

CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting
Wednesday, June 21, 2017
2:00 p.m.

Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637

Shari L. Horne
Mayor

Carol Moore
Mayor Pro Tem

Cynthia Conners
Councilmember



Vacant
Councilmember

Noel Hatch
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

This meeting may be recorded, televised, and made publically available.

Public Comments: Persons wishing to address the City Council are requested to complete and submit a speaker card to City staff. Speaker cards are available near the entrance to the meeting location. Persons wishing to address the City Council on an item appearing on this agenda will be called upon at the appropriate time during the item's consideration. Persons wishing to address the City Council on an item *not* appearing on the agenda will be called upon during the "Public Comments" item. Persons who do not wish to submit a Speaker Card, or who wish to remain anonymous, may indicate their desire to speak from the floor. Speakers are requested, but not required, to identify themselves.

Americans with Disabilities Act (ADA): It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council regularly meets on the third Wednesday of each month at 2 p.m.

AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City's website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 02-33, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City's website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

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FOR ADDITIONAL INFORMATION

For additional information, please contact the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535, cityhall@cityoflagunawoods.org, or 24264 El Toro Road, Laguna Woods, California 92637.

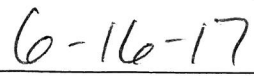
AFFIDAVIT OF POSTING

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, Yolie Trippy, Deputy City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City's website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 02-33, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.



YOLIE TRIPPY, Deputy City Clerk



Date

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Adopt-A-Cat Month – June 2017

Recommendation: Approve and present the proclamation.

4.2 Gun Violence Awareness Month – June 2017

Recommendation: Approve and present the proclamation.

4.3 Immigrant Heritage Month – June 2017

Recommendation: Approve and present the proclamation.

4.4 Pride Month – June 2017

Recommendation: Approve and present the proclamation.

V. PUBLIC COMMENTS

About Public Comments: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. Pursuant to State law, the City Council is unable to take action on such items, but may engage in brief discussion, provide direction to City staff, or schedule items for consideration at future meetings.

VI. CONSENT CALENDAR

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, City staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

6.1 City Council Minutes

Recommendation: Approve the City Council meeting minutes for the regular meeting on May 17, 2017 and the special meeting on May 30, 2017.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of May 2017.

6.3 Warrant Register

Recommendation: Approve the warrant register dated June 21, 2017 in the amount of \$964,099.32.

6.4 Fiscal Year 2016-17 Budget Adjustments

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RESCINDING RESOLUTION NO. 17-11 AND ADOPTING A FISCAL YEAR 2016-17 BUDGET FOR THE MEASURE M1 FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGETS FOR THE BEVERAGE CONTAINER RECYCLING FUND, COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUND, AND SENIOR MOBILITY FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGET AND AUTHORIZING TRANSFERS FROM THE GENERAL FUND TO THE FUEL TAX FUND, MEASURE M2 FUND, SENIOR MOBILITY FUND, MEASURE M1 FUND, AND PROPOSITION 84 GRANT FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGETS AND AUTHORIZING TRANSFERS FROM THE TRAFFIC MITIGATION FEES FUND AND CALRECYCLE GRANT FUND TO THE GENERAL FUND; AND, AUTHORIZING THE CLOSURE OF THE CALRECYCLE GRANT FUND, MEASURE M1

FUND, PROPOSITION 84 GRANT FUND, AND TRAFFIC
MITIGATION FEES FUND

6.5 Law Enforcement Services

Recommendation: Approve an agreement with the County of Orange for law enforcement services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.6 As Needed Waste Management Consulting Services

Recommendation: Approve an extension of the agreement with Michael Balliet for as needed waste management consulting services and authorize the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.7 Landscape Maintenance Services

Recommendation: Approve an extension of the agreement with Nieves Landscape, Inc. for landscape maintenance services and authorize the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.8 Traffic Signal, Street Light, and City Hall Lighting Maintenance Services

Recommendation: Approve an agreement with Computer Service Company for traffic signal, street light, and City Hall lighting maintenance services and authorize the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

6.9 Local Signal Synchronization Plan

Recommendation: Adopt a Local Signal Synchronization Plan for Fiscal Years 2017-18 through 2019-20, as recommended by the City Engineer/City Traffic Engineer, and direct the City Engineer/City Traffic Engineer to execute and submit the Local

Signal Synchronization Plan to the Orange County Transportation Authority as required to maintain Measure M2 eligibility.

6.10 Measure M2 Eligibility

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, CONCERNING THE STATUS AND UPDATE OF THE CIRCULATION ELEMENT, LOCAL SIGNAL SYNCHRONIZATION PLAN, AND MITIGATION FEE PROGRAM FOR THE MEASURE M (M2) PROGRAM

6.11 Moulton Parkway Water Efficient Median Improvement Project

Recommendation:

1. Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AMENDED FUEL TAX FUND APPROPRIATIONS FOR THE FISCAL YEAR COMMENCING JULY 1, 2016 AND ENDING JUNE 30, 2017 RELATED TO THE MOULTON PARKWAY WATER EFFICIENT MEDIAN IMPROVEMENT PROJECT

AND

2. Approve the “Moulton Parkway Water Efficient Median Improvement Project” design plans and specifications as recommended by the City Engineer.

AND

3. Award a contract agreement to STL Landscape, Inc. for the construction of the “Moulton Parkway Water Efficient Median Improvement Project”, in the amount of \$219,131, plus

authorized change orders not to exceed 10% of the base amount; and authorize the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

6.12 Laguna Woods Civic Support Fund

Recommendation: Appoint Ryna Rothberg to the Board of Directors for the Laguna Woods Civic Support Fund as a resident member.

VII. PUBLIC HEARINGS

7.1 Medical and Non-Medical Marijuana Cultivation Regulations

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.08.010, 13.10.020, 13.12.020, 13.13.020, AND

13.26.026 OF THE LAGUNA WOODS MUNICIPAL CODE
RELATED TO MEDICAL AND NON-MEDICAL
MARIJUANA CULTIVATION

VIII. CITY COUNCIL BUSINESS

8.1 Budgeting, Reserves, and Reporting Policy

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF LAGUNA WOODS, CALIFORNIA, APPROVING
MODIFICATIONS TO ADMINISTRATIVE POLICY 2.9
PERTAINING TO BUDGETING, RESERVES, AND
REPORTING

8.2 Fiscal Years 2017-19 Budget and Work Plan Development

Recommendation: Discuss and provide direction to staff.

8.3 City Council Vacancy

Recommendation:

1. Review the applications received from individuals interested in being appointed to fill the City Council vacancy.

AND

2. Select individuals to interview for the City Council vacancy at the adjourned regular meeting of the City Council on June 28, 2017 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

IX. CITY COUNCIL REPORTS AND COMMENTS

About City Council Comments and Reports: This is the time and place for members of the City Council to provide reports on meetings attended including, but not limited to, meetings of regional boards and entities to which they have been appointed to represent the City and meetings attended at

the expense of the City pursuant to California Government Code Section 53232.3. Members of the City Council may also make other comments and announcements.

- 9.1 Coastal Greenbelt Authority
Councilmember Conners; Alternate: Mayor Horne
- 9.2 Orange County Fire Authority
Councilmember Hatch
- 9.3 Orange County Library Advisory Board
Mayor Pro Tem Moore; Alternate: Mayor Horne
- 9.4 Orange County Mosquito and Vector Control District
Mayor Horne
- 9.5 San Joaquin Hills Transportation Corridor Agency
Vacant; Alternate: Councilmember Conners
- 9.6 South Orange County Watershed Management Area
Mayor Pro Tem Moore; Alternate: Councilmember Hatch
- 9.7 Other Comments and Reports

X. CLOSED SESSION

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Adjourned Regular Meeting: Wednesday, June 28, 2017 at 2 p.m.
Laguna Woods City Hall
24264 El Toro Road, Laguna Woods, California 92637

Next Regular Meeting: Wednesday, July 19, 2017 at 2 p.m.
Laguna Woods City Hall
24264 El Toro Road, Laguna Woods, California 92637

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4.1
PROCLAMATION –
ADOPT-A-CAT MONTH –
JUNE 2017

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**Proclamation
City of Laguna Woods
Adopt-A-Cat Month
June 2017**

WHEREAS, Laguna Woods is home to a great many pet cats; and

WHEREAS, the American Humane Association reports that every year, thousands of newborn kittens join millions of cats already in shelters across the country; and

WHEREAS, individuals sometimes find themselves unable to continue to care for pet cats, as a result of life changes, medical conditions, or other circumstances; and

WHEREAS, the City of Laguna Woods is committed to ending pet overpopulation and neglect within its borders, including through compassionate adoption; and

WHEREAS, there are a variety of local resources available to assist individuals who are interested in pet cat adoption, including the Laguna Beach/Laguna Woods Animal Shelter, which can provide referrals and often has adoptable cats available, and the Laguna Woods Village Cat Club; and

WHEREAS, shelters, individuals, and community groups play a vital role in raising awareness of pet cat adoption and promoting the humane treatment of all animals.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2017 as “Adopt-A-Cat Month” in the City of Laguna Woods and encourages its residents to consider and raise awareness of pet cat adoption.

Dated this 21st day of June, 2017

Shari L. Horne
Mayor

Attest: Yolie Trippy
Deputy City Clerk

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4.2
PROCLAMATION –
GUN VIOLENCE AWARENESS MONTH –
JUNE 2017

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Proclamation
City of Laguna Woods
Gun Violence Awareness Month
June 2017

WHEREAS, every day, an average of 309 people across the country are victims of gunshots, 93 of whom succumb to fatal injuries; and

WHEREAS, every year, an average of 114,994 people across the country are victims of gunshots, 33,880 of whom succumb to fatal injuries; and

WHEREAS, guns are the second leading cause of death among children and teens, with nearly 1.7 million living in a home with an unlocked and loaded gun; and

WHEREAS, more than 80 percent of children and teens who die from suicide use a gun that belongs to a family member; and

WHEREAS, older adults are one of the largest groups of gun owners in the country, with statistics indicating that as many as 60 percent of older adults suffering from dementia live in a home with a gun; and

WHEREAS, over 70 percent of older adults who die from suicide use a gun.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2017 as “Gun Violence Awareness Month” in the City of Laguna Woods and encourages safe and responsible gun ownership.

Dated this 21st day of June, 2017

Shari L. Horne
Mayor

Attest: Yolie Trippy
Deputy City Clerk

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4.3
PROCLAMATION –
IMMIGRANT HERITAGE MONTH –
JUNE 2017

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**Proclamation
City of Laguna Woods
Immigrant Heritage Month
June 2017**

WHEREAS, generations of immigrants from every corner of the globe have built our country's economy and created the unique character of our nation; and

WHEREAS, immigrants provide our nation with a diversity of social and cultural influence, fundamentally enhancing its extraordinary character; and

WHEREAS, immigrants continue to grow businesses, innovate, strengthen the economy, and otherwise serve communities throughout this nation; and

WHEREAS, throughout history, the role of immigrants in building, serving, and enriching our nation has frequently been overlooked and undervalued; and

WHEREAS, throughout history, immigrants have sought not only to secure their own rights and access to equal opportunity, but have also campaigned and advocated for a fairer and more just society for all Americans; and

WHEREAS, hosts of Laguna Woods residents have rich immigrant heritages, which though often unnoticed, benefit the fabric and vitality of our community.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2017 as "Immigrant Heritage Month" in the City of Laguna Woods and encourages reflection on the contributions that immigrants have made and continue to make, both locally and throughout our nation.

Dated this 21st day of June, 2017

Shari L. Horne
Mayor

Attest: Yolie Trippy
Deputy City Clerk

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4.4
PROCLAMATION –
PRIDE MONTH –
JUNE 2017

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**Proclamation
City of Laguna Woods
Pride Month
June 2017**

WHEREAS, Laguna Woods draws strength and vitality from the diversity of those who live, work, visit, and otherwise contribute to our community; and

WHEREAS, diversity, tolerance, and respect are hallmarks of a civilized society and vital to maintaining the extraordinary character of our community; and

WHEREAS, there are residents, members of the business community, and others who are a part of the lesbian, gay, bisexual, and transgender community; and

WHEREAS, Pride Month is an opportunity to reflect on the ways that we can all come together with a commitment to mutual respect and understanding; and

WHEREAS, the City of Laguna Woods opposes discrimination in all its forms and supports the fair and equitable treatment of all people.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2017 as “Pride Month” in the City of Laguna Woods and encourages individuals to fight prejudice and discrimination in their own lives and to treat others with dignity and respect.

Dated this 21st day of June, 2017

Shari L. Horne
Mayor

Attest: Yolie Trippy
Deputy City Clerk

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6.1-6.12
CONSENT CALENDAR SUMMARY

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: June 21, 2017 Regular Meeting

SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the June 21, 2017 Consent Calendar by single motion and City Council action.

Background

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

Summary

The June 21, 2017 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the regular meeting on May 17, 2017 (Attachment A) and the special meeting on May 30, 2017 (Attachment B).
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of May 2017.
- 6.3 Approval of the warrant register dated June 21, 2017 in the amount of \$964,099.32. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at City Hall.

6.4 Approval of a resolution:

- Rescinding Resolution No. 17-11, which was approved by the City Council on May 17, 2017, but requires corrections;
- Adopting a Fiscal Year 2016-17 budget for the Measure M1 Fund;
- Increasing the adopted Fiscal Year 2016-17 budgets for the Beverage Container Recycling Fund, Community Development Block Grant Program Fund, and Senior Mobility Fund;
- Increasing the adopted Fiscal Year 2016-17 budget and authorizing transfers from the General Fund to the Fuel Tax Fund, Measure M2 Fund, Senior Mobility Fund, Measure M1 Fund, and Proposition 84 Grant Fund;
- Increasing the adopted Fiscal Year 2016-17 budgets and authorizing transfers from the Traffic Mitigation Fees Fund and CalRecycle Grant Fund to the General Fund; and
- Authorizing the closure of the CalRecycle Grant Fund, Measure M1 Fund, Proposition 84 Grant Fund, and Traffic Mitigation Fees Fund.

The proposed budget adjustments are necessary for the reasons set forth in the resolution, which generally relate to 1) adjusting the current fiscal year's budget to accommodate unanticipated expenditures, including a one-time, \$90,000 contribution from the General Fund to the Senior Mobility Fund, due to an increase in program usage and costs; 2) increasing appropriations and authorizing transfers to resolve past issues related to fund balance and expenditures in several funds; and, 3) authorizing the closure of several funds that are no longer in use. In January 2017, the City Council approved modifications to Senior Mobility Program fees, which will take effect for travel after June 30, 2017. It is anticipated that those modifications will help to moderate and reduce potential future impacts on the General Fund.

- 6.5 Approval of an agreement with the County of Orange for law enforcement services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement includes a comparable level of service to the current fiscal year, at an annual cost of \$2,603,724 (a decrease from the current fiscal year of approximately 1.45% for ongoing services). The decrease is primarily attributable to a new cost-sharing arrangement with the City of Aliso Viejo that reduces the formerly full-time Investigator position to half-time. Projections continue to show that law enforcement costs are increasing at an unsustainable rate, significantly

in excess of inflation. The City is engaged in a number of efforts, in concert with surrounding cities, to explore cost reduction strategies and other options.

- 6.6 Approval of an extension of the agreement with Michael Balliet for as needed waste management consulting services and authorization for the City Manager to execute the extension, subject to approval as to form by the City Attorney. Mr. Balliet is a highly qualified waste management professional who has provided waste management services to the City for many years. Mr. Balliet provides or has provided similar services to the cities of Irvine, Costa Mesa, Newport Beach, Placentia, and Yorba Linda. The proposed agreement would continue his services in Fiscal Year 2017-18.
- 6.7 Approval of an extension of the agreement with Nieves Landscape, Inc. for landscape maintenance services and authorization for the City Manager to execute the extension, subject to approval as to form by the City Attorney. The proposed extension is for a six-month period through December 31, 2017, as allowed for in the existing agreement. The City is continuing to prepare for a competitive process to select future landscape maintenance service provider(s). An updated scope of work and Request for Proposals (RFP) is currently being developed. Staff anticipates that the competitive process will be completed prior to the end of the proposed extension period.
- 6.8 Approval of an agreement with Computer Service Company for traffic signal, street light, and City Hall lighting maintenance services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. A Request for Proposals (RFP) for traffic signal, street light, and City Hall lighting maintenance services was released on April 6, 2017 with proposals due by April 28, 2017. A total of three proposals were received (Bear Electrical Solutions, Computer Service Company, and Siemens). After reviewing all proposals, staff recommends that the City Council award the agreement to Computer Service Company due to factors including cost and experience. Computer Service Company currently provides, or has provided, similar services for the County of Orange and cities including Laguna Hills, Lake Forest, and Mission Viejo.
- 6.9 Adoption of a Local Signal Synchronization Plan for Fiscal Years 2017-18 through 2019-20, as recommended by the City Engineer/City Traffic Engineer, and direction for the City Engineer/City Traffic Engineer to execute and submit the Local Signal Synchronization Plan to the Orange

County Transportation Authority as required to maintain Measure M2 eligibility. The City is required to update its local signal synchronization plan by June 30, 2017, in order to remain eligible to receive Measure M2 funds. The local signal synchronization plan is a three-year plan that identifies traffic signal synchronization, street routes, and traffic signals to be improved, including all elements of the Regional Traffic Signal Synchronization Program located within the City. It also includes goals that are consistent with the Orange County Transportation Authority's Regional Traffic Signal Synchronization Master Plan.

- 6.10 Approval of a resolution concerning the status and update of the Circulation Element, Local Signal Synchronization Plan, and Mitigation Fee Program for the Measure M (M2) Program. The City is required to take this action by June 30, 2017, in order to remain eligible to receive Measure M2 funds. The form of the proposed resolution is based on Orange County Transportation Authority requirements and includes, among other items, confirmation that the City's General Plan Circulation Element is consistent with the Orange County Master Plan of Arterial Highways and certification that the City has an existing mitigation fee program that assesses traffic impacts of new development and requires new development to pay a fair share of necessary transportation improvements attributable to the new development. The City collects the following transportation mitigation fees, depending on the nature of new development projects: Coastal Area Road Improvements and Traffic Signals Zone 2D, Moulton Parkway and Laguna Niguel Fee Program, and San Joaquin Hills Road Fee Program zones A and B. For more information on the City's transportation mitigation fees, please contact City Hall.
- 6.11 [1] Approval of a resolution approving amended Fuel Tax Fund appropriations for the fiscal year commencing July 1, 2016 and ending June 30, 2017 related to the Moulton Parkway Water Efficient Median Improvement Project; [2] Approval of the "Moulton Parkway Water Efficient Median Improvement Project" design plans and specifications as recommended by the City Engineer (available at City Hall); and, [3] Award of a contract agreement to STL Landscape, Inc. for the construction of the "Moulton Parkway Water Efficient Median Improvement Project", in the amount of \$219,131, plus authorized change orders not to exceed 10% of the base amount; and authorization for the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney. This project is included in the

City's Capital Improvement Program. Bids were invited from April 27 to May 25, 2017. Four bids were received (Diversified Landscape Management, Kasa Construction, STL Landscape, and Yakar) with STL Landscape, Inc. bidding the lowest cost. With bidding now complete, an appropriation of \$273,914 is required in order for the Moulton Parkway Water Efficient Median Improvement Project to be constructed. The proposed supplemental appropriation would be accommodated using unassigned Fuel Tax balance. The Fuel Tax Fund has sufficient available funds for this purpose.

- 6.12 Appointment of Ryna Rothberg to the Board of Directors for the Laguna Woods Civic Support Fund as a resident member. Ms. Rothberg is a former librarian and has relevant professional and service experience. This action is recommended by the Laguna Woods Civic Support Fund Board of Directors.

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6.1
CITY COUNCIL MINUTES

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**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
May 17, 2017
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Horne called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:00 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Conners, Hatch, Moore, Horne
 ABSENT: Hack

STAFF PRESENT: City Manager Macon, Assistant City Attorney Patterson,
 Administrative Services Director/City Treasurer Cady, Deputy
 City Clerk Trippy, Development Programs Analyst Pennington

III. PLEDGE OF ALLEGIANCE

Councilmember Conners led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Saddleback Kiwanis – 50th Anniversary

Mike Maxson, Steve Carpenter, and Jim Kane, Saddleback Kiwanis, made comments.

Councilmembers made comments.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the commendation.

4.2 Drowning Prevention Awareness Period – May-October 2017

Captain Steve Dohman, Orange County Fire Authority, made comments.

Councilmembers made comments.

Moved by Councilmember Hatch, seconded by Mayor Pro Tem Moore, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the proclamation.

4.3 Asian American and Pacific Islander Heritage Month – May 2017

Councilmembers made comments.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the proclamation.

4.4 Building Safety Month – May 2017

Councilmembers made comments.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the proclamation.

4.5 Older Americans Month – May 2017

Nakia Thierry, Orange County Office on Aging, made comments.

Councilmembers made comments.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the proclamation.

4.6 Stroke Awareness Month – May 2017

Deborah Massaglia, Roxanna Todd Hodges Stroke Foundation, made comments.

Councilmembers made comments.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the proclamation.

4.7 Water Awareness Month – May 2017

Mark Monin, El Toro Water District, made comments.

Councilmembers made comments.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried on a 4-0 vote, with Councilmember Hack absent, to approve and present the proclamation.

Mayor Horne called for a brief recess.

The meeting was called back to order at 2:49 p.m.

V. PUBLIC COMMENT – None

VI. CONSENT CALENDAR

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve Consent Calendar Items 6.1 – 6.9.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on April 19, 2017 and the adjourned regular meeting on April 26, 2017.

6.2 City Treasurer's Report

Received and filed the City Treasurer's Report for the month of April 2017.

6.3 Warrant Register

Approved the warrant register dated May 17, 2017 in the amount of \$790,757.65.

6.4 Fiscal Year 2016-17 Budget Adjustments

Approved a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A FISCAL YEAR 2016-17 BUDGET FOR THE MEASURE M1 FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGETS FOR THE BEVERAGE CONTAINER RECYCLING FUND AND SENIOR MOBILITY FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGET AND AUTHORIZING TRANSFERS FROM THE GENERAL FUND TO THE FUEL TAX FUND, MEASURE M2 FUND, SENIOR MOBILITY FUND, MEASURE M1 FUND, AND PROPOSITION 84 GRANT FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGETS AND AUTHORIZING TRANSFERS FROM THE TRAFFIC MITIGATION FEES FUND AND CALRECYCLE GRANT FUND TO THE GENERAL FUND; AND, AUTHORIZING THE CLOSURE OF THE CALRECYCLE GRANT FUND, MEASURE M1 FUND, PROPOSITION 84 GRANT FUND, AND TRAFFIC MITIGATION FEES FUND

6.5 Code Enforcement Services

Approved an agreement with Willdan Engineering for code enforcement services and

authorized the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

6.6 El Toro Road Regional Traffic Signal Synchronization Program Project P

1. Approved the “El Toro Road Regional Traffic Signal Synchronization Program Project P” design plans and specifications as recommended by the City Engineer/City Traffic Engineer.

AND

2. Awarded a contract agreement to Elecnor Belco Electric, Inc. for the construction of the “El Toro Road Regional Traffic Signal Synchronization Program Project P”, in the amount of \$354,500, plus authorized change orders not to exceed 10% of the base amount; and authorized the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

AND

3. Authorized the City Manager to enter into agreements with the Orange County Transportation Authority, California Department of Transportation, and participating agencies, as necessary, to facilitate the reimbursement of funds for the “El Toro Road Regional Traffic Signal Synchronization Program Project P”, subject to approval as to form by the City Attorney.

6.7 Moulton Parkway Regional Traffic Signal Synchronization Program Project P

1. Approved the “Moulton Parkway Regional Traffic Signal Synchronization Program Project P” design plans and specifications as recommended by the City Engineer/City Traffic Engineer.

AND

2. Awarded a contract agreement to Elecnor Belco Electric, Inc. for the construction of the “Moulton Parkway Regional Traffic Signal Synchronization Program Project P”, in the amount of \$263,289, plus authorized change orders not to exceed 10% of the base amount; and authorized the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney

AND

3. Authorized the City Manager to enter into agreements with the Orange County Transportation Authority, California Department of Transportation, and participating agencies, as necessary, to facilitate the reimbursement of funds for

the “Moulton Parkway Regional Traffic Signal Synchronization Program Project P”, subject to approval as to form by the City Attorney.

6.8 City Hall Restroom Repair and Improvement Project

Rejected all bids received for the “City Hall Restroom Repair and Improvement Project”.

6.9 Urban County Community Development Block Grant and Other Programs Cooperation Agreement

Approved amendment four to the cooperation agreement with the County of Orange related to participation in the Urban County Community Development Block Grant (CDBG) program and other United States Department of Housing and Urban Development programs, and authorized the City Manager to execute the amendment subject to approval as to form by the City Attorney.

VII. PUBLIC HEARINGS

7.1 Conditional Use Permit CUP-1135 to allow for exceedances of maximum fence and wall height provisions of the Laguna Woods Municipal Code, along all perimeter fences and walls of Laguna Woods Village

City Manager Macon made a presentation and proposed the following modifications to the conditions of approval that were included with the agenda report:

- Revise the last sentence of Condition of Approval #4 to read: “Permitted materials for any portion of a fence or wall in excess of six feet in height are shepherd’s hook, masonry, or other materials as permitted by the Laguna Woods Municipal Code.”

AND

- Add the following sentence to the end of Condition of Approval #5: “After completion of the modification of the perimeter fencing and walls, the 900 foot per year requirement shall be deemed satisfied, and the remainder of this conditional use permit, and all conditions thereon, shall remain in full force and effect.”

Councilmembers discussed the item and staff answered related questions.

Mayor Pro Tem Moore suggested modifying staff’s proposed addition to Condition of Approval #5 by adding the word “calendar” before “year requirement.”

Staff concurred with Mayor Pro Tem Moore’s suggested modification.

Mayor Horne opened the public hearing.

Lori Moss, Community Manager for Laguna Woods Village, spoke on behalf of the applicant and in support of the proposed conditional use permit.

Kathryn Freshley, resident, expressed concerns regarding the potential costs to comply with the proposed 900 foot per calendar year modification requirement. She suggested that the City adopt an ordinance that would regularly allow fences and walls to be seven feet high when viewed from adjoining properties.

City Manager Macon noted that Laguna Woods Village staff agreed with the 900 foot per calendar year modification requirement and that the applicant chose to apply for a conditional use permit. He indicated that there could be potential consequences if the City were to allow fences and walls to be seven feet in all locations, but that such an option was not the subject of evaluation, as it was not what the applicant requested. He also commented on the differences in fence and wall height requirements set forth in the Laguna Woods Zoning Code and the California Building Standards Code.

Ron Cormack, member of the public and resident of the Woodwinds community in Laguna Hills, spoke in opposition to the proposed conditional use permit and the impacts that it would have on individuals living in surrounding communities. He also expressed concerns regarding the adequacy of noticing for the public hearing and provided written correspondence dated May 16, 2017.

An unidentified member of the public expressed noise concerns regarding a wall near his residence.

Mary Wall, resident, expressed concerns regarding the potential costs for residents of Laguna Woods Village, whether the applicant had standing to apply for the conditional use permit, and health and safety issues related to the height of the wall that borders El Toro Road near her residence, which she also asked the City to raise.

City Manager Macon noted that the City received written correspondence in advance of the meeting from the following individuals: Judy Larsen and Howard Vork, Jay Laessi, Wendy Fox, Mark Skrenes, and Keith Stroehler. All correspondence is public record.

Lori Moss, Community Manager for Laguna Woods Village, commented on the application process and noted that the presidents of Third Laguna Hills Mutual and United Laguna Woods Mutual have submitted letters concurring with the proposed conditional use permit. She also commented on the estimated costs to comply with the proposed 900 foot per year calendar requirement and stated that such amounts could be included in future capital budgets.

Bert Moldow, Third Laguna Hills Mutual, stated that the purpose of the conditional use permit is to enhance the security of Laguna Woods Village.

With no other requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

Moved by Mayor Pro Tem Moore and seconded by Councilmember Conners to approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1135 TO ALLOW FOR EXCEEDANCES OF MAXIMUM FENCE AND WALL HEIGHT PROVISIONS OF THE LAGUNA WOODS MUNICIPAL CODE, ALONG ALL PERIMETER FENCES AND WALLS OF LAGUNA WOODS VILLAGE, LAGUNA WOODS, CA 92637

with Condition of Approval #4 and Condition of Approval #5 modified as recommended by staff (modifications included Mayor Pro Tem Moore's suggested language).

Councilmember Hatch suggested amending the last sentence of Condition of Approval #4 by replacing the word "are" with "include."

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1135 TO ALLOW FOR EXCEEDANCES OF MAXIMUM FENCE AND WALL HEIGHT PROVISIONS OF THE LAGUNA WOODS MUNICIPAL CODE, ALONG ALL PERIMETER FENCES AND WALLS OF LAGUNA WOODS VILLAGE, LAGUNA WOODS, CA 92637

with Condition of Approval #4 and Condition of Approval #5 modified as recommended by staff (modifications included Mayor Pro Tem Moore's and Councilmember Hatch's suggested language).

The first motion died with the approval of the second motion.

VIII. CITY COUNCIL BUSINESS

8.1 State Video Franchise and Public, Educational, and Governmental ("PEG") Fees

City Manager Macon made a presentation.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve the second reading and

adoption of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RETROACTIVELY READOPTING SECTION 6.42.020 OF CHAPTER 6.42 OF TITLE 6 OF THE LAGUNA WOODS MUNICIPAL CODE ENTITLED “STATE VIDEO FRANCHISE AND PEG FEES” RELATING TO STATE FRANCHISES FOR CABLE COMMUNICATIONS; AND REAUTHORIZING A FEE TO SUPPORT PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (“PEG”) CHANNEL FACILITIES WITHIN THE CITY’S JURISDICTION

8.2 Medical and Non-Medical Marijuana Dispensary Regulations

City Manager Macon made a presentation.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve the second reading and adoption of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.08.101, 13.10.020, 13.12.020, 13.13.020, AND 13.26.025 AND ADDING A NEW SECTION 13.26.027 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO MEDICAL AND NON-MEDICAL MARIJUANA DISPENSARIES AND DELIVERY SERVICES

8.3 Unfunded Retirement Liability

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGET FOR THE GENERAL FUND FOR PURPOSES RELATED TO MAKING LUMP SUM PAYMENTS TO PAY OFF THE CITY’S CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CALPERS) UNFUNDED ACCRUED LIABILITY AS OF JUNE 30, 2015, AND MAKING RELATED AUTHORIZATIONS

8.4 City Council Meeting Schedule

City Manager Macon summarized the agenda report.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried on a 4-0 vote, with Councilmember Hack absent, to approve the City Council meeting schedule for Fiscal Year 2017-18.

8.5 Fiscal Years 2017-19 Budget and Work Plan Development

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried on a 4-0 vote, with Councilmember Hack absent, to direct staff to include a Complete Streets Assessment in the draft Fiscal Years 2017-19 Budget and Work Plan.

Councilmember Conners left the meeting at 4:03 p.m.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hatch, seconded by Mayor Pro Tem Moore, and carried on a 3-0 vote, with Councilmember Hack and Councilmember Conners absent, to include a new, multi-phase Americans with Disability Act (ADA) Pedestrian Accessibility Improvement Project in the draft Fiscal Years 2017-19 Budget and Work Plan, contingent on the receipt of external funding.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hatch, seconded by Mayor Pro Tem Moore, and carried on a 3-0 vote, with Councilmember Hack and Councilmember Conners absent, to direct staff to include a Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue) in the draft Fiscal Years 2017-19 Budget and Work Plan.

Moved by Councilmember Hatch, seconded by Mayor Pro Tem Moore, and carried on a 3-0 vote, with Councilmember Hack and Councilmember Conners absent, to direct staff to include phase one of a City Hall Refurbishment and Safety Project in the draft Fiscal Years 2017-19 Budget and Work Plan.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hatch, seconded by Mayor Pro Tem Moore, and carried on a 3-0 vote, with Councilmember Hack and Councilmember Conners absent, to direct staff to include the preparation of construction drawings and technical specifications for the El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) in the draft Fiscal Years 2017-19 Budget and Work Plan.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

No report was given due to Councilmember Conners' absence.

9.2 Orange County Fire Authority

Councilmember Hatch stated that there had been no meeting since the last meeting. He provided information on other Orange County Fire Authority matters.

9.3 Orange County Library Advisory Board

Mayor Pro Tem Moore provided a report.

Councilmember Hatch briefly responded to the report.

9.4 Orange County Mosquito and Vector Control District

Mayor Horne provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

No report was given due to Councilmember Hack's absence.

9.6 South Orange County Watershed Management Area

Mayor Pro Tem Moore provided a report.

9.7 Other Comments and Reports

Mayor Horne reported on the recent "Under the Flight Path" community forum.

Mayor Horne reported on the recent Southern California Association of Governments 2017 Regional Conference & General Assembly.

Mayor Horne reported on the recent 2017 South County Senior Summit.

Mayor Horne reported that she and Councilmember Conners attended the 2017 National Donate Life Run/Walk Family Festival.

Mayor Horne commented on recent letters of support for H.R. 474 and SB 5.

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 4:35 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, June 21, 2017, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, Deputy City Clerk

Adopted: June 21, 2017

SHARI L. HORNE, Mayor

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**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
SPECIAL MEETING
May 30, 2017
12:30 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Horne called the Special Meeting of the City Council of the City of Laguna Woods to order at 12:30 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Conners, Hatch, Moore, Horne
 ABSENT: -

STAFF PRESENT: City Manager Macon, City Attorney Cosgrove, Administrative
 Services Director/City Treasurer Cady, Deputy City Clerk Trippy

III. PLEDGE OF ALLEGIANCE

Councilmember Hatch led the pledge of allegiance.

IV. PUBLIC COMMENTS – None

V. CITY COUNCIL BUSINESS

5.1 City Council Vacancy

Mayor Horne summarized the agenda report.

Councilmembers made brief comments regarding Councilmember Hack's service on the City Council.

Kathryn Freshley, resident, expressed her support for appointing to fill the vacancy, in-lieu of an election, due to the cost of an election.

Councilmembers discussed the options to fill the City Council vacancy.

City Manager Macon reviewed a potential appointment process schedule.

Councilmember Hatch suggested that the date to interview candidates should be indicated

as subject to change, should the City Council wish to extend the application period.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Hatch, and carried unanimously on a 4-0 vote, to select to fill the City Council vacancy by appointment and approve the appointment process schedule set forth in the agenda packet and the application attached thereto.

VI. ADJOURNMENT

The meeting was adjourned at 12:47 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, June 21, 2017, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, Deputy City Clerk

Adopted: June 21, 2017

SHARI L. HORNE, Mayor

6.2 CITY TREASURER'S REPORT

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City of Laguna Woods
City Treasurer's Report
For the Month Ended May 31, 2017

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 4/30/17	Earnings & Receipts	Disbursements	Transfers & Other Adjustments	Ending Balances As of 5/31/17	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
Cash and Cash Equivalents							
Analyzed Checking Account (Note 4)	\$ 562,629	\$ 6,047,532	\$ (5,669,420)	\$ -	\$ 940,741	8.54%	
Deposits in Transit - Earned Interest, Securities Account	\$ -	\$ 775	\$ -	\$ -	\$ 775	0.01%	
Petty Cash	\$ 1,382	\$ 468	\$ (166)	\$ -	\$ 1,684	0.02%	
Total Cash and Cash Equivalents	\$ 564,010	\$ 6,048,776	\$ (5,669,586)	\$ -	\$ 943,200	8.56%	100.00%
Pooled Money Investment Accounts (PIMA)							
Local Agency Investment Fund (LAIF) (Notes 1 and 2)	\$ 8,600,898	\$ -	\$ -	\$ (4,445,000)	\$ 4,155,898	37.71%	
Orange County Investment Pool (OCIP) (Note 3)	\$ -	\$ 2,398	\$ -	\$ 4,000,000	\$ 4,002,398	36.32%	
Total Pooled Money Investment Accounts	\$ 8,600,898	\$ 2,398	\$ -	\$ (445,000)	\$ 8,158,296	74.04%	90.00%
Investments - Interest and Income Bearing							
Certificates of Deposit (book value) (Note 5)	\$ 1,472,058	\$ 947	\$ -	\$ 445,000	\$ 1,918,005	17.41%	
Total Investments	\$ 1,472,058	\$ 947	\$ -	\$ 445,000	\$ 1,918,005	17.41%	20.00%
TOTAL CASH, CASH EQUIVALENTS, AND INVESTMENTS	\$ 10,636,966	\$ 6,052,121	\$ (5,669,586)	\$ -	\$ 11,019,502		

Summary of Total Cash, Cash Equivalents, and Investments (Note 4):

	General Fund	Special Revenue Funds	Totals
Analyzed Checking	\$ (659,731)	\$ 1,600,472	\$ 940,741
Deposits in Transit	\$ 775	\$ -	\$ 775
Petty Cash	\$ 1,684	\$ -	\$ 1,684
LAIF	\$ 4,155,898	\$ -	\$ 4,155,898
OCIP	\$ 4,002,398	\$ -	\$ 4,002,398
Certificates of Deposit	\$ 1,918,005	\$ -	\$ 1,918,005
Totals	\$ 9,419,029	\$ 1,600,472	\$ 11,019,502

(See **NOTES** on Page 3 of 3)



City of Laguna Woods

City Treasurer's Report

For the Month Ended May 31, 2017

ITEM 6.2

INVESTMENT PORTFOLIO DETAIL

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 5)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)														
02006LM59	2016-1	ALLY BK MIDVALE UTAH	24 months	09/12/16	09/15/16	245,000	243,790	245,000	1.150	Semi-Annual	03/15/17	300	1.150	09/17/18
2366+LAM8	2016-2	CITY BANK	12 months	09/12/16	09/20/16	245,000	244,853	245,000	0.800	Annual	09/20/17	247	0.800	09/20/17
949763BJ4	2016-3	WELLS FARGO BANK	18 months	09/13/16	09/28/16	245,000	244,346	245,000	1.000	Monthly	10/28/16	295	1.000	03/28/18
140420F47	2016-4	CAPITAL ONE BANK USA	18 months	09/13/16	09/21/16	245,000	244,373	245,000	1.000	Semi-Annual	03/21/17	300	1.000	03/21/18
57116ANC8	2017-1	MARLIN BUSINESS BK SALT LAKE	18 months	01/13/17	01/13/17	245,000	244,978	245,000	1.250	Monthly	02/13/17	300	1.250	07/13/18
508176CH5	2017-2	LAKE CITY BANK	24 months	03/08/17	03/22/17	245,000	245,566	245,000	1.600	Monthly	04/22/17	300	1.600	03/22/19
45340KDY2	2017-3	INDEPENDENCE BANK OF KY	10 months	05/04/17	05/09/17	100,000	99,897	100,000	1.000	Monthly	06/09/17	242	1.000	03/09/18
02587DR26	2017-4	AMERICAN EXPRESS CENTURIAN	18 months	05/04/17	05/10/17	245,000	245,488	245,000	1.500	Semi-Annual	11/10/17	300	1.500	11/13/18
864088DC0	2017-5	STURGIS BANK & TRUST CO.	9 months	05/04/17	05/18/17	100,000	99,917	100,000	1.000	Monthly	06/18/17	206	1.000	02/20/18
		Accrued Interest - Month End				3,005	0	3,005						
Total CDs						1,918,005	1,913,207	1,918,005						

(*) CDs are rated or ranked using an IDC Financial Publishing, Inc. compiled ranking, and includes a one-number summary rank of quality comprised of 35 key financial ratios. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups:

Rank	Group
200-300	Superior
165-199	Excellent
125-164	Average
75-124	Below Average
2-74	Lowest Ratios
1	Highest Probability of Failure

Pooled Money Investment Accounts (PIMA) (Notes 1, 2, and 3)

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	4,155,898	4,155,898	4,155,898	0.093	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	4,002,398	4,002,398	4,002,398	0.100	N/A	N/A	N/A	N/A	N/A
Total PIMA						4,155,898	4,155,898	4,155,898						

(See **NOTES** on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
For the Month Ended May 31, 2017

ITEM 6.2

OTHER FUNDS - HELD IN TRUST

	Beginning Balances As of 4/30/17	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 5/31/17
Other Post-Employment Benefits (OPEB) Trust					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (CERBT holds all assets and administers the OPEB Trust)	\$ 66,883	\$ -	\$ (5)	\$ 641	\$ 67,520
Total Other Funds - Held in Trust	<u>\$ 66,883</u>	<u>\$ -</u>	<u>\$ (5)</u>	<u>\$ 641</u>	<u>\$ 67,520</u>

Notes:

Note 1 - LAIF / During this period there were transfers from the LAIF account to purchase \$445,000 of certificates of deposit and \$4,000,000 to establish opening balances in the OCIP.

Note 2 - LAIF / The stated earnings rate for LAIF balances is an average monthly yield applied to the City's weighted average balance within the total pool. Earnings are paid the month after the end of each quarter. Interest earnings for the quarter ended June 30, 2017 will post in July 2017.

LAIF average monthly investment yield rate this last month (month of account inception), May 2017, was 0.925%.

LAIF administrative costs were 0.092% for the quarter ended March 31, 2017, monthly administrative costs are not calculated.

Note 3 - OCIP / The stated earnings rate for OCIP balances is an average monthly yield applied to the City's weighted average balance within the total pool. Earnings are paid each month. May interest posted was \$2,398.

OCIP average monthly investment yield rate this last month (month of account inception), May 2017, was: 0.995%.

OCIP administrative costs were 0.045% for the month ended May 31, 2017.

Note 4 - Analyzed Checking Account / Monthly activity reported does not reflect May vendor invoicing processed after the date of this report.

