

City of Laguna Woods Fiscal Year 2015-16 Budget & Work Plan



City of Laguna Woods
24264 El Toro Road
Laguna Woods, CA 92637
www.cityoflagunawoods.org

June 24, 2015

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City of Laguna Woods

Fiscal Year 2015-16 Budget & Work Plan

June 24, 2015



Cynthia Conners
Mayor

Noel Hatch
Mayor Pro Tem

Bert Hack
Councilmember

Shari L. Horne
Councilmember

Carol Moore
Councilmember

Christopher Macon
City Manager

Margaret Cady, CPA
Administrative Services Director/
City Treasurer

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TRANSMITTAL LETTER

June 24, 2015

Honorable Mayor and Members of the City Council:

It is my privilege to present for your review and consideration the draft Fiscal Year 2015-16 Budget & Work Plan. This document proposes a scope of work and financial plan for the City of Laguna Woods to undertake during the fiscal year beginning on July 1, 2015 and ending on June 30, 2016.

The programs, projects, and services provided for herein, are intended to continue to fulfill the City's legal responsibilities as set forth in State law and advance efforts with respect to the City Council's six priority focus areas (see *below*). The priority focus areas articulate the goals and intended outcomes of this budget and work plan, while also reinforcing the City's commitment to the delivery of exemplary municipal services rich in public value.

City Council's Priority Focus Areas

A City that is...

- Healthy and safe
- High in quality of life
- Environmentally conscious
- Economically prosperous
- Fiscally responsible
- Professionally and efficiently served

In addition to the City Council's priority focus areas and other directives and policies, this budget and work plan was developed to meet the challenges of a new fiscal reality. Faced with a higher level and cost of ongoing law enforcement services to respond to local public safety needs, it is imperative that the City adapt its operations to a new economic climate. Adding to the urgency for such action is the modest future growth estimated for the City's major sources of General Fund operating revenue – property tax and sales tax – neither of which is projected to increase at a level that will allow for the absorption of increased costs and conduct of “business as usual.”

While the challenges presented by increasing law enforcement services costs are most immediate, the City must also continue to be mindful of the risks posed by the lack of a strong and diversified local sales tax base, as well as a downward trend in fuel tax revenue due, in part, to a statewide reduction in gasoline prices and consumption. In either case, the City's ability to perform core municipal functions could be impaired by fluctuations in revenues that are relied upon to meet day-to-day operational and maintenance needs. In the case of sales tax, those fluctuations could occur with relatively little or no notice with the closure of any major retail or food service business.

To promote overall fiscal health and sustainability, this budget and work plan continues efforts begun in Fiscal Year 2014-15 to significantly enhance the efficiency, effectiveness, and economy of City business. Central to those enhancements is a conservative approach to budgeting, ongoing structural reorganization of City personnel, and implementation of a work plan that seeks to strengthen the City's administrative "backbone." Significant work plan items, including an update of the City's investment policy, establishment of an other post-employment benefits trust, strategic financial planning in advance of an anticipated transition to two-year budgets and work plans, consideration of the formation of a civic support fund, modernization of the City's commercial zoning code, and increased consideration of business and economic issues in the City's General Plan, are indicative of the City's commitment to charting an economically successful path forward.

The City will continue to maintain healthy reserves in spite of the challenges of its new fiscal reality, with a projected General Fund unassigned balance of \$7,364,496 (or, 149% of General Fund operating expenditures) as of June 30, 2016. To promote fiscal prudence, this budget and work plan also includes an update of the City's policies regarding reserves.

Though certain service levels must change as a result of economic pressures and uncertainties, this budget and work plan continues many of the City's most popular and impactful services. Of particular note is the Senior Mobility Program, which subsidizes the cost of taxi transportation for residents who are 60 years of age and older. The Senior Mobility Program will continue with no changes in pricing and with no supplemental appropriations required from the General Fund. While the future of approximately 20% of the program's funding remains uncertain, we are hopeful that a funding extension will be secured from the Orange County Transportation Authority.

One of the most significant undertakings included in this budget and work plan is the General Plan Comprehensive Update Project. The General Plan is

the City's State-mandated, long-term plan for the physical development of Laguna Woods with elements relating to circulation, conservation, housing, land use, noise, open space, and safety. In addition to guiding the City's approach to the aforementioned issues for the next 25 years, the updated General Plan will include a new economic vitality element to address business attraction, business retention, and fiscal issues. Throughout the process, there will be numerous opportunities for public input and collaborative dialogue.

This budget and work plan exists within a broader political context. In light of California's drought, Governor Brown's mandatory water reductions, and the City's longstanding focus on environmental issues (as evidenced, in part, by the recent adoption of the City's Climate Adaptation Plan), this budget and work plan includes a Drought Conscious Development Regulations Update Project and design for the Moulton Parkway Water Efficient Median Project.

In last year's budget and work plan transmittal letter, I wrote that "*City Hall is changing the way it does business and as a partner in supporting the fabric of this great community, the City is now more committed than ever to being responsive to local needs.*" I am pleased to report that improvements made in Fiscal Year 2014-15 are resulting in higher organizational performance and customer satisfaction. We are particularly proud to have expanded building and planning permit counter hours, increased capacity for over-the-counter plan review, and decreased plan review turnaround times, all of which were clearly identified as concerns by both residents and businesses alike.

Finally, in closing, I would like to reiterate the sense of partnership that the City feels with the broader Laguna Woods community. This budget and work plan has been developed with an abiding concern for the quality of life, health, safety, wellness, and wellbeing of those who call Laguna Woods home. While it is true that the City faces challenges ahead, actions undertaken in Fiscal Year 2014-15, and those planned for Fiscal Year 2015-16, continue to build a stronger, more sustainable, and more vibrant City of Laguna Woods.

Respectfully submitted,



Christopher Macon
City Manager

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1.0. CITY BACKGROUND

This chapter is intended to provide a brief overview of the City of Laguna Woods in order to establish a context for understanding the decision-making that resulted in this budget and work plan.

A BRIEF HISTORY

Laguna Woods, California occupies approximately three square miles of land that was once a part of South Orange County's expansive Moulton Ranch. Prior to the 1960s, dry farming and cattle grazing dominated the area, with a few scattered ranch dwellings and barns.

In 1962, Ross Cortese, a young developer whose previous projects included Rossmoor and Leisure World Seal Beach, purchased a portion of the Moulton Ranch. His goal was to create a second Leisure World community or, as he said, "to supply the basic needs of life for people aged 52 and older; create a serene atmosphere of beauty; and provide security, recreation, and religious facilities – then leave the living to the individual." His dream materialized and in 1964 Leisure World Laguna Hills received its first residents.

The prospect of incorporation first arose in 1971 and was a lingering issue until 1996, when the potential for a reduction in County services and the possibility of a commercial airport at the nearby site of the former Marine Corps Air Station, El Toro, became very real concerns. Proponents of cityhood were successful in gaining the necessary approvals and signatures to place the issue of incorporation on the ballot for a special election on March 2, 1999.

On March 24, 1999, Laguna Woods officially became Orange County's 32nd city. In an afternoon ceremony, Superior Court Judge Francisco F. Firmat swore in the five-newly elected members of the City Council.

Today, Laguna Woods is bordered by unincorporated areas, as well as the cities of Aliso Viejo, Irvine, Laguna Beach, and Laguna Hills. It includes the private gated community of Laguna Woods Village (formerly Leisure World Laguna Hills), several senior-oriented residential communities, a number of commercial centers, three public parks, and additional open space areas.

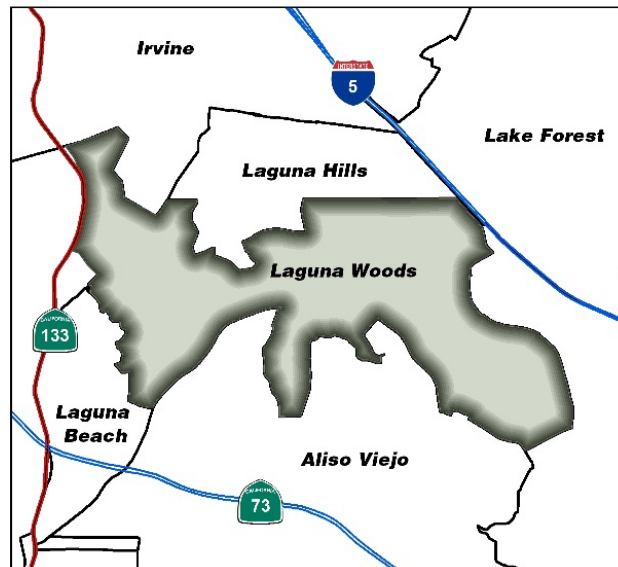
The City of Laguna Woods celebrated its 16th anniversary in 2015.

PHYSICAL LOCATION

Laguna Woods occupies approximately three square miles of land in Orange County, California and is bordered by the cities of Aliso Viejo, Irvine, Laguna Beach, and Laguna Hills, as well as unincorporated and undeveloped open space owned by the County of Orange and the City of Laguna Beach.

Transportation routes near Laguna Woods include the Interstate 5 Freeway (I-5) and State Routes 73 (SR-73) and 133 (SR-133). Portions of SR-73 and SR-133 are operated as toll roads by the Transportation Corridor Agency.

[Regional Location]



LOCAL GOVERNMENT

The City of Laguna Woods is a “general law city” with a “Council-Manager” form of local government, meaning that it operates within the parameters of California municipal law with an elected City Council that is responsible for legislative and policy functions. The City Council appoints and supervises a professional City Manager charged with the “day-to-day” responsibilities of managing the City and implementing City Council laws and policy. The City Council also appoints a City Attorney to serve as the City’s legal counsel. The five members of the City Council are residents elected at large by registered voters to four-year terms. Elections are held in even numbered years with two and then three Councilmembers elected at subsequent elections. The City Council appoints a Mayor and Mayor Pro Tem from amongst its membership.

[Elected Officials]

Mayor..... Cynthia Conners
Mayor Pro Tem..... Noel Hatch
Councilmember..... Bert Hack
Councilmember..... Shari L. Horne
Councilmember..... Carol Moore

[Key Appointed Officials]

City Manager..... Christopher Macon
City Attorney..... David B. Cosgrove

The City has eight and one-half full-time equivalent (FTE) employees who are responsible for delivering a full range of municipal services. The City operates as a “contract city” meaning that its small staff leverage the resources of a variety of contract, franchise, and joint powers agencies to provide efficient, effective, and economical services. If the City were a “full service city,” those services would be provided by City employees often at higher costs and with considerably greater liability. While contract service providers may charge the City for current year liabilities, the City’s contract service arrangements do not result in the assumption of any other agency’s long-term retirement or other post-employment benefit (OPEB) liabilities.

[Key Operating Contract Service Providers]

Animal Control & Shelter Services..... City of Laguna Beach
Building Inspection & Engineering Services..... CivilSource, Inc.
Code Enforcement & Infrastructure Inspection Services.....
AndersonPenna Partners, Inc.
Landscape Maintenance Services..... Nieves Landscaping
Law Enforcement Services..... Orange County Sheriff’s Department
Legal Services..... Rutan & Tucker, LLP
Planning Services..... Pacific Management Consultants
Right-of-Way Maintenance Services..... PV Maintenance

Fire services are provided by the Orange County Fire Authority (OCFA). Unlike the Orange County Sheriff's Department, which provides law enforcement services pursuant to a contract with the City, OCFA's services are provided pursuant to a joint powers agreement and structural fire fund. As a "structural fire fund city," a fire tax is included in Laguna Woods' 1% basic property tax levy (approximately 12 cents of every dollar of property tax paid in Fiscal Year 2014-15). The fire tax was established prior to both the enactment of Proposition 13 in 1978 and the incorporation of the City in 1999. The County of Orange collects the fire tax, accumulates the proceeds in a structural fire fund, and makes payments to OCFA for Laguna Woods' fire services. Because the City is not involved in the levy, collection, or disbursement of the fire tax, expenses for fire services are not reported in this budget and work plan.

Insurance and risk management services are provided by the California Joint Powers Insurance Authority (California JPIA). The California JPIA provides its services pursuant to a joint powers agreement.

Waste and recycling services, including solid and household hazardous waste collection, are provided by franchise and contract service providers.

[Key Special Districts & Utility Providers]

- Electricity.....Southern California Edison
- Natural Gas.....Southern California Gas Company
- Library.....OC Public Libraries
- School District.....Saddleback Valley Unified School District
South Orange County Community College District
- Transportation.....Orange County Transportation Authority
San Joaquin Hills Transportation Corridor Agency
- Vectors.....Orange County Mosquito and Vector Control District
- Water & Sewer.....El Toro Water District

CITY PROPERTIES

Most of the land within Laguna Woods is privately owned, including all local roadways with the exception of El Toro Road, Moulton Parkway, Ridge Route

Drive, and Santa Maria Avenue. The City is responsible for operating and maintaining portions of those four roadways, as well as three public parks (City Centre Park, Ridge Route Linear Park/"A Place for Paws" Dog Park, and Woods End Wilderness Preserve); a multi-modal trail network for pedestrians, golf carts, and bicyclists; and, parkways, medians, and other areas of public right-of-way. Laguna Woods City Hall is located at 24264 El Toro Road.

LOCAL DEMOGRAPHICS

The State of California’s Department of Finance (DOF) estimates that Laguna Woods’ population was 16,652 as of January 1, 2015, a 0.5% increase from the year prior¹. DOF estimates incorporate United States Census counts, the most recent of which found that Laguna Woods’ population was 16,192². The population is known to experience some seasonal variation with the total number of residents present at any given time remaining mostly constant.

[Age]

Age	Population (2000 Census)	Population (2010 Census)
Median age	78 years	77.4 years
Birth to 34 years	1.6%	1.4%
35 to 54 years	3.6%	4.2%
55 to 74 years	32.4%	39%
75 to 84 years	41.1%	55.5%
85 years and over	21.2%	23.9%

[Gender]

Gender	Population (2000 Census)	Population (2010 Census)
Male	34.1%	35.5%
Female	65.9%	64.5%

¹ State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2014 and 2015*. Sacramento, California, May 2015.

² U.S. Census Bureau, 2010 Census.

[Race and Ethnicity]

Racial/Ethnic Group	Population (2000 Census)	Population (2010 Census)
White	96.1%	87.3%
Asian	2.5%	10%
Asian Indian	0.1%	0.4%
Chinese	0.7%	3.1%
Filipino	0.6%	1.7%
Japanese	0.5%	1.1%
Korean	0.4%	3.1%
Vietnamese	0.1%	0.2%
Other Asian	0.1%	0.3%
Black or African American	0.2%	0.7%
Hispanic or Latino	2.1%	4%
All Other Races	0.4%	0.8%

[Language Spoken at Home³]

Subject	Speak English "very well"	Speak English less than "very well"
Population 5 years and over	91.6%	8.4%
Speak a language other than English	55.9%	44.1%
Speak Spanish or Spanish Creole	67.3%	32.7%
Speak other Indo-European languages	64.9%	35.1%
Speak Asian & Pacific Island languages	46.7%	53.3%
Speak other languages	26.7%	73.3%

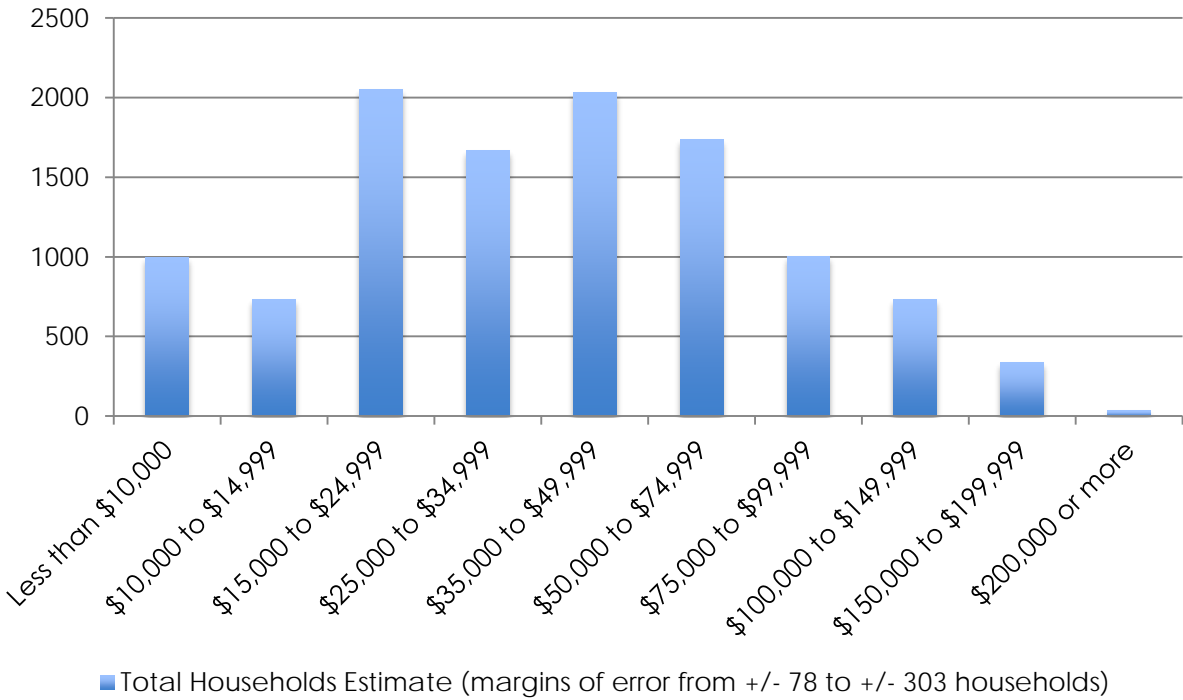
[Household Size]

Subject	Measure (2000 Census)	Measure (2010 Census)
Average household size	1.40	1.42

³ U.S. Census Bureau, 2008-2012 American Community Survey. Note: The American Community Survey produces population, demographic, and housing unit estimates only. Estimates for the "Language Spoken at Home" data for Laguna Woods are subject to margins of error from +/- 1.5% to +/- 38.6%.

[Household Income⁴]

Subject	Measure	Margin of Error
Median household income	\$36,818	+/- \$2,001
Mean household income	\$53,033	+/- \$3,839



As a point of comparison, the State of California’s median household income as reported in the 2008-2012 American Community Survey is \$61,400. Laguna Woods’ median household income is \$24,582 less per year, or approximately 60% of the State’s median household income.

LOCAL ECONOMY

Residential Communities

The vast majority of land within Laguna Woods is occupied by residential uses, which include five private residential communities offering an assortment of condominium, cooperative, rental, and assisted living housing totaling 13,386 units. Laguna Woods Village is the largest community with 12,736 units (or, approximately 95% of all units), including 311 units located in high-rise towers.

⁴ U.S. Census Bureau, 2008-2012 American Community Survey. Note: The American Community Survey produces population, demographic, and housing unit estimates only. Estimates for the “Income and Benefits” data for Laguna Woods are reported in 2012 inflation-adjusted dollars.

Other communities include Las Palmas (184 units), The Regency (192 units), San Sebastian (134 units), and Whispering Fountains (140 units).

