURES

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Redevelopment			
Establish performance goals and initiatives	100%	100%	100%
% of department objectives accomplished	96%	97%	100%
% of Council/Agency/Commission requests completed	100%	100%	100%
% of Agency conformance applications reviewed within standard timeframes	95%	96%	100%

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Redevelopment (continued)			
% of gov-Populous requests responded within approved timeframe	100%	100%	100%
Economic Development			
Timely responses within 72 hours to requests for welcome/information packets	100%	100%	100%
% increase in attendance at Economic Development programs	over 100%	10%	10%
Increase number of business outreach visits	over 100%	20%	25%
Housing			
# of homes/mobile homes to receive exterior painting	6	6	6
# of homes that will receive rehab loans	10	12	18

REDEVELOPMENT/ECONOMIC DEVELOPMENT - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$361,534	$471,900	$498,200	$498,200
Part-Time Personnel	6,524	27,200	27,200	27,200
Temporary Personnel		2,700		
Medicare	5,450	7,200	7,600	7,600
Retirement	68,141	87,600	74,500	74,500
Health Insurance	59,445	84,000	84,100	84,100
Subtotal	501,094	680,600	691,600	691,600
Operation and Maintenance:				
Memberships and Dues	9,092	10,200	9,400	9,400
Training and Education	1,800	6,800	4,100	4,100
Travel, Conferences, and Meetings	4,734	9,000	800	800
Auto Allowance	8,400	11,400	11,900	11,900
Mileage Reimbursement	183	300	300	300
Operating Supplies	5,634	5,600	5,900	5,900
Printing and Duplicating	1,981	6,900	3,800	3,800
Postage and Deliveries	4,707	4,200	4,200	4,200
Subscriptions and Books	12,597	14,200	12,900	12,900
Telephone and Other	1,483	1,200	1,500	1,500
City Hall Rent	64,844	73,200	74,800	74,800
Equipment Rentals and Leases	2,456	1,700	2,000	2,000
Building Maintenance			20,000	20,000
Miscellaneous Maintenance			5,000	5,000
Equipment Maintenance	1,571	1,200	1,300	1,300
Website Update Services		15,000	3,000	3,000
Covenant Agreements	90,000			
General Liability Insurance	12,381	9,500	5,400	5,400
Workers' Compensation Insurance	1,553	2,300	4,900	4,900
Subtotal	223,416	172,700	171,200	171,200
Contract Services:				
Auditing	4,271	7,500	7,500	7,500
Economic Development	35,330	59,000	45,500	45,500
Legal	15,898	40,000		
Housing	7,264	15,000	15,000	15,000

REDEVELOPMENT/ECONOMIC DEVELOPMENT - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Contract Services (continued):				
Redevelopment	224,080	196,000	170,000	170,000
Communications	53,024	83,000	68,000	68,000
Commercial Façade Rehabilitation Loans		175,000	200,000	200,000
General	595	45,000	17,500	17,500
Public Service Grants	70,775	71,700	77,800	77,800
Housing Rehabilitation Loans	219,500	288,000	253,000	253,000
Rehabilitation Loan Fees	10,228	17,000	10,500	10,500
Rehabilitation Loan Services	42,494	41,000	42,000	42,000
Citywide Paint Program	38,724	40,000	43,000	43,000
Neighborhood Pride	7,612			
Saguaro Neighborhood Pride	1,157			
Miscellaneous				
Subtotal	730,952	1,078,200	949,800	949,800
Other:				
Pass-Through Payments	1,486,049	1,596,600	1,364,900	1,613,700
Interest	30,090	51,300	32,000	32,000
Subtotal	1,516,139	1,647,900	1,396,900	1,645,700
Capital Outlay:				
Equipment	2,389			
Computers	1,087			
Furniture	175			
Subtotal	3,651	0	0	0
Activity Total	$2,975,252	$3,579,400	$3,209,500	$3,458,300

[1] Costs were moved to the City Attorney Department budget in Fiscal Year 2010-11.

REDEVELOPMENT ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$140,827	$214,100	$233,800	$233,800
Part-Time Personnel	3,289	13,600	13,600	13,600
Temporary Personnel		1,300		
Medicare	2,118	3,300	3,600	3,600
Retirement	25,859	39,800	35,000	35,000
Health Insurance	24,110	39,000	39,800	39,800
Subtotal	196,203	311,100	325,800	325,800
Operation and Maintenance:				
Memberships and Dues	4,012	4,100	3,700	3,700
Training and Education	1,265	4,000	2,500	2,500
Travel, Conferences, and Meetings	3,236	5,800	500	500
Auto Allowance	2,700	5,100	5,300	5,300
Mileage Reimbursement	183	300	300	300
Operating Supplies	3,035	2,800	2,900	2,900
Printing and Duplicating	472	5,300	2,800	2,800
Postage and Deliveries	804	1,200	1,100	1,100
Subscriptions and Books	1,195	1,800	1,500	1,500
Telephone and Other	753	600	700	700
City Hall Rent	32,422	36,600	37,400	37,400
Equipment Rentals and Leases	1,103	900	1,000	1,000
Miscellaneous Maintenance			5,000	5,000
Equipment Maintenance	866	600	600	600
Website Update Services		4,500	1,500	1,500
Covenant Agreements	90,000			
General Liability Insurance	12,381	9,500	5,400	5,400
Workers' Compensation	1,553	2,300	4,900	4,900
Subtotal	155,980	85,400	77,100	77,100
Contract Services:				
Redevelopment	195,244	196,000	170,000	170,000
Communications	13,823	33,000	24,000	24,000
Commercial Façade Rehabilitation Loans		175,000	200,000	200,000
Subtotal	209,067	404,000	394,000	394,000

REDEVELOPMENT ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	789			
Furniture	175			
Computers	1,087			
Subtotal	2,051	0	0	0
Other:				
Pass-Through Payments	1,486,049	1,596,600	1,364,900	1,613,700
Interest	30,090	51,300	32,000	32,000
Subtotal	1,516,139	1,647,900	1,396,900	1,645,700
Activity Total	$2,079,440	$2,448,400	$2,193,800	$2,442,600
Funding Sources:				
General Fund	$64,131	$63,000	$61,500	$61,500
Redevelopment Agency Operating Fund	499,170	737,500	735,400	735,400
Redevelopment Agency Debt Service Fund	1,516,139	1,647,900	1,396,900	1,645,700

ECONOMIC DEVELOPMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$74,504	$86,800	$90,800	$90,800
Part-Time Personnel	3,235	7,000	7,000	7,000
Temporary Personnel		1,400		
Medicare	1,149	1,300	1,400	1,400
Retirement	13,774	16,100	13,600	13,600
Health Insurance	15,042	19,500	19,500	19,500
Subtotal	107,704	132,100	132,300	132,300
Operation and Maintenance:				
Memberships and Dues	5,080	5,400	5,000	5,000
Training and Education	535	1,200		
Travel, Conferences, and Meetings	1,498	2,000	300	300
Auto Allowance	1,500	1,500	1,800	1,800
Operating Supplies	1,365	1,300	1,600	1,600
Printing and Duplicating	1,296	1,100	600	600
Postage and Deliveries	3,504	2,500	2,600	2,600
Subscriptions and Books	10,803	11,700	10,700	10,700
Telephone and Other	339	200	400	400
City Hall Rent	16,211	18,300	18,700	18,700
Equipment Rentals and Leases	594	300	500	500
Equipment Maintenance	326	200	400	400
Website Update Services		10,500	1,500	1,500
Subtotal	43,051	56,200	44,100	44,100
Contract Services:				
Economic Development	35,330	59,000	45,500	45,500
Communications	39,201	50,000	44,000	44,000
Subtotal	74,531	109,000	89,500	89,500

ECONOMIC DEVELOPMENT DIVISION (continued)
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	357			
Subtotal	357	0	0	0
Activity Total	$225,643	$297,300	$265,900	$265,900
Funding Source:				
General Fund	$225,643	$297,300	$264,100	$264,100
Redevelopment Agency Operating Fund			1,800	1,800

HOUSING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$146,203	$171,000	$173,600	$173,600
Part-Time Personnel		6,600	6,600	6,600
Medicare	2,183	2,600	2,600	2,600
Retirement	28,508	31,700	25,900	25,900
Health Insurance	20,293	25,500	24,800	24,800
Subtotal	197,187	237,400	233,500	233,500
Operation and Maintenance:				
Memberships and Dues		700	700	700
Training and Education		1,600	1,600	1,600
Travel, Conferences, and Meetings		1,200		
Auto Allowance	4,200	4,800	4,800	4,800
Operating Supplies	1,234	1,500	1,400	1,400
Printing and Duplicating	213	500	400	400
Postage and Deliveries	399	500	500	500
Subscriptions and Books	599	700	700	700
Telephone and Other	391	400	400	400
City Hall Rent	16,211	18,300	18,700	18,700
Equipment Rentals/Leases	759	500	500	500
Building Maintenance			20,000	20,000
Equipment Maintenance	379	400	300	300
Subtotal	24,385	31,100	50,000	50,000
Contract Services:				
Auditing	4,271	7,500	7,500	7,500
Legal	15,898	40,000 [1]		
Housing	7,264	15,000	15,000	15,000
General	595	45,000	17,500	17,500
Public Service Grants	70,775	71,700	77,800	77,800
Redevelopment	28,836			
Housing Rehabilitation Loans	219,500	288,000	253,000	253,000
Rehabilitation Loan Fees	10,228	17,000	10,500	10,500
Rehabilitation Loan Services	42,494	41,000	42,000	42,000
Citywide Paint Program	38,724	40,000	43,000	43,000
Neighborhood Pride	7,612			
Saguaro Neighborhood Pride	1,157			
Subtotal	447,354	565,200	466,300	466,300

HOUSING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	1,243			
Subtotal	1,243	0	0	0
Activity Total	$670,169	$833,700	$749,800	$749,800
Funding Sources:				
Community Development Block Grant Fund	$315,740	$370,700	$278,600	$278,600
Redevelopment Agency Operating Fund	50,264	22,800		
Redevelopment Agency Low and Moderate Income Housing Fund	304,165	440,200	471,200	471,200

[1] Costs were moved to the City Attorney Department budget in Fiscal Year 2010-11.

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 2009-10 MAJOR ACCOMPLISHMENTS

1. Successfully prosecuted numerous misdemeanor cases arising within the City, including obtaining guilty verdicts, fines, and stay away orders for criminal defendants.
2. Continued working on the Opportunities Study, including acquisition of park land sites from the County of Orange and other owners; acquisition and planning for the funding and construction of Alton Parkway; and near finalization of the Shea Baker Ranch Associates Development Agreement.
3. Successfully prosecuted and defended numerous matters, at the administrative and trial level, relating to massage technicians and massage establishments, including obtaining judgment in the City's favor in the Body Centre trial.
4. Began implementation of major litigation initiative against marijuana dispensaries, resulting in the closure of nine dispensaries.
5. Completed re-codification of the Lake Forest Parking Code and near completion of the Lake Forest Sign Ordinance.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Assist the City in real estate transactions relating to acquisition and exchange of park sites under the Opportunities Study.
2. Continue work on Opportunities Study enactments such as project level environmental review, and planning and financing of public facilities.
3. Continue to assist the City in efforts to acquire and plan for the funding and construction of Alton Parkway.
4. Comprehensive review and update of Phase 2 of Lake Forest Municipal Code Title 9.
5. Coordinate nuisance abatement efforts with law enforcement activities.
6. Support City in economic development and housing initiatives.
7. Continue successful litigation efforts to abate marijuana dispensaries.

CITY ATTORNEY
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Operations and Maintenance	$7,827	$9,700	$9,900	$9,900
Contract Services	1,518,461	878,000	1,207,000	1,207,000
Activity Total	$1,526,288	$887,700	$1,216,900	$1,216,900
Funding Sources:				
General Fund	$1,396,180	$800,700	$1,094,900	$1,094,900
General Fund - NPDES[1]	72,328	35,000	30,000	30,000
Redevelopment Agency Operating Fund	57,780	52,000	52,000	52,000
Redevelopment Agency Low and Moderate Income Housing Fund			40,000	40,000

[1] NPDES = National Pollutant Discharge Elimination System

CITY ATTORNEY
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Operations and Maintenance:				
City Hall Rent	$7,827	$9,700	$9,900	$9,900
Subtotal	7,827	9,700	9,900	9,900
Contract Services:				
Legal Services	1,516,541	858,000	1,200,000	1,200,000
Outside Legal Services	1,920	10,000	2,000	2,000
Miscellaneous Professional Services		10,000	5,000	5,000
Subtotal	1,518,461	878,000	1,207,000	1,207,000
Activity Total	$1,526,288	$887,700	$1,216,900	$1,216,900

FINANCE

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Initiated the process to form a community facilities district for future development.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Create a financial sustainability plan to provide a framework in which to proceed during significant financial events.
2. Implement the use of purchasing cards to streamline the purchasing process.
3. Implement the acceptance of credit cards to enhance convenience of transactions with residents and others who do business with the City.
4. Coordinate the formation of community facilities districts related to future Opportunities Study Area property development.