Note 5 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. Interest received on certificates of deposits for the month of May 2017 was \$775.27

City Treasurer's Certification

I, Margaret A. Cady, City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

Margaret A Cady
Margaret A. Cady, City Treasurer

6/9/17
Dated

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6.3 WARRANT REGISTER

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CITY OF LAGUNA WOODS

WARRANT REGISTER

ITEM 6.3

6/21/2017

Debit	Date	Vendor Name	Description	Amount
Automatic Bank Debits				
Debit	5/17/2017	ADP PAYROLL SERVICES	Payroll / Pay Period Ended 5/12/2017	\$33,533.19
Debit	5/17/2017	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 5/12/2017	2,345.61
Debit	5/26/2017	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 5/12/2017	158.58
Debit	5/31/2017	ADP PAYROLL SERVICES	Payroll / Pay Period Ended 5/26/2017	31,455.09
Debit	5/31/2017	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 5/26/2017	2,265.00
Debit	6/9/2017	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 5/26/2017	170.04
Debit	5/12/2017	US BANK	Bank Analysis Service Charge - April 2017	143.25
Debit	6/1/2017	CALPERS - HEALTH	Employee Benefit Program / June 2017	2,038.60
Check				
Warrants:				
1200	05/10/2017	ARC DOCUMENT SOLUTIONS, LLC.	Printing Services	332.65
1201	05/10/2017	AT&T	Telephone / 458-3487 / April 2017	37.57
1202	05/10/2017	AT&T	Telephone / 452-0600 / April 2017	1,040.50
1203	05/10/2017	AT&T	Telephone / 639-0500 / April 2017	205.65
1204	05/10/2017	AT&T	Telephone / 770-9359 / April 2017	20.28
1205	05/10/2017	B&H PHOTO-VIDEO	Council Chambers / Replace Microphone	293.02
1206	05/10/2017	CAA	Water Quality Consulting Services / April 2017	2,760.00
1207	05/10/2017	COPYFORCE	Printing Services	530.13
1208	05/10/2017	COUNTY OF ORANGE	Automated Fingerprint ID System / May 2017	455.67
1209	05/10/2017	COUNTY OF ORANGE	800 MHz Communication Charges / April - June 2017	190.00
1210	05/10/2017	DEPARTMENT OF JUSTICE	Live Scan Background Check / May 2017	32.00
1211	05/10/2017	MARC DONOHUE	Administrative Services / April 2017	700.00
1212	05/10/2017	HINDERLITER DELLAMAS	Sales and Use Tax Consulting Services / 2nd Quarter 2017	1,209.83
1213	05/10/2017	NIEVES LANDSCAPE, INC.	Dog Park Cleaning / Odor Control / April 2017	165.00
1213	05/10/2017	NIEVES LANDSCAPE, INC.	City Hall Landscape Maintenance / May 2017	406.25
1213	05/10/2017	NIEVES LANDSCAPE, INC.	Landscape Maintenance Services / May 2017	11,800.00
1213	05/10/2017	NIEVES LANDSCAPE, INC.	Irrigation Maintenance	382.36
1214	05/10/2017	NV5, INC.	Traffic & Engineering Services / February 2017	9,692.50
1215	05/10/2017	OBR ARCHITECTURE, INC.	Design Services / City Hall Restroom Repair & Improvement Project	632.23
1216	05/10/2017	PV MAINTENANCE INC	Street, City Hall and Park Maintenance Services / April 2017	7,695.18
1217	05/10/2017	SOUTHERN CALIFORNIA EDISON	Residential Streetlights / April 2017	1,623.34
1218	05/10/2017	SOUTHERN CALIFORNIA EDISON	Ridge Route Dog Park / April 2017	24.28
1219	05/10/2017	TEAM ONE MANAGEMENT	Janitorial Services and Goods Exchange Event Support / April 2017	1,083.28
1220	05/10/2017	TYLER TECHNOLOGIES, INC.	Financial Software License and Conversion Fees	5,899.63
1221	05/10/2017	WEST COAST ARBORISTS, INC	Tree Pruning Services / City Hall and Parks	3,120.00
1221	05/10/2017	WEST COAST ARBORISTS, INC	Tree Pruning Services / Right of Way	5,328.00
1222	05/17/2017	COUNTY OF ORANGE	County Surveyor Recording / Lot Line Adjustment	756.00
1223	05/17/2017	CALPERS - RETIREMENT	Prepay Unfunded Actuarial Liability / Retirement Plan 27266	149.00
1224	05/17/2017	CALPERS - RETIREMENT	Prepay Unfunded Actuarial Liability / Retirement Plan 3401	483,069.00
1225	05/17/2017	ANDERSONPENNA PARTNERS, INC.	Code Enforcement Services / April 2017	1,740.00
1226	05/17/2017	AT&T	Telephone / White Pages / May 2017	4.48
1227	05/17/2017	CALIFORNIA YELLOW CAB	Taxi Voucher Services / April 2017	11,397.00
1228	05/17/2017	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / May 2017	8,043.00
1229	05/17/2017	COUNTY OF ORANGE	National Pollutant Discharge Elimination Cost-Share / FY 2016-17	22,430.41

CITY OF LAGUNA WOODS
WARRANT REGISTER
6/21/2017

ITEM 6.3

Debit	Date	Vendor Name	Description	Amount
1230	05/17/2017	KONE INC.	Elevator Maintenance / May 2017	257.62
1231	05/17/2017	NOTARY SUPER STORE	Notary Journals	71.70
1232	05/17/2017	NV5, INC.	Building Inspection & Counter Services / March 2017	40,172.50
1232	05/17/2017	NV5, INC.	Traffic & Engineering Services / March 2017	11,537.50
1233	05/17/2017	ORANGE COUNTY REGISTER-NOTICES	Public Notices / April 2017	4,424.00
1234	05/17/2017	PJ PRINTERS	Public Notice Printing and Mailing / Conditional Use Permit	1,506.42
1235	05/17/2017	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers / April 2017	24.96
1236	05/17/2017	SOUTHERN CALIFORNIA EDISON	Street Lamps - Right of Way / April 2017	15.82
1237	05/17/2017	SOUTHERN CALIFORNIA EDISON	Street Lamps - Right of Way / November 2016 - March 2017	5,060.99
1238	05/17/2017	SOUTHERN CALIFORNIA EDISON	Traffic Signal Controllers / March - April 2017	910.23
1239	05/17/2017	STAPLES	Office & Janitorial Supplies	152.84
1240	05/17/2017	SUNSET PROPERTY SERVICES	Street Sweeping Services / March - April 2017	5,447.92
1241	05/17/2017	THE GAS COMPANY	City Hall Utilities / April 2017	31.20
1242	05/17/2017	WEST COAST ARBORISTS, INC	Tree Pruning Services / City Hall & Parks	5,328.00
1243	05/17/2017	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / April 2017	3,244.05
1244	06/01/2017	ALLIANT INSURANCE SERVICES	Annual Premium - Crime Insurance / FY 2017-18	750.00
1245	06/01/2017	ANAHEIM COMMUNITY PUBLISHING	Graphic Design & Printing	327.75
1246	06/01/2017	AT&T	Telephone / 581-3974 / May 2017	109.07
1247	06/01/2017	AT&T	Telephone / 583-1105 / April 2017	19.76
1248	06/01/2017	BPG DESIGNS, LLC	Permit Deposit Balance Refund	1,574.38
1249	06/01/2017	MARGARET CADY	Annual Membership Fee - CalCPA	410.00
1250	06/01/2017	CALIFORNIA JPIA	Annual Premium - Liability & Workers' Compensation / FY 2017-18	66,122.00
1251	06/01/2017	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Services / April 2017	12,987.00
1252	06/01/2017	CAPTIONING UNLIMITED	Closed Captioning / City Council Meetings	300.00
1253	06/01/2017	COPYFORCE	Printing Services	705.77
1254	06/01/2017	CSG CONSULTANTS INC	Plan Check Services / April 2017	1,083.75
1255	06/01/2017	CSMFO	CSMFO Chapter Meeting / June 2017	30.00
1256	06/01/2017	DELTA DENTAL OF CALIFORNIA	Employee Benefit Program / June 2017	340.61
1257	06/01/2017	EL TORO WATER DISTRICT	Landscape Irrigation / May 2017	3,842.05
1258	06/01/2017	DERRIL KRIPKE	Taxi Voucher Refund	44.00
1259	06/01/2017	MANAGED HEALTH NETWORK	Employee Benefits Program / June 2017	14.63
1260	06/01/2017	NV5, INC.	Traffic & Engineering Services / April 2017	11,150.00
1260	06/01/2017	NV5, INC.	Building Inspection & Counter Services / April 2017	35,657.50
1261	06/01/2017	PEAK LIGHTING & ELECTRIC, INC	Residential Streetlight Maintenance / May 2017	682.89
1262	06/01/2017	PRACTICAL DATA SOLUTIONS	IT Services / April 2017	2,826.01
1263	06/01/2017	PRINCIPAL FINANCIAL GROUP	Long Term Disability Insurance / June 2017	435.37
1264	06/01/2017	RED HAWK FIRE & SECURITY, LLC	City Hall Fire and Security Monitoring / April - June 2017	240.00
1265	06/01/2017	RUTAN & TUCKER, LLP	Legal Services / March - April 2017	9,032.70
1266	06/01/2017	SIEMENS INDUSTRY, INC.	Traffic Signal Maintenance / April 2017	2,488.00
1267	06/01/2017	SOUTHERN CALIFORNIA EDISON	City Hall Utilities / May 2017	1,264.71
1268	06/01/2017	SOUTHERN CALIFORNIA EDISON	Irrigation Controller / May 2017	92.87
1269	06/01/2017	SOUTHERN CALIFORNIA EDISON	Irrigation Controller / May 2017	24.73
1270	06/01/2017	SOUTHERN CALIFORNIA EDISON	Irrigation Controller / May 2017	23.62
1271	06/01/2017	SOUTHERN CALIFORNIA EDISON	Traffic Signal Controllers / April 2017	240.50
1272	06/01/2017	SOUTHERN CALIFORNIA EDISON	Ridge Route Dog Park / May 2017	23.69

CITY OF LAGUNA WOODS

WARRANT REGISTER

ITEM 6.3

6/21/2017

Debit	Date	Vendor Name	Description	Amount
1273	06/01/2017	STAPLES	Office & Janitorial Supplies	276.30
1274	06/01/2017	TEAM ONE MANAGEMENT	Janitorial Services / March 2017	705.54
1275	06/01/2017	TYLER TECHNOLOGIES, INC.	Financial Software Conversion Fees	3,287.34
1276	06/01/2017	U.S. BANK	Credit Card Charges / April 2017	175.00
1277	06/01/2017	VISION SERVICE PLAN OF AMERICA	Employee Benefit Program / June 2017	120.18
1278	06/01/2017	WEST COAST ARBORISTS, INC	Tree Pruning Services / Right of Way	11,040.00
119081	06/12/2017	TRANSFER BETWEEN ACCOUNTS	TRANSFER BETWEEN ACCOUNTS	0.00
1279	06/13/2017	360 BUSINESS CONSULTING	Website Hosting & Maintenance / May - June 2017	800.00
1280	06/13/2017	AT&T	Telephone / 458-3487 / May 2017	37.53
1281	06/13/2017	AT&T	Telephone / 452-0600 / May 2017	1,038.62
1282	06/13/2017	AT&T	Telephone / 639-0500 / May 2017	205.53
1283	06/13/2017	AT&T	Telephone / 770-9359 / May 2017	20.26
1284	06/13/2017	AT&T	White Pages / June 2017	4.48
1285	06/13/2017	ROBERT M BARRY	Financial Consulting Services / May 2017	350.00
1286	06/13/2017	SCOTTY BURGHARDT	Waste Diversion Deposit Refund	900.00
1287	06/13/2017	CITY OF LAGUNA BEACH	Animal Control Services / June 2017	8,043.00
1288	06/13/2017	COUNTY OF ORANGE	Automated Fingerprint ID System / June 2017	455.67
1289	06/13/2017	DATA TICKET, INC	Citation Processing / April 2017	0.55
1290	06/13/2017	MARC DONOHUE	Administrative Services / May 2017	250.00
1291	06/13/2017	LILLEY PLANNING GROUP	Building Official Services / May 2017	2,106.00
1292	06/13/2017	ALI MANSOURI	Waste Diversion Deposit Refund	250.00
1293	06/13/2017	LAWRENCE J MARINO - TRUSTEE	Waste Diversion Deposit Refund	250.00
1294	06/13/2017	MICHAEL BAKER INTERNATIONAL	General Plan Comprehensive Update Project / April 2017	5,172.50
1294	06/13/2017	MICHAEL BAKER INTERNATIONAL	Planning Services / April - May 2017	6,876.77
1295	06/13/2017	NIEVES LANDSCAPE, INC.	Dog Park Cleaning / Odor Control / May 2017	115.02
1295	06/13/2017	NIEVES LANDSCAPE, INC.	Irrigation Maintenance	165.00
1296	06/13/2017	NUVIS	Design Services / Moulton Parkway Water Efficient Median Improvement Project	344.00
1297	06/13/2017	PV MAINTENANCE INC	Street, City Hall & Park Maintenance Services / April 2017	7,512.00
1298	06/13/2017	SADDLEBACK WINDOWS AND DOORS	CDBG Energy Efficiency Improvement Program / FY 2016-17	19,175.00
1299	06/13/2017	RITA SCHNEIDER	Taxi Voucher Refund	50.00
1300	06/13/2017	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers / May 2017	26.52
1301	06/13/2017	SOUTHERN CALIFORNIA EDISON	Residential Streetlights / May 2017	1,540.66
1302	06/13/2017	SOUTHERN CALIFORNIA EDISON	Street Lamps - Right of Way / May 2017	15.82
1303	06/13/2017	SOUTHERN CALIFORNIA EDISON	Street Lamps - Right of Way / May 2017	1,919.67
1304	06/13/2017	SOUTHERN CALIFORNIA EDISON	Traffic Signal Controllers / April - May 2017	943.15
1305	06/13/2017	SUNSET PROPERTY SERVICES	Street Sweeping Services / May 2017	3,404.97
Total Bank Debits and Warrants:				<u><u>\$963,963.79</u></u>

Petty Cash Expenditure Detail

Orange County Clerk-Recorder	Conditional Use Permit / Notice of Exemption Filing	100.00
Staples	Office Supplies	14.00
Diane's Hallmark	Cards / Councilmember Hack	21.53
Total Petty Cash:		<u><u>135.53</u></u>

TOTAL \$964,099.32

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RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RESCINDING RESOLUTION NO. 17-11 AND ADOPTING A FISCAL YEAR 2016-17 BUDGET FOR THE MEASURE M1 FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGETS FOR THE BEVERAGE CONTAINER RECYCLING FUND, COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUND, AND SENIOR MOBILITY FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGET AND AUTHORIZING TRANSFERS FROM THE GENERAL FUND TO THE FUEL TAX FUND, MEASURE M2 FUND, SENIOR MOBILITY FUND, MEASURE M1 FUND, AND PROPOSITION 84 GRANT FUND; INCREASING THE ADOPTED FISCAL YEAR 2016-17 BUDGETS AND AUTHORIZING TRANSFERS FROM THE TRAFFIC MITIGATION FEES FUND AND CALRECYCLE GRANT FUND TO THE GENERAL FUND; AND, AUTHORIZING THE CLOSURE OF THE CALRECYCLE GRANT FUND, MEASURE M1 FUND, PROPOSITION 84 GRANT FUND, AND TRAFFIC MITIGATION FEES FUND

WHEREAS, the Fiscal Year 2016-17 Budget was adopted by the City Council on June 29, 2016; and

WHEREAS, City Council action is required to increase fund-level budget appropriations adopted as a part of the Fiscal Year 2016-17 Budget; and

WHEREAS, the City Council also approves department-level budget appropriations within the General Fund; and

WHEREAS, an increase in appropriations in the Measure M1 Fund is necessary in order to establish appropriations to expend final funds received in the current fiscal year after the budget was adopted; and

WHEREAS, an increase in appropriations in the Beverage Container Recycling Fund is necessary in order to establish appropriations to offset eligible expenditures of prior grant funding identified after the budget was adopted; and

WHEREAS, increases in appropriations in the General Fund, Community Development Block Grant Program Fund, and Senior Mobility Program Fund are

necessary in order to establish appropriations to offset increases in program activity occurring in the current fiscal year after the budget was adopted; and

WHEREAS, the City completed a multi-year reconciliation of the Fuel Tax, Measure M2, and Senior Mobility Funds and identified the need for transfers from the General Fund to resolve past issues related to fund balance and expenditures; and

WHEREAS, the City has identified two special revenue funds (Measure M1 and Proposition 84 Grant) for closure that are no longer in use, including a requirement to establish transfers in from the General Fund to resolve past issues related to fund balance and expenditures; and

WHEREAS, the City has identified two special revenue funds (CalRecycle Grant Funds and Traffic Mitigation Fees) for closure that are no longer in use, including a requirement to establish transfers out to the General Fund to resolve past issues related to fund balance and expenditures; and

WHEREAS, Resolution No. 17-11, which was approved by the City Council on May 17, 2017, related to similar issues, but requires correction.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Resolution No. 17-11 is hereby rescinded in its entirety.

SECTION 2. The Fiscal Year 2016-17 budget appropriation authorized, on a fund level, for the General Fund is hereby increased by \$390,121 from \$5,915,795 to \$6,305,916.

SECTION 3. The Fiscal Year 2016-17 revenue budget authorized, on a fund level, for the General Fund is hereby increased by \$467,451 from \$5,561,000 to \$5,728,451.

SECTION 4. The Fiscal Year 2016-17 budget appropriation authorized, on a department level, within the General Fund's General Government Department is hereby increased by \$390,121 from \$911,673 to \$1,301,794. The amount of the increase shall be considered non-operating and used to make transfers from the General Fund to other funds related to reconciliation of the Fuel Tax, Measure M2, Community Development Block Grant Program, and Senior Mobility Program

funds, and the closure of the Measure M1, Proposition 84 Grant, CalRecycle Grant Funds, and Traffic Mitigation Fees funds.

SECTION 5. The Fiscal Year 2016-17 budget appropriation authorized, on a fund level, for the Measure M1 Fund is hereby increased by \$4,200 from \$0 to \$4,200.

SECTION 6. The Fiscal Year 2016-17 budget appropriation authorized, on a fund level, for the Senior Mobility Program Fund is hereby increased by \$90,000 from \$240,088 to \$330,088.

SECTION 7. The Fiscal Year 2016-17 budget appropriation authorized, on a fund level, for the Beverage Container Recycling Fund is hereby increased by \$1,500 from \$5,000 to \$6,500.

SECTION 8. The Fiscal Year 2016-17 revenue budget authorized, on a fund level, for the following funds is hereby increased as follows:

Fund	Amount of Increase	Current Revenue Budget	Amended Revenue Budget
Fuel Tax	\$ 99,360	\$ 350,000	\$ 449,360
Measure M2	\$ 454	\$ 1,311,700	\$ 1,312,154
Community Development Block Grant Program	\$ 573	\$ 162,934	\$ 163,507
Senior Mobility Program	\$ 90,000	\$ 225,000	\$ 315,000

SECTION 9. The Fiscal Year 2016-17 revenue budgets authorized, on a fund level, for the following funds are hereby increased, as follows, and closure of the following funds is hereby authorized:

Fund	Amount of Increase	Current Revenue Budget	Amended Revenue Budget
Measure M1	\$ 184,001	\$ 0	\$ 184,001
Proposition 84 Grant	\$ 15,733	\$ 0	\$ 15,733

SECTION 10. The Fiscal Year 2016-17 budget appropriations authorized, on a fund level, for the following funds are hereby increased, as follows, and closure of the following funds is hereby authorized:

Fund	Amount of Increase	Current Appropriations Budget	Amended Appropriations Budget
CalRecycle Grant	\$ 30,895	\$ 0	\$ 30,895
Traffic Mitigation Fees	\$ 436,556	\$ 0	\$ 436,556

SECTION 11. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2017.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 17-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2017, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

6.5 LAW ENFORCEMENT SERVICES

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**AGREEMENT
BETWEEN THE
CITY OF LAGUNA WOODS
AND THE
COUNTY OF ORANGE**

THIS AGREEMENT is entered into this First day of May 2017, which date is enumerated for purposes of reference only, by and between the CITY OF LAGUNA WOODS, hereinafter referred to as "CITY", and the COUNTY OF ORANGE, a political subdivision of the State of California, hereinafter referred to as "COUNTY".

WITNESSETH:

WHEREAS, CITY wishes to contract with COUNTY for law enforcement services; and

WHEREAS, COUNTY is agreeable to the rendering of such services, as authorized in Government Code Sections 51301 and 55632, on the terms and conditions hereinafter set forth,

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

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A. TERM:

The term of this Agreement shall commence July 1, 2017 and terminate June 30, 2018 unless earlier terminated by either party or extended in the manner set forth herein.

B. OPTIONAL TERMINATION OR EXTENSION:

1. COUNTY or CITY may terminate this Agreement, without cause, upon one-hundred and eighty (180) days written notice to the other party.
2. If COUNTY and CITY have not entered into a written agreement by June 30, 2018 for COUNTY to provide to CITY, during all or part of the period between July 1, 2018 and June 30, 2019, law enforcement services similar to those specified herein, then SHERIFF, on behalf of COUNTY, and CITY's Manager, on behalf of CITY, are authorized to execute a written amendment to this Agreement that provides as follows and does not materially alter other terms of the Agreement: SHERIFF shall continue to provide to CITY all or a designated part of the law enforcement services specified herein, for a specified time period between July 1, 2018 and August 31, 2018 and CITY shall pay COUNTY the full costs of providing such services. Such full costs may be greater than those listed herein for the period July 1, 2017 through June 30, 2018. SHERIFF and CITY Manager shall file copies of any such amendments to this Agreement with the Clerk of COUNTY's Board of Supervisors and CITY's Clerk.

C. REGULAR SERVICES BY COUNTY:

1. COUNTY, through its Sheriff-Coroner and deputies, officers and employees, hereinafter referred to as "SHERIFF", shall render to CITY law enforcement services as hereinafter provided. Such services shall include the enforcement of lawful State statutes and lawful municipal ordinances of CITY other than licensing ordinances.

//

C. REGULAR SERVICES BY COUNTY: (Continued)

2. The night, day and evening patrol and supervisory shifts will be established by SHERIFF. Personnel of each shift may work varying and different times and may be deployed to other shifts when, in the opinion of SHERIFF and CITY Manager, the need arises. Any long-term shift deployment change will be reported to CITY's Council.
3. The level of service, other than for licensing, to be provided by COUNTY for the period July 1, 2017 through June 30, 2018, is set forth in Attachment A and incorporated herein by this reference.
4. For any service listed in Attachment A in this Agreement that is provided to CITY at less than 100% of a full-time SHERIFF position, COUNTY retains the option to terminate such service in the event the other city or cities that contract(s) for the balance of the time of the employee providing the service no longer pay(s) for such service and CITY does not request the Agreement be amended to provide for payment of 100% of the cost of the employee providing such service. The Maximum Obligation of CITY set forth in Subsection G-2 will be adjusted accordingly.
5. All services contracted for in this Agreement may not be operational on the precise date specified in this Agreement. In those instances, SHERIFF shall notify CITY Manager of the date or dates such service or services are to be implemented. COUNTY shall reduce the monthly charges to CITY, based on the actual date of implementation of the service or services. Charges shall be reduced on the next monthly billing tendered in accordance with Subsection G-3 of this Agreement.
6. During emergencies, such as mutual aid situations, SHERIFF will attempt to staff the CITY's Emergency Operations Center (EOC) with a Lieutenant or Sergeant to assist the CITY with the operations of the EOC. Such services may be considered supplemental to the contract and chargeable to the CITY

1 **C. REGULAR SERVICES BY COUNTY:** (Continued)

2 on a time and material basis to the extent the services provided are at a level
3 greater than that specified in Attachment A of this Agreement.

- 4 7. With respect to the licensing ordinances of CITY listed in Attachment B
5 hereto, which is incorporated herein by this reference, SHERIFF shall
6 receive applications for CITY licenses pursuant to said ordinances and
7 complete investigations relating to such applications. Such investigations
8 shall be forwarded to CITY Manager. COUNTY shall not provide any
9 advisory, administrative, hearing or litigation attorney support or services
10 related to licensing. COUNTY shall not provide any administrative or
11 investigatory services related to the licensing ordinances listed in
12 Attachment B hereto, except the investigations relating to initial applications
13 for which this subsection provides.

14 In the event, CITY amends Attachment B, CITY's Manager, on behalf of
15 CITY, and SHERIFF, on behalf of COUNTY, have authority to execute an
16 amendment of this Agreement to substitute CITY's amended Attachment B
17 hereto, as long as said Amendment to this Agreement does not materially
18 change any other provision of this Agreement.

- 19 8. With the limitations set forth below, SHERIFF, on behalf of COUNTY, and
20 CITY Manager, on behalf of CITY, are authorized to execute written
21 amendments to this Agreement to increase or decrease the level of service
22 set forth in Attachment A, when SHERIFF and CITY Manager mutually agree
23 that such increase or decrease in the level of service is appropriate. Any
24 such amendment to the Agreement shall concomitantly increase or decrease
25 the cost of services payable by CITY set forth in Attachment C and
26 incorporated herein by this reference, and the Maximum Obligation of CITY
27 set forth in Subsection G-2, in accordance with the current year's COUNTY
28 law enforcement cost study. SHERIFF and CITY Manager shall file copies

1 **C. REGULAR SERVICES BY COUNTY:** (Continued)

2 of any such amendments to this Agreement with the Clerk of COUNTY's
3 Board of Supervisors and CITY's Clerk. Amendments to this Agreement
4 executed by SHERIFF and CITY Manager may not, in the aggregate,
5 increase or decrease the cost of services payable by CITY by more than one
6 percent (1%) of the total cost originally set forth in Attachment C and the
7 Maximum Obligation originally set forth in Subsection G-2.

8 Prior approval by COUNTY's Board of Supervisors and CITY's Council is
9 required before execution of any amendment that brings the aggregate total
10 of changes in costs payable by CITY to more than one percent (1%) of the
11 total cost originally set forth in Attachment C and the Maximum Obligation
12 originally set forth in Subsection G-2 of this Agreement.

- 13 9. SHERIFF shall consider input from the CITY Manager regarding the
14 selection and assignment of a Lieutenant to provide services to CITY.

15 **D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY:**

- 16 1. Enhanced services for events on CITY property. At the request of CITY,
17 through its City Manager, SHERIFF may provide enhanced law enforcement
18 services for functions, such as community events, conducted on property
19 that is owned, leased or operated by CITY. SHERIFF shall determine
20 personnel and equipment needed for such enhanced services. To the
21 extent the services provided at such events are at a level greater than that
22 specified in Attachment A of this Agreement, CITY shall reimburse COUNTY
23 for such additional services, at an amount computed by SHERIFF, based on
24 the current year's COUNTY law enforcement cost study. The cost of these
25 enhanced services shall be in addition to the Maximum Obligation of CITY
26 set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY
27 immediately after each such event.

28 //

1 **D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)**

2 2. Supplemental services for occasional events operated by private individuals
3 and entities on non-CITY property. At the request of CITY, through its City
4 Manager, and within the limitations set forth in this Subsection D-2,
5 SHERIFF may provide supplemental law enforcement services to preserve
6 the peace at special events or occurrences that occur on an occasional
7 basis and are operated by private individuals or private entities on non-CITY
8 property. SHERIFF shall determine personnel and equipment needed for
9 such supplemental services, and will provide such supplemental services
10 only if SHERIFF is able to do so without reducing the normal and regular
11 ongoing services that SHERIFF otherwise would provide to CITY pursuant to
12 this Agreement. Such supplemental services shall be provided only by
13 regularly appointed full-time peace officers, at rates of pay governed by a
14 Memorandum of Understanding between COUNTY and the bargaining
15 unit(s) representing the peace officers providing the services. Such
16 supplemental services shall include only law enforcement duties and shall
17 not include services authorized to be provided by a private patrol operator,
18 as defined in Section 7582.1 of the Business and Professions Code. Law
19 enforcement support functions, including, but not limited to, clerical functions
20 and forensic science services, may be performed by non-peace officer
21 personnel if the services do not involve patrol or keeping the peace and are
22 incidental to the provision of law enforcement services. CITY shall reimburse
23 COUNTY its full, actual costs of providing such supplemental services at an
24 amount computed by SHERIFF, based on the current year's COUNTY law
25 enforcement cost study. The cost of these supplemental services shall be in
26 addition to the Maximum Obligation of CITY set forth in Subsection G-2 of
27 this Agreement. SHERIFF shall bill CITY immediately after each such event.

28 //

D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)

3. Supplemental services for events operated by public entities on non-CITY property. At the request of CITY, through its City Manager, and within the limitations set forth in this subsection D-3, SHERIFF may provide supplemental law enforcement services to preserve the peace at special events or occurrences that occur on an occasional basis and are operated by public entities on non-CITY property. SHERIFF shall determine personnel and equipment needed for such supplemental services, and will provide such supplemental services only if SHERIFF is able to do so without reducing services that SHERIFF otherwise would provide to CITY pursuant to this Agreement. CITY shall reimburse COUNTY its full, actual costs of providing such supplemental services at an amount computed by SHERIFF, based on the current year's COUNTY law enforcement cost study. The cost of these supplemental services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after each such event.
4. Notwithstanding the foregoing, CITY, through its permit process, may utilize the services of SHERIFF at events, for which CITY issues permits, that are operated by private individuals or entities or public entities. SHERIFF shall determine personnel and equipment needed for said events. If said events are in addition to the level of services listed in Attachment A of this Agreement, CITY shall reimburse COUNTY for such additional services at an amount computed by SHERIFF, based upon the current year's COUNTY law enforcement cost study. The cost of these services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after said services are rendered.

//

D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)

5. In accordance with Government Code Section 51350, COUNTY has adopted Board Resolution 89-1160 which identifies Countywide services, including but not limited to helicopter response. SHERIFF through this contract provides enhanced helicopter response services. The cost of enhanced helicopter response services is included in the cost of services set forth in Attachment C and in the Maximum Obligation of CITY set forth in Subsection G-2. COUNTY shall not charge any additional amounts for enhanced helicopter services after the cost of services set forth in Attachment C and in the Maximum Obligation set forth in Subsection G-2 has been established without written notification to the CITY.

E. PATROL VIDEO SYSTEMS:

1. As part of the law enforcement services to be provided to CITY, COUNTY has provided, or will provide, patrol video systems (hereinafter called "PVS") that are or will be mounted in patrol vehicles designated by COUNTY for use within CITY service area.
2. SHERIFF has the exclusive right to use said PVS for law enforcement services related to this Agreement.
3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition and installation of PVS that are or will be mounted in patrol vehicles assigned to CITY, and b) recurring costs, as deemed necessary by COUNTY, including the costs of maintenance and contributions to a fund for replacement and upgrade of such PVS when they become functionally or technologically obsolete. The costs to be paid by CITY for recurring costs, including maintenance and replacement/upgrade of PVS, are included in the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement unless CITY has already paid such costs. CITY shall not be charged additional amounts for maintenance or

E. PATROL VIDEO SYSTEMS: (Continued)

replacement/upgrade of said PVS during the period July 1, 2017 through June 30, 2018.

4. If, following the initial acquisition of PVS referenced above, CITY requires PVS for additional patrol cars designated for use in the CITY service area, COUNTY will purchase said additional PVS. Upon demand by COUNTY, CITY will pay to COUNTY a) the full costs of acquisition and installation of said additional PVS, and b) the full recurring costs for said PVS, as deemed necessary by COUNTY, including the costs of maintenance, and contributions to a fund for replacement and upgrade of such PVS when they become functionally or technologically obsolete. Said costs related to additional PVS are not included in, and are in addition to, the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement.
5. COUNTY will replace and/or upgrade PVS as needed. The costs of replacing/upgrading PVS shall be paid by COUNTY from the replacement/upgrade funds to be paid by CITY in accordance with the foregoing. CITY shall not be charged any additional charge to replace or upgrade PVS.

F. LICENSING SERVICES BY CITY:

Upon receipt from COUNTY of investigations of applications for licenses referred to in Subsection C-7 of this Agreement, CITY Manager shall determine whether to grant or deny the licenses and will issue the licenses or notify the applicants of denial. CITY shall provide all attorney services related to the granting, denial, revocation and administration of said licenses and the enforcement of CITY ordinances pertaining to said licenses.

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G. PAYMENT:

1. Pursuant to Government Code Section 51350, CITY agrees to pay to COUNTY the full costs of performing the services mutually agreed upon in this Agreement. The costs of services include salaries, wages, benefits, mileage, services, supplies, equipment, and divisional, departmental and COUNTY General overhead.

2. Unless the level of service set forth in Attachment A is increased or decreased by mutual agreement of the parties, or CITY is required to pay for increases as set forth in Subsection G-4, the Maximum Obligation of CITY for services, other than Licensing Services, set forth in Attachment A of this Agreement, to be provided by COUNTY for the period July 1, 2017 through June 30, 2018 shall be \$2,603,724 as set forth in Attachment C.

The overtime costs included in the Agreement are only an estimate. SHERIFF shall notify CITY of actual overtime worked during each fiscal year. If actual overtime worked is above or below budgeted amounts, billings will be adjusted accordingly at the end of the fiscal year. Actual overtime costs may exceed CITY's Maximum Obligation.

3. COUNTY shall invoice CITY monthly. During the period of July 1, 2017 through June 30, 2018, said invoices will require payment by CITY of one-twelfth (1/12) of the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement, as said Maximum Obligation may have been increased or decreased pursuant to mutual agreement of the parties. In addition, if a determination is made that increases described in Subsection G-4 must be paid, COUNTY thereafter shall include the pro-rata charges for such increases in its monthly invoices to CITY for the balance of the period between July 1, 2017 and June 30, 2018.

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1 **G. PAYMENT: (Continued)**

2 4a. At the time this Agreement is executed, there are unresolved issues
3 pertaining to potential changes in salaries and benefits for COUNTY
4 employees. The costs of such potential changes are not included in the
5 Fiscal Year 2017-18 cost set forth in Attachment C nor in the Fiscal Year
6 2017-18 Maximum Obligation of CITY set forth in Subsection G-2 of this
7 Agreement. If the changes result in the COUNTY incurring or becoming
8 obligated to pay for increased costs for or on account of personnel whose
9 costs are included in the calculations of costs charged to CITY hereunder,
10 CITY shall pay COUNTY, in addition to the Maximum Obligation set forth in
11 Subsection G-2 of this Agreement, the full costs of said increases to the
12 extent such increases are attributable to work performed by such personnel
13 after July 1, 2017, and CITY's Maximum Obligation hereunder shall be
14 deemed to have increased accordingly. CITY shall pay COUNTY in full for
15 such increases on a pro-rata basis over the portion of the period between
16 July 1, 2017 and June 30, 2018 remaining after COUNTY notifies CITY that
17 increases are payable. If the changes result in the COUNTY incurring or
18 becoming obligated to pay for decreased costs for or on account of personnel
19 whose costs are included in the calculations of costs charged to CITY
20 hereunder, COUNTY shall reduce the amount owed by the CITY to the extent
21 such decreases are attributable to work performed by such personnel during
22 the period July 1, 2017 through June 30, 2018, and CITY's Maximum
23 Obligation hereunder shall be deemed to have decreased accordingly.
24 COUNTY shall reduce required payment by CITY in full for such decreases
25 on a pro-rata basis over the portion of the period between July 1, 2017 and
26 June 30, 2018 remaining after COUNTY notifies CITY that the Maximum
27 Obligation has decreased.

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1 **G. PAYMENT: (Continued)**

2 4b. If CITY is required to pay for increases as set forth in Subsection G-4a
3 above, COUNTY, at the request of CITY, will thereafter reduce the level of
4 service to be provided to CITY, as set forth in Attachment A of this
5 Agreement to a level that will make the Maximum Obligation of CITY
6 hereunder for the period July 1, 2017 through June 30, 2018 an amount
7 specified by CITY that is equivalent to or higher or lower than the Maximum
8 Obligation set forth in Subsection G-2 for said period at the time this
9 Agreement originally was executed. The purpose of such adjustment of
10 service levels will be to give CITY the option of keeping its Maximum
11 Obligation hereunder at the pre-increase level or at any other higher or lower
12 level specified by CITY. In the event of such reduction in level of service
13 and adjustment of costs, the parties shall execute an amendment to this
14 Agreement so providing. Decisions about how to reduce the level of service
15 provided to CITY shall be made by SHERIFF with the approval of CITY.

16 6. CITY shall pay COUNTY in accordance with COUNTY Board of Supervisors'
17 approved County Billing Policy, which is attached hereto as Attachment D
18 and incorporated herein by this reference.

19 7. COUNTY shall charge CITY late payment penalties in accordance with the
20 County Billing Policy.

21 8. As payment for the Licensing Services described in Subsection C-7 of this
22 Agreement, COUNTY shall retain all fees paid by applicants for licenses
23 pursuant to CITY ordinances listed in Attachment B hereto. Retention of
24 said fees by COUNTY shall constitute payment in full to COUNTY for costs
25 incurred by COUNTY in performing the functions related to licensing
26 described in Subsection C-7; provided, however, that if any of said fees are
27 waived or reduced by CITY, CITY shall pay to COUNTY the difference
28 between the amount of fees retained by COUNTY and the fees that were set

1 **G. PAYMENT:** (Continued)

2 forth in the ordinances listed in Attachment B at the time this Agreement was
3 executed. If CITY increases the fee schedule for the licensing ordinances
4 set forth in Attachment B, either party shall have the right to seek
5 amendment of this Agreement with respect to the division of the increased
6 fees between CITY and COUNTY.

7 9. Fees generated or collected by SHERIFF contract personnel for copying of
8 documents related to the services provided in this Agreement will be at
9 COUNTY-established rates and will be credited to CITY on an annual basis.

10 10. Narcotic asset forfeitures will be handled pursuant to Attachment E hereto,
11 which is incorporated herein by this reference.

12 **H. NOTICES:**

13 1. Except for the notices provided for in Subsection 2 of this Section, all notices
14 authorized or required by this Agreement shall be effective when written and
15 deposited in the United States mail, first class postage prepaid and
16 addressed as follows:

17 **CITY:** ATTN: CITY MANAGER

18 24264 EL TORO ROAD

19 LAGUNA WOODS, CA 92653

20 **COUNTY:** ATTN: LAW ENFORCEMENT CONTRACT MANAGER

21 SHERIFF-CORONER DEPARTMENT

22 320 NORTH FLOWER STREET, SUITE 108

23 SANTA ANA, CA 92703

24 2. Termination notices shall be effective when written and deposited in the
25 United States mail, certified, return receipt requested and addressed as
26 above.

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I. STATUS OF COUNTY:

COUNTY is, and at all times shall be deemed to be, an independent contractor. Nothing herein contained shall be construed as creating the relationship of employer and employee, or principal and agent, between CITY and COUNTY or any of COUNTY's agents or employees. COUNTY and its SHERIFF shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of services by COUNTY pursuant to this Agreement. COUNTY, its agents and employees shall not be entitled to any rights or privileges of CITY employees and shall not be considered in any manner to be CITY employees.

J. STATE AUDIT:

Pursuant to Government Code Section 8546.7, CITY and COUNTY shall be subject to examination and audit by the State Auditor for a period of three (3) years after final payment by CITY to COUNTY under this Agreement. CITY and COUNTY shall retain all records relating to the performance of this Agreement for said three-year period, except that those records pertaining to any audit then in progress, or to any claims or litigation, shall be retained beyond said three-year period until final resolution of said audit, claim or litigation.

K. ALTERATION OF TERMS:

This Agreement fully expresses all understanding of CITY and COUNTY with respect to the subject matter of this Agreement and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of both parties.

L. INDEMNIFICATION:

1. COUNTY, its officers, agents, employees, subcontractors and independent contractors shall not be deemed to have assumed any liability for the negligence or any other act or omission of CITY or any of its officers,

1 **L. INDEMNIFICATION: (Continued)**

2 agents, employees, subcontractors or independent contractors, or for any
3 dangerous or defective condition of any public street or work or property of
4 CITY, or for any illegality or unconstitutionality of CITY's municipal
5 ordinances. CITY shall indemnify and hold harmless COUNTY and its
6 elected and appointed officials, officers, agents, employees, subcontractors
7 and independent contractors from any claim, demand or liability whatsoever
8 based or asserted upon the condition of any public street or work or
9 property of CITY, or upon the illegality or unconstitutionality of any
10 municipal ordinance of CITY that SHERIFF has enforced, or upon any act
11 or omission of CITY, or its elected and appointed officials, officers, agents,
12 employees, subcontractors or independent contractors related to this
13 Agreement, including, but not limited to, any act or omission related to the
14 maintenance or condition of any vehicle or motorcycle that is owned or
15 possessed by CITY and used by COUNTY personnel in the performance of
16 this Agreement, for property damage, bodily injury or death or any other
17 element of damage of any kind or nature, and CITY shall defend, at its
18 expense including attorney fees, and with counsel approved in writing by
19 COUNTY, COUNTY and its elected and appointed officials, officers, agents,
20 employees, subcontractors and independent contractors in any legal action
21 or claim of any kind based or asserted upon such condition of public street
22 or work or property, or illegality or unconstitutionality of a municipal
23 ordinance, or alleged acts or omissions. If judgment is entered against
24 CITY and COUNTY by a court of competent jurisdiction because of the
25 concurrent active negligence of either party, CITY and COUNTY agree that
26 liability will be apportioned as determined by the court. Neither party shall
27 request a jury apportionment.

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1 **L. INDEMNIFICATION: (Continued)**

2 2. COUNTY shall indemnify and hold harmless CITY and its elected and
3 appointed officials, officers, agents, employees, subcontractors and
4 independent contractors from any claim, demand or liability whatsoever
5 based or asserted upon any act or omission of COUNTY or its elected and
6 appointed officials, officers, agents, employees, subcontractors or
7 independent contractors related to this Agreement, for property damage,
8 bodily injury or death or any other element of damage of any kind or nature,
9 and COUNTY shall defend, at its expense, including attorney fees, and with
10 counsel approved in writing by CITY, CITY and its elected and appointed
11 officials, officers, agents, employees, subcontractors and independent
12 contractors in any legal action or claim of any kind based or asserted upon
13 such alleged acts or omissions.

14 **M. TRAFFIC VIOLATOR APPREHENSION PROGRAM:**

15 1. COUNTY has established a Traffic Violator Apprehension Program [“the
16 Program”], which is operated by SHERIFF, and is designed to reduce
17 vehicle accidents caused by unlicensed drivers and drivers whose licenses
18 are suspended and to educate the public about the requirements of the
19 Vehicle Code and related safety issues with regard to driver licensing,
20 vehicle registration, vehicle operation, and vehicle parking. The Program
21 operates throughout the unincorporated areas of the COUNTY and in the
22 cities that contract with COUNTY for SHERIFF’s law enforcement services,
23 without regard to jurisdictional boundaries, because an area-wide approach
24 to reduction of traffic accidents and driver education is most effective in
25 preventing traffic accidents. In order for CITY to participate in the Program,
26 CITY has adopted a fee pursuant to Vehicle Code Section 22850.5, in the
27 amount and under the terms and conditions set forth in the resolution that is
28 attached hereto as Attachment F and incorporated into this Agreement by

M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)

reference [hereinafter called a "TVAP resolution"], and has directed that the revenue from such fee be used for the Program. CITY's participation in the Program may be terminated at any time by rescission or amendment of the TVAP resolution that is attached hereto as Attachment F. In the event CITY 1) amends said TVAP resolution, or rescinds said TVAP resolution and adopts a new TVAP resolution pertaining to the above-referenced fee and the Program, and 2) remains a participant in the Program thereafter, CITY's Manager, on behalf of CITY, and SHERIFF, on behalf of COUNTY, have authority to execute an amendment of this Agreement to substitute CITY's amended or new TVAP resolution for Attachment F hereto, as long as said amendment to this Agreement does not materially change any other provision of this Agreement.

2. COUNTY will make available for review, at the request of CITY, all financial data related to the Program as may be requested by CITY.

3. Fee revenue generated by COUNTY and participating cities will be used to fund the following positions, which will be assigned to the Program:

- Ten one hundredths of one (0.10) Sergeant
(8 hours per two-week pay period)
- One (1) Staff Specialist
(80 hours per two-week pay period)
- One (1) Office Specialist
(80 hours per two-week pay period)

4. Fee revenue generated by CITY may be used to reimburse CITY for expenditures for equipment and/or supplies directly in support of the Program. In order for an expenditure for equipment and/or supplies to be eligible for reimbursement, CITY shall submit a request for and obtain pre-approval of the expenditure by using the form as shown in Attachment G.

M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)

The request shall be submitted within the budget schedule established by SHERIFF. SHERIFF shall approve the expenditure only if both of the following conditions are satisfied: 1) there are sufficient Program funds, attributable to revenue generated by CITY's fee, to pay for the requested purchase, and 2) CITY will use the equipment and/or supplies, during their entire useful life, only for purposes authorized by its TVAP resolution in effect at the time of purchase. In the event that CITY terminates its participation in the Program, CITY agrees that the equipment purchased by CITY and reimbursed by Program funds will continue to be used, during the remainder of its useful life, exclusively for the purposes authorized by CITY's TVAP resolution in effect at the time of purchase.

5. In the event the fees adopted by COUNTY, CITY and other participating jurisdictions are not adequate to continue operation of the Program at the level at which it operated previously, COUNTY, at the option of CITY, will reduce the level of Program service to be provided to CITY or will continue to provide the existing level of Program services. COUNTY will charge CITY the cost of any Program operations that exceed the revenue generated by fees. Such charges shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. The amount of any revenue shortfall charged to CITY will be determined, at the time the revenue shortfall is experienced, according to CITY's share of Program services rendered. In the event of a reduction in level of Program service, termination of Program service or adjustment of costs, the parties shall execute an amendment to this Agreement so providing. Decisions about how to reduce the level of Program service provided to CITY shall be made by SHERIFF with the approval of CITY.

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N. MOBILE DATA COMPUTERS:

1. As part of the law enforcement services to be provided to CITY, COUNTY has provided, or will provide, mobile data computers (hereinafter called "MDCs") that are or will be mounted in patrol vehicles and motorcycles designated by COUNTY for use within CITY limits.
2. SHERIFF has the exclusive right to use said MDCs for law enforcement services related to this Agreement.
3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition and installation of MDCs that are or will be mounted in patrol vehicles and motorcycles assigned to CITY, and b) recurring costs, as deemed necessary by COUNTY, including the costs of maintenance and contributions to a fund for replacement and upgrade of such MDCs when they become functionally or technologically obsolete.

The costs to be paid by CITY for recurring costs, including maintenance and replacement/upgrade of MDCs, are included in the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement unless CITY has already paid such costs. CITY shall not be charged additional amounts for maintenance or replacement/upgrade of said MDCs during the period July 1, 2017 through June 30, 2018.

4. If, following the initial acquisition of MDCs referenced above, CITY requires MDCs for additional patrol cars designated for use in the CITY, or for CITY's Emergency Operations Center, COUNTY will purchase said additional MDCs. Upon demand by COUNTY, CITY will pay to COUNTY a) the full costs of acquisition and installation of said additional MDCs, and b) the full recurring costs for said MDCs, as deemed necessary by COUNTY, including the costs of maintenance, and contributions to a fund for replacement and upgrade of such MDCs when they become functionally or technologically obsolete. Said costs related to additional MDCs are not included in, and are

1 **N. MOBILE DATA COMPUTERS: (Continued)**

2 in addition to, the costs set forth in Attachment C and the Maximum
3 Obligation of CITY set forth in Subsection G-2 of this Agreement.

- 4 5. COUNTY will replace and/or upgrade MDCs as needed. The costs of
5 replacing/upgrading MDCs shall be paid by COUNTY from the
6 replacement/upgrade funds to be paid by CITY in accordance with the
7 foregoing. CITY shall not be charged any additional charge to replace or
8 upgrade MDCs.

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**ORANGE COUNTY SHERIFF-CORONER
FY 2017-18 LAW ENFORCEMENT CONTRACT
CITY OF LAGUNA WOODS**

**"REGULAR SERVICES BY COUNTY"
(Subsection C-3)**

LEVEL OF SERVICE PROVIDED BY SHERIFF:

Title	Detail	Quantity	Frequency
INVESTIGATION SERVICES:			
Investigator		0.50	40 hrs./ per two wk. pay period
PATROL AND TRAFFIC SERVICES*:			
Sergeant	Patrol/Traffic	1.00	80 hrs./ per two wk. pay period
Sergeant	Patrol/Traffic	0.34	27.20 hrs./per two wk. pay period
Deputy Sheriff II	Patrol/Traffic	6.00	each, 80 hrs./ per two wk. pay period
TOTAL		7.84	

* Deployment to be determined by SHERIFF in cooperation with CITY Manager

REGIONAL / SHARED STAFF:

Title	Regional Team	Quantity	% Allocation
TRAFFIC:			
Sergeant	Traffic	0.60	2.17%
Deputy Sheriff II	Traffic	4.00	2.17%
Investigative Assistant	Traffic	2.00	2.17%
Office Specialist	Traffic	1.00	2.17%
AUTO THEFT:			
Sergeant	Auto Theft	0.30	1.15%
Investigator	Auto Theft	2.00	1.15%
Investigative Assistant	Auto Theft	1.00	1.15%
Office Specialist	Auto Theft	1.00	1.15%
SUBPOENA:			
Office Specialist	Subpoena	1.00	2.12%
COURTS:			
Investigative Assistant	Courts	2.00	2.02%
TOTAL		14.90	

**CITY OF LAGUNA WOODS
LICENSING ORDINANCES**

BINGO GAME
BINGO OFFICIAL
CANVASSER/SOLICITOR
COIN DEALER
COMMERCIAL FORTUNETELLER
DANCE INSTRUCTOR (NUDE)
DANCE STUDIO (NUDE)
ESCORT
ESCORT BUREAU
FIGURE MODEL (NUDE)
FIGURE MODEL STUDIO (NUDE)
GUN DEALER
INTERLOCUTRIX (NUDE)
INTRODUCTORY SERVICE
JUNK COLLECTOR
JUNK DEALER
MEDICAL MARIJUANA DISPENSARY
PEDDLER
POOL ROOM
PUBLIC DANCE
RAP SESSION (NUDE)
SECONDHAND DEALER (Pawnbroker)
TAXICAB STAND

**ORANGE COUNTY SHERIFF-CORONER
FY 2017-18 LAW ENFORCEMENT CONTRACT
CITY OF LAGUNA WOODS**

**"PAYMENT"
(Subsection G-2)**

COST OF SERVICES PROVIDED BY SHERIFF (Subsection G-2):

Title	Detail	Quantity	Cost of Service (each)	Cost of Service Total
INVESTIGATION SERVICES:				
Investigator		0.50	\$ 316,520	\$ 158,260
PATROL AND TRAFFIC SERVICES:				
Sergeant	Patrol/Traffic	1.00	\$ 311,472	\$ 311,472
Sergeant	Patrol/Traffic	0.34	\$ 311,472	\$ 105,900
Deputy Sheriff II	Traffic	6.00	\$ 259,545	\$ 1,557,271
TOTAL POSITIONS		7.84		\$ 2,132,903

REGIONAL / SHARED STAFF:

Title	Regional Team	Quantity	% Allocation	Cost \$
TRAFFIC:				
Sergeant	Traffic	0.60	2.17%	\$ 4,596
Deputy Sheriff II	Traffic	4.00	2.17%	\$ 22,273
Investigative Assistant	Traffic	2.00	2.17%	\$ 5,429
Office Specialist	Traffic	1.00	2.17%	\$ 2,158
AUTO THEFT:				
Sergeant	Auto Theft	0.30	1.15%	\$ 1,221
Investigator	Auto Theft	2.00	1.15%	\$ 6,737
Investigative Assistant	Auto Theft	1.00	1.15%	\$ 1,452
Office Specialist	Auto Theft	1.00	1.15%	\$ 1,173
SUBPOENA:				
Office Specialist	Subpoena	1.00	2.12%	\$ 1,986
COURTS:				
Investigative Assistant	Courts	2.00	2.02%	\$ 4,770
TOTAL REGIONAL/SHARED		14.90		\$ 51,795

OTHER CHARGES AND CREDITS (Subsection G-2):

OTHER CHARGES:

Other Charges include: Annual leave paydowns and apportionment of cost of leave balances paid at end of employment; premium pay for bilingual staff; contract administration; data line charges; direct services and supplies; enhanced helicopter response services; facility lease; holiday pay; Integrated Law & Justice of Orange County fees; Mobile Data Computer (MDC) recurring cost for five and thirty-four hundredths (5.34) units; on-call pay; overtime; patrol training cost allocation; Patrol Video System (PVS) recurring cost for four and thirty-four hundredths (4.34) units; and transportation charges.