Places of Worship

Laguna Woods is home to five dedicated places of worship serving Catholic, Jewish, Lutheran, Methodist, and Presbyterian faiths. Other faith-based groups and religious communities meet in locations throughout Laguna Woods.

Shopping Centers, Hotels, and Commercial Properties

At just over three square miles, most of the land within Laguna Woods is zoned for residential, open space, and other non-commercial purposes. While less than one-fifth of a square mile is zoned as commercial, residents and visitors enjoy a wide assortment of retail, professional, and medical services.

Laguna Woods is served by the following five shopping centers:

- Town Centre (north of El Toro Road, west of Moulton Parkway)
- Home Depot Center (south of El Toro Road, west of Moulton Parkway)
- PS Business Park (south of Ridge Route Drive, east of Moulton Parkway)
- Valencia Center (south of El Toro Road, west of Paseo de Valencia)
- Willow Tree Center (south of El Toro Road, east of Moulton Parkway)

Laguna Woods is home to the 138-room Ayres Hotel in Town Centre.

Additional commercial properties are located:

- In the vicinity of Moulton Parkway, east of Town Centre
- In the vicinity of Moulton Parkway at El Toro Road
- In the vicinity of Via Campo Verde, west of Moulton Parkway
- In the vicinity of Calle Aragon, east of Moulton Parkway
- In the vicinity of Paseo de Valencia, south of Valencia Center
- Northwest of Laguna Hills Drive and Paseo de Valencia
- Northwest of El Toro Road and Paseo de Valencia

2.0. CITY ORGANIZATION

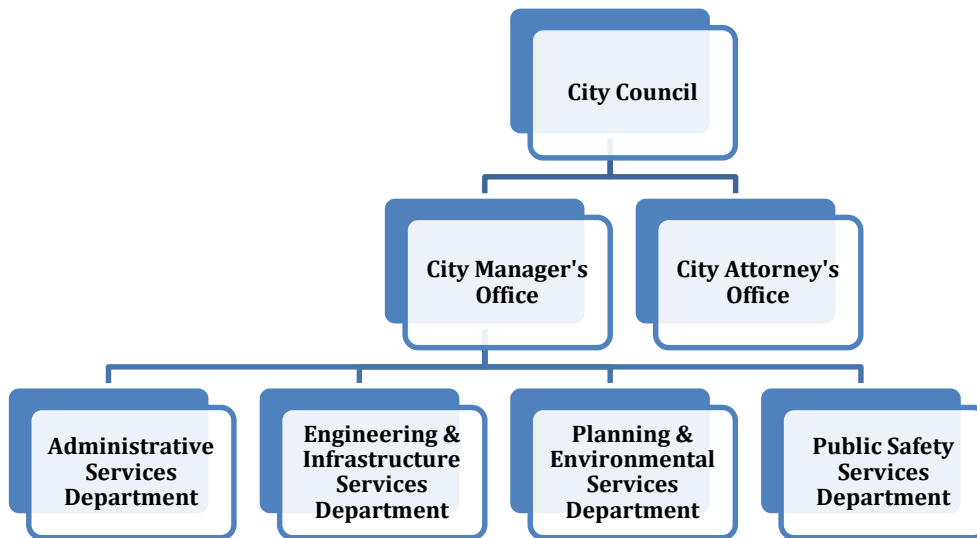
This chapter is intended to provide a brief overview of the City of Laguna Woods' internal structure in order to establish a context for understanding how this budget and work plan will be implemented.

DEPARTMENTAL STRUCTURE

The City is organized into the following seven departments:

- City Council
- City Manager's Office
- City Attorney's Office
- Administrative Services Department
- Engineering & Infrastructure Services Department
- Planning & Environmental Services Department
- Public Safety Services Department

[Organizational Chart – Departments]



As a contract city, many departmental functions are coordinated by City personnel and performed under contract with independent, franchise, and joint powers agencies. This chapter reviews the organizational structures and allocations of City personnel and the City Attorney's Office.

CITY COUNCIL

Cynthia Conners, Mayor
Noel Hatch, Mayor Pro Tem
Bert Hack, Councilmember
Shari L. Horne, Councilmember
Carol Moore, Councilmember

The City Council is the governing body for the City. Its five members are directly accountable to the Laguna Woods electorate and are responsible for providing overall legislative and policy direction for the City as an organization. As a body, the City Council is also responsible for appointing the City Manager and City Attorney, as well as adopting the City's budget.

The Mayor and Mayor Pro Tem are appointed annually by the members of the City Council to preside over City Council meetings; execute certain legal instruments and authorizations; and, attend to various ceremonial matters.

CITY ATTORNEY'S OFFICE

David B. Cosgrove, City Attorney (under contract with Rutan & Tucker, LLP)

The City Attorney is appointed by the City Council and serves as chief legal counsel for the City as an organization. The City Attorney reports to the City Council and works closely with the City Manager.

In addition to furnishing legal advice to the City Council and City personnel on matters related to the conduct of City business, the City Attorney's Office is responsible for preparing, reviewing, and approving the form of ordinances, resolutions, agreements, and other legal instruments.

The City Attorney's Office is a contract function. Associated expenditures are included in the Legal Services line item of the General Government section of this budget; however, legal services rendered for special projects, and other related expenditures, may be charged to those projects.

PERSONNEL ALLOCATION

In addition to the five elected members of the City Council, this budget and work plan includes an authorized personnel allocation of eight and one-half full-time equivalent (FTE) positions. Compared to the previous fiscal year, that

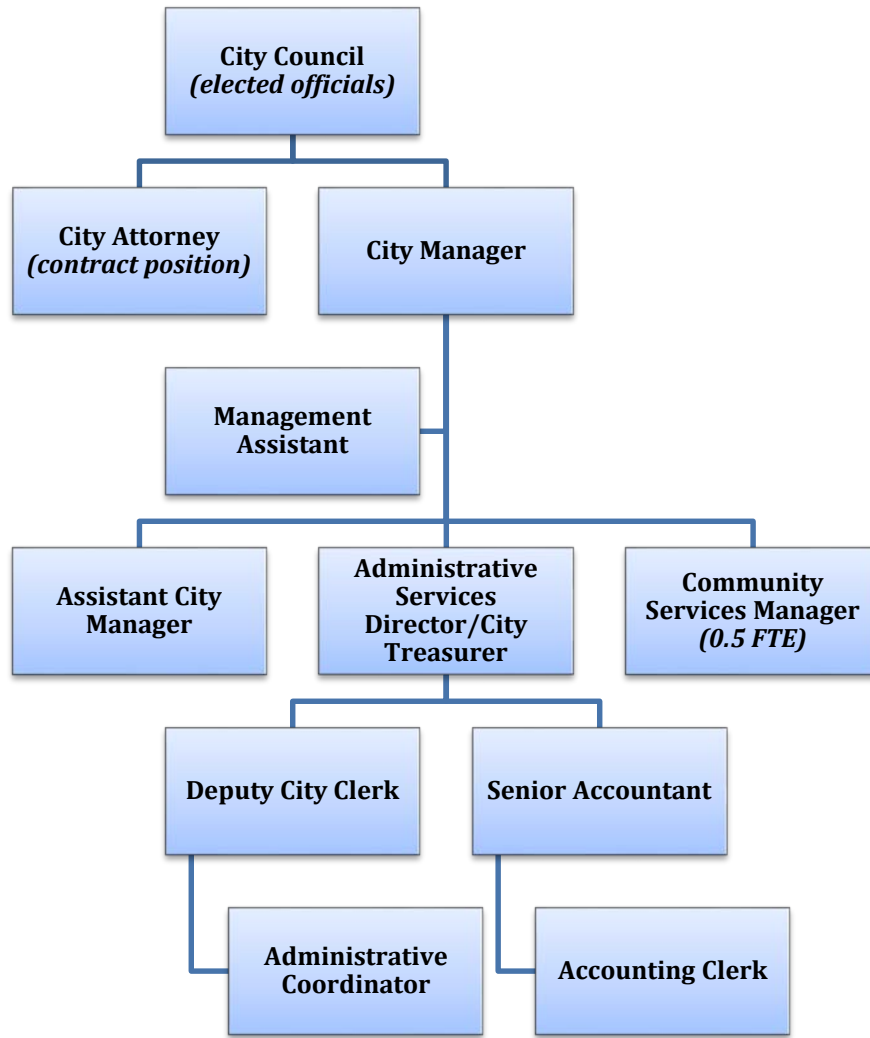
personnel allocation represents a reduction of one and one-half full-time and two part-time positions [or, approximately two and one-half FTE positions].

Modifications to the personnel allocation are a continuation of the structural reorganization focused on efficiency, sustainability, and service delivery that was initiated in the previous fiscal year. For Fiscal Year 2015-16, increasing law enforcement costs and other economic drivers and uncertainties resulted in the elimination of several positions in order to ensure the continued efficient, effective, and economical conduct of City business.

[Personnel Allocation – Citywide]

Position	Number Authorized		
	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16
<i>Full-Time Employees [full-time equivalents (FTE)]</i>			
City Manager	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00
Administrative Services Director/City Treasurer	-	1.00	1.00
Accounting Clerk	-	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Building Official	1.00	-	-
Community Services Manager	1.00	1.00	0.50
Deputy City Clerk	1.00	1.00	1.00
Finance Manager	1.00	-	-
Management Assistant	1.00	1.00	1.00
Planning Manager	1.00	1.00	-
Public Safety Director	1.00	-	-
Senior Accountant	-	1.00	1.00
Total FTE – full-time positions	10.00	10.00	8.50
<i>Part-Time Employees [full-time equivalents (FTE)]</i>			
Accountant	0.50	-	-
Administrative Assistant	1.50	1.00	-
Total FTE – part-time positions	2.00	1.00	-
Total FTE – all positions	12.00	11.00	8.50
Year-over-year change		-1.00	-2.50

REPORTING RELATIONSHIPS



CITY MANAGER'S OFFICE

Christopher Macon, City Manager

The City Manager is appointed by the City Council and is responsible for the "day-to-day" management of the City as an organization. The City Manager is also responsible for implementing City Council direction and policy, as well as serving as the City Council's chief technical advisor. All City employees work under the ultimate direction of the City Manager.

In addition to providing organizational oversight and development, the City Manager's Office works closely with the City Attorney's Office; facilitates

public and governmental relations; oversees community service and public safety programs; manages long-range planning and other special projects; and, coordinates competitive procurement activities.

Though presented separately for ease of reference, the Community Services Division and the Public Safety Services Department receive ongoing support from personnel accounted for in the City Manager’s Office section of this budget. Due to reductions in personnel and changes in resource availability, during Fiscal Year 2015-16, the City Manager’s Office will provide increased personnel support to the Engineering & Infrastructure Services Department.

Community Services Division

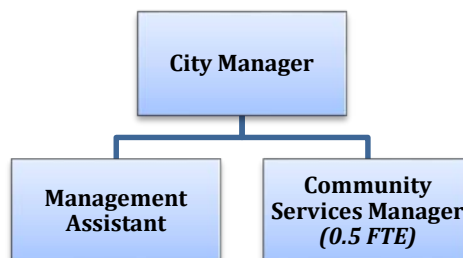
The Community Services Division of the City Manager’s Office includes the following service areas: senior mobility transportation, community recreation events, Community Development Block Grant (CDBG) administration, local government television programming (Channel 31), cable television franchise compliance, and the Community Services Grant Program.

[Personnel Allocation – City Manager’s Office]

Position	Number Authorized	
	Fiscal Year 2014-15	Fiscal Year 2015-16
<i>Full-time Employees [full-time equivalents (FTE)]</i>		
City Manager	1.00	1.00
Community Services Manager	1.00	0.50
Management Assistant	1.00	1.00
Total FTE	3.00	2.50

Personnel allocated to the City Manager’s Office are included in the General Government expenditures section of this budget.

[Organizational Chart – City Manager’s Office]



ADMINISTRATIVE SERVICES DEPARTMENT

Margaret Cady, CPA, Administrative Services Director/City Treasurer

The Administrative Services Department contains a variety of internal business units, including finance, accounting, payroll, human resources, information technology, risk management, and the City Clerk's Office.

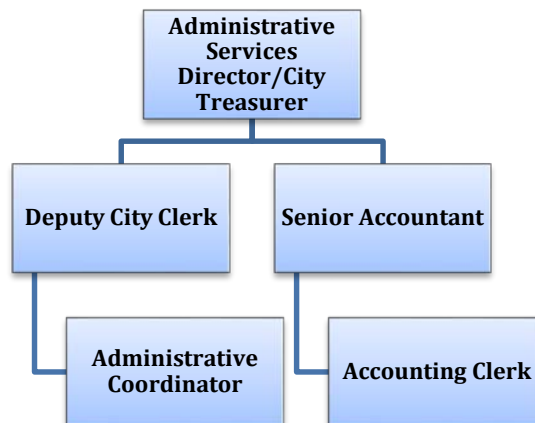
[Personnel Allocation – Administrative Services Department]

Position	Number Authorized	
	Fiscal Year 2014-15	Fiscal Year 2015-16
<i>Full-time Employees [full-time equivalents (FTE)]</i>		
Administrative Services Director/City Treasurer	1.00	1.00
Accounting Clerk	1.00	1.00
Administrative Coordinator	1.00	1.00
Deputy City Clerk	1.00	1.00
Senior Accountant	1.00	1.00
Total FTE – full-time positions	5.00	5.00

<i>Part-time Employees [full-time equivalents (FTE)]</i>		
Administrative Assistant	1.00	-
Total FTE – part-time positions	1.00	-

Total FTE – all positions	6.00	5.00
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[Organizational Chart – Administrative Services Department]



ENGINEERING & INFRASTRUCTURE SERVICES DEPARTMENT

Douglas C. Reilly, Assistant City Manager (operations and maintenance)

The Engineering & Infrastructure Services Department includes the following service areas: capital improvement projects, engineering, and maintenance (including maintenance of roadways, parks, landscaped areas, public rights-of-way, catch basins, and City Hall).

[Personnel Allocation – Engineering & Infrastructure Services Department]

Position	Number Authorized	
	Fiscal Year 2014-15	Fiscal Year 2015-16
<i>Full-time Employees [full-time equivalents (FTE)]</i>		
Assistant City Manager	0.50	0.25
Total FTE	0.50	0.25

Due to reductions in personnel and changes in resource availability, during Fiscal Year 2015-16, additional support will be provided by the City Manager’s Office. Sustainable, long-term City personnel and contract service patterns for the Engineering & Infrastructure Services Department are areas of continuing analysis and will be addressed as resources permit.

PLANNING & ENVIRONMENTAL SERVICES DEPARTMENT

Douglas C. Reilly, Assistant City Manager

The Planning & Environmental Services Department includes the following service areas: building, planning, code enforcement, waste and recycling, environmental sustainability, and water quality.

[Personnel Allocation – Planning & Environmental Services Department]

Position	Number Authorized	
	Fiscal Year 2014-15	Fiscal Year 2015-16
<i>Full-time Employees [full-time equivalents (FTE)]</i>		
Assistant City Manager	0.50	0.75
Planning Manager	1.00	-
Total FTE	1.50	0.75

PUBLIC SAFETY SERVICES DEPARTMENT

The Public Safety Services Department includes law enforcement and animal control and shelter services, which are provided under contract by the Orange County Sheriff’s Department and Laguna Beach Animal Services, respectively. This department’s budget also includes other public safety-related contract services (e.g., Trauma Intervention Program). Fire services provided by the Orange County Fire Authority are funded separately through a structural fire fund administered by the County of Orange on the City’s behalf.

Personnel accounted for in the City Manager’s Office section of this budget are responsible for coordinating with public safety service partners, as well as managing emergency planning, hazard mitigation, climate adaptation, and other “in-house” public safety programs.

OTHER ORGANIZATIONAL INFORMATION

Standing Advisory Committees

The City Council has established a Community Grants Oversight Committee and Hazard Mitigation & Climate Change Committee to function in advisory roles to the City Council and City personnel. Committee members volunteer their time to provide crucial public input on relevant matters.

[Organizational Chart – Standing Advisory Committees]



Other Volunteer Programs

Since incorporation, the City has relied on the generous support of volunteers to provide reception, administrative, and clerical services at Laguna Woods City Hall. That support is invaluable and helps to reduce personnel costs.

3.0.

CITY WORK PLAN

This chapter is intended to describe the programs, projects, and services included in this budget and work plan and their alignment with the City Council's priority focus areas.

CONTINUED PROGRAMS, PROJECTS, AND SERVICES

In general, this budget and work plan includes the continuation of programs, projects, and services that were either ongoing or underway as of the close of Fiscal Year 2014-15, including all core municipal functions such as public safety; building permitting, plan check, and inspection; road, public right-of-way, park, and infrastructure maintenance; water quality and environmental improvement and protection activities; and, related administrative support.

This budget and work plan also includes the continuation of subsidized taxi service (Senior Mobility Program) and numerous other resident and business services, including notaries, safe waste disposal opportunities (e.g., electronic waste, household hazardous waste, and sharps), recycling and shredding events, and movie matinees. In total, two goods exchange/electronic waste collection events, one household hazardous waste collection event, four document shredding events, and six movie matinees are included.

SIGNIFICANT CHANGES IN SERVICE LEVELS

As a result of increasing law enforcement costs and other economic drivers and uncertainties, several significant changes in service levels are included in this budget and work plan. The significant changes are necessary in order to adapt the City to prevailing economic conditions and include:

- Suspension of the Community Services Grant Program, which provides grant funding to non-profit organizations. This change does not affect the 2015 grant cycle, which will continue through December 2015.
- Suspension of street banner displays on public roadways.
- Reduction of one household hazardous waste collection event at City Hall. This change does not affect curbside collection services.
- Transfer of responsibilities for in-home bulky item collection to the solid waste handling services franchisee with the next franchise agreement

award. While in-home bulky item collection services will not be offered until a new franchise agreement is awarded and becomes effective, monthly curbside/trash enclosure bulky item collection will continue.

Additional changes in service levels are described in the Significant Work Plan Items tables beginning on pages 19 (new items) and 26 (continuing items), as well as in the Capital Projects chapter beginning on page 37.

SIGNIFICANT WORK PLAN ITEMS

For ease of reference and to assist with implementation, programs, projects, and services that represent substantial new and/or limited-term undertakings by the City are presented in tables beginning on page 19.

The following terms are used in the Significant Work Plan Items tables:

- Description – A brief summary of the significant work plan item
- Lead Department – Designation of the City personnel who are primarily responsible for implementing the significant work plan item
- Priority Alignment – A visual representation of the City Council’s priority focus areas that are addressed by the significant work plan item



While many priority focus areas may be directly or indirectly addressed by a single work plan item, only the primary focus areas are shown in the table.

Please note that the City Council retains the ability to modify this budget and work plan throughout the fiscal year. Significant work plan items that are not completed within the current fiscal year will be carried over to a future fiscal year or, subject to City Council direction, reconsidered at a later date.



This work plan replaces all previous work plans approved for the City.