FINANCE DEPARTMENT
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$714,305	$783,600	$641,600	$641,600
Operations and Maintenance	820,900	828,300	824,200	824,200
Contract Services	241,484	157,300	139,800	139,800
Capital Outlay	1,811	1,900		
Activity Total	$1,778,500	$1,771,100	$1,605,600	$1,605,600
Funding Sources:				
General Fund	$1,212,782	$1,156,300	$998,900	$998,900
Certificates of Participation Fund	549,458	552,200	547,100	547,100
Redevelopment Agency Operating Fund	16,260	62,600	59,600	59,600
Total Positions:				
Full-Time	7.0	7.0	6.0	6.0

PERFORMANCE MEASURES

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Accounting			
Management letter items	2	0	0
% of invoices paid without incurring finance charges	99%	99%	99%
Days after month end for issuance of financial reports	36 [1]	19	19
Budget Preparation			
Date Budget adopted	6/17/2008	6/16/2009	6/15/2010
General fund revenues collected as a % of revised estimates [2]	99%	90%	90%

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Budget Preparation (continued)			
General fund expenditures expended as % budgeted [2]	96%	95%	95%
Annual Financial Report awards received	1	1	1
Investment Management			
Investable funds as % of funds invested	94%	99%	99%
% of investments in compliance with policy	100%	100%	100%
% of investments within required safety ratings	100%	100%	100%
Weighted average maturity (in days)	132	150	100 [3]

[1] Long-term leaves of key personnel caused delays in issuance of financial reports.

[2] Excludes carryovers.

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

FINANCE DEPARTMENT
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$438,876	$564,600	$473,200	$473,200
Overtime	2,830	1,500	1,000	1,000
Temporary Personnel	83,531			
Part-Time Personnel	19,969			
Medicare	6,839	8,200	6,900	6,900
Retirement	84,295	104,300	70,500	70,500
Health Insurance	77,965	105,000	90,000	90,000
Subtotal	714,305	783,600	641,600	641,600
Operation and Maintenance:				
Memberships and Dues	1,025	1,500	1,100	1,100
Training and Education	1,175	3,500	2,800	2,800
Travel, Conferences, and Meetings	3,660	4,200	700	700
Auto Allowance	10,800	10,800	7,800	7,800
Mileage Reimbursement	292	400	300	300
Operating Supplies	5,727	5,600	5,400	5,400
Printing and Duplicating	3,470	14,500	6,500	6,500
Postage and Deliveries	1,812	1,400	1,400	1,400
Subscriptions and Books	1,520	2,000	1,900	1,900
Telephone and Other	1,298	1,300	1,200	1,200
Certificate Lease Payments	547,588	550,000	545,300	545,300
City Hall Rent	53,672	57,000	58,600	58,600
Equipment Rentals and Leases	2,274	1,800	1,800	1,800
Equipment Maintenance	1,443	1,200	1,200	1,200
Computer Maintenance and Supply	438			
Software Licenses and Maintenance	9,469	10,000	8,200	8,200
Bank Charges and Fees	11,567	21,600	21,600	21,600
Property Tax Administration	138,728	120,000	140,000	140,000
Cash (Over/Short)	202			
General Liability Insurance	16,014	12,200	6,700	6,700
Workers' Compensation	8,726	9,300	11,700	11,700
Subtotal	820,900	828,300	824,200	824,200

FINANCE DEPARTMENT
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Contract Services:				
Other	1,870	2,200	1,800	1,800
Auditing	27,256	45,000	45,000	45,000
Special Audits	17,710	15,800	19,400	19,400
Sales Tax Audits	17,651	25,000	22,000	22,000
Payroll	16,093	16,000	16,000	16,000
Miscellaneous	113,181			
General	47,723	53,300	35,600	35,600
Subtotal	241,484	157,300	139,800	139,800
Capital Outlay:				
Equipment		500		
Furniture	1,811	900		
Computer Software		500		
Subtotal	1,811	1,900	0	0
Activity Total	$1,778,500	$1,771,100	$1,605,600	$1,605,600

DEVELOPMENT SERVICES

DEPARTMENT DESCRIPTION

The Development Services Department is responsible for the development and administration of programs that guide the City's growth and development. The Department provides planning-related staff support to the Council and Planning Commission and coordinates the activities of the regional development agencies within the City. The Department coordinates with the redevelopment project area efforts. The three functional areas are Current and Advanced Planning, Building Services and Code Enforcement.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Completed the environmental review and public outreach for the Sports Park Environmental Impact Report.
2. Commenced the environmental review and project analysis for the Area Plans and Master Tract Maps for the four participating land owners within the Opportunities Study Area.
3. In conjunction with the Public Works Department, commenced the resource agency permitting process for the construction of Alton Parkway.
4. Implemented the Building and Safety Services, Planning, and Code Enforcement software system and enhanced GIS layers to better serve the public.
5. Refined and updated the development review process through the adoption of Citywide Design Guidelines, Retaining Wall Design Guidelines, Water Efficient Landscape Ordinance and amendments to the parking and signage regulations.
6. Commenced the modernization and streamlining of the City's Zoning Ordinance.
7. Implemented Neighborhood Outreach, Stabilization, and Revitalization Programs in the Saguaro Street neighborhood.
8. Reviewed projects in adjacent jurisdictions and participated in forums regarding the implementation of SB 375.
9. Prepared Design Guidelines and a Zone Change strengthening land use regulations for the Light Industrial Area for City Council adoption.
10. Completed and submitted the City's Housing Element for review by the State Housing and Community Development Department.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Complete the review and analysis for the Area Plans and Master Tract Maps for the four participating land owners within the Opportunities Study Area for Planning Commission and City Council consideration.

FISCAL YEAR 2010-11 MAJOR INITIATIVES (continued)

2. Provide assistance with securing Resource Agency permits for the Sports Park, Alton Parkway, and Rancho Parkway extension and oversee required mitigation monitoring efforts.
3. Complete the modernization and streamlining of the City's Zoning Ordinance for Planning Commission and City Council consideration.
4. Expand the Neighborhood Outreach, Stabilization, and Revitalization Programs into focused areas within the City.
5. Review projects in adjacent jurisdictions and participate in forums regarding the implementation of SB 375.
6. Implement customer service enhancements, such as automated inspection scheduling and electronic plan submittal as part of the Building and Safety Services software.

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$1,304,404	$1,513,200	$1,489,400	$1,489,400
Operations and Maintenance	425,272	492,000	433,700	433,700
Contract Services	947,557	493,700	670,400	670,400
Capital Outlay	111,024	3,000		
Activity Total	$2,788,257	$2,501,900	$2,593,500	$2,593,500
Funding Sources:				
General Fund	$2,659,930	$2,385,300	$2,476,600	$2,476,600
Community Development Block Grant Fund	100,000			
Redevelopment Agency Operating Fund	28,327	116,600	116,900	116,900
Total Positions:				
Full-Time	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Building Inspection and Construction			
Plan Review			
% of plan checks completed within timeframes established by City contract	90%	100%	98%
% of building inspections completed within timeframes established by City contract	100%	100%	100%
Code Enforcement			
% of violations voluntarily corrected	90%	90%	95%
Planning Division			
% of staff planning reviews completed on time within annually established timeframes	95%	95%	95%

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Planning Division (continued)			
% of budgeted studies and projects completed	75%	80%	80%
Administration			
% of Planning Commission service issues identified and resolved	100%	100%	100%
% of department initiatives accomplished	85%	90%	90%

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$926,763	$1,048,500	$1,059,100	$1,059,100
Overtime	1,676	2,200	3,700	3,700
Part-Time Personnel	26,244	42,300	42,300	42,300
Medicare	13,996	15,700	16,000	16,000
Retirement	171,797	194,500	158,300	158,300
Health Insurance	163,928	210,000	210,000	210,000
Subtotal	1,304,404	1,513,200	1,489,400	1,489,400
Operations and Maintenance:				
Memberships and Dues	4,630	5,100	4,000	4,000
Training and Education	2,424	6,900	1,500	1,500
Travel, Conferences, and Meetings	8,640	13,600	300	300
Individual Travel Accounts:				
Carter Travel	95	2,400	1,000	1,000
Zechmeister Travel		2,400	1,000	1,000
Hughes Travel	730	2,400	1,000	1,000
Verplancke Travel	510	2,400	1,000	1,000
Anderson Travel	605	2,400	1,000	1,000
Commissioner Stipend	8,308	15,300	15,300	15,300
Commissioner Support	2,950	1,400		
Auto Allowance	15,762	16,800	16,800	16,800
Mileage Reimbursement	745	1,400	500	500
Operating Supplies	16,716	19,700	14,200	14,200
Printing and Duplicating	6,948	16,300	4,000	4,000
Postage and Deliveries	4,199	4,700	3,600	3,600
Subscriptions and Books	6,012	10,600	5,700	5,700
Uniforms	1,588	4,000	2,800	2,800
Telephone and Other	7,212	9,000	8,200	8,200
City Hall Rent	222,863	252,100	258,800	258,800
Equipment Rentals and Leases	12,955	13,700	11,600	11,600
Equipment Maintenance	3,960	3,700	3,800	3,800
Software Licenses and Maintenance	31,000	33,700	30,900	30,900
Vehicle Replacement Charges	17,200	6,400	6,400	6,400

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Operations and Maintenance (continued):				
Vehicle Maintenance and Operation	5,015	8,000	4,000	4,000
General Liability Insurance	26,917	19,500	13,900	13,900
Workers' Compensation Insurance	17,288	18,100	22,400	22,400
Subtotal	425,272	492,000	433,700	433,700
Contract Services:				
Miscellaneous	3,000			
Planning	133,864	93,700	270,400	270,400
Opportunities Study	272,339			
Building and Safety	535,143	400,000	400,000	400,000
Go Local Study	3,211			
Subtotal	947,557	493,700	670,400	670,400
Capital Outlay:				
Equipment	6,133			
Computers		3,000		
Computer Software	104,891			
Subtotal	111,024	3,000	0	0
Activity Total	$2,788,257	$2,501,900	$2,593,500	$2,593,500

DEVELOPMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$269,933	$310,800	$315,200	$315,200
Overtime		500	500	500
Part-Time Personnel	12,562	29,800	29,800	29,800
Medicare	4,169	4,900	5,000	5,000
Retirement	49,078	57,900	47,300	47,300
Health Insurance	42,384	60,000	60,000	60,000
Subtotal	378,126	463,900	457,800	457,800
Operations and Maintenance:				
Memberships and Dues	225	600	700	700
Training and Education	40	2,300	300	300
Travel, Conferences, and Meetings	1,747	1,700	300	300
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	181	700	200	200
Operating Supplies	3,685	3,800	3,100	3,100
Printing and Duplicating	647	300	400	400
Postage and Deliveries	818	600	700	700
Subscriptions and Books	3,212	4,000	3,000	3,000
Telephone and Other	797	800	900	900
City Hall Rent	33,820	36,300	37,200	37,200
Equipment Rentals and Leases	1,398	1,100	1,300	1,300
Equipment Maintenance	774	700	900	900
Software Licenses and Maintenance	17,300			
General Liability Insurance	26,917	19,500	13,900	13,900
Workers' Compensation	17,288	18,100	22,400	22,400
Subtotal	113,649	95,300	90,100	90,100
Capital Outlay:				
Equipment	1,340			
Subtotal	1,340	0	0	0
Activity Total	$493,115	$559,200	$547,900	$547,900
Funding Sources:				
General Fund	$486,927	$549,300	$538,100	$538,100
Redevelopment Agency Operating Fund	6,188	9,900	9,800	9,800

