CITY of LAKE FOREST

Operating Budget

Fiscal Year 2008-2009

OPERATING BUDGET
FISCAL YEAR 2008-2009

Elected Officials

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

Planning Commission

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

Parks and Recreation Commission

Shelly Zeiler, Chair
Amanda Morrell, Vice Chair
Loretta Herrin, Commissioner
Steve Manning, 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
Lt. Don Barnes, Chief of Police Services
David Belmer, Assistant City Manager/
Deputy Executive Director of Redevelopment
Ed Fleming, Division Chief - Fire Services
Gary Magill, Director of Community Services
Debra Rose, Director of Management Services
Benjamin Siegel, Assistant to the City Manager
Scott C. Smith, City Attorney
Sherry Wentz, City Clerk
Robert L. Woodings, Director of Public Works/City Engineer

Section One

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Mayor
Mark Tettemer

Mayor Pro Tem
Peter Herzog

Council Members
Richard Dixon
Kathryn McCullough
Marcia Rudolph

City Manager
Robert C. Dunek

May 13, 2008

Honorable Mayor and Members of the City Council:

The Proposed Operating Budget ("Budget") for the City of Lake Forest ("City") for Fiscal Year 2008-09 is attached for your review and approval. This Budget has been prepared consistent with the City's Strategic Business Plan and is inclusive of all City funds including the City's Redevelopment Agency.

Fiscal Year 2007-08 Review

Fiscal Year 2007-08 saw the completion of a number of milestone projects. The third phase of the Opportunities Study ("Study") will be presented to the City Council in June, including the General Plan Amendment, Zone Changes, Environmental Impact Report, and Development Agreement. In April, the Planning Commission recommended these items for City Council consideration.

The Study began in 2003 and it is a multi-year effort that has reached its final stages. It would ultimately redefine the landscape for a major portion of the community previously affected by the noise zones associated with the former MCAS El Toro. Essentially, if approved, this project could result in the swap of previously entitled significant industrial/commercial development for residential/commercial development and provide various significant communitywide, major facilities like sports fields and a community center. While property owner initiated, the City's goals have been to evaluate the opportunity thoughtfully with community input to ensure that any environmental and financial impacts of the swap are better or at least no worse than what otherwise would have occurred. Implementation of any approved Study elements should predominately affect the planning horizon of the next update of the Five-Year Strategic Business Plan ("Plan").

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The City accepted ownership and operation of six community parks acquired through the acceptance of irrevocable offers of dedication. Numerous improvements have already been completed in the parks such as renovated turf, improvements to sport fields, repaired and improved playgrounds, new drinking fountains, and over 180 new trees.

The City's emergency response system was tested in October 2007 during the Santiago Fires and it was proven successful. Afterwards, Fire Services and City staff met with homeowners' associations to assist with repair of Fuel Modification Zones and worked with the City and County to prepare for potential mudslides and debris below burned areas during the rainy season.

In March 2008, the City completed a top to bottom evaluation of animal control services, which are provided by our contract partner, OC Animal Care. An independent evaluation by the UC Davis School of Veterinary Medicine found that the overall health and welfare of the shelter animals at the OC Animal Care Center is generally good. A comparison with seven top animal agencies revealed that Lake Forest residents are responsible pet owners, as a relatively small number of animals from Lake Forest are impounded at the OC Animal Care Center. The study also found that fewer Lake Forest dogs and cats are euthanized at the shelter as compared to the average of the other animal agencies. As a result of the study, the City is investigating a low cost spay/neuter/microchipping program and a trap/neuter/release program for feral cats. The City is also initiating a public education campaign encouraging responsible pet ownership.

The City held the third annual Community Preparedness Academy and the second Community Emergency Preparedness Expo. Both events were well attended and highly rated. Once again, the City was ranked as one of the safest cities in America with a population above 75,000 people.

Phase I (the preliminary evaluation) of the commercial neighborhood known as the "Light Industrial Area" was completed and presented to the City Council.

In March 2008, an updated Plan was approved by the City Council. This Plan approved many new programs and projects, such as the acquisition and implementation of a building permit system, a comprehensive zoning ordinance update, and several information technology enhancements.

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

Fiscal Year 2008-09 Overview

Overall, the City will retain its strong financial condition and continue to make investments in the quality of life of the community, although the effects of the economic decline and loss of businesses have reduced the revenue base. The City will continue to be able to plan more important physical improvements in the community that should be realized over a five-year schedule commensurate with its Plan. Consistent with that Plan, the Budget will focus on the delivery of quality services and several important projects and initiatives. Phase IV of the Study should be initiated during this fiscal year, focusing on planning efforts for a permanent civic center, including a new sports park, community center, and city hall.

The City and Redevelopment Agency will continue to work with private sector partners to assist in continuing to transform the El Toro Road commercial corridor into the Arbor on El Toro. Additionally, the City will begin implementation of the Revitalization Action Plan in the Light Industrial Area.

In the latter part of 2008, new resident and business surveys will be performed as a preliminary step towards the next update of the Plan beginning in early 2009. This update will include anticipated financial activity related to Phase IV of the Study. In addition, the City will continue its commitment to implementation of the Five-Year Parks and Recreation Master Plan.

Other planned notable projects include the creation of an election information web page on the City's website and implementation of a mass notification system. The system will be utilized for city or regional emergencies and, when appropriate, crime trend notifications to affected members of the community as a crime prevention tool.

In all, Fiscal Year 2008-09 looks to continue progress on major projects of community priority, and introduce new projects while maintaining the City's strong financial condition. The department detail portion of the budget provides more information on specific major initiatives.

Revenues

General Fund revenues grew at sizable rates from Fiscal Year 2003-04 to Fiscal Year 2006-07, mostly due to the healthy real estate market and local economy. In the three-year period from Fiscal Year 2005-06 to the end of the Fiscal Year 2007-08, General Fund revenues will have grown from $35.8 million to a revised estimate of $39.4 million for a three-year net increase of $3.6 million or 10%. A sizable part of this increase was related to property taxes, sales taxes, and investment earnings. The growth in tax revenues was fueled by the healthy real estate market and local economy and the increase in investment earnings resulted from multiple increases in interest rates by the Federal Reserve Board, maturities of older investments at lower rates, and purchases of new investments at higher rates. All other revenues remained stable or fluctuated moderately.

We expect a decrease in revenues in Fiscal Year 2008-09 and stabilization in the subsequent fiscal year. This is primarily due to the current economic decline, the loss of several businesses, the weak housing market, and declining investment earnings due to the multiple decreases in rates over the last several months. In addition, the results of the Study could have a large impact in the future if it is implemented and development occurs.

The Budget for Fiscal Year 2008-09 estimates General Fund revenues to be $36.3 million which is less than the revised estimate of $39.4 million for the current year. This decline is mostly due to the reasons stated above.

Due to the passage of Proposition 1A, the City has continued to be able to estimate future revenues with more certainty than in the past. Of course, the State's actions can always change and staff will continue to monitor the situation. In addition, the State's fiscal situation has deteriorated dramatically in the current year and this will increase pressure on the State to obtain funding from outside sources. As in past years, we have chosen a conservative course in estimating revenues for the purposes of the Fiscal Year 2008-09 Budget. Obviously, revenues could be realized at higher levels, but staff believes the forecast will allow the City a conservative cushion.

Expenditures

General Fund operating expenditures are forecasted to be less than revenue for Fiscal Year 2008-09, consistent with the City's conservative fiscal approach. Overall, operating expenditures will increase by almost $2.4 million from what was initially budgeted for the current year. A brief explanation of proposed changes by department is shown under the heading Budget Analysis, in the Summary Section of the Budget. A more detailed listing of the individual increases by department is shown in the respective Departmental Activity Detail sections.

As indicated above, recommended expenditures for the General Fund have been established at an amount substantially below projected revenues. Considered the more important measure of the Budget, General Fund revenues will exceed operating expenditures by 11%. Capital expenditures in the General Fund are budgeted at $1.1 million pursuant to the 2007-09 Capital Improvement Projects Budget.

After transfers, the General Fund balance is projected to decrease by $6.4 million to $46.3 million. This decrease is mainly attributable to a transfer of $10.6 million to the Capital Improvement Projects Fund pursuant to the policy of providing funding for capital projects based on past years revenues in excess of expenditures.

Given that the City's various financial reserves will remain fully funded in addition to making new investments in both services and physical assets, the City will continue to be in strong financial condition. A discussion of some new investments appears in the following sections.

City Manager Department

No significant changes were made to the City Manager's departmental budget in Fiscal Year 2008-09.

Redevelopment/Economic Development Department

The Redevelopment/Economic Development Department is proposing the addition of a part-time Intern and a second Exploration Day at the Arbor. The part-time Intern will assist with programs, events, and performance of an inventory of sign conditions. The Exploration Day at the Arbor will continue to successfully brand and promote The Arbor on El Toro as a community focal point.

City Clerk

Funds have been requested to upgrade the City Clerk's current recorder to digital for audio streamlining/minutes software for public meetings. Both products will increase efficiency and reliability of minute taking and reporting. In addition, the audio streaming/minutes software will enable recordings of public meetings to be available on the City's website. The City Clerk has additionally requested the lease of a color copier to facilitate copying and reduce the costs of City brochures and other materials that are reproduced in color. The costs of this lease have been allocated citywide in this Budget.

Finance Department

The Finance Department is proposing the addition of a part-time Accounting Technician to assist the Senior Accounting Technician with the accounts payable and payroll functions. The workload in these areas has increased dramatically in the past five years, primarily due to the creation of divisions,

a substantial rise in operating and capital expenditure activity, and increased staffing in many departments, such as the part-time positions at the Etnies Skatepark of Lake Forest. Funds are also proposed for the implementation of credit card acceptance in response to numerous comments received from citizens and those who do business with the City.

Development Services Department

The Development Services Department is proposing a large plan scanner and other office equipment to increase operational efficiency. Costs for the large plan scanner have allocated to user departments in this Budget. In addition, funding for Phase II of the Zoning Code Update and an environmental review of the county open space are proposed in this departmental budget.

Public Works Department

Funds have been requested to purchase a work order software application and irrigation controllers. The software effectively tracks tasks from assignment to completion. The irrigation controllers will be funded by a grant from the Metropolitan Water District to reduce water consumption.

Management Services Department

The Public Affairs Division is proposing a grant to the Saddleback Valley Unified School District for the purchase of video production equipment for use in video production classes at the Serrano and Los Alisos Intermediate Schools. Also proposed is the purchase of specialized software for the storage and indexing of City photographs and other electronic media. Lastly, a part-time intern is proposed to assist with the Leaflet, e-newsletter, and new City websites.

The Information Technology ("IT") Division is proposing a business continuity plan, Geographic Information System ("GIS") enhancements, and a full-time IT Manager. The business continuity plan would outline the City's critical business systems and documents, and the necessary steps to resume operations during and after a major disaster. The GIS enhancements

include air photos, elevation data, and online mapping development. The IT Division is also proposing an IT Manager dedicated to managing the City's expanding IT Program.

The Human Resources Division of the Management Services Department is proposing a second exercise class for employees as part of the City's wellness program.

Community Services Department

The Community Services Department is proposing four part-time positions, a new truck, a talent show, assumption of the annual Haunt at Heritage Hill event, two family pet days, and four dog obedience classes. One of the two proposed Senior Recreation Leaders would work with pre-school classes and events and the other one would monitor the use of reserved sports fields. One part-time Recreation Specialist would assist with the Leisure Times, administration of the recreation system, and provide assistance for community events and senior programs. One part-time Facilities Maintenance Specialist would provide maintenance at City and off-site locations, mostly in the evenings and on weekends. The new truck would be used to pull the recreation trailer, to transport supplies and equipment for community events, and for use by the proposed Senior Recreation Leader for sports field monitoring.

Police Services Department

The Police Services Department is proposing a full-time Administrative Secretary who would be responsible for business correspondence, coordinating departmental meetings, drafting thank you letters, and other departmental support. In addition the Orange County Sheriff's Department will be purchasing new patrol video systems.

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 2009 and will cover the two-year period from July 2009 to June 2011.

To provide a comprehensive picture of all City funds in the Budget, revenue and expenditure projections for capital projects for Fiscal Year 2008-09 are shown in addition to operating activity in summary form in the Summary of Revenues, Expenditures, Transfers, and Fund Balances.

Individual Department Objectives

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.

Conclusion

In the Fiscal Year 2008-09 Mid-Year Budget Review, special attention will be dedicated to incorporating financial activity related to Phase IV of the Study into the Budget. The revised Budget will become the basis for the next update of the Plan.

The City continues to be on a planned course to provide a strong quality of life environment for its residents and businesses. As always, staff looks forward to the new fiscal year and working with the City Council with enthusiasm.

Sincerely,

Robert C. Dunek
City Manager

Section Two

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OPERATING BUDGET ANALYSIS

The following is a recap of major aspects of the Operating Budget ("Budget") 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

2006-07 Actual	$36,494,462
2007-08 Budget	36,485,100
2007-08 Estimated	37,235,500
2008-09 Projected	36,205,600

City property taxes are expected to increase a moderate 3% from Fiscal Year 2007-08 revised estimates, as the assessed valuations for Fiscal Year 2008-09 will be based on sales activity in 2007. During 2007, the decline in the real estate market continued from its inception in mid-2006, and thus, these revenues are not expected to be much higher than the two percent annual increase on Proposition 13 properties. Agency tax increment is expected to increase 6% from the Fiscal Year 2007-08 revised estimates, mostly due to redevelopment along El Toro Road.

Sales taxes are projected to decrease 10% from the Fiscal Year 2007-08 revised estimate as a result of the loss of several businesses and slowing receipts resulting from the current economic decline. All other tax revenues are expected to be stable in the upcoming year.

LICENSES & PERMITS

2006-07 Actual	$643,158
2007-08 Budget	610,000
2007-08 Estimated	383,000
2008-09 Projected	360,000

Building permit revenues were reduced in Fiscal Year 2007-08 due to the ongoing housing market decline and this treatment has been extended through Fiscal Year 2008-09. No significant changes are anticipated in the remaining revenues. Any changes related to the Opportunities Study will be made at a later date after more information is available.

FROM OTHER GOVERNMENTS

2006-07 Actual	$4,668,645
2007-08 Budget	3,895,900
2007-08 Estimated	5,502,300
2008-09 Projected	4,575,100

The increase in the Fiscal Year 2007-08 revised estimate from the budget was primarily due to a budget adjustment to reflect Proposition 1B grant funds received for street related projects. The decrease from the Fiscal Year 2007-08 revised estimate to Fiscal Year 2008-09 was primarily due to these grant funds. Proposition 42 funds from the State were not received or budgeted in Fiscal Year 2007-08 and these revenues are not included in the Fiscal Year 2008-09 Budget at this point, due to the State's current negative financial situation. All other revenues in this category are expected to be stable in the upcoming year.

USER FEES & CHARGES

2006-07 Actual	$1,399,963
2007-08 Budget	972,000
2007-08 Estimated	1,316,700
2008-09 Projected	899,800

The large amounts in Fiscal Year 2006-07 and the revised estimate for Fiscal Year 2007-08 were mostly due to fees related to the Opportunities Study. These fees have been budgeted after new deposits are received in Mid-Year Budget Reviews. Any changes related to the Opportunities Study will be made at a later date after more information is available.

FINES & FORFEITURES

2006-07 Actual	$505,457
2007-08 Budget	480,000
2007-08 Estimated	520,000
2008-09 Projected	520,000

No significant changes are anticipated.

USE OF MONEY & PROPERTY

2006-07 Actual	$4,664,408
2007-08 Budget	3,679,400
2007-08 Estimated	4,419,400
2008-09 Projected	3,093,300

The primary component in this category is investment earnings and rates were favorable in the last few years as a result of multiple increases in interest rates made by the Federal Reserve Board. The decrease in Fiscal Year 2008-09 is mostly related 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

2006-07 Actual	$126,812
2007-08 Budget	90,000
2007-08 Estimated	74,000
2008-09 Projected	90,000

The increase in Fiscal Year 2006-07 estimated was primarily due to state-mandated cost reimbursements received from the State for prior years. These reimbursements had been suspended in prior years and the State has started to repay these amounts and will continue to do so over time. No other significant changes are expected in Fiscal Year 2008-09.

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

2006-07 Actual	$204,125
2007-08 Budget	223,000
2008-09 Requested	235,850
2008-09 Adopted	236,050

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CAPITAL OUTLAY:

None

CITY MANAGER

2006-07 Actual	$722,586
2007-08 Budget	925,100
2008-09 Requested	962,300
2008-09 Adopted	962,300

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

None

REDEVELOPMENT/ ECONOMIC DEVELOPMENT

2006-07 Actual	$2,589,034
2007-08 Budget	3,453,600
2008-09 Requested	3,577,900
2008-09 Adopted	3,577,900

PERSONNEL CHANGES:

Part-Time Intern

OPERATIONS AND MAINTENANCE:

Part-Time Intern memberships, training, travel, and mileage	$1,200

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

Part-Time Intern computer	$ 1,500
Saguaro Neighborhood Improvements (Year 2 of this program)	400,000

CITY ATTORNEY

2006-07 Actual	$850,608
2007-08 Budget	755,000
2008-09 Requested	850,000
2008-09 Adopted	850,000

CONTRACT SERVICES:

None

CITY CLERK

2006-07 Actual	$640,233
2007-08 Budget	791,800
2008-09 Requested	819,300
2008-09 Adopted	819,300

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

Digital recorder	$ 7,000
Audio streaming and minutes software	50,400

FINANCE

2006-07 Actual	$1,462,856
2007-08 Budget	1,483,700
2008-09 Requested	1,667,900
2008-09 Adopted	1,667,900

PERSONNEL CHANGES:

Part-Time Accounting Technician

OPERATIONS AND MAINTENANCE:

Credit card acceptance fees	$6,100

CONTRACT SERVICES:

Assessment for new accounting system	$25,000

CAPITAL OUTLAY:

Credit card acceptance equipment and software	$ 700
Part-Time Accounting Technician furniture and computer	3,500

DEVELOPMENT SERVICES

2006-07 Actual	$2,662,422
2007-08 Budget	3,097,800
2008-09 Requested	2,981,900
2008-09 Adopted	2,960,300

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

Phase II zoning code update	$ 35,000
Building permit issuance and tracking software	260,000

CAPITAL OUTLAY:

Front counter copier/scanner/fax	$5,100

PUBLIC WORKS

2006-07 Actual	$7,155,376
2007-08 Budget	8,554,800
2008-09 Requested	9,183,700
2008-09 Adopted	9,183,700

PERSONNEL CHANGES:

None

OPERATIONS AND MAINTENANCE:

None

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

Work order tracking tool software	$ 30,000

MANAGEMENT SERVICES

2006-07 Actual	$1,347,789
2007-08 Budget	2,177,400
2008-09 Requested	2,361,300
2008-09 Adopted	2,361,300

PERSONNEL CHANGES:

Full-Time Information Technology Manager
Part-Time Intern

OPERATIONS AND MAINTENANCE:

Cable education grants to intermediate schools	$100,000
Information Technology Manager automobile allowance	3,000
Digital images, video, and audio software maintenance costs	3,500
Project management costs for new building permit system	25,000
Geographic Information System ("GIS") online mapping software license and maintenance	30,000

CONTRACT SERVICES:

Business continuity plan	$30,000
Additional wellness class	2,000
GIS online mapping application development	22,000

CAPITAL OUTLAY:

GIS air photos and elevation data contour system	$123,000
GIS online mapping server	10,000
Digital images, video, and audio software	13,500
Information Technology Manager furniture and computer	5,400
Part-Time Intern furniture and computer	2,700

COMMUNITY SERVICES

2006-07 Actual	$2,476,123
2007-08 Budget	2,747,200
2008-09 Requested	3,137,700
2008-09 Adopted	3,130,700

PERSONNEL CHANGES:

2 Part-Time Senior Recreation Leaders
Part-Time Facilities Maintenance Specialist
Part-Time Recreation Specialist

OPERATIONS AND MAINTENANCE:

New truck maintenance	$ 3,500
Haunt at Heritage Hill event	4,300
2 pet days	6,000
Talent show event	1,900
4 dog obedience classes	5,000

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

New truck	$27,000

POLICE SERVICES

2006-07 Actual	$10,315,573
2007-08 Budget	11,961,700
2008-09 Requested	13,115,700
2008-09 Adopted	12,965,800

PERSONNEL CHANGES:

Full-Time Administrative Secretary

OPERATIONS AND MAINTENANCE:

Administrative Secretary training	$500

CONTRACT SERVICES:

None

CAPITAL OUTLAY:

Police Video System	$78,500
Administrative Secretary furniture	2,500

VEHICLE REPLACEMENT

2006-07 Actual	$77,257
2007-08 Budget	85,600
2008-09 Requested	105,800
2008-09 Adopted	105,800

CAPITAL OUTLAY:

None

FUND ANALYSIS

Following is a discussion of some of the City's larger funds with material activity budgeted in Fiscal Year 2008-09. Agency funds are not included in this discussion, as this has been addressed in the Agency Budget.