[New Significant Work Plan Items]



<p>Priority Alignment (A City that is...) Legend:</p>	 Healthy and safe	 High in quality of life	 Environmentally conscious	 Economically prosperous	 Fiscally responsible	 Professionally and efficiently served
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ID	Description	Lead Department	Priority Alignment (A City that is...)
1	<p>Financial Software Replacement – Replace the City’s financial software in order to meet operational needs, improve internal efficiencies, receive more effective technical support, and enhance capabilities to aide in the future implementation of electronic systems requiring financial integration.</p>	Administrative Services	
2	<p>Investment Policy Update – Review and update the City’s investment policy in a manner that ensures adequate safety and liquidity of assets, while maximizing yield. This item includes the appointment of an Ad Hoc Investment Policy Update Committee of the City Council to prepare recommendations for consideration by the City Council.</p>	Administrative Services	



<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
3	<p>Other Post-Employment Benefits (OPEB) Trust Establishment – Establish an irrevocable OPEB trust to fund the City’s currently unfunded retiree medical liabilities. The OPEB trust will be established with an initial funding level of 80% of the City’s unfunded liability calculated as of July 1, 2015 and invested in the California Public Employees’ Retirement System’s (CalPERS) California Employers’ Retiree Benefit Trust Fund using the investment strategy with the lowest risk of rate of return volatility.</p>	Administrative Services	
4	<p>Reserve Policies Update – Review and update the City’s policies regarding fund balances that should be accumulated and maintained as reserves for specified purposes in order to promote fiscal prudence.</p>	Administrative Services	



<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
5	<p>Strategic Financial Plan (SFP) Policy Development – Adopt a policy establishing a methodology for the annual development of a five-year SFP. The SFP will provide economic forecasts, project long-term budget conditions, and identify long-range and future strategic priorities. It is anticipated that the first SFP will be developed in Fiscal Year 2016-17.</p>	Administrative Services	
6	<p>Civic Support Fund – Consider the potential formation of a non-profit civic support fund to support City events and programs (e.g., public art, cultural affairs, library services, and business promotion). This item includes the appointment of an Ad Hoc Civic Support Fund Committee of the City Council to prepare recommendations for consideration by the City Council.</p>	City Manager's Office	


<p>Priority Alignment (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
7	<p>Senior Mobility Taxi Transportation Services Request for Proposals – Conduct a competitive process to select senior mobility taxi transportation services provider(s) for the City in order to ensure the efficient, effective, and economical conduct of City business. This item will be completed as both a routine business practice and a part of significant work plan item #18.</p>	City Manager’s Office	
8	<p>Catch Basin Maintenance Services Request for Proposals – Conduct a competitive process to select catch basin maintenance provider(s) for the City in order to ensure the efficient, effective, and economical conduct of City business. This item only applies to the maintenance of catch basins located on City property.</p>	Engineering & Infrastructure Services (City Manager’s Office)	


<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
9	<p>Pavement Management Plan Update – Review and update the City’s pavement management plan to identify and plan for the long-term maintenance, rehabilitation, and reconstruction of public roadways. This item also fulfills a requirement for the local allocation of revenues generated from Orange County’s Measure M2 half-cent sales tax.</p>	<p>Engineering & Infrastructure Services (City Manager’s Office)</p>	
10	<p>Commercial Zoning Code Uses and Parking Standards Update – Review and update the City’s commercial zoning code to clarify and better align zoning districts with permitted uses and associated off-street parking standards. This item is consistent with the City’s goal of providing residents with access to high quality goods and services close to home.</p>	<p>Planning & Environmental Services (City Manager’s Office)</p>	

<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
11	<p>Drought Conscious Development Regulations Update – Review and update the City’s development regulations in order to reduce potable water consumption and take local steps toward achieving the Governor’s statewide mandatory water reductions. Regulations to be reviewed include, but are not limited to, tree maintenance and removal standards, water efficient landscapes, and building and construction codes.</p>	<p>Planning & Environmental Services (City Manager’s Office)</p>	
12	<p>Household Hazardous, Electronic, Medical, and Sharps Waste Disposal Services Request for Proposals – Conduct a competitive process to select special waste disposal services provider(s) for the City in order to ensure the efficient, effective, and economical conduct of City business.</p>	<p>Planning & Environmental Services (City Manager’s Office)</p>	

<p>Priority Alignment (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
13	<p>General Plan Comprehensive Update – Review and update the City’s General Plan to establish a 25-year vision for the future of Laguna Woods. Updates will focus on the circulation, housing, land use, noise, and open space elements with modifications, as necessary, to the conservation and safety elements. A new economic vitality element will be developed to address business attraction, business development, and fiscal issues.</p>	<p>Planning & Environmental Services (City Manager’s Office)</p>	
14	<p>Wireless Communication Facility Regulations Update – Review and update the City’s wireless communication facility regulations in order to ensure consistency with federal and state laws, regulations, and orders, as well as to promote clarity and administration.</p>	<p>Planning & Environmental Services</p>	

[Continuing Significant Work Plan Items]








<p><i>Priority Alignment (A City that is...) Legend:</i></p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
15	<p>Banking Services Request for Proposals – Conduct a competitive process to select banking services provider(s) for the City in order to ensure the efficient, effective, and economical conduct of City business.</p>	Administrative Services	 
16	<p>Expanded Payment Options Pilot Program – Conduct a three-month pilot program of accepting credit cards and debit cards for select transactions at City Hall in order to better facilitate the conduct of City business for residents, businesses, and contractors. City personnel will report to the City Council on the status of the pilot program after two months with a recommendation regarding long-term payment practices.</p>	Administrative Services	



<p><i>Priority Alignment (A City that is...) Legend:</i></p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
17	Purchasing Standards Update – Review and update the City’s purchasing processes and regulations in order to ensure the efficient, effective, and economical conduct of City business.	Administrative Services	
18	Senior Mobility Program Enhancements – Explore partnerships and program modifications to focus on the areas of greatest need for the City’s subsidized taxi program in order to promote the program’s long-term solvency and impact. For this work plan item, non-emergency medical transportation shall be considered the area of greatest need. This item is necessary due to the continuing need for mobility services and the limited term of Transportation Development Act funding from the Orange County Transportation Authority.	City Manager’s Office	



<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
19	<p>Single National Pollutant Discharge Elimination System (NPDES) Permit – Pursue obtaining coverage under a single NPDES Permit for the municipal separate storm sewer system in order to reduce duplicative administrative and financial burdens, as well as to better focus water quality-related improvement and protection efforts. NPDES permits control the discharge of pollutants into waters of the United States (e.g., oceans and creeks).</p>	City Manager’s Office	   
20	<p>Americans with Disabilities Act (ADA) Transition Plan for Public Sidewalks and Curb Ramps – Conduct an analysis of sidewalks and curb ramps within the public right-of-way in order to identify and assist with the removal of barriers to accessibility. This item does not apply to residential buildings.</p>	Engineering & Infrastructure Services (City Manager’s Office)	  




<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
21	<p>Janitorial Services Competitive Procurement– Conduct a competitive process to select janitorial service provider(s) for the City in order to ensure the efficient, effective, and economical conduct of City business.</p>	<p>Engineering & Infrastructure Services (City Manager’s Office)</p>	
22	<p>General Plan Conservation Element Update – Update the City’s General Plan Conservation Element in order to enhance long-term commitments to environmental sustainability; expand consideration of water and energy issues in the General Plan; incorporate the City’s Climate Adaptation Plan; and, prepare technical reports that will also be used to inform the General Plan Comprehensive Update (see significant work plan item #13). The Conservation Element has not been updated in more than 10 years.</p>	<p>Planning & Environmental Services (City Manager’s Office)</p>	



<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
23	<p>Solid Waste Handling Services Franchise Request for Proposals – Conduct a competitive process to select solid waste handling services franchisee(s) in order to provide Laguna Woods residents and businesses with affordable rates and access to a variety of environmentally friendly waste disposal and recycling opportunities, as well as to increase waste diversion from landfills.</p>	<p>Planning & Environmental Services (City Manager’s Office)</p>	
24	<p>Sphere of Influence Removal – Work with the Local Agency Formation Commission (LAFCO) to remove the City’s sphere of influence, which totals approximately 6 acres and includes several small parcels with open space and road right-of-way uses owned by the City of Laguna Beach, County of Orange, and State of California.</p>	<p>Planning & Environmental Services</p>	

<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
25	<p>Animal Regulations – Review and update the City’s animal regulations in order to strengthen prohibitions and procedures related to nuisance, potentially dangerous, and vicious animals, as well as feeding of wildlife. This item will also include updates to promote clarity and administration throughout the regulations.</p>	Public Safety Services (City Manager’s Office)	
26	<p>Backup Generator Regulations – Adopt regulations requiring backup generators for new and redeveloped fuel stations and cellular telephone towers in order to mitigate energy shortage impacts.</p>	Public Safety Services (City Manager’s Office)	
27	<p>Invasive Plant Species Regulations – Adopt regulations prohibiting invasive plant species from existing within the City in order to mitigate flood and storm impacts.</p>	Public Safety Services (City Manager’s Office)	

<p><i>Priority Alignment (A City that is...) Legend:</i></p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment (A City that is...)
28	<p>National Flood Insurance Program (NFIP) Compliance Review – Participate in and implement the findings of an NFIP Community Assistance Visit in order to mitigate flood and storm impacts. City personnel will return to the City Council with findings whose implementation would require supplemental budget appropriations.</p>	<p>Public Safety Services (City Manager’s Office)</p>	  

FURTHERANCE OF LONG-RANGE PLANS

The City's Climate Adaptation Plan, Community & Economic Development Improvement Plan, and Local Hazard Mitigation Plan provide long-range strategic direction in areas of special concern. Each plan is intended to help focus and improve City programs, projects, and services, as well as assist with budget and work plan development and resource allocation.

In order to promote active and ongoing implementation of long-range plans, correlations between this budget and work plan's significant work plan items and the actions and recommendations contained in each long-range plan are presented beginning on page 34.

Climate Adaptation Plan

The City's Climate Adaptation Plan establishes an approach for the City to prepare for a future with evolving and potentially varying climate conditions. The Climate Adaptation Plan identifies local vulnerabilities to climate change impacts (e.g., increased temperatures, decreased precipitation, and strained water supplies) and outlines a strategy to increase resilience to climate change-related hazards, increase resource independence, and sustain and advance climate adaptation efforts. At the time of its initial adoption in late-2014, the Climate Adaptation Plan was the first non-coastal, stand-alone, municipal climate adaptation plan in California.

Community & Economic Development Improvement Plan

The City's Community & Economic Development Improvement Plan identifies potential business, development, and permit-related service and regulatory improvements that could be undertaken by the City in order to:

- Reduce and streamline regulatory mandates for residents and businesses with respect to permitting and other activities that result in local safety, environmental, and/or quality of life improvements; and
- Support and foster high quality shopping, dining, and service experiences in order to promote the local availability of amenities and jobs for residents, as well as a productive business climate.

Local Hazard Mitigation Plan

The City's Local Hazard Mitigation Plan forms the foundation for the City's long-term strategy to reduce disaster losses and break the cycle of disaster damage, reconstruction, and repeated damage. Consistent with federal law, the Local Hazard Mitigation Plan is updated at least every five years. The

Local Hazard Mitigation Plan fulfills the requirements of Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5165, as amended by the Disaster Mitigation Act of 2000, and also serves as the City’s Local Energy Assurance Plan consistent with the State of California’s Energy Assurance Plan and the California Energy Commission’s California Local Energy Assurance Planning (CaLEAP) framework.

[Significant Work Plan Item Correlations to Long-Range Plans]

Significant Work Plan Item 1: Financial Software Replacement	
Community & Economic Development Improvement Plan	Recommendation O.05. Implement electronic systems to support building permit issuance, plan review, and inspection processes, including digitization of records.
Significant Work Plan Item 6: Civic Support Fund	
Community & Economic Development Improvement Plan	Recommendation I.02. Consider public and public/private partnerships, as well as external funding opportunities, to assist with plan implementation.
Significant Work Plan Item 10: Commercial Zoning Code Uses and Parking Standards Update	
Community & Economic Development Improvement Plan	Recommendation R.05. Update the City’s permitting uses by zoning district regulations.
Significant Work Plan Item 11: Drought Conscious Development Regulations Update	
Climate Adaptation Plan	Implementation Action 2.2.1. Review and amend development and permitting standards to reduce potable water consumption.
Community & Economic Development Improvement Plan	Recommendation R.03. Update the City’s tree maintenance and removal regulations.
Local Hazard Mitigation Plan	Project A. Review and update building-related ordinances and policies, as necessary.
	Project E. Develop and implement plans, projects, and programs that reduce water use and augment local water supplies (e.g., capture/reuse).

Significant Work Plan Item 13: General Plan Comprehensive Update	
Climate Adaptation Plan	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Community & Economic Development Improvement Plan	Recommendation R.07. Update the City's General Plan for economic development issues.
Significant Work Plan Item 16: Expanded Payment Options Pilot Program	
Community & Economic Development Improvement Plan	Recommendation O.01. Expand the forms of payment accepted at City Hall to include credit cards, debit cards, and electronic funds transfers (e.g., web checks).
Significant Work Plan Item 22: General Plan Conservation Element Update	
Climate Adaptation Plan	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Local Hazard Mitigation Plan	Project D. Develop and implement plans, projects, and programs that reduce energy use and meet critical energy supply needs during emergencies.
	Project E. Develop and implement plans, projects, and programs that reduce water use and augment local water supplies (e.g., capture/reuse).
Significant Work Plan Item 26: Backup Generator Regulations	
Local Hazard Mitigation Plan	Project C. Adopt an ordinance requiring emergency backup generators for new and redeveloped fuel stations and cellular telephone towers.
Significant Work Plan Item 27: Invasive Plant Species Regulations	
Local Hazard Mitigation Plan	Project F. Adopt an ordinance prohibiting invasive plant species from existing within the city.
Significant Work Plan Item 28: National Flood Insurance Program (NFIP) Compliance Review	
Local Hazard Mitigation Plan	Project J. Participate in and implement findings of NFIP Community Assistance Visits, triennially.

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4.0. CITY CAPITAL PROJECTS

This chapter is intended to describe major capital improvement projects that are included in this budget, as well as projects that are currently unfunded, but may be considered in the future.

CAPITAL IMPROVEMENT PROGRAM

In order to assist with the long-term development of funding for major capital improvement projects on public property, the City Council adopts a seven-year Capital Improvement Program (CIP) as part of its annual budget and work plan process. The CIP and the seven-year period to which it applies is also a requirement for funding under Orange County's Measure M2 half-cent sales tax, which voters approved in 2006 to fund transportation projects and activities. While the first year of the seven-year CIP is included in this budget, it is important to note that the City Council retains the ability to modify the CIP at its discretion and that no funding commitment is created by the inclusion of unfunded projects or projects phased for future fiscal years.

The City considers a "major capital improvement project" to be any project that meets the definition of a "public project" in Section 22002 of the State of California's Public Contracts Code, including "construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work" of facilities owned, leased, or operated by the City, as well as any non-minor "painting or repainting." Maintenance is not considered a public project.

The City classifies its major capital improvement projects as either primarily relating to buildings (e.g., City Hall), "green" spaces (e.g., landscaping and parks), or transportation (e.g., roadways and traffic control devices). These classifications are intended to organize similar projects for ease of reference.

Major capital improvement projects are further categorized as either funded, partially funded, or unfunded. Partial funding of projects is not unusual, as full funding is often developed over the course of several fiscal years, as grants and other federal, state, and county funds are obtained in order to reduce impacts to the General Fund. In other cases, funding from the General Fund may be set aside for projects over multiple fiscal years in the interest of fiscal prudence and for other budgetary purposes.

SIGNIFICANT CHANGES IN CAPITAL PROJECTS

On March 18, 2015, the City Council unanimously voted to remove the City Hall Low Impact Development Retrofit Project & Improvements from the Fiscal Year 2014-15 Budget and CIP. Significant challenges that contributed to the project’s removal were cost and disruption of City services.

A project to construct a bioswale to convey and treat stormwater south of the multi-modal trail on Santa Maria Avenue has been added to the Fiscal Year 2015-16 Budget & Work Plan and CIP. The Santa Maria Avenue Bioswale Project is necessary in order to meet water quality regulatory requirements for the Moulton Smart Street Project. Once completed, the project will mark the end of Moulton Smart Street Project construction.

FUTURE OUTLOOK FOR CAPITAL PROJECTS

The Fiscal Year 2015-16 Budget & Work Plan includes the development of an Americans with Disabilities Act (ADA) Transition Plan for Public Sidewalks and Curb Ramps, as well as an updated Pavement Management Plan pertaining to public roadways. Both plans are expected to identify several new major capital improvement projects for potential inclusion in future CIPs.

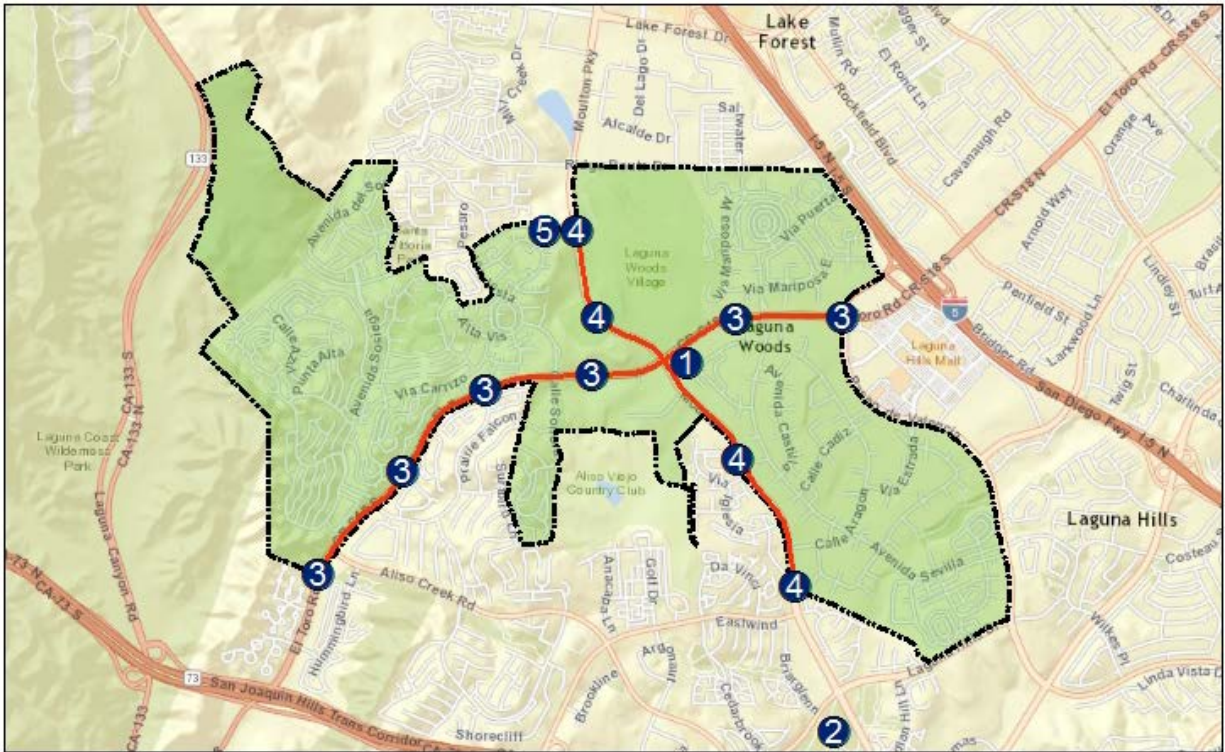
While the City Hall Low Impact Development Retrofit Project & Improvements was removed from the CIP, major capital improvements related to City Hall remain necessary in order to enhance its functionality and safety. Identified needs include the installation of a back-up generator capable of sustaining power during longer term energy shortages and disaster-related interruptions, improvements for accessibility and more effective utilization of interior space, expansion of records storage facilities, and construction of a trash enclosure.