DEVELOPMENT SERVICES - BUILDING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$63,607	$64,500	$61,200	$61,200
Overtime	87			
Medicare	924	900	900	900
Retirement	12,086	11,900	9,100	9,100
Health Insurance	15,730	15,000	15,000	15,000
Subtotal	92,434	92,300	86,200	86,200
Operation and Maintenance:				
Memberships and Dues	395	500	500	500
Training and Education		600	100	100
Travel, Conferences, and Meetings		300		
Mileage Reimbursement		100	100	100
Operating Supplies	3,549	3,800	3,600	3,600
Printing and Duplicating	2,466	2,400	900	900
Postage and Deliveries	980	900	800	800
Subscriptions and Books	235	500	600	600
Uniforms	603	2,000	1,100	1,100
Telephone and Other	923	1,100	2,200	2,200
City Hall Rent	20,528	21,900	22,400	22,400
Equipment Rentals and Leases	7,698	9,600	7,500	7,500
Equipment Maintenance	819	1,000	1,000	1,000
Software Licenses and Maintenance		20,000	10,300	10,300
Subtotal	38,196	64,700	51,100	51,100
Contract Services:				
Building and Safety	535,143	400,000	400,000	400,000
Subtotal	535,143	400,000	400,000	400,000
Capital Outlay:				
Equipment	1,667			
Computers		3,000		
Computer Software	104,891			
Subtotal	106,558	3,000	0	0
Activity Total	$772,331	$560,000	$537,300	$537,300
Funding Sources:				
General Fund	$772,331	$560,000	$537,300	$537,300

DEVELOPMENT SERVICES - PLANNING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$342,669	$416,500	$419,700	$419,700
Overtime	76	1,700	1,700	1,700
Part-Time Personnel	13,682	12,500	12,500	12,500
Medicare	5,260	6,200	6,300	6,300
Retirement	62,993	77,200	62,700	62,700
Health Insurance	50,550	75,000	75,000	75,000
Subtotal	475,230	589,100	577,900	577,900
Operation and Maintenance:				
Memberships and Dues	2,970	3,700	2,500	2,500
Training and Education	439	2,000	600	600
Travel, Conferences, and Meetings	5,716	7,600		
Commissioner Travel:				
Carter Travel	95	2,400	1,000	1,000
Zechmeister Travel		2,400	1,000	1,000
Hughes Travel	730	2,400	1,000	1,000
Verplancke Travel	510	2,400	1,000	1,000
Anderson Travel	605	2,400	1,000	1,000
Commissioner Stipend	8,308	15,300	15,300	15,300
Commissioner Support	2,950	1,400		
Auto Allowance	10,962	12,000	12,000	12,000
Mileage Reimbursement	82	400	100	100
Operating Supplies	5,742	6,900	4,700	4,700
Printing and Duplicating	2,760	10,300	1,700	1,700
Postage and Deliveries	1,529	1,600	1,400	1,400
Subscriptions and Books	917	1,000	600	600
Uniforms	167	200		
Telephone and Other	1,463	1,400	1,100	1,100
City Hall Rent	101,918	123,600	127,000	127,000
Equipment Rentals and Leases	2,457	1,900	1,600	1,600
Equipment Maintenance	1,335	1,300	1,100	1,100
Software Licenses and Maintenance			10,300	10,300
Subtotal	151,655	202,600	185,000	185,000

DEVELOPMENT SERVICES - PLANNING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Contract Services:				
Planning	133,864	93,700	270,400	270,400
Opportunities Study	272,339			
Go Local Study	3,211			
Subtotal	409,414	93,700	270,400	270,400
Capital Outlay:				
Equipment	1,935			
Subtotal	1,935	0	0	0
Activity Total	$1,038,234	$885,400	$1,033,300	$1,033,300
Funding Sources:				
General Fund	$1,016,095	$834,500	$982,500	$982,500
Redevelopment Agency Operating Fund	22,139	50,900	50,800	50,800

DEVELOPMENT SERVICES - CODE ENFORCEMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$250,554	$256,700	$263,000	$263,000
Overtime	1,513		1,500	1,500
Medicare	3,643	3,700	3,800	3,800
Retirement	47,640	47,500	39,200	39,200
Health Insurance	55,264	60,000	60,000	60,000
Subtotal	358,614	367,900	367,500	367,500
Operation and Maintenance:				
Memberships and Dues	1,040	300	300	300
Training and Education	1,945	2,000	500	500
Travel, Conferences, and Meetings	1,177	4,000		
Mileage Reimbursement	482	200	100	100
Operating Supplies	3,740	5,200	2,800	2,800
Printing and Duplicating	1,075	3,300	1,000	1,000
Postage and Deliveries	872	1,600	700	700
Subscriptions and Books	1,648	5,100	1,500	1,500
Uniforms	818	1,800	1,700	1,700
Telephone and Other	4,029	5,700	4,000	4,000
City Hall Rent	66,597	70,300	72,200	72,200
Equipment Rentals and Leases	1,402	1,100	1,200	1,200
Equipment Maintenance	1,032	700	800	800
Software Licenses and Maintenance	13,700	13,700	10,300	10,300
Vehicle Replacement Charges	17,200	6,400	6,400	6,400
Vehicle Maintenance and Operation	5,015	8,000	4,000	4,000
Subtotal	121,772	129,400	107,500	107,500
Contract Services:				
Miscellaneous	3,000			
Subtotal	3,000	0	0	0

DEVELOPMENT SERVICES - CODE ENFORCEMENT DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	1,191			
Subtotal	1,191	0	0	0
Activity Total	$484,577	$497,300	$475,000	$475,000
Funding Sources:				
General Fund	$384,577	$441,500	$418,700	$418,700
Community Development Block Grant Fund	100,000			
Redevelopment Agency Operating Fund		55,800	56,300	56,300

PUBLIC WORKS

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Participated in the County's Alton Parkway Project Development Team to complete final design and construction bid awards, secured necessary right-of-way, entered into a cooperative agreement with the County for construction of Alton Parkway and Commercentre Drive, and developed alternatives for construction of Alton Parkway between Commercentre Drive and Towne Centre Drive.
2. Performed education and outreach to the City's Homeowners Associations, Lake Forest Chamber of Commerce, and businesses on citywide traffic safety and traffic congestion relief.
3. Worked collaboratively with memorandum of understanding stakeholders to advance the joint effort to advance the Serrano Creek Project.
4. Generated eleven proposal requests, recommended contract awards, and constructed eight projects identified in the Capital Improvement Projects Budget.
5. Awarded landscape maintenance contracts for median parkways and slopes, parks, and sports field maintenance.
6. Awarded contracts for street sweeping, graffiti removal and steam cleaning, and park restroom janitorial services.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS (continued)

7. Continued to manage and implement the City's water quality/pollution prevention program in compliance with Third-Term of the National Pollutant Discharge Elimination System Permits and track, review, and comment on the draft Fourth-Term Permits for the Santa Ana and San Diego regions.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Continue to participate in the County's Alton Parkway Project Development Team to complete construction of Alton Parkway and Commercentre Drive, and initiate construction of Alton Parkway between Commercentre Drive and Towne Centre Drive.
2. Work collaboratively with memorandum of understanding stakeholders to advance the joint effort to advance the Serrano Creek Project.
3. Continue outreach effort to the City's Homeowner Associations and businesses on citywide traffic safety and traffic congestion relief.
4. Generate proposal requests, verify qualifications, and recommend contract awards identified in the Capital Improvement Projects Budget for Alton and Rancho Parkway Gap Closure projects, and Sports Park.
5. Manage and implement the City's water quality/pollution prevention program in compliance with Fourth-Term of the National Pollutant Discharge Elimination System for the Santa Ana and San Diego regions.
6. Develop amendments to the Residential and Commercial Solid Waste Franchise Agreements for first available term extensions.

PUBLIC WORKS - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$1,232,293	$1,585,000	$1,543,700	$1,543,700
Operations and Maintenance	1,944,419	2,107,600	1,979,700	1,979,700
Contract Services	5,451,357	5,195,200	4,765,500	4,765,500
Capital Outlay	228,578	900		
Activity Total	$8,856,647	$8,888,700	$8,288,900	$8,288,900
Funding Sources:				
General Fund	$7,003,336	$7,060,500	$6,462,200	$6,462,200
Gas Tax Fund	1,853,311	1,797,000	1,793,800	1,793,800
Redevelopment Agency Operating Fund		31,200	32,900	32,900
Total Positions:				
Full-Time	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Development Plans Review			
% of development plans review completed within 10 days	85%	90%	90%
% of traffic review for development site plans completed within 10 days	87%	90%	90%
Landscape Maintenance			
% 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	4%	5%	5%
% change: landscape maintenance cost contracted services	23%	5%	5%
% change: citizen requests	-73%	-10%	-10%

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Park Maintenance			
% change: park maintenance cost	6%	5%	5%
% of service request initial responses accomplished within 5 days	100%	100%	100%
Improvements completed as % of planned	100%	100%	100%
Athletic fields repaired as % of planned	100%	100%	100%
% change: citizen requests	-5%	-10%	-10%
Park Planning and Construction			
Improved acres as % of planned	100%	100%	100%
% change: cost per acre (acquisition)	0%	0%	0%
% change: cost per acre (planning)	0%	0%	0%
% change: cost per acre (design)	0%	0%	0%
Solid Waste Services			
% change: cost per ton disposed	6%	3%	3%
% change: cost per ton diverted	-3%	3%	3%
% change: staff hours per total tons	0%	0%	0%
% change: service requests per total tons	0%	0%	0%
% of service request initial investigation completed within 5 days	100%	100%	100%
% change: citizen requests	-67%	-10%	-10%
Streets and Right-of-Way Maintenance			
% of paved street lane miles rated fair or better	85%	85%	90%
% of service request initial responses accomplished within 5 days	100%	100%	100%
% change: cost per sidewalk repair (square foot)	35%	4%	4%
% change: cost per traffic signal maintained	0%	0%	0%
% change: cost per tree maintained	-27%	0%	0%
% change: cost per paved street curb mile swept	3%	22%	3%
Days between street sweepings	7	7	7
% change: citizen requests	2%	-10%	-10%

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Traffic Circulation			
Average turnaround time for emergency responses (hours)	2	2	2
% of building equipment maintenance requests responded to within 2 days	100%	100%	100%

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$879,116	$1,132,900	$1,145,400	$1,145,400
Overtime	440	1,400		
Part-Time Personnel	11,813	13,000		
Temporary Personnel		300		
Medicare	13,048	16,600	16,700	16,700
Retirement	164,025	209,800	170,600	170,600
Health Insurance	163,851	211,000	211,000	211,000
Subtotal	1,232,293	1,585,000	1,543,700	1,543,700
Operation and Maintenance:				
Memberships and Dues	3,188	4,100	4,100	4,100
Training and Education	936	5,800	2,900	2,900
Travel, Conferences, and Meetings	1,179	6,200	1,800	1,800
Auto Allowance	13,809	19,900	20,100	20,100
Mileage Reimbursement	313	600	500	500
Operating Supplies	15,453	10,600	9,900	9,900
Printing and Duplicating	9,093	3,300	2,200	2,200
Legal Advertising		2,000		
Postage and Deliveries	3,170	2,900	2,900	2,900
Subscriptions and Books	1,573	2,600	2,200	2,200
Bus Shelter Utilities	1,480	2,500	2,000	2,000
Street Light Utilities	566,051	530,000	530,000	530,000
Telephone and Other	5,005	5,300	5,300	5,300
Medians and Slopes Utilities	270,455	250,000	250,000	250,000
Parks Utilities	234,589	300,000	250,000	250,000
City Hall Rent	138,219	151,800	155,900	155,900
Equipment Rentals and Leases	5,083	3,800	4,100	4,100
Building Maintenance	11,672	10,000	8,000	8,000
Janitorial Maintenance	36,564	50,000	40,000	40,000
Electrical Maintenance	71,950	60,000	60,000	60,000
Building Repairs	3,346	2,500	2,500	2,500
Equipment Maintenance	3,317	2,700	2,800	2,800
Software Licenses and Maintenance		5,000	15,200	15,200