CREDITS:

Credits include: Estimated vacancy credits; reimbursement for training and miscellaneous programs; and retirement rate discount for FY 2017-18.

TOTAL OTHER CHARGES AND CREDITS	\$ 419,026
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TOTAL COST OF SERVICES (Subsection G-2)	\$ 2,603,724
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ATTACHMENT D

COUNTY BILLING POLICY
APPROVED BY BOARD MINUTE ORDER DATED OCTOBER 27, 1992

I. POLICY

All County agencies/departments/districts (County) governed by the Board of Supervisors shall bill contracting entities for materials and/or services provided under contract in accordance with the following standardized billing and collection policy. Billing frequency is dependent on whether the contract is a fixed price or actual cost contract. Payment due date is designed to be both responsive to the County's cash flow needs and reasonable enough as to not require special processing by the contracting entity. If payments are not received by the required due dates, a late payment fee shall be computed and billed to the contracting entity in accordance with the requirements of this procedure.

Nothing herein shall affect the liability, including pre-judgment interest, of the contracting party for services or materials in as much as this is a policy to enact standard billing practices.

II. DEFINITIONS

- A. Contract for the purposes of this policy - A contract is a formal written agreement, a purchase order from the contracting entity, or any other acceptable mutual understanding between the contracting parties.
- B. Received by the County - The phrase "received by the County", as used in Section VI of this policy, refers to the date a payment is received by the County. It is defined as the date the payment is in the County's possession. It is not the date the payment is posted or deposited by the County.

III. FIXED PRICE CONTRACTS

- A. Fixed Price (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued no later than five (5) working days after delivery by the County of the materials and/or services. Examples of such one-time, non-recurring provision of materials and/or services might be a city contracting with the Sheriff for security service at a parade or sporting event; or, a city purchasing a computer listing containing certain city-requested data. Payment due date shall be invoice date plus 30 days.
- B. Fixed Price (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued according to the following frequency:
 - 1. Annual Billings that total \$10,000 or less per 12-month period shall be billed via one (1) annual invoice. Annual invoices will be issued for each 12-month period of the contract, or portions thereof. Invoices shall be issued no later than five working days after the beginning of each 12-month period. Payment due date shall be invoice date plus 30 days.

2. Quarterly Billings that are greater than \$10,000 but not more than \$200,000 per 12-month period, shall be billed in quarterly installments. Quarterly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into four (4) installments. Invoices shall be issued no later than 30 days after the beginning of each quarter. Payment due date shall be 60 days after the beginning of each calendar quarter.
3. Monthly Billings that are greater than \$200,000 per 12-month period shall be billed in monthly installments. Monthly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into 12 installments. Invoices shall be issued on or before the first day of each service month. Payment due date shall be 30 days after the beginning of each service month.

An example of a fixed price contract for ongoing, recurring provision of materials and/or services might be a city contracting with the Sheriff for law enforcement services.

IV. ACTUAL COST CONTRACTS

- A. Actual Cost (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued after delivery by the County of the materials and/or services and no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.
- B. Actual Cost (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued on a monthly basis and shall represent the cost of materials and/or services provided to the contracting entity during the previous calendar month. Such invoices shall be issued no later than 15 days after the close of the monthly billing period. If the County agency/department/district does not utilize a monthly billing cycle, the invoice shall be issued no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.

Examples of actual cost contracts for the ongoing, recurring provision of materials and/or services might be a city contracting with the County for communications equipment repair or waste disposal at a County landfill.

V. PAYMENT DUE DATES

Notwithstanding the provisions of Sections II and III above, payment due date shall be at least invoice date plus 30 days. If the County is late in issuing an invoice, the contracting entity would always have at least invoice date plus 30 days to pay. If the County is early in issuing an invoice, the contracting entity would still have a payment due date of either 60 days after the beginning of the quarter (quarterly invoices) or 30 days after the beginning of the service month (monthly invoices).

(EXAMPLES: An invoice for October service, dated and issued October 8 (late) would have a payment due date of November 7. An invoice for August service, dated and issued July 20 (early) would have a payment due date of August 30.)

VI. LATE CHARGES

The late payment of any invoiced amount by a contracting entity will cause the County to incur costs not contemplated by the County/contracting entity agreement, the exact amount of such cost will be extremely difficult to ascertain. Such costs include, but are not limited to, costs such as administrative follow-up and processing of delinquent notices, increased accounting costs, etc.

Late charges will be assessed in the following situations:

- Over-the-counter payments will be assessed a late charge if any payment is not received by the County by the payment due date.
- Payments transmitted to the County via the U.S. Mail that have the payer's postage meter mark will be assessed a late charge if any payment is not received by the County by the payment due date plus one day.
- Payments transmitted to the County via the U.S. Mail that have a U.S. Post Office postmark dated after the payment due date will be assessed a late charge.

The late charge assessed in each of these situations shall be three-quarters of one percent (0.75%) of the payment due and unpaid plus \$100.00 for late payments made within 30 days of the payment due date. An additional charge of three-quarters of one percent (0.75%) of said payment shall be added for each additional 30-day period that the payment remains unpaid. Late charges shall be added to the payment and invoiced to the contracting entity in accordance with this policy.

VII. COLLECTIONS

Any invoice remaining unpaid 90 days after the invoice date shall be referred to the Auditor-Controller for subsequent collection action, such as deduction from contracting entity moneys on deposit with the County Treasurer in accordance with Government Code Section 907 and any other applicable provision of law. Non-payment of invoices and applicable late charges will constitute a breach of contract for which the County retains all legal remedies including termination of the contract.

VIII. DISCOUNT FOR EARLY PAYMENT

Any payment received by the County from a contracting entity 20 days or more before the payment due date shall be entitled to a discount of one-quarter of one percent (0.25%). If the contracting entity takes a discount, and the payment is received by the County less than 20 days before the payment due date, County staff shall immediately notify the contracting entity by telephone that the discount should not have been taken and that the balance is due by the original payment due date.

If the balance is not received by the County in accordance with the dates as specified in Section VII, applicable late charges shall be calculated on the balance due.

IX. DEFERRED REVENUE

At fiscal year end, any portion of revenue invoiced (not necessarily received) during the fiscal year being closed out that represents charges or prepayment for materials and/or services for the upcoming fiscal year shall be reclassified from a revenue account to a deferred revenue account (liability). In the new fiscal year the deferred revenue shall be reclassified to a revenue account. (EXAMPLE: On June 1, 19X1, a city is invoiced \$48,000 which represents charges for the 12-month period June 1, 19X1 to May 31, 19X2. The amount to be reclassified to deferred revenue would be \$44,000, representing 11/12ths of the total amount. In July 19X1, the \$44,000 would be reclassified to revenue.) Reclassification entries shall be made by Auditor-Controller Agency Accounting units, or for those agencies/departments/districts without such a unit, the agency/department/district shall notify the Auditor-Controller of the amounts to be reclassified.

X. COST RECOVERY

All County agencies/department/districts shall include all costs of providing contracted services in contract rates. Including all direct costs, allocated indirect costs such as departmental and County (CWCAP) overhead, and cost of capital financing.

XI. EXISTING CONTRACTS

Billing terms and provisions contained in existing contracting entity agreements (existing as of the date this policy is approved by the Board of Supervisors) shall remain in effect for the life of the contract. However, when these existing contracts are renegotiated, they shall contain the billing provisions as set forth in this policy.

XII. DEVIATIONS FROM POLICY

Deviations from this policy shall be approved by the Board of Supervisors. Proposed deviations by agencies/departments/districts shall be submitted to the CEO for concurrence in advance of filing an Agenda Item Transmittal (AIT) with the Clerk of the Board. The CEO, or his/her designee, shall advise the agency/department/district of approval or disapproval of the proposed deviations. If a County agency/department/district submits a contract to the Board of Supervisors for approval, and the billing provisions in the contract deviate from this policy, the agency/department/district shall specifically advise the Board of Supervisors in the AIT of the deviation, the reason for the deviation, and of the CEO's recommendation relative thereto.

POLICY FOR DISTRIBUTION OF FORFEITED AND SEIZED ASSETS

BACKGROUND

The Orange County Sheriff's Department provides contract law enforcement services to cities in Orange County. Because of the increased likelihood that contracted patrol or investigation personnel may become involved in significant narcotic seizures, which could affect law enforcement services provided by the Sheriff's Department to contract cities, the following policy is in effect.

1. NON-RNSP CONTRACTED PATROL AND INVESTIGATION OFFICERS

When assets (cash or property) are seized in CITY by contracted patrol or investigation personnel other than RNSP personnel, and subsequently forfeited to COUNTY, the forfeited assets shall be shared with CITY as set forth below, for the purpose of augmenting law enforcement services in CITY, subject to approval by the forfeiting agency (U.S. Attorney or State) of such sharing and use of forfeited assets. A portion of forfeited assets may be retained by COUNTY's Sheriff Department, hereinafter referred to as "SHERIFF", to pay for departmental expenses not recovered through law enforcement contracts.

In such cases, SHERIFF shall apply to the forfeiting agency for the return of a share of the assets to COUNTY. In his application, SHERIFF shall specify the percentage of shared assets returned to COUNTY that will be used to augment law enforcement services in CITY and the use of said assets by CITY.

In those cases in which assets are seized within CITY by non-RNSP personnel assigned to CITY pursuant to this Agreement, without the involvement of other law enforcement personnel, and in which the seizure is a result solely of activities self-initiated by non-RNSP SHERIFF personnel assigned to CITY or initiated by said personnel in response to calls for service within CITY, SHERIFF shall apply to have all of the assets used to augment CITY law enforcement services.

In those cases in which non-RNSP SHERIFF personnel assigned to CITY pursuant to this Agreement play an ancillary role in a seizure or in which other law enforcement personnel are involved in a seizure, SHERIFF shall determine the percentage of the total forfeited assets for which he will apply to augment CITY's law enforcement services. This determination will be based on the circumstances of the seizure, including the pro-rata involvement of all personnel, including those assigned to CITY.

Each seizure will be evaluated on an individual and independent basis, and said evaluations will be available for review to CITY's manager. Examples of those incidents which would be evaluated as set forth in this section include situations in which a contract patrol deputy provides uniformed backup at a SHERIFF's Narcotic Bureau search warrant location or in which contract investigators participate in the service of a search warrant that was initiated by non-contract law enforcement personnel.

NON-RNSP CONTRACTED PATROL AND INVESTIGATION OFFICERS (Continued)

Assets (cash or property) that are returned to COUNTY by the forfeiting agency with the understanding that they will be used to augment CITY law enforcement services shall be used by CITY and COUNTY only for such purposes. If the forfeiting agency attaches additional or more specific conditions to the use of said assets, CITY and COUNTY shall also abide by those conditions. SHERIFF and CITY's manager shall determine the specific use of said assets within the conditions imposed by the forfeiting agency.

Subject to conditions imposed by the forfeiting agency and to the requirement that forfeited assets be used to augment law enforcement services, COUNTY shall place forfeited cash, or cash from the sale of forfeited assets in an interest-bearing account for use in CITY in compliance with the forfeiting agency's regulations.

2. CONTRACTED REGIONAL NARCOTICS SUPPRESSION PROGRAM (RNSP) OFFICERS

Assets forfeited as a result of activities conducted by contracted RNSP officers will be used to augment CITY's law enforcement services. Because activities of this type result from the efforts of both contracted officers and other RNSP officers, the percentage of sharing will be determined pursuant to the RNSP Memorandum of Understanding in effect at the time of the seizure. Said Memorandum of Understanding provides that assets are distributed according to percentage amounts based on the number of sworn personnel participating in the RNSP at the time of the seizure. The number of personnel in RNSP, as well as the number of participating agencies in RNSP, may fluctuate during the course of a contract year, thereby affecting the percentage amounts distributed to participating agencies. The percentage amounts distributed to participating agencies may also be affected by action taken by the RNSP Executive Board.

CITY will use RNSP forfeited assets only to augment CITY's law enforcement services. If the forfeiting agency or applicable RNSP Memorandum of Understanding attaches any additional or more specific conditions on the use of said assets, CITY shall abide by those conditions. SHERIFF and CITY's manager shall determine the specific use of said assets within the conditions imposed by the forfeiting agency and the RNSP Memorandum of Understanding.

Subject to conditions imposed by the forfeiting agency and the RNSP Memorandum of Understanding and to the requirement that RNSP forfeited assets be used to augment law enforcement services, COUNTY shall place forfeited cash or cash from the sale of forfeited assets in an interest-bearing account for use in CITY in compliance with the forfeiting agency's regulations and the RNSP Memorandum of Understanding.

RESOLUTION N0.01-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ESTABLISHING A TRAFFIC VIOLATOR APPREHENSION PROGRAM AND SETTING FEES FOR THE IMPOUND OF VEHICLES

WHEREAS, the Orange County Sheriff-Coroner (hereinafter "the Sheriff") has instituted a Traffic Violator Apprehension Program designed to reduce vehicle accidents caused by unlicensed drivers and drivers whose licenses are suspended and to educate the public about the requirements of the Vehicle Code and related safety issues with regard to driver licensing, vehicle registration, vehicle operation, and vehicle parking; and

WHEREAS, the Sheriff operates said Traffic Violator Apprehension Program in the unincorporated areas of Orange County and in the cities in Orange County that contract for the Sheriff's law enforcement services, including this city; and

WHEREAS, the operation of the Traffic Violator Apprehension Program in the unincorporated areas of Orange County and in the cities in Orange County that contract for the Sheriff's law enforcement services, including this city; and

WHEREAS, the operation of the Traffic Violator Apprehension Program on an area-wide basis, without regard to jurisdictional boundaries between the County and the cities, serves the public purposes of the City of Laguna Woods because drivers routinely cross jurisdictional boundaries, making an area-wide approach to reduction of traffic accidents and driver education most effective in preventing traffic accidents in all participating jurisdictions; and

WHEREAS, the Orange County Board of Supervisors already has adopted fees for the unincorporated areas of the County that are identical to those described therein; and

WHEREAS, the Orange County Board of Supervisors has directed the establishment in the County Treasury of an interest-earning, budgeted special revenue fund, called "the Traffic Violator Fund" and designated as Fund No. 13B, to be controlled by the Sheriff; and

WHEREAS, the Orange County Board of Supervisors has directed that the proceeds of the County fees that are identical to the fees described herein be deposited in the Traffic Violator Fund; and

WHEREAS, the Orange County Board of Supervisors has directed that the Traffic Violator Fund be used exclusively for the Traffic Violator Apprehension Program operated by the Sheriff in the unincorporated areas of Orange County and the cities that contract for the Sheriff's law enforcement services; and

WHEREAS, the Orange County Board of Supervisors has directed that permissible expenditures from the Traffic Violator Fund include, but are not limited to, the costs of personnel

who perform duties for the Traffic Violator Apprehension Program, and the purchase and maintenance of equipment, materials and supplies utilized in the Traffic Violator Apprehension Program; and

WHEREAS, the Orange County Board of Supervisors has directed that until further order of that Board, the balance remaining in the Traffic Violator Fund at the close of any fiscal year shall be carried forward and accumulated in said Fund for the above-described purposes; and

WHEREAS, the Sheriff has advised this Council of his plans to seek adoption, by the city councils of each of the other cities that contract for the Sheriffs law enforcement services, of fees identical to those described herein, to be used for the Traffic Violator Apprehension Program; and

WHEREAS, the Sheriff impounds numerous and various vehicles removed from highways, public property, or private property in this city during the normal course of duty; and

WHEREAS, the Sheriff impounds said vehicles pursuant to his authority under the California Vehicle Code as follows:

Vehicle Code Section and Impound Ground

14602.6	Suspended, revoked or unlicensed driver/30-day hold
2 651 (a)	Unattended vehicle on bridge
22651 (d)	Vehicle blocking driveway
22651 (e)	Vehicle blocking fire hydrant
22651 (f)	Vehicle blocking freeway
22651 (h) (1)	Driver arrested
22651 (h) (2)	Order of suspension or revocation pursuant to section 13388
22651 (i) (1)	Multiple parking citations
22651 (j)	Lack of vehicle registration
22651 (k)	Parking over seventy-two hours
22651 (l)	Parking in a construction zone
22651 (m)	Violation of special events restrictions
22651 (n)	No parking zone
22651 (o) (1)	Delinquent vehicle registration
22651 (p)	Drive unlicensed or license suspended
22651 (r)	Vehicle blocking another vehicle
22651 (t)	Notice to appear/illegal amber lights
22655.3	Removal for investigation (fleeing in violation of Section 2800.1 or 2800.2)
22655.5 (b)	Vehicle is evidence of crime
22669	Abandoned vehicle;

WHEREAS, Vehicle Code section 22850.5 authorizes this Council, by resolution, to establish a fee equal to the administrative costs relating to the removal, impound, storage or release of properly impounded vehicles; and

WHEREAS, the Sheriff is proposing adoption of the following fees pursuant to Vehicle Code section 22850.5:

- (a) \$152.00 when a vehicle is impounded pursuant to or on account of violation of Vehicle Code section 14602.6, which relates to the licensing status of the driver, and
- (b) \$50.00 when a vehicle is impounded pursuant to or on account of violation of any of the other Vehicle Code provisions listed above;

WHEREAS, a cost study conducted by the Sheriff shows that the administrative costs relating to removal, impound, storage or release of vehicles properly impounded pursuant to or on account of violation of Vehicle Code section 14602.6 exceed \$152.00 per impound; and

WHEREAS, a cost study conducted by the Sheriff shows that the administrative costs relating to the removal, impound, storage or release of vehicles properly impounded pursuant to or on account of violation of the other Vehicle Code provisions listed above exceed \$50.00 per impound; and

WHEREAS, the above-described difference in costs is attributable to the additional costs of ascertaining the licensing status of the driver and complying with the complex requirements of Vehicle Code section 14602.6; and

WHEREAS, persons whose vehicles are impounded, rather than the public as a whole, should bear the administrative costs of processing such impounds; and

WHEREAS, Vehicle Code section 22850.5 imposes the following restrictions on the imposition of an administrative fee:

- (a) The fee may only be imposed on the registered owner or the agents of that owner and may not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lien holder's total charges and proper administrative costs; and
- (b) The fee may not be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner, and the fee may be imposed only upon the person requesting that hearing or appeal; and

WHEREAS, it also is unfair to impose the administrative fee authorized by Vehicle Code section 22850.5 in the following circumstances: (1) when the vehicle was left because it became inoperable while being driven, if the owner makes good faith attempts promptly to remove the vehicle from a location where it is not permitted, (2) when the vehicle was stolen, (3) when the

vehicle was left by an ill or injured driver, and (4) when it is demonstrated to the satisfaction of the Sheriff or his designee that neither the registered owner of the vehicle nor his agent, if any, was at fault in creating the circumstances leading to the impounding of the vehicle; and

WHEREAS, a notice of public hearing with respect to the proposed new fees was given according to law; and

WHEREAS, a public hearing pertaining to said proposed new fees was held on April 18, 2001;

NOW, THEREFORE, BE IT RESOLVED that this Council finds, in accordance with California Public Resources Code section 21080 (b) (8), that the charges listed herein below are only for the purposes of meeting operating expenses and are, therefore, exempt from compliance with the Californian Environmental Quality Act.

BE IT FURTHER RESOLVED that on July 1, 2000, the administrative fees indicated below shall become effective for the removal, impound, storage or release of vehicles properly impounded after removal from locations in this city in accordance with or on account of violation of the provisions of the Vehicle Code listed below.

- (a) A fee of \$152.00 for each impound of a vehicle in accordance with or on account of violation of Vehicle Code section 14602.6, and
- (b) A fee of \$50.00 for each impound of a vehicle in accordance with or on account of violation of Vehicle Code section

22651 (a),
 22651 (d),
 22651 (e),
 22651 (f),
 22651 (h)(1),
 22651 (h)(2),
 22651 (i)(1),
 22651 (j),
 22651 (k),
 22651 (l),
 22651 (m),
 22651 (n),
 22651 (o)(1),
 22651 (p),
 22651 (q),
 22651 (t),
 22655.3,
 22655.5 (b), or
 22669.

BE IT FURTHER RESOLVED that the Sheriff is authorized to collect said fees, on behalf of this city, at the time of release of vehicles that are subject to the fees.

BE IT FURTHER RESOLVED that said fees shall be imposed on the registered owner or the agent of the owner of the impounded vehicle and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lien holder's total charges and proper administrative costs.

BE IT FURTHER RESOLVED that said fees shall not be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered legal owner of the vehicle or an agent of that registered or legal owner, and such fees, if otherwise applicable, shall be imposed only upon the person requesting that hearing or appeal.

BE IT FURTHER RESOLVED that said fees shall not be imposed in any of the following circumstances: (a) when the vehicle was left because it became inoperable while being driven, if the owner made good faith attempts promptly to remove the vehicle from a location where it was not permitted; (b) when the vehicle was stolen; (c) when the vehicle was left by an ill or injured driver; or (d) when it is demonstrated to the satisfaction of the Sheriff or his designee that neither the registered owner of the vehicle nor his agent, if any, was at fault in creating the circumstances leading to the impounding of the vehicle.

BE IT FURTHER RESOLVED that at Sheriff headquarters or at any Sheriff substation, a registered owner or an agent of a registered owner who believes he/she/it is exempt from either of said fees in accordance with any of the above-listed criteria may apply in writing for a waiver of the fee and shall present such supporting information or documentation as the Sheriff may request.

BE IT FURTHER RESOLVED that upon presentation of a written application for waiver of either of said fees, together with such supporting documentation as the Sheriff may request, the Sheriff shall determine promptly whether the applicant meets the above-listed criteria for waiver of the fee, and if so, shall waive the fee.

BE IT FURTHER RESOLVED that until further order of this Council, the Sheriff is directed to deposit the proceeds of the fees established by this Resolution in the above-described Traffic Violator Fund in the county Treasury, to be used exclusively for the Traffic Violator Apprehension operated by the Sheriff in the unincorporated areas of Orange County and the cities in Orange County that contract for the Sheriff's law enforcement services.

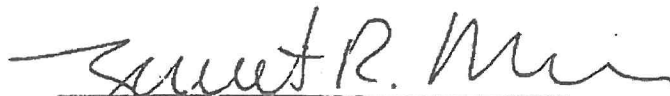
BE IT FURTHER RESOLVED that expenditure of said fee proceeds from the Traffic Violator Fund may include, but are not limited to, the costs of personnel who perform duties for the Traffic Violator Apprehension Program, and the purchase and maintenance of equipment, materials and supplies utilized in the Traffic Violator Apprehension Program.

BE IT FURTHER RESOLVED that until further order of this Council, the Orange County Board of Supervisors is authorized to carry forward in the Traffic Violator Fund and accumulate any

balance of proceeds of fees imposed by this Resolution that is remaining at the end of a fiscal year, as long as such fee proceeds will be used for the purposes recited herein.


 ROBERT BOUER, Mayor

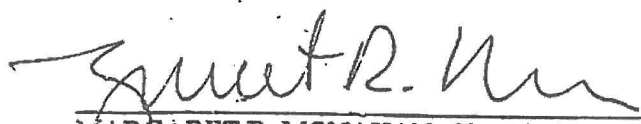
ATTEST:


 MARGARET R. MONAHAN, City Clerk

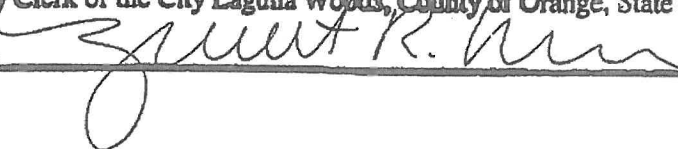
STATE OF CALIFORNIA)
 COUNTY OF ORANGE) ss.
 CITY OF LAGUNA WOODS)

I, MARGARET R. MONAHAN, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing Resolution No. 01-11 was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the 18th day of April 2001, by the following vote:

AYES:	COUNCIL MEMBERS:	Thorpe, Ross, Hack, McLaughlin, Bouer
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None


 MARGARET R. MONAHAN, City Clerk

The foregoing instrument is a correct copy of the original on file in this office:
 Attest this 24th day of April, 2001
 City Clerk of the City Laguna Woods, County of Orange, State of California.

By: 

**ORANGE COUNTY SHERIFF-CORONER
TRAFFIC VIOLATOR APPREHENSION PROGRAM**

REQUEST	CONTRACT CITY		
	Participating City Request to Purchase From the TVA in FY _____	Date _____	
	<u>QUANTITY</u>	<u>ITEM DESCRIPTION</u>	<u>APPLICABILITY TO TVA PROGRAM</u>
			<u>ESTIMATED COST</u>
CERTIFICATION	THE CITY CERTIFIES THAT THE EQUIPMENT PURCHASED BY CITY AND TO BE REIMBURSED BY PROGRAM FUNDS WILL BE USED FOR ITS ENTIRE USEFUL LIFE EXCLUSIVELY FOR THE PURPOSES OF THE TRAFFIC VIOLATOR APPREHENSION PROGRAM CITY MANAGER REQUEST: _____ Printed Name _____ DATE _____ Signature: _____		
	ORANGE COUNTY SHERIFF-CORONER DEPARTMENT		
	<u>Recommended For Approval</u> CITY POLICE SERVICES CHIEF _____ MANAGER – TVA PROGRAM _____		
APPROVALS			
OCSD BUDGET USE ONLY			

6.6
AS NEEDED WASTE MANAGEMENT
CONSULTING SERVICES

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**EXTENSION OF THE
CONSULTANT SERVICES AGREEMENT
BETWEEN THE
CITY OF LAGUNA WOODS
AND
MICHAEL BALLIET
FOR AS NEEDED WASTE MANAGEMENT CONSULTING SERVICES**

This EXTENSION of the CONSULTANT SERVICES AGREEMENT for AS NEEDED WASTE MANAGEMENT SERVICES ("AGREEMENT") that was approved by the City Council on June 24, 2015 by and among the City of Laguna Woods, a general law city of the State of California ("CITY") and Michael Balliet, an individual ("CONSULTANT"), is made and entered into this 1st day of July 2017 by and among CITY and CONSULTANT.

WHEREAS, the initial term of the AGREEMENT was for the period between July 1, 2015 and 11:59 p.m. on June 30, 2016, and a previously approved extension has extended the term through 11:59 p.m. on June 30, 2017; and

WHEREAS, the AGREEMENT allows for the term of the AGREEMENT to be extended by mutual written agreement.

NOW THEREFORE, the parties agree as follows:

1. CITY and CONSULTANT hereby agree to an EXTENSION of the AGREEMENT for a period beginning on July 1, 2017 and ending at 11:59 p.m. on June 30, 2018 with no changes to the terms and conditions of the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this EXTENSION to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
Michael Balliet

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

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6.7

LANDSCAPE MAINTENANCE SERVICES

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**EXTENSION OF THE
AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
NIEVES LANDSCAPE, INC.**

This EXTENSION of the AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES ("AGREEMENT") that was approved by the City Council on December 15, 2010 by and among the City of Laguna Woods, a California municipal corporation ("CITY") and Nieves Landscape, Inc. ("CONTRACTOR"), is made and entered into this 1st day of July 2017 by and among CITY and CONTRACTOR.

WHEREAS, the initial term of the AGREEMENT was for the period between December 20, 2010 and 11:59 p.m. on December 19, 2012 and previously executed extensions extended the term through 11:59 p.m. on June 30, 2017; and

WHEREAS, the AGREEMENT allows for the term of the AGREEMENT to be extended upon written agreement of both parties to the AGREEMENT through a maximum of 11:59 p.m. on December 19, 2018.

NOW THEREFORE, the parties amend the AGREEMENT as follows:

1. CITY and CONTRACTOR hereby agree to an extension of the AGREEMENT for a period beginning on July 1, 2017 and ending at 11:59 p.m. on December 31, 2017 with no changes to the terms and conditions of the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this EXTENSION to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONTRACTOR:

By _____
Greg Nieves, President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

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6.8

**TRAFFIC SIGNAL, STREET LIGHT, AND CITY
HALL LIGHTING MAINTENANCE SERVICES**

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**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
COMPUTER SERVICE COMPANY
FOR TRAFFIC SIGNAL, STREET LIGHT, AND CITY HALL LIGHTING
MAINTENANCE SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 1st day of July 2017 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Computer Service Company ("CONSULTANT").

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of SECTION 19 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on July 1, 2017 and ending at 11:59 p.m. on June 30, 2019. Such term may be extended upon written agreement of both parties to this AGREEMENT through a maximum of 11:59 p.m. on June 30, 2021.

SECTION 2. SCOPE OF SERVICES.

CONSULTANT shall perform the services set forth in EXHIBIT "A" "SCOPE OF SERVICES" and made a part of this AGREEMENT. All work to be performed by CONSULTANT shall be coordinated with, and approved by City Manager of CITY or his or her designee. CONSULTANT shall not begin work on any individual task or assignment until authorized by the City Manager of CITY or his or her designee to proceed.

SECTION 3. ADDITIONAL SERVICES.

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in EXHIBIT "A" "SCOPE OF SERVICES", unless such additional services are authorized in advance and in writing by the City Council or the City Manager of CITY or his or her designee. CONSULTANT shall be compensated for any such additional services only in the amounts and in the manner agreed to by the City Council or City Manager of CITY or his or her designee.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "B" "COMPENSATION" and made a part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY.

ITEM 6.8

This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation for as needed services or reimbursables. Compensation for services shall not exceed the amounts specified in EXHIBIT "B" "COMPENSATION".

(b) No later than the 15th of each month CONSULTANT shall furnish to CITY an **original** invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the categories required by CITY, which are subject to change at the discretion of CITY. CITY shall independently review each invoice submitted by the CONSULTANT to determine whether the work performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event that any charges or expenses are disputed by CITY, the original invoice shall be returned by CITY to CONSULTANT for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by CITY, CITY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT's invoice.

(d) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not be deemed to waive any defects in work performed by CONSULTANT, nor to constitute any waiver of any type of relief or remedy, legal or equitable, arising out of any breach or nonperformance of any aspect of the AGREEMENT by CONSULTANT.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

CITY may inspect and accept or reject any of CONSULTANT's work under this AGREEMENT, either during performance or when completed. CITY shall reject or finally accept CONSULTANT's work in its discretion within sixty (60) days after submitted to CITY. Any rejection of work by CITY shall be by written explanation. Acceptance of any of CONSULTANT's work by CITY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, sections 15 and 16, pertaining to indemnification and insurance, respectively.

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents, notwithstanding any billing or compensation disputes that may then exist between CITY and CONSULTANT.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's and any of CONSULTANT's subcontractors' performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all drafts of studies or planning documents, correspondence, notices, ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for five (5) years from the end of the term of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon written request by CITY, Federal government, State of California, or their designated representatives. Copies of such documents or records shall be provided directly to the requesting party for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where CITY has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, CITY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to CITY, as well as to its successors-in-interest and authorized representatives.

(d) CONSULTANT shall prepare and submit to CITY reports concerning the performance of the work in this AGREEMENT as CITY shall require.

SECTION 8. STATUS OF CONSULTANT.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, official, employee or agent of CITY. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of

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CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY.

(c) Neither CONSULTANT, nor any of CONSULTANT's officers, officials, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to CITY'S employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights.

(d) This AGREEMENT shall in no way prohibit the CITY from entering into other agreements or contracts, hiring staff or making other such arrangements with other persons and/or entities relative to the services set forth in EXHIBIT "A" "SCOPE OF SERVICES".

SECTION 9. STANDARD OF PERFORMANCE.

CONSULTANT represents and warrants that it has the qualifications, experience, personnel, and facilities necessary to properly perform the services required under this AGREEMENT in a thorough, competent and professional manner. CONSULTANT shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this AGREEMENT, CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of CONSULTANT under this AGREEMENT.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

(a) CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this AGREEMENT, including but not limited to regulations and rules pertaining to any grant awards or third-party funding with which this AGREEMENT is funded in whole or in part. CONSULTANT shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this AGREEMENT. CITY shall not be responsible for monitoring CONSULTANT's compliance with federal, state, and local laws, statutes, codes, ordinances, or regulations. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

(b) CONSULTANT shall not be debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs, or from receiving Federal contracts, subcontracts, or financial or nonfinancial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CFR 85.35) or other Federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of this AGREEMENT.

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition, sexual orientation or marital status in connection with or related to the performance of this AGREEMENT.

SECTION 12. UNAUTHORIZED ALIENS.

CONSULTANT shall comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended from time to time or replaced by a successor statute, and in connection therewith, shall not employ unauthorized aliens as defined therein. The term "unauthorized aliens" means and includes "undocumented foreign nationals" as defined in the proposed Federal Correcting Hurtful and Alienating Names in Government Expression (CHANGE) Act (H.R. 3785, introduced October 21, 2015). Should CONSULTANT so employ such unauthorized aliens for the performance of work and/or services covered by this AGREEMENT, and should the any liability or sanctions be imposed against CITY for such use of unauthorized aliens, CONSULTANT shall reimburse CITY for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by CITY.

SECTION 13. CONFLICTS OF INTEREST.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of CITY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, official, employee, agent or subcontractor without the express written consent of the City Manager of CITY or his or her designee. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without

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prior written authorization from the City Manager of CITY or his or her designee, except as may be required by law.

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager of CITY or his or her designee or unless requested by the City Attorney of CITY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives CITY notice of such court order or subpoena.

(c) If CONSULTANT, or any officer, employee, agent or subcontractor of CONSULTANT, provides any information or work product in violation of this AGREEMENT, then CITY shall have the right to reimbursement and indemnity from CONSULTANT for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of CONSULTANT's conduct.

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, officials, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT or the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION.

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT or by the negligent or willful acts or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation the violation of any federal, state, and local law, statute, code, ordinance, regulation, or rule.

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(b) If any action or proceeding is brought against INDEMNITEES by reason of any of the matters against which CONSULTANT has agreed to indemnify INDEMNITEES as provided above, CONSULTANT, upon notice from CITY, shall defend INDEMNITEES at CONSULTANT's expense by counsel acceptable to CITY, such acceptance not to be unreasonably withheld. INDEMNITEES need not have first paid for any of the matters to which INDEMNITEES are entitled to indemnification in order to be so indemnified. The insurance required to be maintained by CONSULTANT under Section 16 shall insure CONSULTANT's obligations under this section, but the limits of such insurance shall not limit the liability of CONSULTANT hereunder. The provisions of this section shall survive the expiration or earlier termination of this AGREEMENT.

(c) The provisions of this section do not apply to CLAIMS occurring as a result of the CITY's sole negligence or willful acts or omissions.

SECTION 16. INSURANCE.

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "C" "INSURANCE" and made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager of CITY or his or her designee. CONSULTANT agrees to provide CITY with copies of required policies upon request.

SECTION 17. ASSIGNMENT.

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. CITY has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this Agreement or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling CITY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. CITY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors. CONSULTANT shall be solely liable and responsible for the actions, conduct, and performance of subcontractors, including but not limited to ensuring their compliance with Section 10 of this AGREEMENT (Compliance with Applicable Laws; Permits and Licenses).

SECTION 18. CONTINUITY OF PERSONNEL.

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall obtain approval, in writing, from CITY of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT,

prior to any such performance.

SECTION 19. TERMINATION OF AGREEMENT.

(a) CITY may terminate this AGREEMENT, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(b) CONSULTANT may terminate this AGREEMENT at any time upon sixty (60) days written notice of termination to CITY. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(c) If CONSULTANT fails to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, CITY may terminate this AGREEMENT immediately upon written notice.

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY which is in CONSULTANT's possession shall be returned to CITY immediately upon demand by CITY, notwithstanding any billing disputes that may then exist under this AGREEMENT. CONSULTANT shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT, prepared as set forth in SECTION 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in SECTION 4 of this AGREEMENT.

SECTION 20. DEFAULT.

In the event that CONSULTANT is in default under the terms of this AGREEMENT, the CITY shall not have any obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and may terminate this AGREEMENT immediately by written notice to the CONSULTANT.

SECTION 21. EXCUSABLE DELAYS.

CONSULTANT shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of CONSULTANT. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this AGREEMENT shall be equitably adjusted for any delays due to such causes.

SECTION 22. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to CITY as public records, and which are necessary for carrying out the work as outlined in the EXHIBIT "A" "SCOPE OF SERVICES", shall be furnished to CONSULTANT in a reasonable way to facilitate, without undue delay, the work to be performed under this AGREEMENT.

SECTION 23. NOTICES.

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopy or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY: City of Laguna Woods
 Attn: City Manager
 24264 El Toro Road
 Laguna Woods, CA 92637

To CONSULTANT: Computer Service Company
 ATTN: President
 12907 E. Garvey Ave.
 Baldwin Park, CA 91706

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 24. AUTHORITY TO EXECUTE.

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

SECTION 25. BINDING EFFECT.

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 26. MODIFICATION OF AGREEMENT.

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the City Council or City Manager of CITY. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 27. WAIVER.

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

SECTION 28. LAW TO GOVERN; VENUE.

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Orange. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the District of California in which CITY is located.

SECTION 29. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 30. ENTIRE AGREEMENT.

This AGREEMENT, including the attached EXHIBITS "A" through "C", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 31. SEVERABILITY.

If a term, condition or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 32. NO THIRD PARTY BENEFICIARIES.

This AGREEMENT, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and CONSULTANT. No other parties or entities are intended to be, nor shall be considered, beneficiaries of the performance by either party of any of the obligations under this AGREEMENT.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
Jerry Davis, Vice President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

CONSULTANT shall perform and complete traffic signal, street light, and City Hall lighting maintenance services by providing all labor, tools, equipment, materials, and supplies necessary to complete work in a professional, thorough, and timely manner, to keep all such lighting fixtures, improvements, wiring, switching, and other mechanisms in clean, functional, and properly working order, in accordance with standards and specifications as contained in this AGREEMENT.

References to "City Hall" in this EXHIBIT "A" shall mean Laguna Woods City Hall, which is located at 24264 El Toro Road, Laguna Woods, CA 92637.

Traffic Signal Maintenance

The traffic signals for which service is required include traffic signals, traffic signal controllers, interconnects, battery back-ups, cabinets, splice pedestals, flashing beacons, illuminated street signs, safety lights, emergency vehicle pre-emption equipment, and all appurtenant equipment, owned and/or operated by CITY.

Street Light and City Hall Lighting Maintenance

The street lights and City Hall lighting for which service may be required include:

- 224 CITY-owned LS-2 residential street lights, all of which are located within the private gated community of Laguna Woods Village north of Laguna Hills Drive, south of Ridge Route Drive, east of Moulton Parkway, and west of Paseo de Valencia;
- Five (5) CITY-owned pole lights that are located in the parking lot of City Hall;
- Three (3) CITY-owned light-emitting diode (LED) walkway pole lights that are located near the entrance to City Hall; and
- Such other street lights and City Hall lighting as CITY may determine.

Prevailing Wage

ALL SERVICES PERFORMED BY CONSULTANT UNDER THIS AGREEMENT ARE SUBJECT TO PREVAILING WAGE. In accordance with the provisions of Section 1770 et seq., of the Labor Code, the Director of Industrial Relations of the State of California has determined the general prevailing rate of wages applicable to the work to be done. CONSULTANT shall pay to all persons employed for this work by CONSULTANT sums not less than the sums set forth in the documents entitled "General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770,1773,1773.1"

California Department of Industrial Relations

CONSULTANT shall be registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 at all times during the term of this AGREEMENT. All services performed by CONSULTANT under this AGREEMENT are subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Firm Licensure

A. CONSULTANT shall hold and maintain a valid State of California C-10 (Electrical Contractor) contractor's license at all times during the term of this AGREEMENT.

Types of Service

CONSULTANT shall provide the following services:

WORK TASK DESCRIPTIONS

The latest edition of the Standard Specifications for Public Works Construction and/or the Caltrans Standard Specifications, and related Standard Plans and Special Provisions, as solely selected by CITY, as modified by CITY and selected by CITY to be most appropriate for the work, shall govern the work. All work shall be to the satisfaction of CITY.

"Work Task Descriptions" herein include a general level of information regarding minimum performance standards for each work task to be completed. CONSULTANT shall complete work tasks at or above the required service levels within the time and schedule required.

For the purpose of pricing, most work tasks are considered separately based on whether they are to be completed as "Routine Work" or "Emergency Work." Unless a different time is specified in this AGREEMENT, Routine Work shall be completed within 10 business days of request by CITY, unless an alternate timeframe is specified in this Scope of Work. Emergency Work shall be initiated within two (2) hours of request by CITY and completed as expeditiously as possible thereafter. CITY may, at its sole discretion, extend any maximum timeframe upon request of CONSULTANT.

Newly installed components typically carry a warranty provided by the manufacturer and/or installing company. During any warranty period, CONSULTANT shall coordinate warranty repairs with the appropriate manufacturer and/or installing company. CONSULTANT shall notify CITY of any undue delays in response by those other responsible parties in responding to warranty requests and provide a detailed summary of the incident.

ROUTINE MAINTENANCE WORK TASKS

1. Annual Routine Maintenance – Emergency Vehicle Pre-emption Equipment (Units: Annual Lump Sum payable after work task completion)

Define Units: This is a lump sum annual fee payable after work task completion.

Every July, CONSULTANT shall:

- (a) Test and clean emergency vehicle pre-emption equipment according to manufacturer's specifications and provide CITY with a report on outcomes and findings. Upon CITY's receipt and approval of replacement or repair work for emergency vehicle pre-emption equipment, work shall be performed within five (5) business days and billed under applicable work task(s).

2. Biennial Routine Maintenance – Conflict Monitors (Units: Biennial Lump Sum after work task completion)

Define Units: This is a lump sum biennial fee payable after each work task completion.

Every July and January, CONSULTANT shall:

- (a) Test traffic signal conflict monitors using MT-180 or equivalent conflict monitor tester and immediately provide CITY with a report on outcomes and findings. Tests shall be conducted utilizing a replacement monitor (like kind) to monitor the intersection while the test is being conducted. Upon CITY's receipt and approval of replacement or repair work for conflict monitors, work shall be performed within five (5) business days and billed under applicable work task(s).

3. Monthly Routine Maintenance - Traffic Signals (Units: Annual Lump Sum payable in equal monthly increments)

Define Units: This is a lump sum annual fee payable in equal monthly installments.

Every month, CONSULTANT shall (for all traffic signals, including specified equipment):

- (a) Clean cabinet interior and exterior. Remove dirt and foreign material. Replace or clean cabinet filters and light bulbs. Verify a water tight seal exists around cabinet base and provide additional sealant as needed to maintain a moisture proof bond to protect the cabinet interior. Lubricate locks and hinges.
- (b) Maintain an accurate chronograph and set all controller, conflict monitor, and battery back-up clocks to National Bureau of Standards real time and date.
- (c) Check signal and pedestrian phase and interval timing and circuits for correct operations, including yellow and flashing "don't walk" intervals by chronograph or stop watch.
- (d) Check voltage at main power supply. Verify tightness of connectors at power panel, ground buss, loop, and field terminal panels.

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- (e) Check detection equipment for proper function, including cabinet detector amp units, individual field loops, pedestrian buttons, and video detection components.
- (f) Visually inspect relays, power supplies, fuses, clocks, dials, switches, etc. Clean and make routine adjustments or minor repairs as necessary.
- (g) Field inspect signal poles, traffic signals, pedestrian heads and Light Emitting Diode (LED) quality of brightness, signal pole mounted signs, pedestrian buttons, safety lights, illuminated street name signs, video detectors etc., and remove dirt and foreign material.
- (h) Test battery back-ups by bypassing existing electrical service and power signal directly from battery back-up at each intersection. Verify battery condition and voltage continuity. Maintain a monthly log of battery back-up test results. Provide CITY with a list of inoperative or malfunctioning battery back-ups. Upon CITY receipt and approval of listed replacement or repair work, work shall be performed within five (5) business days and billed under applicable work task(s).
- (i) Inspect traffic signals, flashing beacons, safety lights, and illuminated street signs at night. Provide CITY with a list of burned-out or malfunctioning traffic equipment immediately following such inspection. Upon CITY's receipt and approval of listed replacement or repair work, work shall be performed within five (5) business days and billed under applicable work task(s).
- (j) Immediately notify CITY of any condition that constitutes a public hazard or may affect proper traffic signal timing or coordination.

AS-NEEDED MAINTENANCE WORK TASKS

This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation for as-needed maintenance services.

4. As-Needed Maintenance - Traffic Signals (Units: Varies)

Define Units: Certain services shall be compensated by each item (see Section 1 of Exhibit "B"). All services not individually listed on Section 1 of Exhibit "B" shall be compensated on a time and materials basis using the rate schedule in Section 2 of Exhibit "B".

As-Needed Maintenance - Traffic Signals includes work to repair/replace defective or obsolete equipment and perform modification work not directly covered by routine maintenance work tasks. CONSULTANT shall perform this work at the direct request of CITY unless emergency or public safety conditions require a direct response. Should emergency or public safety conditions exist, CONSULTANT shall undertake work immediately and without delay.