GENERAL FUND

Revenues are projected at $36.3 million, a decrease of 7.8% from the Fiscal Year 2007-08 revised estimate. This decrease is primarily due to an anticipated decline in sales tax revenues of 10% and a projected decrease in investment earnings of approximately 35%.

Operating expenditures are projected at $32.1 million as compared to the Fiscal Year 2007-08 adopted budget amount of $29.9 million (an increase of $2.3 million or 7.1%). This change was largely due to proposed new programs/positions as noted above and an increase in police costs pursuant to the renegotiation of the Orange County Sheriff Department employment contract.

Net interfund transfers out are projected at -$9.5 million as compared to the Fiscal Year 2007-08 adopted budget amount of -$12.8 million (a decrease of $3.3 million). This change was due largely to a decrease in the transfer to the Capital Improvement Projects Fund from the prior year. This transfer consisted of revenues in excess of expenditures from Fiscal Year 2005-06, pursuant to the City's ongoing policy. The remaining decrease resulted from the decrease of required reserves due to declining General Fund revenues.

This fund is expected to have available fund balances of $46.2 million at the end of the year, with all reserves fully funded.

GAS TAX FUND

Revenues are projected at $2.1 million as compared to the Fiscal Year 2007-08 revised estimate of $2.7 million (a decrease of $0.6 million or 28%). This change is mostly due to Proposition 1B funds received in Fiscal Year 2007-08 offset by the State's Fiscal Year 2008-09 resumption of Proposition 42 payments.

Expenditures are $1.9 million as compared to the Fiscal Year 2007-08 adopted budget amount of $1.7 million (an increase of $0.2 million or 11%). This decrease is primarily due to revised estimates for the street maintenance contract with the County of Orange.

MEASURE M FUND

Revenues are projected at $1 million as compared to the Fiscal Year 2007-08 revised estimate of $1.1 million (a decrease of $0.1 million or 10%). This decrease is primarily due declining sales tax revenues resulting from the current economic decline.

Expenditures in this fund are similar to prior years.

This fund is expected to have available fund balances of $0.9 million at the end of the year and the balances will be used for future street repaving and slurry seal capital maintenance projects.

ETNIES SKATEPARK FUND

Revenues are projected at $179,000, as compared the Fiscal Year 2007-08 revised estimate of $65,600 (an increase of $113,400 or 173%). This increase was primarily due to the elimination of a half a year of budgeted admission revenues in Fiscal Year 2007-08, as usage of the park has remained free.

Expenditures are $376,900 as compared to the Fiscal Year 2007-08 adopted budget amount of $366,600 (an increase of $10,300 or 2.8%).

This fund will have no estimated available fund balance at the end of the year after an interfund transfer from the General Fund of $197,900. Staff will advise the City Council of any potential adjustments to this fund at the Mid-Year Budget Review.

CERTIFICATES OF PARTICIPATION FUND

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

AIR QUALITY IMPROVEMENT FUND

Revenues in this fund are similar to prior years. No expenditures are projected for this year.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Entitlement revenues and expenditures are based on the Fiscal Year 2008-09 allocation from the Department of Housing and Urban Development. In addition, revenues from the rehabilitation loan program are included.

POLICE GRANT FUNDS

This fund is balanced and it is recommended that the Supplemental Law Enforcement Fund be used for the additional sergeant previously added, which can continue for future years.

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 representing full funding at June 30, 2009, are as follows:

General Fund - Undesignated	$9.7 million
Economic Contingency	4.8 million
Emergency Services	3.0 million

SUMMARY of REVENUES, EXPENDITURES, TRANSFERS, and FUND BALANCES

	Available Fund Balances 6/30/08	Revenues	Expenditures Operating	Expenditures Capital	Expenditures Total	Revenues less Expenditures	Transfers/ Loans	Available Fund Balances 6/30/09
General	$52,641,274	$36,361,600	$32,184,850	$1,071,000	$33,255,850	$3,105,750	($9,487,000) [1]	$46,260,024
Special Revenue Funds:								
Gas Tax	385,983	2,192,500	1,887,100		1,887,100	305,400		691,383
Measure M	899,569	1,030,000		1,029,000	1,029,000	1,000		900,569
Etnies Skatepark		179,000	376,900		376,900	(197,900)	197,900	0
Air Quality Improvement	533,390	105,000			0	105,000		638,390
Park Development/Const.	548,056	15,000			0	15,000		563,056
Police Grants	2	138,800	138,800		138,800	0		2
Asset Forfeitures	10,671	300			0	300		10,971
Community Development Block Grant	98,331	526,600	446,600	170,200	616,800	(90,200)		8,131
Special Revenue Subtotal	2,476,002	4,187,200	2,849,400	1,199,200	4,048,600	138,600	197,900	2,812,502
Internal Service Fund:								
Vehicle Replacement	225,699	90,000	105,800		105,800	(15,800)		209,899
Financing Authority Fund:					0	0		0
Certificates of Participation	634		557,200		557,200	(557,200)	556,600	34
Total Operating Budget	55,343,609	40,638,800	35,697,250	2,270,200	37,967,450	2,671,350	(8,732,500)	49,282,459
Capital Fund:								
Capital Improvement Projects	7,840,137	450,000		6,841,200	6,841,200	(6,391,200)	10,587,000	12,035,937
Reserve Funds:								
General (Designated)	3,691,854				0	0	(100,000)	3,591,854
General (Undesignated)	10,495,100				0	0	(798,600)	9,696,500
Economic Contingency	5,247,600				0	0	(399,300)	4,848,300
Emergency Services	3,000,000				0	0		3,000,000
Subtotal	22,434,554	0	0	0	0	0	(1,297,900)	21,136,654
Redevelopment Agency:								
Operating			983,300	232,000	1,215,300	(1,215,300)	1,215,300	0
Debt Service	2,360,796	3,795,000	1,373,800		1,373,800	2,421,200	(1,771,900)	3,010,096
Low and Moderate Housing	2,211,734	860,000	766,700		766,700	93,300		2,305,034
Subtotal	4,572,530	4,655,000	3,123,800	232,000	3,355,800	1,299,200	(556,600)	5,315,130
Grand Total All Funds	$90,190,830	$45,743,800	$38,821,050	$9,343,400	$48,164,450	($2,420,650)	$0	$87,770,180

[1] Consists of transfers out to the Gas Tax, Etnies Skatepark, and the Capital Improvement Projects Funds and transfers in from the reserve funds.

SUMMARY OF FINANCIAL RESERVE FUNDS
AS OF JUNE 30, 2008

Description	Balance July 1, 2008	Balance June 30, 2009
General (Designated):		
City Loan to Redevelopment Agency	$ 1,138,143	$ 1,138,143
Cable Grant - Public Education and Government (PEG)	1,050,854	950,854
Potential Redevelopment Agency Projects	1,000,000	1,000,000
Unrealized Investment Gains	444,899	444,899
Prepaid Expenditures	57,958	57,958
Total General (Designated)	3,691,854	3,591,854
General (Undesignated)[1]	10,495,100	9,696,500
Economic Contingency[2]	5,247,600	4,848,300
Emergency Services[3]	3,000,000	3,000,000
Total Financial Reserves	$ 22,434,554	$ 21,136,654

[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] Amount set by the Reserve Policy

CARRYOVER APPROPRIATIONS OVER $100,000 FISCAL YEAR 2006-07 INTO FISCAL YEAR 2007-08

Description	Fund		Carryover Appropriation
Street Repaving and Slurry Seal	General		$2,552,580
Street Repaving and Slurry Seal	Measure M		748,256
Trabuco Road Master Plan of Arterial Highways	Capital Improvement Projects		2,315,411
Normandale Park	Capital Improvement Projects		1,660,054
Rockfield Streetscape	Capital Improvement Projects		1,134,030
El Toro/Trabuco Intersection Improvements	Capital Improvement Projects		875,641
Regency Park	Capital Improvement Projects		455,560
Serrano Creek/Cavanaugh Play Equipment	Capital Improvement Projects		368,353
Opportunities Study	General		300,684
Americans with Disabilities Act Access Ramps	Community Development Block Grant		198,649
Signal at Vintage Woods and Lake Forest	Capital Improvement Projects		168,650
Railroad Access Road Landscaping	Capital Improvement Projects		128,672
El Toro Road Traffic and Landscape Improvement Project:			
Gateway	Capital Improvement Projects		284,863 [1]
Right-of-Way	Capital Improvement Projects		176,307 [1]
Construction	Capital Improvement Projects		(673,319) [1]
Subtotal - El Toro Road Traffic and Landscape Improvement Project			(212,149)
Total Carryover Appropriations Over $100,000		96%	$10,694,391
Total Carryover Appropriations		100%	$11,133,201

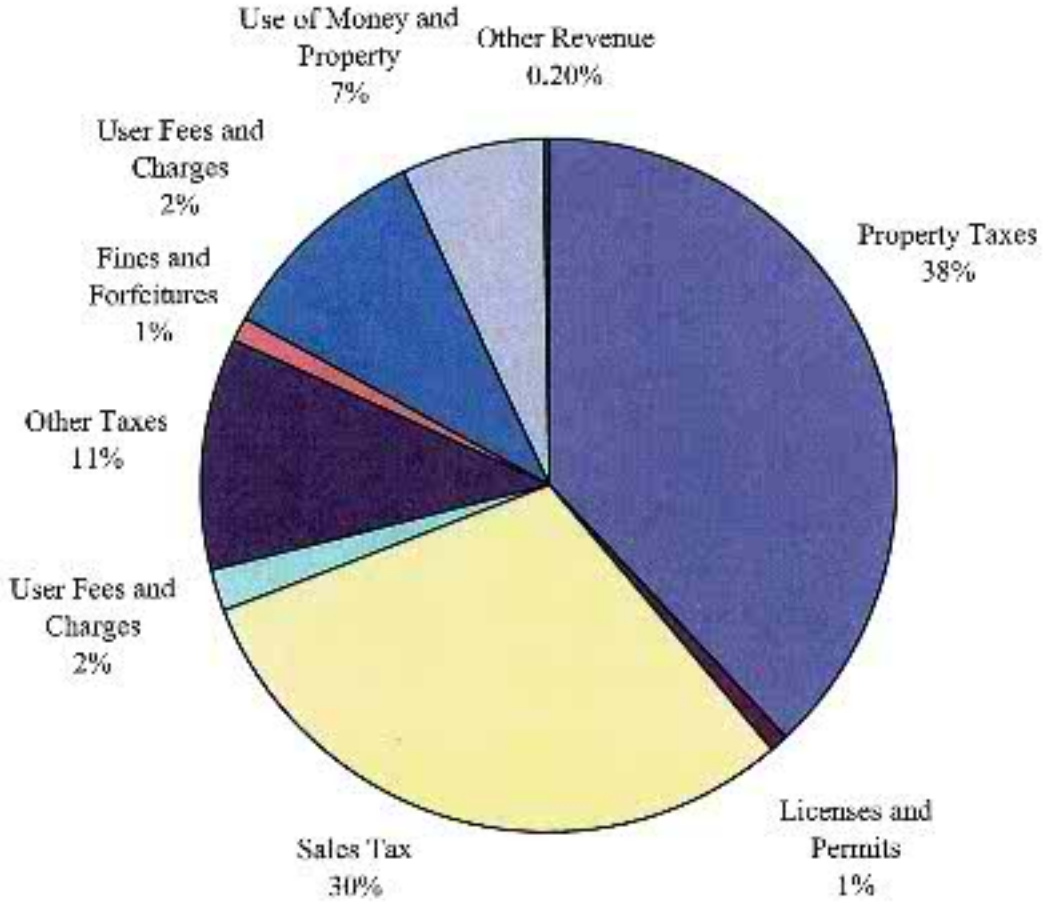
[1] These balances have been offset against budget adjustments to the El Toro Road Traffic and Landscape Improvement Project in the 2007-08 Mid-Year Budget Review.

SUMMARY OF REVENUES - ALL FUNDS

Description	Actual 2006-07	Adopted Budget 2007-08	Estimate 2008-09	Adopted Budget 2008-09
Property Taxes	$15,955,896	$16,279,100	$16,915,500	$17,470,600
Sales Tax	15,065,518	15,400,000	15,300,000	13,800,000
Other Taxes	5,473,048	4,806,000	5,020,000	4,935,000
Licenses and Permits	643,158	610,000	383,000	360,000
From Other Governments	4,668,645	3,895,900	5,502,300	4,575,100
User Fees and Charges	1,399,963	972,000	1,316,700	899,800
Fines and Forfeitures	505,457	480,000	520,000	520,000
Use of Money and Property	4,664,408	3,679,400	4,419,400	3,093,300
Other Revenue	126,812	90,000	74,000	90,000
Total All Funds	48,502,905	46,212,400	49,450,900	45,743,800
Redevelopment Agency	3,959,250	3,988,000	4,577,000	4,655,000
Total City Funds	$44,543,655	$42,224,400	$44,873,900	$41,088,800

SUMMARY OF REVENUES*

Fiscal Year 2008-09



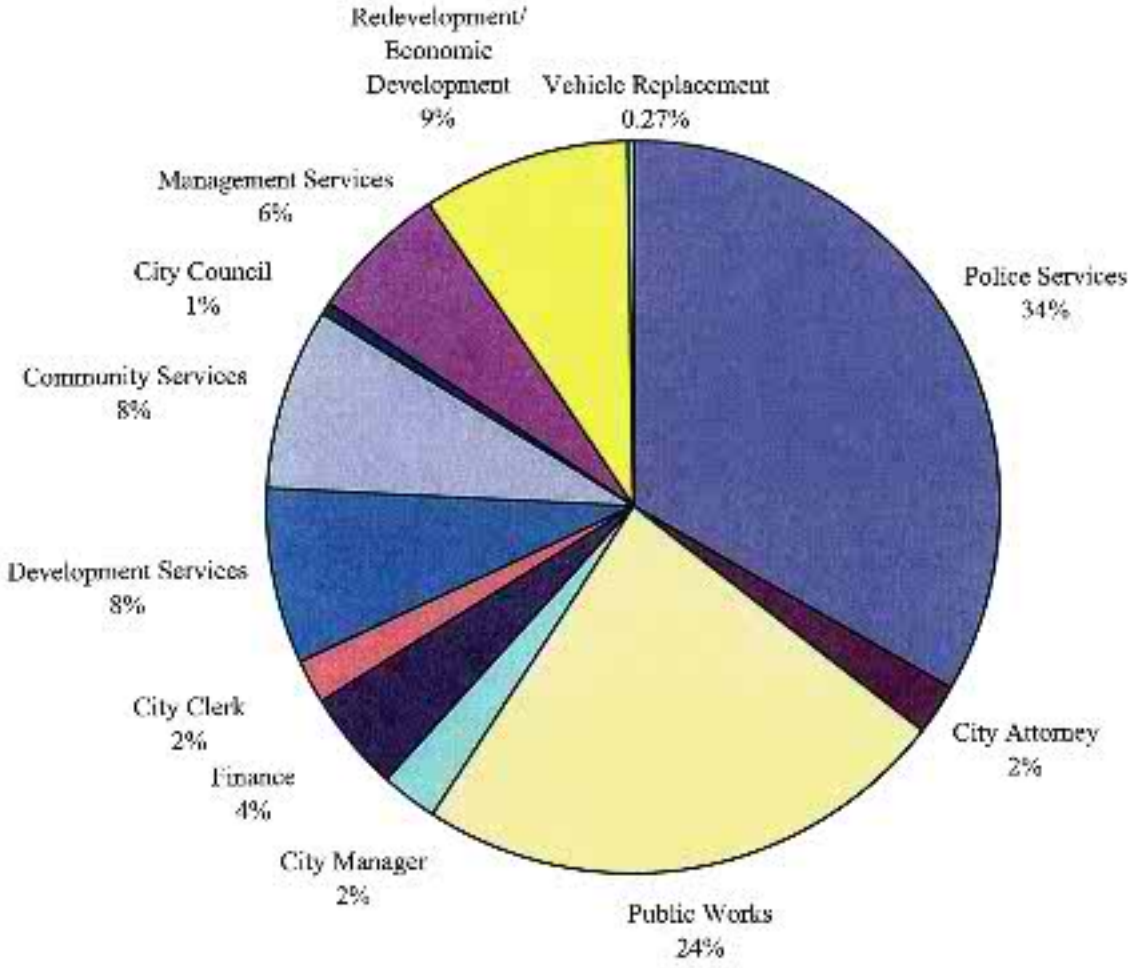
*Includes Redevelopment Agency activity

SUMMARY OF EXPENDITURES BY DEPARTMENT

Department	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
City Council	$204,125	$223,000	$235,850	$236,050
City Manager	722,586	925,100	962,300	962,300
Redevelopment/ Economic Development	2,589,034	3,453,600	3,577,900	3,577,900
City Attorney	850,608	755,000	850,000	850,000
City Clerk	640,233	791,800	819,300	819,300
Finance	1,462,856	1,483,700	1,667,900	1,667,900
Development Services	2,662,422	3,097,800	2,981,900	2,960,300
Public Works	7,155,376	8,554,800	9,183,700	9,183,700
Management Services	1,347,789	2,177,400	2,361,300	2,361,300
Community Services	2,476,123	2,747,200	3,137,700	3,130,700
Police Services	10,315,573	11,961,700	13,115,700	12,965,800
Vehicle Replacement	77,257	85,600	105,800	105,800
Subtotal Operating Totals	30,503,982	36,256,700	38,999,350	38,821,050
Less: Redevelopment Agency Operating Costs Included Above	(1,947,342)	(2,994,500)	(3,123,800)	(3,123,800)
Subtotal All City Funds	28,556,640	33,262,200	35,875,550	35,697,250
Capital Projects	4,711,144	8,928,400	9,173,200	9,343,400
Grand Total All City Funds	$33,267,784	$42,190,600	$45,048,750	$45,040,650

SUMMARY OF EXPENDITURES BY DEPARTMENT*

Fiscal Year 2008-2009



*Includes Redevelopment Agency Activity

PERSONNEL SUMMARY

Department	2006-07 Authorized Full Time	2006-07 Authorized Part Time	2007-08 Authorized Full Time	2007-08 Authorized Part Time Hours	2008-09 Authorized Full Time	2008-09 Authorized Part Time Hours
City Manager:						
City Manager	1		1		1	
Assistant City Manager/ Deputy Executive Director - Redevelopment Agency	0.5		0.5		0.5	
Assistant to the City Manager	1		1		1	
Executive Assistant	1		2		1	
Management Analyst					1	
Intern				1,248		1,248
Subtotal	3.5		4.5	1,248	4.5	1,248
Redevelopment/Economic Development*						
Assistant City Manager/ Deputy Executive Director - Redevelopment Agency	0.5		0.5		0.5	
Economic Development Manager	1					
Economic Development Specialist			1		1	
Housing Manager	1		1		1	
Redevelopment Manager	1					
Redevelopment Project Manager			1		1	
Management Analyst	1		1		1	
Administrative Secretary	1		1		1	
Intern						1,040
Subtotal	5.5		5.5		5.5	1,040
City Clerk:						
City Clerk	1		1		1	
Assistant City Clerk	1		1		1	
Administrative Secretary	1		1		1	
Senior Office Specialist	2		2		2	
Records Specialist	1		1		1	
Subtotal	6		6		6	
Finance:						
Director of Finance/City Treasurer	1		1		1	
Accounting Manager**		1,000		1,000	1	
Senior Accountant	1		1			
Accountant					1	
Contracts/Purchasing Administrator	1		1		1	
Senior Accounting Technician	1		1		1	
Accounting Technician						1,040
Administrative Secretary	1		1		1	
Subtotal	5	1,000	5	1,000	6	1,040

PERSONNEL SUMMARY

Department	2006-07 Authorized Full Time	2006-07 Authorized Part Time	2007-08 Authorized Full Time	2007-08 Authorized Part Time	2008-09 Authorized Full Time	2008-09 Authorized Part Time Hours
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		2		2	
Code Enforcement Supervisor	1		1		1	
Code Enforcement Officer	2		2		2	
Community Preservation Specialist	1		1		1	
Administrative Secretary	1		1		1	
Records Specialist	1		1		1	
Building Technician	1		1	1,248	1	1,248
Intern				4,200		4,160
Subtotal	14	0	14	5,448	14	5,408
Public Works:						
Director of Public Works	1		1		1	
Engineering Services Manager	1		1		1	
Public Works Manager	1		1		1	
Public Works Supervisor	1		1		1	
Traffic Engineer	1		1		1	
Civil Engineering Associate	1		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	
Forestry Intern		1,000		1,000		1,000
Senior Office Specialist	2		2		2	
Subtotal	14	1,000	14	1,000	14	1,000
Management Services:						
Director of Management Services	1		1		1	
Management Analyst	1		1		1	
Information Technology Manager					1	
Human Resources/Risk Management Manager	1		1		1	
Administrative Secretary			1		1	
Human Resources Technician	1		1		1	
Senior Office Specialist	1					
Intern				1,333		2,288
Subtotal	5	0	5	1,333	6	2,288