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Operation and Maintenance (continued):				
Website Update Services		10,000		
Vehicle Replacement	10,600	10,600	12,200	12,200
Vehicle Maintenance	8,401	7,000	7,500	7,500
NPDES[1] Permit	157,171	264,500	155,000	155,000
Water Quality	124,824	178,500	201,500	201,500
General Liability Insurance	161,693	117,700	138,800	138,800
Workers' Compensation Insurance	16,376	17,700	22,300	22,300
Traffic Signal Utilities	68,909	60,000	60,000	60,000
Miscellaneous Maintenance		10,000	10,000	10,000
Subtotal	1,944,419	2,107,600	1,979,700	1,979,700
Contract Services:				
Other	1,450			
Project Engineering	192,888	204,000	194,000	194,000
Traffic Engineering	322,773	200,000	50,000	50,000
Office Engineering	5,513	12,000	5,000	5,000
Solid Waste	1,781	2,000	1,000	1,000
Miscellaneous	206,165			
Used Oil CIWMB[2] Grant	11,284	23,700	23,700	23,700
Beverage Container Recycling Grant	25,370	21,500	21,500	21,500
Hazardous Waste Drop Box Grant	5,212			
Park, Median, Parkway, and Slope Landscape Repair	543,790	510,000	480,000	480,000
Park Landscape Maintenance	1,158,582	1,155,000	1,249,300	1,249,300
Median, Parkway, and Slope Landscape Maintenance	473,510	485,000	374,100	374,100
Tree Maintenance	152,854	150,000	150,000	150,000
Backflow Prevention	20,632	5,000	5,000	5,000
Residential Street Sweeping	211,540	205,000	205,000	205,000
Arterial Street Sweeping	116,104	145,000	125,300	125,300
Bus Shelter Maintenance	150,915	200,000	160,000	160,000
Traffic Signal Maintenance	343,813	300,000	240,000	240,000

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Contract Services (continued):				
Street Maintenance	1,507,181	1,557,000	1,461,600	1,461,600
Curb and Gutter Repair		5,000	5,000	5,000
Sidewalk Repairs		15,000	15,000	15,000
Subtotal	5,451,357	5,195,200	4,765,500	4,765,500
Capital Outlay:				
Furniture		900		
Equipment	228,578			
Subtotal	228,578	900	0	0
Activity Total	$8,856,647	$8,888,700	$8,288,900	$8,288,900

[1] NPDES = National Pollutant Discharge Elimination System

[2] CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$255,845	$263,500	$265,400	$265,400
Overtime		200		
Part-Time Personnel	11,813	13,000		
Temporary Personnel		100		
Medicare	3,872	4,000	3,800	3,800
Retirement	47,556	48,900	39,500	39,500
Health Insurance	41,908	43,400	43,400	43,400
Subtotal	360,994	373,100	352,100	352,100
Operation and Maintenance:				
Memberships and Dues	337	800	800	800
Training and Education	5	1,000		
Travel, Conferences, and Meetings	856	2,900	700	700
Auto Allowance	4,569	4,600	4,600	4,600
Mileage Reimbursement	103	200	200	200
Operating Supplies	3,321	2,500	2,800	2,800
Printing and Duplicating	587	200	300	300
Legal Advertising		1,000		
Postage and Deliveries	748	500	600	600
Subscriptions and Books	49	600	200	200
Telephone and Other	682	600	700	700
City Hall Rent	32,638	33,500	34,400	34,400
Equipment Rentals and Leases	1,192	800	1,000	1,000
Equipment Maintenance	1,147	600	700	700
General Liability Insurance	161,693	117,700	138,800	138,800
Workers' Compensation Insurance	16,376	17,700	22,300	22,300
Subtotal	224,303	185,200	208,100	208,100
Contract Services:				
Solid Waste	1,781	2,000	1,000	1,000
Used Oil CIWMB´ Grant	11,284	23,700	23,700	23,700
Beverage Container Recycling Grant	25,370	21,500	21,500	21,500
Hazardous Waste Drop Box Grant	5,212			
Subtotal	43,647	47,200	46,200	46,200

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	1,012			
Subtotal	1,012	0	0	0
Activity Total	$629,956	$605,500	$606,400	$606,400
Funding Source:				
General Fund	$629,956	$595,500	$595,200	$595,200
Redevelopment Agency Operating Fund		10,000	11,200	11,200

[1] CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$181,633	$293,100	$300,000	$300,000
Overtime		200		
Medicare	2,661	4,200	4,400	4,400
Retirement	33,523	54,300	44,700	44,700
Health Insurance	31,242	51,000	51,000	51,000
Subtotal	249,059	402,800	400,100	400,100
Operation and Maintenance:				
Memberships and Dues	421	400	400	400
Training and Education		1,000	200	200
Travel, Conferences, and Meetings	23	700	700	700
Auto Allowance	2,700	5,700	5,800	5,800
Mileage Reimbursement	210	200	200	200
Operating Supplies	3,845	2,800	2,600	2,600
Printing and Duplicating	5,300	1,800	600	600
Legal Advertising		1,000		
Postage and Deliveries	695	500	500	500
Subscriptions and Books	1,108	1,400	1,400	1,400
Street Light Utilities	566,051	530,000	530,000	530,000
Telephone and Other	681	700	700	700
City Hall Rent	42,890	49,700	51,000	51,000
Equipment Rentals and Leases	1,191	900	1,000	1,000
Equipment Maintenance	667	600	700	700
Software Licenses and Maintenance			5,100	5,100
Subtotal	625,782	597,400	600,900	600,900
Contract Services:				
Other	1,450			
Project Engineering	192,888	204,000	194,000	194,000
Office Engineering	5,513	12,000	5,000	5,000
Miscellaneous	206,165			
Subtotal	406,016	216,000	199,000	199,000

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	953			
Subtotal	953	0	0	0
Activity Total	$1,281,810	$1,216,200	$1,200,000	$1,200,000
Funding Sources:				
General Fund	$1,281,810	$1,201,700	$1,185,000	$1,185,000
Redevelopment Agency Operating Fund		14,500	15,000	15,000

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$198,637	$205,000	$205,600	$205,600
Overtime	220	600		
Temporary Personnel		200		
Medicare	2,915	3,000	3,000	3,000
Retirement	37,289	37,900	30,600	30,600
Health Insurance	42,583	44,600	44,600	44,600
Subtotal	281,644	291,300	283,800	283,800
Operation and Maintenance:				
Memberships and Dues	1,675	2,400	2,400	2,400
Training and Education	334	1,800	1,500	1,500
Travel, Conferences, and Meetings		2,200	400	400
Auto Allowance	1,500	1,500	1,600	1,600
Mileage Reimbursement		200	100	100
Operating Supplies	3,255	2,200	1,400	1,400
Printing and Duplicating	562	200	200	200
Postage and Deliveries	613	500	400	400
Subscriptions and Books		100	100	100
Bus Shelter Utilities	1,480	2,500	2,000	2,000
Telephone and Other	2,190	2,600	2,500	2,500
Median, Parkway, and Slope Utilities	270,455	250,000	250,000	250,000
Park Utilities	234,589	300,000	250,000	250,000
City Hall Rent	22,355	22,800	23,500	23,500
Equipment Rentals and Leases	1,052	800	700	700
Building Maintenance	11,672	10,000	8,000	8,000
Janitorial Maintenance	36,564	50,000	40,000	40,000
Electrical Maintenance	71,950	60,000	60,000	60,000
Building Repairs	3,346	2,500	2,500	2,500
Equipment Maintenance	595	600	500	500
Software Licenses and Maintenance		5,000	5,000	5,000
Vehicle Replacement	10,600	10,600	12,200	12,200
Vehicle Maintenance	8,401	6,000	6,500	6,500
Subtotal	683,188	734,500	671,500	671,500

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

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Contract Services:				
Park, Median, Parkway, and Slope Landscape Repairs	433,645	360,000	340,000	340,000
Park Landscape Maintenance	1,158,582	1,155,000	1,249,300	1,249,300
Median, Parkway, and Slope Landscape Maintenance	473,510	485,000	374,100	374,100
Tree Maintenance	152,854	150,000	150,000	150,000
Backflow Prevention	20,632	5,000	5,000	5,000
Bus Shelter Maintenance	150,915	200,000	160,000	160,000
Subtotal	2,390,138	2,355,000	2,278,400	2,278,400
Capital Outlay:				
Equipment	225,154			
Subtotal	225,154	0	0	0
Activity Total	$3,580,124	$3,380,800	$3,233,700	$3,233,700
Funding Sources:				
General Fund	$3,580,124	$3,374,100	$3,227,000	$3,227,000
Redevelopment Agency Operating Fund		6,700	6,700	6,700

PUBLIC WORKS - STREET MAINTENANCE/ TRAFFIC MANAGEMENT DIVISION BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$100,569	$217,600	$217,800	$217,800
Medicare	1,478	3,200	3,200	3,200
Retirement	18,577	40,300	32,500	32,500
Health Insurance	19,451	39,000	39,000	39,000
Subtotal	140,075	300,100	292,500	292,500
Operation and Maintenance:				
Memberships and Dues	755	400	400	400
Training and Education	20	1,000	200	200
Travel, Conferences, and Meetings	300	400		
Auto Allowance	1,350	4,400	4,400	4,400
Operating Supplies	3,621	1,600	1,600	1,600
Printing and Duplicating	2,335	200	200	200
Postage and Deliveries	667	400	400	400
Subscriptions and Books	416	200	200	200
Telephone and Other	523	500	500	500
City Hall Rent	16,920	18,700	19,200	19,200
Equipment Rentals and Leases	912	700	800	800
Equipment Maintenance	491	500	500	500
Software Licenses and Maintenance			5,100	5,100
Traffic Signal Utilities	68,909	60,000	60,000	60,000
Miscellaneous Maintenance		10,000	10,000	10,000
Website Update Services		10,000		
Subtotal	97,219	109,000	103,500	103,500
Contract Services:				
Traffic Engineering	322,773	200,000	50,000	50,000
Traffic Signal Maintenance	343,813	300,000	240,000	240,000
Street Maintenance	1,440,589	1,407,000	1,319,100	1,319,100
Curb and Gutter Repairs		5,000	5,000	5,000
Sidewalk Repairs		15,000	15,000	15,000
Subtotal	2,107,175	1,927,000	1,629,100	1,629,100

PUBLIC WORKS - STREET MAINTENANCE/ TRAFFIC MANAGEMENT DIVISION BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	863			
Subtotal	863	0	0	0
Activity Total	$2,345,332	$2,336,100	$2,025,100	$2,025,100
Funding Sources:				
General Fund	$492,021	$539,100	$231,300	$231,300
Gas Tax Fund	1,853,311	1,797,000	1,793,800	1,793,800

PUBLIC WORKS - NPDES[1]/WATER QUALITY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$142,432	$153,700	$156,600	$156,600
Overtime	220	400		
Medicare	2,122	2,200	2,300	2,300
Retirement	27,080	28,400	23,300	23,300
Health Insurance	28,667	33,000	33,000	33,000
Subtotal	200,521	217,700	215,200	215,200
Operation and Maintenance:				
Memberships and Dues		100	100	100
Training and Education	577	1,000	1,000	1,000
Auto Allowance	3,690	3,700	3,700	3,700
Operating Supplies	1,411	1,500	1,500	1,500
Printing and Duplicating	309	900	900	900
Postage and Deliveries	447	1,000	1,000	1,000
Subscriptions and Books		300	300	300
Telephone and Other	929	900	900	900
City Hall Rent	23,416	27,100	27,800	27,800
Equipment Rentals and Leases	736	600	600	600
Equipment Maintenance	417	400	400	400
Vehicle Maintenance		1,000	1,000	1,000
NPDES[1] Permit	157,171	264,500	155,000	155,000
Water Quality	124,824	178,500	201,500	201,500
Subtotal	313,927	481,500	395,700	395,700
Contract Services:				
Park, Median, Parkway, and Slope Landscape Repairs	110,145	150,000	140,000	140,000
Residential Street Sweeping	211,540	205,000	205,000	205,000
Arterial Street Sweeping	116,104	145,000	125,300	125,300
Street Maintenance - Storm Drains	66,592	150,000	142,500	142,500
Subtotal	504,381	650,000	612,800	612,800

PUBLIC WORKS - NPDES[1]/WATER QUALITY DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Furniture		900		
Equipment	596			
Subtotal	596	900	0	0
Activity Total	$1,019,425	$1,350,100	$1,223,700	$1,223,700
Funding Source:				
General Fund	$1,019,425	$1,350,100	$1,223,700	$1,223,700

[1] NPDES = National Pollutant Discharge Elimination System

MANAGEMENT SERVICES

DEPARTMENT DESCRIPTION

The Department of Management Services includes the Human Resources, Information Technology, City Clerk, and Public Affairs divisions. The Department coordinates the recruitment of talented and highly qualified candidates to join the City's workforce, provides safety training and directs the City's risk management program. The Department manages the City's technology needs and sets strategic guidelines to achieve long-term technology goals. The Department maintains City records, the Lake Forest Municipal Code, and the City Council Agenda. The Department also manages public information, including City publications, websites, and communication with the media with the Director serving as the Public Information Officer.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Implemented a City of Lake Forest Speaker's Bureau (Traffic Improvement Projects).
2. Conducted a Photo Contest for a 2010 Lake Forest Calendar.
3. Posted geographic information system maps for public use on City websites.
4. Implemented a new Lake Forest Communications Plan to optimize the use of City publications, websites, public education government channels, and other community tools to convey information to residents and businesses.
5. Conducted customer service training for all City Hall employees.
6. Completed implementation of Minutes Module of Agenda Plus (automated agenda) software.
7. Coordinated implementation of automated staff report preparation and review.
8. Completed remaining quality control process of vendor scanned and imported agenda staff reports.
9. Enhanced City Clerk's Office internet web pages.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Implement a City of Lake Forest Speaker's Bureau (Sports Park).
2. Feature a resident-submitted recurring column in the Leaflet highlighting "Why I Love My Lake Forest Park."
3. Incorporate Emergency Operations Center (EOC) policies and procedures into the Lake Forest Communications Plan.
4. Investigate the possibilities of using social media to connect with residents, business owners, and other stakeholders.
5. Accept passport applications at the City Clerk's counter.
6. Become an early voting site for the 2010 election.
7. Implement Thin Client technologies to reduce energy consumption.
8. Establish offsite replication for disaster recovery.