As-Needed Maintenance - Traffic Signals work includes, but is not limited to:

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- (a) Replacement or repair of emergency vehicle pre-emption equipment. Replacement shall be 2-3M 752 Opticom or CITY-approved equal.
- (b) Replacement or repair of traffic signal conflict monitors. Replacement shall be Econolite MMU-16E or CITY-approved equal.
- (c) Replacement or repair of battery back-ups. Replacement batteries shall be with 41 AMP CLARY "Outpost" batteries compatible with the UPS assembly of CLARY SP1250LX, or CITY-approved equal.
- (d) Replacement or repair of burned-out or malfunctioning traffic signals, flashing beacons, safety lights, "No Right Turn on Red" electronic signs, and illuminated street signs.
- (e) Replacement of damaged loop detectors, including saw cut and lead-in conduit. All loop detector installation work shall conform to Caltrans Standard Plans and Specifications. Loop wire shall be Type 2. Detector lead-in cable shall be Type B. Front loops shall be located 1 foot behind crosswalk line or limit line, and shall be Type E or CITY-approved equal.
- (f) Repainting of traffic signal heads, back plates, visors, frameworks, pedestrian push button housing, electric meter service cabinets, and controller cabinets. Paint shall be vinyl with an anti-graffiti coating in a CITY-approved color.
- (g) Maintenance resultant of failure or malfunction of traffic signals caused by vehicle collision, civil disturbance, windstorm, natural disaster, street construction, or excavation.

5. As-Needed Maintenance – Street Lights & City Hall Lighting (Units: Varies)

Define Units: These services are provided on a time and materials basis, using the rate schedule in Section 2 of Exhibit "B". These will be performed on an as requested basis.

As-Needed Maintenance – Street Lights & City Hall Lighting includes, but is not necessarily limited to, any or all of the following activities: changing light fixtures, bulbs, photocells, poles, or ballasts; cleaning fixtures, bulbs, or components thereof to remove dirt and dust; and, removing/responding to damaged or downed fixtures, bulbs, photocells, poles, or ballasts, including abating potential electrical hazards caused by exposed or damaged wiring.

6. Underground Service Alert Response (Units: Biennial Lump Sum)

Define Units: This is a lump sum biennial fee payable in July and December of each year.

CONSULTANT shall subscribe to Underground Service Alert (USA) on-line interconnect notifications for CITY and directly receive and respond to requests for identification of CITY underground facilities covered by this AGREEMENT. CONSULTANT shall respond to all

such requests within one (1) business day of receipt and provide written notification to the CITY.

Standards for Personnel

- B. CONSULTANT shall designate a project manager, in writing to CITY, who shall be responsible for overseeing all work performed under this AGREEMENT and coordinating the same with CITY. He or she shall have at least two (2) years of experience involving relevant maintenance and be fluent in the English language. Experience managing municipal contracts is highly desirable.
- C. CONSULTANT shall work with CITY to establish procedures for providing notification of required services including, at a minimum, the designation of a primary and alternate point of contact, one of whom shall be available to CITY, via telephone, at all times.
- D. At all times during maintenance services, CONSULTANT's personnel shall be dressed in clean, high visibility uniforms, appropriate to the nature of the work performed, with the company name clearly identified. No portion of a uniform shall be removed or not worn. Personnel not in full uniform shall be immediately removed from providing services.
- E. CONSULTANT's personnel shall possess all of the following:
 - a. Proper licensure and training for operation of equipment utilized.
 - b. Ability to operate equipment in accordance with the manufacturer's recommendations.
 - c. Ability to make required operator/mechanical adjustments to the equipment being used.
 - d. Knowledge of safety regulations as they relate to the services performed.
 - e. Knowledge of the safety and uniform standards required by this AGREEMENT.
- F. CONSULTANT shall have available adequately skilled personnel and proper lab testing facilities to perform inspections of traffic controller mechanisms including controller units, auxiliary equipment, and traffic control appurtenances. All testing and test facilities shall conform to California Department of Transportation (DOT) National Electrical Manufacturers Association (NEMA) controller standards.

Standards of Practice

- G. CONSULTANT shall possess a documented California Division of Occupational Health and Safety (CalOSHA) compliant safety certification for each aerial lift that its personnel use.
- H. CONSULTANT shall keep all equipment in good working order and shall maintain, operate, and utilize the same in full compliance with applicable manufacturer's instructions, CalOSHA regulations, California Department of Transportation (DOT) requirements, and the California Manual of Uniform Traffic Control Devices (CAMUTCD).

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- I. CONSULTANT shall setup, operate, and stage in a manner that presents the least amount of disruption to residents, businesses, the public, and traffic flow. Equipment shall never be stored or left unattended on a public street, CITY facility, or private property.
- J. CONSULTANT shall notify CITY and the Orange County Sheriff's Department of any signal turn-offs or turn-ons necessitated by its operations and shall not make said turn-offs or turn-ons until CITY has given permission to proceed.
- K. CITY shall purchase and maintain a limited inventory of residential street light poles, which CONSULTANT shall store at its facility(ies). CONSULTANT shall be required to purchase and store all other materials or supplies necessary to provide maintenance services.
- L. CONSULTANT shall hold and maintain a valid Laguna Woods Village gate pass allowing entry to all areas in which maintenance services may be performed on a 24-hour basis, at all times during the term of this AGREEMENT.
- M. CONSULTANT shall identify the location of all utilities, irrigation components, trees, and/or any public or private property element(s) that could be compromised by any work activity. This pre-inspection shall occur prior to any commencement of work. If identified, CONSULTANT shall take appropriate action to protect the same. If, during the course of the pre-inspection, CONSULTANT identifies damage that existed before the onset of work, CONSULTANT shall document the damage with photographs and report such damage to CITY prior to any commencement of work in that area. All photo documentation shall have the time and date embedded. Any claim of damage that cannot be refuted by photo documentation and/or a written report to CITY shall be considered the responsibility of CONSULTANT.
- N. While performing work of any type, CONSULTANT shall continually inspect for any hazard related to lighting including, but not limited to, damaged or exposed wiring, damaged or downed light poles, or damaged or inoperative light fixtures, bulbs, photocells, poles, or ballasts. Hazardous conditions shall be corrected by CONSULTANT or immediately reported to CITY. At no time shall CONSULTANT work in a hazardous condition.
- O. CONSULTANT shall prevent unnecessary noise resulting from its work and comply with the Laguna Woods Municipal Code's noise standards, as may change from time-to-time.

Clean-up and Waste Disposal

- P. CONSULTANT shall not permit any personnel or member of the public to collect, salvage, or remove any debris resulting from maintenance services.
- Q. If CONSULTANT chooses to utilize a third-party to haul debris resulting from maintenance services, it shall be a requirement to use Waste Management of Orange County (Waste Management Collection and Recycling, Inc.).

Injury or Death Incident Reporting

- R. CONSULTANT shall report to CITY any incident that occurs during work, and results in any injury or death, within one (1) hour of occurrence. CONSULTANT shall prepare and submit a written report to CITY within twenty-four (24) hours of any such incident.

Property Damage Reporting and Repair

- S. Should any structure or property be damaged during CONSULTANT's work, CONSULTANT shall notify the property owners and CITY within one (1) hour of occurrence. CONSULTANT shall make all arrangements for repairs to damaged property within forty-eight (48) hours of occurrence, except utility lines, which shall be repaired within twenty-four (24) hours of occurrence. CONSULTANT shall be solely responsible for contacting all utilities, property owners, and contractors required to complete such repairs. Repairs shall be made in accordance with the appropriate building codes under permits issued by CITY (CITY will not waive fees) and other laws and regulations, as applicable. Repairs shall be made using components matching those that were damaged.

Regular Reporting

- T. *Intersection Records.* CONSULTANT shall maintain a permanent operational record of every piece of traffic signal equipment which CONSULTANT is required to maintain. CONSULTANT shall maintain a separate record at each intersection detailing monthly maintenance, inspections, and repairs. All entries shall be made on a standardized form, legible, and made in chronological order on the sheet in indelible ink. The required entry shall include date, time, reason for visit, observations and/or work performed, and initials of individual making the entry. A copy of such record shall be maintained at all times within the controller cabinet at each signal location and be provided to CITY, in-full, upon request.
- U. *Office Records.* CONSULTANT shall maintain a complete set of records for all pieces of equipment which CONSULTANT is required to maintain, noting all inspections and repairs completed. A separate daily log or diary for every person and every vehicle employed on this AGREEMENT shall also be maintained. Said daily log or diary shall fully describe the work performed by each individual on each piece of equipment and show all chargeable time to this AGREEMENT, including the date and time of day the work was performed at each location, a description of work performed, and the name of the individual(s) that performed the work. These records shall be provided to CITY, in-full, upon request.
- V. *Activities Report.* CONSULTANT shall maintain and submit with each monthly invoice a complete record of all work performed during each respective month. This Activities Report is considered part of the routine monthly maintenance; therefore, invoices will not be paid until it has been submitted. The Activities Report shall include the date and time of day the work was performed, the location and equipment that work was performed, a description of the work performed, and information on corresponding charges. CITY reserves the right to require that additional information be provided in activities reports at any time.

EXHIBIT "B"
COMPENSATION

CONSULTANT shall be compensated using the following rates:

Section 1

Work Task	Description	Unit	Pricing (Routine Work)	Pricing (Emergency Work)
1	Annual Routine Maintenance – Emergency Vehicle Pre-Emption Equipment	Annual Lump Sum	\$280.00	
2	Biennial Routine Maintenance – Conflict Monitors	Biennial Lump Sum	\$1,120.00	
3	Monthly Routine Maintenance - Traffic Signals	Annual Lump Sum	\$10,416.00	
4	As-Needed Maintenance - Traffic Signals			
4A	Repair/replace 12” Red LED Lens (Ball)	Each	\$89.00	\$144.00
4B	Repair/replace 12” Red LED Lens (Arrow)	Each	\$84.00	\$139.00
4C	Repair/replace 12” Yellow LED Lens (Ball)	Each	\$89.00	\$144.00
4D	Repair/replace 12” Yellow LED Lens (Arrow)	Each	\$84.00	\$139.00
4E	Replace 12” Green LED Lens (Ball)	Each	\$89.00	\$144.00
4F	Replace 12” Green LED Lens (Arrow)	Each	\$99.00	\$154.00
4G	Replace Flashing Beacon Lens (Ball)	Each	\$75.00	\$130.00
4H	Replace Safety Light LED Lamp	Each	\$125.00	\$135.00
4I	Replace Safety Light Photo Lens	Each	\$75.00	\$110.00
4J	Replace Type A Detector Loop	Each	\$500.00	\$500.00
4K	Replace Type E Detector Loop	Each	\$450.00	\$450.00
4L	Replace Traffic Signal Conflict Monitor	Each	\$2,375.00	\$2,450.00
4M	Replace Emergency Vehicle Pre-emption Equipment	Each	\$2,900.00	\$2,900.00
4N	Replace Pedestrian Push Button	Each	\$95.00	\$115.00
4O	Replace Battery Back-Up Battery	Each	\$295.00	\$310.00

ITEM 6.8

Work Task	Description	Unit	Pricing (Routine Work)	Pricing (Emergency Work)
4P	Replace “No Right Turn on Red” Electronic Sign	Each	\$3,800.00	\$3,950.00
4Q	Replace Illuminated Street Sign Lamp	Each	\$85.00	\$110.00
4R	Repaint Electric Meter Service Cabinet	Each	\$200.00	\$200.00
4S	Repaint Controller Cabinet	Each	\$500.00	\$500.00
4T	All other As-Needed Maintenance - Traffic Signals	Time & Materials Basis (See Section 2 below)		
5	As-Needed Maintenance – Street Lights & City Hall Lighting	Time & Materials Basis (See Section 2 below)		
6	Underground Service Alert Response	Biennial Lump Sum	\$1,250.00	

Section 2

Description	Quantity	Unit	Pricing
Traffic Signal Technician	1	Hour	\$79.50
Traffic Signal Technician – Overtime	1	Hour	\$110.00
Traffic Signal Technician – Double-time	1	Hour	\$140.00
Bench Technician	1	Hour	\$90.00
Service Truck	1	Hour	\$22.00
Bucket Truck	1	Hour	\$32.00
Air Compressor	1	Hour	\$10.00
Arrow Board	1	Hour	\$10.00
Crane with Operator*	1	Hour	\$125.00
Materials and Supplies	10% mark-up over cost (as evidenced by receipts)		

* Four (4) hour minimum; pricing does not increase for overtime or double-time

The rates set forth in Section 1 and Section 2 are “all inclusive”. CITY shall not provide separate or supplemental compensation to CONSULTANT.

EXHIBIT "C"
INSURANCE

A. Insurance Requirements. CONSULTANT shall provide and maintain insurance, acceptable to the City Manager of CITY or his or her designee or City Attorney, in full force and effect throughout the term of this AGREEMENT, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONSULTANT, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. CONSULTANT shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of CITY.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT.

(4) Errors and omissions liability insurance appropriate to the CONSULTANT's profession.

2. Minimum Limits of Insurance. CONSULTANT shall maintain limits of insurance no less than:

(1) General Liability: \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

ITEM 6.8

B. Other Provisions. Insurance policies required by this AGREEMENT shall contain the following provisions:

1. All Policies. Each insurance policy required by this AGREEMENT shall be endorsed and state that the coverage shall not be suspended, voided, cancelled by the insurer or either party to this AGREEMENT, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the City Manager of CITY or his or her designee.

2. General Liability and Automobile Liability Coverages.

(1) CITY, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities CONSULTANT performs; products and completed operations of CONSULTANT; premises owned, occupied or used by CONSULTANT; or automobiles owned, leased, hired or borrowed by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to CITY, and their respective elected and appointed officers, officials, or employees.

(2) CONSULTANT's insurance coverage shall be primary insurance with respect to CITY, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self insurance maintained by CITY, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, CONSULTANT's insurance.

(3) CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager of CITY or his or her designee otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against CITY, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by CONSULTANT.

C. Other Requirements. CONSULTANT agrees to deposit with CITY, at or before the effective date of this contract, certificates of insurance necessary to satisfy CITY that the insurance provisions of this contract have been complied with. The City Attorney may require that CONSULTANT furnish CITY with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. CITY reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

ITEM 6.8

1. CONSULTANT shall furnish certificates and endorsements from each subcontractor identical to those CONSULTANT provides.

2. Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects CITY or its respective elected or appointed officers, officials, employees and volunteers or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions and requirements of this AGREEMENT.

LOCAL SIGNAL SYNCHRONIZATION PLAN

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LOCAL SIGNAL SYNCHRONIZATION PLAN CONSISTENCY REVIEW CHECKLIST

The Local Agency Name: **City of Laguna Woods** Plan Date: **May 11, 2017**

Local agencies must submit a copy of the Local Signal Synchronization Plan, a completed consistency review checklist, and any supporting documentation. Complete the table below.

Complete the table below:

Local Agency Statement	Page(s) in LSSP	Provided or N/A
1) Signal synchronization goals of the agency are consistent with those outlined as part of the Regional Traffic Signal Synchronization Master Plan. Include information on how the traffic signal synchronization street routes and traffic signals may be coordinated with traffic signals on the street routes in adjoining jurisdictions.	2	Provided
2) Traffic signal synchronization street routes are identified, including all corridors along the regional signal synchronization network located within the local agency.	3 - 5	Provided
3) Traffic signal inventory for all traffic signal synchronization street routes.	6	Provided
4) Three-year plan separately showing costs, available funding, and phasing for capital, operations, and maintenance of signal synchronization along the traffic signal synchronization street routes and traffic signals.	7 - 9	Provided
5) Signal synchronization review, revision, and assessment of synchronization activities along the traffic signal synchronization street routes and traffic signals.	10 - 12	Provided

I certify that the above statements are true to the best of my knowledge.

Signature

Date

M. Akram Hindiye,
City Engineer, City Traffic Engineer
City of Laguna Woods

**LOCAL SIGNAL SYNCHRONIZATION PLAN
CITY OF LAGUNA WOODS**

SECTION ONE**TRAFFIC SIGNAL SYNCHRONIZATION GOALS, POLICIES AND OBJECTIVES**

Traffic signal synchronization allows a series of traffic signal lights along a street to turn green based on synchronized timers set to current traffic patterns and congestion levels. Signal synchronization is a cost-effective way to reduce overall stops and travel delays. The City of Laguna Woods acknowledges the importance of traffic signal synchronization and supports the following goals and objectives:

- To improve the flow of traffic on our street network.
- To coordinate with neighboring agencies to develop synchronization timing plans for a corridor-based approach.
- To reduce travel times by minimizing the number of stops at red lights.
- To reduce vehicle emissions by reducing the idling times at red lights.

The City of Laguna Woods continues to collaborate closely with neighboring agencies to ensure that the central system monitoring all the traffic signals is in good working condition with proper alert settings. Every timing issue received from members of the public is evaluated in the field and continuous monitoring and modification is conducted to ensure driver expectations are met.

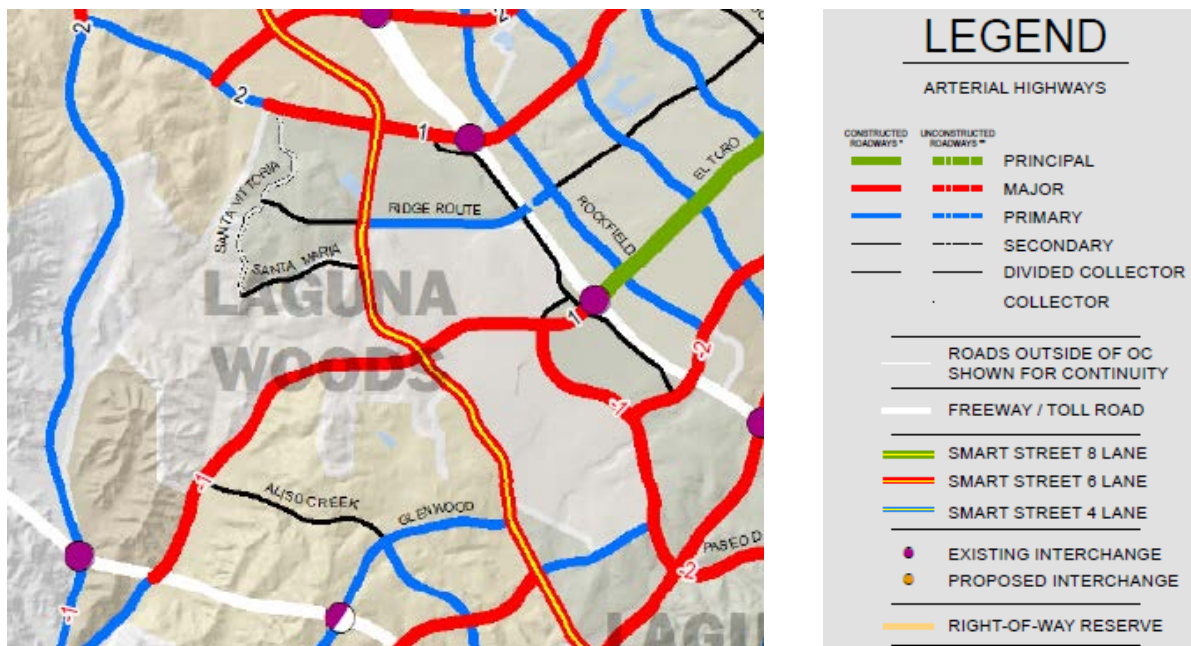
SECTION TWO

TRAFFIC SIGNAL SYNCHRONIZATION STREET ROUTES (EXISTING AND PLANNED)

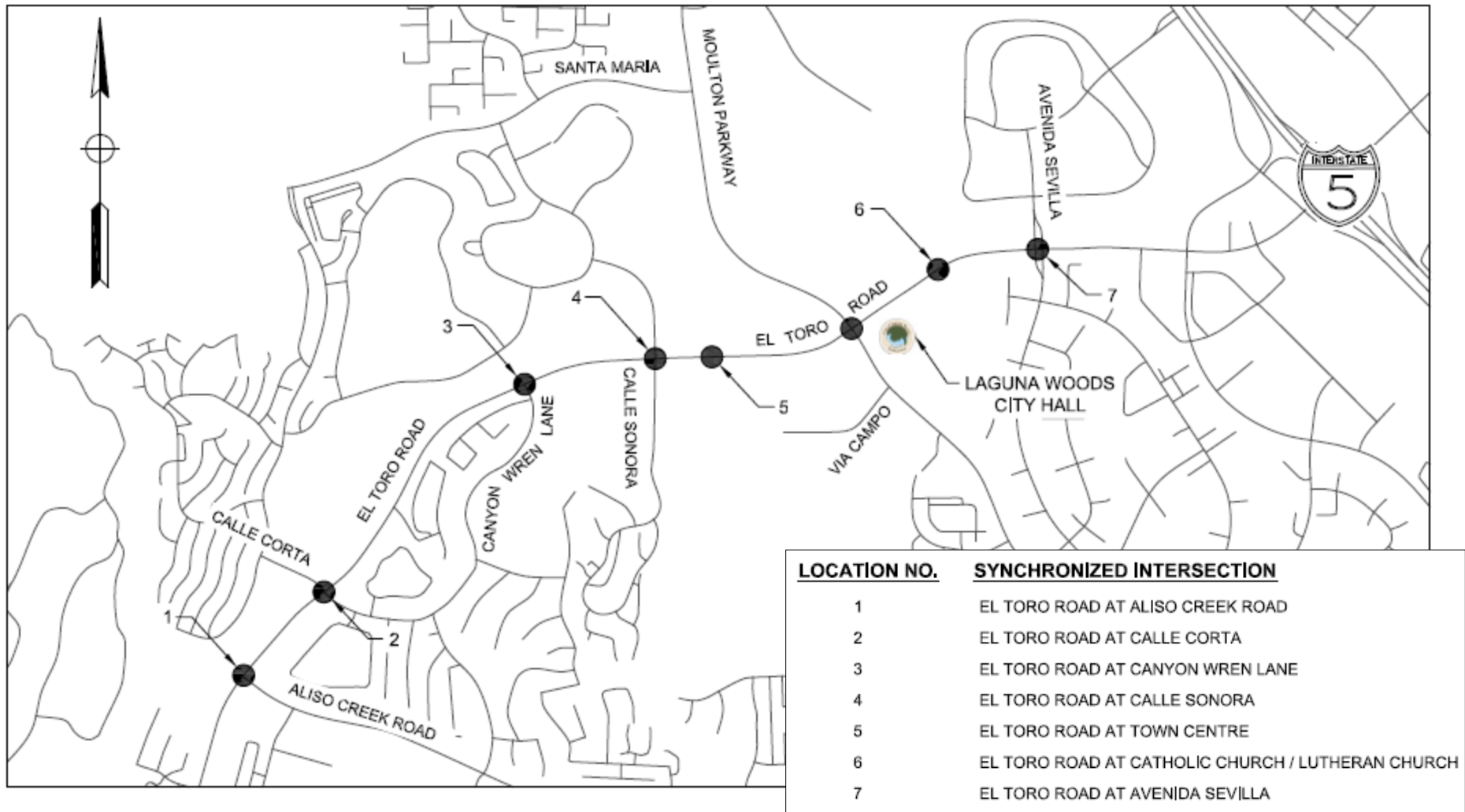
The City of Laguna Woods has two main corridors that are part of the Regional Signal Synchronization Network: Moulton Parkway and El Toro Road.

Moulton Parkway Corridor was coordinated in 2011 by OCTA with collaboration of neighboring agencies. Similarly, El Toro Road Corridor was coordinated in 2012, by OCTA with collaboration of neighboring agencies. Both corridors are currently being evaluated for updated basic (yellow, all red, walk, flash don't walk, bike, etc.) and coordinated timings. Upgrades are also part of the evaluation to ensure the traffic signals are operating efficiently and continuously. The City of Laguna Woods is the lead agency for the 2014 Project P for Moulton Parkway Corridor and for El Toro Road Corridor. Neighboring jurisdictions of Laguna Hills, Aliso Viejo, Laguna Niguel Cities and Caltrans are included in one or both projects.

El Toro Road and Moulton Parkway are the two major arterials crossing the City of Laguna Woods with significant commuter traffic from neighboring cities. OCTA's 2017 Master Plan of Arterial Highways (MPAH) also identifies these corridors as significant within the City of Laguna Woods, as shown below.

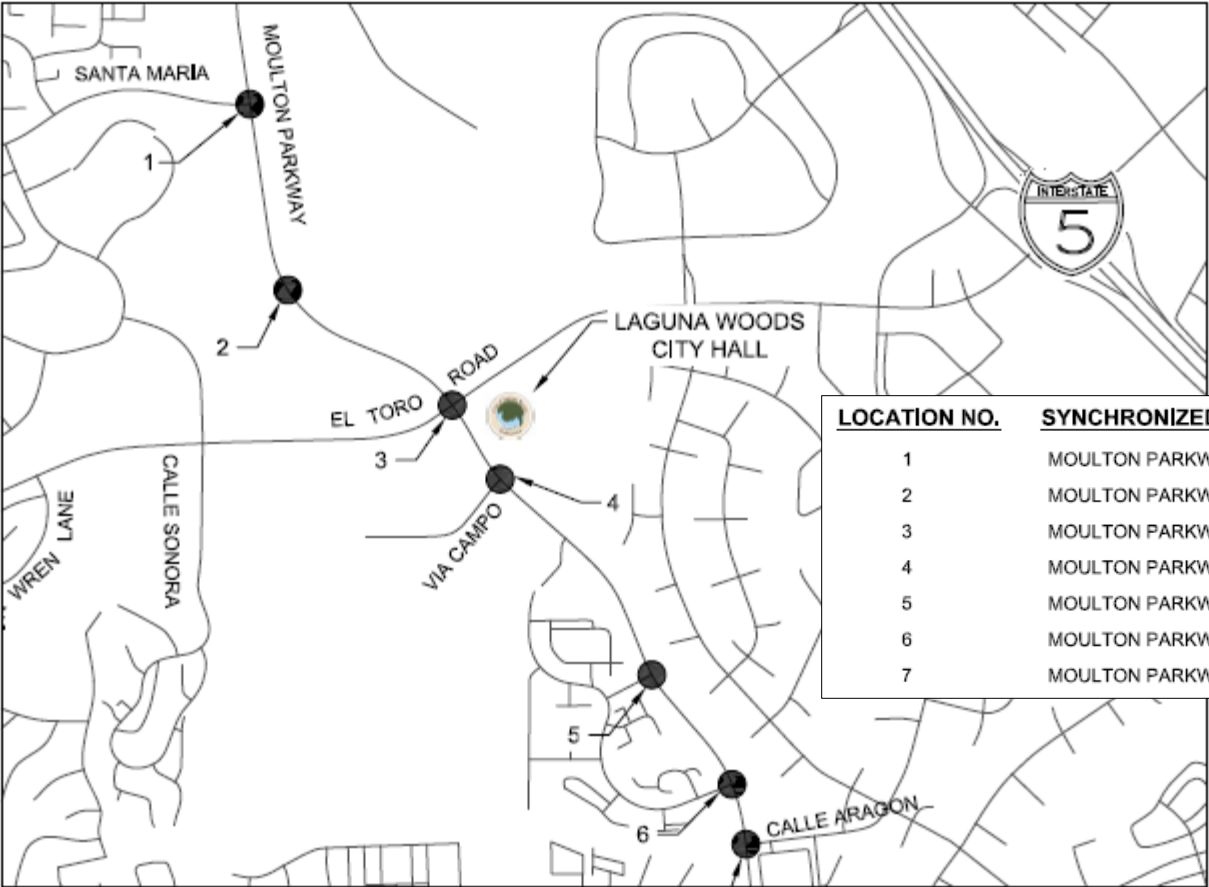


The following figures illustrate the corridors of El Toro Road and Moulton Parkway Traffic Signal Synchronization Street Routes, including the traffic signals along the routes.



VICINITY MAP

NOT TO SCALE



VICINITY MAP
NOT TO SCALE

SECTION THREE

TRAFFIC SIGNAL INVENTORY

CITY OF LAGUNA WOODS							
TRAFFIC SYNCHRONIZATION LIST							
Corridor	Cross-street Intersection	Cycle Length				Controller Type	Maintenance Responsibility
		AM	MD	PM	WKND		
El Toro Road	Aliso Creek Road	130	NA	130	130	Econolite ASC/3	City of Laguna Woods
	Calle Corta	130	NA	130	130	Econolite ASC/3	City of Laguna Woods
	Canyon Wren Lane	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Calle Sonora	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Town Centre / Home Depot	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Moulton Parkway	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Lutheran Church / Catholic Church	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Avenida Sevilla (Gates 1 & 5)	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
Moulton Parkway	Calle Aragon (Gate 3)	130	NA	130	100	Econolite ASC/3	City of Laguna Woods
	Via Iglesia	130	NA	130	100	Econolite ASC/3	City of Laguna Woods
	Calle Cortez	130	NA	130	100	Econolite ASC/3	City of Laguna Woods
	Via Campo	130	NA	130	100	Econolite ASC/3	City of Laguna Woods
	El Toro Road	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Clubhouse (Gates 12 & 16)	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods
	Santa Maria Avenue	130	NA	130	NA	Econolite ASC/3	City of Laguna Woods

Central System (Indicate if multiple systems in use): CENTRACS

Controller Operating System: ECONOLITE (NEMA)

Communication Medium: Copper Twisted Pair

Updated: May 2017

SECTION FOUR**TRAFFIC SIGNAL SYNCHRONIZATION SYSTEM AND THREE YEAR PLAN****3-YEAR OUTLOOK
TRAFFIC SIGNAL SYNCHRONIZATION****Funding Needs for Synchronized Operation (Constrained)****Reporting Jurisdiction Expenditures: City of Laguna Woods****Type of Traffic Signal Synchronization Expenditures in Year of Expenditure Dollars** (Note that sample expenditure categories are included - modify as necessary.)**MAINTENANCE**

PROJECT	FY17/18	FY18/19	FY19/20	TOTAL
Communication and Software Maintenance	5,000	5,000	5,000	15,000
Subtotal Maintenance	5,000	5,000	5,000	15,000

CONSTRUCTION

PROJECT	FY17/18	FY18/19	FY19/20	TOTAL
Moulton Parkway Corridor	520,000	200,000		720,000
El Toro Road Corridor	410,000	200,000		610,000
Subtotal Construction	930,000	400,000	0	1,330,000

OPERATIONS

PROJECT	FY17/18	FY18/19	FY19/20	TOTAL
Citywide Signal Timing Maintenance	5,000	5,000	5,000	15,000
Subtotal Operations	5,000	5,000	5,000	15,000
	940,000	410,000	10,000	1,360,000

3-YEAR OUTLOOK TRAFFIC SIGNAL SYNCHRONIZATION

Funding Needs for Synchronized Operation (Unconstrained)

Reporting Jurisdiction Expenditures: City of Laguna Woods

Type of Traffic Signal Synchronization Expenditures in Year of Expenditure Dollars (Note that sample expenditure categories are included - modify as necessary.)

MAINTENANCE

PROJECT	FY17/18	FY18/19	FY19/20	TOTAL
Communication and Software Maintenance	20,000	20,000	20,000	60,000
Subtotal Maintenance	20,000	20,000	20,000	60,000

CONSTRUCTION

PROJECT	FY17/18	FY18/19	FY19/20	TOTAL
Moulton Parkway Corridor	520,000	200,000		720,000
El Toro Road Corridor	410,000	200,000		610,000
Subtotal Construction	930,000	400,000	0	1,330,000

OPERATIONS

PROJECT	FY17/18	FY18/19	FY19/20	TOTAL
Citywide Signal Timing Maintenance	20,000	20,000	20,000	60,000
Subtotal Operations				
	\$ 970,000	\$ 440,000	\$ 40,000	\$ 1,450,000

Note: System is fully synchronized/coordinated during appropriate traffic demand cycles. Potential upgrades beyond the 3-year outlook may include fiber optic communication along the arterials. However, future capital needs will be determined through normal 'end of useful life' equipment cycles or changes in standards mandated by Federal, State, Regional, County and/or local requirements.

LSSP IMPLEMENTATION – CANDIDATE SIGNAL SYNCHORNIZATION PROJECTS WITH ESTIMATED COSTS

Reporting Jurisdiction Expenditures: City of Laguna Woods

Include estimated cost for currently uncoordinated corridors, conversion of existing corridors to improve compatibility, and TMC upgrades if appropriate. Do not include equipment that meets current needs but has not yet reached the end of its normal life cycle.

CORRIDOR	IMPROVEMENT SUMMARY	ESTIMATED COST
NONE		\$0
Total Estimated Cost		\$0

SECTION FIVE**TRAFFIC SIGNAL SYNCHRONIZATION ASSESSMENT REVIEW AND REVISE, AS
MAY BE NECESSARY, THE TIMING OF TRAFFIC SIGNALS****Significant timing plan updates and projects completed FY 2013/2014 through
2016/2017**

The City of Laguna Woods is the lead agency for the 2014 Project P for Moulton Parkway Corridor and for El Toro Road Corridor Projects. Both projects have recently gone out to bid for construction; implementation of timing is anticipated to occur within the Fiscal Year 2017-18. Neighboring jurisdictions of Laguna Hills, Aliso Viejo, Laguna Niguel Cities and Caltrans are included in one or both projects.

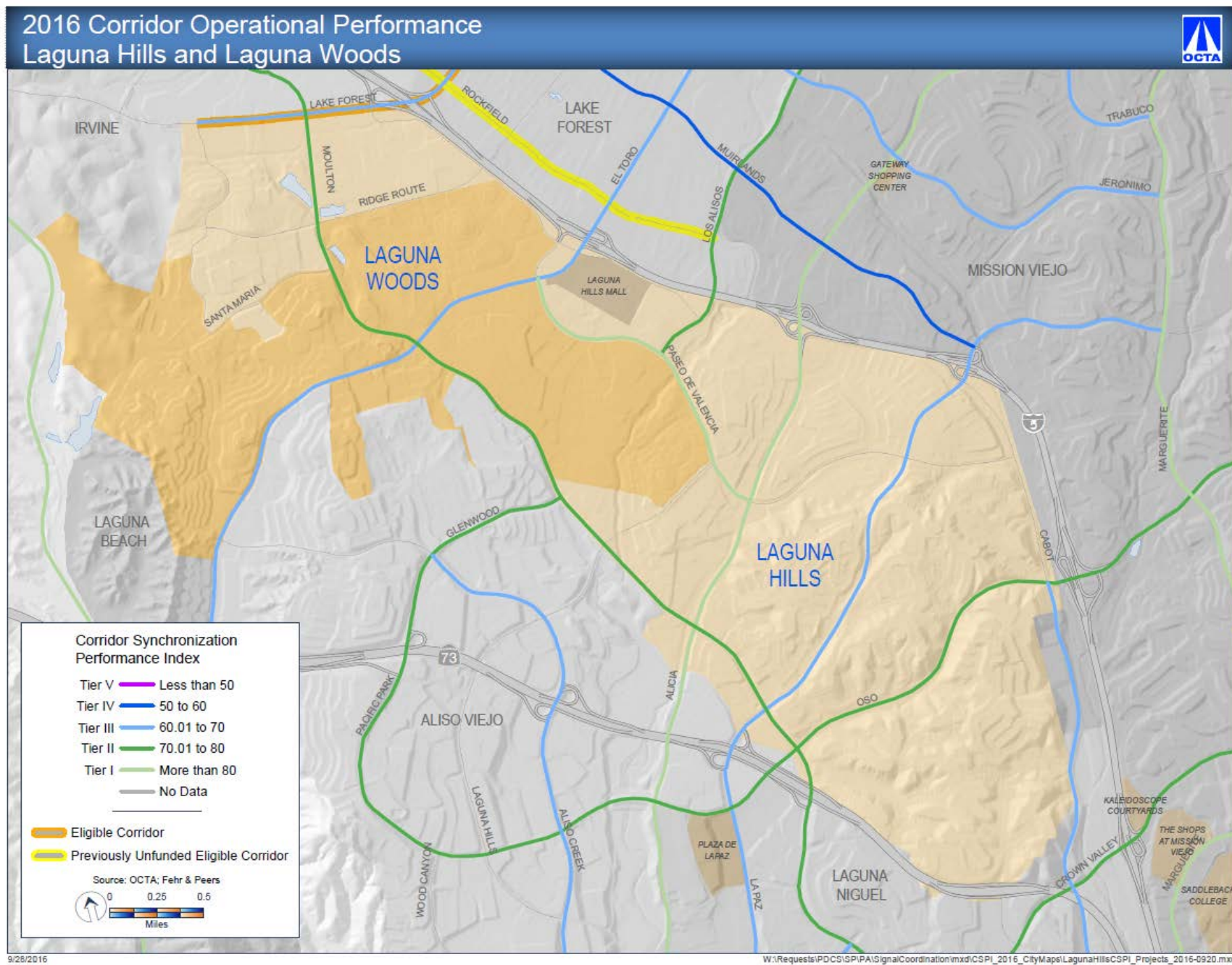
No other significant projects were completed during FY 2013/2014 through 2016/2017 on either corridors within the City of Laguna Woods. Due to minor construction projects and traffic pattern changes through the season within the City limits, continuous refinements of the existing traffic signal timing plans are conducted throughout the year. Alerts on the traffic control system are set to ensure that any critical issues (e.g. loss of communication, signal going to flash, etc.) are forwarded to designated staff to ensure minimal delays occur along these major corridors within the City.

The OCTA Corridor Synchronization Performance Index (CSPI) measures the benefits of signal synchronization and is composed of speed, greens to reds, and stops per mile. The before travel time studies were conducted on the El Toro Road and Moulton Parkway corridors as part of the on-going 2014 Project P; however, because timing has not yet been implemented, the after studies travel time have not yet been collected.

TRAFFIC SIGNAL SYNCHRONIZATION ASSESSMENT, REVIEW, AND REVISION

LOCAL AGENCY CORRIDOR	TIMING REVIEWED (Past 3 Years)	DID TIMING REQUIRE AN UPDATE?	TIMING UPDATE RESULTS (if available)							
			Speed Travel		Stops per mile		Greens per red		CSPI Score*	
			Before	After	Before	After	Before	After	Before	After
El Toro Road (AM Peak Period)	Routine	Upcoming	28.99	N/A	1.09	N/A	4.00	N/A	89.4	N/A
El Toro Road (PM Peak Period)	Routine	Upcoming	30.42	N/A	1.01	N/A	3.60	N/A	86.7	N/A
Moulton Parkway (AM Peak Period)	Routine	Upcoming	34	N/A	0.94	N/A	4.20	N/A	94.6	N/A
Moulton Parkway (PM Peak Period)	Routine	Upcoming	34	N/A	0.70	N/A	4.86	N/A	106.7	N/A

The existing CSPI scores along the El Toro Road and Moulton Parkway corridors within the City of Laguna Woods indicates that synchronization is performing above 80 for the AM and PM peaks. This is considered “very good progression” where travel through the intersections results in minimal stops at favorable travel speeds. The upcoming timing may result in higher cycle lengths to accommodate bicycles and pedestrian.



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6.10 MEASURE M2 ELIGIBILITY

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RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, CONCERNING THE STATUS AND UPDATE OF THE CIRCULATION ELEMENT, LOCAL SIGNAL SYNCHRONIZATION PLAN, AND MITIGATION FEE PROGRAM FOR THE MEASURE M (M2) PROGRAM

WHEREAS, the City of Laguna Woods (City) desires to maintain and improve the streets within its jurisdiction, including those arterials contained in the Master Plan of Arterial Highways (MPAH); and

WHEREAS, the City had endorsed a definition of and process for, determining consistency of the City's Traffic Circulation Plan with the MPAH; and

WHEREAS, the City has adopted a General Plan Circulation Element which does not preclude implementation of the MPAH within its jurisdiction; and

WHEREAS, the City is required to adopt a resolution biennially informing the Orange County Transportation Authority (OCTA) that the City's Circulation Element is in conformance with the MPAH and whether any changes to any arterial highways of said Circulation Element have been adopted by the City during Fiscal Year 2015-16 and Fiscal Year 2016-17; and

WHEREAS, the City is required to send, biennially, to the OCTA all recommended changes to the City's Circulation Element and the MPAH for the purposes of re-qualifying for participation in the Comprehensive Transportation Funding Programs; and

WHEREAS, the OCTA has developed the Regional Traffic Signal Synchronization Master Plan to identify traffic signal synchronization street routes and traffic signals within and across jurisdictional boundaries, and defines the means of implementing the Regional Traffic Signal Synchronization Program; and

WHEREAS, the Regional Traffic Signal Synchronization Program requires that local agencies adopt a Local Signal Synchronization Plan consistent with the Regional Traffic Signal Synchronization Master Plan as a key component of local agencies' efforts to synchronizing traffic signals across local agencies' boundaries; and

WHEREAS, the Local Signal Synchronization Plan must be updated by June 30, 2017 to continue to be eligible to receive Net Revenues as part of Measure M2; and

WHEREAS, the City is required to adopt a resolution biennially certifying that the City has an existing Mitigation Fee Program that assesses traffic impacts of new development and requires new development to pay a fair share of necessary transportation improvements attributable to the new development.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council does hereby inform the OCTA that:

- a) The arterial highway portion of the City's Circulation Element is in conformance with the MPAH.
- b) The City attests that no unilateral reduction in through lanes has been made on any MPAH arterials during Fiscal Year 2015-16 and Fiscal Year 2016-17.
- c) The City adopts and maintains a Local Signal Synchronization Plan which includes goals that are consistent with those outlined as part of the Regional Signal Synchronization Master Plan, including signal synchronization across jurisdictions.
- d) The Local Signal Synchronization Plan identifies traffic signal synchronization street routes, including all elements of the Regional Signal Synchronization Network located within the City.
- e) The Local Signal Synchronization Plan includes the traffic signal inventory for all traffic signal synchronization street routes in the City.
- f) The Local Signal Synchronization Plan includes a three-year plan showing capital, operations, and maintenance of signal synchronization along the traffic signal synchronization street routes and traffic signals.
- g) The Local Signal Synchronization Plan includes an update on the status and performance of traffic signal synchronization activities.

- h) The Local Signal Synchronization Plan includes a discussion on the review and revision, as may be necessary, on the timing of traffic signals on the traffic signal synchronization street routes.
- i) The City Council reaffirms its concurrence with the existing Mitigation Fee Program.

SECTION 2. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2017.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 17-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2017, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

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6.11

**MOULTON PARKWAY WATER EFFICIENT
MEDIAN IMPROVEMENT PROJECT**

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RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AMENDED FUEL TAX FUND APPROPRIATIONS FOR THE FISCAL YEAR COMMENCING JULY 1, 2016 AND ENDING JUNE 30, 2017 RELATED TO THE MOULTON PARKWAY WATER EFFICIENT MEDIAN IMPROVEMENT PROJECT

WHEREAS, the Moulton Parkway Water Efficient Median Improvement Project (“Project”) is currently included in the City’s Capital Improvement Program as an unfunded project; and

WHEREAS, competitive bids to construct the Project have been solicited and staff is now recommending that the Project be funded; and

WHEREAS, it is necessary for the City Council to establish a budget for the Project in order for the Project to be constructed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Resolution No. 16-23 is hereby amended to increase the budget appropriation authorized for the Fuel Tax Fund for Fiscal Year 2016-17 from \$500,201 to \$774,115. The increase in the appropriation, in the amount of \$273,914, shall be drawn from unassigned Fuel Tax balance and allocated to the Moulton Parkway Water Efficient Median Improvement Project.

SECTION 2. The Deputy City Clerk shall certify to the passage of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2017.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do
HEREBY CERTIFY that the foregoing **Resolution No. 17-XX** was duly adopted
by the City Council of the City of Laguna Woods at a regular meeting thereof, held
on the XX day of XX 2017, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

6.12
LAGUNA WOODS CIVIC SUPPORT FUND
(NO REPORT)

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7.1

**MEDICAL AND NON-MEDICAL MARIJUANA
CULTIVATION REGULATIONS**

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager
David B. Cosgrove, City Attorney

FOR: June 21, 2017 Regular Meeting

SUBJECT: Medical and Non-Medical Marijuana Cultivation Regulations

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Close public hearing.

AND
5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.08.010, 13.10.020, 13.12.020, 13.13.020, AND 13.26.026 OF THE LAGUNA

WOODS MUNICIPAL CODE RELATED TO MEDICAL AND NON-MEDICAL MARIJUANA CULTIVATION

Background

On January 20, 2016, the City Council adopted regulations related to commercial medical marijuana cultivation, which are now codified in Section 13.26.026 of the Laguna Woods Municipal Code. In general, those regulations prohibit commercial medical marijuana cultivation and allow small-scale, personal medical marijuana cultivation that is conducted in conformance with state law.

On November 8, 2016, a majority of California voters voted to approve Proposition 64 (Control, Regulation, and Tax Adult Use of Marijuana Act) which, among other things, decriminalized certain non-medical marijuana-related activities under state law, including certain small-scale, personal non-medical marijuana cultivation.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on proposed medical and non-medical marijuana cultivation regulations. Staff is recommending that the City Council approve the introduction and first reading of an ordinance that would clarify and supplement the City's land use regulations regarding medical and non-medical marijuana cultivation (Attachment A). The proposed ordinance would extend a substantially similar regulatory approach as currently exists for medical marijuana cultivation to non-medical marijuana cultivation, as discussed below and in the proposed ordinance.

A. Proposed Impact on Medical Marijuana Cultivation.

With respect to medical marijuana cultivation, the proposed ordinance would not alter the existing regulatory approach. Commercial medical marijuana cultivation would continue to be prohibited, while certain cultivation by qualified patients for personal use and by primary caregivers for qualified patients, in conformance with state law, would continue to be allowed. Prohibited forms of medical marijuana cultivation align with requirements for State-licensing and exclude the following:

1. "a qualified patient cultivating marijuana pursuant to Section 11362.5 [of the Health and Safety Code] if the area he or she uses to cultivate marijuana does not exceed 100 square feet and he or she cultivates

marijuana for his or her personal medical use and does not sell, distribute, donate, or provide marijuana to any other person or entity”; or

2. “a primary caregiver cultivating marijuana pursuant to Section 11362.5 [of the Health and Safety Code] if the area he or she uses to cultivate marijuana does not exceed 500 square feet and he or she cultivates marijuana exclusively for the personal medical use of no more than five specified qualified patients for whom he or she is the primary caregiver within the meaning of Section 11362.7 and does not receive remuneration for these activities, except for compensation provided in full compliance with subdivision (c) of Section 11362.765.”
(AB 243, § 6 [Health & Saf. Code § 11362.777(g)].)

In other words, if a medical marijuana cultivation activity does not require a State license, it would continue be considered exempt under the proposed ordinance.