FISCAL YEAR 2015-16 CAPITAL PROJECTS SUMMARY

[Capital Projects Summary – Classifications and Funding Status]

Classification	Number of Projects		
	Funded	Partially Funded	Unfunded
Buildings	1	-	-
Green Spaces	1	1	2
Transportation	3	-	-
Total	5	1	2

[Funded Capital Improvement Project Locations]



Funded Project Title	ID	Page
City Hall Bollard Replacement Project	1	40
Dairy Fork Constructed Wetland Project	2	41
El Toro Road Traffic Signal Synchronization Project	3	42
Moulton Parkway Traffic Signal Synchronization Project	4	43
Santa Maria Avenue Bioswale Project	5	44

[Partially Funded Capital Improvement Projects]

Partially Funded Project Title	Page
Moulton Parkway Water Efficient Median Improvement Project	45

[Unfunded Capital Improvement Projects]

Unfunded Project Title	Page
El Toro Road Water Efficient Median Improvement Project	47
Santa Maria Avenue Water Efficient Median Improvement Project	48

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Bollard Replacement Project**

Classification: Buildings Funding Status: Funded

Priority Alignment:



Healthy and safe

Project Description

This project involves the removal of four decorative bollards and installation of six reinforced bollards in front of City Hall.

Purpose

This project is necessary in order to enhance the safety of pedestrians, drivers, visitors, volunteers, and City personnel at City Hall, as well to protect City Hall from damage. There have been multiple accidents in which vehicles and a golf cart have accelerated through existing decorative bollards, causing the bollards to collapse without stopping either the vehicles or golf cart.

Construction and Implementation Costs

The one-time General Fund cost for designing and constructing this project is estimated at \$29,040 (as of June 2014; subject to the completion of design documents, construction specifications, and public bidding).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Dairy Fork Constructed Wetland Project**
Classification: Green Spaces Funding Status: Funded
Priority Alignment:



Environmentally conscious

Project Description

This project is a multi-city undertaking with the City of Aliso Viejo acting as the lead agency with support from the cities of Laguna Woods, Laguna Hills, and Lake Forest. The project includes construction of a wetland southwest of the intersection of Aliso Viejo Parkway and Moulton Parkway in Aliso Viejo.

Purpose

This project will play an important role in supporting compliance with State-mandated pollutant load reduction requirements for Aliso Creek (bacteria, metals, nutrients, and oils) and will also re-vegetate native species, remove invasive species, and restore trails and wildlife habitat.

Construction and Implementation Costs

In March 2014, this project was awarded \$568,100 in funding from the Orange County Transportation Authority's Measure M2 Environmental Cleanup, Tier 2 grant program. The balance of the estimated \$874,000 project construction and implementation cost will be shared by the participating cities. The City's one-time, General Fund cost-share amount is \$59,956, which will be followed by an estimated \$1,960 cost-share for maintenance that will be adjusted annually, over a 20-year period, based on relevant conditions.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **El Toro Road Traffic Signal Synchronization Project**

Classification: Transportation Funding Status: Funded

Priority Alignment:



Healthy and safe



High in quality of life



Environmentally conscious

Project Description

This project is a multi-city undertaking with the City acting as the lead agency with support from the City Aliso Viejo, City of Laguna Hills, and the California Department of Transportation (Caltrans). The project includes synchronization work and the installation of traffic detection, monitoring, and backup power equipment at certain intersections on El Toro Road from Bells Viero Lane (in Aliso Viejo) to Bridger Road (in Laguna Hills).

Purpose

This project will help improve the flow of traffic by modifying timing plans and installing various equipment to reduce congestion. Minimization of the time motor vehicles spend idling at red lights will also improve air quality and new uninterrupted power supplies will help sustain the operation of traffic signals during longer term energy shortages and disaster-related interruptions.

Construction and Implementation Costs

This project is currently awarded \$514,000 in funding from the Orange County Transportation Authority's Measure M2 program. The City will match the award with in-kind services and \$83,020 in CARITS funds. The total project cost, including matches from all involved agencies, is \$642,500.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Moulton Parkway Traffic Signal Synchronization Project**

Classification: Transportation Funding Status: Funded

Priority Alignment:



Healthy and safe



High in quality of life



Environmentally conscious

Project Description

This project is a multi-city undertaking with the City acting as the lead agency with support from the City of Laguna Hills, City of Laguna Niguel, and the California Department of Transportation (Caltrans). The project includes synchronization work and the installation of traffic detection, monitoring, and backup power equipment at certain intersections on Moulton Parkway from Lake Forest Drive (in Laguna Hills) to Camino del Avion (in Laguna Niguel).

Purpose

This project will help improve the flow of traffic by modifying timing plans and installing various equipment to reduce congestion. Minimization of the time motor vehicles spend idling at red lights will also improve air quality and new uninterrupted power supplies will help sustain the operation of traffic signals during longer term energy shortages and disaster-related interruptions.

Construction and Implementation Costs

This project is currently awarded \$645,440 in funding from the Orange County Transportation Authority's Measure M2 program. The City will match the award with in-kind services and \$65,680 in CARITS funds. The total project cost, including matches from all involved agencies, is \$808,050.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Santa Maria Avenue Bioswale Project**

Classification: Transportation Funding Status: Funded

Priority Alignment:



Environmentally conscious

Project Description

This project involves the construction of a vegetated bioswale south of the multi-modal trail on Santa Maria Avenue.

Purpose

This project will help to convey and treat stormwater. It is necessary in order to meet water quality regulatory requirements for the Moulton Smart Street Project as set forth in that project's Water Quality Management Plan.

Construction and Implementation Costs

In June 2015, the City received \$43,500 from the County of Orange to fund this project. The County of Orange also prepared construction drawings and technical specifications to expedite the design and construction process.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Moulton Parkway Water Efficient Median Project**
Classification: Green Spaces Funding Status: Partially Funded
Priority Alignment:



High in quality of life



Environmentally conscious

Project Description

This project involves retrofitting three primarily turf grass medians with drought-tolerant landscaping, water efficient irrigation systems, and “purple pipe” for future recycled water use. A hardscape maintenance band would also be installed around the perimeter of each median. This project could be phased by median location or completed concurrently, as funding permits.

Median ID	Median Location
Moulton Parkway, South Median #1	Via Campo Verde to Temple Judea
Moulton Parkway, South Median #2	Temple Judea to Calle Cortez
Moulton Parkway, South Median #2	Calle Cortez to Via Iglesia

Purpose

This project is intended to reduce irrigation-related water consumption and runoff through the replacement of turf grass with drought-tolerant plantings and overhead spray irrigation with a more water efficient alternative. Moving irrigation systems and plantings further from the curb face of the medians will also help prevent inadvertent runoff and related pavement damage. When

available, the use of recycled water for irrigation will help conserve potable water, thereby reducing demand for imported water.

Construction and Implementation Costs

The one-time cost for designing and constructing this project is estimated at \$830,599 (as of June 2014; subject to the completion of design documents, construction specifications, and public bidding). No funding source has been identified; however, City personnel continue to seek grant opportunities.

Median Location	Estimated Cost
Moulton Parkway, South Median #1	\$153,709
Moulton Parkway, South Median #2	\$385,020
Moulton Parkway, South Median #3	\$291,870
Total	\$830,599

Explanation of Partial Funding

The Fiscal Year 2015-16 Budget & Work Plan includes funding in the amount of \$52,250 to prepare construction drawings and technical specifications for this project, generally based on the Moulton Parkway median design north of El Toro Road to Santa Maria Avenue, but with reduced plantings, reduced water consumption, and redesigned wayfinding signage.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **El Toro Road Water Efficient Median Project**

Classification: Green Spaces Funding Status: Unfunded

Project Description

This project involves retrofitting two primarily turf grass medians with drought-tolerant landscaping, water efficient irrigation systems, and “purple pipe” for future recycled water use. A hardscape maintenance band would also be installed around the perimeter of each median. This project could be phased by median location or completed concurrently, as funding permits.

Median ID	Median Location
El Toro Road, West Median #1	Moulton Parkway to Town Centre
El Toro Road, West Median #2	Town Centre to Calle Sonora

Purpose

This project is intended to reduce irrigation-related water consumption and runoff through the replacement of turf grass with drought-tolerant plantings and overhead spray irrigation with a more water efficient alternative. Moving irrigation systems and plantings further from the curb face of the medians will also help prevent inadvertent runoff and related pavement damage. When available, the use of recycled water for irrigation will help conserve potable water, thereby reducing demand for imported water.

Construction and Implementation Costs

The one-time cost for designing and constructing this project is estimated at \$295,550 (as of June 2014; subject to the completion of design documents, construction specifications, and public bidding). No funding source has been identified; however, City personnel continue to seek grant opportunities.

Median Location	Estimated Cost
El Toro Road, West Median #1	\$179,400
El Toro Road, West Median #2	\$116,150
Total	\$295,550

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Santa Maria Avenue Water Efficient Median Project**

Classification: Green Spaces Funding Status: Unfunded

Project Description

This project involves retrofitting two primarily turf grass medians with drought-tolerant landscaping, water efficient irrigation systems, and “purple pipe” for future recycled water use. A hardscape maintenance band would also be installed around the perimeter of each median. This project could be phased by median location or completed concurrently, as funding permits.

Median ID	Median Location
Santa Maria Avenue, Median #1	Moulton Parkway to Florence Sylvester Memorial Senior Center
Santa Maria Avenue, Median #2	Florence Sylvester Memorial Senior Center to San Remo Drive

Purpose

This project is intended to reduce irrigation-related water consumption and runoff through the replacement of turf grass with drought-tolerant plantings and overhead spray irrigation with a more water efficient alternative. Moving irrigation systems and plantings further from the curb face of the medians will also help prevent inadvertent runoff and related pavement damage. When available, the use of recycled water for irrigation will help conserve potable water, thereby reducing the local demand for imported water.

Construction and Implementation Costs

The one-time cost for designing and constructing this project is estimated at \$418,485 (as of June 2014; subject to the completion of design documents, construction specifications, and public bidding). No funding source has been identified; however, City personnel continue to seek grant opportunities.

Median Location	Estimated Cost
Santa Maria Avenue, Median #1	\$46,920
Santa Maria Avenue, Median #2	\$371,565
Total	\$418,485

5.0. CITY BUDGET PRACTICES

This chapter is intended to review the budgeting and accounting practices employed in the development of this budget.

INTRODUCTION

In addition to outlining a scope of work for the City to undertake during the fiscal year beginning on July 1, 2015 and ending on June 30, 2016, this budget and work plan serves as a financial plan for the City's operations. To that end, chapters 5.0 and 6.0 translate the scope of work that is described in chapters 3.0 and 4.0 into revenue estimates and expenditure appropriations.

BUDGET AND WORK PLAN DEVELOPMENT PROCESS

The City Council adopts a budget and work plan, annually, by June 30th, for a fiscal year spanning the following July 1st through June 30th.

The process of developing the City's budget and work plan is continuous and iterative in nature with City personnel working throughout the fiscal year, and particularly between the months of January and June, to prepare revenue estimates, expenditure projections, and draft documents that are responsive to the City Council's direction. Budget and work plan development is jointly managed by the City Manager's Office (City Manager) and Administrative Services Department (Administrative Services Director/City Treasurer).

The Fiscal Year 2015-16 Budget & Work Plan development process included a total of six open and publically noticed City Council meetings, each with an opportunity for public comment. The meetings occurred as follows:

- Tuesday, February 3, 2015 – preliminary input
- Wednesday, April 15, 2015 – General Plan discussion
- Wednesday, April 29, 2015 – kick-off workshop
- Wednesday, May 20, 2015 – discussion and development
- Wednesday, June 17, 2015 – discussion and development
- Wednesday, June 24, 2015 – adoption

TWO-YEAR BUDGET AND WORK PLAN TRANSITION PROCESS

The City is transitioning from a single-year to two-year budget and work plan with the goal of providing longer-term economic forecasts, greater certainty regarding the sustainability of the City’s operations, and heightened strategic vision. Central to the transition to a two-year budget is the development of a five-year strategic financial plan, updated annually with projections of future budgetary conditions and long-range strategic priorities.

It is anticipated that the City’s initial five-year strategic financial plan will be developed in Fiscal Year 2016-17 to aid in the development of the City’s first two-year budget and work plan covering fiscal years 2017-18 and 2018-19. Thereafter, the budget and work plan development process will include an annual refinement of the two-year budget and work plan, as well as annual updates to the five-year strategic financial plan.

[Two-Year Budget and Work Plan Transition Schedule]

	Fiscal Year		
	2014-15	2015-16	2016-17
Budget & Work Plan	Expanded format	Enhanced information	Final single-year budget
Five-Year Strategic Financial Plan	-	Establishment of policies	Initial development
	Fiscal Year		
	2017-19	2017-18	2018-19
Budget & Work Plan	First two-year budget	<i>Interim refinement</i>	<i>Amended second-year</i>
Five-Year Strategic Financial Plan	-	<i>Annual update</i>	<i>Annual update</i>

CONTINUAL BUDGET AND WORK PLAN IMPROVEMENT PROCESS

The City is committed to continually improving the transparency and manner in which information is presented in its budgets and work plans. Best practices

and other guidance from the California Society of Municipal Finance Officers (CSMFO) and the Government Finance Officers Association (GFOA) is being used as a foundation for both near- and long-term improvement efforts.

In addition to internal utility, public comments, and City Council feedback, the effectiveness of budget and work plan improvements can be measured through evaluations conducted by CSMFO and GFOA. While the results of either organization's evaluations are expressed in the form of "awards," the evaluations are important, not as accolades, but as benchmarks of progress made by the City's budget and work plan improvements.

The City's Fiscal Year 2014-15 operating budget was submitted for evaluation by CSMFO. Following two independent, third-party reviews, the City earned CSMFO's first level of distinction, the Operating Budgeting Meritorious Award. The City is now pursuing CSMFO's highest level of distinction, the Operating Budgeting Excellence Award, and will pursue GFOA's Distinguished Budget Presentation Award in future fiscal years.

[CSMFO Operating Budgeting Meritorious Award for Fiscal Year 2014-15]



BUDGET POLICIES

City of Laguna Woods Administrative Policy 2.9 (see Appendix A) establishes numerous conservative and prudent standards related to the development and implementation of the City's budget, including regular public reporting to emphasize financial transparency and accountability.

After the City Council adopts the budget, authorized appropriations become effective on July 1st of the applicable fiscal year and establish legal spending limits for City programs, projects, and services. The City Council may amend the adopted budget at a public meeting at any time during the fiscal year.

The City Council adopts budgets at the fund and department levels with the City Manager having the authority to make adjustments within and between departments in the same fund, provided that there are no increases in fund budgets. While the City Manager is authorized to decrease fund-level budget appropriations as a method of fiscal control, City Council action is required to increase fund-level budget appropriations, regardless of the amount.

STATUS OF BUDGETARY RESERVES IN THE CURRENT YEAR

Administrative Policy 2.9 suggests the inclusion of three reserves in the City's budget – (1) an economic uncertainties reserve of 5% to 10% of the General Fund operating budget to set aside monies to compensate for unexpected revenue and expenditure fluctuations; (2) a compensated employees absences reserve of an amount calculated annually to set aside monies for accrued leave liabilities; and, (3) a self-insurance reserve of \$500,000 to set aside monies for unforeseen and/or unusual claims expenditures. Each of the suggested reserves is established annually with no fiscal year carryover.

As a result of increasing law enforcement costs and other economic drivers, the economic uncertainties reserve has been suspended for this budget. Irrespective of that suspension, the City's projected General Fund unassigned balance will remain healthy at \$7,364,496 as of June 30, 2016.

This budget includes a compensated employees absences reserve and self-insurance reserve in the amounts of \$150,000 and \$500,000, respectively.

In Fiscal Year 2015-16, the City Council will consider updating its reserve policies to better define reserve programs and promote fiscal prudence.

BASIS OF BUDGETING AND ACCOUNTING

This budget and the underlying accounting are prepared in accordance with Generally Accepted Accounting Principles (GAAP) on a “modified accrual” basis. In its *Finance Glossary of Accounting and Budgeting Terms*, the State of California’s Department of Finance defines modified accrual as:

“The basis of accounting in which revenues are recognized if the underlying transaction has occurred as of the last day of the fiscal year and the amount is measurable and available to finance expenditures of the current period (i.e., the actual collection will occur either during the current period, or after the end of the current period, to be used to pay current year-end liabilities). Expenditures are recognized when the obligations are created, except for amounts payable from future fiscal year appropriations.”

The City’s accounting system is organized by fund. Each fund is a separate accounting entity with a self-balanced set of accounts that record assets, liabilities, fund equity, revenues, and expenditures. Funds are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND TYPES

Government agencies classify funds as either governmental (accounting for typical government operations), proprietary (accounting for activities financed and operated in a manner similar to private enterprises, where the cost of providing services is recovered from user charges), or fiduciary (used when acting as a trustee or agent for resources belonging to other agencies or individuals). The City has no proprietary or fiduciary funds, although this budget and work plan does include the establishment of an Other Post-Employment Benefits (OPEB) trust fund that will be administered by the California Public Employees Retirement System (CalPERS). The City maintains the following governmental fund types:

- General Fund – The General Fund is the City’s primary operating fund and is used to account for the proceeds of revenue sources that are not legally restricted to expenditures for specified purposes.
- Special Revenue Funds (“Special Funds”) – Special funds are used to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes (e.g., grants and Measure M2

allocations). The City's special funds are categorized as primarily relating to environmental, community services, public safety, or transportation.

- Capital Projects Fund – The Capital Projects Fund is used to account for transfers from the General Fund that are reserved for either current- or future-year capital improvement purposes. The Capital Projects Fund is combined with the General Fund for the purpose of reporting in the City's Comprehensive Annual Financial Report (CAFR).

ANNUAL APPROPRIATIONS LIMIT (“GANN LIMIT”)

California's Proposition 4, commonly referred to as the “Gann Initiative,” was approved by voters on November 6, 1979. The Gann Initiative added Article XIII B to the California State Constitution, establishing a limit on the amount of tax proceeds that state and local governments can receive and appropriate on an annual basis (“Gann limit”). Gann limits vary amongst agencies and are either based on the amount of tax revenue that was authorized to be spent in Fiscal Year 1978-79 or, in the case of the City of Laguna Woods and other local governments that incorporated after Fiscal Year 1978-79, on an amount established by voters. Gann limits are modified, annually, according to calculation methods established by California's Proposition 111 (1990).