Section Three

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COMBINED PROGRAM REVENUES

Description	Actual 2006-07	Adopted Budget 2007-08	Estimated 2007-08	Adopted Budget 2008-09
General Fund				
Taxes				
Property Taxes - City:				
Secured	$5,568,969	$5,772,000	$5,722,000	$5,894,000
Unsecured	256,024	249,600	255,000	263,000
Supplemental	296,201	280,000	315,000	280,000
Prior Year	74,358	70,000	100,000	75,000
Homeowners' Exemptions	59,540	62,000	60,000	60,000
Penalties/Interest	16,808	14,000	20,000	16,000
Other	132		600	600
Property Taxes - Lighting District:				
Secured	442,227	456,600	450,000	464,000
Unsecured	20,323	20,800	20,800	22,000
Supplemental	23,516	22,000	24,000	22,000
Prior Year	5,915	6,000	8,000	6,000
Homeowners' Exemptions	4,727	5,000	4,700	4,700
Penalties/Interest	1,337	1,200	1,500	1,300
Other	11			
Vehicle License Fees	5,506,180	5,456,900	5,656,900	5,827,000
Sales and Use Tax	15,065,518	15,400,000	15,300,000	13,800,000
Transient Occupancy Tax	2,657,295	2,500,000	2,600,000	2,500,000
Real Property Transfer Tax	462,722	300,000	200,000	200,000
Franchise Fees	2,353,031	2,006,000	2,220,000	2,235,000
Subtotal	32,814,834	32,622,100	32,958,500	31,670,600
Licenses and Permits				
Building Permit Fees	632,793	600,000	370,000	350,000
Sign Permits	10,365	10,000	13,000	10,000
Subtotal	643,158	610,000	383,000	360,000
From Other Governments				
Motor Vehicle In-Lieu	494,643	400,000	320,000	320,000
Vehicle Abatement Fees	62,687	30,000	60,000	60,000
Orange County Transit Authority Grants:				
Senior Mobility	26,313	27,000	27,200	27,200
Go Local Program		100,000	100,000	
Emergency Operating Center Planning Grant	149		7,100	
Office of Traffic Safety Grants	18,769			
Used Oil Recycling Grant	45,838	23,700	23,700	23,700
County Recycling/Waste Grant			30,000	

COMBINED PROGRAM REVENUES

Description	Actual 2006-07	Adopted Budget 2007-08	Estimated 2007-08	Adopted Budget 2008-09
From Other Governments (con't.)				
Metropolitan Water District Grant				250,800
Beverage Container Recycling Grant	14,108	21,500	21,500	21,500
Subtotal	662,507	602,200	589,500	703,200
User Fees and Charges				
Plan Check Fees	288,099	295,000	245,000	245,000
Fire Plan Check Fees	6,623	6,200	6,200	6,200
Planning and Zoning Fees	113,111	110,000	230,000	110,000
Opportunities Study Fees	610,570		437,200	
Engineering Fees	87,701	160,000	123,000	160,000
Park Reservation Fees	54			400
Recreation Programs	12,337	21,000	12,000	17,000
Facility Rental	126	200	200	200
Teen Programs	5,674	24,600	7,000	4,000
Senior Programs	20,970	38,900	15,000	29,000
Excursions	14,105	13,900	9,000	18,000
Recreation Classes	13,866	4,000	20,000	4,000
Online Recreation Registration			35,000	28,000
Records Retention/Imaging Fees				4,000
Copies and Maps	4,933	5,000	5,000	5,000
Subtotal	1,178,169	678,800	1,144,600	630,800
Fines and Forfeitures				
Motor Vehicles Code Fines	353,305	320,000	330,000	330,000
Local Ordinance Violations	152,152	160,000	190,000	190,000
Subtotal	505,457	480,000	520,000	520,000
Use of Money and Property				
Leases	126,218	127,000	127,000	127,000
Interest Income	3,820,156	3,200,000	3,600,000	2,300,000
Subtotal	3,946,374	3,327,000	3,727,000	2,427,000
Other Revenue				
Senior Donations	459			
Miscellaneous Revenue	42,896	25,000	7,000	25,000
State Mandated Claims	83,432	25,000	27,000	25,000
Subtotal	126,787	50,000	34,000	50,000
General Fund Total	39,877,286	38,370,100	39,356,600	36,361,600

COMBINED PROGRAM REVENUES

Description	Actual 2006-07	Adopted Budget 2007-08	Estimated 2007-08	Adopted Budget 2008-09
Special Revenue Funds				
Gas Tax Fund				
Section 2105	473,532	475,000	475,000	475,000
Section 2106	296,188	295,000	295,000	295,000
Section 2107	632,896	635,000	635,000	635,000
Section 2107.5	7,500	7,500	7,500	7,500
Proposition 42	552,848			750,000
Proposition 1B			1,258,500	
Interest Income	98,137	7,000	50,000	30,000
Subtotal	2,061,101	1,419,500	2,721,000	2,192,500
Measure M Fund				
Turnback Allocation	1,026,200	1,000,000	1,050,000	1,000,000
Interest Income	75,165	20,000	50,000	30,000
Subtotal	1,101,365	1,020,000	1,100,000	1,030,000
Etnies Skatepark				
Online Registration				14,000
Skatepark Admissions		90,000		90,000
Filming Fees	1,050	3,000	3,000	3,000
Classes	11,770	29,000	7,000	13,000
Contests	2,615	9,500	1,500	6,000
Camps	9,390	8,400	7,500	3,000
Skatepark Programs	6,985	21,000	9,000	24,000
Coca-Cola Revenues	3,244	2,800	4,600	3,000
Merchandise Sales	7,722	8,000	8,000	8,000
Sponsorships	73,098	15,000	25,000	15,000
Subtotal	115,874	186,700	65,600	179,000
Air Quality Improvement Fund				
Air Quality Management District Fees	94,663	92,000	92,000	93,000
Interest Income	19,894	8,000	16,000	12,000
Subtotal	114,557	100,000	108,000	105,000
Park Development/ Construction Fund				
Interest Income	29,406	18,000	20,000	15,000
Subtotal	29,406	18,000	20,000	15,000

COMBINED PROGRAM REVENUES

Description	Actual 2006-07	Adopted Budget 2007-08	Estimated 2007-08	Adopted Budget 2008-09
Supplemental Law Enforcement Fund				
Police Grants	151,777	113,000	150,500	137,800
Interest Income	4,058		1,000	1,000
Subtotal	155,835	113,000	151,500	138,800
Asset Forfeitures Fund				
Interest Income	573	400	400	300
Subtotal	573	400	400	300
Community Development Block Grant Fund				
Entitlement	757,059	676,200	676,200	478,600
Interest Income	39,085	9,000	30,000	8,000
Rehabilitation Loan Interest	5,242	5,000	5,000	
Loan Repayments	18,493	40,000	40,000	40,000
Loan Payoffs	90,094			
Subtotal	909,973	730,200	751,200	526,600
2007 Fire Disaster Fund				
Federal Emergency Management Agency Grant			82,200	
Office of Emergency Services Grant			20,500	
Subtotal	0	0	102,700	0
Special Revenue Funds Total	4,488,684	3,587,800	5,020,400	4,187,200
Capital Funds				
Capital Improvement Projects Fund				
El Toro Road Project Grants*	(333,746)			
State Park Per Capita Grant			197,000	
Orange County Transit Authority Grants**	233,392		(26,600)	
Interest Income	172,086	160,000	220,000	450,000
Other Revenue	25			
Subtotal	71,757	160,000	390,400	450,000
Capital Funds Total	71,757	160,000	390,400	450,000

COMBINED PROGRAM REVENUES

Description	Actual 2006-07	Adopted Budget 2007-08	Estimated 2007-08	Adopted Budget 2008-09
Financing Authority Fund				
Interest Income	8			
Subtotal	8	0	0	0
Internal Service Fund				
Vehicle Replacement Charges	83,600	106,500	106,500	90,000
Other Revenue	22,320			
Subtotal	105,920	106,500	106,500	90,000
Total All City Funds	$44,543,655	$42,224,400	$44,873,900	$41,088,800
Redevelopment Agency				
Operating				
Interest Income	3,297	5,000		
Subtotal	3,297	5,000	0	0
Low/Moderate Income Housing				
Property Taxes	632,692	664,000	754,000	800,000
Interest Income	133,489	70,000	100,000	60,000
Subtotal	766,181	734,000	854,000	860,000
Debt Service				
Property Taxes	3,046,936	3,199,000	3,523,000	3,735,000
Interest Income	142,836	50,000	200,000	60,000
Subtotal	3,189,772	3,249,000	3,723,000	3,795,000
Total Redevelopment Agency	3,959,250	3,988,000	4,577,000	4,655,000
Grand Total All Funds	$48,502,905	$46,212,400	$49,450,900	$45,743,800

* Negative amount represents an adjustment required pursuant to grant reimbursement requests.

** Negative amount is related to an adjustment based on grant agreements in the Fiscal Year 2007-08 Mid-Year Budget Review.

Section Four

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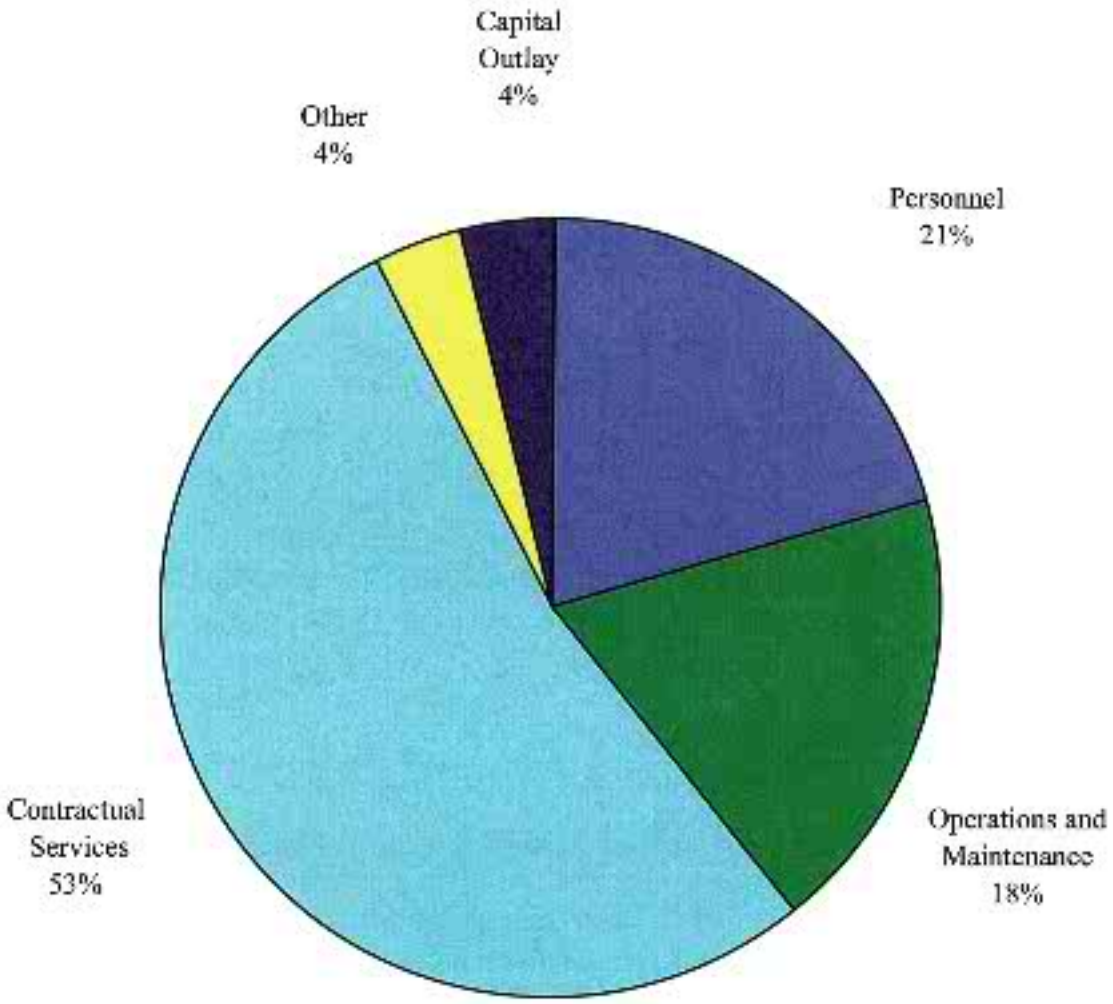
SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY*

Department	Personnel	Operations & Maintenance	Contract Services	Other	Capital Outlay	Totals
City Council	$48,600	$186,450	$1,000			$236,050
City Manager	750,100	142,200	70,000			962,300
Redevelopment/ Economic Development	628,100	163,900	1,008,800	$1,373,800	$403,300	3,577,900
City Attorney			850,000			850,000
City Clerk	523,500	171,900	66,500		57,400	819,300
Finance	691,500	810,100	162,100		4,200	1,667,900
Development Services	1,553,300	513,800	620,000		273,200	2,960,300
Public Works	1,523,400	2,210,200	5,151,300		298,800	9,183,700
Management Services	728,300	836,900	538,300		257,800	2,361,300
Community Services	1,381,500	1,679,600	39,000		30,600	3,130,700
Police Services	194,100	471,900	12,178,800		121,000	12,965,800
Vehicle Replacement					105,800	105,800
TOTAL EXPENDITURES	$8,022,400	$7,186,950	$20,685,800	$1,373,800	$1,552,100	$38,821,050

* Includes redevelopment operating costs charged to City Operating Budget of $3,123,800 for Fiscal Year 2008-09.

SUMMARY OF EXPENDITURES BY EXPENDITURE CATEGORY*
Fiscal Year 2008-2009



* 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 on issues relating 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 2007-08 MAJOR ACCOMPLISHMENTS

1. Provided policy guidance through Phase III of the Opportunities Study for the areas previously under the 65 CNEL designations by the Airport Land Use Commission.
2. Increased community awareness through the third annual Lake Forest Community Preparedness Academy, and the City's second one-day Community Preparedness Expo.
3. Provided policy level guidance through the development of technical reports, prepared for the Orange County Flood Control District by Chang Consultants, which were envisioned with the Memorandum of Understanding for the Serrano Creek Restoration with the County of Orange, Orange County Flood Control District and Irvine Ranch Water District.
4. Provided policy-level guidance and worked cooperatively with the Parks and Recreation Commission to update the Parks and Recreation Strategic Plan, a comprehensive plan for parks, programs and facilities for the five-year period of 2007-2012.
5. Increased City's public park inventory through the exercise of Irrevocable Offers of Dedication (IODs), which transferred ownership of six parks from private homeowners' associations to the City.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Provide policy level leadership through implementation of the Opportunities Study Phase IV.
2. Actively encourage community governance by holding a Citizens Leadership Academy and Community Preparedness Academy
2. Provide policy direction to implement an effective urban water quality program, while challenging intrusive and unnecessary state-imposed mandates.
3. Provide leadership and policy direction on reducing traffic congestion and increasing intra-city mobility, with particular focus on the Alton Parkway and Portola Parkway gap closures.
4. Maintain active involvement/representation in organizations, committees and commissions at the local, county, state and federal level.
5. Provide policy-level guidance and continue to work collaboratively with stakeholders to advance the joint effort toward completion of the Serrano Creek Restoration project.
6. Provide leadership and policy direction on the County's Master Planning process and design phase for the future expansion of the James A. Musick Jail Facility.

CITY COUNCIL
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$45,842	$46,300	$48,400	$48,600
Operations and Maintenance	149,549	176,700	186,450	186,450
Contract Services	2,000		1,000	1,000
Capital Outlay	6,734			
Activity Total	$204,125	$223,000	$235,850	$236,050
Funding Sources:				
General Fund	$200,225	$219,400	$232,250	$232,450
Redevelopment Agency Operating Fund	3,900	3,600	3,600	3,600

CITY COUNCIL
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
City Council Members (5)	$38,043	$39,500	$41,100	$41,100
Redevelopment Meetings	3,900	3,600	3,600	3,600
Medicare	608	600	700	700
Retirement	3,291	2,600	3,000	3,200
Subtotal	45,842	46,300	48,400	48,600
Operations and Maintenance:				
Memberships and Dues	49,670	60,500	60,200	60,200
Training and Education	100	500		
Travel, Conferences, and Meetings	15,826	22,000	22,000	22,000
Dixon Travel	3,706	6,400	6,650	6,650
Herzog Travel	3,437	6,400	6,650	6,650
McCullough Travel	6,088	6,400	6,650	6,650
Rudolph Travel	6,193	6,400	6,650	6,650
Tettemer Travel	1,593	6,400	6,650	6,650
Operating Supplies	2,145	800	400	400
Special Supplies	7,327	6,000	6,000	6,000
Printing and Duplicating	793	200	100	100
Postage and Deliveries	145	300	200	200
Subscriptions and Books	3	700	700	700
Telephone and Other	680	300	400	400
City Hall Rent	47,170	49,300	53,800	53,800
Equipment Rental and Leases	398	500	200	200
Equipment Maintenance	1,722	200	200	200
Liability Insurance	1,512	2,400	7,800	7,800
Workers' Compensation Insurance	1,041	1,000	1,200	1,200
Subtotal	149,549	176,700	186,450	186,450
Contract Services:				
Miscellananeous	2,000		1,000	1,000
Subtotal	2,000	0	1,000	1,000

CITY COUNCIL
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment	629			
Furniture	6,105			
Subtotal	6,734	0	0	0
Activity Total	$204,125	$223,000	$235,850	$236,050

CITY MANAGER

DEPARTMENT DESCRIPTION

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. Additional duties include: (1) Represent the City in legislative actions (2) Oversee emergency management operations (3) Manage environmental issues (4) Oversee annual Budget and Investment Policy (5) Work with other agencies in addressing regional issues (6) Provide information to the Council in a timely manner, and (7) Serve as Executive Director of the Lake Forest Redevelopment Agency.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS

1. Provided executive oversight through completion of Phase III of the Opportunities Study including, but not limited to, weekly meetings with landowners and negotiation of various development agreements.
2. Served as Director of Emergency Services and coordinated City response efforts during the 2007 Santiago Fire and activation of the City's Emergency Operations Center.
3. Provided executive oversight for the coordination and implementation of improvements and fixed responsibility for major community creeks and watersheds including, but not limited to, meetings with citizens and County staff to bring the projects to completion.
4. Provided executive guidance for the ongoing mandate from NPDES on the Urban Runoff Plan.
5. Participated in the County's Master Planning process for the future expansion of the Musick Jail facility including, but not limited to, frequent meetings with Sheriff's Department administrative staff.
6. Provided executive oversight for the update of the City's Five-Year Strategic Business Plan.
7. Resolved negotiations and executed amended lease extension and expansion of City Hall, and completed construction of tenant improvements.
8. Guided City staff through the development of technical reports, prepared for the Orange County Flood Control District by Chang Consultants, which were envisioned with the Memorandum of Understanding for the Serrano Creek Restoration with the County of Orange, Orange County Flood Control District and Irvine Ranch Water District.
9. Provided executive oversight of the Phase I study of the Light Industrial Area and development of the Revitalization Action Plan.
10. Guided process to transfer ownership of six parks from private homeowners' associations to the City, thereby, allowing the public access to the parks.
11. Provided executive oversight for the effort to update the Parks and Recreation Strategic Plan, a comprehensive plan for parks, programs and facilities for the five-year period of 2007-2012.
12. Provided executive oversight for the Animal Services Study.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Provide executive oversight for implementation of the Opportunities Study Phase IV.
2. Provide executive oversight of the planning efforts for a Sports Park and new Community Center/City Hall.
3. Provide executive oversight for implementation of the fiscal year 2007-09 Capital Improvement Program and scheduled update to the Five-Year Business Plan in 2009.
4. Provide executive leadership to foster continued redevelopment in the Arbor on El Toro.
5. Provide executive oversight of efforts to expedite completion of the Alton Parkway gap, encourage the completion of Portola Parkway and support the construction of the Foothill South project.
6. Actively monitor and participate in the County's Master Planning process for the future expansion of the Musick Jail facility.
7. Provide executive oversight during implementation of the Revitalization Action Plan for the Light Industrial Area.
8. Provide executive direction for Normandale Park and Regency Park development.
9. Work collaboratively with stakeholders to advance the joint effort to complete the Serrano Creek Restoration project.
10. Provide executive oversight for development of the Five-Year Strategic Business Plan.