B. Proposed Impact on Non-Medical Marijuana Cultivation.

With respect to non-medical marijuana cultivation, the proposed ordinance would explicitly prohibit commercial cultivation, but allow certain small-scale, personal cultivation provided that it is conducted in conformance with state law. State law generally allows an individual who is at least 21 years of age to cultivate up to six marijuana plants, and prohibits cities from adopting regulations to the contrary.

If the City Council takes the recommended action at today’s meeting, the proposed ordinance would be agendized for a second reading and consideration of adoption at an upcoming meeting. The ordinance would take effect 30 days after adoption.

Environmental Review

The adoption of regulations is not a project under the requirements of the California Environmental Quality Act (CEQA), pursuant to sections 15061(b)(3) and 15321 of the CEQA Guidelines.

Fiscal Impact

The recommended action could be accommodated in the City’s budget.

Attachment: A – Proposed Ordinance
Exhibit A – Proposed Code Amendments

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ORDINANCE NO. 17-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.08.010, 13.10.020, 13.12.020, 13.13.020, AND 13.26.026 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO MEDICAL AND NON-MEDICAL MARIJUANA CULTIVATION

WHEREAS, in 1996, the voters of the State of California approved Proposition 215 (codified as Health and Safety Code Section 11362.5, and entitled “The Compassionate Use Act of 1996” or “CUA”); and

WHEREAS, in 2004, the Legislature enacted Senate Bill 420 (codified as Health and Safety Code Section 11362.7 et seq., and referred to as the “Medical Marijuana Program Act” or “MMPA”) to clarify the scope of the CUA and to provide qualifying patients and primary caregivers who collectively or cooperatively cultivate marijuana for medical purposes with a limited defense to certain specific state criminal statutes; and

WHEREAS, in October of 2015, the Legislature enacted the “Medical Marijuana Regulation and Safety Act” or the “MMRSA” that substantially reworked existing State laws relating to medical marijuana (i.e., the CUA and the MMPA), and although the MMRSA took effect January 1, 2016, the State anticipates that it will need until January of 2018 to set up the necessary agencies, information systems, and regulations to implement and administer many aspects of the MMRSA (such as issuing State licenses for cultivation operations); and

WHEREAS, in November of 2016, California voters approved Proposition 64 (the “Control, Regulation, and Tax Adult Use of Marijuana Act”) which, among other things, decriminalized certain forms of non-medical marijuana-related activities under state law; and

WHEREAS, the MMRSA and Proposition 64 specifically authorize cities to prohibit the commercial cultivation of medical and non-medical marijuana; and

WHEREAS, in January of 2016, the City Council for the City of Laguna Woods (“City Council”) adopted Ordinance No. 16-01, which added Section 13.26.026 (Commercial Medical Marijuana Cultivation) to its Zoning Code to prohibit the commercial cultivation of *medical* marijuana but allow small-scale cultivation of medical marijuana for personal use (as opposed to commercial use) to

the same extent personal cultivation operations are exempt from the MMRSA’s State licensing requirements; and

WHEREAS, because the City adopted its commercial cultivation regulations prior to the passage of Proposition 64, the City’s regulations do not specifically address the cultivation of *non-medical* marijuana, but under the City’s permissive zoning regulations (i.e., Section 13.02.060 of the Laguna Woods Municipal Code, which provides that unlisted uses, like non-medical marijuana cultivation, are deemed prohibited unless the City Manager makes certain findings), the commercial cultivation of non-medical marijuana is not a permitted use in any of the City’s zoning districts; and

WHEREAS, the City Council finds that, like the commercial cultivation of *medical* marijuana, the commercial cultivation of *non-medical* marijuana, as allowed by the Proposition 64, could adversely affect public health, safety, and welfare, particularly if unregulated; and

WHEREAS, local regulation of the commercial cultivation of both medical and non-medical marijuana is proper and necessary to avoid the risks of criminal activity, degradation of the natural environment, malodorous smells, indoor electrical fire hazards that may result from such activities, and other potential adverse secondary effects; and

WHEREAS, although commercial non-medical marijuana cultivation is already a prohibited land use under the City’s permissive zoning regulations, the City Council desires to enact this ordinance to clarify that the City’s existing regulations for commercial cultivation apply to both medical and non-medical marijuana; and

WHEREAS, Proposition 64 exempts certain small-scale *personal* non-medical marijuana cultivation operations (as distinguished from larger-scale *commercial* cultivation) from state and local regulations; specifically, subdivision (a)(3) of Section § 11362.1 of the California Health and Safety Code states that:

“Subject to Sections 11362.2, 11362.3, 11362.4, and 11362.45, but notwithstanding any other provision of law, it shall be lawful under state and local law, and shall not be a violation of state or local law, for persons 21 years of age or older to ... [p]ossess, plant, cultivate, harvest, dry, or process not more than six living marijuana plants and possess the marijuana produced by the plants ...”; and

WHEREAS, on June 21, 2017, the City Council considered proposed amendments to the Laguna Woods Municipal Code, as identified in Exhibit A attached hereto and incorporated herein by reference (“Code Amendment”), to expressly prohibit the commercial cultivation of *non-medical* marijuana but allow small-scale cultivation of *non-medical* marijuana for personal use (as opposed to commercial use) to the same extent Proposition 64 exempts personal cultivation operations are exempt from state and local laws; and

WHEREAS, the Community Development Director or his or her designee prepared an exhibit, including proposed language and terminology for the proposed Code Amendments and any additional information and documents deemed necessary for the City Council to take action, and such exhibit was available for public inspection at City Hall and, upon request, was supplied to all persons desiring a copy, at least ten days prior to the scheduled City Council public hearing date; and

WHEREAS, on June 21, 2017, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. In adopting this Ordinance, the City Council finds and determines that each of the recitals to this Ordinance are true and correct and are adopted herein as findings.

SECTION 2. This Ordinance is adopted pursuant to the authority granted by the California Constitution and State law, including but not limited to Article XI, Section 7 of the California Constitution, the CUA, the MMPA, the MMRSA, and Proposition 64.

SECTION 3. The City Council hereby finds and determines that (i) the Code Amendments comply with all applicable requirements of State law; (ii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iii) the Code Amendments are in the public interest of the City of Laguna Woods; and, (iv) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

SECTION 4. After reviewing the entire project record, the City Council finds and determines that the adoption of this Ordinance is not a project under the requirements

of the California Environmental Quality Act (CEQA), pursuant to sections 15061(b)(3), 15321, and 15378 of the CEQA Guidelines. It can be seen with certainty that the adoption of the Zoning Code presents no possibility that the activity in question will pose a significant effect on the environment, since there are no commercial dispensary or cultivation facilities present within the city, and this ordinance will continue that baseline condition; the ordinance relates to enforcement actions in connection with permits and permitted activities, and relates to general policy and procedure making of the City.

SECTION 5. Sections 13.08.010, 13.10.020, 13.12.020, 13.13.020, and 13.26.026 of the Laguna Woods Municipal Code are hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 6. This Ordinance shall take effect and be in full force and operation thirty (30) days after adoption.

SECTION 7. If any section, subsection, subdivision, paragraph, sentence, clause or phrase, or portion of this Ordinance is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective. To this end the provisions of this Ordinance are declared to be severable.

SECTION 8. The Deputy City Clerk shall certify as to the adoption of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 9. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this XX day of XX 2017.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

APPROVED AS TO FORM:

DAVID B. COSGROVE, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 17-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2017, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2017 by the following vote to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

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EXHIBIT A CODE AMENDMENTS

Section 13.08.010 (“Table of permitted uses”) of Chapter 13.08 (“Residential Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):

	Districts			
Land Use Types	RMF	RC	RT	Code References
<u>Marijuana Cultivation, Commercial</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>13.26.026</u>

Section 13.10.020 (“Table of permitted uses”) of Chapter 13.10 (“Commercial Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):

	Districts			
Land Use Types	NC	CC	PA	Code References
<u>Marijuana Cultivation, Commercial</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>13.26.026</u>

Section 13.12.020 (“Table of permitted uses”) of Chapter 13.12 (“Open Space Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):

	Districts		
Land Use Types	OS-P	OS-R	Code References
<u>Marijuana Cultivation, Commercial</u>	<u>X</u>	<u>X</u>	<u>13.26.026</u>

Section 13.13.020 (“Table of permitted uses”) of Chapter 13.13 (“Community Facilities Districts”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):

	Community Facilities		
Land Use Types	Public/Institutional	Private	Code References
<u>Marijuana Cultivation, Commercial</u>	<u>X</u>	<u>X</u>	<u>13.26.026</u>

Section 13.26.026 (“Commercial medical marijuana cultivation”) of Chapter 13.08 (“Special Regulations”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):

Sec. 13.26.026. - Commercial ~~medical~~-marijuana cultivation.

(a) *Legislative Purpose.* ~~Effective January 1, 2016, t~~The Medical Marijuana Regulation and Safety Act ("MMRSA") provides that, if a city does not have land use regulations or ordinances regulating or prohibiting the cultivation of marijuana, either expressly or otherwise under principles of permissive zoning, by March 1, 2016, then the State will be the "sole licensing authority" for medical marijuana cultivation in that city. (California Health & Safety Code § 11362.777(c)(4).) The City's permissive zoning regulations (set forth in Section 13.02.060 of the Laguna Woods Municipal Code) currently prohibit commercial ~~medical~~-marijuana cultivation in all of the City's zoning districts. As the City does not intend for the State to be the sole licensing authority for ~~medical~~-marijuana

cultivation in its jurisdiction, this section clarifies and supplements the City's existing land use regulations prohibiting commercial ~~medical~~-marijuana cultivation.

(b) *Exemption for ~~Medical~~ Marijuana Cultivation for Certain Use.* This section only applies to commercial ~~medical~~-marijuana cultivation. A medical marijuana cultivation activity that qualifies for the exemption set forth in subdivision (g) of Section 11362.777 of California Health and Safety Code or a personal marijuana cultivation activity that qualifies for the exemption set forth in subdivision (a) of Section 11362.1 of the California Health and Safety Code, as those statutes may be amended from time to time, ~~is~~ are ~~also~~ exempt from this section. This exemption does not limit or prevent the City from regulating or prohibiting indoor and outdoor ~~medical~~-marijuana cultivation (including cultivation for personal use) that is not being conducted in accordance with State and local laws related to land conversion, grading, electricity usage, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters, or from adopting, amending, or replacing local laws for the same.

(c) *Definitions.* All definitions set forth in Section 13.16.025 of this Title 13, as amended from time to time, shall apply under this section. ~~Unless otherwise specified, any and all definitions set forth in the Compassionate Use Act of 1996 (codified at California Health and Safety Code § 11362.5), Medical Marijuana Program Act (codified at California Health and Safety Code § 11362.7 et seq.) and MMRSA (codified at California Business and Professions Code § 19300 et seq.), as those statutes are amended from time to time or replaced with a successor statute, shall apply to this section in addition to the definitions set forth as follows:~~

~~(05)—Cultivation or cultivate shall have the same meaning as set forth in subdivision (l) of Section 19300.5 of the California Business and Professions Code, as may be amended from time to time.~~

~~(10)—Commercial cultivation shall mean any cultivation activity that does not qualify for the exemption set forth in subdivision (g) of Section 11362.777 of the California Health and Safety Code, as may be amended from time to time.~~

~~(15)—Medical marijuana shall mean "medical cannabis," as that term is defined in subdivision (ag) of Section 19300.5 of the California~~

~~Business and Professions Code, as may be amended from time to time.~~

~~(20) Primary caregiver shall have the same meaning as set forth in subdivision (d) of Section 11362.7 of the California Health and Safety Code, as may be amended from time to time.~~

~~(25) Qualified patient shall have the same meaning as set forth in subdivision (f) of Section 11362.7 of the California Health and Safety Code, as may be amended from time to time.~~

(d) *Prohibition.* Commercial ~~medical~~ marijuana cultivation is expressly prohibited in all zoning districts throughout the City, regardless of whether the marijuana is used for medical or non-medical purposes. A State license for the cultivation of ~~medical~~ marijuana does not entitle the licensee to engage in commercial ~~medical~~ marijuana cultivation within City limits.

(e) *Public Nuisance.* Commercial ~~medical~~ marijuana cultivation within City limits shall be, and is hereby declared to be, a public nuisance and may be summarily abated by the City pursuant to California Code of Civil Procedure § 731 or any other remedy available at law.

(f) *Civil Penalties.* In addition to any other enforcement permitted by this section, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person who violates any provision of this section. In any civil action that is brought pursuant to this section, a court of competent jurisdiction may award civil penalties and costs to the prevailing party.

8.1 BUDGETING, RESERVES, AND REPORTING POLICY

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: June 21, 2017 Regular Meeting

SUBJECT: Budgeting, Reserves, and Reporting Policy

Recommendation

Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING MODIFICATIONS TO ADMINISTRATIVE POLICY 2.9 PERTAINING TO BUDGETING, RESERVES, AND REPORTING

Background

The City Council initially adopted Administrative Policy 2.9, which establishes the City's budgeting, reserves, and reporting policies, in November 2010. The policy was last modified on June 15, 2016.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on proposed modifications to Administrative Policy 2.9 (Attachment A). A redline version of the proposed modifications is included as Attachment B.

Significant Proposed Modifications

- Various modifications have been made to reflect the City's transition to a two-year budget and work plan.

- Budget standards have been modified to state that the budget “shall be adopted at the fund level,” rather than at the “fund and department level.” The existing policy already allows the City Manager to “make budget adjustments within adopted fund-level appropriations” (i.e., between departments).
- Budget standards have been modified to clarify that adoption of a seven-year Capital Improvement Program (CIP) will continue to occur on an annual basis, in order to comply with Orange County Transportation Authority requirements for maintaining eligibility to receive Measure M2 funds.
- Budget standards have been modified to provide for the automatic carryover of non-operating project budgets (which are often implemented over multiple fiscal years), in the same manner as the existing policy provides for CIP project budgets. Language has also been added to clarify that once a CIP or non-operating project is completed, the balance remaining within the budget is automatically returned to the fund from which it originated.
- Language has been added to state that the City Council will consider making lump sum payments to reduce unfunded accrued liability for California Public Employees’ Retirement System plans at least as frequently as each two-year budget development process.

Fiscal Impact

While the proposed revisions to Administrative Policy 2.9 would contribute to the prudent management of the City’s finances, there would be no direct fiscal impact. The City Council would continue to exercise discretion as to the scope and nature of the budget that it adopts, including whether to make lump sum payments to reduce unfunded accrued liability for retirement plans.

Report Prepared With: Margaret Cady, CPA, Administrative Services Director/City Treasurer

Attachments: A – Proposed Resolution

Exhibit A – Proposed Administrative Policy 2.9

B – Proposed Administrative Policy 2.9 (redline version)

RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING MODIFICATIONS TO ADMINISTRATIVE POLICY 2.9 PERTAINING TO BUDGETING, RESERVES, AND REPORTING

WHEREAS, the City's budgeting, reserves, and reporting policy is contained in Administrative Policy 2.9 and was last modified by the City Council on June 15, 2016; and

WHEREAS, as the City continues to transition to two-year budgeting and long-term strategic financial planning, the review and update of related policies is a necessary and prudent course of action; and

WHEREAS, City staff has prepared modifications to Administrative Policy 2.9 for consideration by the City Council (incorporated into the administrative policy attached hereto as Exhibit A), which include changes to budget standards and procedures related to the carryover and dispensation of CIP and non-operating projects budgets, as well as the addition of language related to the consideration of lump sum payments to reduce unfunded accrued liability for California Public Employees' Retirement System plans, and others.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the administrative policy attached hereto as Exhibit A is approved and is a statement of the City's budgeting, reserves, and reporting policy. The administrative policy attached hereto as Exhibit A replaces and supersedes all previous versions of Administrative Policy 2.9.

SECTION 2. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2017.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do
HEREBY CERTIFY that the foregoing **Resolution No. 17-XX** was duly adopted
by the City Council of the City of Laguna Woods at a regular meeting thereof, held
on the XX day of XX 2017, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

**CITY OF LAGUNA WOODS
ADMINISTRATIVE POLICY 2.9**

BUDGETING, RESERVES, AND REPORTING

2.9.01. Statement of Purpose.

This Administrative Policy is intended to provide a framework for the development of the City of Laguna Woods' budget, with an emphasis on balance, transparency, fiscal responsibility, and long-term planning.

2.9.02. Budget Periods.

The City operates on a fiscal year beginning on July 1 and ending on the following June 30. The City Manager shall present a proposed biennial fiscal years budget to the City Council no later than June 30, 2017, and every two years thereafter.

2.9.03. Budget Adoption.

The City Council shall adopt a budget for the upcoming two fiscal years no later than June 30, 2017, and every two years thereafter. Such adoption shall occur at a public meeting duly noticed pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act). Members of the public shall have an opportunity to comment on the proposed budget prior to adoption.

2.9.04. Budget Standards.

1. The budget and the underlying accounting shall be prepared in accordance with applicable State law and Generally Accepted Accounting Principles (GAAP) for municipal governments on a modified accrual basis.
2. The budget shall be adopted at the fund level. Sufficient detail shall be provided in accompanying narrative to describe significant programs, projects, and services, as well as employee staffing levels.
3. The budget shall be developed using conservative projections of revenue and expenditure levels. Projections shall consider economic forecasts and data from multiple sources, including independent third-party analysis of the two largest sources of ongoing General Fund revenue – property tax and sales tax.

ITEM 8.1 – Exhibit A to Attachment A

4. The budget development process is intended to weigh competing requests for City resources within anticipated fiscal constraints. Notwithstanding emergency needs and circumstances that may dictate otherwise, requests for new, ongoing programs made outside of the budget development process are discouraged.
5. Current fiscal year revenues should fund current fiscal year expenditures. Use of the unassigned General Fund balance should be limited to one-time projects, capital improvement projects, the payment of long-term liabilities for periods beyond the current fiscal year, and emergency expenditures.
6. Unless specifically restricted by law, GAAP, a funding source, or an agreement, revenues shall be deposited in the General Fund and allocated in accordance with this Administrative Policy. Restricted revenues shall be deposited and allocated as required, including in a manner that ensures that revenues are spent and/or obligated for eligible purposes within required timeframes.
7. Grant funds are often distributed on a reimbursement basis, meaning that the City is required to make expenditures in advance of receiving the offsetting revenue. The unassigned General Fund balance may be used to make temporary “loans” to grant-funded programs, projects, and services until reimbursements are received. Such temporary “loans” are not reflected in the budget.
8. In order to assist with the long-term development of funding for major capital improvement projects on public property, a seven-year Capital Improvement Program (CIP) for “major capital improvements projects” shall be adopted as a part of each budget. To comply with Orange County Transportation Authority requirements for maintaining eligibility to receive Measure M2 funds, a CIP shall also be adopted at each fiscal year intervening biennial budget adoptions. The adoption of intervening CIPs may also necessitate amendment of adopted budgets. A “major capital improvement project” is 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. A “major capital improvement project” also includes pavement management work included in the City’s seven-year Pavement Management Plan.
9. While the first two years of the seven-year CIP are included in the budget, the City Council shall retain the ability to modify the CIP at its discretion and no

funding commitment is created by the inclusion of unfunded projects or projects phased for future fiscal years.

10. With the exception of CIP and non-operating project budgets, which shall be automatically carried over until the project is completed, carryover of budget appropriations between fiscal years requires approval of the City Council. Once a CIP or non-operating project is completed, the balance remaining within the budget shall be automatically returned to the fund from which it originated.

2.9.05. Budget Adjustments.

During fiscal years, circumstances may require adjustment of the appropriations established in the adopted budget. The City Manager is authorized to make budget adjustments within adopted fund-level appropriations, and may also reduce adopted fund-level appropriations, based on economic conditions or the needs of the City. Increases in adopted-fund level appropriations require City Council approval.

2.9.06. Reserves and Fund Balance.

Reserves are a key component of fiscal responsibility and financial resilience. They provide the City with options for responding to unanticipated events and risk.

Reserves are set aside as a part of fund balance. The term “fund balance” is used to describe the net position of the General Fund and other governmental funds. There are five categories of fund balance recognized by the Governmental Accounting Standards Board (GASB): *nonspendable*, *restricted*, *committed*, *assigned*, and *unassigned*. The committed, assigned, and unassigned categories are collectively known as “unrestricted fund balance.” Unrestricted fund balance may be considered the financial resources that are available, or are capable of being made available, for periodic, unanticipated and, emergency needs, without limitation.

Annually, the City shall evaluate current and future risk and funding requirements that may impact reserve levels and requirements. After considering best practices established by the Government Finance Officers Association (GFOA) and other authoritative agencies, the City shall establish an overall target for committed and assigned reserves and individual targets by reserve category. Beginning no later than June 30, 2017, reserve policies, targets, and funding levels shall be evaluated as a part of a long-term strategic financial planning process and adjusted, as necessary, to maintain consistency with Section 2.9.06 of this Administrative Policy.

The time and method for replenishment of reserves shall be defined at the time of reserve usage, based on the category of reserve, reason required, amount used, and other relevant factors. Typically, replenishment of reserve balances should occur within one to three years of use. Funds for replenishment may be drawn from one-time revenues, excess revenues, year-end surpluses, reductions in appropriations, or other means deemed appropriate at the time reserve funds are used. A long-term perspective shall be considered when evaluating methods for replenishment.

Overall Target for Committed and Assigned Reserves

Based on risk assessment and long-term projection of potential reserve needs, the overall target for committed and assigned reserves shall be established in an amount equal to 50% of the adopted General Fund revenue budget at the beginning of each fiscal year (July 1), less any one-time revenues and non-operating revenues. Although annual revenues may fluctuate, they have historically been more stable than annual appropriations, allowing for greater consistency in committed and assigned reserve calculations year-over-year. The fund balance equal to the overall target for committed and assigned reserves shall be allocated first to other committed and assigned reserves and then to the General Fund Contingency Fund.

Committed and Assigned Reserves

Paid Leave Contingency Fund

The City shall maintain a Paid Leave Contingency Fund with an annual target equal to projected accrued paid leave balances at the end of each fiscal year (June 30), in accordance with the City's paid leave policies and obligations. An estimate of the annual target shall be adopted as a part of the City's budget and finalized by City Council action after fiscal-year-end calculations are available. The City Manager is authorized to make expenditures from the Paid Leave Contingency Fund in amounts necessary to comply with the City's paid leave policies and obligations, when such amounts exceed adopted budgets (e.g., the payment of accrued paid leave upon the retirement or resignation of an employee). The City Manager shall notify the City Council of all expenditures made from the Paid Leave Contingency Fund as a part of the budget reporting described in Section 2.9.09.

Self-Insurance Contingency Fund

The City shall maintain a Self-Insurance Contingency Fund for liability and workers' compensation claim settlements not covered by insurance policies. In developing the

annual target for this reserve, the City shall consider its five-year claims settlement history, the status of any pending claims, and any reasonably anticipated future claims activity. The City Manager is authorized to make expenditures from the Self-Insurance Contingency Fund of up to \$50,000 per individual claim settlement. The City Manager shall notify the City Council of all expenditures made from the Self-Insurance Contingency Fund as a part of the budget reporting described in Section 2.9.09. Expenditures from the Self-Insurance Contingency Fund in excess of \$50,000 per claim settlement require approval of the City Council.

General Fund Contingency Fund

The City shall maintain a General Fund Contingency Fund for economic uncertainty, operating contingencies, and emergencies caused by calamitous events. This reserve shall be established, annually, in an amount not less than the current overall target for total reserves less the amounts set aside for other reserves. Expenditures from the General Fund Contingency Fund require City Council approval.

Unassigned General Fund Balance

In addition to committed and assigned reserves, unassigned General Fund balance is available for any governmental purpose and can be appropriated upon direction from the City Council. Use of the unassigned General Fund balance should be limited to one-time projects, capital improvement projects, the payment of long-term liabilities for periods beyond the current fiscal year, and emergency expenditures.

2.9.07. Unfunded Accrued Liability for Retirement Plans.

The City shall consider making lump sum payments to reduce unfunded accrued liability for California Public Employees' Retirement System (CalPERS) plans at least as frequently as each biennial budget development process.

2.9.08. Other Post-Employment Benefits Trust Fund.

The City shall maintain an irrevocable Other-Post Employment Benefits (OPEB) Trust Fund to prefund OPEB through the California Public Employees' Retirement System (CalPERS) in an amount not less than 80% of the unfunded OPEB liability calculated on the frequency that CalPERS requires actuarial valuations of OPEB liability for participation in its California Employers' Retiree Benefit Trust Fund. The OPEB Trust Fund is held by a trustee and amounts set aside for funding are calculated independent of all other reserve and contingency funds. Contributions to

the OPEB Trust Fund require approval of the City Council. Expenditures from the OPEB Trust Fund shall be made in a manner approved by the City Council.

2.9.09. Reporting.

1. The City Treasurer shall prepare and submit a Comprehensive Annual Financial Report, which shall also include an independent audit performed by a certified public accounting firm, to the City Council within eight months of the end of each fiscal year. The City shall strive for an unqualified opinion and submission to the City Council within six months of the end of each fiscal year.
2. The City Treasurer shall prepare and submit a quarterly budget report to the City Council within 60 days of the end of each quarter. The report shall include actual year-to-date revenues and expenditures by fund, as well as any change in projections that are likely to result in the receipt of any ongoing revenue in an amount 10% or lower than the amount budgeted.
3. The City Treasurer shall prepare and submit a monthly investment report to the City Council within 30 days of the end of each month. The report shall include the information specified in Section 2.2.17 of Administrative Policy 2.2.
4. The City Council may request additional or supplemental budget, investment, or financial reports at any time by providing direction to the City Manager.

2.9.10. Relationship to Federal and State Laws.

Where federal or state laws are more restrictive than or contradict this Administrative Policy, such laws shall take precedence. Where this Administrative Policy is more restrictive than federal or state laws, this Administrative Policy shall take precedence. The City Treasurer shall advise the City Council of any contradictions of federal or state law for consideration during each budget development process.

City Council Approval: June XX, 2017

**CITY OF LAGUNA WOODS
ADMINISTRATIVE POLICY 2.9**

BUDGETING, RESERVES, AND REPORTING

2.9.01. Statement of Purpose.

This Administrative Policy is intended to provide a framework for the development of the City of Laguna Woods' budget, with an emphasis on balance, transparency, fiscal responsibility, and long-term planning.

2.9.02. Budget Periods.

The City operates on a fiscal year beginning on July 1 and ending on the following June 30. The City Manager shall present a proposed biennial fiscal year~~s~~ budget to the City Council no later than June 30 ~~of each immediately preceding fiscal year, 2017, and every two years thereafter.~~

~~To implement a longer-term strategic vision and provide greater certainty regarding the sustainability of the City's operations, the City Manager shall present a proposed biennial fiscal year budget to the City Council for the upcoming two fiscal years no later than June 30, 2017.~~

2.9.03. Budget Adoption.

The City Council shall adopt a budget for the upcoming two fiscal year~~s~~ no later than June 30 ~~of each immediately preceding fiscal year, 2017, and every two years thereafter.~~ Such adoption shall occur at a public meeting duly noticed pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act). Members of the public shall have an opportunity to comment on the proposed budget prior to adoption.

2.9.04. Budget Standards.

1. The budget and the underlying accounting shall be prepared in accordance with applicable State law and Generally Accepted Accounting Principles (GAAP) for municipal governments on a modified accrual basis.

2. The budget shall be adopted at the fund ~~and department~~ level. Sufficient detail shall be provided in accompanying narrative to describe significant programs, projects, and services, as well as employee staffing levels.
3. The budget shall be developed using conservative projections of revenue and expenditure levels. Projections shall consider economic forecasts and data from multiple sources, including independent third-party analysis of the two largest sources of ongoing General Fund revenue – property tax and sales tax.
4. The budget development process is intended to weigh competing requests for City resources within anticipated fiscal constraints. Notwithstanding emergency needs and circumstances that may dictate otherwise, requests for new, ongoing programs made outside of the budget development process are discouraged.
5. Current fiscal year revenues should fund current fiscal year expenditures. Use of the unassigned General Fund balance should be limited to one-time projects, capital improvement projects, the payment of long-term liabilities for periods beyond the current fiscal year, and emergency expenditures.
6. Unless specifically restricted by law, GAAP, a funding source, or an agreement, revenues shall be deposited in the General Fund and allocated in accordance with this Administrative Policy. Restricted revenues shall be deposited and allocated as required, including in a manner that ensures that revenues are spent and/or obligated for eligible purposes within required timeframes.
7. Grant funds are often distributed on a reimbursement basis, meaning that the City is required to make expenditures in advance of receiving the offsetting revenue. The unassigned General Fund balance may be used to make temporary “loans” to grant-funded programs, projects, and services until reimbursements are received. Such temporary “loans” are not reflected in the budget.
8. In order to assist with the long-term development of funding for major capital improvement projects on public property, a seven-year Capital Improvement Program (CIP) for “major capital improvements projects” shall be adopted as a part of each budget. To comply with Orange County Transportation Authority requirements for maintaining eligibility to receive Measure M2 funds, a CIP shall also be adopted at each fiscal year intervening biennial budget adoptions. The adoption of intervening CIPs may also necessitate amendment of adopted budgets. A “major capital improvement project” is 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. A “major capital improvement project” also includes pavement management work included in the City’s seven-year Pavement Management Plan.

9. While the first two years of the seven-year CIP is-are included in the budget, the City Council shall retain the ability to modify the CIP at its discretion and no funding commitment is created by the inclusion of unfunded projects or projects phased for future fiscal years.
10. With the exception of CIP and non-operating project budgets, which shall be automatically carried over until the project is completed, carryover of budget appropriations between budget periodsfiscal years requires approval of the City Council. Once a CIP or non-operating project is completed, the balance remaining within the budget shall be automatically returned to the fund from which it originated.

2.9.05. Budget Adjustments.

During budget periodsfiscal years, circumstances may require adjustment of the appropriations established in the adopted budget. The City Manager is authorized to make budget adjustments within adopted fund-level appropriations, and may also reduce adopted fund-level appropriations, based on economic conditions or the needs of the City. Increases in adopted-fund level appropriations require City Council approval.

2.9.06. Reserves and Fund Balance.

Reserves are a key component of fiscal responsibility and financial resilience. They provide the City with options for responding to unanticipated events and risk.

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2.9.0809. Reporting.

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3. The City Treasurer shall prepare and submit a monthly investment report to the City Council within 30 days of the end of each month. The report shall include the information specified in Section 2.2.17 of Administrative Policy 2.2.
4. The City Council may request additional or supplemental budget, investment, or financial reports at any time by providing direction to the City Manager.

2.9.0910. Relationship to Federal and State Laws.

Where federal or state laws are more restrictive than or contradict this Administrative Policy, such laws shall take precedence. Where this Administrative Policy is more restrictive than federal or state laws, this Administrative Policy shall take precedence. The City Treasurer shall advise the City Council of any contradictions of federal or state law for consideration during each budget development process.

City Council Approval: June ~~15XX~~, ~~2016~~2017

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8.2
FISCAL YEARS 2017-19 BUDGET AND WORK
PLAN DEVELOPMENT

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: June 21, 2017 Regular Meeting

SUBJECT: Fiscal Years 2017-19 Budget and Work Plan Development

Recommendation

Discuss and provide direction to staff.

Discussion

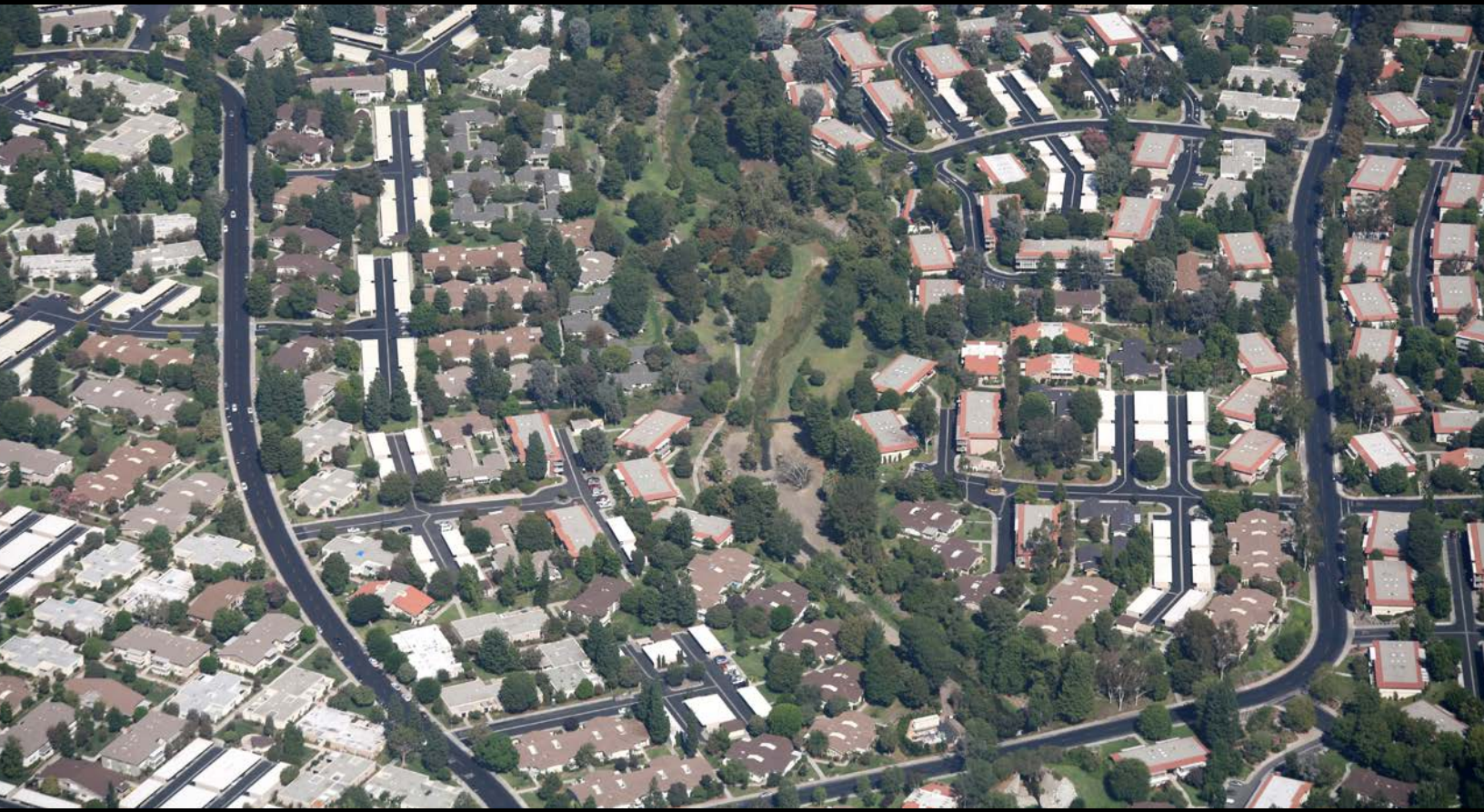
Today's meeting is one of several opportunities for the City Council to receive public input and provide direction to staff on the development of the Fiscal Year 2016-17 Budget and Work Plan.

A draft of the Fiscal Years 2017-19 Budget & Work Plan is included as Attachment A. Please note that the document is not final and is subject to material revision.

Fiscal Years 2017-19 Budget and Work Plan Meeting Schedule (tentative and subject to change)	
Wednesday, April 26, 2017 at 2 p.m.	– <i>kick-off workshop, discussion and development</i>
Wednesday, May 17, 2017 at 2 p.m.	– <i>discussion and development</i>
Wednesday, June 21, 2017 at 2 p.m.	– <i>discussion and development</i>
Wednesday, June 28, 2017 at 2 p.m.	– <i>consideration of adoption</i>

Attachment: A – Draft Fiscal Years 2017-19 Budget & Work Plan

City of Laguna Woods **Fiscal Years 2017-19 Budget & Work Plan**



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

June XX, 2017

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City of Laguna Woods

Fiscal Years 2017-19 Budget & Work Plan

June XX, 2017



Shari L. Horne
Mayor

Carol Moore
Mayor Pro Tem

Cynthia Conners
Councilmember

Vacant
Councilmember

Noel Hatch
Councilmember

Christopher Macon
City Manager

Margaret Cady, CPA
Administrative Services Director/
City Treasurer

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Appendices **(NOT INCLUDED IN THIS DRAFT)**

- A – Administrative Policy 2.9 (Budgeting, Reserves, and Reporting)
- B – Resolution No. 17-XX (Budget and Work Plan Adoption)
- C – Resolution No. 17-XX (Capital Improvement Program Adoption for
Fiscal Year 2017-18)
- D – Resolution No. 17-XX (Annual Appropriations Limit Adoption)
Fiscal Year 2017-18)

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TRANSMITTAL LETTER

June XX, 2017

Honorable Mayor and City Councilmembers:

It is my privilege to present the City of Laguna Woods' Fiscal Years 2017-19 Budget & Work Plan. This document establishes a scope of work and financial plan for the City to undertake during the fiscal years spanning the 24-month period from July 1, 2017 through June 30, 2019.

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

The Fiscal Years 2017-19 Budget & Work Plan marks the successful culmination of a multi-year, labor-intensive process to transition the City from single-year to two-year budgets and work plans. It also contains the City's first five-year strategic financial plan. As I have said previously, it is my sincere belief that the City's new, longer-term perspective will make the organization and its services more efficient, strategically-minded, and sustainable. Laguna Woods taxpayers should find assurance in knowing that the City is planning ahead, looking beyond even the two-years included in this budget and work plan, with an ever-present focus on the prudent stewardship of local dollars.

Prior Year Highlights

Before looking ahead, I would like to take a moment to highlight several of the City's recent accomplishments. Additional information is included on the City's highlights dashboard, which is produced annually and available at City Hall and on the City's website at www.cityoflagunawoods.org.

- Laguna Woods was ranked as the **fourth safest city in California** by SafeWise. In the 2016 calendar year alone, Laguna Woods' public safety personnel responded to **5,367** calls for fire/emergency medical services, **3,498** calls for law enforcement services, and **539** calls for animal services, under contracts and agreements with the City.
- The City continued to provide resources to applicants for renovation and development projects. In the 2016 calendar year alone, the City issued **3,486** building permits and conducted over **9,000** building inspections.
- The City's Senior Mobility Program continued to promote lifelong mobility by providing affordable, senior-oriented transportation services. In the 2016 calendar year alone, Laguna Woods residents took **15,042** trips to destinations throughout Orange County, totaling **95,940** miles.
- The City continued its efforts to protect and improve the environment by offering a wide assortment of waste and recycling programs. In addition to diverting a considerable amount of recyclable waste from landfills, in the 2016 calendar year alone, the City collected **120,274** pounds of paper at document shredding events, free of charge to residents. The City also began to accept home-generated sharps waste at City Hall, which resulted in the collection of **128** pounds in only five months.
- The City partnered with Southern California Edison to replace **170** public street light fixtures with new light-emitting-diode fixtures, at no cost.

- The City became the first city in Orange County to **fully fund** the entirety of its California Public Employees' Retirement System ("CalPERS") pension plans according to current actuarial projections. That action is expected to save the City upwards of \$500,000 over the next 30 years.
- The City was recognized for several financial achievements, including by receiving an **Operating Budget Excellence Award** from the California Society of Municipal Finance Officers for Fiscal Year 2016-17.
- The City's annual independent audit resulted in an **unmodified opinion** that the financial statements for Fiscal Year 2015-16 were fairly presented in conformity with governmental accounting standards.
- The City replaced its antiquated financial software with new software that will better meet operational needs, improve internal efficiency, and enable future electronic customer service opportunities.
- The City completed the first phase of a project to update and clarify its Zoning Code. Doing so supports the City's goal of providing residents with access to high quality goods and service close to home.
- The City enhanced the events offered at City Hall by entering into new partnerships that allowed for participation in National Prescription Drug Take-Back Day, senior fall prevention workshops offered in conjunction with Mission Hospital, monthly small business workshops hosted by the United States Small Business Administration's SCORE Program, and more frequent OC Public Libraries programming.
- The City established and obtained tax exemptions for the Laguna Woods Civic Support Fund, a nonprofit public benefit corporation that will help to support the City's operations, as well as the Laguna Woods branch of the County of Orange's public library system.

Introductory Notes

This budget and work plan continues the conservative approach to budget development that has been a key contributing factor to the City's economic viability since its incorporation more than 18 years ago. While revenue trends continue to reflect minimal to modest growth, with the City's projected cost of doing business keeping pace with or slightly exceeding the same, the City must continue to exercise serious and steadfast fiscal discipline. In doing so, the City must also maintain a realistic understanding of the limits of available resources and remain committed to improving the efficiency, effectiveness,

and economy of its operations, not only in principal, but as an essential and ongoing strategy to manage future costs. While the City may not be able to provide a vast array of elective services, prudent management will allow for the continued fulfillment of all core services and statutory responsibilities.

17-18

Inclusive of all funds, net expenditures for Fiscal Year 2017-18 total \$7,357,806. The General Fund operating budget is balanced and accounts for the majority of net expenditures at \$5,359,050. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be \$5,731,896, or 107% of the Fiscal Year 2017-18 operating budget. That unassigned balance would be in addition to assigned and committed reserves totaling \$2,686,800.

18-19

Inclusive of all funds, net expenditures for Fiscal Year 2017-18 total \$7,027,538. The General Fund operating budget is balanced and accounts for the majority of net expenditures at \$5,456,246. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be \$5,568,250, or 102%, of the Fiscal Year 2018-19 operating budget. That unassigned balance would be in addition to assigned and committed reserves totaling \$2,770,800.

General Fund Highlights

The single greatest threat to the solvency of the City remains the rising cost of law enforcement services, exacerbated by operational changes within the Orange County Sheriff's Department and labor agreements approved by the Orange County Board of Supervisors. While the City was able to moderate costs in Fiscal Year 2017-18 through a reduction in staffing, future costs are expected to continue to increase at an unsustainable rate, significantly in excess of inflation. Projections from the Orange County Sheriff's Department indicate that costs to maintain the existing level of service will increase at least 15% over the next four years. Adding even greater cause for concern is that those projections do not account for potentially significant costs that are likely, but as-of-yet unknown, including impacts of future labor agreements and growth in departmental overhead. As a result, it is conceivable that costs may increase more than 15%, simply to continue the status quo.

In addition to advocating for restraint and consultation in decision-making by the Orange County Board of Supervisors, the City must continue to explore

alternate service delivery models with the goal of achieving sustainability in long-term costs, while still maintaining high levels of safety for Laguna Woods residents and law enforcement personnel. It is also necessary for the City to further develop community partnerships and enhance its crime prevention activities in order to manage future needs for law enforcement services and commensurate costs. In any case, service level reductions and operational changes above and beyond what the City has already implemented may still be required, so long as the Orange County Board of Supervisors exercises majority control over local law enforcement costs.

The City's lack of a strong and diversified local sales tax base also continues to be of significant concern. While there are signs of improvement, including the long-awaited renovation of the Willow Tree Center, the City will continue to be reliant on a small number of businesses for its second largest source of operating revenue. Now more than ever, fostering a productive environment for local businesses is of paramount importance. Doing so adds security to the City's budget and aids in the City's ongoing pursuit of ensuring that the mix of local businesses meets the needs of Laguna Woods residents.

Special Revenue Funds Highlights

In April 2017, Governor Brown signed the Road Repair and Accountability Act of 2017 ("Senate Bill 1") into law, which will dramatically increase the funds available to cities for public road maintenance and rehabilitation, beginning in Fiscal Year 2017-18. For the City, Senate Bill 1 revenue will help address the historical erosion of Fuel Tax revenue caused, in part, by statewide reductions in gasoline prices and consumption, which was highlighted as a matter of "significant concern" in the prior year's budget and work plan. Over the first 10 years of Senate Bill 1, the City anticipates that it will receive approximately \$3.5 million to improve the condition of local roads and flow of traffic.

Capital Improvement Program Highlights

The Capital Improvement Program ("CIP") included in this budget and work plan envisions public facility and infrastructure investments of approximately \$4.3 million over the course of the next seven years. The projects that will be completed during fiscal years 2017-18 and 2018-19 are primarily focused on rehabilitating existing infrastructure and improving pedestrian accessibility.

In addition to pedestrian accessibility improvements that will be constructed as part of pavement rehabilitation projects, the City anticipates receiving a federal Community Development Block Grant ("CDBG") in Fiscal Year 2017-

18 to enhance the ease and accessibility of pedestrian travel along Moulton Parkway. Similar improvements at other locations throughout Laguna Woods are planned for future years, contingent on the receipt of additional CDBG funding, which is subject to appropriation by the United States Congress.

Conclusion

As in years past, this budget and work plan was developed with an abiding concern for the quality of life, health, safety, wellness, and well-being of those who call Laguna Woods home. Though the City faces challenges in the years ahead, the prudence, conservatism, and strategic investments that underlay this document will serve residents and businesses well.

Respectfully submitted,

Christopher Macon
City Manager

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.

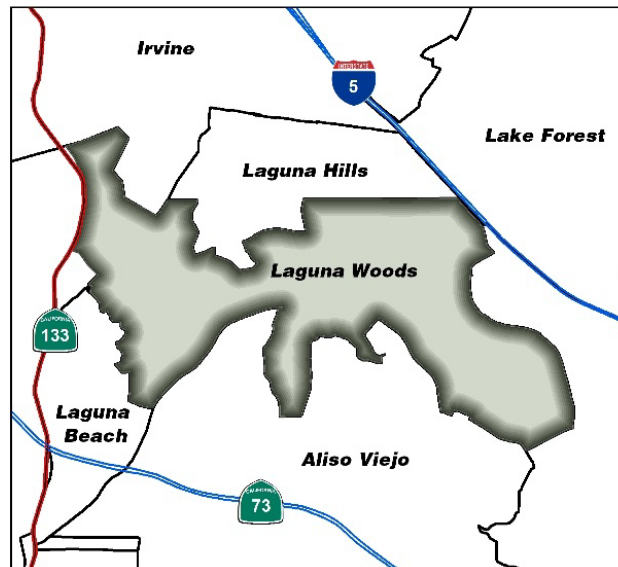
The City of Laguna Woods celebrated its 18th anniversary in 2017.