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2008-09 [1]	Adopted Budget 2009-10 [1]	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$1,067,248	$1,200,000	$1,055,300	$1,055,300
Operations and Maintenance	966,639	952,000	996,300	996,300
Contract Services	424,354	412,600	358,700	358,700
Capital Outlay	423,535	135,900	68,500	68,500
Activity Total	$2,881,776	$2,700,500	$2,478,800	$2,478,800
Funding Sources:				
General Fund	$2,879,284	$2,555,100	$2,450,100	$2,450,100
Redevelopment Agency Operating Fund	2,492	25,900	28,700	28,700
Emergency Services Reserve Fund		119,500		
Total Positions:				
Full-Time*	12.0	11.0	11.0	11.0

PERFORMANCE MEASURES

Description	Actual 2008-09 [1]	Adopted Budget 2009-10 [1]	Adopted 2010-11
Personnel Recruitment and Selection			
% of new hires passing probation	100%	90%	90%
% of successful recruitments	100%	90%	90%
Average # of working days to recruit	53	40	40
Employee turnover rate	3%	10%	5%
Average # of applications per open recruitment	245	50	300
Training and Development			
Performance evaluations - % completed on time	83%	90%	90%
Risk Management			
% of claims closed within 7 years	100%	100%	100%

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09[1]	Adopted Budget 2009-10[1]	Adopted 2010-11
Computer Systems			
% computer help desk calls completed within 3 days	80%	85%	85%
Publications			
% meeting publication deadlines - Leaflet	100%	100%	100%
% meeting publication deadlines - e-Newsletter	91%	91%	91%
% agendas completed and ready for delivery 72 hours prior to meeting	100%	100%	100%
% of Council meeting action agendas completed within 5 working days after meeting	75%	100%	100%
% of Council meeting minutes completed/ approved within 30 days	85%	95%	100%
Public Requests			
% resolved within 5 days - Cox Communications	100%	95%	95%
% resolved within 5 days - Human Resources	100%	95%	95%
% responded to within the regulations of the Public Records Act	100%	100%	100%
Elections			
Cost per registered voter	$1.20	N/A	$1.20

[1] Prior to Fiscal Year 2010-11, City Clerk costs were reported in a separate department. During Fiscal Year 2009-10, the City Clerk Department became a division of the Management Services Department. City Clerk costs prior to Fiscal Year 2010-11 are reflected in the Management Services Department herein.

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2008-09 [1]	Adopted Budget 2009-10 [1]	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$735,525	$813,500	$698,700	$698,700
Overtime	4,154	3,000	3,000	3,000
Part-Time Personnel	20,386	34,500	74,200	74,200
Temporary Personnel	1,435	8,000		
Medicare	11,093	12,200	11,300	11,300
Retirement	136,726	150,800	105,100	105,100
Health Insurance	149,733	165,000	150,000	150,000
Annual Physical Exams	1,405	3,000	3,000	3,000
Pre-Employment Testing	2,773	4,000	4,000	4,000
Tuition Reimbursement	4,018	6,000	6,000	6,000
Subtotal	1,067,248	1,200,000	1,055,300	1,055,300
Operation and Maintenance:				
Memberships and Dues	2,660	3,600	3,000	3,000
Training and Education	19,122	37,400	29,500	29,500
Travel, Conferences, and Meetings	3,951	11,900	2,100	2,100
Auto Allowance	12,297	15,600	10,800	10,800
Mileage Reimbursement	445	1,500	1,500	1,500
Operating Supplies	18,865	16,800	17,400	17,400
Printing and Duplicating	3,950	4,700	6,400	6,400
Legal Advertising	39,159	35,000	21,000	21,000
Postage and Deliveries	28,165	57,400	33,400	33,400
Subscriptions and Books	4,881	4,000	21,200	21,200
Telephone and Other	3,270	2,700	8,000	8,000
City Hall Rent	152,721	177,200	182,000	182,000
Equipment Rentals and Leases	4,579	3,700	3,700	3,700
Equipment Maintenance	3,463	2,500	5,500	5,500
Computer Maintenance and Supply	452,903	357,800	397,700	397,700
Software Licenses and Maintenance	59,524	128,000	161,300	161,300
Website Update Services	375	20,000	20,000	20,000
Community Support	100,000			
General Liability Insurance	29,208	20,900	11,100	11,100

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09 [1]	Adopted Budget 2009-10 [1]	Proposed 2010-11	Adopted Budget 2010-11
Operation and Maintenance (continued):				
Property Insurance	7,366	20,000	23,000	23,000
Workers' Compensation Insurance	12,949	13,800	16,700	16,700
Other Insurance	6,786	17,500	21,000	21,000
Subtotal	966,639	952,000	996,300	996,300
Contract Services:				
Other	298	4,000	4,000	4,000
Elections	53,650	1,000	60,000	60,000
Newsletter [2]	143,874	71,700	66,000	66,000
Citizen's Academy	4,714	4,000	4,000	4,000
Codification	4,418	15,000	9,300	9,300
Records Management	40,228	15,000	15,000	15,000
Miscellaneous	51,575	52,800	37,600	37,600
Information Services	44,967	130,100	70,500	70,500
Communications	42,721	99,000	32,300	32,300
General	37,909	20,000	60,000	60,000
Subtotal	424,354	412,600	358,700	358,700
Capital Outlay:				
Equipment	62,010	57,100	34,700	34,700
Furniture	32,333			29,000
Computers	41,334	39,000	29,000	4,800
Computer Software	287,858	39,800	4,800	
Subtotal	423,535	135,900	68,500	68,500
Activity Total	$2,881,776	$2,700,500	$2,478,800	$2,478,800

[1] Prior to Fiscal Year 2010-11, City Clerk costs were reported in a separate department. During Fiscal Year 2009-10, the City Clerk Department became a division of the Management Services Department. City Clerk costs prior to Fiscal Year 2010-11 are reflected in the Management Services Department herein.

[2] Costs related to the Leisure Times were transferred to the Community Services Department in Fiscal Year 2009-10.

MANAGEMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$210,981	$239,500	$184,400	$184,400
Part-Time Personnel	9,878	16,000		
Medicare	3,195	3,700	2,700	2,700
Retirement	38,767	44,500	27,500	27,500
Health Insurance	41,075	45,000	37,500	37,500
Subtotal	303,896	348,700	252,100	252,100
Operation and Maintenance:				
Memberships and Dues	540	1,100	700	700
Training and Education	199	1,500	1,500	1,500
Travel, Conferences, and Meetings	1,464	4,100	400	400
Auto Allowance	4,800	4,800	2,400	2,400
Mileage Reimbursement	190	500	500	500
Operating Supplies	4,115	5,200	6,200	6,200
Printing and Duplicating	2,861	1,500	3,300	3,300
Postage and Deliveries	24,716	54,500	30,600	30,600
Subscriptions and Books		500	2,000	2,000
Telephone and Other	1,101	700	700	700
City Hall Rent	42,834	50,200	51,600	51,600
Equipment Rentals and Leases	1,227	1,000	1,000	1,000
Equipment Maintenance	682	600	700	700
Software Licenses and Maintenance	9,167	13,500	4,000	4,000
Website Update Services	375	20,000	20,000	20,000
Community Support	100,000			
General Liability Insurance	14,799	11,000	11,100	11,100
Workers' Compensation Insurance	6,459	6,900	16,700	16,700
Subtotal	215,529	177,600	153,400	153,400
Contract Services:				
Newsletter[1]	143,874	71,700	66,000	66,000
Citizen's Academy	4,714	4,000	4,000	4,000
Communications	42,721	99,000	32,300	32,300
General	37,909	20,000	60,000	60,000
Subtotal	229,218	194,700	162,300	162,300

MANAGEMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Furniture	30,446			
Computers	1,087			
Computer Software	122,254			
Subtotal	153,787	0	0	0
Activity Total	$902,430	$721,000	$567,800	$567,800
Funding Source:				
General Fund	$902,430	$721,000	$562,600	$562,600
Redevelopment Agency Operating Fund			5,200	5,200

[1] Costs related to the Leisure Times were transferred to the Community Services Department in Fiscal Year 2009-10.

MANAGEMENT SERVICES - INFORMATION TECHNOLOGY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$36,884	$94,600	$124,600	$124,600
Part-Time Personnel	10,508	18,500	18,500	18,500
Medicare	710	1,600	2,100	2,100
Retirement	6,950	17,700	18,800	18,800
Health Insurance	5,565	15,000	18,800	18,800
Subtotal	60,617	147,400	182,800	182,800
Operation and Maintenance:				
Memberships and Dues	240	500	300	300
Training and Education	3,161	6,000	3,600	3,600
Travel, Conferences, and Meetings	518	1,200		
Auto Allowance	1,658	3,000	4,200	4,200
Operating Supplies	1,102	1,200	1,200	1,200
Printing and Duplicating	174	200	200	200
Postage and Deliveries	246	300	300	300
Subscriptions and Books	963		14,900[1]	14,900[1]
Telephone and Other	565	400	5,900	5,900
City Hall Rent	7,317	8,300	8,500	8,500
Equipment Rentals and Leases	549	600	600	600
Equipment Maintenance	316	400	3,400	3,400
Computer Maintenance and Supply	452,903	357,800	397,700	397,700
Software Licenses and Maintenance	31,012	83,500	121,300	121,300
Subtotal	500,724	463,400	562,100	562,100
Contract Services:				
Other			4,000[2]	4,000[2]
Records Management	40,188	15,000	15,000	15,000
Information Services	44,967	130,100	70,500	70,500
Subtotal	85,155	145,100	89,500	89,500
Capital Outlay:				
Equipment	60,730	57,100	34,700	34,700
Furniture	629			

MANAGEMENT SERVICES - INFORMATION TECHNOLOGY DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay (continued):				
Computers	38,965	39,000	29,000	29,000
Computer Software	86,269	39,800	4,800	4,800
Subtotal	186,593	135,900	68,500	68,500
Activity Total	$833,089	$891,800	$902,900	$902,900
Funding Source:				
General Fund	$833,089	$772,300	$902,900	$902,900
Emergency Services Reserve Fund		119,500		

[1] Domain name registrations, information technology research database, property ownership data, and assessor parcel boundaries data were previously budgeted in the Software Licenses and Maintenance account.

[2] Costs related to City Hall security were transferred from the Human Resources Division in Fiscal Year 2010-11.