The City's Gann limit is adopted by the City Council by resolution each year as a part of the budget and work plan development process (see Resolution No. 15-XX included with this budget as Appendix D). The Gann limit for Fiscal Year 2015-16 is \$8,971,351 and was calculated as shown below.

[Gann Limit Calculation – Fiscal Year 2015-16]

Fiscal Year 2014-15 Gann Limit		\$8,549,309
Population Change (County of Orange) ⁵	x	1.0108
Cost of Living Change (Per Capita Personal Income) ⁵	x	1.0382
Fiscal Year 2015-16 Gann Limit		\$8,971,351
Fiscal Year 2015-16 Appropriations Subject to the Gann Limit		<u>\$3,624,426</u>
Fiscal Year 2015-16 Gann Limit over Appropriations		<u>\$5,346,925</u>

⁵ State of California, Department of Finance, *Price and Population Information*. May 2015. Factors are rounded to four decimal places for presentation purposes.

RETIREMENT AND OTHER POST-EMPLOYMENT BENEFIT COSTS

California Public Employees Retirement System

The City maintains defined benefit pension plans that are administered by the California Public Employees' Retirement System (CalPERS). The plans provide benefits to qualified employees based on their number of years of service, age at retirement, and final compensation (average salary for a defined period of employment). City employees hired prior to January 1, 2013, or otherwise eligible pursuant to the Public Employees' Pension Reform Act of 2013 (PEPRA), are considered "classic" members and are enrolled in CalPERS' 2% at age 55 plan. Classic members contribute 7% of their annual covered salary. City employees hired on or after January 1, 2013, and not considered "classic" members ("new/PEPRA members"), are enrolled in CalPERS' 2% at age 62 plan and contribute a percentage of their annual covered salary pursuant to PEPRA (6.75% for Fiscal Year 2015-16).

[Retirement Rates and Employer Contributions]

	Fiscal Year 2013-14 (Valuation as of June 30, 2011)	Fiscal Year 2014-15 (Valuation as of June 30, 2012)	Fiscal Year 2015-16 (Valuation as of June 30, 2013)	Fiscal Year 2016-17 (Estimated)
<i>Classic Employees</i>				
Normal Cost	9.409%	9.154%	9.344%	9.700%
Amortization of Unfunded Liability	2.230%	3.208%	\$15,072	\$18,542
Total	11.639%	12.362%		

<i>New/PEPRA Employees</i>				
Normal Cost	6.550%	6.550%	6.570%	7.100%
Amortization of Unfunded Liability	-	-	-	-
Total	6.550%	6.550%	6.570%	7.100%

Employer Contribution	\$88,608 (Actual)	\$78,700 (Projected)	\$83,217 (Projected)
Percent of General Fund Operating Budget	2.172%	1.799%	1.682%

CalPERS produces annual valuation reports for the City's defined benefit pension plans, which are available at City Hall and on CalPERS' website at www.calpers.ca.gov. The most recent report is dated October 2014 with a valuation as of June 30, 2013. The report includes calculations of the City's unfunded liability (\$393,424 as of June 30, 2013) and funded status (81.3% as of June 30, 2013), as well as a discussion of factors influencing plan costs.

Social Security and Medicare

In addition to CalPERS' defined benefit pension plans, the City participates in Social Security and Medicare, which provide retirement and health benefits to qualified employees beginning as early as age 62. City employees pay the full "employee contribution" and the City pays an equivalent "employer contribution," which for Fiscal Year 2015-16 is 6.2% on earnings up to \$118,500 for Social Security and 1.45% on all earnings for Medicare. The employer contribution for Fiscal Year 2015-16 is projected to be \$56,540.

Other-Post Employment Benefits (Retiree Medical)

As a member of the CalPERS health insurance program, the City is statutorily required to offset a portion of the cost of CalPERS health insurance premiums for qualified, retired employees at a minimum rate adjusted annually. For the 2015 calendar year, the monthly cost per employee is \$91.50. The employer contribution for Fiscal Year 2015-16 is projected to be \$3,061.

An actuarial study completed in April 2015 calculated the City's unfunded liability for retiree medical other post-employment benefits (OPEB) at \$75,638 as of July 1, 2015. This budget and work plan includes the establishment an OPEB trust with an initial funding level of 80% of the unfunded liability (\$60,511). While many employers use a "pay-as-you-go" formula to minimally fund OPEB liabilities, the establishment of an interest-bearing trust will allow the City to proactively manage future costs and reduce unfunded liabilities.

Law Enforcement Retirement and Post-Employment Benefits

Agreements for law enforcement services with the County of Orange include certain employee retirement and OPEB-related expenses. While the City is not responsible for the County of Orange's long-term retirement or OPEB liabilities, changes in employer contribution rates and actuarial valuations for the Orange County Employees Retirement System (OCERS) create a year-to-year budgetary risk exposure for the City. While retirement and OPEB-related expenses have a material and generally upward impact on the City's costs, the City does not have a role in OCERS' decision-making. The County of Orange's long-term law enforcement services cost projections (see page 62) do not explicitly identify pension costs with amortized unfunded liabilities.

6.0. CITY BUDGET DETAIL

This chapter is intended to present revenue and expenditure detail for the programs, projects, and services included in this budget.

GENERAL FUND REVENUE SUMMARY

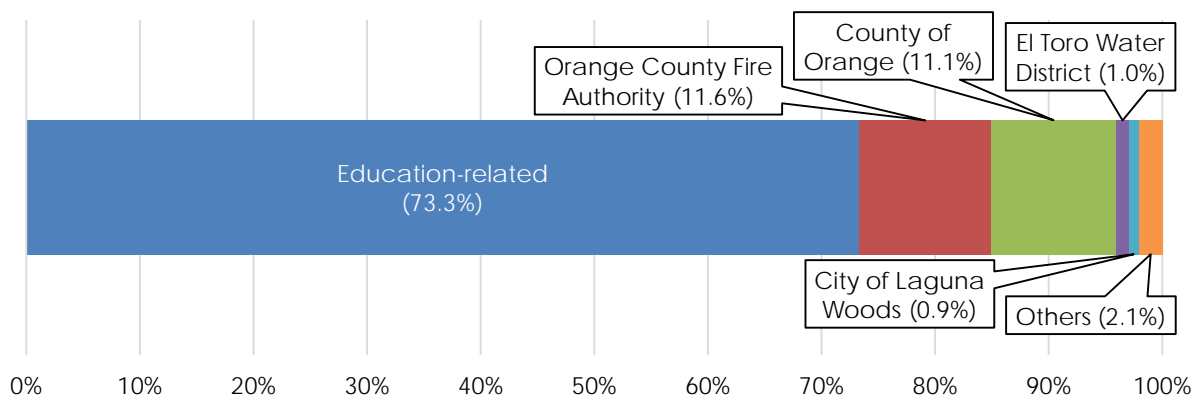
General Fund revenue for Fiscal Year 2015-16 is estimated to be \$5,039,000, or approximately 8.8% more than the Fiscal Year 2014-15 adopted budget, and 7.0%, or \$330,000, more than year-end estimates for Fiscal Year 2014-15. The differences in revenue can be attributed to a variety of contributing factors including modest increases in property tax, transient occupancy tax (TOT), and interest revenues, as well as increased development processing fees.

The three largest sources of General Fund revenue for Fiscal Year 2015-16 are anticipated to be property tax [including secured, unsecured, and property tax in lieu of vehicle license fees (VLF)], sales tax [including both the 0.75% local sales tax and the 0.25% property tax in lieu of sales tax (Proposition 57's "triple flip")], and development processing fees (fees charged to recover the City's reasonable costs of providing permitting, plan review, and inspection services). Property tax, sales tax, and development processing fees account for nearly 73% of estimated General Fund revenue.

Property Tax Allocation

For every dollar of property tax paid, the City receives an average of only \$0.00879. Over 73% of every property tax dollar funds education.

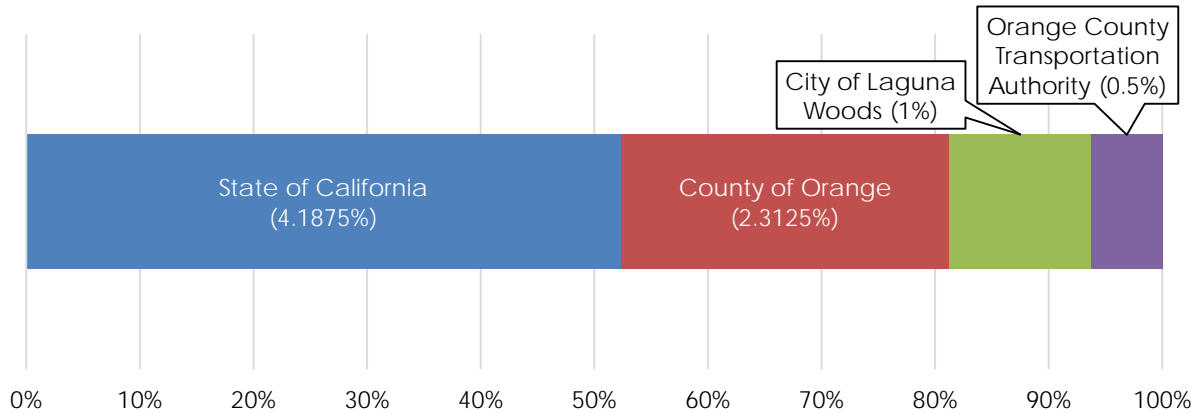
[Average Property Tax Allocation – Tax Rate Area 32010]



Sales Tax Allocation

Of the 8% local sales tax rate, the City receives only 1% of tax proceeds. The majority of sales tax revenue is paid to the State of California and the County of Orange. The City receives a portion of the half-cent sales tax collected by the Orange County Transportation Authority pursuant to Measure M2, which is reported in the Special Funds section of this budget.

[Sales Tax Allocation]



[Top 25 Sales Tax Producers – 2014 Calendar Year⁶]

19 Restaurant & Lounge	OfficeMax
Adapt 2 It	Olive Garden
Aqua Aerobic Systems	Rite Aid
Carl’s Jr.	Saddleback Golf Cars
CVS Pharmacy	Sch Enterprises
Golden Rain Foundation	Stage 21 Bikes
Home Depot	Stanley Okon Dental Lab
Hometown Buffet	Starbucks
Jack in the Box	Stater Bros.
Jersey Mike’s Subs	Tomo Sushi
Leisure World Mobil	Valvoline Instant Oil Change
Mothers Market	Vons
Moulton Arco AM/PM	

Significant Trends and Observations

- Total assessed property valuations are estimated to increase by 4.4% from Fiscal Year 2014-15 due, in part, to a healthy volume of ownership

⁶ Sales Tax Allocations Adjusted for Economic Data, January 2014 through December 2014, Hinderliter, de Llamas & Associates. Based on information from the State Board of Equalization.

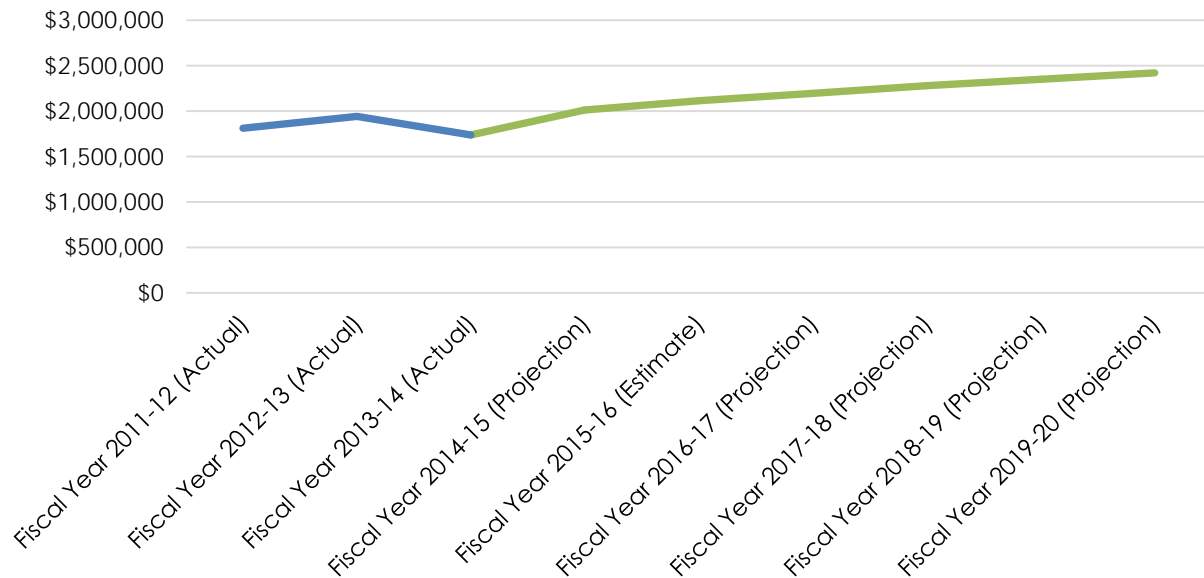
transfers in 2014 and the recapture of additional assessed property valuations that had been temporarily reduced pursuant to Proposition 8's tax relief program. An expected rebound in supplemental property tax revenue from a record low in Fiscal Year 2014-15 pushes the estimated growth in total property tax revenue to 5.1% over Fiscal Year 2014-15. In comparison, total property tax revenue increased at an average of 2.5% per year from fiscal years 2011-12 through 2013-14.

- While total sales tax revenue is estimated to increase from Fiscal Year 2014-15, the increase is attributable to one-time revenue resultant of the final year of Proposition 57's triple flip, which temporarily modified sales tax allocations in order to allow the State of California to establish a Fiscal Recovery Fund to pay for bonds issued for deficit reduction. Exclusive of one-time revenue, total sales tax revenue is estimated to decrease by 1.2% from the Fiscal Year 2014-15 projection due, in part, to a decline in gasoline consumption and the absence of positive tax filing adjustments for several individual businesses that occurred in Fiscal Year 2014-15, but will not repeat. Total sales tax revenue has been fairly flat over the past four fiscal years – the Fiscal Year 2015-16 estimate is only 2.5% greater than actual sales tax revenue in Fiscal Year 2011-12.
- The City's sales tax base continues to lack scale and diversity with the top 25 sales tax producers accounting for more than 95% of total sales tax revenue in the 2014 calendar year. This over-dependence on a narrow subset of sales tax producers means that the City is particularly vulnerable to significant fluctuations of sales tax revenue, the totality of which funds more than 17% of the General Fund operating budget.
- Development processing fee revenue is estimated to increase by 31.7% from Fiscal Year 2014-15 due, in part, to the adoption of a new fee schedule for building and planning-related permitting, plan review, and inspection services. A Building & Planning Services Fee Study that was completed in spring 2015 found that the City's then-current fee schedule was significantly outdated and resulting in the recovery of only 68% of the City's costs for providing building and planning services. As a result, fees were modified with a goal of 100% cost recovery.
- Interest revenue is estimated to increase by 166.7% from Fiscal Year 2014-15, though earnings are still estimated at less than 1% of the City's total investable fund balance due to the nature of currently authorized investments. The estimated increase assumes, in part, that the Federal Reserve System will increase short-term interest rates to 1.5% by June 30, 2016, and does not include gains as a result of potential future updates of the City's investment policy.

Historic and Long-Term Property Tax Estimates

Modest increases in property tax revenue are estimated through Fiscal Year 2019-20 with an average annual increase of 3.76%. Property tax is also known to experience periodic economic fluctuations which may result in as of yet unknown, but potentially significant, decreases in revenue.

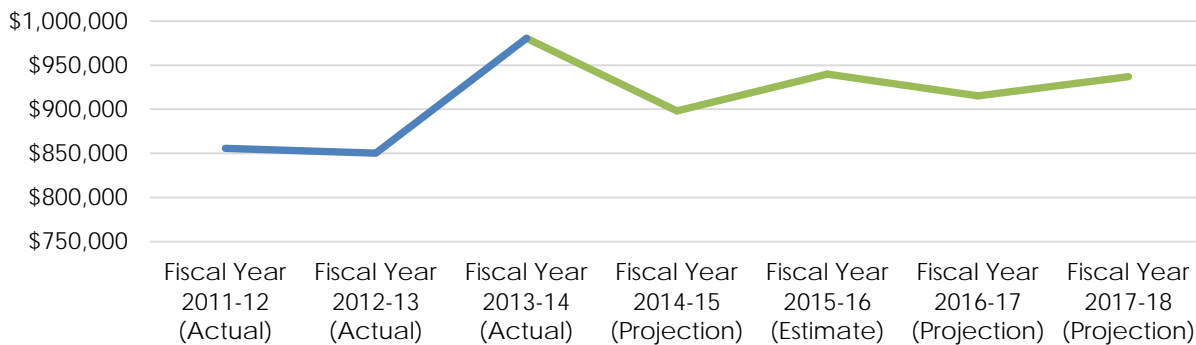
[Property Tax – Fiscal Years 2011-12 through 2019-20]



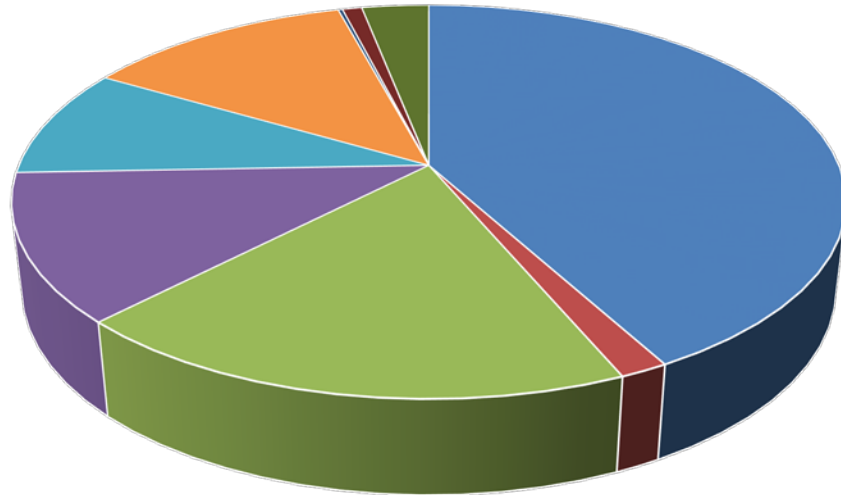
Historic and Long-Term Sales Tax Estimates

As a result of the final year of Proposition 57's triple flip, sales tax revenue is estimated to experience a one-time increase in Fiscal Year 2015-16, followed by a slight upward trend in subsequent fiscal years. The lack of scale and diversity within the City's sales tax base creates the potential for significant revenue fluctuations and instability in the near- and short-term.