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

[Key Appointed Officials]

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

The City has eight and nine-twenties 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 in-house 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 & Engineering Services.....CivilSource

Landscape Maintenance Services.....Nieves Landscaping

Law Enforcement Services.....Orange County Sheriff's Department

Legal Services.....Rutan & Tucker, LLP

Planning Services.....Michael Baker International

Street & Right-of-Way Maintenance Services.....PV Maintenance

Traffic Signal & Lighting Maintenance Services.....Computer Service Company

Fire/emergency medical 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 between the City and the County of Orange, 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’ one-percent 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

Public Library.....OC Public Libraries

School District.....Capistrano Unified 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

Waste & Recycling.....Waste Management of Orange County
WM Curbside

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 California Department of Finance ("DOF") estimates that Laguna Woods' population was 16,319 as of January 1, 2017, a 0.1% decrease 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, 2016 and 2017*. Sacramento, California, May 2017.

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%
<i>Asian Indian</i>	0.1%	0.4%
<i>Chinese</i>	0.7%	3.1%
<i>Filipino</i>	0.6%	1.7%
<i>Japanese</i>	0.5%	1.1%
<i>Korean</i>	0.4%	3.1%
<i>Vietnamese</i>	0.1%	0.2%
<i>Other Asian</i>	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%

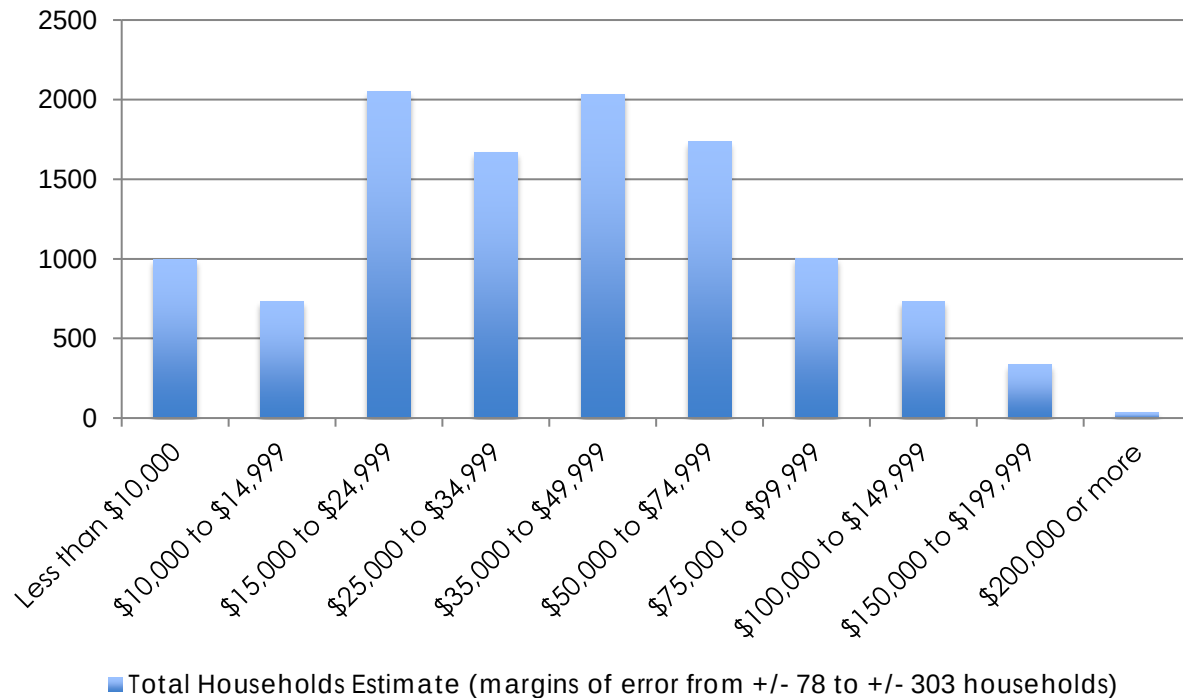
[Household Size]

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 (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

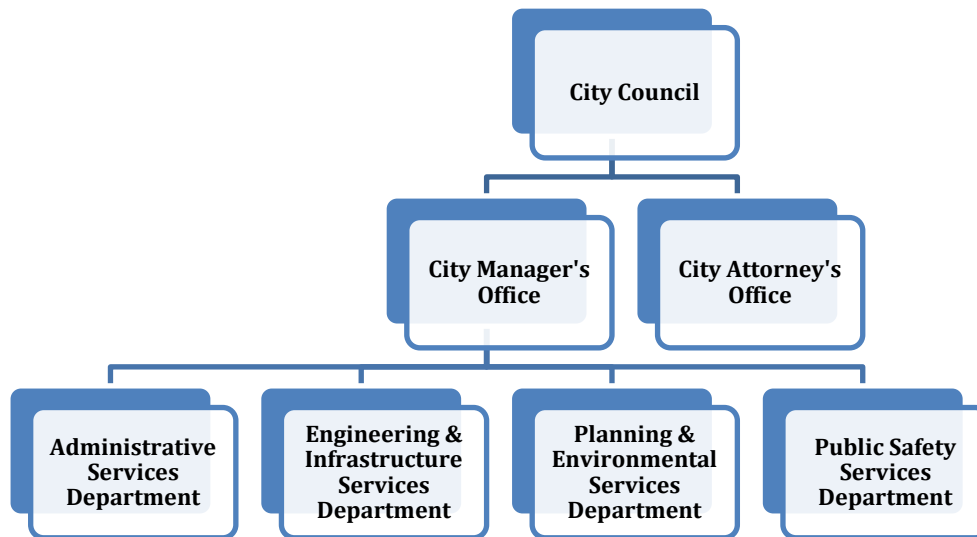
This chapter is intended to provide a brief overview of the City of Laguna Woods' internal structure in order to establish a context for understanding how this budget and work plan will be implemented.

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

Shari L. Horne, Mayor
Carol Moore, Mayor Pro Tem
Cynthia Conners, Councilmember
Vacant, Councilmember
Noel Hatch, 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 the 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

This budget and work plan includes an authorized personnel allocation of eight and nine-twentieths full-time equivalent ("FTE") positions. Compared to the previous fiscal year, that personnel allocation represents a reduction of

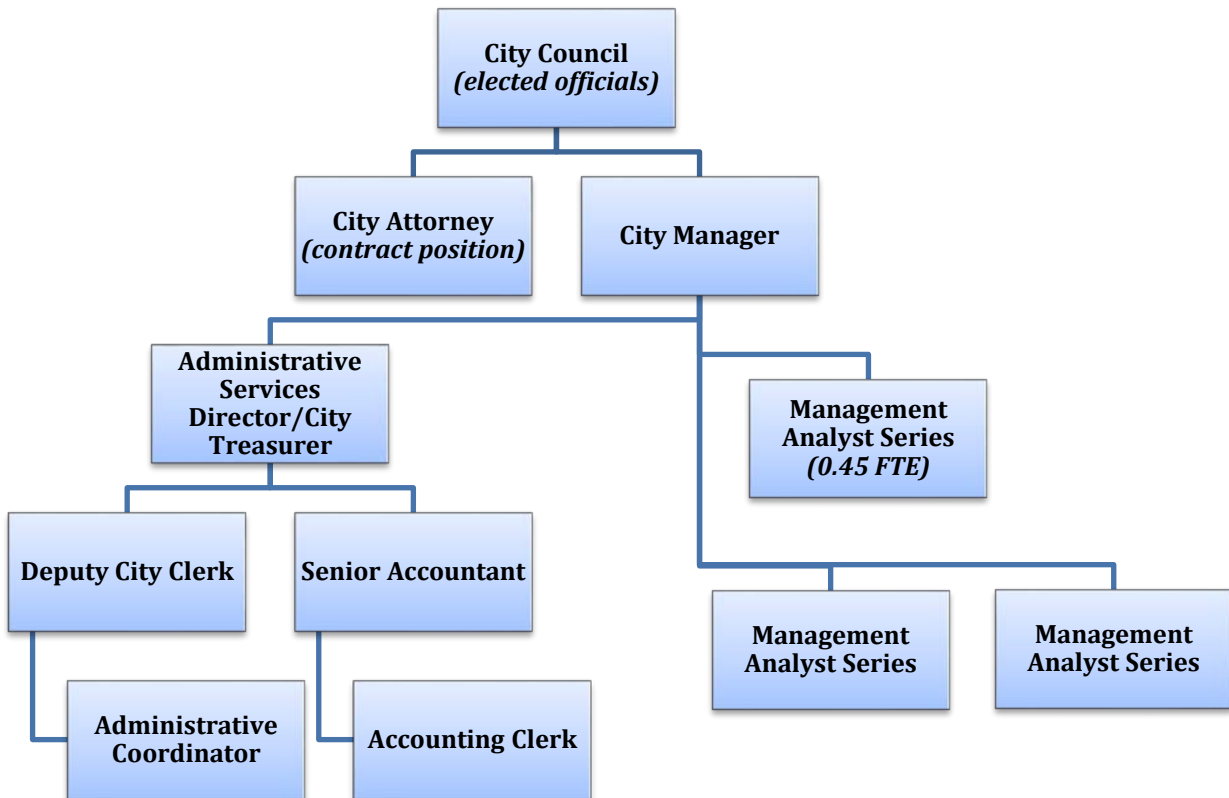
nine-twentieths of an authorized FTE position. The reduction in authorized personnel is primarily attributable to the impact of increasing law enforcement costs, exacerbated by labor agreements approved by the Orange County Board of Supervisors with higher salary and benefit costs.

[Personnel Allocation – Citywide]

Position	Number Authorized					
	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-Time Employees [full-time equivalents (FTE)]</i>						
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	-	-	-
Administrative Services Director/City Treasurer	-	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	-	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	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	1.00	1.00	1.00
Finance Manager	1.00	-	-	-	-	-
Management Analyst/ Senior Management Analyst	-	-	1.00*	2.00	2.00	2.00
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	1.00	1.00	1.00
Total FTE – full-time positions	10.00	10.00	8.50	8.00	8.00	8.00
<i>Part-Time Employees [full-time equivalents (FTE)]</i>						
Accountant	0.50	-	-	-	-	-
Administrative Assistant	1.50	1.00	-	-	-	-
Customer Service Representative	-	-	-	0.45	-	-
Management Analyst/ Senior Management Analyst	-	-	-	0.45	0.45	0.45
Total FTE – part-time positions	2.00	1.00	-	0.90	0.45	0.45
Total FTE – all positions	12.00	11.00	8.50	8.90	8.45	8.45
Year-over-year change		(1.00)	(2.50)	0.40	(0.45)	-

* These positions were authorized for only a portion of the fiscal year, resulting in a total net FTE of 1.00.

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 inter-governmental relations; manages long-range planning and special projects; and, coordinates competitive procurement activities.

Though presented separately for ease of reference, the Public Safety Services Department receives ongoing support from personnel accounted for in the City Manager’s Office section of this budget. Due to reductions in personnel in

previous fiscal years, the City Manager's Office also provides direct oversight of the Engineering & Infrastructure Services Department and the Planning & Environmental Services Department.

[Personnel Allocation – City Manager's Office]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
City Manager	1.00	1.00	1.00	1.00	1.00
Community Services Manager	1.00	0.50	-	-	-
Management Assistant	1.00	1.00	-	-	-
Total FTE – full-time positions	3.00	2.50	1.00	1.00	1.00
<i>Part-time Employees [full-time equivalents (FTE)]</i>					
Management Analyst/ Senior Management Analyst	-	-	0.45	0.45	0.45
Total FTE – part-time positions	-	-	0.45	0.45	0.45
Total FTE – all positions	3.00	2.50	1.45	1.45	1.45

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.

Community Services Division

The Administrative Services Department's Community Services Division includes the following service areas: community recreation events, local government television programming (Channel 31), and the Senior Mobility Program.

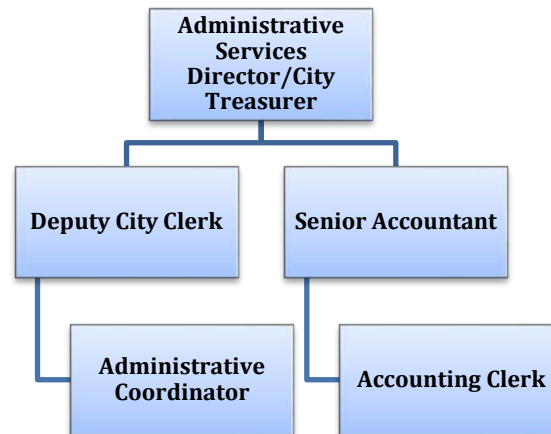
[Personnel Allocation – Administrative Services Department]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
Administrative Services Director/City Treasurer	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Senior Accountant	1.00	1.00	1.00	1.00	1.00
Total FTE – full-time positions	5.00	5.00	5.00	5.00	5.00
<i>Part-time Employees [full-time equivalents (FTE)]</i>					
Administrative Assistant	1.00	-	-	-	-
Customer Service Representative	-	-	0.45*	-	-
Total FTE – part-time positions	1.00	-	0.45	-	-
Total FTE – all positions	6.00	5.00	5.45	5.00	5.00

* This position was authorized, but never filled, due to the impact of increasing law enforcement costs, exacerbated by labor agreements approved by the Orange County Board of Supervisors with higher salary and benefit costs.

Personnel expenses directly related to community events are included in the Community Services expenditures section of this budget. Personnel other than those allocated to the Administrative Services Department may also work at community events and be charged accordingly.

[Organizational Chart – Administrative Services Department]



ENGINEERING & INFRASTRUCTURE SERVICES DEPARTMENT

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, bus shelters, catch basins, street lights, and City Hall).

[Personnel Allocation – Engineering & Infrastructure Services Department]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
Assistant City Manager	0.50	0.25	-	-	-
Management Analyst/ Senior Management Analyst	-	1.00	1.00	1.00	1.00
Total FTE	0.50	1.25	1.00	1.00	1.00

PLANNING & ENVIRONMENTAL SERVICES DEPARTMENT

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

Personnel other than those allocated to the Planning & Environmental Services

Department may also work at community waste events and be charged to the Planning & Environmental Services Department budget.

[Personnel Allocation – Planning & Environmental Services Department]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
Assistant City Manager	0.50	0.75	-	-	-
Management Analyst/ Senior Management Analyst	-	-	1.00	1.00	1.00
Planning Manager	1.00	-	-	-	-
Total FTE	1.50	0.75	1.00	1.00	1.00

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.

CITY HALL VOLUNTEER PROGRAM

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 2016-17, including all core municipal functions such as public safety; building plan review, permitting, and inspection; road, public right-of-way, park, and infrastructure maintenance; water quality and environmental improvement and protection activities; and, related administrative support.

Other continuing services include:

- The **Senior Mobility Program**, which subsidizes the cost of taxi travel for residents who are 60 years of age or older.
- The **Residential Bulky Item Collection Program**, which allows residents to have unwanted appliances, clothing, electronic waste, furniture, and certain types of residential waste removed from inside of their homes, at no charge. Bulky items are also collected from trash enclosures and designated curbside locations, at no charge.
- The **Household Hazardous Waste Door-to-Door Collection Program**, which allows residents to safely and easily dispose of unwanted paint, light bulbs, aerosols, chemicals, motor oil, vehicle batteries, and other household hazardous waste, at no charge.
- The **City Hall Waste Drop-Off Collection Program**, which allows residents to safely and easily dispose of medications, home-generated sharps waste, non-vehicle batteries, and certain other items by dropping them off at City Hall, at no charge.
- **Quarterly Document Shredding Events**, which allow residents to safely and easily dispose of unwanted, sensitive personal records (e.g., bank statements, tax returns, and medical information), at no charge.
- **Twice Annual Goods Exchange/Drop-Off Events**, which allow residents to donate unwanted appliances, clothing, electronic waste, furniture,

books, and other items to others, or to charity, at no charge. Inoperable electronic waste is also collected for salvage or safe disposal.

- ***An Annual “National Prescription Drug Take Back Day” Event***, which allows residents to safely and easily dispose of unwanted, unused, and expired prescription medications, at no charge.
- ***Public Health and Safety Workshops, SCORE Small Business Workshops, Office Hours for Federal and State Officials, and Other Events at City Hall***, which are offered at no charge.
- ***Notary Services and Foreign Pension Acknowledgements***, which are provided to residents at no charge.

LAW ENFORCEMENT SERVICES

This budget and work plan continues the City’s contract relationship with the Orange County Sheriff’s Department for law enforcement services, including proactive patrol, 911 emergency response, investigation, and related support services (e.g., crime scene analysis, custody/jail services, coroner operations, and missing persons). Under the direction of the City’s Chief of Police Services, the City’s sworn peace officers will continue to work with private security and property management to maintain a high level of personal safety.

ANIMAL CONTROL & SHELTER SERVICES

This budget and work plan continues the City’s contract relationship with the City of Laguna Beach for animal control and shelter services. Residents and their pets will continue to enjoy the high quality of services provided by the Laguna Beach/Laguna Woods Animal Services Division, including access to a humane animal shelter located in nearby Laguna Canyon.

SIGNIFICANT CHANGES IN SERVICE LEVELS

The significant changes in service levels that are included in this budget and work plan are necessary in order to ensure the long-term solvency of the City in light of increasing law enforcement costs.

- Discontinuance of the ***Sharps Waste Mail Back Collection Program***, which allowed residents to dispose of used needles, lancets, and other home-generated sharps waste, via regular mail, at no charge. The City continues to accept home-generated sharps waste from residents, at City Hall, at no charge.

- Suspension of the ***Residential Energy Efficiency Improvement Program***, which installed replacement windows, doors, and other energy efficient improvements in the homes of qualifying low-income residents, at no charge. Reinstatement of the program may be considered for future Community Development Block Grant (“CDBG”) applications, should circumstances change.

Additional changes in service levels are described in the Significant Work Plan Items tables beginning on pages 20 (new items) and 26 (continuing items), as well as in the Capital Projects chapter beginning on page 35.

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 20.

The following information is included 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]

Priority Alignment (A City that is...) Legend:	 <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>
ID	Description	Lead Department	Priority Alignment			
1	2020 Census Local Update of Census Addresses Operation – Work with the United States Census Bureau in order to ensure that the local address list that will be used for the 2020 Census is accurate and complete.	City Manager's Office				
2	Audit Services Request for Proposals – Conduct a competitive process to select an audit services provider for the City's annual audits in order to ensure the efficient, effective, and economical conduct of City business.	Administrative Services	 			
3	City Hall Elevator Maintenance Services Request for Proposals – Conduct a competitive process to select City Hall elevator maintenance provider(s) in order to ensure the efficient, effective, and economical conduct of City business.	Engineering & Infrastructure Services	 			

Priority Alignment (A City that is...) Legend:	 <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
4	Complete Streets Assessment – Conduct an analysis of El Toro Road and Moulton Parkway in order to identify opportunities for active transportation, pedestrian and bicycle safety, transit facility, drainage and storm water capture, and other “complete streets” improvements. The analysis will be based on the Orange County Council of Governments’ (“OCCOG”) Complete Streets Handbook.	Engineering & Infrastructure Services	  
5	Landscape Architecture, Landscape Plan Review, and Arborist Services Request for Proposals – Conduct a competitive process to select landscape architecture, landscape plan review, and arborist services provider(s) for City property in order to ensure the efficient, effective, and economical conduct of City business.	Engineering & Infrastructure Services	 

Priority Alignment (A City that is...) Legend:	 <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
6	Pavement Management Plan Update – Review and update the City’s pavement management plan in order to plan for and manage the long-term preservation, rehabilitation, and maintenance of public streets. This item will also fulfill a biennial planning requirement for the local allocation of revenues generated from Orange County’s Measure M2 half-cent transportation sales tax. The planning period for this update is fiscal years 2018-19 through 2024-25.	Engineering & Infrastructure Services	
7	Polyphagous Shot Hole Borer (“PSHB”) Response – Develop and implement a response plan for PSHB infections in the City’s street trees in order to maintain a healthy and safe urban forest. The response plan may be implemented over several fiscal years, based on identified needs.	Engineering & Infrastructure Services	

Priority Alignment (A City that is...) Legend:	 <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
8	Construction and Demolition Materials Management Regulations Update – Review and update the City’s construction and demolition materials management regulations in order to streamline the permitting process and ensure compliance with State law.	Planning & Environmental Services	
9	County Easements Clarification – Review and correct property records for easements that were transferred from the County of Orange to the City upon incorporation. This item may also include the vacation or transfer of unnecessary easements.	Planning & Environmental Services	
10	Permitting Software – Implement permitting software in order to increase operational efficiencies, automate certain workflows, increase digitization of records, add new internal controls, and enable future online customer service opportunities.	Planning & Environmental Services	

Priority Alignment (A City that is...) Legend:	 <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
11	Planning Services Request for Proposals – Conduct a competitive process to select planning services provider(s) in order to ensure the efficient, effective, and economical conduct of City business.	Planning & Environmental Services	 
12	Crime Prevention through Environmental Design (“CPTED”) Regulations – Adopt regulations related to the design and maintenance of new development and redevelopment projects in order to deter criminal activity.	Public Safety Services	
13	Local Hazard Mitigation Plan Update – Review and update the City’s local hazard mitigation plan in order to support the City’s long-term strategy to reduce disaster losses. This item will also fulfill requirements of federal law. The planning period for this update is calendar years 2018 through 2022.	Public Safety Services	   

Priority Alignment (A City that is...) Legend:	 <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
14	Smoking and Tobacco Sales Regulations Update – Review and update the City’s smoking and tobacco sales regulations in order to protect public health, safety, and welfare, as well as to promote clarity and administration.	Public Safety Services	

[Continuing Significant Work Plan Items]

Priority Alignment (A City that is...) Legend:	 <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>
ID	Description	Lead Department	Priority Alignment			
15	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				
16	Electric Vehicle Charging at City Hall – Evaluate the feasibility of installing and maintaining electric vehicle charging infrastructure at City Hall in order to support the expanded use of alternatively fueled vehicles.	Engineering & Infrastructure Services				
17	Right-of-Way and Park Landscape Maintenance Request for Proposals – Conduct a competitive process to select right-of-way and park landscape maintenance provider(s) for City property in order to ensure the efficient, effective, and economical conduct of City business.	Engineering & Infrastructure Services				

Priority Alignment (A City that is...) Legend:	 <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
18	Commercial Parking Standards Update – Review and update the City’s parking regulations in order to clarify and better align commercial permitted uses with 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.	Planning & Environmental Services	
19	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.	Planning & Environmental Services	

Priority Alignment (A City that is...) Legend:	 <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
20	Local California Environmental Quality Act (“CEQA”) Guidelines Update – Review and update the City’s Local California Environmental Quality Act Guidelines in order to ensure compliance with State law, create new public education materials, and ensure the efficient, effective, and economical conduct of City business.	Planning & Environmental Services	
21	Water Conscious Development Regulations Update – Review and update the City’s development regulations in order to reduce potable water consumption within the built environment. Regulations to be reviewed and potentially updated include, but are not limited to, tree maintenance and removal standards, water conservation, water efficient landscapes, and building and construction codes.	Planning & Environmental Services	

Priority Alignment (A City that is...) Legend:	 <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
22	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.	Public Safety Services	
23	Backup Generator Regulations – Adopt regulations requiring backup generators for new and redeveloped fuel stations in order to mitigate energy shortage impacts.	Public Safety Services	
24	Emergency Operations Plan (“EOP”) Update – Review and update the City’s emergency operations plan in order to enhance collaboration with public and private stakeholders, incorporate analysis from the City’s Local Hazard Mitigation Plan, reflect organizational changes, and prepare for future updates called for in the City’s Climate Adaptation Plan.	Public Safety Services	

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 31.

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 4: Complete Streets Assessment	
Climate Adaptation Plan	Goal 1. Increase resilience to climate change-related hazards.
	Implementation Action 2.3.1. Manage the City's urban forest and landscaping in a changing climate.
Local Hazard Mitigation Plan	Objective 1.2. Implement resource and property protection and improvement projects.
Significant Work Plan Item 10: Permitting Software	
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.
	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 13: Local Hazard Mitigation Plan Update	
Local Hazard Mitigation Plan	Project L. Enhance the local specificity and estimative accuracy of Hazus analysis.
	Project BB. Update the Local Hazard Mitigation Plan at least once every five years, including integration into the City's General and Capital Improvement Plans.

Climate Adaptation Plan	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Significant Work Plan Item 16: Electric Vehicle Charging at City Hall	
Climate Adaptation Plan	Implementation Action 2.3.2. Develop and implement municipal renewable energy technology and energy efficiency improvement projects.
Significant Work Plan Item 18: Commercial Parking Standards Update	
Community & Economic Development Improvement Plan	Recommendation R.05. Update the City's permitted uses by zoning district regulations.
Significant Work Plan Item 19: 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 21: Water 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.

Local Hazard Mitigation Plan	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 23: 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 24: Emergency Operations Plan (“EOP”) Update	
Climate Adaptation Plan	Implementation Action 1.1.1. Amend the Emergency Operations Plan to include an Extreme Heat Annex.
	Implementation Action 1.2.1. Amend the Emergency Operations Plan to include a Wildfire Air Quality Annex.
	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Local Hazard Mitigation Plan	Project V. Develop and implement a Continuity of Operations Plan (COOP) for City services.
	Project Y. Develop memoranda of understanding (MOUs) for emergency reception centers, shelters, and points of dispensing (PODs).
	Project Z. Develop MOUs for emergency provisions (e.g., food, water, and generator fuel).

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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”) on an annual basis. The CIP and the seven-year period to which it applies is also a requirement for receiving funding from Orange County’s Measure M2 half-cent sales tax, which voters approved in 2006 to fund transportation projects and activities. While the first two years of the CIP are included in this budget and work plan, 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 planned for future 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. A “major capital improvement project” also includes pavement management work included in the City’s seven-year Pavement Management Plan.

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), and/or transportation (e.g., streets and traffic control devices). These classifications are intended to organize similar projects for ease of reference. Throughout the CIP, projects are color-coded **purple** for building projects, **green** for green spaces projects, and **blue** for transportation projects. Where a project is classified in multiple categories, the color-coding is blended (e.g., transportation/green spaces projects are color-coded **blue/green**).

Major capital improvement projects are further categorized as either funded, partially funded, or unfunded. Partial funding of projects is not unusual, as full

funding may be 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. The preparation of design documents and construction drawings may also precede the allocation of construction funding.

SIGNIFICANT CHANGES IN CAPITAL IMPROVEMENT PROJECTS

Fiscal Year 2017-18

A project to rehabilitate the pavement on westbound El Toro Road between Avenida Sevilla and Paseo de Valencia has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project. The project is part of the City's seven-year Pavement Management Plan.

A project to improve pedestrian accessibility in several locations along Moulton Parkway has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project contingent on the receipt of external funding. The City has received a tentative notice of award of Community Development Block Grant ("CDBG") funds for the project.

A project to improve drainage in the vicinity of Moulton Parkway at Santa Maria Avenue has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project.

Construction of the "City Hall Restroom Repair and Improvement Project" has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project. Design documents and construction drawings were prepared in Fiscal Year 2016-17.

A project to design various refurbishments and safety improvements at City Hall has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project. Construction of the refurbishments has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project.

Fiscal Year 2018-19

A project to rehabilitate the pavement on eastbound El Toro Road between Avenida Sevilla and Church Intersection has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project. The project is part of the City's seven-year Pavement Management Plan.

A project to improve pedestrian accessibility in several locations along El Toro Road and Moulton Parkway has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project, contingent on the receipt of external funding. The City intends to apply for CDBG funds for the project.

A project to design water efficient improvements for the medians located on El Toro Road between Calle Sonora and Moulton Parkway has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project. The City Council is expected to consider funding construction as part of the Fiscal Years 2019-20 Budget & Work Plan and CIP.

A project to refurbish and improve safety at City Hall has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project.

Future Fiscal Years

The following projects have been added to the CIP as unfunded projects for the fiscal years noted. The City Council is expected to consider funding as a part of the respective fiscal years budgets, work plans, and CIPs.

[Capital Projects Summary – Changes for Future Fiscal Years]

Fiscal Year	Project Title
2019-20	Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 3 (El Toro Road)
2019-20	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)
2019-20	City Hall Emergency Backup Generator Project (Design)
2020-21	Woods End Wilderness Preserve Trail Drainage and Improvement Project
2020-21	City Hall Emergency Backup Generator Project (Construction)
2020-21	City Hall Television Broadcast Improvement Project
2021-22	Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)
2022-23	Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 5 (El Toro Road and Santa Maria Avenue)

The estimated cost of the pedestrian accessibility improvements included in the “Pavement Management Plan Project (Eastbound Ridge Route Drive between Eastern City Limit and Moulton Parkway)” has been increased by \$1,750, based on the nature of anticipated improvements.

The estimated costs for design and construction of the “El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway)” have been decreased by \$181,300, based on conceptual design changes. It is assumed that no hardscape maintenance band will be installed and that the irrigated area will be limited to 25% of the pervious surface area.

The “Santa Maria Avenue Water Efficient Median Project” has been removed from the CIP. It was previously included as an unfunded project; however, after further consideration, it has been determined that on-site conditions do not necessitate such extensive reconstruction, at this time.

FUTURE OUTLOOK FOR CAPITAL PROJECTS

The City’s seven-year Pavement Management Plan anticipates rehabilitation phased in a manner that is intended to minimize the length and impact of in-lane roadway work on residents and businesses. The Pavement Management Plan will undergo a biennial update during Fiscal Year 2017-18 for a term spanning fiscal years 2018-19 through 2024-25. It is anticipated that additional pavement management plan projects will be identified through that effort.

Pedestrian accessibility improvements on City sidewalks and curb ramps will continue to be necessary on an ongoing basis, as even well-maintained and presently accessible hardscape cracks, lifts, or otherwise degrades over time. It is anticipated that an accessibility survey will be completed during Fiscal Year 2020-21, and every five years thereafter, to identify future projects.

During Fiscal Years 2017-19, staff will conduct an analysis of El Toro Road and Moulton Parkway in order to identify opportunities for active transportation, pedestrian and bicycle safety, transit facility, drainage and storm water capture, and other “complete streets” improvements. It is anticipated that future projects will be identified through that effort.

During Fiscal Years 2017-19, staff will prepare a scope of work for additional refurbishments and safety improvements at City Hall. It is anticipated that the scope of work will form the basis of a future, second phase of the “City Hall Refurbishment and Safety Improvement Project.”

Like jurisdictions throughout California, the City’s urban forest is impacted by the invasive Polyphagous Shot Hole Borer (“PSHB”). The PSHB has infected more than one-third of the Sycamore trees on El Toro Road (as of November 2016) with a pathogenic fungi likely to cause branch dieback, canopy loss, and/or death. While the infected trees show only minimal impacts at present,

extensive tree removal and replacement may be required in coming years to maintain a healthy and safe urban forest. Staff is currently monitoring the situation and developing a recommended course of action. PSHB response is included as a significant work plan item in this budget and work plan.

FUNDED AND PARTIALLY FUNDED CAPITAL IMPROVEMENT PROJECTS

[Funded and Partially Funded Capital Projects – Fiscal Year 2017-18]

Project Title	Page
El Toro Road Traffic Signal Synchronization Project	40
Moulton Parkway Traffic Signal Synchronization Project	41
Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	42
Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 1 (Moulton Parkway)	43
Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	44
Moulton Parkway Water Efficient Median Improvement Project (Construction)	45
City Hall Restroom Repair and Improvement Project	46
City Hall Refurbishment & Safety Project: Phase 1 (Design)	47

[Funded and Partially Funded Capital Projects – Fiscal Year 2018-19]

Project Title	Page
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Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)	48
Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 2 (Moulton Parkway)	49
El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)	50
City Hall Refurbishment & Safety Project: Phase 1 (Construction)	51

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



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

Classification: **Transportation**

Funding Status: **Funded (Multiple Prior Years)**

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 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 Vireo 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 energy shortages and disruptions.

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 (Multiple Prior Years)

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 energy shortages and disruptions.

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: **Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)**

Classification: **Transportation** Street Section ID: W/BET-AS-PDV

Funding Status: Funded (2017-18)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the rehabilitation of pavement along the specified street section, including replacement of deteriorated pavement and a surface seal of crack sealant and rubberized slurry. Pedestrian accessibility improvements will also be made along the street section and/or within the City.

Purpose

This project is a part of the City's seven-year Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index ("PCI") below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of January 2016, the specified street section had a PCI of 78.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$157,500 (as of May 2016; subject to the completion of design documents, construction drawings, and competitive bids). Fuel Tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)**

Classification: **Transportation**

Funding Status: Contingent on the receipt of external funding (2017-18)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; and, replacement of detectable warnings. Right-of-way may also be modified to increase navigable area and clearances.

Purpose

This project is based on the findings of an accessibility survey of City sidewalks and curb ramps. The improvements are intended to enhance ease of travel and promote compliance with the Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$145,700 (as of January 2017; subject to the completion of design documents, construction drawings, and competitive bids). This project is contingent on the receipt of external funding. The City anticipates receiving Community Development Block Grant ("CDBG") funding.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)**

Classification: **Transportation**

Funding Status: **Funded (2017-18)**

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

The project involves the installation of a box culvert and related drainage, as well as the repair of an existing perforated pipe, on Moulton Parkway south of Santa Maria Avenue. Portions of the southbound sidewalk will be removed to allow for the repair of the perforated pipe and replaced with mulch or another pervious covering to facilitate future repairs.

Purpose

This project is intended to improve drainage and prevent pooling near curb ramps and in pedestrian paths-of-travel.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$59,563 (as of April 2017; subject to competitive bids). Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Moulton Parkway Water Efficient Median Improvement Project (Construction)**

Classification: **Transportation/Green Spaces**

Funding Status: Funded (2016-17)

Priority

Alignment:



Healthy and safe



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. The irrigated area of the medians will be limited to 25% of the pervious surface area. The medians are located on Moulton Parkway between Via Campo Verde and 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 of constructing this project is estimated at \$273,914 (as of June 2017). Fuel tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Restroom Repair and Improvement Project**

Classification: **Buildings**

Funding Status: Funded (2017-18)

Priority

Alignment:



Healthy and safe

Project Description

This project involves the repair of the deteriorated subfloor in the second floor restrooms at City Hall, including replacement of tile flooring and underlying lightweight concrete. Accessibility, lighting, energy, heating, ventilation, and air conditioning improvements will also be made in both the first and second floor restrooms, and first floor drinking fountains.

Purpose

This project is necessary in order to complete the repair of the deteriorated subfloor at City Hall, improve accessibility and energy efficiency within City Hall, and modernize restroom and drinking facilities.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$283,363 (as of May 2017; subject to competitive bids). Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Refurbishment and Safety Project: Phase 1 (Design)**

Classification: **Buildings**

Funding Status: **Funded (2017-18)**

Priority

Alignment:



Healthy and safe

Project Description

This project involves refurbishments and safety improvements at City Hall, including the exterior, public areas, and stairwells. Improvements will include paint, façade repair, replacement of deteriorated signage, reconstruction of damaged planters, replacement of stained/worn carpeting and baseboards, accessibility improvements, and safety and security modifications.

Purpose

This project is intended to ensure that City Hall remains a safe, accessible, and well-maintained public space. The improvements will help to safeguard the City's only public building and seat of government.

Design Costs

The one-time cost of designing this project is estimated at \$22,500. Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)**

Classification: **Transportation** Street Section ID: E/BET-AS-LCC

Funding Status: Funded (2018-19)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the rehabilitation of pavement along the specified street section, including replacement of deteriorated pavement and a surface seal of crack sealant and rubberized slurry. Pedestrian accessibility improvements will also be made along the street section and/or within the City.

Purpose

This project is a part of the City's seven-year Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index ("PCI") below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of January 2016, the specified street section had a PCI of 79.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$110,250 (as of May 2016; subject to the completion of design documents, construction drawings, and competitive bids). Road Maintenance and Rehabilitation Program revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)**

Classification: **Transportation**

Funding Status: Contingent on the receipt of external funding (2018-19)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; and/or, replacement of detectable warnings. Right-of-way may also be modified to increase navigable area and clearances.

Purpose

This project is based on the findings of an accessibility survey of City sidewalks and curb ramps. The improvements are intended to enhance ease of travel and promote compliance with the Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$145,700 (as of January 2017; subject to the completion of design documents, construction drawings, and competitive bids). This project is contingent on the receipt of external funding. The City anticipates applying for Community Development Block Grant ("CDBG") funding.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **El Toro Road Water Efficient Median Improvement Project
(Between Calle Sonora and Moulton Parkway) (Design)**

Classification: **Transportation/Green Spaces**

Funding Status: **Funded (2018-19)**

Priority

Alignment:



Healthy and safe



High in quality of life

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. The irrigated area of the medians will be limited to 25% of the pervious surface area. The medians are located on El Toro Road between Calle Sonora and Moulton Parkway.

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.

Design Costs

The one-time cost of designing this project is estimated at \$19,250. Fuel Tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Refurbishment and Safety Project: Phase 1 (Construction)**

Classification: **Buildings**

Funding Status: **Funded (2018-19)**

Priority

Alignment:



Healthy and safe



Environmentally conscious

Project Description

This project involves refurbishments and safety improvements at City Hall, including the exterior, public areas, and stairwells. Improvements will include paint, façade repair, replacement of deteriorated signage, reconstruction of damaged planters, replacement of stained/worn carpeting and baseboards, accessibility improvements, and safety and security modifications.

Purpose

This project is intended to ensure that City Hall remains a safe, accessible, and well-maintained public space. The improvements will help to safeguard the City's only public building and seat of government.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$165,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Centre Park Lighting Improvement Project**

Classification: **Green Spaces** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2023-24

Project Description

This project involves using existing conduit to install low-level walkway lighting along the serpentine walking path and hardscape areas in City Centre Park.

Purpose

This project is intended to improve the utility and function of City Centre Park. Light fixtures were part of the initial design for City Centre Park; however, only conduit to allow for future lighting was installed during construction.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$115,000 (as of May 2016; subject to the completion of design documents, construction drawings, and competitive bids). No funding source has been identified; however, City personnel will seek grant opportunities.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)**

Classification: **Green Spaces** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2019-20

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. The irrigated area of the medians will be limited to 25% of the impervious surface area. The medians are located on El Toro Road between Calle Sonora and Moulton Parkway.

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 of constructing this project is estimated at \$95,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that Fuel Tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Woods End Wilderness Preserve Trail Drainage and Improvement Project**

Classification: **Green Spaces** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2020-21

Project Description

This project involves the construction of new drainage facilities, installation of crushed rock and gravel on the trail and access road, entry improvements, and safety and security modifications at Woods End Wilderness Preserve.

Purpose

This project is intended to improve drainage and prevent storm water runoff from the Woods End Wilderness Preserve trail and access road. It will also enhance the safety and condition of the City-maintained entry area.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$101,396 (as of May 2017; subject to competitive bids). It is anticipated that unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Pavement Management Plan Projects**

Classification: **Transportation** **Funding Status:** Unfunded

Projected Funding Plan: See Table Below

Project Description

These projects involve the rehabilitation of pavement, including replacement of deteriorated pavement and surface seals of crack sealant and rubberized slurry. Pedestrian accessibility improvements would also be made along the street sections and/or within the City.

Street Section ID	Street Section Location
W/BET-SNCC-AS	Westbound El Toro Road between Avenida Sevilla and Church Intersection
E/BRR-MP-RRLP	Eastbound Ridge Route Drive between Moulton Parkway and Ridge Route Linear Park

Purpose

These projects are a part of the City's seven-year Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index ("PCI") below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of January 2016, Street Section W/BET-SNCC-AS had a PCI of 78 and Street Section E/BRR-MP-RRLP had a PCI of 95.

Construction and Implementation Costs

Over the course of fiscal years 2019-20 through 2021-22, the one-time cost of constructing these projects is estimated at \$127,750 (as of June 2016; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that Road Maintenance and Rehabilitation Program revenue will be used to fund these projects.

Street Section ID	Anticipated Fiscal Year	Pavement	Pedestrian Accessibility	Total
W/BET-SNCC-AS	2019-20	\$105,000	\$5,250	\$110,250
E/BRR-MP-RRLP	2021-22	\$15,000	\$2,500	\$17,500
Total		\$120,000	\$7,750	\$127,750

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Projects**

Classification: **Transportation** Funding Status: Unfunded

Projected Funding Plan: See Table Below

Project Description

These projects involve the improvement of pedestrian paths-of-travel along El Toro Road, Moulton Parkway, and Santa Maria Avenue, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; and/or, replacement of detectable warnings. Right-of-way may also be modified to increase navigable area and clearances.

Street(s)
El Toro Road
Moulton Parkway and Santa Maria Avenue
El Toro Road and Santa Maria Avenue

Purpose

These projects are based on the findings of an accessibility survey of City sidewalks and curb ramps. The improvements are intended to enhance ease of travel and promote compliance with the Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

Construction and Implementation Costs

Over the course of fiscal years 2019-20 through 2022-23, the one-time cost of designing and constructing these projects is estimated at \$437,100 (as of January 2017; subject to the completion of design documents, construction drawings, and competitive bids). These projects are contingent on the receipt of external funding. The City anticipates applying for Community Development Block Grant ("CDBG") funding.

Street(s)	Anticipated Fiscal Year	Total
El Toro Road	2019-20	\$145,700
Moulton Parkway and Santa Maria Avenue	2021-22	\$145,700
El Toro Road and Santa Maria Avenue	2022-23	\$145,700
Total		\$437,100

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Hall Television Broadcast Improvement Project**

Classification: **Buildings** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2020-21

Project Description

This project involves the replacement of analog video equipment in the City Council Chambers at City Hall with digital video equipment.

Purpose

This project is intended to improve the broadcast quality of the City's local government television channel. Currently, individuals who use digital or high-definition televisions to view the City's local government channel experience low picture quality as a result of existing analog video equipment.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$75,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that Public, Educational, and Governmental ("PEG") Fees collected from cable television franchisees will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Hall Emergency Backup Generator Project (Design)**

Classification: **Buildings** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2019-20

Project Description

This project involves the installation of an emergency backup generator and automatic transfer switch at City Hall. The emergency backup generator will be capable of providing sufficient power to allow City Hall to function for a period of not less than 24 hours of continuous use.

Purpose

This project is intended to ensure the security, reliability, and functionality of City Hall during emergencies. The installation of an appropriately sized and configured emergency backup generator will support continuity of City Hall's operations during energy shortages and disruptions.

Design Costs

The one-time cost of designing this project is estimated at \$60,000. It is anticipated that unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Hall Emergency Backup Generator Project
(Construction)**

Classification: **Buildings** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2020-21

Project Description

This project involves the installation of an emergency backup generator and automatic transfer switch at City Hall. The emergency backup generator will be capable of providing sufficient power to allow City Hall to function for a period of not less than 24 hours of continuous use.

Purpose

This project is intended to ensure the security, reliability, and functionality of City Hall during emergencies. The installation of an appropriately sized and configured emergency backup generator will support continuity of City Hall's operations during energy shortages and disruptions.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$385,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that unassigned General Fund balance will be used to fund this project.

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CITY OF LAGUNA WOODS													
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan													
EXPENDITURES			FY 14-15	FY 15-16	FY 2016-17		Year 1				Year 2		
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS													
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	\$ 720	\$ 611,800	\$ 29,980	-	-	-	-	-	-	-	-
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	\$ 1,440	\$ 736,850	\$ 69,760	-	-	-	-	-	-	-	-
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	\$ 157,500	-	-	-	-	-	\$ 157,500	-	-	-	-	-
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	-	-	-	-	-	-	-	-	\$ 110,250	-
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	-	-	-	-	-	-	-	-	-	-
6	(Eastbound Ridge Route Drive between Moulton Parkway and Ridge Route Linear Park)	\$ 17,500	-	-	-	-	-	-	-	-	-	-	-
7	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	\$ 145,700	*	-	-	-
8	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	\$ 145,700
9	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-
10	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-
11	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-
12	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 59,563	-	-	-	-	\$ 59,563	-	-	-	-	-	-
TRANSPORTATION / GREEN SPACES PROJECTS													
13	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)	\$ 19,250	-	-	-	-	-	-	-	-	-	\$ 19,250	-

CITY OF LAGUNA WOODS

Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES			FY 14-15	FY 15-16	FY 2016-17		Year 1				Year 2			
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION / GREEN SPACES PROJECTS (continued)														
14	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)	\$ 95,000	-	-	-	-	-	-	-	-	-	-	-	-
15	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	\$ 52,250	-	-	-	-	-	-	-	-	-	-
16	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	\$ 273,914	-	-	-	-	-	-	-	-	-
GREEN SPACES PROJECTS														
17	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	-	-	-	-	-
18	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING PROJECTS														
19	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	\$ 283,363	-	-	-	-	-	-	-
20	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 22,500	-	-	-	-	\$ 22,500	-	-	-	-	-	-	-
21	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	\$ 165,000	-	-	-
22	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	-
23	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	-
24	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ALL PROJECTS)		\$ 4,281,786	\$ 2,160	\$ 1,400,900	\$ 373,654	\$ -	\$ 365,426	\$ 157,500	\$ 145,700	\$ -	\$ 165,000	\$ 129,500	\$ 145,700	\$ -
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE***														
A	Measure M2 Fair Share Expenditures													
	Street Lighting - Public Right-of-Way		\$ 22,501	\$ 27,006	\$ 25,329	-	-	\$ 25,761	-	-	-	\$ 26,367	-	-
	Contract - Traffic Engineering		\$ 119,429	\$ 122,126	\$ 165,600	-	-	\$ 163,600	-	-	-	\$ 163,600	-	-
	Contract - Traffic Signal Maintenance		\$ 35,502	\$ 23,843	\$ 41,505	-	-	\$ 51,983	-	-	-	\$ 52,325	-	-
	Vendor Reimbursements (Prior Year Charges)		\$ (9,495)	-	-	-	-	-	-	-	-	-	-	-
	Allowable Overhead Costs		\$ 1,535	\$ 600	\$ 600	-	-	\$ 700	-	-	-	\$ 700	-	-
TOTAL			\$ 169,472	\$ 173,575	\$ 233,034	\$ -	\$ -	\$ 242,044	\$ -	\$ -	\$ -	\$ 242,992	\$ -	\$ -

* This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.

** This project is contingent on the City receiving external funding. The City anticipates applying for Community Development Block Grant (CDBG) funding.

*** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

CITY OF LAGUNA WOODS Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan																						
EXPENDITURES			Year 3				Year 4				Year 5				Year 6				Year 7			
#	Project Title	Estimated Project Cost	Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS																						
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	\$ 157,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	\$ 110,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	(Eastbound Ridge Route Drive between Moulton Parkway and Ridge Route Linear Park)	\$ 17,500	-	-	-	-	-	-	-	-	-	\$ 17,500	-	-	-	-	-	-	-	-	-	-
7	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	\$ 145,700 **	-	-	-	-	-	-	-	-	-
11	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 145,700 **	-	-	-	-	-
12	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 59,563	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRANSPORTATION / GREEN SPACES PROJECTS																						
13	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)	\$ 19,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)	\$ 95,000	-	\$ 95,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GREEN SPACES PROJECTS																						
17	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 115,000	-	-	-
18	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	-	\$ 101,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING PROJECTS																						
19	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 22,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	-	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	-	-	-	-	\$ 75,000 ***	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ALL PROJECTS)		\$ 4,281,786	\$ 60,000	\$ 205,250	\$ 145,700	\$ -	\$ 486,396	\$ -	\$ 75,000	\$ -	\$ -	\$ 17,500	\$ 145,700	\$ -	\$ -	\$ -	\$ 145,700	\$ -	\$ 115,000	\$ -	\$ -	\$ -

CITY OF LAGUNA WOODS																						
Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan																						
EXPENDITURES		Year 3				Year 4				Year 5				Year 6				Year 7				
#	Project Title	Estimated Project Cost	Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE****																						
A	Measure M2 Fair Share Expenditures																					
	Street Lighting - Public Right-of-Way			-	-	-			-	-			-	-		-	-	-	-		-	-
	Contract - Traffic Engineering		163,600						167,440				167,440				167,440				167,440	
	Contract - Traffic Signal Maintenance		\$ 52,682						\$ 53,048				\$ 54,359				\$ 54,359				\$ 54,359	
	Vendor Reimbursements (Prior Year Charges)																					
	Allowable Overhead Costs		\$ 700						\$ 750				\$ 750				\$ 700				\$ 700	
	TOTAL		\$ 216,982	\$ -	\$ -	\$ -	\$ -	\$ 221,238	\$ -	\$ -	\$ -	\$ 222,549	\$ -	\$ -	\$ -	\$ 222,499	\$ -	\$ -	\$ -	\$ 222,499	\$ -	\$ -

* This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.

** This project is contingent on the City receiving external funding. The City anticipates applying for Community Development Block Grant (CDBG) funding.

*** This project would be funded using Public, Educational, and Governmental ("PEG") fees.

**** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

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 years spanning July 1, 2017 through June 30, 2019, this budget and work plan serves as a financial plan for the City's operations. To that end, chapters 5.0, 6.0, 7.0, and 8.0 translate the scope of work that is described in chapters 3.0 and 4.0 into revenue estimates and expenditure appropriations.

TWO-YEAR BUDGETING AND WORK PLANNING

Beginning with the adoption of the Fiscal Years 2017-19 Budget & Work Plan, the City transitioned from single-year to two-year budgets and work plans. The transition was undertaken with the goals 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 and work plan was the development of a five-year strategic financial plan with projections of future revenue and expenditure conditions. The five-year strategic financial plan is discussed in greater detail in Chapter 9.0 and is incorporated throughout this budget and work plan.

BUDGET AND WORK PLAN DEVELOPMENT PROCESS

The City Council adopts a budget and work plan for the upcoming two fiscal years, no later than June 30 of odd-numbered years. Fiscal years begin every July 1 and end 12 months later on the following June 30.

The process of developing the City's budget and work plan is continuous and iterative in nature with City personnel working throughout each 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).

In the first year of each two-year budget and work plan, development focuses on updating revenue estimates and expenditure projections, as well as refining the budget figures adopted for the second year of the same two-year budget and work plan. In June, the City Council will adopt a Gann limit for the second year of the same two-year budget and work plan, as well as update budgetary reserves and the seven-year capital improvement program. The City Council may also be asked to modify adopted budgets and work plans to reflect changes in the economy and/or priorities.

In the second year of each two-year budget and work plan, development is focused on updating revenue estimates and expenditure projections, as well as preparing a draft budget and work plan for the next two-year budget and work plan. The City Council's public budget and work plan deliberations begin with a kick-off meeting in mid- to late-April and conclude with adoption of the budget and work plan in late-June.

The Fiscal Years 2017-19 Budget & Work Plan development process included a total of four open and publically noticed City Council meetings, each with an opportunity for public comment. The meetings occurred as follows:

- Wednesday, April 26, 2017 – kick-off, discussion and development
- Wednesday, May 17, 2017 – discussion and development
- Friday, June 16, 2017 – release of the draft budget and work plan
- Wednesday, June 21, 2017 – discussion and development
- Wednesday, June 28, 2017 – adoption

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 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 assessed by evaluations conducted by CSMFO and GFOA. While the results of evaluations are expressed in the form of "awards," evaluations are important, not as accolades, but as benchmarks of progress made in improving budgets and work plans through the incorporation of best practices.

The City's Fiscal Year 2016-17 operating budget was submitted for evaluation by CSMFO. Following two independent, third-party reviews, the City earned CSMFO's highest level of distinction, the Operating Budget Excellence Award.

[CSMFO Operating Budget Excellence Award for Fiscal Year 2016-17]



BUDGET POLICIES

City of Laguna Woods Administrative Policy 2.9 (see Appendix A) provides a framework for the development of the City's budget, with an emphasis on balance, transparency, fiscal responsibility, and long-term planning. The policy establishes numerous conservative and prudent standards related to the development and implementation of the City's budget, including regular public reporting in the interest of financial transparency and accountability.

After the City Council adopts the budget, authorized appropriations become effective on July 1 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 level 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

Recognizing that reserves are a key component of fiscal responsibility and financial resilience, Administrative Policy 2.9 provides guidance for the City to ensure the adequacy of its available financial resources to address periodic, unanticipated, and emergency needs. In addition to local fiscal needs, the establishment and maintenance of reserves also includes the consideration of best practices established by various authoritative agencies.

The overall target for committed and assigned reserves is currently established in an amount equal to 50% of the adopted General Fund revenue budget at the beginning of each fiscal year (July 1), less any one-time revenues and non-operating revenues. The overall target amount is currently used to fund three committed and assigned reserves – (1) a Paid Leave Contingency Fund to compensate for payments required to comply with the City’s paid leave policies and obligations, when such amounts exceed adopted budgets; (2) a Self-Insurance Contingency Fund to compensate for liability and workers’ compensation claim settlements not covered by insurance policies; and, (3) a General Fund Contingency Fund to compensate for economic uncertainty, operating contingencies, and emergencies caused by calamitous events.

[Committed and Assigned Reserves Funding Levels – Fiscal Year 2017-18]

Fiscal Year 2017-18 General Fund Revenue Budget,	
less one-time and non-operating revenues	\$5,373,600
	x .50
Overall Target for Committed and Assigned Reserves	<u>\$2,686,800</u>
Paid Leave Contingency Fund ⁵	\$81,609
Self-Insurance Contingency Fund	\$50,000

⁵ Note: The Paid Leave Contingency Fund has an annual target equal to projected accrued paid leave balances at the end of each fiscal year (June 30). The funding level shown in this budget and work plan is an estimate that will be finalized after fiscal-year-end calculations are available.

General Fund Contingency Fund	\$2,555,191
Total Committed and Assigned Reserves	<u>\$2,686,800</u>

[Committed and Assigned Reserves Funding Levels – Fiscal Year 2018-19]

Fiscal Year 2017-18 General Fund Revenue Budget, less one-time and non-operating revenues	\$5,541,600
	x .50
Overall Target for Committed and Assigned Reserves	<u>\$2,770,800</u>
Paid Leave Contingency Fund ⁶	\$81,609
Self-Insurance Contingency Fund	\$50,000
General Fund Contingency Fund	\$2,639,191
Total Committed and Assigned Reserves	<u>\$2,770,800</u>

In addition to committed and assigned reserves, unassigned General Fund balance is available for any governmental purpose and can be appropriated upon direction from the City Council at a public meeting. Use of unassigned General Fund balance is generally limited to one-time projects, capital improvement projects, the payment of long-term liabilities for periods beyond the current fiscal year, and emergency expenditures.

BASIS OF BUDGETING AND ACCOUNTING

This budget and the underlying accounting are prepared in accordance with generally accepted accounting principles on a “modified accrual” basis. In the California Department of Finance’s *Finance Glossary of Accounting and Budgeting Terms* (2017), “modified accrual” is defined 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

⁶ Note: The Paid Leave Contingency Fund has an annual target equal to projected accrued paid leave balances at the end of each fiscal year (June 30). The funding levels shown in this budget and work plan are estimates that will be finalized after fiscal-year-end calculations are available.

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 that are 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 the City does maintain an Other Post-Employment Benefits (“OPEB”) trust fund that is administered by the California Public Employees’ Retirement System. 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 the environment, 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 the calculation methods established by California’s Proposition 111 (1990).

In the event that the City’s receipt of tax proceeds were to exceed a Gann limit, Article XIIB of the California State Constitution would allow the City to “carry those excess funds into the subsequent year.” At the conclusion of the subsequent year, the City would be required to either return remaining excess funds to taxpayers or gain voter approval to “override” the Gann limit.

The City’s Gann limit is adopted by the City Council by resolution each year (see Resolution No. 17-XX included with this budget as Appendix D). The Gann limit for Fiscal Year 2017-18 is \$6,130,215 and was calculated as shown below.

[Gann Limit Calculation – Fiscal Year 2017-18]

Fiscal Year 2016-17 Gann Limit	\$9,546,698
Population Change (County of Orange) ⁷	x 1.0069
Cost of Living Change (Per Capita Personal Income) ⁷	x 1.0369
Fiscal Year 2017-18 Gann Limit	\$9,967,274
Fiscal Year 2017-18 Appropriations Subject to the Gann Limit	<u>\$3,837,059</u>
Fiscal Year 2017-18 Gann Limit over Appropriations	<u>\$6,130,215</u>

The Gann limit for Fiscal Year 2018-19 is expected to be adopted by the City Council in June 2018, once the necessary information on population and cost of living changes in Fiscal Year 2017-18 becomes available.

As in prior fiscal years, the City does not anticipate receiving or appropriating tax proceeds in excess of the Gann limit during fiscal years 2017-18 or 2018-19. As such, the Gann limit is not expected to impact the City’s operations.

⁷ State of California, Department of Finance, *Price and Population Information*. May 2017. Factors are rounded to four decimal places for presentation purposes.

DEBT SERVICE OBLIGATIONS

In the California Department of Finance's *Finance Glossary of Accounting and Budgeting Terms* (2017), "debt service" is defined as:

"The amount of money required to pay interest on outstanding bonds and the principal of maturing bonds."

The City has never issued bonds and is not currently engaged in any financing arrangements other than those previously described for retirement and other post-employment benefits. Accordingly, this budget and work plan does not include any budgeted debt service obligations.

6.0. CITY BUDGET DETAIL, **ALL FUND SUMMARIES**

This chapter is intended to summarize revenues and expenditures for the programs, projects, and services included in this budget.

INTRODUCTION

This budget accounts for financial activity using the governmental funds listed below. Additional information on fund types and individual funds, including revenue and expenditure detail, is included in chapters 7.0 and 8.0.

[Fund Structure – Fiscal Years 2017-19]

General Fund

Special Revenue Funds

- *Transportation Funds*
 - Fuel Tax
 - Road Maintenance & Rehabilitation Program
 - Measure M2
 - Coastal Area Road Improvement and Traffic Signals (CARITS)
- *Public Safety Funds*
 - Supplemental Law Enforcement Services
- *Environmental Funds*
 - Mobile Source Reduction
 - Beverage Container Recycling
 - Used Oil/Oil Payment Program
- *Community Services Funds*
 - PEG/Cable Television
 - Senior Mobility
 - Community Development Block Grant (CDBG)

Capital Projects Fund

NATIONAL, STATE, AND REGIONAL ECONOMIC OUTLOOK

The City uses information from sources including the California Department of Finance (“DOF”), the California Legislative Analyst’s Office (“LAO”), California State University, Fullerton, and Chapman University, to provide national, state, and regional economic context for budget and work plan development.

This budget was developed assuming that the local economy will remain fairly stable over the next two fiscal years. This is consistent with the approach taken in the State of California’s budget for Fiscal Year 2017-18.

In May 2017, the LAO issued a *Multiyear State Budget Outlook*, which assumed that the State’s economy will continue to grow and that both federal and state policymaking will remain relatively comparable to current conditions. Nevertheless, in November 2016, and again in May 2017, the LAO cautioned that federal policy changes and consumer reaction could have a negative or recessionary impact on the state and local economies.

The DOF, in conjunction with the release of the “May Revise” of the State’s budget for Fiscal Year 2017-18, cautioned that economic recovery from the 2008 recession has extended three years longer than the average recovery, and that a future recession is inevitable. For the purpose of this budget, it was assumed that economic recovery will continue, but at a slower pace than has occurred over the last several fiscal years.

In June 2017, Chapman University’s A. Gary Anderson Center for Economic Research’s California Composite Index of Consumer Sentiment found that a majority of consumers have become pessimistic, but that spending on “big-ticket items” is likely to remain relatively stable for the next six months. One year prior, another report from the A. Gary Anderson Center for Economic Research titled, “The Recovery Continues... But Barely,” was equally guarded.

California State University, Fullerton’s Woods Center for Economic Analysis and Forecasting’s spring 2017 update to its *Economic Outlook and Forecasts* stated that “one positive indicator for the [Orange County] economy is local business leaders’ expectations of growth [which]... tends to trend with local economic conditions... [and] was at its highest level ever in the first quarter of 2017.” At the same time, local business leaders cited concerns regarding the impact of future political and economic reforms, as well as interest rate increases.

The City’s conservative approach to budgeting and financial management has historically positioned the City well to weather mild recessionary periods.

OVERALL BUDGET SUMMARY

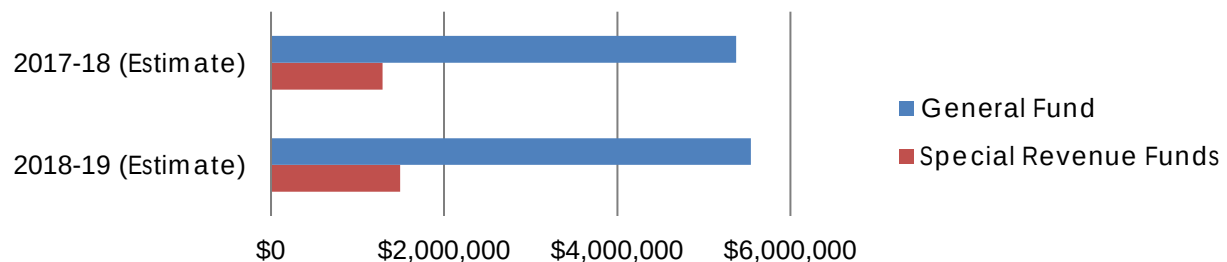
[Change in General Fund Balances – Fiscal Years 2017-19]

Description	General Fund	Special Revenue Funds	Capital Projects Fund
Anticipated Beginning Fund Balance at July 1, 2017	\$8,679,572	\$1,173,840	\$72,902
Revenues	\$5,373,600	\$1,287,700	\$365,426
Expenditures	\$5,724,476	\$1,267,904	\$365,426
Ending Fund Balance at June 30, 2018	\$8,418,696	\$1,193,636	\$72,902
Revenues	\$5,541,600	\$1,490,700	\$165,000
Expenditures	\$5,621,246	\$1,241,291	\$165,000
Ending Fund Balance at June 30, 2019	\$8,339,050	\$1,443,045	\$72,902

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

BUDGET SUMMARY – ALL REVENUES

[Total Revenue Estimates by Fund Type – Fiscal Years 2017-19]

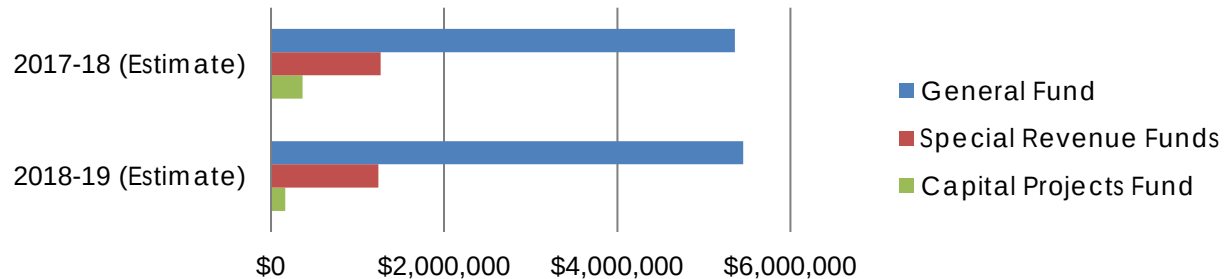


Fiscal Year	General Fund Revenue	Special Revenue Funds
2017-18 (Estimate)	\$5,373,600	\$1,287,700
2018-19 (Estimate)	\$5,541,600	\$1,490,700

Note: This chart/table excludes inter-fund transfers. The Capital Projects Fund is not shown separately, as all revenue is transferred from the General Fund.

BUDGET SUMMARY – ALL EXPENDITURES

[Total Expenditure Estimates by Fund Type – Fiscal Years 2017-19]

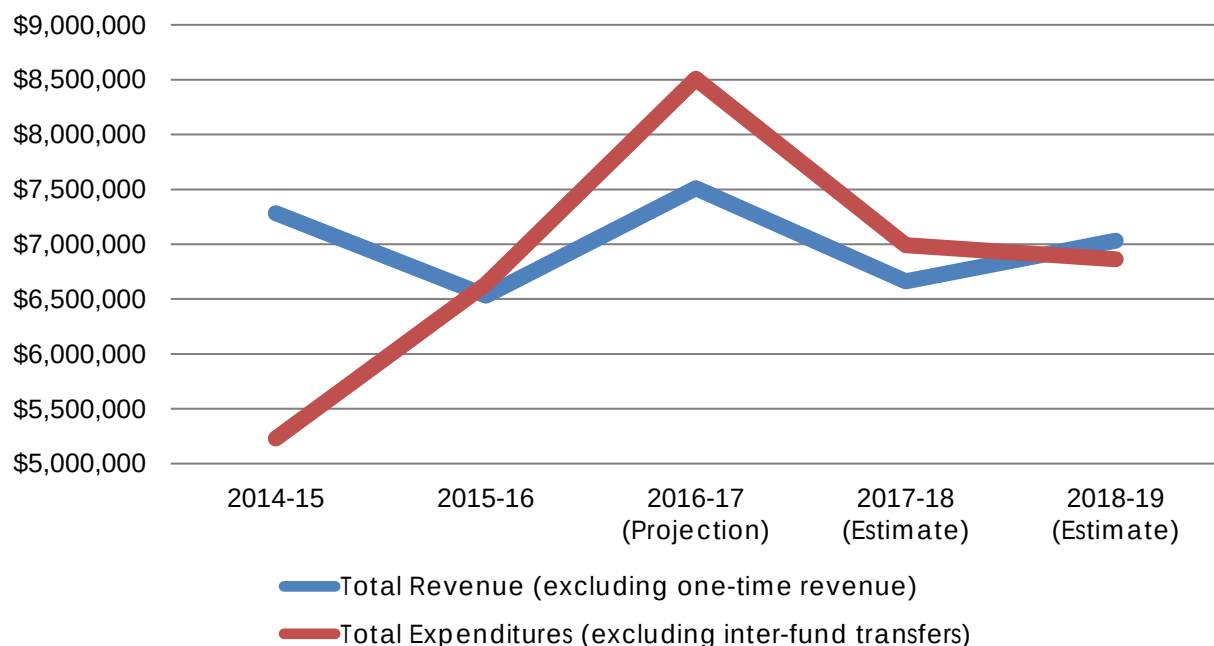


Fiscal Year	General Fund Expenditures	Special Revenue Funds	Capital Projects Fund
2017-18 (Estimate)	\$5,359,050	\$1,267,904	\$365,426
2018-19 (Estimate)	\$5,456,246	\$1,241,292	\$165,000

Note: This chart/table excludes inter-fund transfers.

HISTORICAL COMPARISONS

[Historical “All Funds” Revenue and Expenditure Comparison – Fiscal Years 2014-15 through 2018-19]

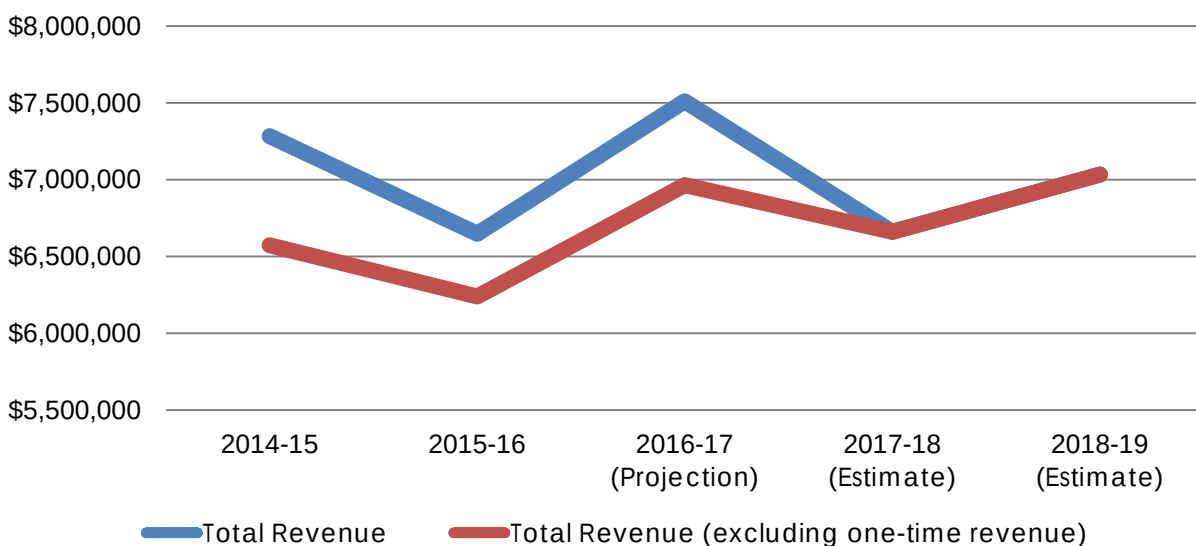


Fiscal Year	Total Revenue (excluding one-time revenue)	Total Expenditures (excluding inter-fund transfers)
2014-15	\$7,283,251	\$5,229,144
2015-16	\$6,531,254	\$6,636,291
2016-17 (Projection)	\$7,510,841	\$8,508,415
2017-18 (Estimate)	\$6,661,300	\$6,992,380
2018-19 (Estimate)	\$7,032,300	\$6,862,538

Note: This chart/table excludes one-time revenue and inter-fund transfers.

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

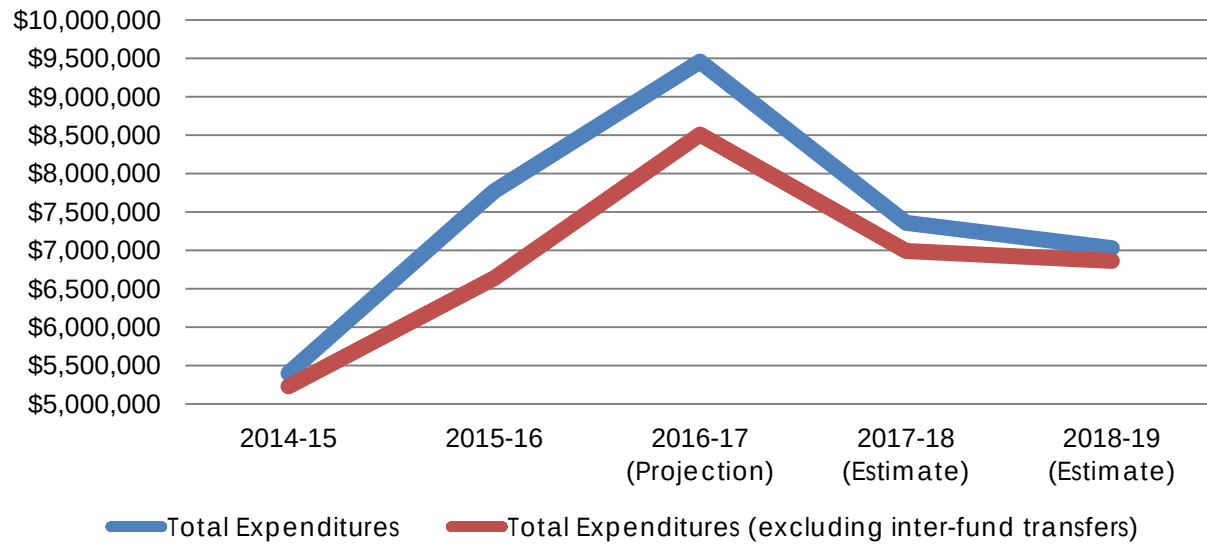
[Historical Revenue Comparison – Fiscal Years 2014-15 through 2018-19]



Fiscal Year	Total Revenue	Total Revenue (excluding one-time revenue)
2014-15	\$7,283,251	\$7,283,251
2015-16	\$6,648,508	\$6,531,254
2016-17 (Projection)	\$7,510,274	\$7,510,841
2017-18 (Estimate)	\$6,661,300	\$6,661,300
2018-19 (Estimate)	\$7,032,300	\$7,032,300

Note: This chart/table excludes one-time revenue and inter-fund transfers.

[Historical Expenditures Comparison – Fiscal Years 2014-15 through 2018-19]



Fiscal Year	Total Expenditures	Total Expenditures (excluding inter-fund transfers)
2014-15	\$5,400,264	\$5,229,144
2015-16	\$7,769,608	\$6,636,291
2016-17 (Projection)	\$9,456,287	\$8,508,415
2017-18 (Estimate)	\$7,357,806	\$6,992,380
2018-19 (Estimate)	\$7,027,538	\$6,862,538

Note: This chart/table excludes inter-fund transfers.

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - All Funds
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	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18 Budget
<u>GENERAL FUND</u>								
<u>General Fund</u>								
Property Tax	2,019,911	2,182,789	2,272,000	2,282,612	2,448,200	7.3%	2,543,000	3.9%
Property Transfer Tax	88,357	94,807	90,000	158,422	95,900	-39.5%	99,600	3.9%
Sales Tax:								
Regular	908,621	853,903	932,000	774,522	803,200	3.7%	832,100	3.6%
One-Time	-	117,254	-	-	-	0.0%	-	0.0%
Franchise Fees	604,739	539,107	591,000	652,440	623,800	-4.4%	628,100	0.7%
Transient Occupancy Tax	452,293	475,926	467,000	454,736	461,800	1.6%	468,900	1.5%
Development Processing Fees	699,984	730,204	671,000	700,372	707,300	1.0%	723,900	2.3%
Interest	21,785	40,421	48,000	50,700	51,200	1.0%	51,700	1.0%
Miscellaneous	176,625	198,803	190,000	191,103	182,200	-4.7%	194,300	6.6%
Total General Fund	4,972,313	5,233,214	5,261,000	5,264,907	5,373,600	2.1%	5,541,600	3.1%
Less: One-Time Sales Tax	-	117,254	-	-	-	0.0%	-	0.0%
Total General Fund (ongoing revenues)	4,972,313	5,350,468	5,261,000	5,264,907	5,373,600	2.1%	5,541,600	3.1%
Plus: INTER-FUND TRANSFERS	20,628	1,043,009	467,451	467,451	-	-100.0%	-	0.0%
TOTAL GENERAL FUND (including inter-fund transfers and one-time revenues)	4,992,941	6,276,223	5,728,451	5,732,358	5,373,600	-6.3%	5,541,600	3.1%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - All Funds
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	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18 Budget
<u>Capital Projects Fund</u>								
Capital Projects	91,320	62,780	137,240	137,240	365,426	166.3%	165,000	-54.8%
TOTAL CAPITAL PROJECTS FUND	91,320	62,780	137,240	137,240	365,426	166.3%	165,000	-54.8%
TOTAL GENERAL FUNDS	5,084,261	6,339,003	5,865,691	5,869,598	5,739,026	-2.2%	5,706,600	-0.6%
<u>SPECIAL FUNDS:</u>								
<u>Transportation Funds</u>								
Fuel Tax	537,418	372,739	449,360	432,160	366,500	-15.2%	373,000	1.8%
Road Maintenance & Rehabilitation Program	-	-	-	-	93,800	100.0%	279,500	198.0%
Measure M1	235,774	4,075	184,001	184,001	-	0.0%	-	0.0%
Measure M2	177,604	205,261	1,312,154	1,248,554	211,200	-83.1%	218,400	3.4%
Prop 1B -- State-Local Partnership Program (SLPP)	-	293,000	-	-	-	0.0%	-	0.0%
Traffic Mitigation Fees - Moulton Parkway Project	709,529	1,900	-	2,160	-	0.0%	-	0.0%
Coastal Area Road Improvement and Traffic Signals (CARITS)	349	-	-	-	-	0.0%	-	0.0%
Total Transportation Funds	1,660,675	876,975	1,945,515	1,866,875	671,500	-64.0%	870,900	29.7%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - All Funds
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	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18 Budget
<u>Public Safety Funds</u>								
Service Authority for Abandoned Vehicles	82	-	-	-	-	0.0%	-	0.0%
Supplemental Law Enforcement Services	103,064	114,687	108,000	115,700	119,300	3.1%	123,500	3.5%
Disaster Recovery Initiative (DRI) Grant	93,036	-	-	-	-	0.0%	-	0.0%
Total Public Safety Funds	196,181	114,687	108,000	115,700	119,300	3.1%	123,500	3.5%
<u>Environmental Funds</u>								
Mobile Source Reduction	20,753	21,473	21,000	25,900	21,200	-18.1%	21,500	1.4%
Proposition 84 Grant	-	-	15,733	15,733	-	-100.0%	-	0.0%
Beverage Container Recycling	53	5,038	5,000	5,000	-	-100.0%	-	0.0%
Used Oil/Oil Payment Program	5,035	5,071	5,000	5,000	-	-100.0%	-	0.0%
Energy Efficiency Conservation Grant	-	-	-	-	-	0.0%	-	0.0%
CalRecycle Grant	46,000	149	-	-	-	0.0%	-	0.0%
Total Environmental Funds	71,840	31,731	46,733	51,633	21,200	-58.9%	21,500	1.4%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - All Funds
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	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18 Budget
<u>Community Services Funds</u>								
PEG/Cable Television	13,349	13,605	13,700	12,100	12,300	1.7%	12,400	0.8%
Senior Mobility	229,454	271,715	315,000	379,300	317,700	-16.2%	316,700	-0.3%
Community Development Block Grant (CDBG)	136,815	106,581	163,507	163,507	145,700	-10.9%	145,700	0.0%
Total Community Services Funds	379,618	391,901	492,207	554,907	475,700	-14.3%	474,800	-0.2%
TOTAL SPECIAL FUNDS	2,308,315	1,415,294	2,592,455	2,589,115	1,287,700	-50.3%	1,490,700	15.8%
TOTAL REVENUE - ALL FUNDS	7,392,576	7,754,297	8,458,146	8,458,713	7,026,726	-16.9%	7,197,300	2.4%
Less: INTER-FUND TRANSFERS	109,325	1,105,789	947,872	947,872	365,426	-61.4%	165,000	-54.8%
TOTAL NET REVENUE	7,283,251	6,648,508	7,510,274	7,510,841	6,661,300	-11.3%	7,032,300	5.6%
Less: One-Time Sales Tax	-	(117,254)	-	-	-	0.0%	-	0.0%
TOTAL NET ONGOING REVENUE	7,283,251	6,531,254	7,510,274	7,510,841	6,661,300	-11.3%	7,032,300	5.6%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Summary - All Funds

	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18% Budget
<u>GENERAL FUND</u>								
City Council	24,684	19,545	28,152	19,373	72,317	273.3%	50,119	-30.7%
General Government	656,784	839,960	1,394,891	1,275,330	670,037	-47.5%	698,348	4.2%
Administrative Services	577,873	668,305	791,164	738,755	672,235	-9.0%	673,214	0.1%
Community Services	119,988	92,222	12,868	8,426	788	-90.6%	788	0.0%
Engineering and Infrastructure Services	356,135	306,186	274,881	258,972	253,169	-2.2%	242,696	-4.1%
Planning and Environmental Services	925,167	995,058	1,162,067	1,082,251	1,021,334	-5.6%	986,563	-3.4%
Public Safety Services	1,502,870	2,521,018	2,644,690	2,609,808	2,669,170	2.3%	2,804,518	5.1%
Subtotal General Fund (including one-time costs)	4,163,499	5,442,294	6,308,713	5,992,915	5,359,050	-10.6%	5,456,246	1.8%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Summary - All Funds

	2014-15	2015-16	2016-17		2017-18	2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	% Change From 2017-18% Budget
Transfer to Capital Projects	88,697	62,780	90,300	90,300	365,426	304.7%	-54.8%
Transfer to Special Funds	82,423	27,528	390,121	390,121	-	-100.0%	0.0%
TOTAL GENERAL FUND (including inter-fund transfers and one-time expenditures)	4,334,619	5,532,602	6,789,134	6,473,336	5,724,476	-11.6%	-1.8%
<u>CAPITAL PROJECTS FUND</u>							
Capital Projects	24,089	1,152,934	161,989	161,989	365,426	125.6%	-54.8%
TOTAL CAPITAL PROJECTS FUND (including inter-fund transfers)	24,089	1,152,934	161,989	161,989	365,426	125.6%	-54.8%
TOTAL GENERAL FUNDS	4,358,707	6,685,536	6,951,123	6,635,325	6,089,902	-8.2%	-5.0%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Summary - All Funds

	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18% Budget
<u>SPECIAL FUNDS</u>								
<u>Transportation Funds</u>								
Fuel Tax	266,925	192,889	774,115	499,246	437,274	-12.4%	300,102	-31.4%
Road Maintenance & Rehabilitation Program	-	-	-	-	-	0.0%	110,250	100.0%
Measure M1	-	-	4,200	4,076	-	-100.0%	-	0.0%
Measure M2	181,849	346,436	1,264,755	1,030,892	242,044	-76.5%	242,992	0.4%
Prop 1B - State-Local Partnership Program (SLPP)	-	-	-	-	-	0.0%	-	0.0%
Traffic Mitigation Fees - Moulton Parkway Project	80,809	45,750	436,556	436,556	-	-100.0%	-	0.0%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Summary - All Funds

	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18% Budget
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	148,700	148,700	-	-100.0%	-	0.0%
Total Transportation Funds	529,582	585,075	2,628,326	2,119,470	679,318	-67.9%	653,344	-3.8%
<u>Public Safety Funds</u>								
Service Authority for Abandoned Vehicles	-	-	-	-	-	0.0%	-	0.0%
Supplemental Law Enforcement Services	112,226	100,000	108,000	108,000	141,707	31.2%	123,500	-12.8%
Disaster Recovery Initiative (DRI) Grant	22,811	-	-	-	-	0.0%	-	0.0%
Total Public Safety Funds	135,037	100,000	108,000	108,000	141,707	31.2%	123,500	-12.8%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Summary - All Funds

	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18% Budget
<u>Environmental Funds</u>								
Mobile Source Reduction	-	-	-	-	-	0.0%	-	0.0%
Beverage Container Recycling	298	1,360	6,500	6,500	5,000	-23.1%	-	0.0%
Used Oil/Oil Payment Program	2,195	808	5,310	-	-	0.0%	-	0.0%
CalRecycle / Energy Efficiency Conservation Grants	13,714	-	30,895	30,746	-	-100.0%	-	0.0%
Total Environmental Funds	16,206	2,168	42,705	37,246	5,000	-86.6%	-	0.0%
<u>Community Services Funds</u>								
PEG/Cable Television	2,455	-	12,000	-	2,000	100.0%	2,047	2.4%
Senior Mobility	221,460	280,639	420,088	405,982	294,179	-27.5%	316,700	7.7%

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Summary - All Funds

	2014-15	2015-16	2016-17		2017-18	2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	% Change From 2017-18% Budget
Community Development Block Grant (CDBG)	136,815	116,190	153,884	150,264	145,700	-3.0%	0.0%
Total Community Services Funds	360,730	396,829	585,972	556,246	441,879	-20.6%	5.1%
TOTAL SPECIAL FUNDS	1,041,556	1,084,072	3,365,003	2,820,962	1,267,904	-55.1%	-2.1%
TOTAL EXPENDITURES - ALL FUNDS	5,400,264	7,769,608	10,316,126	9,456,287	7,357,806	-22.2%	-4.5%
Less: INTER-FUND TRANSFERS	171,120	1,133,317	947,872	947,872	365,426	-61.4%	-54.8%
TOTAL NET EXPENDITURES	5,229,144	6,636,291	9,368,254	8,508,415	6,992,380	-17.8%	-1.9%

CITY OF LAGUNA WOODS Fiscal Year 2017-19 Summary of Inter-Fund Transfers

Fiscal Year	Transfers In		Transfers Out		Notes
	Fund	Amount	Fund	Amount	
FY 2015-16 Actual					
	General Fund	1,043,009	Capital Projects	1,043,009	Close Out City Hall LID Retrofit Project
	Capital Projects	10,530	General Fund	10,530	Santa Maria Avenue Bioswale Project
	Capital Projects	52,250	General Fund	52,250	Moulton Water Efficient Median Improvement Project (Design)
	Senor Mobility	27,528	General Fund	27,528	Offset Unanticipated Expenditures
Total FY 2015-16 Actual		1,133,317		1,133,317	
FY 2016-17 Final Budget and Forecast					
	General Fund	436,556	Traffic Mitigation Fees	436,556	Fund 130 Final Reconciliation and Close Fund
	General Fund	30,895	Energy Efficiency/CalRecycle	30,895	Fund 325 Final Reconciliation and Close Fund
	Capital Projects	28,540	General Fund	28,540	El Toro Road Traffic Signal Synchronization Project
	Capital Projects	24,260	General Fund	24,260	Moulton Parkway Traffic Signal Synchronization Project
	Capital Projects	30,000	General Fund	30,000	City Hall Restroom Repair and Improvement Project (Design)
	Capital Projects	7,500	General Fund	7,500	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Paseo de Valencia)
	Fuel Tax	99,360	General Fund	99,360	Fund 100 Reconciliation
	Measure M1	184,001	General Fund	184,001	Fund 110 Final Reconciliation and Close Fund
	Measure M2	29	General Fund	29	Fund 111 FY 2015-16 Audit Adjustment
	Measure M2	425	General Fund	425	Fund 111 Reconciliation
	Proposition 84 Grant	15,733	General Fund	15,733	Fund 305 Final Reconciliation and Close Fund
	Senior Mobility	90,000	General Fund	90,000	Offset Unanticipated Expenditures
	Community Development Block Grant (CDBG)	573		573	Fund 420 Reconciliation
FY 2016-17 Final Budget and Forecast		947,872		947,872	
FY 2017-18 Projected					
	Capital Projects	365,426	General Fund	365,426	
FY 2017-18 Projected		365,426		365,426	
FY 2018-19 Projected					
	Capital Projects	165,000	General Fund	165,000	
FY 2018-19 Projected		165,000		165,000	

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CITY OF LAGUNA WOODS Fiscal Year 2017-18 Budget Summary By Fund
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Fund	7/1/2017 Estimated Opening Fund Balance	Budgeted Revenues	Budgeted Expenditures	Changes to Reserves	Net Change in Fund Balance	6/30/2018 Projected Ending Fund Balance
<u>General Fund:</u>						
<i>General Fund</i>						
General Fund - Unassigned	6,137,271	5,373,600	5,724,476	(54,499)	(405,375)	5,731,896
Nonspendable:						
Prepays	-	-	-	-	-	-
Assigned for:						
Paid Leave Contingency Fund	81,609	-	-	-	-	81,609
Self Insurance Contingency Fund	50,000	-	-	-	-	50,000
General Fund Contingency Fund	2,500,692	-	-	54,499	54,499	2,555,191
TOTAL	8,769,572	5,373,600	5,724,476	-	(350,876)	8,418,696
<u>Capital Projects Fund</u>						
Capital Projects	72,902	365,426	365,426	-	-	72,902
TOTAL	72,902	365,426	365,426	-	-	72,902
<u>Special Funds:</u>						
<i>Transportation Funds:</i>						
Fuel Tax	801,624	366,500	437,274	-	(70,774)	730,850
Road Maintenance & Rehabilitation Program	-	93,800	-	-	93,800	93,800
Measure M1	-	-	-	-	-	-
Measure M2	72,115	211,200	242,044	-	(30,844)	41,271
Prop 1B - State-Local Partnership Program	-	-	-	-	-	-
Traffic Mitigation Fees	(2,160)	-	-	-	-	(2,160)
CARITS	1,518	-	-	-	-	1,518
TOTAL	873,097	671,500	679,318	-	(7,818)	865,279
<i>Public Safety Funds:</i>						
Srv. Authority for Abandoned Vehicles	35,125	-	-	-	-	35,125
Supplemental Law Enforcement Services	22,407	119,300	141,707	-	(22,407)	-
Disaster Recovery Initiative	-	-	-	-	-	-
TOTAL	57,532	119,300	141,707	-	(22,407)	35,125
<i>Environmental Funds:</i>						
Mobile Source Reduction	140,423	21,200	-	-	21,200	161,623
Proposition 84 Grant	-	-	-	-	-	-
Beverage Container Recycling	24,466	-	5,000	-	(5,000)	19,466
Used Oil/Oil Payment Program	26,105	-	-	-	-	26,105
CalRecycle & Energy Efficiency Grants	-	-	-	-	-	-
TOTAL	190,994	21,200	5,000	-	16,200	207,194

CITY OF LAGUNA WOODS Fiscal Year 2017-18 Budget Summary By Fund
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Fund	7/1/2017 Estimated Opening Fund Balance	Budgeted Revenues	Budgeted Expenditures	Changes to Reserves	Net Change in Fund Balance	6/30/2018 Projected Ending Fund Balance
<i>Community Services Funds:</i>						
PEG/Cable Television	68,899	12,300	2,000	-	10,300	79,199
Senior Mobility	(16,682)	317,700	294,179	-	23,521	6,839
Community Development Block Grant	-	145,700	145,700	-	-	-
TOTAL	52,217	475,700	441,879	-	33,821	86,038
CUMULATIVE TOTAL	\$ 10,016,314	\$ 7,026,726	\$ 7,357,806	\$ -	\$ (331,080)	\$ 9,685,234

CITY OF LAGUNA WOODS Fiscal Year 2018-19 Budget Summary By Fund
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Fund	7/1/2018 Estimated Opening Fund Balance	Budgeted Revenues	Budgeted Expenditures	Changes to Reserves	Net Change in Fund Balance	6/30/2019 Projected Ending Fund Balance
<u>General Fund:</u>						
<i>General Fund</i>						
General Fund - Unassigned	5,731,896	5,541,600	5,621,246	(84,000)	(163,646)	\$ 5,568,250
Nonspendable:						
Prepays	-	-	-	-	-	\$ -
Assigned for:						
Paid Leave Contingency Fund	81,609	-	-	-	-	81,609
Self Insurance Contingency Fund	50,000	-	-	-	-	50,000
General Fund Contingency Fund	2,555,191	-	-	84,000	84,000	2,639,191
TOTAL	8,418,696	5,541,600	5,621,246	-	(79,646)	8,339,050
<u>Capital Projects Fund</u>						
Capital Projects	72,902	165,000	165,000	-	-	72,902
TOTAL	72,902	165,000	165,000	-	-	72,902
<u>Special Funds:</u>						
<i>Transportation Funds:</i>						
Fuel Tax	730,850	373,000	300,102	-	72,898	803,748
Road Maintenance & Rehabilitation Program	93,800	279,500	110,250	-	169,250	263,050
Measure M1	-	-	-	-	-	-
Measure M2	41,271	218,400	242,992	-	(24,592)	16,679
Prop 1B - State-Local Partnership Program	-	-	-	-	-	-
Traffic Mitigation Fees	(2,160)	-	-	-	-	(2,160)
CARITS	1,518	-	-	-	-	1,518
TOTAL	865,279	870,900	653,344	-	217,556	1,082,835
<i>Public Safety Funds:</i>						
Srv. Authority for Abandoned Vehicles	35,125	-	-	-	-	35,125
Supplemental Law Enforcement Services	-	123,500	123,500	-	-	-
Disaster Recovery Initiative	-	-	-	-	-	-
TOTAL	35,125	123,500	123,500	-	-	35,125
<i>Environmental Funds:</i>						
Mobile Source Reduction	161,623	21,500	-	-	21,500	183,123
Proposition 84 Grant	-	-	-	-	-	-
Beverage Container Recycling	19,466	-	-	-	-	19,466
Used Oil/Oil Payment Program	26,105	-	-	-	-	26,105
CalRecycle & Energy Efficiency Grants	-	-	-	-	-	-
TOTAL	207,194	21,500	-	-	21,500	228,694

CITY OF LAGUNA WOODS Fiscal Year 2018-19 Budget Summary By Fund
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Fund	7/1/2018 Estimated Opening Fund Balance	Budgeted Revenues	Budgeted Expenditures	Changes to Reserves	Net Change in Fund Balance	6/30/2019 Projected Ending Fund Balance
<i>Community Services Funds:</i>						
PEG/Cable Television	79,199	12,400	2,047	-	10,353	89,552
Senior Mobility	6,839	316,700	316,700	-	-	6,839
Community Development Block Grant	-	145,700	145,700	-	-	-
TOTAL	86,038	474,800	464,447	-	10,353	96,391
CUMULATIVE TOTAL	\$ 9,685,234	\$ 7,197,300	\$ 7,027,538	\$ -	\$ 169,763	\$ 9,854,997

7.0. CITY BUDGET DETAIL, GENERAL AND CAPITAL FUNDS

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

“AT-A-GLANCE” GENERAL FUND SUMMARY

[General Fund Revenue over/(under) Operating Expenditures Estimate]

	Fiscal Year 2017-18	Fiscal Year 2018-19
Total General Fund Revenue Estimate	\$5,373,600	\$5,541,600
Non-Operating Revenue Estimate	\$0	\$0
Operating Expenditures	(\$5,286,288)	(\$5,451,429)
Total General Fund Operating Revenue over/(under) Operating Expenditures	\$87,312	\$90,171

[Total General Fund Non-Operating Expenditures and Transfers]

	Fiscal Year 2017-18	Fiscal Year 2018-19
Non-Operating Expenditures	\$72,762	\$4,817
Transfers to Capital Projects Fund	\$365,426	\$165,000
Total	\$438,188	\$169,817

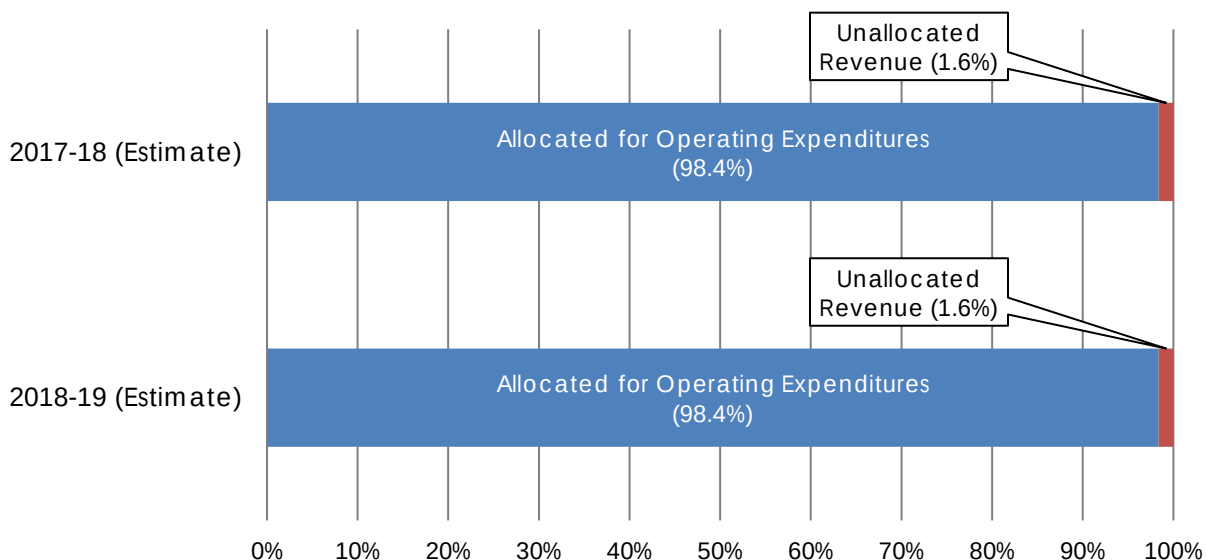
[Total General Fund Expenditures]

	Fiscal Year 2017-18	Fiscal Year 2018-19
Total General Fund Operating Expenditures	\$5,286,290	\$5,451,428
Total General Fund Non-Operating Expenditures and Transfers	\$438,188	\$169,817
Total	\$5,724,476	\$5,621,246

The General Fund operating budget for Fiscal Year 2017-18 is balanced and totals \$5,724,476. At year-end, it is projected that the unassigned General Fund balance will total \$5,731,896, or 100%, of the Fiscal Year 2017-18 operating budget. That unassigned fund balance would be in addition to assigned and committed reserves totaling \$2,686,800. An additional \$438,188 is budgeted for non-operating expenditures and transfers to the Capital Projects Fund.