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$159,759	$161,800	$84,800	$84,800
Overtime	221	1,000	1,000	1,000
Part-Time Personnel			55,700	55,700
Temporary Personnel		3,000		
Medicare	2,342	2,300	2,100	2,100
Retirement	30,335	29,900	13,300	13,300
Health Insurance	29,201	30,000	18,700	18,700
Annual Physical Exams	1,405	3,000	3,000	3,000
Pre-Employment Testing	2,773	4,000	4,000	4,000
Tuition Reimbursement	4,018	6,000	6,000	6,000
Subtotal	230,054	241,000	188,600	188,600
Operation and Maintenance:				
Memberships and Dues	990	1,200	1,200	1,200
Training and Education	14,576	25,600	20,600	20,600
Travel, Conferences, and Meetings	1,247	4,500	300	300
Auto Allowance	2,885	3,000	1,200	1,200
Mileage Reimbursement	146	500	500	500
Operating Supplies	3,090	2,600	2,700	2,700
Printing and Duplicating	218	1,200	1,200	1,200
Legal Advertising	3,177	15,000	1,000	1,000
Postage and Deliveries	622	700	700	700
Subscriptions and Books		500	700	700
Telephone and Other	401	400	400	400
City Hall Rent	23,497	22,100	22,700	22,700
Equipment Rentals and Leases	700	500	600	600
Equipment Maintenance	397	400	400	400
Software Licenses and Maintenance	3,000		5,000	5,000
Property Insurance	7,366	20,000	23,000	23,000
Other Insurance	6,786	17,500	21,000	21,000
Subtotal	69,098	115,700	103,200	103,200
Contract Services:				
Other	298	4,000		
Miscellaneous	51,575	52,800	37,600	37,600
Subtotal	51,873	56,800	37,600	37,600

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Computer Software	1,250			
Subtotal	1,250	0	0	0
Activity Total	$352,275	$413,500	$329,400	$329,400
Funding Source:				
General Fund	$352,275	$413,500	$329,400	$329,400

MANAGEMENT SERVICES - CITY CLERK DIVISION
BUDGET DETAIL

Expense Classification	Actual 2008-09 [1]	Adopted Budget 2009-10 [1]	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$327,901	$317,600	$304,900	$304,900
Overtime	3,933	2,000	2,000	2,000
Temporary Personnel	1,435	5,000		
Medicare	4,846	4,600	4,400	4,400
Retirement	60,674	58,700	45,500	45,500
Health Insurance	73,892	75,000	75,000	75,000
Subtotal	472,681	462,900	431,800	431,800
Operation and Maintenance:				
Memberships and Dues	890	800	800	800
Training and Education	1,186	4,300	3,800	3,800
Travel, Conferences, and Meetings	722	2,100	1,400	1,400
Auto Allowance	2,954	4,800	3,000	3,000
Mileage Reimbursement	109	500	500	500
Operating Supplies	10,558	7,800	7,300	7,300
Printing and Duplicating	697	1,800	1,700	1,700
Legal Advertising	35,982	20,000	20,000	20,000
Postage and Deliveries	2,581	1,900	1,800	1,800
Subscriptions and Books	3,918	3,000	3,600	3,600
Telephone and Other	1,203	1,200	1,000	1,000
City Hall Rent	79,073	96,600	99,200	99,200
Equipment Rentals and Leases	2,103	1,600	1,500	1,500
Equipment Maintenance	2,068	1,100	1,000	1,000
Software Licenses and Maintenance	16,345	31,000	31,000	31,000
Liability Insurance [2]	14,409	9,900		
Workers' Compensation Insurance [2]	6,490	6,900		
Subtotal	181,288	195,300	177,600	177,600
Contract Services:				
Elections	53,650	1,000	60,000	60,000
Codification	4,418	15,000	9,300	9,300
Records Management	40			
Subtotal	58,108	16,000	69,300	69,300

MANAGEMENT SERVICES - CITY CLERK DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09 [1]	Adopted Budget 2009-10 [1]	Proposed 2010-11	Adopted Budget 2010-11
Capital Outlay:				
Equipment	1,280			
Furniture	1,258			
Computers	1,282			
Computer Software	78,085			
Subtotal	81,905	0	0	0
Activity Total	$793,982	$674,200	$678,700	$678,700
Funding Sources:				
General Fund	$791,490	$648,300	$655,200	$655,200
Redevelopment Agency Operating Fund	2,492	25,900	23,500	23,500

[1] Prior to Fiscal Year 2010-11, City Clerk costs were reported in a separate department. During Fiscal Year 2009-10, the City Clerk Department became a division of the Management Services Department. City Clerk costs prior to Fiscal Year 2010-11 are reflected in the Management Services Department herein.

[2] The City Clerk Department became a division of Management Services Department during Fiscal Year 2009-10. Thus, in Fiscal Year 2010-11, these costs are budgeted in the Administration Division of the Management Services Department.

COMMUNITY SERVICES

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

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Completed renovation of various parks: Alton, Borrego, Foothill Community, and Ranchwood Parks.
2. Coordinated design for various park projects: El Toro, Heroes Restroom/Snack Bar.
3. Increased contract class revenue and cost recovery.
4. Assisted in the design, planning and acquisition of proposed recreational facilities including but not limited to: Community Sports Park and Recreation Center.
5. Coordinated design for Skatepark improvements
6. Finalized Master Plan for Sports Park and Recreation Center.
7. Increased Skatepark cost recovery.
8. Completed transition of Saddleback Valley Unified School District contracted programs to the City except for those programs offered on site at school facilities including Preschool Programs, Autumn Harvest Festival, and Bunny Blast.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Complete construction of Heroes Park Restroom and Snack Bar.
2. Complete construction of Skatepark expansion.
3. Coordinate progress of Five-Year Strategic Plan including design and construction for shade structure program and renovation of Mountain View and Concourse Parks, and coordinate design services for Tamarisk and Rimgate Parks improvements.
4. Increase department cost recovery including Skatepark revenue.
5. Oversee development of plans and specifications in preparation to bid for the Sports Park and Recreation Center. Assist in facility construction as appropriate.

COMMUNITY SERVICES
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$1,376,282	$1,492,700	$1,477,600	$1,477,600
Operations and Maintenance	1,531,440	1,829,800	1,648,200	1,648,200
Contract Services	39,818	39,000	39,000	39,000
Capital Outlay	50,299	31,000		
Activity Total	$2,997,839	$3,392,500	$3,164,800	$3,164,800
Funding Sources:				
General Fund	$2,559,102	$3,007,200	$2,796,700	$2,796,700
Etnies Skatepark Fund	401,183	385,300	368,100	368,100
Air Quality Improvement Fund	37,554			
Total Positions:				
Full-Time	10.0	10.0	10.0	10.0

PERFORMANCE MEASURES

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Recreation			
# of elementary students in SVUSD participating in after school programs	81,072	80,000	83,000
# of teens participating in City programs	3,702	4,500	4,000
# of seniors participating in City programs	40,646	50,000	45,000
# of participants in City programs	207,220	225,000	210,000
Recreation class revenue[1]	$18,817	$25,000	
Total revenue[2]	$210,613		$250,000
Cost recovery rate	7%	9%	9%

[1] This performance measurement was eliminated in Fiscal Year 2010-11.

[2] This performance measurement was created in Fiscal Year 2010-11 and applied retroactively to Fiscal Year 2008-09.

COMMUNITY SERVICES
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$646,012	$687,900	$699,700	$699,700
Overtime	1,661	2,000		
Part-Time Personnel	429,614	499,700	499,700	499,700
Temporary Personnel		2,000		
Medicare	15,647	17,300	17,400	17,400
Retirement	146,558	133,800	110,800	110,800
Health Insurance	136,790	150,000	150,000	150,000
Subtotal	1,376,282	1,492,700	1,477,600	1,477,600
Operation and Maintenance:				
Memberships and Dues	2,058	2,600	1,800	1,800
Training and Education	1,004	1,000	1,000	1,000
Travel, Conferences, and Meetings	9,441	7,500	1,500	1,500
Commissioner Travel:				
Herrin Travel		2,400	1,000	1,000
Irish Travel	849	2,400	1,000	1,000
Manning Travel		2,400	1,000	1,000
Morrell Travel		2,400	1,000	1,000
Rosenberg Travel	359	2,400	1,000	1,000
Zeiler Travel	359			
Commissioner Stipend	3,034	3,500	3,300	3,300
Auto Allowance	10,800	10,800	10,800	10,800
Mileage Reimbursement	979	1,500	1,500	1,500
Operating Supplies	48,431	58,400	44,500	44,500
Printing and Duplicating[1]	6,936	98,500	71,000	71,000
Postage and Deliveries	5,519	31,000	16,900	16,900
Uniforms	4,483	4,000	900	900
Telephone and Other	14,209	25,900	24,300	24,300
City Hall Rent	116,667	124,700	128,100	128,100
Community Center Rent	61,226	75,600	77,600	77,600
Equipment Rentals and Leases	32,858	27,300	23,800	23,800
Building Maintenance	1,211	1,200	1,200	1,200
Equipment Maintenance	5,095	4,800	5,100	5,100
Software Licenses and Maintenance	1,400	9,000	9,300	9,300
Vehicle Replacement			9,000	9,000

COMMUNITY SERVICES
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Operation and Maintenance (continued):				
Vehicle Maintenance	5,742	10,800	9,000	9,000
Holiday Banners	33,895	40,700	16,000	16,000
Community Support		10,000	10,000	10,000
Community Services Programs	2,132	3,000	3,000	3,000
General Liability Insurance	42,263	32,000	31,600	31,600
Workers' Compensation Insurance	7,014	9,400	17,800	17,800
Community Events	238,661	257,500	234,300	234,300
SVUSD[2] Recreation Programs	553,121	587,500	527,900	527,900
Senior Mobility Grant Program	34,937	38,000	43,000	43,000
Teen Programs	25,993	38,600	25,200	25,200
Senior Programs	174,037	182,100	173,300	173,300
Excursions	21,244	21,900	10,600	10,600
Recreation Classes	37,158	46,900	55,000	55,000
Skatepark Programs	28,325	34,900	29,500	29,500
Youth Programs		17,200	25,400	25,400
Subtotal	1,531,440	1,829,800	1,648,200	1,648,200
Contract Services:				
Miscellaneous	39,818	39,000	39,000	39,000
Subtotal	39,818	39,000	39,000	39,000
Capital Outlay:				
Building Improvements	2,100			
Equipment	3,989			
Furniture	4,048	31,000		
Vehicles	37,554			
Computers	2,608			
Subtotal	50,299	31,000	0	0
Activity Total	$2,997,839	$3,392,500	$3,164,800	$3,164,800

[1] Costs for the Leisure Times were transferred from the Management Services Department budget in Fiscal Year 2009-10.

[2] SVUSD = Saddleback Valley Unified School District

POLICE SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. A national firm ranked Lake Forest the 10th safest city in the nation and 3rd safest in the State. Lake Forest was previously ranked 12th nationally. There were 1,073 reported Part One Crimes in 2009. Deputies were responsible for 1,229 in-custody arrests, 2,011 misdemeanor citations, and 359 warrant arrests.
2. Traffic enforcement remained a priority for Police Services which issued 2,718 citations for moving violations and 6,031 parking citations. There were 128 injury collisions and a total of 428 collisions.
3. Police Services has continued to keep the fight against graffiti and vandalism an enforcement priority. Through the efforts of the Neighborhood Enhancement Team, costs associated with graffiti removal decreased by approximately 26% in 2009 compared to the previous year.
4. Neighborhood Watch and Business Watch programs were expanded. Presentations were made to the public regarding a variety of public safety issues such as identity theft, personal safety, home safety, child safety, internet safety, and safety issues related to the senior community.
5. The Responsible Pet Ownership Program was established, consisting of Lake Forest Pet Day, public education, and a Spay-Neuter Voucher Program.
6. The relocation and improvement of the Emergency Operations Center was completed along with the full implementation of the AlertOC mass notification system.
7. The Fifth Annual Community Emergency Preparedness Academy was completed. This eight-week program is a joint effort between the City, Orange County Sheriff's Department, Orange County Fire Authority, Doctor's Ambulance, and the American Red Cross. The twenty-five graduates were provided instruction in the fundamentals of disaster preparedness in a classroom environment as well as functional exercises. The Community Emergency Preparedness Academy has had 155 graduates since the creation of the program.
8. Conducted 69 car seat installations and inspections, distributed car seats to low-income families, and a workshop for parents of teen drivers.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS (continued)

9. Implemented the Waste Watch Program, which provides training and coordination with Waste Management drivers to report potential criminal activity observed while conducting their duties.
10. The Sheriff's Team of Active Retired Seniors (STARS) volunteers provided 4,009 hours of service to the community through Police Services. The STARS provide customer service at the public counter of Police Services, conduct vacation checks per citizen request, Fire Watch patrols, and staff special events.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Provision of an effective traffic enforcement program to ensure the safety of motorists and reduce the number of injury traffic accidents in the City.
2. Completion of the business security survey, which will provide data regarding the safety of businesses in the City, leading to recommendations for security enhancements.
3. Police Services will continue to keep the fight against graffiti and vandalism an enforcement priority. Through the efforts of the Neighborhood Enhancement Team, costs associated with graffiti removal decreased by approximately 26% compared to the previous year. In 2005, $70,832 was spent on abatement efforts as a result of 1,133 calls for service. In 2009, $51,992 was spent on abatement efforts as a result of 424 fewer calls to the graffiti hotline, a reduction of $18,839.
4. Continued development of community programming that includes car seat installations, identity protection, teen driver safety seminars, walk to school day, bicycle helmet, and car seat distribution to low-income families.