[Sales Tax – Fiscal Years 2011-12 through 2017-18]



[General Fund Revenue Estimates by Source – Fiscal Year 2015-16]



- Property Tax
- Sales Tax
- Transient Occupancy Tax
- Fines
- Miscellaneous
- Property Transfer Tax
- Franchise Fees
- Development Processing Fees
- Interest

[General Fund Revenue by Source – Percent of Total General Fund]

General Fund Revenue Source	Percent of Actual Year-End Receipts (Fiscal Year 2013-14)	Percent of Year-End Budget Projection (Fiscal Year 2014-15)	Percent of Adopted Budget Estimate (Fiscal Year 2015-16)
Property Tax	37.2%	42.7%	42.0%
Property Transfer Tax	1.5%	1.7%	1.6%
Sales Tax	21.0%	19.1%	18.7%
Franchise Fees	13.5%	12.9%	12.1%
Transient Occupancy Tax	9.5%	9.8%	9.0%
Development Processing Fees	10.2%	10.0%	12.4%
Fines	5.3%	0.7%	0.2%
Interest	0.4%	0.4%	0.9%
Miscellaneous	1.4%	2.7%	3.1%

Please note that to better reflect the function and collection of General Fund revenues, and to conform to the method of financial reporting used by other California cities, this budget accounts for property tax in lieu of vehicle license fees as a part of general property tax revenue; property tax in lieu of sales tax as a part of sales tax revenue; and, property transfer tax separately.

GENERAL FUND EXPENDITURE SUMMARY

General fund operating expenditures for Fiscal Year 2015-16 are budgeted at \$4,947,176, or approximately 12.9% more than the Fiscal Year 2014-15 budget. An additional \$646,699 in non-operating expenditures and transfers for capital projects is budgeted to provide funding for the following:

- Commercial Zoning Code Uses & Parking Standards Update Project
- General Plan Comprehensive Update Project
- Financial Software Replacement Project
- Other Post-Employment Benefits (OPEB) Trust Establishment
- Law Enforcement Services Vehicle and Equipment
- Moulton Parkway Water Efficient Median Project (Design)

The three largest types of General Fund operating budget expenditures for Fiscal Year 2015-16 are anticipated to be public safety services [including law enforcement (Orange County Sheriff's Department) and animal control and shelter services]; planning and environmental services (including building, planning, code enforcement, water quality, waste, and recycling services); and, general government (including City Hall building maintenance, legal services, and other central or non-departmental services and City personnel, as well as City personnel to support community and public safety services).

Contract Law Enforcement Services

Routine law enforcement services provided under contract with the Orange County Sheriff's Department represent the single largest expenditure in the General Fund operating budget, at 46.0%, or \$2,276,190, assuming an offset of \$100,000 in Supplemental Law Enforcement Services Account funding from the State of California (accounted for in the Special Funds section of this budget) and a savings of \$5,955 in early payment discounts (as provided for in the City's contract with the County of Orange). Additional non-operating expenditures related to the purchase of a new vehicle and other equipment for deputies, as well as continued participation in the countywide 800 MHz Next Generation Project, total \$97,689 after \$175 in early payment discounts.

The share of the routine law enforcement services contract borne by the General Fund operating budget in Fiscal Year 2015-16 is increasing 62.05%, or \$871,584, from Fiscal Year 2014-15 due, in part, to:

- A regional re-evaluation of law enforcement services that resulted in the addition of two new patrol/traffic deputies, increased cost-sharing of the patrol sergeants assigned to the cities of Aliso Viejo and Laguna Hills, and an increased cost for patrol services provided by the cities of Aliso Viejo and Laguna Hills in excess of services provided to those cities by Laguna Woods. Additional re-evaluation is scheduled to occur in early 2016 in anticipation of Fiscal Year 2016-17 contracts.
- A 9.33% increase in salaries, benefits, overhead, and other employee-related costs. Salaries and benefits are set by the Orange County Board of Supervisors. The City does not have a role in labor negotiations.

Over the next four fiscal years, the County of Orange is projecting continued increases in routine contract law enforcement services costs that total 10.82%. Those projections are recalculated annually and are subject to change.

[Projected Change in Routine Contract Law Enforcement Services Costs⁷]

Fiscal Year	Projected Percent Change	Projected New General Fund Fiscal Impact
2016-17	3.69%	(\$60,408)
2017-18	2.36%	(\$40,063)
2018-19	2.05%	(\$35,590)
2019-20	2.33%	(\$41,304)
Total	10.82%	(\$177,365)

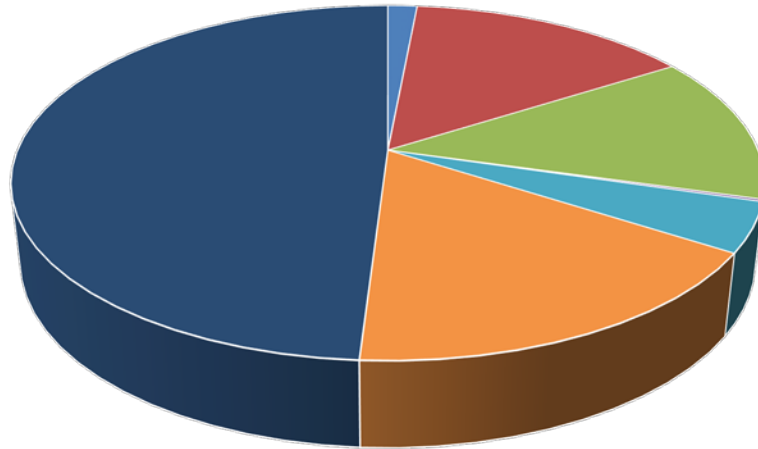
Despite increasing law enforcement services costs, the City's per capita costs remain among the lowest of any city served by the Orange County Sheriff's Department, at \$91 per resident in Fiscal Year 2014-15 (lowest)⁸ and \$144 per resident in Fiscal Year 2015-16 (higher than only the City of Yorba Linda)⁹.

⁷ County of Orange. Law Enforcement Contracts Cost Projections (2014 SFP). February 2, 2014. Based on the City's Fiscal Year 2015-16 staff levels and excluding non-operating costs.

⁸ County of Orange, Orange County Sheriff's Department. Contract Cities Cost Statistics FY 2014-15 (Based on Final Contracts). March 26, 2015.

⁹ Based on law enforcement contract cost information obtained from the cities of Aliso Viejo, Laguna Niguel, and Yorba Linda, as well as State of California, Department of Finance, *E-1 Population*

[General Fund Operating Expenditures by Program – Fiscal Year 2015-16*]



- City Council
- General Government
- Administrative Services
- Community Services
- Engineering & Infrastructure Services
- Planning & Environmental Services
- Public Safety Services

[General Fund Operating Expenditures by Program – Percent]

General Fund Operating Expenditure Program	Percent of General Fund Operating Budget*
City Council	1.5%
General Government	14.5%
Administrative Services	13.4%
Community Services	0.2%
Engineering & Infrastructure Services	4.5%
Planning & Environmental Services	16.9%
Public Safety Services	49.0%

* Non-operating expenditures and transfers to Special Funds for Capital Projects and the Senior Mobility Program are not included.

Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2014 and 2015. Sacramento, California, May 2015.

“AT-A-GLANCE” GENERAL FUND SUMMARY

[General Fund Revenue over Operating Expenditures Estimate]

Total General Fund Revenue Estimate:	\$5,039,000
Non-Operating Revenue Estimate (one-time sales tax):	(\$ 55,000)
Operating Expenditures:	(\$4,947,176)
Total General Fund Operating Revenue over Operating Expenditures:	\$ 36,824

[Total General Fund Non-Operating Expenditures and Transfers]

Non-Operating Expenditures:	\$ 594,449*
Transfers to Capital Projects Fund:	<u>\$ 52,250</u>
	\$ 646,699

[Total General Fund Expenditures]

Total General Fund Operating Expenditures:	\$4,947,176
Total General Fund Non-Operating Expenditures and Transfers:	<u>\$ 646,699*</u>
	\$5,593,875

* The multi-year General Plan Comprehensive Update Project accounts for \$308,920 of non-operating expenditures. Expenditures are budgeted in Fiscal Year 2015-16, but will be paid over two fiscal years with the unexpended balance from Fiscal Year 2015-16 carried over to Fiscal Year 2016-17.

At the end of Fiscal Year 2015-16, the unallocated (or, unassigned) General Fund balance is estimated to be \$7,364,496, or approximately 149% of Fiscal Year 2015-16 operating expenditures. The City maintains additional reserves for self-insurance and compensated employee absences.

SPECIAL FUNDS REVENUE SUMMARY

Special Funds revenue for Fiscal Year 2015-16 is estimated at \$1,228,945.

The three largest sources of Special Funds revenue for Fiscal Year 2015-16 are anticipated to be Fuel Tax (including highway users tax/gasoline excise tax), Measure M2 (including fair share allocations and grant-related revenues), and Senior Mobility (including Senior Mobility Program and Transportation Development Act funding from the Orange County Transportation Authority, as well as user fee revenue). Fuel Tax and Measure M2 fair share revenue,

both of which can be used for operations and maintenance of public right-of-way, account for approximately 50% of Special Funds revenue.

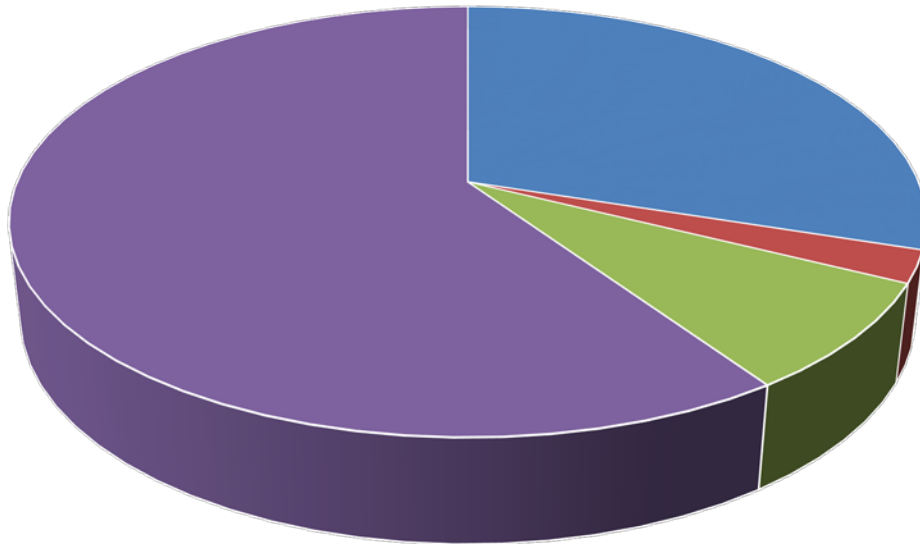
Significant Trends and Observations

- Fuel tax revenue is estimated to decrease 25.4% from Fiscal Year 2014-15 due, in part, to declines in gasoline consumption and prices, as well as year-to-year adjustments mandated in the State of California's Fuel Tax Swap of 2010¹⁰. The fuel tax revenue estimated for Fiscal Year 2015-16 represents the lowest amount that the City will have received since Fiscal Year 2007-08. This reduction is concerning, particularly as a part of a trend that is likely to continue as vehicles become increasingly fuel efficient, in that fuel tax revenue is a significant source of funding for public right-of-way operations and maintenance programs.
- While total Measure M2 revenue is estimated to increase by 47.0% from Fiscal Year 2014-15, the fiscal year 2014-15 and 2015-16 revenue estimates include approximately \$20,000 and \$110,880 in grant revenue and reimbursements, respectively, such that regular Measure M2 fair share revenue is actually estimated to increase by 6.6% from Fiscal Year 2014-15¹¹. Measure M2 revenue is generated by a half-cent sales tax collected countywide, the base for which is significantly stronger and better diversified than the City's. As a result, Measure M2 revenue is estimated to increase by almost 7% over the same period that sales tax revenue generated within Laguna Woods (accounted for in the General Fund section of this budget) is estimated to decrease by 1.2%.
- While there is no supplemental funding projected to be required from the General Fund to support the Senior Mobility Program in Fiscal Year 2015-16, 20.4% of the program's revenue is the product of a temporary allocation of Transportation Development Act funding from the Orange County Transportation Authority. Fiscal Year 2015-16 is the final year for which Transportation Development Act funding is allocated. The City is actively pursuing an extension to maintain service levels.
- Fiscal Year 2015-16 is the first of a new three-year cycle of Community Development Block Grant funding to support the Residential Energy Efficiency Improvement Program. Funding is subject to appropriation by the United States Department of Housing and Urban Development and approval of the Orange County Board of Supervisors.

¹⁰ CaliforniaCityFinance.com, Shared Revenue Estimates: State Revenue Allocations to Cities and Counties Highway User Tax – Estimates for 2015-16, 2014-15, February 25, 2015.

¹¹ Orange County Transportation Authority, Measure M2 Local Fair Share Program Revenue Estimates, FY 2014-15 through FY 2020-21, April 2015.

[Special Funds Revenue Estimates by Category – Fiscal Year 2015-16]



- Community Services Funds ■ Environmental Funds
- Public Safety Funds ■ Transportation Funds

[Special Funds Revenue by Category – Percent of Total Special Funds]

Special Fund Revenue Category	Percent of Actual Year-End Receipts (Fiscal Year 2013-14)	Percent of Year-End Budget Projection (Fiscal Year 2014-15)	Percent of Adopted Budget Estimate (Fiscal Year 2015-16)
Community Services	24.1%	16.6%	30.0%
Environmental	3.6%	2.8%	2.4%
Public Safety	7.2%	7.2%	8.1%
Transportation	65.1%	73.4%	59.5%

SPECIAL FUNDS EXPENDITURES SUMMARY

Special Fund expenditures for Fiscal Year 2015-16 are budgeted at \$1,164,985.

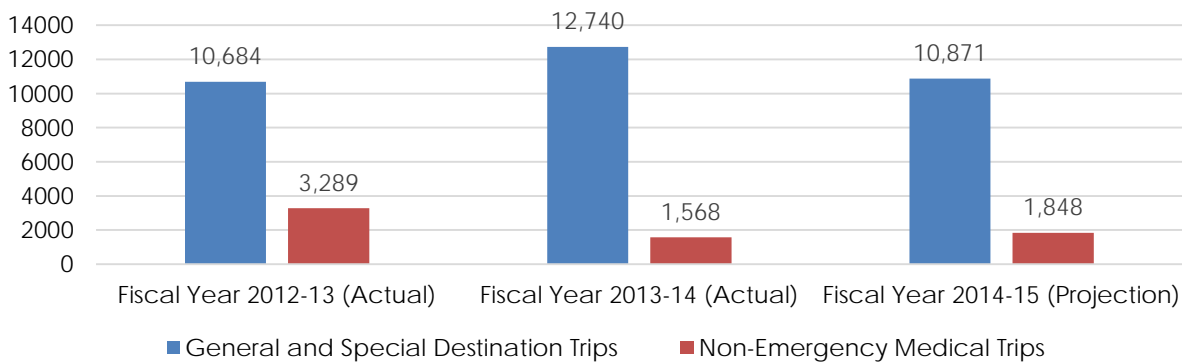
The two largest types of Special Fund budget expenditures for Fiscal Year 2015-16 are anticipated to be transportation (including public right-of-way maintenance, public roadway lighting, traffic engineering, and roadway-

related capital improvement projects) and community services [including the Senior Mobility Program, residential energy efficiency improvement program, and local government television channel equipment (Channel 31)], which collectively account for 91% of total Special Funds expenditures.

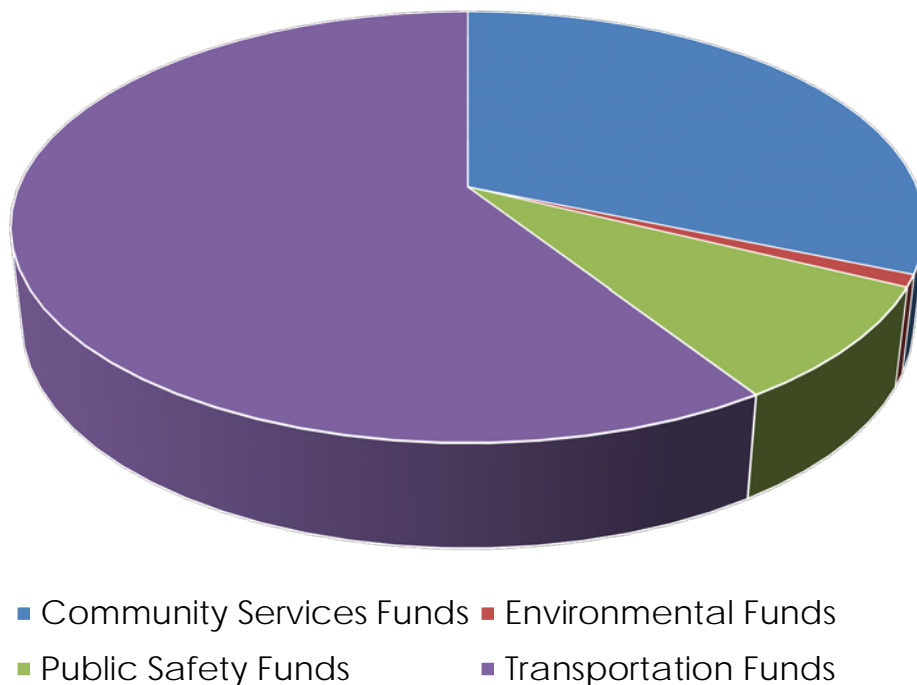
Senior Mobility Program

The Fiscal Year 2015-16 budget includes \$220,000 in expenditures related to the Senior Mobility Program, which is approximately 13.6% less than Fiscal Year 2014-15 based on the actual volume and costs of recent trips.

[Senior Mobility Program Trips – Fiscal Years 2012-13 through 2014-15]



[Special Funds Expenditures by Fund Category – Fiscal Year 2015-16]



[Special Funds Expenditures by Fund Category – Percent]

Special Fund Expenditure Category	Percent of Special Funds Budget
Community Services	31.4%
Environmental	0.9%
Public Safety	8.6%
Transportation	59.1%

CAPITAL PROJECTS FUND REVENUE AND EXPENDITURES

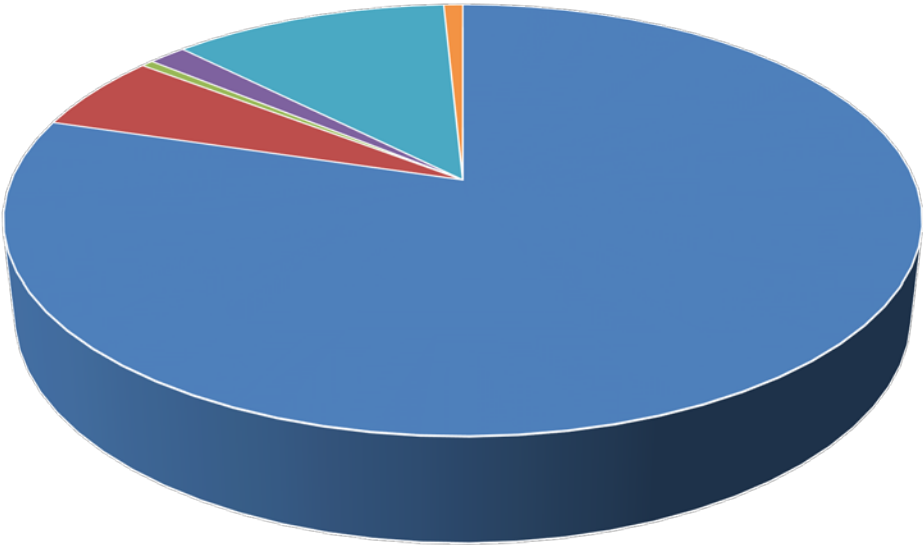
Capital Projects Fund revenue for Fiscal Year 2015-16 is estimated at \$52,250, all of which is transferred from the General Fund.