CITY MANAGER
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$582,776	$725,600	$750,100	$750,100
Operations and Maintenance	110,282	141,500	142,200	142,200
Contract Services	25,680	47,000	70,000	70,000
Capital Outlay	3,848	11,000		
Activity Total	$722,586	$925,100	$962,300	$962,300
Funding Sources:				
General Fund	$698,613	$889,100	$929,700	$929,700
Redevelopment Agency Operating Fund	23,973	36,000	32,600	32,600
Total Positions:				
Full-Time	3.5	4.5	4.5	4.5

PERFORMANCE MEASURES

Desciption	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Professional Leadership			
% of departmental objectives accomplished	90%	90%	90%

CITY MANAGER
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$429,306	$498,000	$515,100	$515,100
Part-Time Personnel	9,825	18,800	18,800	18,800
Temporary Personnel		1,000	1,000	1,000
Medicare	6,465	7,600	7,500	7,500
Retirement	99,949	131,400	137,800	137,800
Health Insurance	37,231	68,800	69,900	69,900
Subtotal	582,776	725,600	750,100	750,100
Operations and Maintenance:				
Memberships and Dues	5,930	5,000	5,000	5,000
Training and Education	455	4,500	4,500	4,500
Travel, Conferences, and Meetings	9,950	18,000	17,900	17,900
Auto Allowance	11,565	11,900	12,100	12,100
Mileage Reimbursement	91	700	700	700
Operating Supplies	2,362	2,800	2,200	2,200
Printing and Duplicating	848	700	600	600
Postage and Deliveries	594	900	800	800
Subscriptions and Books	2,936	2,600	2,600	2,600
Telephone and Other	1,560	1,200	2,000	2,000
City Hall Rent	52,831	55,200	60,200	60,200
Equipment Rentals and Leases	1,393	1,700	1,600	1,600
Equipment Maintenance	671	700	800	800
Software Licenses and Maintenance		5,500	5,500	5,500
Liability Insurance	11,542	22,500	17,400	17,400
Workers' Compensation Insurance	7,554	7,600	8,300	8,300
Subtotal	110,282	141,500	142,200	142,200
Contract Services:				
Miscellaneous	25,680	47,000	70,000	70,000
Subtotal	25,680	47,000	70,000	70,000
Capital Outlay:				
Equipment		5,000		
Furniture	3,848	2,000		
Computers		4,000		
Subtotal	3,848	11,000	0	0
Activity Total	$722,586	$925,100	$962,300	$962,300

REDEVELOPMENT/ECONOMIC DEVELOPMENT

DEPARTMENT DESCRIPTION

The Redevelopment/Economic Development Department is responsible for the creation and implementation of comprehensive redevelopment, economic development, 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 2007-08 MAJOR ACCOMPLISHMENTS

1. Successfully implemented the City's Community Development Block Grant Program and timely prepared all required reports.
2. Initiated process to acquire Front Street and Almond Street and authorized preparation of an engineering analysis to evaluate site opportunities and constraints.
3. Disseminated surveys to property owners and tenants of Saguaro Street to explore potential of a neighborhood improvement strategy.
4. Implemented expanded business outreach tools that promoted Lake Forest businesses and fostered City/business relations through business visitations, creation of a business marketing brochure and business training events.
5. Opened dialogue with several property owners and developer entities and issued a Request for Proposal to explore affordable housing opportunities consistent with goals and objectives of the Housing Element and Redevelopment Plan.
6. Adopted updated Design Guidelines for the Redevelopment Project Area.
7. Expanded the Housing Rehabilitation Loan Program by increasing available funding assistance with Redevelopment Agency set-aside funds and amending the program guidelines.
8. Fostered dialogue and worked cooperatively with owners and tenants to facilitate revitalization and redevelopment in the project area.
9. Conducted the Mid-Term Review of the Five-Year Implementation Plan and Ten-Year Affordable Housing Compliance Plan.
10. Adopted Revitalization Action Plan for the Light Industrial Area.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Lead a City staff team to implement the Revitalization Action Plan for the Light Industrial Area.
2. Update the Agency's Policies and Procedures for Conformance Review.
3. Work cooperatively with property owners to facilitate additional revitalization of commercial centers in the Arbor and promote business growth and expansion in the Arbor.

FISCAL YEAR 2008-09 MAJOR INITIATIVES (Continued)

4. Pursue affordable housing opportunities to alleviate the Excess Surplus in the Low and Moderate Housing Fund and address the City/Agency's affordable housing needs.
5. Expand business outreach efforts via enhanced business communications, increased outreach to businesses and training seminars and events.
6. As necessitated, begin implementation of neighborhood improvement activities in the Saguaro Neighborhood.
7. In conjunction with Development Services, lead an evaluation of changing demographics and trends in code enforcement infractions in older neighborhoods within the project area and recommend policies and programs to protect the character and integrity of the area.

REDEVELOPMENT/ECONOMIC DEVELOPMENT-ALL DIVISIONS BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$350,106	$598,200	$628,100	$628,100
Operations and Maintenance	85,716	133,000	163,900	163,900
Contract Services	837,925	1,452,200	1,008,800	1,008,800
Other	1,312,273	1,269,200	1,373,800	1,373,800
Capital Outlay	3,014	1,000	403,300	403,300
Activity Total	$2,589,034	$3,453,600	$3,577,900	$3,577,900
Funding Sources:				
General Fund	$122,322	$247,400	$331,300	$331,300
Redevelopment Agency Operating Fund	367,470	938,200	759,500	759,500
Redevelopment Agency Debt Service Fund	1,312,273	1,269,200	1,373,800	1,373,800
Community Development Block Grant Fund	657,371	421,300	346,600	346,600
Low and Moderate Income Housing Fund	129,598	577,500	766,700	766,700
Total Positions:				
Full-Time	5.5	5.5	5.5	5.5

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Redevelopment			
Establish performance goals and initiatives	100%	100%	100%
% of Department objectives accomplished	90%	95%	96%
% of Council/Agency/Commission requests completed	100%	100%	100%
% of Agency Conformance applications reviewed within City standard timeframes	85%	95%	95%

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Redevelopment (continued)			
% of gov-Populous requests responded within City approved timeframe	100%	100%	100%
Economic Development			
Timely responses within 72 hours to requests for welcome/information packets	**	100%	100%
% increase in attendance at Economic Development programs	**	10%	10%
Increase number of business outreach	**	*	20%
Housing			
# of homes/mobile homes to receive exterior painting through Neighborhood Pride Paint Activity	10	6	7
# of homes that will receive housing rehabilitation	20	19	15

* To be determined when Economic Development Specialist position is filled.

** Unknown due to vacancy in Economic Development

REDEVELOPMENT/ECONOMIC DEVELOPMENT-ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$232,465	$422,100	$431,600	$431,600
Part-Time Personnel			15,600	$15,600
Temporary Personnel	10,759	2,600	2,700	2,700
Medicare	3,369	6,100	6,400	6,400
Retirement	43,606	84,400	87,000	87,000
Health Insurance	59,907	83,000	84,800	84,800
Subtotal	350,106	598,200	628,100	628,100
Operation and Maintenance:				
Memberships and Dues	4,596	5,400	6,500	6,500
Training and Education	301	3,800	7,100	7,100
Travel, Conferences, and Meetings	2,203	17,100	24,200	24,200
Auto Allowance	5,400	11,400	11,400	11,400
Mileage Reimbursement		300	300	300
Operating Supplies	3,990	6,700	4,200	4,200
Printing and Duplicating	2,992	6,500	9,300	9,300
Postage and Deliveries	1,433	3,900	3,400	3,400
Subscriptions and Books	1,468	3,100	13,100	13,100
Telephone and Other	1,886	2,200	2,200	2,200
City Hall Rent	54,718	57,200	62,400	62,400
Equipment Rentals and Leases	2,221	2,700	1,900	1,900
Equipment Maintenance	1,152	1,100	900	900
Computer Maintenance and Supply	766			
Website Update Services		3,000	3,000	3,000
Liability Insurance	1,146	7,200	12,400	12,400
Workers' Compensation Insurance	1,444	1,400	1,600	1,600
Subtotal	85,716	133,000	163,900	163,900
Contract Services:				
Auditing	7,255	4,000	7,500	7,500
Economic Development	6,271	33,000	48,000	48,000
Legal			28,000	28,000
Housing			15,000	15,000
Redevelopment	204,227	799,800	225,000	225,000
Communications	5,763	46,000	104,000	104,000
Commercial Facade Rehabilitation Loans		150,000	150,000	150,000

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

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services (continued):				
General	20	1,000	16,400	16,400
Public Service Grants	64,815	75,400	71,800	71,800
Housing Rehabilitation Loans	181,450	231,000	230,000	230,000
Rehabilitation Loan Fees	13,635	10,000	8,300	8,300
Rehabilitation Loan Services	38,153	40,000	40,000	40,000
Rebuilding Together		6,000	6,000	6,000
Citywide Paint Program	41,352	40,000	45,000	45,000
Affordable Housing	242,594			
Technical Studies	32,390	4,000		
Neighborhood Pride		12,000	12,000	12,000
Saguaro Neighborhood Pride			1,800	1,800
Subtotal	837,925	1,452,200	1,008,800	1,008,800
Other:				
Pass-Through Payments	1,249,385	1,211,200	1,322,500	1,322,500
Interest	62,888	58,000	51,300	51,300
Subtotal	1,312,273	1,269,200	1,373,800	1,373,800
Capital Outlay:				
Equipment		1,000	1,800	1,800
Computers			1,500	1,500
Furniture	3,014			
Saguaro Neighborhood Improvements			400,000	400,000
Subtotal	3,014	1,000	403,300	403,300
Activity Total	$2,589,034	$3,453,600	$3,577,900	$3,577,900

REDEVELOPMENT - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$83,445	$197,400	$197,900	$197,900
Part-Time Personnel			7,800	$7,800
Temporary Personnel	10,759	1,300	1,300	1,300
Medicare	1,171	2,800	3,000	3,000
Retirement	15,764	39,500	39,900	39,900
Health Insurance	28,965	40,000	40,500	40,500
Subtotal	140,104	281,000	290,400	290,400
Operation and Maintenance:				
Memberships and Dues	4,516	4,800	5,900	5,900
Training and Education	275	2,500	4,500	4,500
Travel, Conferences, and Meetings	499	9,500	13,500	13,500
Auto Allowance	1,985	5,100	5,100	5,100
Mileage Reimbursement		300	300	300
Operating Supplies	2,576	3,000	1,900	1,900
Printing and Duplicating	2,625	4,100	5,300	5,300
Postage and Deliveries	618	1,400	1,100	1,100
Subscriptions and Books	451	600	600	600
Telephone and Other	1,035	1,000	1,000	1,000
City Hall Rent	41,038	28,600	31,200	31,200
Equipment Rentals and Leases	1,219	1,500	900	900
Equipment Maintenance	678	600	400	400
Computer Maintenance and Supply	766			
Website Update Services		3,000	3,000	3,000
Liability Insurance	1,146	7,200	12,400	12,400
Workers' Compensation	1,444	1,400	1,600	1,600
Subtotal	60,871	74,600	88,700	88,700
Contract Services:				
Redevelopment	204,227	389,800	225,000	225,000
Communications	5,763	41,000	59,000	59,000
Commercial Facade Rehabilitation Loans		150,000	150,000	150,000
Subtotal	209,990	580,800	434,000	434,000
Capital Outlay:				
Equipment		1,000	800	800
Computers			1,500	1,500

REDEVELOPMENT - ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay (continued):				
Furniture	3,014			
Subtotal	3,014	1,000	2,300	2,300
Other:				
Pass-Through Payments	1,249,385	1,211,200	1,322,500	1,322,500
Interest	62,888	58,000	51,300	51,300
Subtotal	1,312,273	1,269,200	1,373,800	1,373,800
Activity Total	$1,726,252	$2,206,600	$2,189,200	$2,189,200
Funding Sources:				
General Fund	$49,453	$69,600	$76,700	$76,700
Redevelopment Agency Operating Fund	364,526	867,800	738,700	738,700
Redevelopment Agency Debt Service Fund	1,312,273	1,269,200	1,373,800	1,373,800

ECONOMIC DEVELOPMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$25,776	$73,000	$72,400	$72,400
Part-Time Personnel			7,800	7,800
Temporary Personnel		1,300	1,400	1,400
Medicare	374	1,100	1,100	1,100
Retirement	4,809	14,600	14,800	14,800
Health Insurance	17,232	17,800	18,000	18,000
Subtotal	48,191	107,800	115,500	115,500
Operation and Maintenance:				
Memberships and Dues	80	400	400	400
Training and Education		500	1,000	1,000
Travel, Conferences, and Meetings	1,642	6,400	8,000	8,000
Auto Allowance		1,500	1,500	1,500
Operating Supplies	894	1,700	1,000	1,000
Printing and Duplicating	169	1,900	3,500	3,500
Postage and Deliveries	302	2,000	1,800	1,800
Subscriptions and Books	424	1,800	11,800	11,800
Telephone and Other	331	500	500	500
City Hall Rent	13,680	14,300	15,600	15,600
Equipment Rentals and Leases	597	700	400	400
Equipment Maintenance	288	300	200	200
Subtotal	18,407	32,000	45,700	45,700
Contract Services:				
Economic Development	6,271	33,000	48,000	48,000
Communications		5,000	45,000	45,000
Subtotal	6,271	38,000	93,000	93,000
Capital Outlay:				
Equipment			400	400
Subtotal	0	0	400	400
Activity Total	$72,869	$177,800	$254,600	$254,600
Funding Source:				
General Fund	$72,869	$177,800	$254,600	$254,600

HOUSING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$123,244	$151,700	$161,300	$161,300
Medicare	1,824	2,200	2,300	2,300
Retirement	23,033	30,300	32,300	32,300
Health Insurance	13,710	25,200	26,300	26,300
Subtotal	161,811	209,400	222,200	222,200
Operation and Maintenance:				
Memberships and Dues		200	200	200
Training and Education	26	800	1,600	1,600
Travel, Conferences, and Meetings	62	1,200	2,700	2,700
Auto Allowance	3,415	4,800	4,800	4,800
Operating Supplies	520	2,000	1,300	1,300
Printing and Duplicating	198	500	500	500
Postage and Deliveries	513	500	500	500
Subscriptions and Books	593	700	700	700
Telephone and Other	520	700	700	700
City Hall Rent		14,300	15,600	15,600
Equipment Rentals/Leases	405	500	600	600
Equipment Maintenance	186	200	300	300
Subtotal	6,438	26,400	29,500	29,500
Contract Services:				
Auditing	7,255	4,000	7,500	7,500
Legal			28,000	28,000
Housing			15,000	15,000
Redevelopment		410,000		
General	20	1,000	16,400	16,400
Public Service Grants	64,815	75,400	71,800	71,800
Rebuilding Together		6,000	6,000	6,000
Housing Rehabilitation	181,450	231,000	230,000	230,000
Rehabilitation Loan Fees	13,635	10,000	8,300	8,300
Rehabilitation Loan Services	38,153	40,000	40,000	40,000
Citywide Paint Program	41,352	40,000	45,000	45,000
Affordable Housing *	242,594			
Technical Studies	32,390	4,000		
Neighborhood Pride		12,000	12,000	12,000

HOUSING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services (continued):				
Saguaro Neighborhood Pride			1,800	1,800
Subtotal	621,664	833,400	481,800	481,800
Capital Outlay:				
Saguaro Neighborhood Improvements			400,000	400,000
Equipment			600	600
Subtotal	0	0	400,600	400,600
Activity Total	$789,913	$1,069,200	$1,134,100	$1,134,100
Funding Sources:				
Redevelopment Agency Operating Fund	$2,944	$70,400	$20,800	$20,800
Community Development Block Grant	657,371	421,300	346,600	346,600
Low and Moderate Income Housing Fund	129,598	577,500	766,700	766,700

* For Orange County Transportation Authority property acquisition totaling $300,000; Community Development Block Grant fund transferred $57,406 to Low and Moderate Income Housing Fund to reimburse for prior year escrow deposit.

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 2007-08 MAJOR ACCOMPLISHMENTS

1. Assumed control, from the District Attorney's Office, over all misdemeanor prosecution arising within the City, including trespassing violations. Successful in obtaining guilty verdicts, fines and stay away orders for criminal defendants.
2. Continued working on the Opportunities Study and the acquisition of park land sites from the County of Orange.
3. Completed comprehensive code enforcement training for all City Code Enforcement Staff. Instituted new code enforcement intake procedures to streamline the code enforcement process.
4. Completed City's assumption of ownership and operation of numerous community park sites.
5. Completed major community stabilization initiatives resulting in the enactment of a massage establishment moratorium.
6. Successfully prosecuted and defended numerous matters, at the administrative and trial level, relating to massage technicians and massage establishments.
7. Obtained two preliminary injunctions against the Lake Forest Bodycentre and defeated a Temporary Restraining Order request from the ACLU involving the City's former solicitation ordinance.
8. Completed re-codification of several titles of the Lake Forest Municipal Code.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Assist 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 the General Plan amendment, environmental review, dedication and financing of public facilities, and development agreements with property owners.
3. Comprehensive review and update of Lake Forest Municipal Code Title 9.
4. Create new Conditional Use Permit and Zoning requirements for new and existing massage establishments.

CITY ATTORNEY
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services	$850,608	$755,000	$850,000	$850,000
Activity Total	$850,608	$755,000	$850,000	$850,000
Funding Sources:				
General Fund	$795,969	$685,000	$777,200	$777,200
General Fund - NPDES*	10,946	20,000	20,800	20,800
Redevelopment Agency Operating Fund	43,693	50,000	52,000	52,000

* NPDES = National Pollution Discharge Elimination System

CITY ATTORNEY
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services:				
Legal Services	789,492	650,000	$726,000	$726,000
Outside Legal Services	17,423	50,000	52,000	52,000
Redevelopment Agency Legal Services	43,693	50,000	52,000	52,000
Miscellaneous Professional Services		5,000	20,000	20,000
Subtotal	850,608	755,000	850,000	850,000
Activity Total	$850,608	$755,000	$850,000	$850,000

CITY CLERK

DEPARTMENT DESCRIPTION

The City Clerk's Department is responsible for a variety of functions including: (1) Clerk of the City Council and Secretary to the Lake Forest Redevelopment Agency and Rancho Cañada Financing Authority: Prepare agendas; record and maintain proceeding of meetings; issue Public Notices; and attest, publish/post, index, Resolutions and Ordinances. (2) City Clerk: Answer/or refer citizen inquiries; maintain custody of City Seal; administer and file Oaths of Office; accept and process claims, summons, and subpoenas; receive and open bids; notarize/certify documents; and accept Deeds and Grants which convey an interest to the City. (3) Conduct Elections: receive petitions and register voters (4) Filing Officer for the Political Reform Act of 1974: Accept and transmit necessary Campaign Statements and Conflict of Interests to the Fair Political Practices Commission. (5) Custodian of Records: Act as City Archivist/Historian; maintain City's Central File System; oversee authorized destruction of records; respond to public requests for records under the California Public Records Act and coordinate information requested by Subpoenas for Records.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS

1. Completed 10% of the remaining files of the Migration and Purging Project.
2. Completed 25% of the remaining 50% of quality control process of vendor scanned and imported Agenda Staff Reports.
3. Improved interdepartmental coordination process for retention/destruction of records.
4. Coordinated efforts with Management Services to evaluate available software, select, and initiated interdepartmental Agenda Automation Process.
5. Implemented posting all Council, Agency, Authority, and Commission Agenda Reports to the City's website with their respective Agendas.
6. Hired and trained new Assistant City Clerk and Records Specialist.
7. Transitioned Council Liaison duties to new Council Liaison in City Manager's Department.
8. Relocated City Clerk's Department from first floor to second floor in City Hall.
9. Indexed and scanned all existing Agreements, Contracts, Leases, and Amendments into the City's Imaging System.
10. Purged Central File System and initiated annual purging process for Central Files.
11. Audited, purged, and reorganized Fair Political Practices filings.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Create a new Election's Information Web Page.
2. Work cooperatively with Orange County City Clerks and Registrar of Voters on Voters' Rights Act compliance.
3. Complete remaining 25% of quality control process of vendor scanned and imported Agenda Staff Reports.
4. Audit scanned Agenda Reports and identify any missing documents for future scanning.
5. Update City's Records Retention Resolution.