POLICE SERVICES
BUDGET OVERVIEW

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel	$168,403	$205,800	$133,200	$133,200
Operations and Maintenance	407,764	453,800	442,000	442,000
Contract Services	12,133,170	12,766,600	12,594,100	12,594,100
Capital Outlay	124,587	5,000		
Activity Total	$12,833,924	$13,431,200	$13,169,300	$13,169,300
Funding Sources:				
General Fund	$12,758,081	$13,266,000	$13,069,300	$13,069,300
Police Grant Funds:				
Supplemental Law Enforcement Services Grant Fund	75,843	125,200	100,000	100,000
Justice Assistance Grant Fund		40,000		
Total Positions:				
Full-Time	2	2	2	2
Contract Personnel	55.63	55.63	55.63	55.63

PERFORMANCE MEASURES

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Community Policing			
# of community/school presentations	30	52	50
Hours of community policing unit services	2,080	2,080	2,080
# of neighborhood watch presentations	20	26	30
# of neighborhood watch participants	500	700	900
# of business watch participants	250	210	300
Patrol Services			
Average response time: emergency call (minutes)	4:45	5:00	5:00

PERFORMANCE MEASURES (continued)

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Patrol Services (continued)			
Average response time: routine call (minutes)	12:23	12:00	12:00
Crime rate per 1,000 pop: UCR Class I crimes	13	15	15
Crime rate per 1,000 pop: UCR Class II crimes	27	29	29
% of preventive patrol time	40%	40%	40%
Traffic Enforcement and Reporting			
Traffic enforcement index[1]	28	30	30
Injury traffic collisions	118	140	140
Speed related collisions	78	100	100
Graffiti Program (TAGRS[2])			
Incidents of graffiti	228	300	300
Paper Shredding Program			
Incidents of fraud and identify theft	159	270	250
Animal Care			
Animals impounded	525	600	600
Animal licenses issued	8,435	8,500	8,500
Barking dog complaints	429	600	600
Barking dog cases resolved	18	24	24
Assistance for lost/adoptable pets	32	24	24
Orange County Animal Control programming events[3]	1	2	1

[1] Traffic enforcement index is the number of citations issued for moving violations for each injury traffic collision.

[2] TAGRS = Tracking Automated Graffiti Reporting System

[3] Events include pet adoptions, licensing, and vaccinations.

POLICE SERVICES
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Personnel:				
Full-Time Personnel	$123,213	$146,600	$101,600	$101,600
Medicare	1,831	2,100	1,500	1,500
Retirement	22,961	27,100	15,100	15,100
Health Insurance	20,398	30,000	15,000	15,000
Subtotal	168,403	205,800	133,200	133,200
Operation and Maintenance:				
Membership and Dues	393	900	500	500
Training and Education	720	7,500	5,000	5,000
Travel, Conferences, and Meetings	14,626	13,700	9,700	9,700
Auto Allowance	3,000	3,000	3,000	3,000
Operating Supplies	48,392	38,900	54,000	54,000
Printing and Duplicating	7,608	11,600	11,600	11,600
Postage and Deliveries	1,353	1,100	1,100	1,100
Uniforms	11,881	10,000	10,000	10,000
Telephone and Other	2,157	1,400	1,400	1,400
City Hall Rent	135,983	153,100	157,200	157,200
Equipment Rentals and Leases	5,760	5,500	5,700	5,700
Equipment Maintenance	1,934	4,300	4,400	4,400
Software Licenses and Maintenance		42,000		
Vehicle Replacement	62,200	45,000	49,700	49,700
Vehicle Operation and Maintenance	40,581	55,800	56,900	56,900
Alcoholic Beverage Control Grant	2,547			
Community Services Programs	45,011	42,100	34,100	34,100
General Liability Insurance	23,618	17,900	37,300	37,300
Workers' Compensation Insurance			400	400
Subtotal	407,764	453,800	442,000	442,000

POLICE SERVICES
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Contract Services[1]:				
Other	808			
Law Enforcement				
Administration (2.0)	523,093	544,500	537,600	537,600
Patrol Operations:				
Patrol Sergeants (4.5)	869,465	890,000	910,000	910,000
Patrol (31.0)	6,458,171	6,636,100	6,758,700	6,758,700
Investigations:				
Investigations (4.0)	926,072	971,600	966,500	966,500
Traffic:				
Motorcycle Deputies (3.0)	801,201	825,900	635,600	635,600
Commercial/Traffic Enforcement (1.0)	211,286	201,700	207,000	207,000
Community Service Officers (4.0)	522,667	553,200	557,800	557,800
Community Programs:				
Community Services/ Crime Prevention (3.0)	491,047	527,200	531,800	531,800
Support and Other (2.13)	762,991	953,400	816,900	816,900
800Mhz Maintenance/ Operation	38,087	37,500	36,400	36,400
Mobile Data Computers Maintenance/Operation	111,050	115,500	125,800	125,800
Animal Care	184,660	255,000	255,000	255,000
Crossing Guards	224,763	250,000	250,000	250,000
Parking Ticket Administration	7,809	5,000	5,000	5,000
Subtotal	12,133,170	12,766,600	12,594,100	12,594,100
Capital Outlay:				
Equipment	120,855	5,000		
Furniture	2,645			
Computers	1,087			
Subtotal	124,587	5,000	0	0
Activity Total	$12,833,924	$13,431,200	$13,169,300	$13,169,300

[1] ( ) Indicates number of persons assigned to the City of Lake Forest.

FIRE SERVICES

DEPARTMENT DESCRIPTION

The Orange County Fire Authority (OCFA) operates three fire stations in the City of Lake Forest as part of a regional fire protection service. The Authority provides fire protection and suppression, inspection services, paramedic emergency medical services, technical rescue services, and hazardous materials response.

FISCAL YEAR 2009-10 MAJOR ACCOMPLISHMENTS

1. Participated in Fourth of July Parade.
2. Woods Fire Safety Plan:
   a. Unified Command and Response Plan completed.
   b. Prevention and Preparation Education Plan for Residents completed.
3. Delivered Team Fire Force fire safety for fourth-graders. This is a three-phase fire safety course that involves OCFA, teachers, and parents. Team Fire Force replaces the older Junior Firefighter program, and materials are tied to state academic curriculum standards.
4. Continued Red Flag Fire Patrol program, in partnership with Sheriff's Team of Active Retired Seniors (STARS) to act as additional "eyes and ears" to help prevent arson during hot dry Santa Ana winds.
5. Provided door-to-door home fire assessments in the Woods I and II.
6. Provided four community outreach forums on Ready Set Go wildfire safety:
   a. The Woods-I
   b. The Woods-II
   c. Foothill Ranch Library
   d. Lake Forest Kiwanis
7. Conducted wildfire evacuation drill at Santiago Elementary School.
8. Provided wildfire safety education to Saddleback Valley Unified School District principals.
9. Participated in leadership and Community Emergency Response Academy courses.

FISCAL YEAR 2010-11 MAJOR INITIATIVES

1. Woods Fire first responder training with Fire/Sheriff/City Officials.
2. Refine school evacuation and shelter-in-place protocols for Woods area schools.
3. Assist with evacuation and traffic management plans for wildfire in Foothill Ranch and Portola Hills areas.
4. Distribute drowning prevention awareness materials.
5. Participate in Fourth of July Parade with applicable fire prevention messages.

FISCAL YEAR 2010-11 MAJOR INITIATIVES (continued)

6. Continue Red Flag Fire Patrol program, using STARS and others.
7. Participate in City Emergency Operations Center exercises, as directed, during earthquake, fire, and other simulated large-scale disasters (October "Shakeout").
8. Continue to emphasize life safety and exit systems during fire inspections of assembly and high-density residential occupancies.
9. Continue Team Fire Force program for fourth-graders.
10. When possible, continue to participate in Leadership and Community Emergency Response Academy courses.

FIRE SERVICES BUDGET OVERVIEW

The OCFA funds their service in the City of Lake Forest using a formula derived from direct property tax income. This amount allocated is based on 11.11% of 1% of the total assessed value of properties in Lake Forest.

VEHICLE REPLACEMENT

DEPARTMENT DESCRIPTION

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

VEHICLE REPLACEMENT
BUDGET DETAIL

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Community Services Department				
Pick-up Truck (1)	$37,554			
Police Services Department:				
Motorcycles (2)			$54,200	
Sheriff's Team of Active Retired Seniors Van (1)			31,000	
Commercial Enforcement Vehicle (1)			50,900	
Activity Total	$37,554	$0	$136,100	$0 [1]

[1] Vehicle purchases scheduled in Fiscal Year 2010-11 were delayed by one year.

CAPITAL EXPENDITURES

DEPARTMENT DESCRIPTION

Capital Expenditures account for those capital projects approved in the bi-annual Capital Improvement Projects Budgets.

CAPITAL EXPENDITURES
BUDGET DETAIL

Project	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Street Resurfacing and Slurry Seal	$2,156,069	$1,963,700	$900,000	$900,000
Muirlands Boulevard Resurfacing[1]	166,305			
Trabuco at Lake Forest Drive Resurfacing[2]		749,300		
Proposition 1B Asphalt Rehabilitation	1,155,210			
Alton Parkway Improvements		1,050,000	6,400,000	6,400,000
Trabuco Road Streetscape	75,282			
Vintage Woods Traffic Signal	193,278			
Installation of Street Lights at Various Locations	22,150			
El Toro Road Enhanced Landscape Lighting	2,578			
Railroad Access Road Landscaping	36,096			
Lake Forest Transportation Mitigation Improvements[3]	55,156	2,291,100		
El Toro Road Traffic and Landscape Improvements	(29,632)			
El Toro Road/Swartz Landscape Median and Monument	6,624			
Lake Forest Drive Drainage Improvements	225,004			
Sidewalk Repairs	51,385	40,000	40,000	40,000
Commercentre Drive Improvements		385,000		
Rancho Parkway Improvements		317,000	2,056,000	2,056,000
Skate Park Renovation	7,187			
Play Equipment Replacement	764,749			
Neighborhood Traffic Improvements:				
Rue de Fortuna Traffic Signal at Bake	20,339			
Trabuco Road at Lake Forest	1,977			

CAPITAL EXPENDITURES
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Light Industrial Area Street Improvements	63,805			
Traffic Management Center Project Study Report	30,010			
Traffic Signal Synchronization		314,000	716,000	716,000
Americans with Disabilities Access Ramp Improvements [4]	304,851	133,000	329,400	329,400
Jeronimo Road Streetscape Project	154,591	900,000		
El Toro Road Streetscape Project - Phase	60,121	1,277,000		
Rockfield Streetscape	53,579	135,000		
Traffic Signal Preemption	46,109			
Borrego Park Renovation	30,109			
Heroes Park Snack Bar and Restroom	29,155			
Serrano Creek Playground Equipment	19,785			
Universally Accessible Playground	485,361			
Meeting Facility	27,306			
Civic Center	93,178			
Sports Park	328,835	18,582,000	18,567,300	18,567,300
Recreation Center	118,605	1,006,000	571,700	571,700
Activity Total	$6,755,157	$29,143,100	$29,580,400	$29,580,400
Funding Sources:				
General Fund	$858,866	$190,700		
Capital Improvement Projects Fund	1,997,322	4,267,300	$9,212,000	$9,212,000
Gas Tax Fund	1,594,572			
Measure M Fund	1,024,146	1,773,000	900,000	900,000
Community Development Block Grant Fund	593,366	133,000	329,400	329,400
Redevelopment Agency Operating Fund	63,805	900,000		

CAPITAL EXPENDITURES
BUDGET DETAIL (continued)

Expense Classification	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Funding Sources (continued):				
Opportunities Study Capital Projects Fund	567,924	19,588,000	19,139,000	19,139,000
Lake Forest Transportation Mitigation Fund[3]	55,156	2,291,100		

[1] This project was part of the street resurfacing and slurry seal program that was partially funded by an Arterial Highway Rehabilitation Program grant.