Capital Projects Fund expenditures for Fiscal Year 2015-16 are budgeted at \$52,250 for the Moulton Parkway Water Efficient Median Project (Design).

“ALL FUNDS” REVENUE SUMMARY

Total Fiscal Year 2015-16 revenue from the General Fund, Special Funds, and Capital Projects Fund is estimated at \$6,267,945 (excluding internal transfers).

[Total Revenue Estimates by Fund – Fiscal Year 2015-16]



- General Fund
- Environmental Funds
- Transportation Funds
- Community Services Funds
- Public Safety Funds
- Capital Projects Fund

[Total Revenue Estimates by Fund – Percent]

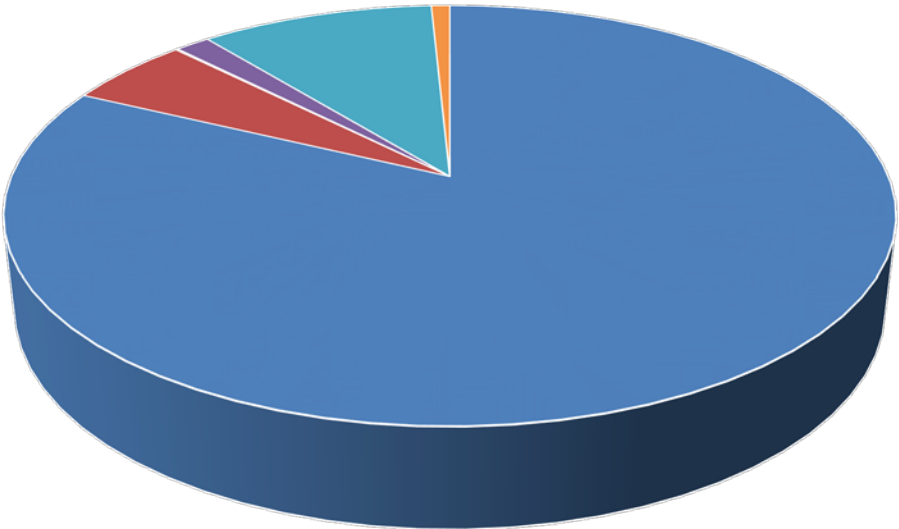
Fund(s)	Percent of Total Estimated Revenue
General	79.7%
Community Services	5.8%
Environmental	0.5%
Public Safety	1.6%
Transportation	11.6%
Capital Projects*	0.8%

* All Capital Projects revenue is transferred from the General Fund.

“ALL FUNDS” EXPENDITURES SUMMARY

Total Fiscal Year 2015-16 expenditures from the General Fund, Special Funds, and Capital Projects Fund are budgeted at \$6,758,860 (excluding internal transfers). Please note that expenditures exceed revenues as a result of one-time non-operating expenditures and expenditures for projects that utilize revenues received in prior fiscal years.

[Total Expenditures Estimates by Fund – Fiscal Year 2015-16]



- General Fund
- Environmental Funds
- Transportation Funds
- Community Services Funds
- Public Safety Funds
- Capital Projects Fund

[Total Expenditures Estimates by Fund – Percent]

Fund	Percent of Total Budgeted Expenditures
General – Operating	73.4%
General – Non-Operating	8.7%
Community Services	5.4%
Environmental	0.1%
Public Safety	1.5%
Transportation	10.1%
Capital Projects	0.8%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Revenue Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>GENERAL FUND:</u>							
Property Tax	1,941,182	1,739,807	1,891,600	2,012,000	2,114,000	11.8%	5.1%
Property Transfer Tax	75,240	71,991	83,900	80,000	81,000	-3.5%	1.3%
Sales Tax:							
Regular	850,242	980,555	891,000	898,000	887,000	-0.4%	-1.2%
One-Time					55,000		
Franchise Fees	676,705	628,028	638,600	609,000	611,000	-4.3%	0.3%
Transient Occupancy Tax	404,110	443,361	406,200	462,000	452,000	11.3%	-2.2%
Development Processing Fees	486,098	475,972	511,600	473,000	623,000	21.8%	31.7%
Fines	259,561	248,089	30,000	30,000	10,000	-66.7%	-66.7%
Interest	20,438	18,216	25,400	18,000	48,000	89.0%	166.7%
Miscellaneous	194,605	66,403	154,476	127,000	158,000	2.3%	24.4%
Total General Fund	4,908,181	4,672,421	4,632,776	4,709,000	5,039,000	8.8%	7.0%
Less: One-Time Sales Tax					(55,000)		
Total General Fund (ongoing)	4,908,181	4,672,421	4,632,776	4,709,000	4,984,000	7.6%	5.8%
Self-Insurance Fund*	465,598	199,913					
TOTAL GENERAL FUND (including Self-Insurance)	5,373,780	4,872,334	4,632,776	4,709,000	5,039,000	8.8%	7.0%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Revenue Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>SPECIAL FUNDS:</u>							
<u>Transportation Funds</u>							
Fuel Tax	446,607	593,948	475,000	540,000	403,000	-15.2%	-25.4%
Measure M1	356,719	77,100	-	235,774	-	-	-100.0%
Measure M2	186,149	219,040	1,301,860	223,000	327,880	-74.8%	47.0%
Prop 1B -- State-Local Partnership Program (SLPP)	-	-	-	293,000	-	-	-100.0%
Proposition 1B	175,663	-	-	-	-	-	-
Traffic Mitigation Fees - Moulton Parkway Project	272,345	681,800	405,000	715,986	-	-100.0%	-100.0%
Federal Transportation Enhancement (TE)	477,689	22,359	-	-	-	-	-
Coastal Area Road Improvement and Traffic Signals (CARITS)	577	365	-	343	-	-	-100.0%
Transportation Development Act (TDA)	351,465	-	-	-	-	-	-
Total Transportation Funds	2,267,214	1,594,612	2,181,860	2,008,102	730,880	-66.5%	-63.6%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Revenue Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>Public Safety Funds</u>							
Service Authority for Abandoned Vehicles	1,844	40	-	80	-	-	-100.0%
Supplemental Law Enforcement Services	100,000	105,816	100,000	103,045	100,000	0.0%	-3.0%
Disaster Recovery Initiative (DRI) Grant	16,033	61,188	54,342	93,036	-	-100.0%	-100.0%
Points of Dispensing Activities	-	9,356	-	-	-	-	-
Total Public Safety Funds	117,877	176,400	154,342	196,161	100,000	-35.2%	-49.0%
<u>Environmental Funds</u>							
Mobile Source Reduction	19,917	25,508	20,000	20,600	20,000	0.0%	-2.9%
Proposition 84 Grant	-	57,888	305,538	-	-	-100.0%	-
Beverage Container Recycling	5,056	5,068	5,000	5,050	5,000	0.0%	-1.0%
Used Oil/Oil Payment Program	5,000	4,976	5,000	5,032	5,000	0.0%	-0.6%
Energy Efficiency Conservation	58,984	(4,492)	-	-	-	-	-
CalRecycle Grant	-	-	46,000	46,000	-	-100.0%	-100.0%
Total Environmental Funds	88,957	88,948	381,538	76,682	30,000	-92.1%	-60.9%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Revenue Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>Community Services Funds</u>							
PEG/Cable Television	12,243	27,280	12,500	13,100	13,400	7.2%	2.3%
Senior Mobility	245,919	298,103	258,997	303,786	221,500	-14.5%	-27.1%
Community Development Block Grant (CDBG)	420,744	263,703	135,000	136,835	133,165	-1.4%	-2.7%
Total Community Services Funds	678,906	589,086	406,497	453,721	368,065	-9.5%	-18.9%
TOTAL SPECIAL FUNDS	3,152,954	2,449,046	3,124,237	2,734,666	1,228,945	-60.7%	-55.1%
<u>CAPITAL PROJECTS FUND:</u>							
Capital Projects	4,158,014	-	88,697	91,197	52,250	-41.1%	-42.7%
TOTAL CAPITAL PROJECTS FUND	4,158,014	-	88,697	91,197	52,250	-41.1%	-42.7%

CITY OF LAGUNA WOODS Fiscal Year 2015-16 Revenue Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
TOTAL REVENUE - ALL FUNDS	12,684,748	7,321,380	7,845,710	7,534,863	6,320,195	-19.4%	-16.1%
Less: INTER-FUND TRANSFERS	4,623,612	238,187	108,697	88,697	52,250	-51.9%	-41.1%
TOTAL NET REVENUE	8,061,135	7,083,193	7,737,013	7,446,166	6,267,945	-19.0%	-15.8%
Less: One-Time Sales Tax					(55,000)		
TOTAL NET ONGOING REVENUE	8,061,135	7,083,193	7,737,013	7,446,166	6,212,945	-19.7%	-16.6%

* Beginning with Fiscal Year 2014-15, self-insurance premiums and deposits are being paid from the General Government section of the General Fund operating budget, rather than from a separate Self-Insurance Fund. A Self-Insurance Reserve of \$500,000 is now maintained within the General Fund.

Unexpended revenues for capital projects and grant programs from Fiscal Year 2014-15, as well as certain operating budget items, will be carried over to Fiscal Year 2015-16.

CITY OF LAGUNA WOODS Fiscal Year 2015-16 Expenditures Summary - All Funds
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	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>GENERAL FUND</u>							
City Council	34,210	46,204			-	-	-
Administrative Services	1,127,972	1,298,644			-	-	-
Community Development	353,184	390,208			-	-	-
Community Services	173,255	151,606			-	-	-
Public Safety	1,618,678	1,643,332			-	-	-
Public Works	227,584	228,528			-	-	-
Non-Departmental	274,862	90,817			-	-	-
City Council	-	-	51,250	25,184	74,785	45.9%	197.0%
General Government	-	-	739,775	675,329	778,460	5.2%	15.3%
Administrative Services	-	-	720,930	535,822	747,288	3.7%	39.5%
Community Services	-	-	210,640	119,784	8,165	-96.1%	-93.2%
Engineering and Infrastructure Services	-	-	359,724	337,286	220,629	-38.7%	-34.6%
Planning and Environmental Services	-	-	999,925	904,891	1,189,533	19.0%	31.5%

CITY OF LAGUNA WOODS						
Fiscal Year 2015-16 Expenditures Summary - All Funds						

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
Public Safety Services	-	-	1,540,554	1,496,280	2,522,765	63.8%	68.6%
Subtotal	3,809,745	3,849,340	4,622,798	4,094,576	5,541,625	19.9%	35.3%
Economic Uncertainties Reserve	-	-	219,737	-	-	-100.0%	-
Transfer to Self-Insurance Reserve*	465,598	199,913	-	-	-	-	-
Transfer to PEG/Cable Television		4,481	-	-	-	-	-
Transfer to Senior Mobility Fund	-	25,000	20,000	-	-	-100.0%	-
Transfer to Capital Projects	4,158,014	-	88,697	88,697	52,250	-41.1%	-41.1%
Total General Fund	8,433,357	4,078,734	4,951,232	4,183,273	5,593,875	13.0%	33.7%
Self-Insurance Fund*	211,688	103,770	-	-	-	-	-
TOTAL GENERAL FUND (including Self-Insurance)	8,645,045	4,182,504	4,951,232	4,183,273	5,593,875	13.0%	33.7%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>SPECIAL FUNDS</u>							
<u>Transportation Funds</u>							
Fuel Tax	414,457	559,953	337,100	337,100	298,000	-11.6%	-11.6%
Measure M1	13,426	225,624	-	-	-	-	-
Measure M2	12,569	457,277	1,301,860	207,159	311,880	-76.0%	50.6%
Prop 1B - State-Local Partnership Program (SLPP)	-	293,000	-	-	-	-	-
Traffic Mitigation Fees - Moulton Parkway Project	370,840	938,593	405,000	82,689	43,500	-89.3%	-47.4%
Federal Transportation Enhancement (TE)	500,000	22,569	-	-	-	-	-
Coastal Area Road Improvement and Traffic Signals (CARITS)	99,241	1,773	130,000	-	35,040	-73.0%	-
Transportation Development Act (TDA)	500,394	-	-	-	-	-	-
Total Transportation Funds	1,910,927	2,498,788	2,173,960	626,948	688,420	-68.3%	9.8%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>Public Safety Funds</u>							
Service Authority for Abandoned Vehicles	-	-	-	-	-	-	-
Supplemental Law Enforcement Services	100,000	96,620	112,226	112,226	100,000	-10.9%	-10.9%
Disaster Recovery Initiative (DRI) Grant	19,853	127,594	54,342	22,811	-	-100.0%	-100.0%
Points of Dispensing Activities	-	9,356	-	-	-	-	-
Total Public Safety Funds	119,853	233,570	166,568	135,037	100,000	-40.0%	-25.9%
<u>Environmental Funds</u>							
Mobile Source Reduction	-	-	-	-	-	-	-
Proposition 84 Grant	-	73,621	289,905	-	-	-100.0%	-
Beverage Container Recycling	24,638	3,166	5,000	5,000	5,000	0.0%	0.0%
Used Oil/Oil Payment Program	4,540	2,274	5,000	5,000	5,000	0.0%	0.0%
Energy Efficiency Conservation	-	735	-	-	-	-	-
CalRecycle Grants	3,991	14,968	46,000	46,000	-	-100.0%	-100.0%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Summary - All Funds

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
OC Recycling Grants	20,000	20,717	-	-	-	-	-
Total Environmental Funds	53,169	115,481	345,905	56,000	10,000	-97.1%	-82.1%
<u>Community Services Funds</u>							
PEG/Cable Television	10,773	-	12,500	2,000	13,400	7.2%	570.0%
Senior Mobility	267,477	273,812	254,600	217,891	220,000	-13.6%	1.0%
Community Development Block Grant (CDBG)	376,795	222,532	136,835	136,835	133,165	-2.7%	-2.7%
Total Community Services Funds	655,045	496,344	403,935	356,726	366,565	-9.3%	2.8%
TOTAL SPECIAL FUNDS	2,738,994	3,344,183	3,090,368	1,174,711	1,164,985	-62.3%	-0.8%
<u>CAPITAL PROJECTS FUND</u>							
Capital Projects	149,503	10,290	1,138,808	19,400	52,250	-95.4%	169.3%
TOTAL CAPITAL PROJECTS FUND	149,503	10,290	1,138,808	19,400	52,250	-95.4%	169.3%

CITY OF LAGUNA WOODS							
Fiscal Year 2015-16 Expenditures Summary - All Funds							

	2012-13	2013-14	2014-15		2015-16		
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
TOTAL EXPENDITURES	11,533,542	7,536,977	9,180,408	5,377,384	6,811,110	-25.8%	26.7%
Less: INTER-FUND TRANSFERS	4,623,612	238,187	108,697	88,697	52,250	-51.9%	-41.1%
TOTAL NET EXPENDITURES	6,909,930	7,298,790	9,071,711	5,288,687	6,758,860	-25.5%	27.8%

* Beginning with Fiscal Year 2014-15, self-insurance premiums and deposits are being paid from the General Government section of the General Fund operating budget, rather than from a separate Self-Insurance Fund. A Self-Insurance Reserve of \$500,000 is now maintained within the General Fund.

Unexpended balances of capital projects and grant programs from Fiscal Year 2014-15, as well as certain operating budget items, will be carried over to Fiscal Year 2015-16.

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - General Fund

<u>Line Item</u>	<u>Fiscal Year 2014-15</u> <u>Adopted</u>	<u>Fiscal Year 2014-15</u> <u>Amended</u>	<u>Fiscal Year 2015-16</u> <u>Proposed</u>
City Council			
<u>General Expenses</u>			
Mileage and Parking	1,750	750	500
Travel, Conferences, and Meetings	5,000	8,700	9,885
<u>City Council Contingency</u>			
City Council Contingency	25,000	25,000	50,000
<u>Compensation</u>			
Monthly Compensation	18,000	16,800	14,400
Payroll Taxes	0	0	0
TOTAL	49,750	51,250	74,785
General Government			
<u>General Expenses</u>			
Community Outreach	10,000	3,860	4,750
Insurance	33,010	54,057	40,241
Legal Services	175,500	154,453	153,900
Meeting Accessibility Services	4,350	4,450	5,865
Memberships and Dues	17,230	17,230	17,967
Mileage and Parking	4,100	2,600	1,696
Office Equipment & Maintenance	-	-	13,168
Office Supplies & Activities	9,750	10,750	9,750
Postage	4,750	4,750	3,500
Printing	13,320	13,320	3,750
Public Notices	3,500	3,500	3,500
Travel, Conferences, and Meetings	6,347	6,347	6,274
Other Projects and Services	15,200	11,100	25,950
Non-Operating	90,000	23,211	0
<u>Election Expenses</u>			
City Council Election	25,000	15,350	0
<u>City Hall Expenses</u>			
Janitorial Services, City Hall	-	-	8,900
Maintenance, City Hall	-	-	29,236
Telephones, City Hall	-	-	12,509
Utilities, Electric, City Hall	-	-	23,579
Utilities, Gas, City Hall	-	-	420
Utilities, Water, City Hall	-	-	1,920
<u>Compensation & Benefits</u>			
Salaries, Full-time	304,620	304,620	266,656
Fringe Benefits	36,000	36,000	30,000
Supplemental Allowances	3,660	3,660	3,708
Payroll Taxes	23,304	23,304	17,510

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - General Fund

<u>Line Item</u>	<u>Fiscal Year 2014-15</u> <u>Adopted</u>	<u>Fiscal Year 2014-15</u> <u>Amended</u>	<u>Fiscal Year 2015-16</u> <u>Proposed</u>
Retirement (Employer Contribution)	38,663	38,663	28,460
Benefit Administration	1,500	1,500	1,335
Long-term Disability	3,750	3,750	344
Retiree Medical (Employer Contribution)	3,300	3,300	3,061
Non-Operating (Employer Trust Contribution)	-	-	60,511
TOTAL	826,854	739,775	778,460

Administrative Services

<u>General Expenses</u>			
Audit Services	17,431	17,431	22,000
Information Technology Services	19,376	19,376	16,376
Telephones, City Hall	10,088	13,588	-
Finance and Payroll Services	85,940	91,219	78,852
Non-Operating	-	60,000	82,329
Merchant Payment Services	5,000	0	5,000
Records Management Services	1,410	1,410	1,660
Website Services	3,540	3,540	4,300
Non-Operating	46,500	46,500	0
Other Projects & Services	-	41,265	7,500
<u>Compensation & Benefits</u>			
Salaries, Full-time	338,604	273,560	396,993
Salaries, Part-time	33,592	33,592	0
Fringe Benefits	48,000	48,000	60,000
Payroll Taxes	28,473	28,473	29,209
Retirement (Employer Contribution)	42,976	42,976	39,422
Long-term Disability	-	-	3,647
TOTAL	680,930	720,930	747,288