CITY CLERK
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$449,895	$506,200	$523,500	$523,500
Operations and Maintenance	131,273	174,800	171,900	171,900
Contract Services	58,291	17,800	66,500	66,500
Capital Outlay	774	93,000	57,400	57,400
Activity Total	$640,233	$791,800	$819,300	$819,300
Funding Sources:				
General Fund	$638,113	$778,500	$806,300	$806,300
Redevelopment Agency Operating Fund	2,120	13,300	13,000	13,000
Total Positions:				
Full-Time	6.0	6.0	6.0	6.0

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
City Council Support			
% 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	95%	100%	100%
% of Council meeting minutes completed/approved by the next regularly-scheduled meeting	93%	96%	95%
% of requests for public records responded to within the regulations of the Public Records	100%	95%	95%
% of requests for records subpoenas responded to with court requirements	100%	100%	100%
Elections			
Cost per registered voter	$1.03	N/A	$1.05
Public Information/Communications			
% of Council resolutions meeting legal requirements	100%	100%	100%
% of Council ordinances meeting legal requirements	100%	100%	100%

CITY CLERK
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$305,131	$338,700	$352,000	$352,000
Overtime		1,000	1,000	1,000
Temporary Personnel	17,840	5,000	5,000	5,000
Medicare	4,566	4,900	5,100	5,100
Retirement	59,937	67,800	70,400	70,400
Health Insurance	62,421	88,800	90,000	90,000
Subtotal	449,895	506,200	523,500	523,500
Operation and Maintenance:				
Memberships and Dues	1,078	1,300	1,300	1,300
Training and Education	849	4,300	4,300	4,300
Travel, Conferences, and Meetings	1,637	6,300	6,300	6,300
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	250	500	500	500
Operating Supplies	7,796	8,000	7,000	7,000
Printing and Duplicating	649	2,500	2,000	2,000
Legal Advertising	16,681	15,000	15,000	15,000
Postage and Deliveries	2,334	2,000	2,000	2,000
Subscriptions and Books	3,529	3,000	3,000	3,000
Telephone and Other	1,324	2,000	2,300	2,300
City Hall Rent	69,812	72,900	79,600	79,600
Equipment Rentals and Leases	2,388	7,700	1,900	1,900
Equipment Maintenance	1,279	1,200	1,000	1,000
Software Licenses and Maintenance	1,457	20,000	20,000	20,000
Liability Insurance	9,272	17,200	14,400	14,400
Workers' Compensation Insurance	6,138	6,100	6,500	6,500
Subtotal	131,273	174,800	171,900	171,900
Contract Services:				
Elections	44,639	1,000	50,000	50,000
Codification	2,737	15,000	15,000	15,000
Records Management	10,915	1,800	1,500	1,500
Subtotal	58,291	17,800	66,500	66,500

CITY CLERK
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment		5,000	7,000	7,000
Furniture	774			
Computer Software		88,000	50,400	50,400
Subtotal	774	93,000	57,400	57,400
Activity Total	$640,233	$791,800	$819,300	$819,300

FINANCE

DEPARTMENT DESCRIPTION

The Finance Department is responsible for a variety of functions including accounting, budgeting, payroll, investments, contract management, and purchasing. In addition, assistance is provided for computer maintenance. The Director of Finance carries the subtitle of City Treasurer.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS

1. Completed the User Fee and Rate Study.
2. Performed a cash flow analysis for the investment portfolio.
3. Completed implementation of new contract software.
4. Provided City staff with a user-friendly guide to the contracting process.
5. Researched and analyzed the benefits of credit card acceptance.
6. Analyzed and implemented job tracking software into the accounting system.
7. Completed an update of the Five-Year Strategic Business Plan.
8. Researched and analyzed a purchasing card program.
9. Implemented a Fraud Policy to be utilized by City staff.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Perform an assessment for a new accounting software system.
2. Evaluate financing options for the Opportunities Study to provide funding for future public facilities.
3. Implement the acceptance of credit cards to enhance convenience of transactions with residents and others who do business with the City.
4. Implement a purchasing card program to increase efficiencies in the accounts payable process.
5. Initiate and complete an update of the Five-Year Strategic Business Plan including anticipated activity related to the Opportunities Study.

FINANCE DEPARTMENT
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$507,830	$589,700	$691,500	$691,500
Operations and Maintenance	776,338	761,800	810,100	810,100
Contract Services	171,572	132,200	162,100	162,100
Capital Outlay	7,116		4,200	4,200
Activity Total	$1,462,856	$1,483,700	$1,667,900	$1,667,900
Funding Sources:				
General Fund	$891,166	$907,200	$1,076,400	$1,076,400
Certificates of Participation Fund	551,368	552,500	557,200	557,200
Redevelopment Agency Operating Fund	20,322	24,000	34,300	34,300
Total Positions:				
Full-Time*	5.0	5.0	6.0	6.0

* Part-time Accounting Manager was approved as full-time position by City Council during the Fiscal Year 2007-08 Mid-Year Budget Review.

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Accounting			
Management letter items	1	0	0
% of invoices paid without incurring finance charges	99%	99%	99%
Days after month end for issuance of financial reports	29	19	19
Budget Preparation			
Date Budget adopted	6/20/2006	6/19/2007	6/17/2008
General fund revenues collected as % estimated	94%	90%	90%
General fund expenditures expended as % budgeted	79%	95%	95%
Annual Financial Report awards received	1	1	1

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Investment Management			
Investable funds as % of funds invested	100%	100%	100%
% of investments in compliance with policy	100%	100%	100%
% of investments within required safety ratings	100%	100%	100%
Weighted average maturity (in days)	201	240	240
Contract Management			
% of contracts with acceptable insurance	99%	95%	99%

FINANCE DEPARTMENT
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$364,275	$386,200	$475,300	$475,300
Overtime	860	300	600	600
Part-Time Personnel	11,935	43,000	22,500	22,500
Medicare	5,604	6,200	7,200	7,200
Retirement	71,937	80,000	95,900	95,900
Health Insurance	53,219	74,000	90,000	90,000
Subtotal	507,830	589,700	691,500	691,500
Operation and Maintenance:				
Memberships and Dues	840	1,100	1,100	1,100
Training and Education	1,195	4,200	4,000	4,000
Travel, Conferences, and Meetings	4,769	7,300	6,600	6,600
Auto Allowance	10,800	10,800	10,800	10,800
Mileage Reimbursement	316	300	300	300
Operating Supplies	3,847	4,800	4,300	4,300
Printing and Duplicating	12,525	15,000	14,100	14,100
Postage and Deliveries	1,096	1,300	1,300	1,300
Subscriptions and Books	1,484	2,700	2,600	2,600
Telephone and Other	1,103	1,700	2,100	2,100
Certificate Lease Payments	549,348	550,000	555,000	555,000
City Hall Rent	47,170	49,400	53,800	53,800
Equipment Rentals and Leases	1,990	2,400	1,700	1,700
Equipment Maintenance	1,643	2,000	900	900
Computer Maintenance and Supply	9,371			
Software Licenses and Maintenance		11,900	10,200	10,200
Bank Charges and Fees	14,667	15,500	21,600	21,600
Property Tax Administration	92,779	50,000	95,000	95,000
Liability Insurance	13,021	23,000	16,000	16,000
Workers' Compensation	8,374	8,400	8,700	8,700
Subtotal	776,338	761,800	810,100	810,100
Contract Services:				
Other	2,020	5,000	2,200	2,200
Auditing	25,412	26,400	43,500	43,500
Special Audit	9,000	26,500	15,600	15,600

FINANCE DEPARTMENT
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services (continued):				
Sales Tax Audit	7,329	10,000	22,000	22,000
Payroll	10,682	12,000	12,000	12,000
Miscellaneous	80,880	2,500		
General	36,249	49,800	66,800	66,800
Subtotal	171,572	132,200	162,100	162,100
Capital Outlay:				
Equipment			300	300
Furniture	7,116		2,000	2,000
Computers			1,500	1,500
Computer Software			400	400
Subtotal	7,116	0	4,200	4,200
Activity Total	$1,462,856	$1,483,700	$1,667,900	$1,667,900

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 and Code Enforcement.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS

1. Completed the environmental review for Phase 3 of the Opportunities Study and presented the Environmental Impact Report, General Plan Amendment, Zone Change and Development Agreement for Planning Commission and City Council consideration.
2. Updated the Housing Element and presented for City Council consideration.
3. In conjunction with the Redevelopment Agency, completed Phase 1 for the Light Industrial Area and presented for City Council consideration.
4. In conjunction with the Redevelopment Agency, completed the Go Local Transit Study and presented for City Council consideration.
5. Reviewed projects in adjacent jurisdictions affecting Lake Forest such as the Alton Parkway environmental impact report, regional housing needs allocation, Southern California Association of Governments, regional comprehensive plan, and regional transportation plan, and Planning Area 40 in the City of Irvine.
6. Enhanced the Department's use of technology by publishing geographic information systems (GIS) maps to ArcReader and integrating the imaging system with the GIS system.
7. Implemented a Green Building website to provide information to the residents and businesses of Lake Forest.
8. Launched the Code Enforcement software upgrade with a mobile access platform.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Process discretionary applications that implement the Opportunities Study.
2. In conjunction with the Community Services Department, complete the environmental review for the Regency/Normandale Park site and the County Open Space.
3. Complete the environmental review for the Rockfield Streetscape Project.
4. Develop and present for City Council consideration a proposal to adopt an Administrative Citation Program for City code violations.
5. Review and select a Building and Safety software system to serve the community.
6. Review projects in adjacent jurisdictions and regional programs that may affect Lake Forest.
7. Complete revisions to the Title 9 Zoning Ordinance (Phase 2) and present for City Council consideration.
8. Participate on staff team to implement the Revitalization Action Plan in the Light Industrial Area.

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$1,141,433	$1,477,000	$1,574,900	$1,553,300
Operations and Maintenance	382,418	490,100	513,800	513,800
Contract Services	1,069,136	1,115,000	620,000	620,000
Capital Outlay	69,435	15,700	273,200	273,200
Activity Total	$2,662,422	$3,097,800	$2,981,900	$2,960,300
Funding Sources:				
General Fund	$2,553,429	$2,867,900	$2,793,600	$2,772,000
Community Development Block Grant	65,000	147,200	100,000	100,000
Redevelopment Agency Operating Fund	43,993	82,700	88,300	88,300
Total Positions:				
Full-Time	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Building Inspection & Construction Plan			
% of plan checks completed within timeframes established by City contract	100%	100%	90%
% of building inspections completed within timeframes established by City contract	100%	100%	90%
Code Enforcement			
% of violations voluntarily corrected	90%	90%	90%
Planning Division			
% of staff planning reviews completed on time within annually established timeframes	95%	95%	95%
% of budgeted studies and projects completed	95%	95%	75%

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Administration			
% of Planning Commission service issues identified and resolved	95%	95%	95%
% of department initiatives accomplished	90%	90%	90%

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$823,890	$971,800	$1,029,700	$1,029,700
Overtime			4,700	$4,700
Part-Time Personnel	5,688	81,300	85,000	85,000
Temporary Personnel		2,000		
Medicare	11,936	15,300	14,900	14,900
Retirement	156,403	199,400	209,000	209,000
Health Insurance	143,516	207,200	231,600	210,000
Subtotal	1,141,433	1,477,000	1,574,900	1,553,300
Operations and Maintenance:				
Memberships and Dues	3,769	4,600	5,700	5,700
Training and Education	6,834	13,300	12,900	12,900
Travel, Conferences, and Meetings	5,646	15,900	17,900	17,900
Carter Travel	1,069	2,300	2,400	2,400
Zechmeister Travel	719	2,300	2,400	2,400
Hughes Travel	704	2,300	2,400	2,400
Verplancke Travel	1,044	2,300	2,400	2,400
Anderson Travel	229	2,300	2,400	2,400
Commissioner Stipend	6,300	12,000	12,000	12,000
Commissioner Support	1,702	4,400	4,400	4,400
Auto Allowance	15,415	16,800	16,800	16,800
Mileage Reimbursement	620	1,000	1,200	1,200
Operating Supplies	14,491	24,000	22,000	22,000
Printing and Duplicating	7,123	15,900	14,800	14,800
Postage and Deliveries	2,497	6,700	6,200	6,200
Subscriptions and Books	2,803	6,200	7,700	7,700
Uniforms	2,723	5,300	5,300	5,300
Telephone and Other	5,956	5,300	9,800	9,800
City Hall Rent	209,531	218,800	238,600	238,600
Equipment Rentals and Leases	13,167	15,700	14,400	14,400
Equipment Maintenance	4,983	3,200	3,400	3,400
Computer Maintenance and Supply	17,618			
Software Licenses and Maintenance		28,500	38,700	38,700
Website Update Services		2,000	2,000	2,000
Vehicle Replacement Charges	11,000	11,000	17,200	17,200

DEVELOPMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Operations and Maintenance (continued):				
Vehicle Maintenance and Operation	9,385	6,600	6,600	6,600
Liability Insurance	22,516	46,800	26,900	26,900
Workers' Compensation Insurance	14,574	14,600	17,300	17,300
Subtotal	382,418	490,100	513,800	513,800
Contract Services:				
Records Management	3,192	20,000	10,000	10,000
Other		20,000		
Planning	39,360	545,000	195,000	195,000
Codification			35,000	35,000
Opportunities Study	502,316			
Building and Safety	524,268	430,000	380,000	380,000
Go Local Program		100,000		
Subtotal	1,069,136	1,115,000	620,000	620,000
Capital Outlay:				
Furniture	1,338	2,000		
Equipment	4,194		11,200	11,200
Computers			2,000	2,000
Computer Software	42,154	13,700	260,000	260,000
Vehicles	21,749			
Subtotal	69,435	15,700	273,200	273,200
Activity Total	$2,662,422	$3,097,800	$2,981,900	$2,960,300

DEVELOPMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$233,796	$234,400	$255,000	$255,000
Overtime			4,700	4,700
Part-Time Personnel		37,500	25,000	25,000
Temporary Personnel		2,000		
Medicare	3,347	4,000	3,700	3,700
Retirement	43,269	49,200	51,900	51,900
Health Insurance	32,056	44,400	45,000	45,000
Subtotal	312,468	371,500	385,300	385,300
Operations and Maintenance:				
Memberships and Dues	646	1,000	1,000	1,000
Training and Education	2,292	3,400	3,400	3,400
Travel, Conferences, and Meetings	764	3,900	4,100	4,100
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	281	500	500	500
Operating Supplies	2,574	3,900	3,500	3,500
Printing and Duplicating	307	600	500	500
Postage and Deliveries	435	800	700	700
Subscriptions and Books	10	500	4,000	4,000
Uniforms	131	300	300	300
Telephone and Other	718	1,000	1,700	1,700
City Hall Rent	29,340	30,600	33,300	33,300
Equipment Rentals and Leases	1,194	1,400	1,400	1,400
Equipment Maintenance	1,633	600	700	700
Software Licenses and Maintenance	17,618	28,500	25,000	25,000
Website Update Services		2,000	2,000	2,000
Liability Insurance	22,516	46,800	26,900	26,900
Workers' Compensation	14,574	14,600	17,300	17,300
Subtotal	99,833	145,200	131,100	131,100
Contract Services:				
Records Management	3,192	20,000	10,000	10,000
Subtotal	3,192	20,000	10,000	10,000

DEVELOPMENT SERVICES - ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment	4,194		6,400	6,400
Furniture	1,104			
Computers			2,000	2,000
Subtotal	5,298	0	8,400	8,400
Activity Total	$420,791	$536,700	$534,800	$534,800
Funding Sources:				
General Fund	$413,023	$515,700	$512,200	$512,200
Redevelopment Agency Operating Fund	7,768	21,000	22,600	22,600

DEVELOPMENT SERVICES - BUILDING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$59,251	$58,300	$63,200	$63,200
Part-Time Personnel		31,300	35,000	35,000
Medicare	848	1,300	900	900
Retirement	11,507	13,600	13,900	13,900
Health Insurance	10,972	14,800	15,000	15,000
Subtotal	82,578	119,300	128,000	128,000
Operation and Maintenance:				
Memberships and Dues	515	500	500	500
Training and Education		2,800	2,400	2,400
Travel, Conferences, and Meetings		300	300	300
Mileage Reimbursement		200	200	200
Operating Supplies	2,645	3,200	3,200	3,200
Printing and Duplicating	3,423	3,600	2,600	2,600
Postage and Deliveries	581	800	900	900
Subscriptions and Books	1,000	3,000	500	500
Uniforms	583	2,000	2,000	2,000
Telephone and Other	696	1,000	2,100	2,100
City Hall Rent	16,793	17,500	19,100	19,100
Equipment Rental and Leases	7,993	9,500	9,800	9,800
Equipment Maintenance	966	600	900	900
Vehicle Operation and Maintenance	1,168			
Subtotal	36,363	45,000	44,500	44,500
Contract Services:				
Other		20,000		
Building and Safety	524,268	430,000	380,000	380,000
Subtotal	524,268	450,000	380,000	380,000
Capital Outlay:				
Equipment			1,700	1,700
Furniture	234			
Computer Software			260,000	260,000
Subtotal	234	0	261,700	261,700
Activity Total	$643,443	$614,300	$814,200	$814,200
Funding Source:				
General Fund	$643,443	$614,300	$814,200	$814,200

DEVELOPMENT SERVICES - PLANNING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$337,000	$432,100	$454,800	$454,800
Part-Time Personnel	5,688	12,500	25,000	25,000
Medicare	5,038	6,400	6,600	6,600
Retirement	65,286	87,200	91,800	91,800
Health Insurance	62,087	88,800	90,000	90,000
Subtotal	475,099	627,000	668,200	668,200
Operation and Maintenance:				
Memberships and Dues	2,308	2,900	3,900	3,900
Training and Education	3,570	3,100	3,100	3,100
Travel, Conferences, and Meetings	4,872	7,800	9,000	9,000
Carter Travel	1,069	2,300	2,400	2,400
Zechmeister Travel	719	2,300	2,400	2,400
Hughes Travel	704	2,300	2,400	2,400
Verplancke Travel	1,044	2,300	2,400	2,400
Anderson Travel	229	2,300	2,400	2,400
Commissioner Stipend	6,300	12,000	12,000	12,000
Commissioner Support	1,702	4,400	4,400	4,400
Auto Allowance	10,615	12,000	12,000	12,000
Mileage Reimbursement	36	200	400	400
Operating Supplies	4,706	9,800	7,800	7,800
Printing and Duplicating	1,542	9,900	9,400	9,400
Postage and Deliveries	900	3,500	3,000	3,000
Subscriptions and Books	1,311	2,200	1,500	1,500
Uniforms	367	700	700	700
Telephone and Other	1,324	2,000	2,500	2,500
City Hall Rent	104,718	109,500	119,300	119,300
Equipment Rentals and Leases	2,388	2,900	2,000	2,000
Equipment Maintenance	1,617	1,200	1,100	1,100
Subtotal	152,041	195,600	204,100	204,100

DEVELOPMENT SERVICES - PLANNING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services:				
Planning	39,360	545,000	195,000	195,000
Professional Services - Codification			35,000	35,000
Opportunities Study	502,316			
Go Local Program		100,000		
Subtotal	541,676	645,000	230,000	230,000
Capital Outlay:				
Equipment			1,900	1,900
Furniture		2,000		
Subtotal	0	2,000	1,900	1,900
Activity Total	$1,168,816	$1,469,600	$1,104,200	$1,104,200
Funding Sources:				
General Fund	$1,132,591	$1,407,900	$1,038,500	$1,038,500
Redevelopment Agency Operating Fund	36,225	61,700	65,700	65,700

DEVELOPMENT SERVICES - CODE ENFORCEMENT DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$193,843	$247,000	$256,700	$256,700
Medicare	2,703	3,600	3,700	3,700
Retirement	36,341	49,400	51,400	51,400
Health Insurance	38,401	59,200	81,600	60,000
Subtotal	271,288	359,200	393,400	371,800
Operation and Maintenance:				
Memberships and Dues	300	200	300	300
Training and Education	972	4,000	4,000	4,000
Travel, Conferences, and Meetings	10	3,900	4,500	4,500
Mileage Reimbursement	303	100	100	100
Operating Supplies	4,566	7,100	7,500	7,500
Printing and Duplicating	1,851	1,800	2,300	2,300
Postage and Deliveries	581	1,600	1,600	1,600
Subscriptions and Books	482	500	1,700	1,700
Uniforms	1,642	2,300	2,300	2,300
Telephone and Other	3,218	1,300	3,500	3,500
City Hall Rent	58,680	61,200	66,900	66,900
Equipment Rentals and Leases	1,592	1,900	1,200	1,200
Equipment Maintenance	767	800	700	700
Software Licenses and Maintenance			13,700	13,700
Vehicle Replacement Charges	11,000	11,000	17,200	17,200
Vehicle Maintenance and Operation	8,217	6,600	6,600	6,600
Subtotal	94,181	104,300	134,100	134,100
Capital Outlay:				
Equipment			1,200	1,200
Vehicles	21,749			
Computer Software	42,154	13,700		
Subtotal	63,903	13,700	1,200	1,200
Activity Total	$429,372	$477,200	$528,700	$507,100
Funding Sources:				
General Fund	$364,372	$330,000	$428,700	$407,100
Community Development Block Grant	65,000	147,200	100,000	100,000