[2] Funded by an American Recovery and Reinvestment Act federal grant.

[3] The $4,874,900 budgeted in the 2009-2011 Capital Improvement Projects Budget was deferred in Fiscal Year 2010-11.

[4] This Fiscal Year 2010-11 project was not appropriated in the 2009-11 Capital Improvement Projects Budget. This project is included in the Community Development Block Grant Draft 2010-11 Acton Plan and a resolution was presented to the City Council in June to formally appropriate the project.

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 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Transfers In:				
General Fund				
From Reserve Funds	$850,958	$1,085,100	$340,900	$256,800 [1]
From 2007 Disaster Fund	5,228			
Reserve Funds				
From General Fund		1,370,000		
Capital Improvement Projects Fund				
From General Fund	10,587,000	12,049,400		
From Air Quality Improvement Fund		64,000	143,000	143,000
Opportunities Study Capital Projects Fund				
From General Fund		3,996,300	19,139,000	19,139,000
From Capital Improvement Projects Fund		15,000,000		
From Park Development/ Construction Fund		591,700		
Lake Forest Transportation Mitigation Capital Projects Fund				
From Capital Improvement Projects Fund		2,291,100		
Measure M Fund				
From Gas Tax Fund			48,500	48,500
Etnies Skatepark Fund				
From General Fund	325,751	300,100	295,400	295,400
Financing Authority Fund				
From Redevelopment Agency Debt Service Fund	549,458	552,200	547,100	547,100
Redevelopment Agency Operating Fund				
From Redevelopment Agency Debt Service Fund	750,494	2,004,100	1,080,900	1,081,200
Total Transfers In	$13,068,889	$39,304,000	$21,594,800	$21,511,000

INTERFUND TRANSFERS
BUDGET DETAIL

Transfer Description	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Transfers Out:				
General Fund				
To Capital Improvement Projects Fund	($10,587,000)	($12,049,400)		
To Opportunities Study Capital Projects Fund		(3,996,300)	(19,139,000)	(19,139,000)
To Etnies Skatepark Fund	(325,751)	(300,100)	(295,400)	(295,400)
To General Designated Reserve		(1,370,000)		
Reserve Funds				
To General Fund - Undesignated Reserve		(723,400)	(227,300)	(171,200)
To General Fund - Economic Contingency Reserve	(850,958)	(361,700)	(113,600)	(85,600)[1]
Capital Improvement Projects Fund				
To Opportunities Study Capital Projects Fund		(15,000,000)		
To Lake Forest Transportation Mitigation Capital Projects Fund		(2,291,100)		
Gas Tax Fund				
To Measure M Fund			(48,500)	(48,500)
2007 Disaster Fund				
To General Fund	(5,228)			
Air Quality Improvement Fund				
To Capital Improvement Projects Fund		(64,000)	(143,000)	(143,000)
Park Development/ Construction Fund				
To Opportunities Study Capital Projects Fund		(591,700)		

INTERFUND TRANSFERS
BUDGET DETAIL

Transfer Description	Actual 2008-09	Adopted Budget 2009-10	Proposed 2010-11	Adopted Budget 2010-11
Transfers Out (continued):				
Redevelopment Agency				
Debt Service Fund				
To Redevelopment Agency Operating Fund	(750,494)	(2,004,100)	(1,080,900)	(1,081,200)
To Financing Authority Fund	(549,458)	(552,200)	(547,100)	(547,100)
Total Transfers Out	($13,068,889)	($39,304,000)	($21,594,800)	($21,511,000)
Grand Total	$0	$0	$0	$0

[1] Interfund transfers between the General Fund and the Economic Contingency Fund exclude the $708,200 "memo" transfer noted in the Summary of Revenues, Expenditures, Transfers, and Fund Balances on page 2-10.

Section Five

TABLE OF CONTENTS

Description	Section-Page
General Fund Expenditures	
• General Fund	5- 1
Special Revenue Fund Expenditures	
• Gas Tax Fund	5- 2
• Measure M Fund	5- 3
• Etnies Skatepark Fund	5- 4
• Police Grants Fund	5- 5
• Community Development Block Grant Fund	5- 6
Debt Service Fund Expenditures	
• Financing Authority Fund	5- 7
Capital Project Fund Expenditures	
• Capital Improvement Projects Fund	5- 8
• Opportunities Study Capital Projects Fund	5- 9
• Lake Forest Transportation Mitigation Fund	5-10
Internal Service Fund Expenditures	
• Vehicle Replacement Fund	5-11

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 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
City Council	$214,163	$248,000	$217,900
City Manager	874,917	925,700	826,600
Redevelopment/ Economic Development	289,774	360,300	325,600
City Attorney	1,468,508	835,700	1,124,900
Finance	1,212,782	1,156,300	998,900
Development Services	2,659,930	2,385,300	2,476,600
Public Works	7,003,336	7,060,500	6,462,200
Management Services	2,879,284	2,555,100	2,450,100
Community Services	2,559,102	3,007,200	2,796,700
Police Services	12,758,081	13,266,000	13,069,300
Capital Projects	858,866	190,700	
TOTAL	$32,778,743	$31,990,800	$30,748,800

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 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Public Works	$3,447,883	$1,797,000	$1,793,800

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 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Street Repaving and Slurry Seal	$1,024,146	$1,773,000	$900,000

ETNIES SKATEPARK FUND

Description

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

Expenditure Detail

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Community Services	$401,184	$385,300	$368,100

POLICE GRANTS FUND

Description

The Police Grants Fund is used to account for certain police grants received by the City. This Fund currently consists of a Supplemental Law Enforcement Fund grant, established pursuant to AB 3239 (Brulte) to account for revenues and expenditures for certain police services and a Justice Assistance grant for an intelligence led policing program. Expenditures can only be used for police services and cannot supplant the existing police services budget.

Expenditure Detail

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Police Services	$75,843	$165,200	$100,000
TOTAL	$75,843	$165,200	$100,000

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 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Redevelopment/Economic Development	$415,740	$370,700	$278,600
Capital Projects	593,366	133,000	329,400
TOTAL	$1,009,106	$503,700	$608,000

FINANCING AUTHORITY FUND

Description

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

Expenditure Detail

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Finance	$549,458	$552,200	$548,900
	$549,458	$552,200	$548,900

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, economic development projects, and economic redevelopment projects. The use of the monies would be consistent with the Five-Year Strategic Business Plan.

Expenditure Detail

Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Capital Projects	$1,997,323	$4,267,300	$9,212,000

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 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Capital Projects	$567,924	$19,588,000	$19,139,000

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 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Capital Projects	$55,156	$2,291,100	

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

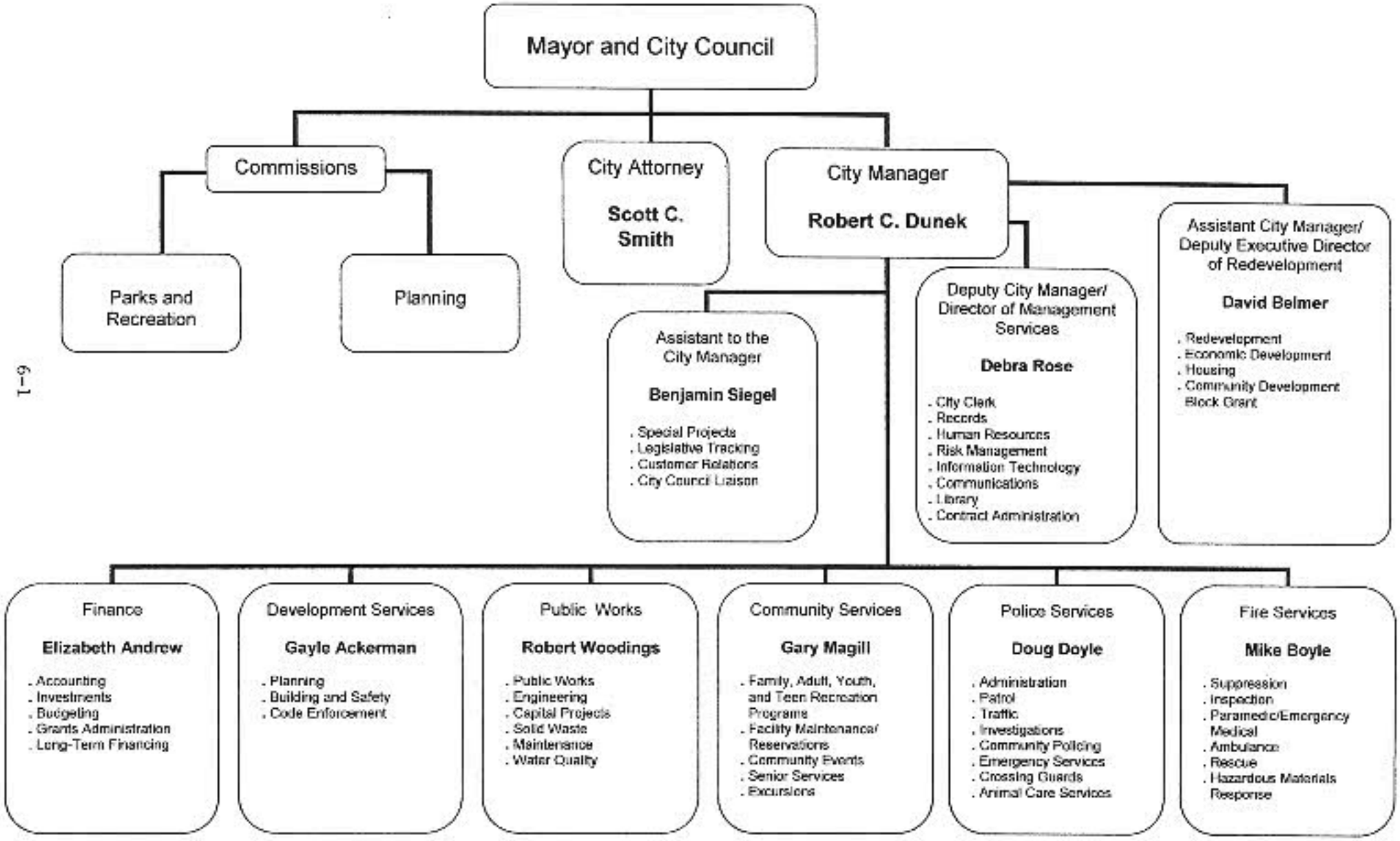
Description	Actual 2008-09	Adopted Budget 2009-10	Adopted Budget 2010-11
Vehicles	$51,943	$0	$0

Section Six

TABLE OF CONTENTS

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

FISCAL YEAR 2010-11 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 people 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 the Measure on the ballot and cityhood was approved on March 5, 1991, along with the City's first City Council. On December 21, 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 19 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 Breakdown[1]	
Population	78,720
City Size	16.6 square miles
Housing Units	26,385
Ethnic Composition	
White	49.28%
Hispanic	22.53%
Asian/Pacific Islanders	11.78%
Black	1.96%
Other	14.45%
Median Age	36.9
Median Income	$95,107

[1] Sources: Population and Housing Units: Department of Finance (May 2010)
Ethnic Composition, Median Age and Income: Nielsen Claritas (May 2010)

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 moneys 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 specific purpose, activity or facility. An example is the Community Development Block Grant (CDBG) 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, vacations, sick pay, retirement, health insurance, etc.

Project Area A redevelopment project area is an area of the City which has been established by the adoption of a Redevelopment Plan and within which the Redevelopment Agency is authorized to use special powers granted by State law.

Reclassification The City maintains a classification system for all positions which establishes job titles, general duties/responsibilities and compensation. Occasionally, employees are found to be working tasks or functions which fall outside their existing classification. When this occurs, a study is conducted by the Human Resources Manager and a recommendation is made for the proper classification.

Redevelopment This term refers to activities undertaken to renovate blighted areas within the City and to provide housing to low and moderate income persons. Blight consists of a variety of conditions which constitute a serious physical, social and economic burden on the community which cannot be corrected by private enterprise acting alone. Redevelopment activities may include, but are not limited to, the acquisition and conveyance of property, site clearance and the provision of streets, utilities, parks and other public improvements.

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.