Community Services

<u>General Expenses</u>			
Channel 31 Programming	3,500	3,057	3,057
Community Recreation Events	2,500	800	1,045
Street Banners	7,000	12,143	0
<u>Community Services Grant Program</u>			
Community Grants	150,000	187,790	0
<u>Senior Mobility Program</u>			
Postage (Senior Mobility)	2,100	2,100	0
Printing (Senior Mobility)	4,750	4,750	0
<u>Compensation & Benefits</u>			
Salaries, Full-time	-	-	0
Community Events	-	-	3,591

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - General Fund

<u>Line Item</u>	<u>Fiscal Year 2014-15</u> <u>Adopted</u>	<u>Fiscal Year 2014-15</u> <u>Amended</u>	<u>Fiscal Year 2015-16</u> <u>Proposed</u>
Payroll Taxes	-	-	0
Community Events	-	-	236
Retirement (Employer Contribution)	-	-	0
Community Events	-	-	236
TOTAL	169,850	210,640	8,165

Engineering & Infrastructure Services

<u>General Expenses</u>			
Engineering Services	-	-	5,000
Non-Operating	30,000	30,000	0
Janitorial Services, City Hall	6,740	6,990	-
Landscaping Services	56,648	54,042	45,936
Landscaping Services, M2 Maint of Effort	80,895	83,501	83,501
Maintenance, Catch Basins	8,000	10,867	8,500
Maintenance, City Hall	21,982	21,982	-
<u>Utilities</u>			
Utilities, City Hall, Electric	19,100	22,100	-
Utilities, City Hall, Gas	650	400	-
Utilities, City Hall, Water	1,802	1,802	-
Utilities, Street Lights, Residential	34,460	34,460	33,960
<u>Compensation & Benefits</u>			
Salaries, Full-time	68,620	73,620	34,307
Fringe Benefits	6,000	6,000	3,000
Payroll Taxes	5,250	5,250	2,334
Retirement (Employer Contribution)	8,710	8,710	3,834
Long-term Disability	-	-	257
TOTAL	348,857	359,724	220,629

Planning & Environmental Services

<u>General Expenses</u>			
Building Services	442,100	415,000	430,950
Building Services, Printing	3,600	3,600	3,600
Building Services, Publications	500	1,600	1,000
Code Enforcement Services	31,428	31,428	31,428
Community Waste Events and Collections	96,000	121,000	89,250
Planning Services	7,500	7,500	7,500
Non-Operating	81,560	81,560	353,920
Waste Management Services	45,000	45,000	45,000
Water Quality Services	93,500	90,633	91,813
<u>Compensation & Benefits</u>			
Salaries, Full-time	152,568	153,568	102,921

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - General Fund

<u>Line Item</u>	<u>Fiscal Year 2014-15</u> <u>Adopted</u>	<u>Fiscal Year 2014-15</u> <u>Amended</u>	<u>Fiscal Year 2015-16</u> <u>Proposed</u>
Community Events	-	-	3,404
Fringe Benefits	18,000	18,000	9,000
Payroll Taxes	11,672	11,672	7,003
Community Events	-	-	248
Retirement (Employer Contribution)	19,364	19,364	11,501
Community Events	-	-	224
Long-term Disability	-	-	771
TOTAL	1,002,792	999,925	1,189,533
Public Safety Services			
<u>General Services</u>			
Animal Services	97,381	97,381	100,875
Law Enforcement Services	1,424,073	1,424,073	2,308,375
Non-Operating	-	6,789	97,689
Other Public Safety Services	22,311	12,311	15,826
TOTAL	1,543,765	1,540,554	2,522,765
Economic Uncertainties Reserve			
<u>Economic Uncertainties Reserve</u>			
Economic Uncertainties Reserve	219,737	219,737	0
TOTAL	219,737	219,737	0
Inter-Fund Transfers			
<u>Inter-Fund Transfers</u>			
Transfer to Capital Projects	88,697	88,697	52,250
Transfer to Senior Mobility	20,000	20,000	0
TOTAL	108,697	108,697	52,250
Operating Expenditures Subtotal	4,374,738	4,381,527	4,947,176
Economic Uncertainties Reserve Subtotal	219,737	219,737	0
TOTAL	4,594,475	4,601,264	4,947,176
Non-Operating Expenditures Subtotal	248,060	241,271	594,449
Transfer to Capital Projects Subtotal	88,697	88,697	52,250
Transfer to Senior Mobility Subtotal	20,000	20,000	0
TOTAL	356,757	349,968	646,699
TOTAL GENERAL FUND EXPENDITURES	4,951,232	4,951,232	5,593,875

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - General Fund

<u>Line Item</u>	<u>Fiscal Year 2014-15</u> <u>Adopted</u>	<u>Fiscal Year 2014-15</u> <u>Amended</u>	<u>Fiscal Year 2015-16</u> <u>Proposed</u>
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<u>Fiscal Year 2015-16 Non-Operating Detail</u>			
GENERAL GOVERNMENT			
Other Post-Employment Benefits (OPEB) Trust Establishment			60,511
TOTAL			60,511
ADMINISTRATIVE SERVICES			
Financial Software Replacement			82,329
TOTAL			82,329
PLANNING & ENVIRONMENTAL SERVICES			
Commercial Zoning Code Uses and Parking Standards Update			45,000
Comprehensive General Plan Update*			308,920
TOTAL			353,920
PUBLIC SAFETY SERVICES			
Law Enforcement Services Vehicle and Equipment			97,689
TOTAL			97,689
* The Comprehensive General Plan Update is a multi-year project. The unexpended budget from Fiscal Year 2015-16 will be carried over to Fiscal Year 2016-17.			

<u>Fiscal Year 2015-16 Transfer to Capital Projects Detail</u>			
Moulton Parkway Water Efficient Median Project (Design)			52,250
TOTAL			52,250

<u>Fiscal Year 2015-16 Carryovers from Fiscal Year 2014-15 (Anticipated)</u>			
Americans with Disabilities Act (ADA) Transition Plan for Public Sidewalks and Curb Ramps		Unexpended balance at year-end	
Community Services Grants - 2015 Calendar Year Awards		Unexpended balance at year-end	
General Plan Conservation Element Update		Unexpended balance at year end	

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - Special Funds and Capital Projects Fund

	2014-15		2015-16		
	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
TRANSPORTATION FUNDS					
Fuel Tax					
Street Lighting - Public ROW	17,600	17,600	16,500	-6.3%	-6.3%
Contract - Landscaping	134,600	134,600	134,600	0.0%	0.0%
Contract - Street Maintenance	142,000	142,000	104,000	-26.8%	-26.8%
Contract - Street Sweeping	42,900	42,900	42,900	0.0%	0.0%
TOTAL	337,100	337,100	298,000	-11.6%	-11.6%
Measure M1					
Moulton Pkwy Widening	-	-	-	-	-
TOTAL	-	-	-	-	-
Measure M2					
El Toro Road Traffic Signal Synchronization Project	486,120	4,000	29,680	-93.9%	642.0%
Moulton Parkway Traffic Signal Synchronization Project	609,740	6,000	81,200	-86.7%	1253.3%
Street Lighting - Public ROW	14,700	14,659	16,500	12.2%	12.6%
Contract - Traffic Engineering	142,500	142,500	142,500	0.0%	0.0%
Contract - Traffic Signal Maint.	48,800	40,000	42,000	-13.9%	5.0%
TOTAL	1,301,860	207,159	311,880	-76.0%	50.6%
Prop 1B - State-Local Partnership Program (SLPP)					
El Toro Road/ADA Ramp Reconstruction	-	-	-	-	-
TOTAL	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - Special Funds and Capital Projects Fund

	2014-15		2015-16		
	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
Traffic Mitigation Fees - Moulton Parkway Project					
Moulton Smart Street Project - Phase 2	-	34,740	-	-	-100.0%
Moulton Smart Street - Landscape	405,000	47,949	-	-100.0%	-100.0%
Santa Maria Ave Bioswale Project	-	-	43,500	-	-
TOTAL	405,000	82,689	43,500	-89.3%	-47.4%
Coastal Area Road Improvement and Traffic Signals (CARITS)					
El Toro Road Traffic Signal Synchronization Project	66,680	-	16,340	-75.5%	-
Moulton Parkway Traffic Signal Synchronization Project	46,980	-	18,700	-60.2%	-
Traffic Control and Devices	16,340	-	-	-100.0%	-
TOTAL	130,000	-	35,040	-73.0%	-
<u>PUBLIC SAFETY FUNDS</u>					
Service Authority for Abandoned Vehicles					
Contract - Other	-	-	-	-	-
TOTAL	-	-	-	-	-
Supplemental Law Enforcement Services					
Law Enforcement Services	112,226	112,226	100,000	-10.9%	-10.9%
TOTAL	112,226	112,226	100,000	-10.9%	-10.9%
Disaster Recovery Initiative (DRI) Grant					
Grant Activities	54,342	22,811	-	-100.0%	-100.0%
TOTAL	54,342	22,811	-	-100.0%	-100.0%

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - Special Funds and Capital Projects Fund

	2014-15		2015-16		
	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
Points of Dispensing Activities					
Grant Activities	-	-	-	-	-
TOTAL	-	-	-	-	-
ENVIRONMENTAL FUNDS					
Proposition 84 Grant					
City Hall LID Retrofit Project	289,805	-	-	-100.0%	-
TOTAL	289,805	-	-	-100.0%	-
Beverage Container Recycling					
Contract - Solid Waste	5,000	5,000	5,000	0.0%	0.0%
TOTAL	5,000	5,000	5,000	0.0%	0.0%
Used Oil/Oil Payment Program					
Contract - Solid Waste	5,000	5,000	5,000	0.0%	0.0%
TOTAL	5,000	5,000	5,000	0.0%	0.0%
CalRecycle Grants					
Administrative Costs	2,500	2,500	-	-100.0%	-100.0%
Collectn/Contract-Solid Waste	26,000	26,000	-	-100.0%	-100.0%
Education	17,500	17,500	-	-100.0%	-100.0%
TOTAL	46,000	46,000	-	-100.0%	-100.0%
OC Recycling Grants					
Grant Activities	-	-	-	-	-
TOTAL	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Expenditures Detail - Special Funds and Capital Projects Fund

	2014-15		2015-16		
	Amended Budget	Current Projection for Year	Budget Estimate for Year	% Change From 2014-15 Budget	% Change From 2014-15 Projection
<u>COMMUNITY SERVICES FUNDS</u>					
PEG/Cable Television					
Equipment & Maintenance	12,500	2,000	13,400	7.2%	570.0%
TOTAL	12,500	2,000	13,400	7.2%	570.0%
Senior Mobility					
Contract - Transportation	193,200	159,732	160,000	-17.2%	0.2%
Contract - Taxi Voucher NEMT	61,400	58,159	60,000	-2.3%	3.2%
TOTAL	254,600	217,891	220,000	-13.6%	1.0%
Community Development Block Grant (CDBG)					
CDBG Residential Energy Imp	136,835	136,835	133,165	-2.7%	-2.7%
TOTAL	136,835	136,835	133,165	-2.7%	-2.7%
TOTAL SPECIAL FUNDS	3,090,268	1,174,711	1,164,985	-62.3%	-0.8%
<u>CAPITAL PROJECTS FUND</u>					
Capital Projects					
City Hall LID Retrofit Project and Improvements	1,049,812	5,600	-	-100.0%	-100.0%
City Hall Bollard Replacement Project	29,040	900	-	-100.0%	-100.0%
Dairy Fork Constructed Wetland Project	59,956	12,900	-	-100.0%	-100.0%
Moulton Parkway Water Efficient Median Project	-	-	52,250	-	-
TOTAL	1,138,808	19,400	52,250	-95.4%	169.3%

Unexpended balances of capital projects and grant programs from Fiscal Year 2014-15, as well as certain operating budget items, will be carried over to Fiscal Year 2015-16.

CITY OF LAGUNA WOODS Fiscal Year 2015-16 Budget Summary By Fund
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Fund	7/1/2015 Estimated Opening Fund Balance	Estimated Revenues	Proposed Expenditures	Net Change in Fund Balance	6/30/2016 Projected Ending Fund Balance
<i>General Fund</i>					
General Fund - Unassigned	\$ 7,919,371	\$ 5,039,000	\$ 5,593,875	\$ (554,875)	\$ 7,364,496
Restricted for:					
Public Safety (Seatbelt Safety)	1,504	-	-	-	1,504
Public Safety (Emergency Mgmt)	17,226	-	-	-	17,226
Assigned for:					
Compensated Absences Reserve	150,000	-	-	-	150,000
Self Insurance Reserve	500,000	-	-	-	500,000
TOTAL	8,588,101	5,039,000	5,593,875	(554,875)	8,033,226
<i>Special Funds:</i>					
<i>Transportation Funds:</i>					
Fuel Tax	526,867	403,000	298,000	105,000	631,867
Measure M 1	(184,000)	-	-	-	(184,000)
Measure M 2	13,104	327,880	311,880	16,000	29,104
Prop 1B - State-Local Partnership Prog	-	-	-	-	-
Traffic Mitigation Fees	482,822	-	43,500	(43,500)	439,322
CARITS	35,959	-	35,040	(35,040)	919
TOTAL	874,751	730,880	688,420	42,460	917,211
<i>Public Safety Funds:</i>					
Srv Authority for Abandoned Vehicles	34,985	-	-	-	34,985
Supplemental Law Enforcement	-	100,000	100,000	-	-
Disaster Recovery Initiative	-	-	-	-	-
TOTAL	34,985	100,000	100,000	-	34,985
<i>Environmental Funds:</i>					
Mobile Source Reduction	92,898	20,000	-	20,000	112,898
Proposition 84 Grant	(15,733)	-	-	-	(15,733)
Beverage Container Recycling	22,583	5,000	5,000	-	22,583
Used Oil/Oil Payment Program	14,034	5,000	5,000	-	14,034
CalRecycle Grant	(1,662)	-	-	-	(1,662)
TOTAL	112,120	30,000	10,000	20,000	132,120

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Budget Summary By Fund

Fund	7/1/2015 Estimated Opening Fund Balance	Estimated Revenues	Proposed Expenditures	Net Change in Fund Balance	6/30/2016 Projected Ending Fund Balance
<i>Community Services Funds:</i>					
PEG/Cable Television	43,400	13,400	13,400	-	43,400
Senior Mobility Program	13,534	221,500	220,000	1,500	15,034
CDBG Program	(3,634)	133,165	133,165	-	(3,634)
TOTAL	53,300	368,065	366,565	1,500	54,800
<i>Capital Projects Fund</i>					
Capital Projects	1,115,073	52,250	52,250	-	1,115,073
TOTAL	1,115,073	52,250	52,250	-	1,115,073
CUMULATIVE TOTAL	\$ 10,778,330	\$ 6,320,195	\$ 6,811,110	\$ (490,915)	\$ 10,287,415

Unexpended balances of capital projects and grant programs from Fiscal Year 2014-15, as well as certain operating budget items, will be carried over to Fiscal Year 2015-16. Fund balance has been adjusted for these estimated carryovers.

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Capital improvement Program - Funding Status

EXPENDITURES								
Project Title	Estimated Project Cost	Funded Prior Fiscal Years	Funded FY 12-13	Funded FY 13-14	Funded FY 14-15	Proposed FY 15-16	Total Funded	Remaining Amount Unfunded
City Hall Bollard Replacement Project	\$ 29,040	-	-	-	\$ 29,040	-	\$ 29,040	-
Dairy Fork Constructed Wetland Project	\$ 59,956	-	-	-	\$ 59,956	-	\$ 59,956	-
El Toro Road Traffic Signal Synchronization Project	\$ 598,820	-	-	-	\$ 552,800	\$ 46,020	\$ 598,820	-
Moulton Parkway Traffic Signal Synchronization Project	\$ 756,620	-	-	-	\$ 656,720	\$ 99,900	\$ 756,620	-
El Toro Road Water Efficient Median Improvement Project	\$ 295,550	-	-	-	-	-	-	\$ 295,550
Moulton Parkway Water Efficient Median Improvement Project	\$ 830,599	-	-	-	-	\$ 52,250	\$ 52,250	\$ 778,349
Santa Maria Avenue Bioswale Project	\$ 43,500	-	-	-	-	\$ 43,500	\$ 43,500	-
Santa Maria Avenue Water Efficient Median Improvement Project	\$ 418,485	-	-	-	-	-	-	\$ 418,485
TOTAL	\$ 3,032,570	\$ -	\$ -	\$ -	\$ 1,298,516	\$ 241,670	\$ 1,540,186	\$ 1,492,384

CITY OF LAGUNA WOODS
Fiscal Year 2015-16 Capital improvement Program - Funding Status

FUNDING SOURCE

Project Title	Amount Funded	General Fund	Measure M2	Traffic Mitigation Fees	CARITS	Other Agencies
City Hall Bollard Replacement Project	\$ 29,040	\$ 29,040				
Dairy Fork Constructed Wetland Project	\$ 59,956	\$ 59,956				
El Toro Road Traffic Signal Synchronization Project	\$ 598,820		\$ 514,000		\$ 83,020	\$ 1,800
Moulton Parkway Traffic Signal Synchronization Project	\$ 756,620		\$ 645,440		\$ 65,680	\$ 45,500
Moulton Parkway Water Efficient Median Improvement Project	\$ 52,250	\$ 52,250				
Santa Maria Avenue Bioswale Project	\$ 43,500			\$ 43,500		
TOTAL	\$ 1,540,186	\$ 141,246	\$ 1,159,440	\$ 43,500	\$ 148,700	\$ 47,300

CITY OF LAGUNA WOODS
Capital Improvement Program - Potential Seven-Year Phasing
Fiscal Years 2015-16 - 2021-22

Project Title	Project Cost	Prior Fiscal Years	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22
City Hall Bollard Replacement Project	\$ 29,040	\$ 29,040	-	-	-	-	-	-	-
Dairy Fork Constructed Wetland Project	\$ 59,956	\$ 59,956	-	-	-	-	-	-	-
El Toro Road Traffic Signal Synchronization Project*	\$ 642,500	\$ 4,000	\$ 602,500	\$ 18,000	\$ 18,000	-	-	-	-
Moulton Parkway Traffic Signal Synchronization Project*	\$ 808,050	\$ 6,000	\$ 713,250	\$ 44,400	\$ 44,400	-	-	-	-
El Toro Road Water Efficient Median Improvement Project	\$ 295,550	-	-	-	\$ 295,550	-	-	-	-
Moulton Parkway Water Efficient Median Improvement	\$ 830,599	-	\$ 52,250	-	-	\$ 393,329	\$ 385,020	-	-
Santa Maria Avenue Bioswale	\$ 43,500	-	\$ 43,500	-	-	-	-	-	-
Santa Maria Water Efficient Median Improvement Project	\$ 418,485	-	-	-	-	-	-	\$ 46,920	\$ 371,565
TOTAL	\$ 3,127,680	\$ 98,996	\$ 1,411,500	\$ 62,400	\$ 357,950	\$ 393,329	\$ 385,020	\$ 46,920	\$ 371,565

* Project costs include cash, in-kind, and operations and maintenance expenses from both the City and all involved agencies.

Note: This table complies with Orange County Transportation Authority requirements.