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, parkways, medians, and parks. 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. They conduct 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 its facilities.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS

1. Continued to participate in the Alton Parkway Project Development Team.
2. Worked collaboratively with stakeholders agencies to form the Portola Parkway Project Working Group.
3. Worked collaboratively with Memorandum of Understanding (MOU) stakeholders through the development of the Chang Consultants Technical Report, prepared for the Orange County Flood Control District, to advance the Serrano Creek Project.
4. Actively participated in the National Pollutant Discharge Elimination System permit renewal efforts with the Santa Ana and San Diego Regional Water Quality Control Boards.
5. Completed State grant-funded pollution reduction study project at Pebble Creek Park.
6. Generated proposal requests, verified qualifications, and recommended contract awards under the Capital Improvement Projects Budget for the Lake Forest Drive Drainage Improvement, Traffic Signal Preemption, Traffic Management Center Planning Report, and Comprehensive Review of Medians, Parkways, and Slopes, and Parks Landscape Maintenance Specifications.
7. Awarded or extended the terms for maintenance of tree, parks, medians, parkways and slopes, bus shelters, street sweeping, City Hall janitorial, and park and playground safety inspection services.
8. Initiated landscape maintenance along the northbound I-5 Freeway shoulders, and for off-ramp and on-ramp landscaping at El Toro Road and Lake Forest Drive through the Caltrans Adopt-a-Highway Program Agreement.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS (continued)

9. Accepted maintenance responsibility for six parks acquired through the acceptance of irrevocable offers of dedication and performed the following improvements to these parks; installed park rules signs, renovated turf, resurfaced and restriped various sport courts, made improvements to sports fields, trimmed trees, repaired and improved playgrounds, installed electric door locks, installed Americans with Disabilities (ADA) drinking fountains, and increased the number of Expand the Forest Program tree sites by over 180.
10. Completed repairs of damaged City-owned property as a result of the 2007 Santiago Fire and obtained reimbursement of expenditures through FEMA.
11. Completed projects under the Capital Improvement Projects including: Serrano Creek and Cavanaugh Mini Park Play Structures, Lake Forest Drive Median Fence Replacement, Sidewalk Repairs, Borrego Park Turf Improvements, Pheasant Street Storm Drain, El Toro/Trabuco Intersection Improvements, Street Pavement Repairs, and ADA Wheelchair Access Ramp Improvements.
12. Initiated the preparation of final plans, specifications, and construction estimates for the Rockfield Boulevard Streetscape and the Railroad Access Road Surfacing & Landscape projects.
13. Worked collaboratively with the County Integrated Waste Management staff to update the Waste Disposal Agreement.
14. Secured grant funding from Metropolitan Water District for the purchase of Smart Irrigation Controllers to comply with changes in State law.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Continue to participate in the Alton Parkway Project Development Team to ensure completion of final design and commencement of construction.
2. Continue to participate with stakeholders agencies to form the Portola Parkway Working Group.
3. Work collaboratively with MOU stakeholders to advance the joint effort to advance the Serrano Creek Project.
4. Complete the Project Planning Report regarding benefits of real-time communications with each traffic signal in the City and a Citywide Traffic Management Center.
5. Construct projects identified in the Capital Improvement Projects Budget including: Watershed Management Projects, El Toro Enhanced Landscape Lighting, El Toro Road/Swartz Drive Landscape Median and Monument, Sidewalk Repair, Neighborhood Traffic Improvements - Trabuco Road at Lake Forest Drive, Light Industrial Area Street Improvements, Street Resurfacing and Slurry Seal, Americans with Disabilities Act Access Ramp Improvements, Traffic Signal Preemption, Lake Forest Drive Drainage Improvement, Heroes Park Snack Bar and Restroom, and Universally Accessible Playground.
6. Initiate landscape maintenance along the 241 Toll Road, as well as landscaped medians adjacent to the on/off ramps through the Caltrans Adopt-a-Highway Program.

FISCAL YEAR 2008-09 MAJOR INITIATIVES (continued)

7. Implement fourth term of the National Pollutant Discharge Elimination System (NPDES) Permits requirement with the Santa Ana and San Diego Regional Water Quality Control Boards.
8. Ensure compatibility of development conditions with stakeholder objectives for Borrego Canyon Wash stabilization and flood control improvements.
9. Complete the Comprehensive Landscape Maintenance Standards for Review of Medians, Parkways, and Slopes and Parks, including plant palettes.
10. Purchase and install Smart Irrigation Controllers utilizing grant funds received from Metropolitan Water District.

PUBLIC WORKS - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$1,169,095	$1,460,300	$1,523,400	$1,523,400
Operations and Maintenance	1,861,690	2,321,400	2,210,200	2,210,200
Contract Services	4,124,478	4,742,100	5,151,300	5,151,300
Capital Outlay	747	31,000	298,800	298,800
ACTIVITY TOTAL	$7,156,010	$8,554,800	$9,183,700	$9,183,700
Funding Sources:				
General Fund	$5,560,774	$6,860,800	$7,296,600	$7,296,600
Gas Tax Fund	1,595,236	1,694,000	1,887,100	1,887,100
Total Positions:				
Full-Time	14.0	14.0	14.0	14.0

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Development Plans Review			
% of development plans review completed within 10 days	82%	90%	90%
% of traffic review for development site plans completed within 10 days	86%	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	0%	0%	10%
% change: landscape maintenance cost contracted services	15%	0%	0%
% change: citizen requests	-30%	0%	-10%

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Parks Maintenance			
% change: park maintenance cost	0%	0%	10%
% 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	-42%	0%	-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	3%	0%	0%
% change: cost per ton diverted	3%	0%	0%
% 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	-60%	0%	-10%
Streets and Right-of-Way Maintenance			
% of paved street lane miles rated fair or better	74%	83%	85%
% of service request initial responses accomplished within 5 days	100%	100%	100%
% change: cost per sidewalk repair (square foot)	13%	2%	2%
% change: cost per traffic signal maintained	0%	0%	0%
% change: cost per tree maintained	0%	0%	0%
% change: cost per paved street curb mile swept	3.5%	4%	3.45%
Days between street sweepings	7	7	7
% change: citizen requests	-51%	0%	-10%

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
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 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$811,598	$1,013,000	$1,065,000	$1,065,000
Overtime		700	200	200
Part-Time Personnel	396	16,000	13,000	13,000
Temporary Personnel	31,711	400	300	300
Medicare	11,606	14,700	15,400	15,400
Retirement	156,039	203,600	213,500	213,500
Health Insurance	150,368	202,400	208,000	208,000
Leave Accrual	7,377	9,500	8,000	8,000
Subtotal	1,169,095	1,460,300	1,523,400	1,523,400
Operation and Maintenance:				
Memberships and Dues	2,345	3,600	4,100	4,100
Training and Education	1,651	3,800	5,800	5,800
Travel, Conferences, and Meetings	1,581	5,100	5,600	5,600
Auto Allowance	14,954	19,900	19,800	19,800
Mileage Reimbursement	334	500	500	500
Operating Supplies	12,187	17,000	9,000	9,000
Printing and Duplicating	6,070	5,900	3,800	3,800
Legal Advertising		2,000	2,000	2,000
Postage and Deliveries	2,351	4,800	3,100	3,100
Subscriptions and Books	477	1,200	2,500	2,500
Bus Shelter Electricity	485	8,100	8,100	8,100
Street Light Utilities	508,397	569,000	553,000	553,000
Telephone and Other	4,649	6,100	5,600	5,600
Medians and Slopes Utilities	235,570	275,000	250,000	250,000
Parks Utilities	239,540	375,000	300,000	300,000
City Hall Rent	120,756	126,200	137,600	137,600
Equipment Rentals and Leases	5,574	8,600	4,700	4,700
Building Maintenance	4,484	31,400	31,400	31,400
Janitorial Maintenance	25,252	33,000	50,000	50,000
Electrical Maintenance	24,397	40,000	50,000	50,000
Building Repairs	634	2,000	2,000	2,000
Equipment Maintenance	2,723	3,700	2,400	2,400
Computer Maintenance and Supply	1,404	25,500	25,000	25,000
Software Licenses and Maintenance		13,200	5,000	5,000
Website Update Services		10,000	10,000	10,000
Vehicle Replacement	14,700	15,100	10,600	10,600
Vehicle Maintenance	6,363	6,000	6,000	6,000
NPDES*	144,658	293,000	293,000	293,000

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Operation and Maintenance (continued):				
Water Quality	122,614	132,500	160,500	160,500
Liability Insurance	278,176	174,700	161,700	161,700
Workers' Compensation Insurance	20,859	19,500	16,400	16,400
Traffic Signal Utilities	58,505	80,000	61,000	61,000
Miscellaneous Maintenance		10,000	10,000	10,000
Subtotal	1,861,690	2,321,400	2,210,200	2,210,200
Contract Services:				
Other	31,560	10,000	10,000	10,000
Project Engineering	293,367	190,000	204,000	204,000
Traffic Engineering	299,036	51,000	114,500	114,500
Office Engineering	2,741	10,000	63,100	63,100
Solid Waste	1,330	4,000	4,000	4,000
Communications	713	16,000	10,000	10,000
Used Oil CIWMB*	44,949	23,700	23,700	23,700
Beverage Container Recycling	14,108	21,500	21,500	21,500
Parks/MPS* Landscape Repairs	442,137	475,000	495,000	495,000
Park Landscape Maintenance	489,580	1,048,900	1,048,900	1,048,900
Medians/Slopes Landscape Maint.	258,861	496,000	510,000	510,000
Tree Maintenance	207,632	200,000	230,000	230,000
Backflow Prevention	8,668	5,000	5,000	5,000
Residential Street Sweeping	208,972	185,000	190,600	190,600
Arterial Street Sweeping	93,938	97,000	99,900	99,900
Bus Shelter Maintenance	151,471	185,000	185,000	185,000
Traffic Signal Maintenance	283,948	184,000	190,000	190,000
Street Maintenance	1,291,467	1,520,000	1,726,100	1,726,100
Curb and Gutter Repair		5,000	5,000	5,000
Sidewalk Repairs		15,000	15,000	15,000
Subtotal	4,124,478	4,742,100	5,151,300	5,151,300

PUBLIC WORKS - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Furniture	747	800	1,000	1,000
Equipment			267,800	267,800
Computer Software		30,200	30,000	30,000
Subtotal	747	31,000	298,800	298,800
Activity Total	$7,156,010	$8,554,800	$9,183,700	$9,183,700

* NPDES = National Pollutant Discharge Elimination System
MPS = Medians, Parkways, Slopes
CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$221,069	$240,100	$251,600	$251,600
Overtime		200		
Part-Time Personnel	396	16,000	13,000	13,000
Temporary Personnel	12,397	200	100	100
Medicare	3,217	3,500	3,600	3,600
Retirement	42,525	49,000	50,800	50,800
Health Insurance	32,012	42,900	43,400	43,400
Leave Accrual	5,418	4,000	4,000	4,000
Subtotal	317,034	355,900	366,500	366,500
Operation and Maintenance:				
Memberships and Dues	735	800	800	800
Training and Education	936	1,000	1,000	1,000
Travel, Conferences, and Meetings	638	2,500	2,500	2,500
Auto Allowance	4,560	4,600	4,600	4,600
Mileage Reimbursement	117	200	200	200
Operating Supplies	2,977	3,100	2,300	2,300
Printing and Duplicating	656	600	400	400
Legal Advertising		1,000	1,000	1,000
Postage and Deliveries	490	800	600	600
Subscriptions and Books	124	600	600	600
Telephone and Other	606	1,000	1,300	1,300
City Hall Rent	26,887	28,100	30,600	30,600
Equipment Rentals and Leases	1,155	1,400	1,100	1,100
Equipment Maintenance	594	600	600	600
Computer Maintenance and Supply	1,404			
Liability Insurance	278,176	174,700	161,700	161,700
Workers' Compensation Insurance	20,859	19,500	16,400	16,400
Subtotal	340,914	240,500	225,700	225,700
Contract Services:				
Solid Waste	1,330	4,000	4,000	4,000
Used Oil CIWMB*	44,949	23,700	23,700	23,700
Beverage Container Recycling	14,108	21,500	21,500	21,500
Subtotal	60,387	49,200	49,200	49,200

PUBLIC WORKS - ADMINISTRATION DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment			1,000	1,000
Furniture	747			
Computer Software			30,000	30,000
Subtotal	747	0	31,000	31,000
Activity Total	$719,082	$645,600	$672,400	$672,400
Funding Source:				
General Fund	$719,082	$645,600	$672,400	$672,400

* CIWMB = California Integrated Waste Management Board

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$246,861	$251,800	$255,400	$255,400
Temporary Personnel	11,155			
Medicare	3,658	3,700	3,700	3,700
Retirement	47,740	50,400	51,100	51,100
Health Insurance	45,309	47,400	51,000	51,000
Leave Accrual	(793)	2,500	2,500	2,500
Subtotal	353,930	355,800	363,700	363,700
Operation and Maintenance:				
Memberships and Dues	150	400	400	400
Training and Education	465	1,000	1,000	1,000
Travel, Conferences, and Meetings	2	600	700	700
Auto Allowance	5,700	5,700	5,700	5,700
Mileage Reimbursement	217	200	200	200
Operating Supplies	2,508	4,800	2,300	2,300
Printing and Duplicating	2,648	2,500	1,900	1,900
Legal Advertising		1,000	1,000	1,000
Postage and Deliveries	659	1,300	500	500
Subscriptions and Books	330	300	1,400	1,400
Street Light Utilities	508,397	569,000	553,000	553,000
Telephone and Other	971	1,600	1,200	1,200
City Hall Rent	40,849	42,700	46,600	46,600
Equipment Rentals and Leases	1,752	2,300	1,100	1,100
Equipment Maintenance	844	1,000	500	500
Software Licenses and Maintenance		200		
Traffic Signal Utilities*	58,505			
Subtotal	623,997	634,600	617,500	617,500
Contract Services:				
Other		10,000	10,000	10,000
Project Engineering	234,167	190,000	204,000	204,000
Traffic Engineering*	299,036			
Office Engineering	2,741	10,000	63,100	63,100
Traffic Signal Maintenance*	283,948			
Subtotal	819,892	210,000	277,100	277,100

PUBLIC WORKS - ENGINEERING DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment			1,000	1,000
Subtotal	0	0	1,000	1,000
Activity Total	$1,797,819	$1,200,400	$1,259,300	$1,259,300
Funding Sources:				
General Fund	$1,455,366	$1,200,400	$1,259,300	$1,259,300
Gas Tax Fund	342,453			

* These costs were transferred to the Street Maintenance/Traffic Management Division in Fiscal Year 2007-08.

PUBLIC WORKS - LANDSCAPE/BUILDING MAINTENANCE DIVISION BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08*	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$216,795	$187,600	$204,600	$204,600
Overtime		500	200	200
Temporary Personnel	8,159	200	200	200
Medicare	2,839	2,700	3,000	3,000
Retirement	40,943	37,500	40,900	40,900
Health Insurance	49,126	44,000	44,600	44,600
Leave Accrual	2,175			
Subtotal	320,037	272,500	293,500	293,500
Operation and Maintenance:				
Memberships and Dues	1,235	1,900	2,400	2,400
Training and Education	150	800	1,800	1,800
Travel, Conferences, and Meetings	941	1,600	2,000	2,000
Auto Allowance	1,096	1,500	1,500	1,500
Mileage Reimbursement		100	100	100
Operating Supplies	4,819	5,200	1,800	1,800
Printing and Duplicating	2,118	1,200	300	300
Postage and Deliveries	868	1,500	500	500
Subscriptions and Books	15			
Bus Shelter Electricity	485	8,100	8,100	8,100
Telephone and Other	2,221	2,000	1,200	1,200
Medians, Parkways, and Slopes Utilities	235,570	275,000	250,000	250,000
Park Utilities	239,540	375,000	300,000	300,000
City Hall Rent	31,699	18,400	20,100	20,100
Equipment Rentals and Leases	1,751	2,800	900	900
Building Maintenance	4,484	31,400	31,400	31,400
Janitorial Maintenance	25,252	33,000	50,000	50,000
Electrical Maintenance	24,397	40,000	50,000	50,000
Building Repairs	634	2,000	2,000	2,000
Equipment Maintenance	844	1,200	500	500
Software Licenses and Maintenance		8,000	5,000	5,000
Vehicle Replacement	14,700	15,100	10,600	10,600
Vehicle Maintenance	6,363	5,000	5,000	5,000
Subtotal	599,182	830,800	745,200	745,200

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

Expense Classification	Actual 2006-07	Adopted Budget 2007-08*	Request 2008-09	Adopted Budget 2008-09
Contract Services:				
Parks/MPS** Landscape Repairs	326,429	340,000	360,000	360,000
Park Landscape Maintenance	489,580	1,048,900	1,048,900	1,048,900
Median/Slope Landscape Maintenance	258,861	496,000	510,000	510,000
Tree Maintenance	207,632	200,000	230,000	230,000
Backflow Prevention	8,668	5,000	5,000	5,000
Bus Shelter Maintenance	151,471	185,000	185,000	185,000
Professional Services - Other	31,560			
Professional Services - Project Engineering	59,200			
Street Maintenance *	1,252,783			
Subtotal	2,786,184	2,274,900	2,338,900	2,338,900
Capital Outlay:				
Equipment			264,300	264,300
Computer Software		30,200		
Subtotal	0	30,200	264,300	264,300
Activity Total	$3,705,403	$3,408,400	$3,641,900	$3,641,900
Funding Sources:				
General Fund	$2,452,620	$3,408,400	$3,641,900	$3,641,900
Gas Tax Fund	1,252,783			

* Street Maintenance costs were transferred to the new Street Maintenance/Traffic Management Division in Fiscal Year 2007-08.

** MPS = Medians, Parkways, and Slopes

PUBLIC WORKS - STREET MAINTENANCE/ TRAFFIC MANAGEMENT DIVISION BUDGET DETAIL

Expense Classification	Actual 2006-07*	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel		$196,300	$205,300	$205,300
Medicare		2,800	3,000	3,000
Retirement		39,300	41,100	41,100
Health Insurance		35,500	36,000	36,000
Leave Accrual		1,500		
Subtotal	0	275,400	285,400	285,400
Operation and Maintenance:				
Memberships and Dues		400	400	400
Training and Education			1,000	1,000
Travel, Conferences, and Meetings		400	400	400
Auto Allowance		4,400	4,300	4,300
Operating Supplies		1,700	1,400	1,400
Printing and Duplicating		400	300	300
Postage and Deliveries		500	500	500
Subscriptions and Books			200	200
Telephone and Other		700	1,100	1,100
City Hall Rent		14,700	16,000	16,000
Equipment Rentals and Leases		1,000	900	900
Equipment Maintenance		400	500	500
Traffic Signal Utilities		80,000	61,000	61,000
Miscellaneous Maintenance		10,000	10,000	10,000
Website Update Services		10,000	10,000	10,000
Subtotal	0	124,600	108,000	108,000
Contract Services:				
Traffic Engineering		51,000	114,500	114,500
Traffic Signal Maintenance		184,000	190,000	190,000
Street Maintenance		1,400,000	1,606,100	1,606,100
Curb and Gutter Repairs		5,000	5,000	5,000
Sidewalk Repairs		15,000	15,000	15,000
Subtotal	0	1,655,000	1,930,600	1,930,600

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

Expense Classification	Actual 2006-07*	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment			900	900
Furniture		800	1,000	1,000
Subtotal	0	800	1,900	1,900
Activity Total	$0	$2,055,800	$2,325,900	$2,325,900
Funding Sources:				
General Fund		$361,800	$438,800	$438,800
Gas Tax Fund		1,694,000	1,887,100	1,887,100

* Costs for this Division were transferred from the Engineering and Maintenance Divisions in Fiscal Year 2007-08.

PUBLIC WORKS - NPDES*/WATER QUALITY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopoted Budget 2008-09
Personnel:				
Full-Time Personnel	$126,873	$137,200	$148,100	$148,100
Medicare	1,892	2,000	2,100	2,100
Retirement	24,831	27,400	29,600	29,600
Health Insurance	23,921	32,600	33,000	33,000
Leave Accrual	577	1,500	1,500	1,500
Subtotal	178,094	200,700	214,300	214,300
Operation and Maintenance:				
Memberships and Dues	225	100	100	100
Training and Education	100	1,000	1,000	1,000
Auto Allowance	3,598	3,700	3,700	3,700
Operating Supplies	1,883	2,200	1,200	1,200
Printing and Duplicating	648	1,200	900	900
Postage and Deliveries	334	700	1,000	1,000
Subscriptions and Books	8	300	300	300
Telephone and Other	851	800	800	800
City Hall Rent	21,321	22,300	24,300	24,300
Equipment Rentals and Leases	916	1,100	700	700
Equipment Maintenance	441	500	300	300
Computer Maintenance and Supply		25,500	25,000	25,000
Software Licenses and Maintenance		5,000		
Vehicle Maintenance		1,000	1,000	1,000
Permits	144,658	293,000	293,000	293,000
Water Quality	122,614	132,500	160,500	160,500
Subtotal	297,597	490,900	513,800	513,800
Contract Services:				
Communications	713	16,000	10,000	10,000
Landscape Repairs	115,708	135,000	135,000	135,000
Residential Street Sweeping	208,972	185,000	190,600	190,600
Arterial Street Sweeping	93,938	97,000	99,900	99,900
Street Maintenance - Storm Drains	38,684	120,000	120,000	120,000
Subtotal	458,015	553,000	555,500	555,500

PUBLIC WORKS - NPDES*/WATER QUALITY DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopoted Budget 2008-09
Capital Outlay:				
Equipment			600	600
Subtotal	0	0	600	600
Activity Total	$933,706	$1,244,600	$1,284,200	$1,284,200
Funding Source:				
General Fund	$933,706	$1,244,600	$1,284,200	$1,284,200

* NPDES = National Pollutant Discharge Elimination System

MANAGEMENT SERVICES

DEPARTMENT DESCRIPTION

The Department of Management Services includes the divisions of Human Resources, Information Technology and Public Affairs. 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 also manages public information, including City publications, websites and communication with the media. The Director is responsible for serving as the Public Information Officer.

FISCAL YEAR 2007-08 MAJOR ACCOMPLISHMENTS

1. Purchased and implemented an applicant tracking system which includes an on-line job application program to assist staff with recruitments.
2. Created a leadership development program for employees.
3. Conducted bi-annual compensation study.
4. Implemented a new City website that utilizes web content management software to manage and update content internally.
5. Developed an employee Intranet site.
6. Evaluated the levels of service provided by the City's contract animal control partner for adequacy and performance and recommended modifications as appropriate.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Enhance existing wellness exercise program for employees.
2. Conduct Resident and Business Satisfaction survey.
3. Implement a new Lake Forest Communications Plan to optimize the use of city publications, websites, public education government channels and other communication tools to convey information to residents and businesses.
4. Update Lake Forest Strategic Information Technology Guide to plan the City's investment in technology over the next five years.
5. Post geographic information system (GIS) maps for public use on Lake Forest website.

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$471,041	$548,300	$728,300	$728,300
Operations and Maintenance	449,890	627,600	836,900	836,900
Contract Services	349,352	463,500	538,300	538,300
Capital Outlay	77,506	538,000	257,800	257,800
Activity Total	$1,347,789	$2,177,400	$2,361,300	$2,361,300
Funding Sources:				
General Fund	$1,347,789	$2,177,400	$2,361,300	$2,361,300
Total Positions:				
Full-Time	5.0	5.0	6.0	6.0

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Personnel Recruitment and Selection			
% of new hires passing probation	89%	95%	95%
% of successful recruitments	94%	95%	95%
Average # of working days to recruit	38	35	35
Employee turnover rate	11%	10%	10%
Average # of applications per open recruitment	73	40	40
Training and Development			
Performance evaluations - % completed on time	72%	90%	90%
Risk Management			
% of claims closed within 7 years	100%	100%	100%
Computer Systems			
% computer help desk calls completed within 3 days	72%	90%	90%

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Public Affairs			
% meeting publication deadlines - Leaflet	100%	90%	90%
% meeting publication deadlines - e-Newsletter	60%	90%	90%
GovPopulous Tickets			
% closed within 5 days - Cox Communications	66%	95%	95%
% closed within 5 days - Human Resources	100%	95%	95%

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$314,281	$361,100	$482,100	$482,100
Overtime	79	1,000	1,000	1,000
Part-Time Personnel	10,992	16,000	32,000	32,000
Temporary Personnel	24,200	5,000	4,000	4,000
Medicare	32,853	5,500	7,500	7,500
Retirement	50,653	73,200	97,700	97,700
Health Insurance	30,407	74,000	90,000	90,000
Annual Physical Exams	1,297	3,500	3,500	3,500
Pre-Employment Testing	3,279	3,000	4,500	4,500
Tuition Reimbursement	3,000	6,000	6,000	6,000
Subtotal	471,041	548,300	728,300	728,300
Operation and Maintenance:				
Memberships and Dues	4,111	2,700	2,500	2,500
Training and Education	3,168	34,200	29,500	29,500
Travel, Conferences, and Meetings	3,523	12,300	12,300	12,300
Auto Allowance	7,800	7,800	10,800	10,800
Mileage Reimbursement	199	800	1,000	1,000
Operating Supplies	7,534	6,700	7,200	7,200
Printing and Duplicating	1,249	1,600	1,600	1,600
Legal Advertising	9,100	10,000	20,000	20,000
Postage and Deliveries	461	55,700	53,300	53,300
Subscriptions and Books	871	900	1,000	1,000
Telephone and Other	1,869	1,700	2,200	2,200
City Hall Rent	42,453	44,300	48,400	48,400
Equipment Rentals and Leases	1,990	2,400	1,900	1,900
Equipment Maintenance	1,159	1,000	900	900
Computer Maintenance and Supply	331,933	344,500	420,700	420,700
Software Licenses and Maintenance		10,000	43,500	43,500
Website Update Services		32,200	20,000	20,000
Community Support			100,000	100,000
Liability Insurance	6,861	16,100	14,800	14,800
Workers' Compensation Insurance	4,223	4,200	6,500	6,500
Insurance - Property	17,733	20,000	21,000	21,000
Insurance - Other	3,653	18,500	17,800	17,800
Subtotal	449,890	627,600	836,900	836,900

MANAGEMENT SERVICES - ALL DIVISIONS
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services:				
Other	826	4,000	4,000	4,000
Newsletter	124,304	160,600	160,100	160,100
Citizen's Academy	1,414	4,000	4,000	4,000
Miscellaneous	19,799	65,700	55,300	55,300
Communications	108,425	96,000	98,000	98,000
General	38,860	20,000	20,000	20,000
Records Management	55,724	50,000	50,000	50,000
Information System		63,200	146,900	146,900
Subtotal	349,352	463,500	538,300	538,300
Capital Outlay:				
Equipment	40,072	60,400	47,100	57,100
Furniture	11,433	166,600	5,600	5,600
Computers	25,602	66,000	52,500	42,500
Computer Software	399	245,000	152,600	152,600
Subtotal	77,506	538,000	257,800	257,800
Activity Total	$1,347,789	$2,177,400	$2,361,300	$2,361,300

MANAGEMENT SERVICES
PUBLIC AFFAIRS DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$164,500	$223,700	$229,900	$229,900
Part-Time Personnel	10,992	16,000	16,000	16,000
Medicare	2,514	3,500	3,600	3,600
Retirement	30,584	45,700	46,600	46,600
Health Insurance	20,562	44,400	45,000	45,000
Subtotal	229,152	333,300	341,100	341,100
Operation and Maintenance:				
Memberships and Dues	455	800	800	800
Training and Education	445	1,000	1,500	1,500
Travel, Conferences, and Meetings	2,087	7,600	7,600	7,600
Auto Allowance	4,800	4,800	4,800	4,800
Mileage Reimbursement	114	500	500	500
Operating Supplies	4,312	2,800	4,800	4,800
Printing and Duplicating	888	400	400	400
Postage and Deliveries	317	54,500	52,600	52,600
Subscriptions and Books	66	300	500	500
Telephone and Other	1,207	700	1,400	1,400
City Hall Rent	25,472	26,600	29,000	29,000
Equipment Rentals and Leases	796	1,000	1,200	1,200
Equipment Maintenance	533	400	600	600
Software Licenses and Maintenance	3,250	10,000	13,500	13,500
Website Update Services		32,200	20,000	20,000
Community Support			100,000	100,000
Liability Insurance	6,861	16,100	14,800	14,800
Workers' Compensation Insurance	4,223	4,200	6,500	6,500
Subtotal	55,826	163,900	260,500	260,500
Contract Services:				
Newsletter	124,304	160,100	160,100	160,100
Citizen's Academy	1,414	4,000	4,000	4,000
Communications	107,671	96,000	98,000	98,000
General	38,860	20,000	20,000	20,000
Subtotal	272,249	280,100	282,100	282,100

MANAGEMENT SERVICES
PUBLIC AFFAIRS DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment		14,000		
Furniture	9,278	166,600	700	700
Computers		23,000	2,000	2,000
Computer Software		187,000	13,500	13,500
Subtotal	9,278	390,600	16,200	16,200
Activity Total	$566,505	$1,167,900	$899,900	$899,900
Funding Source:				
General Fund	$566,505	$1,167,900	$899,900	$899,900

INFORMATION TECHNOLOGY DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel			$103,400	$103,400
Part-Time Personnel			16,000	16,000
Medicare			1,700	1,700
Retirement			21,300	21,300
Health Insurance			15,000	15,000
Subtotal	0	0	157,400	157,400
Operation and Maintenance:				
Memberships and Dues	$440	$500	500	500
Training and Education	900	6,000	6,000	6,000
Travel, Conferences, and Meetings		2,000	2,000	2,000
Auto Allowance			3,000	3,000
Computer Maintenance and Supply	328,683	344,500	420,700	420,700
Software Licenses and Maintenance			30,000	30,000
Subtotal	330,023	353,000	462,200	462,200
Contract Services:				
Records Management	55,724	50,000	50,000	50,000
Information System		63,200	146,900	146,900
Subtotal	55,724	113,200	196,900	196,900
Capital Outlay:				
Equipment	39,861	42,400	57,100	57,100
Furniture			4,900	4,900
Computers	25,602	43,000	40,500	40,500
Computer Software	399	48,000	139,100	139,100
Subtotal	65,862	133,400	241,600	241,600
Activity Total	$451,609	$599,600	$1,058,100	$1,058,100
Funding Source:				
General Fund	$451,609	$599,600	$1,058,100	$1,058,100

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$149,781	$137,400	$148,800	$148,800
Overtime	79	1,000	1,000	1,000
Temporary Personnel	21,686	5,000	4,000	4,000
Medicare	2,269	2,000	2,200	2,200
Retirement	30,091	27,500	29,800	29,800
Health Insurance	30,407	29,600	30,000	30,000
Annual Physical Exams	1,297	3,500	3,500	3,500
Pre-Employment Testing	3,279	3,000	4,500	4,500
Tuition Reimbursement	3,000	6,000	6,000	6,000
Subtotal	241,889	215,000	229,800	229,800
Operation and Maintenance:				
Memberships and Dues	3,216	1,400	1,200	1,200
Training and Education	1,823	27,200	22,000	22,000
Travel, Conferences, and Meetings	1,436	2,700	2,700	2,700
Auto Allowance	3,000	3,000	3,000	3,000
Mileage Reimbursement	85	300	500	500
Operating Supplies	3,222	3,900	2,400	2,400
Printing and Duplicating	361	1,200	1,200	1,200
Legal Advertising	8,783	10,000	20,000	20,000
Postage and Deliveries	461	1,200	700	700
Subscriptions and Books	805	600	500	500
Telephone and Other	662	1,000	800	800
City Hall Rent	16,981	17,700	19,400	19,400
Equipment Rentals and Leases	1,194	1,400	700	700
Equipment Maintenance	626	600	300	300
Insurance - Property	17,733	20,000	21,000	21,000
Insurance - Other	3,653	18,500	17,800	17,800
Subtotal	64,041	110,700	114,200	114,200
Contract Services:				
Other	826	4,000	4,000	4,000
Newsletter		500		
Miscellaneous	19,799	65,700	55,300	55,300
Communications	754			
Subtotal	21,379	70,200	59,300	59,300

MANAGEMENT SERVICES - HUMAN RESOURCES DIVISION
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Capital Outlay:				
Equipment	211	4,000		
Furniture	2,155			
Computer Software		10,000		
Subtotal	2,366	14,000	0	0
Activity Total	$329,675	$409,900	$403,300	$403,300
Funding Source:				
General Fund	$329,675	$409,900	$403,300	$403,300

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 2007-08 MAJOR ACCOMPLISHMENTS

1. Completed construction of Serrano Creek and Cavanaugh Mini-Park Playground renovations.
2. Coordinated design and construction of a universally accessible playground at Pittsford Park.
3. Began implementation of Community Services Department Five-Year Strategic Plan.
4. Coordinated acceptance of six irrevocable offers of dedication parks to City ownership.
5. Filed Articles of Incorporation for Lake Forest Foundation.
6. Began design of snack bar and concession stand at Heroes Park.
7. Initiated "Take a Hike Lake Forest" program.
8. Transitioned programs provided under the current agreement with Saddleback Valley Unified School District to the City including preschool programs, special events and the Autumn Harvest Festival.
9. Provided additional recreation programs for families including: Arbor events, First Responder's Appreciation Event, expanded Nature Park programs and Inaugural Pet Day.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Complete construction of universally accessible playground.
2. Coordinate design and construction at various parks: Alton, Borrego, El Toro, Foothill Community and Ranchwood Parks.
3. Increase contract class revenue and cost recovery.
4. Assist in the design, planning and acquisition of proposed recreational facilities including but not limited to: Community Sports Park, Community Center, and Regency/Normandale Park.
5. Begin construction of snack bar and concession building at Heroes Park.
6. Establish 501(c)(3) Lake Forest Foundation.
7. Increase skatepark cost recovery.
8. Coordinate design for skatepark improvements.

COMMUNITY SERVICES
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel	$1,037,448	$1,213,200	$1,381,500	$1,381,500
Operations and Maintenance	1,306,713	1,495,500	1,686,600	1,679,600
Contract Services	74,746	38,500	39,000	39,000
Capital Outlay	57,216		30,600	30,600
Activity Total	$2,476,123	$2,747,200	$3,137,700	$3,130,700
Funding Sources:				
General Fund	$2,159,815	$2,373,600	$2,753,800	$2,753,800
Etnies Skatepark Fund	310,975	366,600	376,900	376,900
Community Development Block Grant	5,333	7,000	7,000	
Total Positions:				
Full-Time	10.0	10.0	10.0	10.0

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Recreation			
# of elementary students in SVUSD participating in after school programs*	64,245	70,000	70,000
# of teens participating in City programs	3,916	4,500	4,500
# of seniors participating in City programs	45,687	50,000	50,000
# of participants in City programs**	205,887	225,000	225,000
Recreation class revenue	$13,866	$12,000	$25,000
Cost recovery rate	6%	7%	8%

* This performance measurement was changed from percentages to student numbers in Fiscal Year 2007-08. This change was applied retroactively to Fiscal Year 2006-07.

** New performance measurement for Fiscal Year 2008-09, applied retroactively.

COMMUNITY SERVICES
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel	$487,396	$604,900	$632,700	$632,700
Overtime	2,187	2,000	2,000	2,000
Part-Time Personnel	279,727	295,700	433,700	433,700
Temporary Personnel	43,589	10,000	10,000	10,000
Medicare	11,157	13,200	12,700	12,700
Retirement	116,314	139,400	140,400	140,400
Health Insurance	97,078	148,000	150,000	150,000
Subtotal	1,037,448	1,213,200	1,381,500	1,381,500
Operation and Maintenance:				
Memberships and Dues	1,164	2,200	2,700	2,700
Training and Education		1,200	1,000	1,000
Travel, Conferences, and Meetings	5,398	9,800	10,800	10,800
Herrin Travel	15	2,300	2,400	2,400
Manning Travel		2,300	2,400	2,400
Morrell Travel	1,119	2,300	2,400	2,400
Rosenberg Travel	1,357	2,300	2,400	2,400
Zeiler Travel	821	2,300	2,400	2,400
Commissioner Stipend	2,190	3,300	3,300	3,300
Auto Allowance	10,800	10,800	10,800	10,800
Mileage Reimbursement	960	1,100	1,100	1,100
Operating Supplies	32,258	49,900	59,100	59,100
Printing and Duplicating	4,426	6,800	6,900	6,900
Postage and Deliveries	1,468	4,800	6,500	6,500
Subscriptions and Books	30			
Uniforms	2,010	1,800	4,000	4,000
Telephone and Other	15,432	20,300	28,000	28,000
City Hall Rent	105,591	110,400	120,400	120,400
Community Center Rent	63,208	66,000	72,000	72,000
Equipment Rentals and Leases	13,094	18,500	22,400	22,400
Equipment Maintenance	2,435	1,800	3,500	3,500
Computer Mantenance and Supply	8,398			
Software Licenses and Maintenance		8,000	8,000	8,000
Website Update Services		8,000	9,000	9,000
Vehicle Replacement	7,000	7,000		
Vehicle Maintenance	4,587	4,000	8,500	8,500

COMMUNITY SERVICES
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Operation and Maintenance (continued):				
Holiday Banners	8,609	24,000	40,700	40,700
Community Support			10,000	10,000
Community Services Programs	2,000	2,600	3,000	3,000
General Liability Insurance	13,721	33,200	42,300	42,300
Workers' Compensation Insurance	8,447	9,800	7,000	7,000
Community Events	117,644	183,300	242,400	242,400
Skatepark Programs	18,053	34,200	33,000	33,000
SVUSD** Recreation Programs	632,257	570,000	579,500	579,500
Senior Mobility Program	32,412	36,000	38,000	38,000
Teen Programs	28,707	66,000	44,700	44,700
Senior Programs	137,012	161,900	188,900	181,900
Excursions	17,340	17,300	25,200	25,200
Recreation Classes	6,750	10,000	41,900	41,900
Subtotal	1,306,713	1,495,500	1,686,600	1,679,600
Contract Services:				
Miscellaneous	74,746	38,500	39,000	39,000
Subtotal	74,746	38,500	39,000	39,000
Capital Outlay:				
Equipment	56,953		3,600	3,600
Vehicles			27,000	27,000
Computer Software	263			
Subtotal	57,216	0	30,600	30,600
Activity Total	$2,476,123	$2,747,200	$3,137,700	$3,130,700

** 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 including Crime Prevention, Community Awareness and volunteer programs. The department also administers the animal control contract with the County of Orange Health Care Agency.

FISCAL YEAR 2007-08 ACCOMPLISHMENTS

1. A national firm ranked Lake Forest the 8th safest city for cities of its size and the 10th safest city in the U.S. overall. Deputies were responsible for 1,078 in-custody arrests and 414 warrant arrests.
2. Traffic enforcement continued as a priority for Police Services. Police Services' personnel issued 4,517 citations for moving violations and 5,534 parking citations. Injury traffic collisions decreased slightly from 196 to 187, and all collisions decreased from 644 to 542. The traffic index was 27.2 for 2007.
3. Driving Under the Influence (DUI) enforcement was also a priority in 2007. DUI was the second highest causal factor in traffic collisions within the City. Working with the department's DUI task force, a DUI checkpoint and several roving units were deployed to supplement the existing patrol force, resulting in numerous drunk driving arrests, citations and vehicle impounds. In addition to state grant funded opportunities, Police Services deployed several directed DUI enforcement teams to supplement our enforcement effort. As a result, Lake Forest Police Services made 274 arrests for driving under the influence, more than any other contract city.
4. The Traffic Enforcement and Education Program was implemented. Two mobile radar trailers were purchased to replace old, inoperable equipment. The assets have been deployed on a regular basis. Fixed speed indicator signs will be deployed in optimal locations to reduce speed and prevent speed-related collisions. The program remains in the implementation stage and continues to develop. As a result, program outcomes have not been measured.
5. Preparing the community for emergencies continued to be a priority and was accomplished. The third annual Community Preparedness Academy was completed. This 8-week program is a joint effort between the City, the Orange County Sheriff's Department, the Orange County Fire Authority, Medix Ambulance Service and the American Red Cross, and has been designed to teach participants the basics of disaster preparedness. In addition, Lake Forest held the second Community Emergency Preparedness Expo. Hundreds of local residents attended this one-day event and were presented with preparedness information and materials from a host of participants. The recent addition of a Public Safety Manager will enable the City to broaden preparedness programs and continue community education and preparation efforts.
6. Neighborhood Watch and Business Watch outreach continued. The number of participants remained unchanged during this fiscal year.

FISCAL YEAR 2007-08 ACCOMPLISHMENTS (continued)

7. The newly-added Public Safety Manager has assumed responsibility for emergency preparedness, the City's Hazardous Mitigation Plan, and emergency operations. The City's emergency response system was tested in October 2007 during the Santiago Fires and was proven successful.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Continue to provide an effective and aggressive traffic enforcement program, utilizing grant monies from the Office of Traffic Safety, to ensure the safety of motorists and reduce the number of injury traffic accidents.
2. Implement mass notification system. Utilize the system for city or regional emergencies and, when appropriate, crime trend notifications to affected members of the community as a crime prevention tool.
3. Continue efforts to improve residents' ability to prepare for, respond to, and recover from a disaster by hosting Community Preparedness Academies for community members, as well as another one-day disaster preparedness event for the general public.
4. Continue to participate in regional emergency operations exercises. Develop, submit and obtain FEMA approval of the City's Hazard Mitigation Plan. Design and implement table-top emergency preparedness exercises for City employees to test National Incident Management System and emergency operation center protocols. Participate in local and regional emergency exercises.
5. Implement paper shredding program to reduce incidents of fraud and identify theft. Program will be conducted at City Hall and advertised in the Leaflet, at community events, and during Neighborhood Watch presentations. Target outcome is a reduction of fraud and identity theft in the first year of the program.
6. Implement the Tracking Automated and Graffiti Reporting System (TAGRS) and develop procedures for reporting, monitoring, and apprehending vandals. The concept of this program focuses on abatement, cost recovery and prosecution. Targeted outcomes include a significant reduction in incidents of graffiti, decreased costs of abatement, and increased clearance rates (solved cases).
7. Implement Barking Dog Ordinance as directed by City Council. Reduce barking dog complaints by 20% by Fiscal Year 2008-09 end.
8. Implement recommendations and initiatives as directed by the City Council for the Animal Control Study.

POLICE SERVICES
BUDGET OVERVIEW

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel		$120,800	$194,100	$194,100
Operations and Maintenance	$312,930	360,300	471,900	471,900
Contract Services	9,999,653	11,408,700	12,177,700	12,178,800
Capital Outlay	2,990	71,900	272,000	121,000
Activity Total	$10,315,573	$11,961,700	$13,115,700	$12,965,800
Funding Sources:				
General Fund	$10,161,114	$11,848,700	$12,960,300	$12,827,000
Supplemental Law Enforcement Services Fund	154,459	113,000	155,400	138,800
Total Positions:				
Full-Time		1	2	2
Contract Personnel	54.63	55.63	55.63	55.63

PERFORMANCE MEASURES

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Community Policing			
# of community/school presentations	200	200	200
Hours of community policing unit services	2,394	2,000	2,080
# of neighborhood watch presentations	26	40	40
# of neighborhood watch participants	2,500	2,400	2,500
# of business watch participants	600	600	600
Patrol Services			
Average response time: emergency call (minutes)	4:35	5:00	5:00
Average response time: routine call (minutes)	10:28	12:00	12:00
Crime rate per 1,000 pop: UCR Class I crimes	15	15	15
Crime rate per 1,000 pop: UCR Class II crimes	30	29	29
% of preventive patrol time	39%	40%	40%

PERFORMANCE MEASURES (continued)

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Traffic Enforcement and Reporting			
Traffic enforcement index*	27	28	28
Injury traffic collisions	196	187	167
Speed related collisions	127	118	100
Graffiti Program (TAGRS)**			
Incidents of graffiti	326	296	266
Paper Shredding Program			
Incidents of fraud and identify theft	274	329	296
Animal Control			
Animals Impounded	537	604	600
Animal licenses issued	7,747	8,514	8,500
Barking dog complaints	843	800	660
Barking dog cases resolved	N/A	N/A	24
Assistance for lost/adoptable pets	N/A	N/A	48
Orange County Animal Control programming events***	N/A	2	2

* Traffic Enforcement Index is the number of citations issued for moving violations for each injury traffic collision.

** Tracking Automated Graffiti Reporting System

*** Events include pet adoptions, licensing, and vaccinations.

POLICE SERVICES
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Personnel:				
Full-Time Personnel		$87,200	$135,100	$135,100
Medicare		1,300	2,000	2,000
Retirement		17,500	27,000	27,000
Health Insurance		14,800	30,000	30,000
Subtotal	0	120,800	194,100	194,100
Operation and Maintenance:				
Membership and Dues	$130	900	900	900
Training and Education	155	5,800	6,500	6,500
Travel, Conferences, and Meetings	6,993	16,800	16,800	16,800
Auto Allowance		3,000	3,000	3,000
Operating Supplies	25,417	37,000	37,600	37,600
Printing and Duplicating	3,069	1,100	7,700	7,700
Postage and Deliveries	596	1,800	1,000	1,000
Subscriptions and Books	55			
Uniforms	10,292	10,000	10,000	10,000
Telephone and Other	1,209	2,100	2,300	2,300
City Hall Rent	130,166	135,900	148,400	148,400
Equipment Rentals and Leases	1,592	2,900	5,500	5,500
Equipment Maintenance	3,665	1,300	4,000	4,000
Software Licenses and Maintenance			55,000	55,000
Vehicle Replacement	50,900	73,000	62,200	62,200
Vehicle Operation and Maintenance	51,658	41,000	52,400	52,400
Community Services Programs	27,033	27,700	35,000	35,000
Insurance - Liability			23,600	23,600
Subtotal	312,930	360,300	471,900	471,900
Contract Services:				
Other		40,000		
Law Enforcement*:				
Administration (2.0)	407,132	470,100	526,200	526,200
Patrol Operations:				
Patrol Sergeants (4.5)	836,168	760,900	874,600	874,600
Patrol (31.0)	5,025,043	5,936,100	6,496,100	6,479,500
Investigations:				
Investigations (4.0)	719,582	854,500	931,500	931,500

POLICE SERVICES
BUDGET DETAIL (continued)

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Contract Services (continued):				
Traffic:				
Motorcycle Deputies (4.0)	662,773	741,500	805,900	805,900
Commercial/Traffic Enforcement (1.0)	511,282	578,600	212,500	212,500
Community Service Officers (4.0)	302,982	453,000	525,700	525,700
Parking/Traffic Enforcement	246,173			
Community Programs:				
Community Services/ Crime Prevention (3)**			493,900	493,900
Support and Other (2.13)	805,336	920,500	774,700	792,400
800Mhz Maintenance/Operation	35,258	19,000	21,000	21,000
Mobile Data Computers Maintenance/Operation	160,340	230,000	111,100	111,100
Animal Control	66,691	149,500	149,500	149,500
Crossing Guards	217,119	250,000	250,000	250,000
Parking Ticket Administration	3,774	5,000	5,000	5,000
Subtotal	9,999,653	11,408,700	12,177,700	12,178,800
Capital Outlay:				
Equipment	1,205	40,000	269,500	118,500
Vehicles		25,000		
Furniture	1,785	4,700	2,500	2,500
Computers		2,200		
Subtotal	2,990	71,900	272,000	121,000
Activity Total	$10,315,573	$11,961,700	$13,115,700	$12,965,800

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

** Activity from this new category was included primarily in the Support and Other category prior to Fiscal Year 2008-09.

FIRE SERVICES

DEPARTMENT DESCRIPTION

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

FISCAL YEAR 2007-08 ACCOMPLISHMENTS

1. Participated in City Safety Fair (Fall 2007).
2. Santiago Fire - prevention, preparation, response, and recovery.
3. Post fire recovery efforts included:
   a. Met with homeowners' associations to assist with repair of Fuel Modification Zones.
   b. Worked with City and County agencies to prepare for potential mudslides and debris flows below burned areas during the rainy season.
4. Assisted with selection of new City Public Safety Manager (January 2008).
5. Provided Life and Fire Safety Puppet Programs for Kindergarten through third grade (March 2008).
6. Delivered Team Fire Force Program for fourth-graders. This is a three-phase fire safety course that involves the Orange County Fire Authority (OCFA), teachers, and parents. Team Fire Force replaces the older Junior Firefighter Program, and the materials are tied to State academic curriculum standards.
7. Participated in mock driving under the influence crash at El Toro High School in April.

FISCAL YEAR 2008-09 MAJOR INITIATIVES

1. Update the Pre-Fire Plan for "The Woods." This updated emergency plan will provide specific details about the burning characteristics of the fuels in this area, along with tactical plans for firefighting, rescue, water supply, evacuation, and interagency coordination.
2. Participate in Fourth of July Parade. The OCFA will have an entry in the parade with applicable fire prevention messages.
3. Assist with High Fire Hazard Severity Zone Mapping System. OCFA will continue to monitor the impacts upon the City and residents of Lake Forest.
4. Investigate a Red Flag Patrol Program using the Laguna Niguel model. The Red Flag Patrol Program would use pre-trained citizen volunteers to act as additional "eyes and ears" to help prevent arson during hot, dry, Santa Ana winds.
5. Participate in City Emergency Operations Center exercises.

FIRE SERVICES BUDGET OVERVIEW

The Orange County Fire Authority 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 is an Internal Service Fund created to isolate the costs of vehicles and then allocating those costs to the appropriate operating departments. The Departments that have vehicles each pay an amount which is shown as an expenditure item in the operating department budget. This payment becomes revenue for the Vehicle Replacement Fund.

VEHICLE REPLACEMENT
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Public Works Department:				
Pick-Up Truck		$26,100		
Development Services Department				
Pick-Up Truck (2)			$54,200	$54,200
Community Services Department				
Club Wagon		34,700		
Police Services Department:				
Van				
Motorcycle	$23,300	24,800*	51,600	51,600
Depreciation Expense:	53,957			
Activity Total	$77,257	$85,600	$105,800	$105,800

* This vehicle was included in the Fiscal Year 2007-08 Budget as a van instead of a motorcycle. Thus, this situation has been corrected.

CAPITAL EXPENDITURES

DEPARTMENT DESCRIPTION

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

CAPITAL EXPENDITURES
BUDGET DETAIL

Expense Classification	Actual 2006-07	Adopted Budget 2007-08	Request 2008-09	Adopted Budget 2008-09
Street Resurfacing and Slurry Seal	$1,840,230	$2,100,000	$2,100,000	$2,100,000
Borrego Park Turf Improvements		59,400		
Traffic Signal Preemption		390,000		
Trabuco Road Master Plan of Arterial Highways	126,589			
Vintage Woods Traffic Signal	21,350			
Rockfield at Home Depot Traffic Signal	95,699			
El Toro Corridor - Right-of-Way	1,170,310			
El Toro Corridor - Construction	886,400			
El Toro Road Gateway	(185,353)			
El Toro Frontage Road Storm Drain	384,590			
Pheasant Street Storm Drain	2,563			
Commercentre Traffic Signal Interconnection*		258,000		
Installation of Street Lights at Various Locations		420,000		
El Toro Road Enhanced Landscape Lighting		55,000	138,000	138,000
El Toro Road/Swartz Landscape Median and Monument		163,000		
Lake Forest Drive Drainage Improvements		45,000	230,000	230,000
Sidewalk Repairs	10	80,000	80,000	80,000
Traffic Management Center Project Study Report		250,000		
Neighborhood Traffic Improvements:				
Rue de Fortuna Traffic Signals at Bake and Cabriole		70,000	430,000	430,000
Trabuco Road at Lake Forest Drive		94,000		
Light Industrial Area Street Improvements		118,000	232,000	232,000
Railroad Access Road Landscaping	12,663			
Parks and Recreation Five-Year Strategic Plan		4,000,000	4,000,000	4,000,000
Rockfield Raised Landscape Median	43,770			
El Toro/Trabuco Intersection Improvements	85,104			
Normandale Park	7,792			
Serrano Creek Playground Equipment	31,647			
Heroes Park Snack Bar and Restroom		45,000	400,000	400,000
Americans with Disabilities Access Ramp Improvements	187,780	431,000	431,000	431,000
Watershed Management Projects			562,200	562,200
Jeronimo Road Streetscape Project			450,000	450,000
El Toro Road Streetscape Project - Phase 1			120,000	120,000
Universally Accessible Playground		350,000		105,200
Park Fitness Center				65,000
Activitiy Total	$4,711,144	$8,928,400	$9,173,200	$9,343,400

CAPITAL EXPENDITURES
BUDGET DETAIL (continued)

Funding Source(s):				
General Fund	$14,967	$1,130,400	$1,071,000	$1,071,000
Capital Improvement Projects Fund	2,587,435	6,301,000	6,841,200	6,841,200
Measure M Fund	1,825,263	1,029,000	1,029,000	1,029,000
Community Development Block Grant	187,780	350,000	0	170,200
Redevelopment Agency Operating Fund	95,699	118,000	232,000	232,000

* Project cancelled in the Mid-Year Budget Review on March 4, 2008

Section Five

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GENERAL FUND

Description

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

Expenditure Detail

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
City Council	$200,225	$219,400	$232,450
City Manager	698,613	889,100	929,700
Redevelopment/ Economic Development	122,322	247,400	331,300
City Attorney	806,915	705,000	798,000
City Clerk	638,113	778,500	806,300
Finance	891,166	907,200	1,076,400
Development Services	2,553,429	2,867,900	2,772,000
Public Works	5,560,774	6,860,800	7,296,600
Management Services	1,347,789	2,177,400	2,361,300
Community Services	2,159,815	2,373,600	2,753,800
Police Services	10,161,114	11,848,700	12,827,000
Capital Projects	14,967	1,130,400	1,071,000
TOTAL	$25,155,242	$31,005,400	$33,255,850

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 or maintenance of public streets.

Expenditure Detail

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Street Maintenance:			
Contract Street Maintenance	$1,252,783	$1,400,000	$1,606,100
Traffic Signal Maintenance	283,948	184,000	190,000
Traffic Signal Utilities	58,505	80,000	61,000
Sidewalk Repairs		15,000	15,000
Curb and Gutter Repairs		5,000	5,000
Miscellaneous Repair and Replacement		10,000	10,000
TOTAL	$1,595,236	$1,694,000	$1,887,100

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 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Street Repaving and Slurry Seal	$1,825,263	$1,029,000	$1,029,000

ETNIES SKATEPARK FUND

Description

The Etnies Skatepark Fund is used to account for revenues received from Etnies, Coca-Cola and other sponsors. The expenditures account for operations of the Skatepark.

Expenditure Detail

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Personnel	$255,540	$281,100	$280,100
Operations and Maintenance	55,385	85,500	96,800
Capital Outlay	50		
TOTAL	$310,975	$366,600	$376,900

POLICE GRANTS FUND

Description

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

Expenditure Detail

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Law Enforcement - Patrol (Brulte)	$154,459	$113,000	$138,800

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 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Administration	$35,654	$37,100	$47,800
Code Enforcement	65,000	147,200	100,000
Operating Supplies	53	1,200	
Rebuilding Together		6,000	6,000
Housing Rehabilitation	233,238	191,000	138,300
Neighborhood Pride		12,000	12,000
Saguaro Neighborhood Pride			1,800
Citywide Paint Program	41,352	40,000	45,000
Affordable Housing	242,594		
Public Service Grants	70,148	82,400	71,800
Professional Services - Audit	7,255	4,000	7,500
Professional Services - Redevelopment Agency		49,600	
Consulting Services - General	20	1,000	16,400
Technical Studies	32,390	4,000	
Universally Accessible Playground		350,000	105,200
Wheelchair Access Ramps	187,780		
Park Fitness Center			65,000
Total	$915,484	$925,500	$616,800

VEHICLE REPLACEMENT FUND

Description

The Vehicle Replacement Fund is used to isolate the costs of the City's vehicles and allocate those costs to the operating departments. The departments utilizing vehicles will pay an amount shown as an expenditure in their budgets. This payment becomes revenue for the Vehicle Replacement Fund.

Expenditure Detail

Description	Actual 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Vehicles	$77,257	$85,600	$105,800

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 2006-07	Adopted Budget 2007-08	Adopted Budget 2008-09
Professional Services - Other	$2,020	$2,500	$2,200
Certificate Lease Payment	549,348	550,000	555,000
	$551,368	$552,500	$557,200

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 2007-08	Adopted Budget 2008-09	Adopted Budget 2008-09
Capital Projects	$2,587,435	$6,301,000	$6,841,200

Section Six

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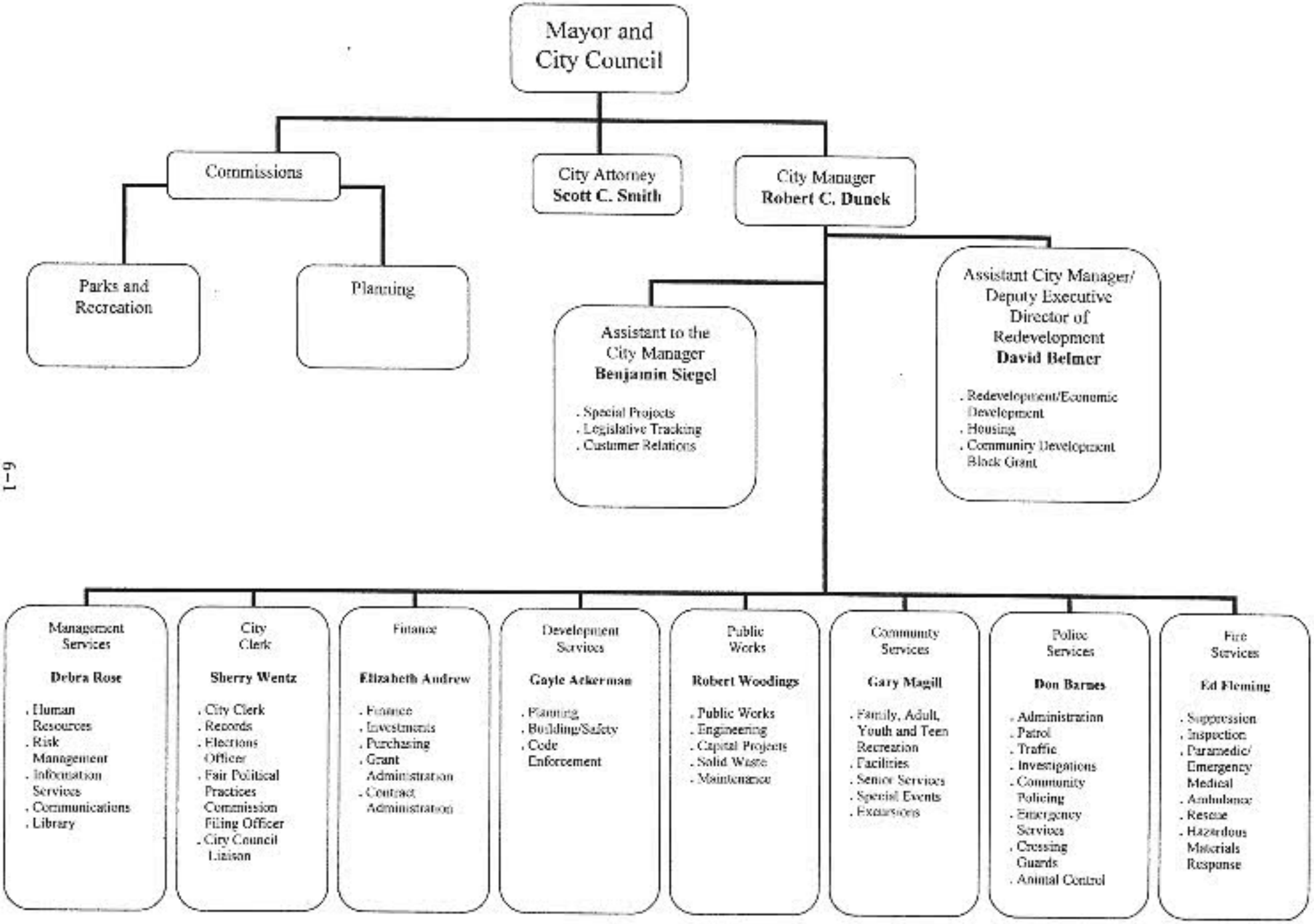
ORGANIZATIONAL CHART



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 feeling. 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 located in the Heritage Hill Historical Park, which was a part of the family's original ranch.

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, the Lake Forest area has a long history. 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. Steadily, the Lake Forest area was built into the City we have today.

The steps toward City-hood 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 City-hood for Lake Forest. The group was successful in putting the Measure on the ballot and City-hood 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 also grown in size from its original incorporated boundaries as a result of several annexations. The City 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 not only a slogan but a tie of the City's history with the events of today and the future.

DEMOGRAPHIC FACTS AND FIGURES

TO BE UPDATED
Demographic Breakdown*

Population	82,194
City Size	16.6 square miles
Housing Units	28,402
Ethnic Composition	
White	56.8%
Hispanic	19.8%
Asian/Pacific Islander	10%
Black	1.2%
Other	12%
Median Age	36.2
Median Income	$90,443

*Sources: California Department of Finance and Demograhics Now. (as of 2007)

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. The Capital Improvements Program plan is for seven years and is updated annually.

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 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 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 divisions financed by the General Fund include City Council, Police Services and Parks and Recreation.

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 expenditures/expenses.

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, motor vehicles, 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.