The General Fund operating budget for Fiscal Year 2018-19 is balanced and totals \$5,621,246. At year-end, it is projected that the unassigned General Fund balance will total \$5,568,250, or 99% of the Fiscal Year 2018-19 operating budget. That unassigned fund balance would be in addition to assigned and committed reserves totaling \$2,770,800. An additional \$169,817 is budgeted for non-operating expenditures and transfers to the Capital Projects Fund.

[Allocation of General Fund Operating Revenue – Fiscal Years 2017-19]



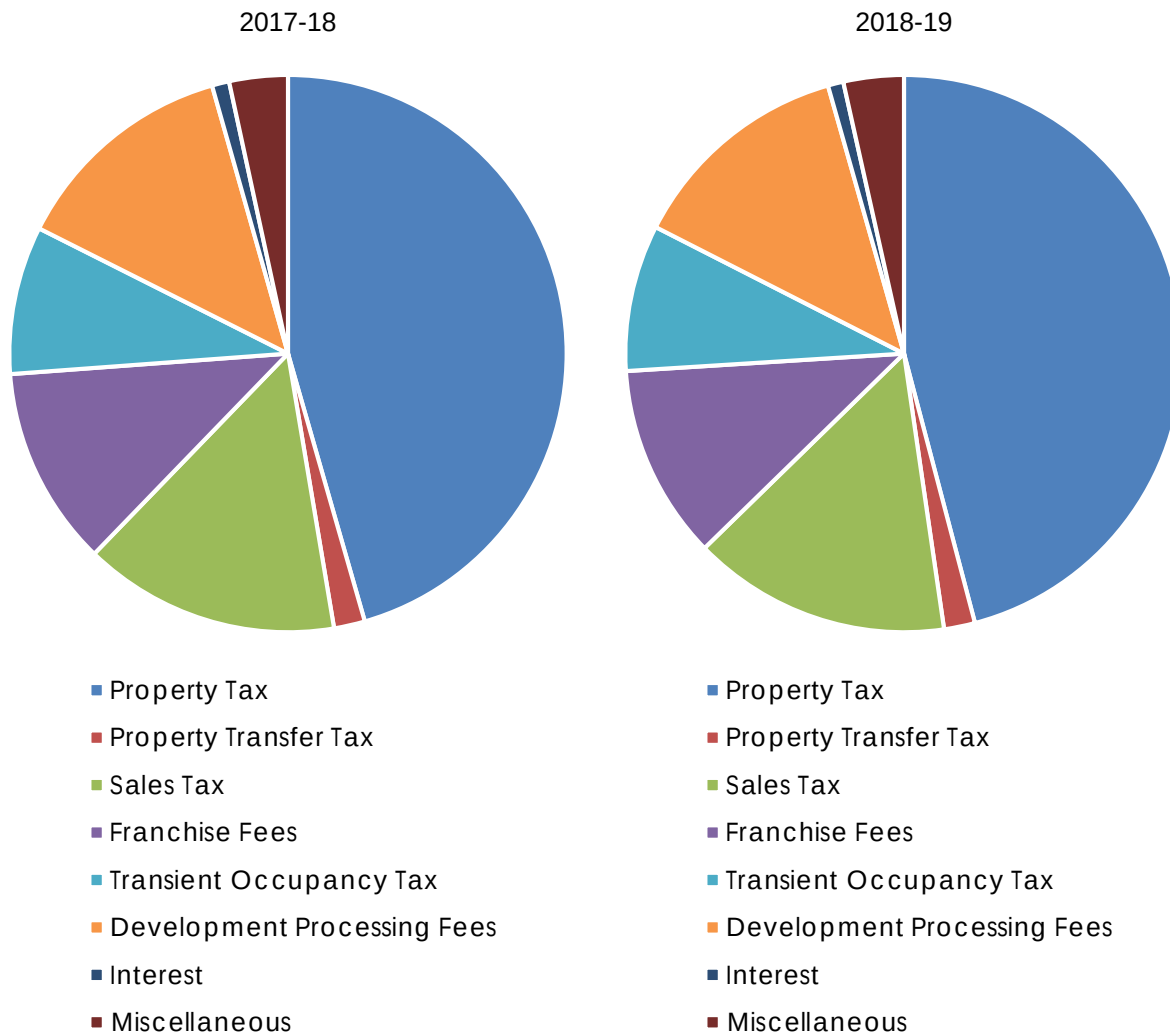
GENERAL FUND REVENUE SUMMARY

General Fund revenue for Fiscal Year 2017-18 is estimated to be \$5,373,600, or 2.1% more than year-end estimates for Fiscal Year 2016-17. In Fiscal Year 2018-19, General Fund revenue is estimated to be \$5,541,600, which reflects growth of \$168,000, or 3.1%, over the Fiscal Year 2017-18 estimate.

The differences in estimated revenue for both fiscal years can be attributed to a variety of contributing factors including minimal to modest increases in the City's three largest sources of operating revenue – property tax, sales tax, and

development processing fees. Collectively, those three sources account for approximately 75.5% of total estimated operating revenue. All other sources are anticipated to remain relatively flat and proportional.

[General Fund Revenue Estimates by Source – Fiscal Years 2017-19]



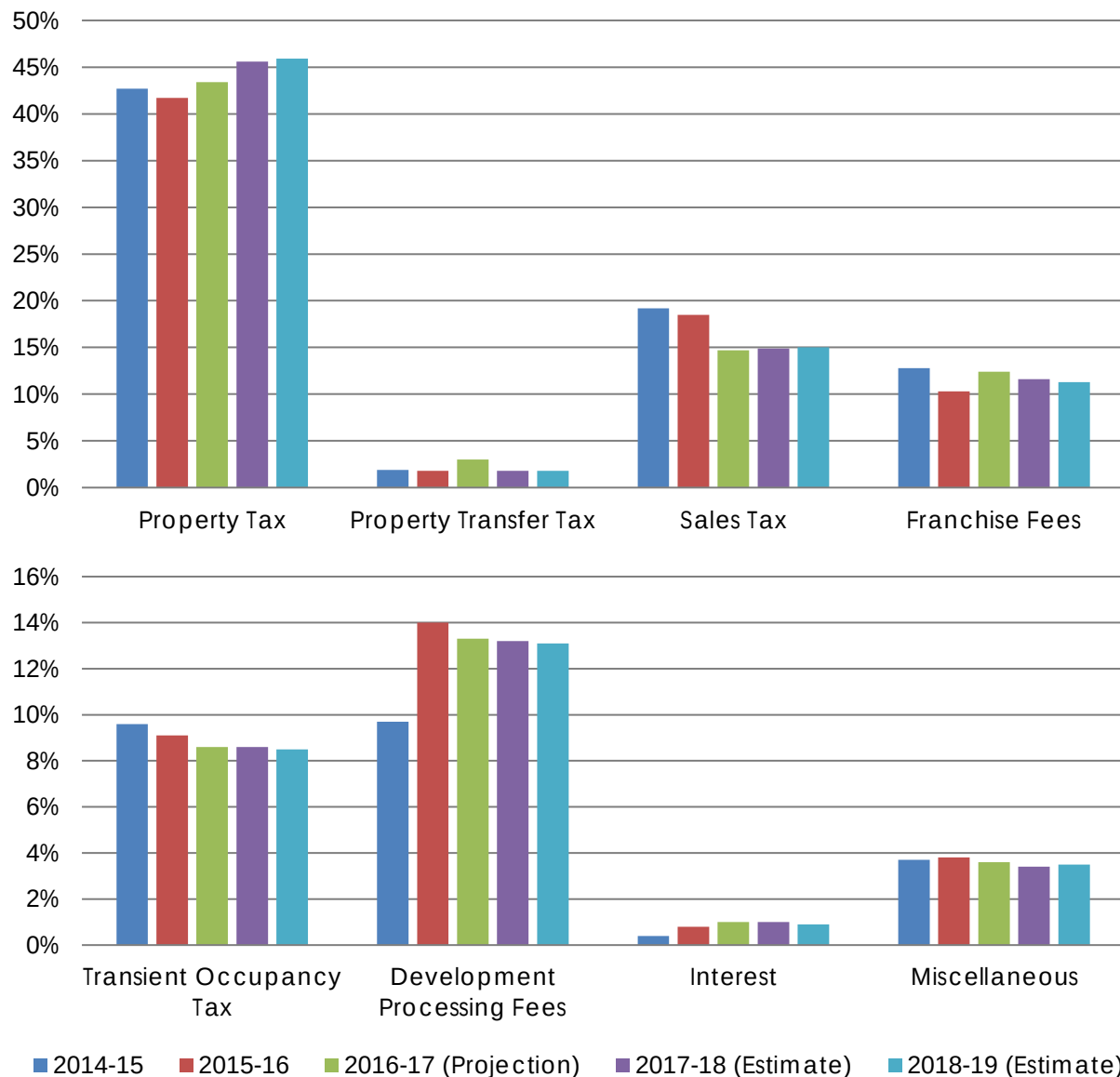
General Fund Revenue Source	Percent of Adopted Budget Estimate (Fiscal Year 2017-18)	Percent of Adopted Budget Estimate (Fiscal Year 2018-19)
Property Tax	45.5%	45.9%
Property Transfer Tax	1.8%	1.8%
Sales Tax	14.9%	15.0%
Franchise Fees	11.6%	11.3%
Transient Occupancy Tax	8.6%	8.5%

Development Processing Fees	13.2%	13.1%
Interest	1.0%	0.9%
Miscellaneous	3.4%	3.5%

Note: This budget accounts for property tax in lieu of vehicle license fees as part of general property tax revenue; property tax in lieu of sales tax as part of sales tax revenue; and, property transfer tax separately.

Historical Comparison

*[Historical General Fund Revenue by Source
– Fiscal Years 2014-15 through 2018-19]*



General Fund Revenue Source	Percent of Actual Year-End Receipts (Fiscal Year 2014-15)	Percent of Actual Year-End Receipts (Fiscal Year 2015-16)	Percent of Projected Year-End Receipts (Fiscal Year 2016-17)
Property Tax	42.7%	41.7%	43.4%
Property Transfer Tax	1.9%	1.8%	3.0%
Sales Tax	19.2%	18.5%	14.7%
Franchise Fees	12.8%	10.3%	12.4%
Transient Occupancy Tax	9.6%	9.1%	8.6%
Development Processing Fees	9.7%	14.0%	13.3%
Interest	0.4%	0.8%	1.0%
Miscellaneous	3.7%	3.8%	3.6%

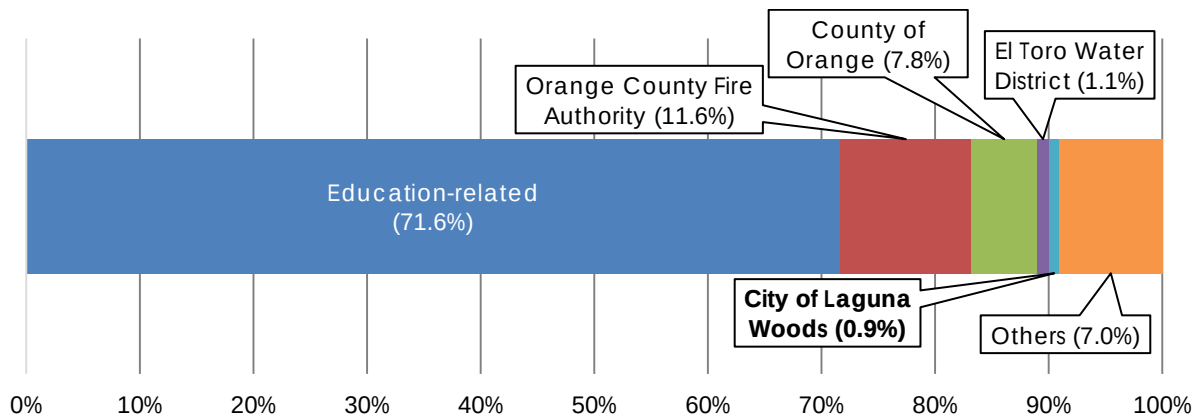
General Fund Revenue Source	Percent of Adopted Budget Estimate (Fiscal Year 2017-18)	Percent of Adopted Budget Estimate (Fiscal Year 2018-19)
Property Tax	45.5%	45.9%
Property Transfer Tax	1.8%	1.8%
Sales Tax	14.9%	15.0%
Franchise Fees	11.6%	11.3%
Transient Occupancy Tax	8.6%	8.5%
Development Processing Fees	13.2%	13.1%
Interest	1.0%	0.9%
Miscellaneous	3.4%	3.5%

Property Tax Revenue

Property tax is a tax on certain types of personal property. Property tax rates are established by State law, including Proposition 13 (1978), which limits the maximum property tax rate to 1% of assessed value and the maximum annual increase to an inflationary index not to exceed 2%. The County of Orange is responsible for collecting property tax from property owners and distributing the proceeds to the various entities to whom taxes are owed.

For every dollar of property tax paid, the City receives an average of only \$0.0088. Over 70% of every property tax dollar funds education.

[Average Property Tax Allocation – Tax Rate Area 32010]



The Orange County Assessor's *Local Assessment Roll of Values for Fiscal Year 2016-17* reflects a tax rate increase of 1.525% for Laguna Woods, down from the prior year's increase of 1.998%. The total value of the local assessment roll increased by \$151,089,217, or 5.77%, to \$2,771,863,664, in Fiscal Year 2016-17, below the prior year's increase of 8.01%.

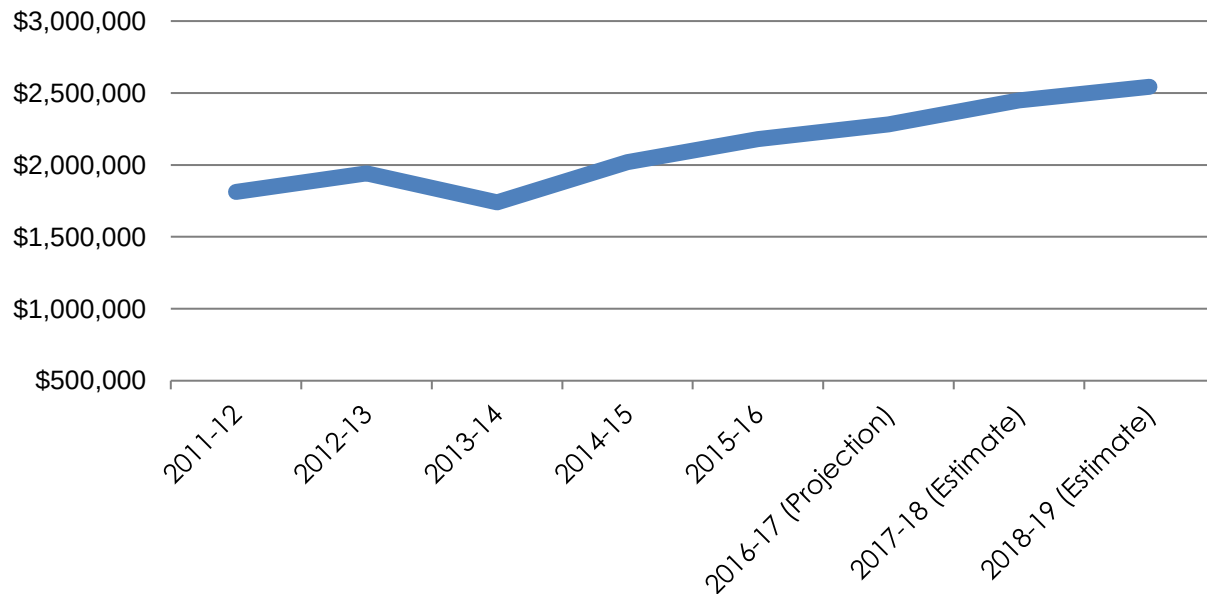
[Surrounding Cities Local Assessment Rolls – Fiscal Year 2016-17]

City	Total Local Assessment Roll Value	Percent Change of Local Assessment Roll Value from Fiscal Year 2015-16
Laguna Woods	\$2,771,863,664	5.77%
Aliso Viejo	\$9,264,938,894	5.72%
Irvine	\$65,853,286,217	8.10%
Laguna Beach	\$13,615,745,196	6.92%
Laguna Hills	\$6,515,836,256	4.15%

In Fiscal Year 2016-17, Laguna Woods had the fifth lowest local assessment roll value in Orange County, ranking above the cities of La Palma, Los Alamitos, Stanton, and Villa Park.

In Fiscal Year 2016-17, Laguna Woods had the ninth largest percent change of local assessment roll value from Fiscal Year 2015-16, ranking below the cities of Brea, Dana Point, Garden Grove, Irvine, Laguna Beach, Lake Forest, and Newport Beach, as well as the County of Orange's unincorporated area.

[Property Tax Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$2,448,200	7.3%	\$2,543,000	3.9%

Summary of Significant Trends and Observations

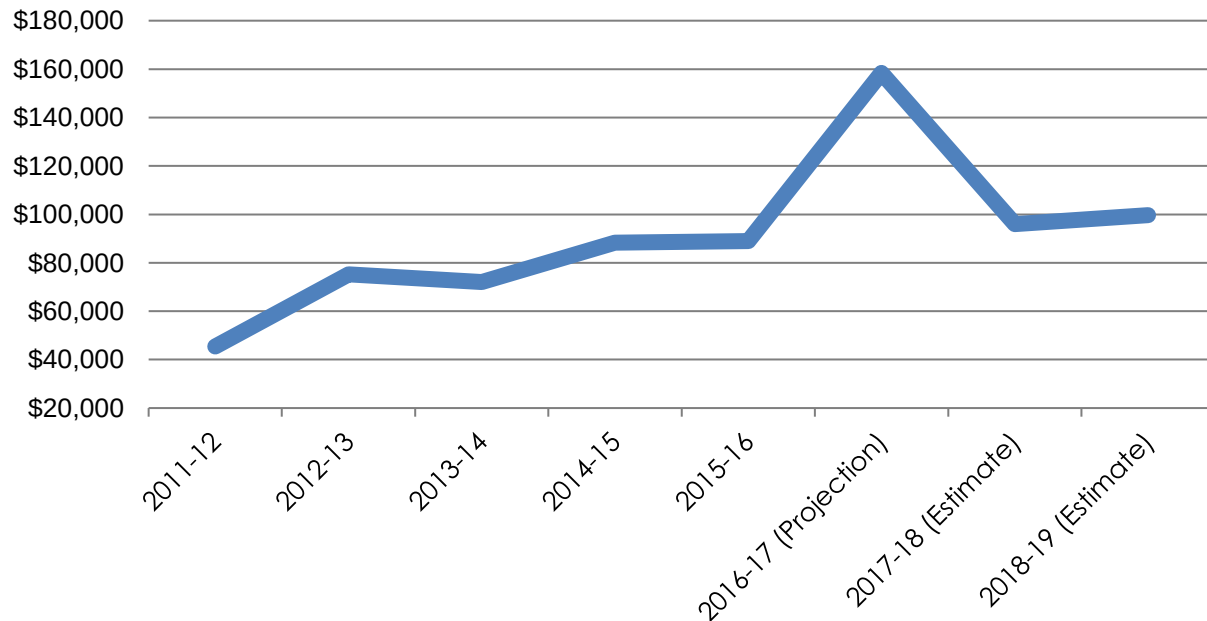
- Increases in estimated property tax revenue are due, in part, to growth in home sale prices, continued recapture of assessed property valuations that had been temporarily reduced pursuant to Proposition 8's (1978) tax relief program, and an anticipated increase in the Consumer Price Index used to calculate assessed property valuations in Fiscal Year 2018-19.
- Property tax revenue has realized slow and steady growth since 2010. A "leveling off" or slowing of economic growth, could have a potentially significant, negative impact on future revenue.

Property Transfer Tax Revenue

Property transfer tax is a tax on the recordation of documents transferring ownership of land or real property. Property transfer tax is established by cities and counties and is collected by the County of Orange at a rate of \$1.10 per

\$1,000 of the assessed value of the real estate being transferred. The City and the County each receive 50% of the property transfer taxes collected.

[Property Transfer Tax Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$95,900	-39.5%	\$99,600	3.9%

Summary of Significant Trends and Observations

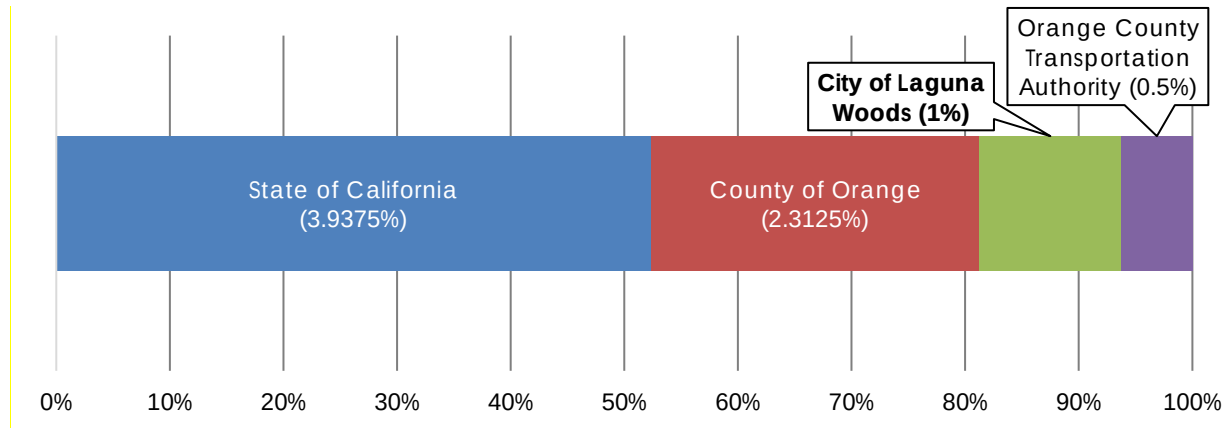
- Property transfer tax revenue is projected to remain relatively consistent with prior years. Revenue in Fiscal Year 2016-17 was higher than typical as a result of ownership transfers of two assisted living facilities. Staff does not believe that those transfers are indicative of future trends.

Sales Tax Revenue

Of the 7.75% 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 accounted for in the Special Revenue Funds section of this budget.

[Sales Tax Allocation]



[Surrounding Cities Local Assessment Rolls – Fiscal Year 2016-17]

City	Per Capita Sales Tax Revenue for Calendar 2016
Laguna Woods	\$56
Aliso Viejo	\$116
Irvine	\$243
Laguna Beach	\$232
Laguna Hills	\$192

On a per capita basis, sales tax revenue for Laguna Woods was the second lowest in Orange County in 2016, ranking above only the city of Villa Park.

[Top 25 Sales Tax Producers – 2016 Calendar Year⁸]

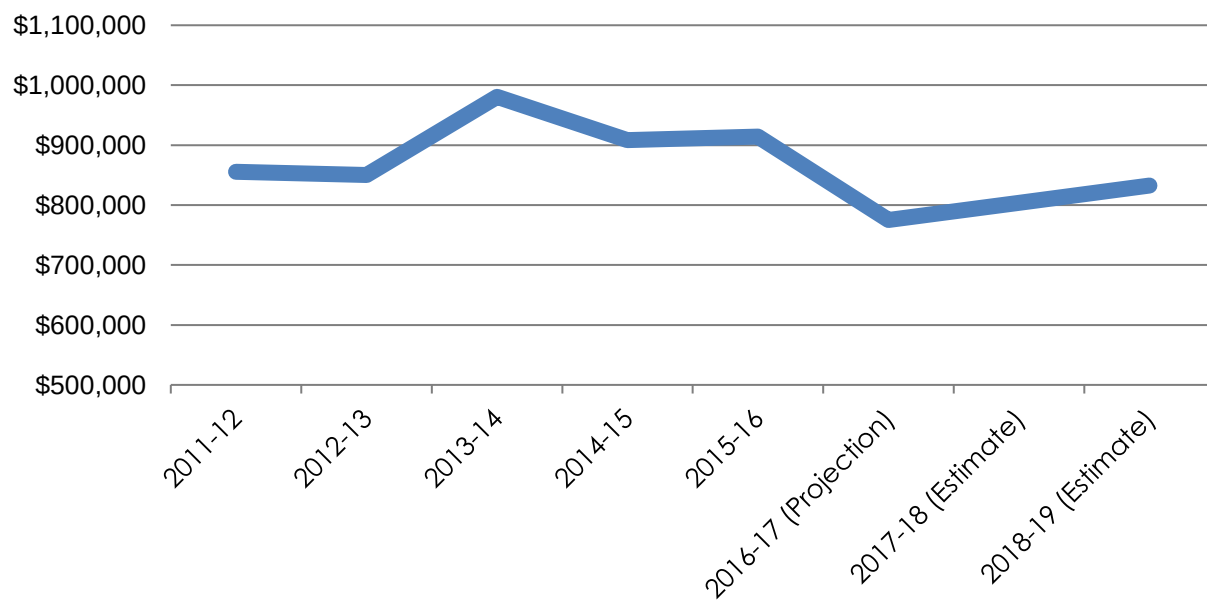
19 Restaurant & Lounge	OfficeMax
Adapt 2 It	Olive Garden
Carl's Jr.	Papa John's Pizza
CVS Pharmacy	Pristine Wellness
Firehouse Subs	Rite Aid
Golden Rain Foundation	Saddleback Golf Cars

⁸ Sales Tax Allocations Adjusted for Economic Data, January 2016 through December 2016, Hinderliter, de Llamas & Associates. Based on information from the State Board of Equalization. Sales tax producers are presented in alphabetical order in accordance with State law.

Home Depot	Stage 21 Bikes
Jack in the Box	Stanley Okon Dental Lab
Laguna Hills Animal Hospital	Starbucks
Leisure World Mobil	Stater Bros.
McCormick & Son	Tomo Sushi
Mother's Market	Valvoline Instant Oil Change
Moulton Arco AM/PM	

Note: OfficeMax and Valvoline Instant Oil Change closed in 2017.

[Sales Tax Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$803,200	3.7%	\$832,100	3.6%

Summary of Significant Trends and Observations

- Increases in estimated sales tax revenue are due, in part, to anticipated growth in consumer spending, aided by the opening of new businesses. ALDI Food Market and Dollar Tree have plans to open stores by the end of the 2017 calendar year. Even with the addition of sales tax producing businesses, total revenue is still expected to trail prior years due, in part,

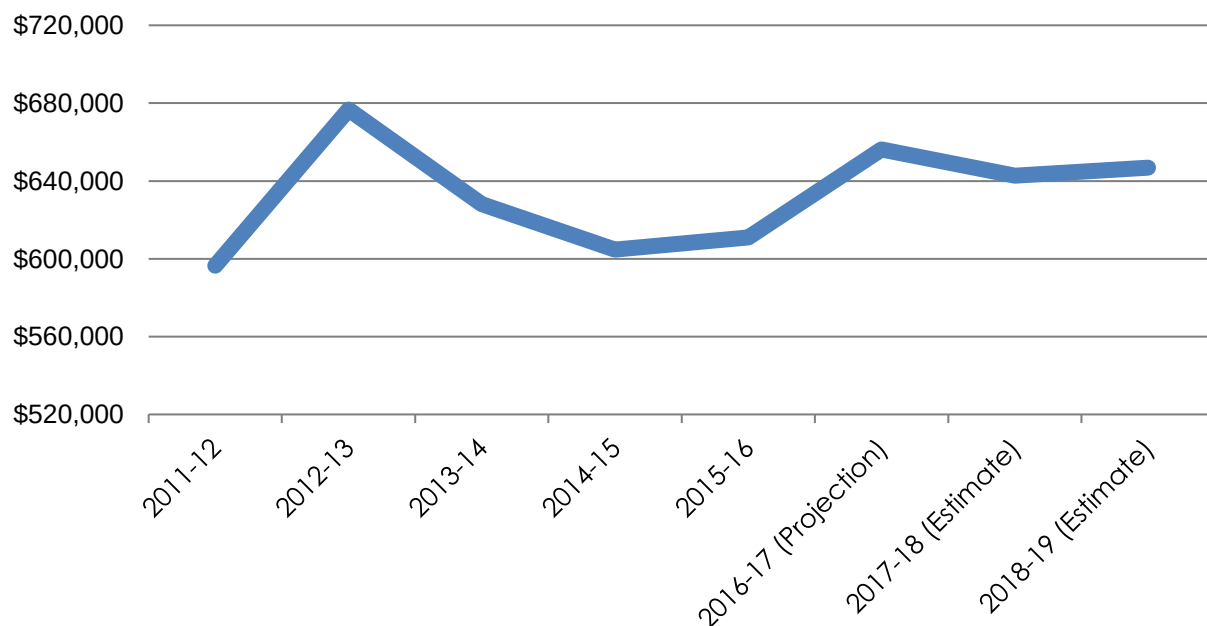
to commercial vacancy rates and the closure of several former, top sales tax producing businesses (Hometown Buffet, OfficeMax, Thaitanium, Valvoline Instant Oil Change, and Vons) in recent years.

- While the Willow Tree Center is currently undergoing a renovation that is intended to revitalize the shopping center and increase occupancy, this budget assumes no additional sales tax revenue other than from ALDI Food Market and Dollar Tree, due to a lack of confirmed information.
- The City's sales tax base continues to be limited in size and lacking in diversity with the top 25 sales tax producing businesses accounting for approximately 97% of total sales tax revenue in the 2016 calendar year. This over-reliance on a narrow subset of sales tax producers means that the City is particularly vulnerable to significant revenue fluctuations.
- Sales tax fluctuates with changes in the economy, as well as consumer confidence. A "leveling off" or slowing of economic growth, could have a potentially significant, negative impact on future revenue.

Franchise Fees Revenue

Franchise fees are collected by the City in accordance with agreements with various advertising, cable television, solid waste, and utility providers.

[Franchise Fees Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$623,800	-4.4%	\$628,100	0.7%

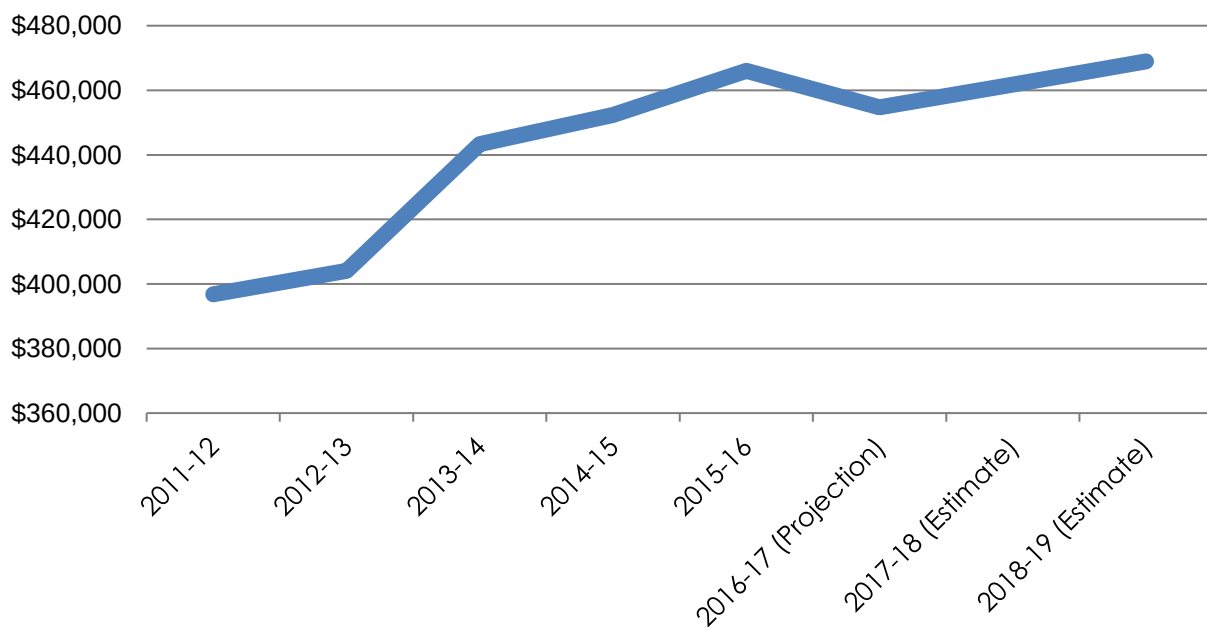
Summary of Significant Trends and Observations

- Franchise fees revenue is projected to remain relatively consistent with Fiscal Year 2016-17. No new franchise agreements or material changes to existing franchise agreements are anticipated.
- Bus shelter franchise fee revenue was estimated to decrease by \$20,000, or 50.0%, in Fiscal Year 2016-17 due to the expiration of the then-current franchise agreement. In 2016, the City successfully negotiated a 10-year extension of the franchise agreement without any loss of revenue.

Transient Occupancy Tax Revenue

Transient occupancy tax is levied at a rate of 10% of the rent charged for most hotel stays and short-term rentals. Transient occupancy tax is collected by the operators of hotels and short-term rentals, and then paid to the City.

[Transient Occupancy Tax Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$461,800	1.6%	\$468,900	1.5%

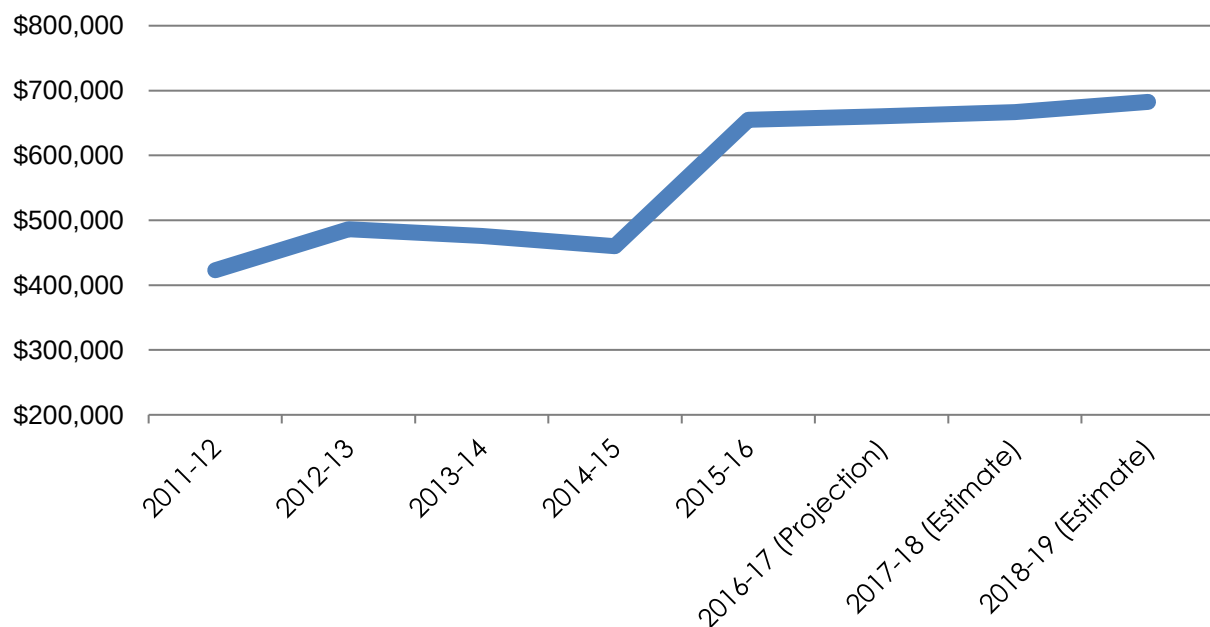
Summary of Significant Trends and Observations

- Transient occupancy tax revenue has realized slow and steady growth since 2011. Fiscal Year 2016-17 receipts are estimated to decrease as a result of disruptions caused by inclement weather and hotel remodeling. Revenue is estimated to resume typical growth in Fiscal Year 2017-18.
- The City's transient occupancy tax base continues to be limited in size. This over-reliance on a single transient occupancy tax producer means that the City is particularly vulnerable to significant revenue fluctuations.

Development Processing Fees Revenue

Development processing fees are collected by the City in order to recover the City's reasonable costs of providing building, planning, and related services.

*[Development Processing Fees Revenue
– Fiscal Years 2011-12 through 2018-19]*



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$707,300	1.0%	\$723,900	2.3%

Summary of Significant Trends and Observations

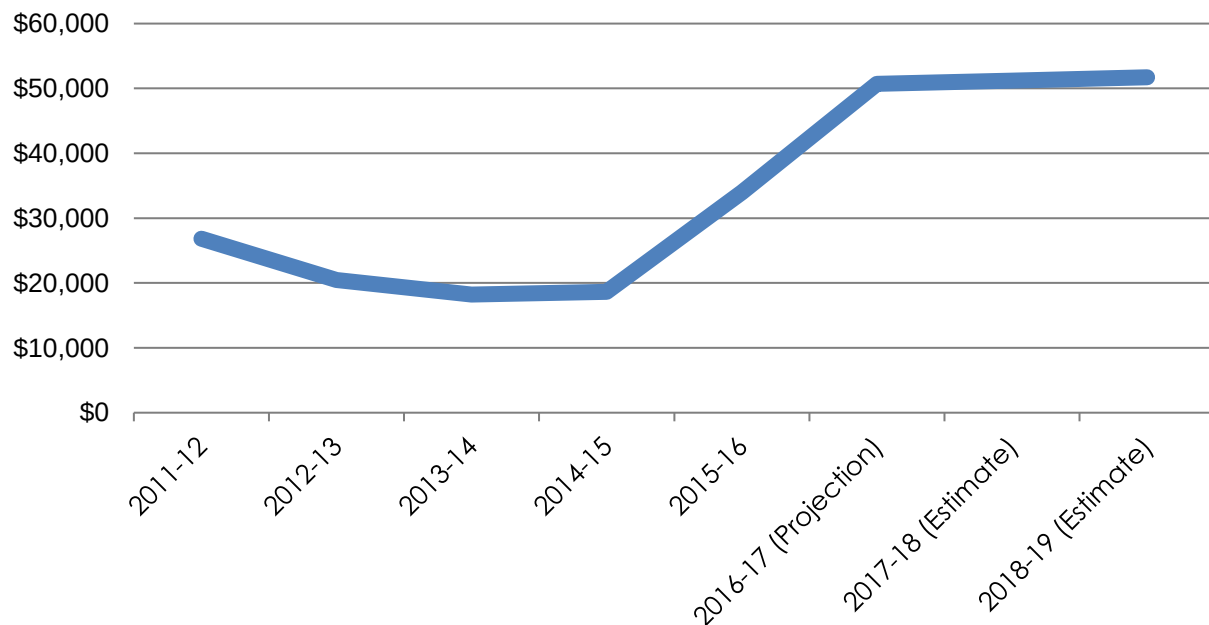
- Development processing fees revenue will continue to cover the City's reasonable costs of providing services. Since Fiscal Year 2014-15, the City has conducted an annual evaluation of the adequacy and rationality of its fees, including its reasonable costs of providing services.

Interest Revenue

Interest revenue is comprised of earnings from financial investments made in accordance with the City's Investment of Financial Assets Policy.

The Investment of Financial Assets Policy is intended to assist the City with the investment of financial assets in a manner that ensures adequate safety and liquidity, while maximizing yield (return) and complying with the requirements of California Government Code sections 5921 and 53600 *et seq.*

[Interest Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$51,200	1.0%	\$51,700	1.0%

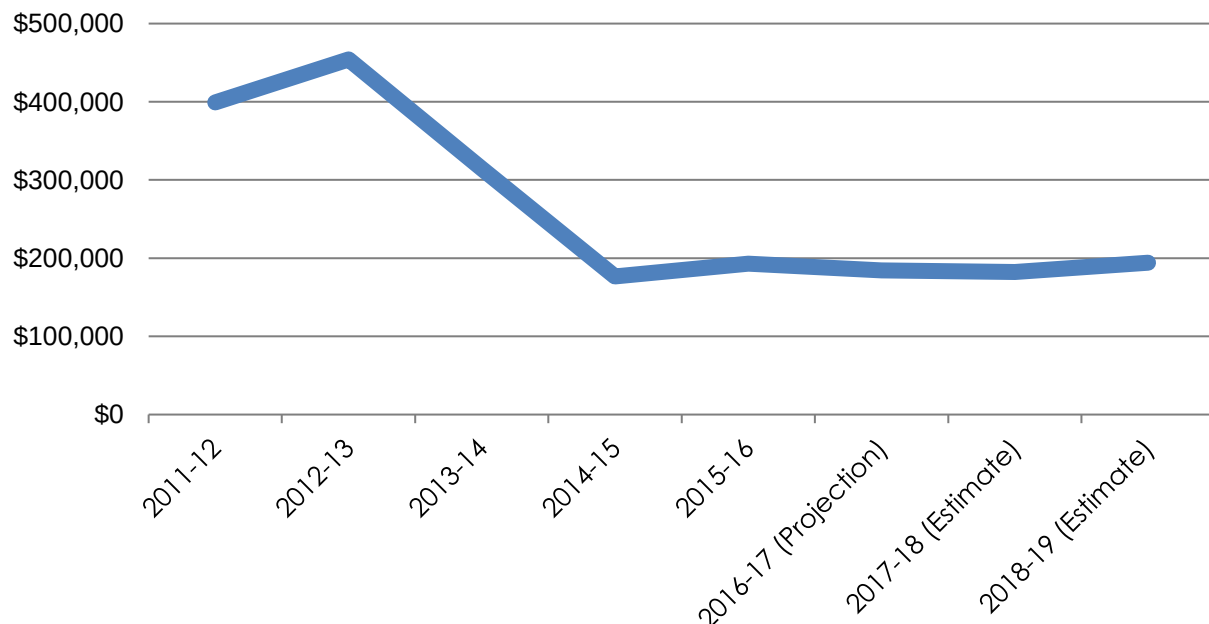
Summary of Significant Trends and Observations

- The City adopted significant modifications to its Investment of Financial Assets Policy in Fiscal Year 2015-16. As the City continues to implement the policy, it is anticipated that interest revenue will continue to increase; however, growth will be moderated by capital and other non-operating expenditures that reduce the total funds available for investment.
- Increases in interest revenue since Fiscal Year 2014-15 are attributable to investments in certificates of deposit and growth of interest rates. Those conditions are expected to continue and be complemented by more recent investments in the Orange County Investment Pool.

Miscellaneous Revenue

Miscellaneous revenue is collected by the City as a result of agreements not accounted for in other revenue categories, reimbursements, and fines.

[Miscellaneous Revenue – Fiscal Years 2011-12 through 2018-19]



Budget Estimate (Fiscal Year 2017-18)	Percent Change from Projected Year-End Receipts (Fiscal Year 2016-17)	Budget Estimate (Fiscal Year 2018-19)	Percent Change from Projected Year-End Receipts (Fiscal Year 2017-18)
\$182,200	-4.7%	\$194,300	6.6%

Summary of Significant Trends and Observations

- Miscellaneous revenue is projected to remain relatively consistent with Fiscal Year 2016-17. Miscellaneous revenue may vary from year-to-year, based on variables beyond the City's direct control.
- In Fiscal Year 2016-17, the City received its first annual payment as part of the newly amended waste disposal agreement with the County of Orange. Revenue is expected to gradually increase from \$22,274 in Fiscal Year 2016-17 to approximately \$37,000 in Fiscal Year 2018-19.

GENERAL FUND EXPENDITURES SUMMARY

General Fund operating expenditures for Fiscal Year 2017-18 are projected to be \$5,286,290, or 7.3% more than year-end projections for Fiscal Year 2016-17. In Fiscal Year 2018-19, General Fund operating expenditures are projected to be \$5,451,428, which reflects growth of \$165,138, or 3.1%, over the Fiscal Year 2017-18 estimate.

An additional \$438,188 for Fiscal Year 2017-18 and \$169,817 for Fiscal Year 2018-19 is budgeted to support the following non-operating expenditures and transfers to the Capital Projects Funds:

Fiscal Year 2017-18

- City Hall Restroom Repair and Improvement Project (Construction)
- City Hall Refurbishment and Safety Project: Phase 1 (Design)
- Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)
- Complete Streets Assessment
- Permitting Software
- 800 MHz Countywide Coordinated Communications System Upgrades (required by the Orange County Remote Access Network Board)
- Automated Fingerprint Identification System Reserve Contribution (required by the Orange County Chiefs' of Police and Sheriff's Association)

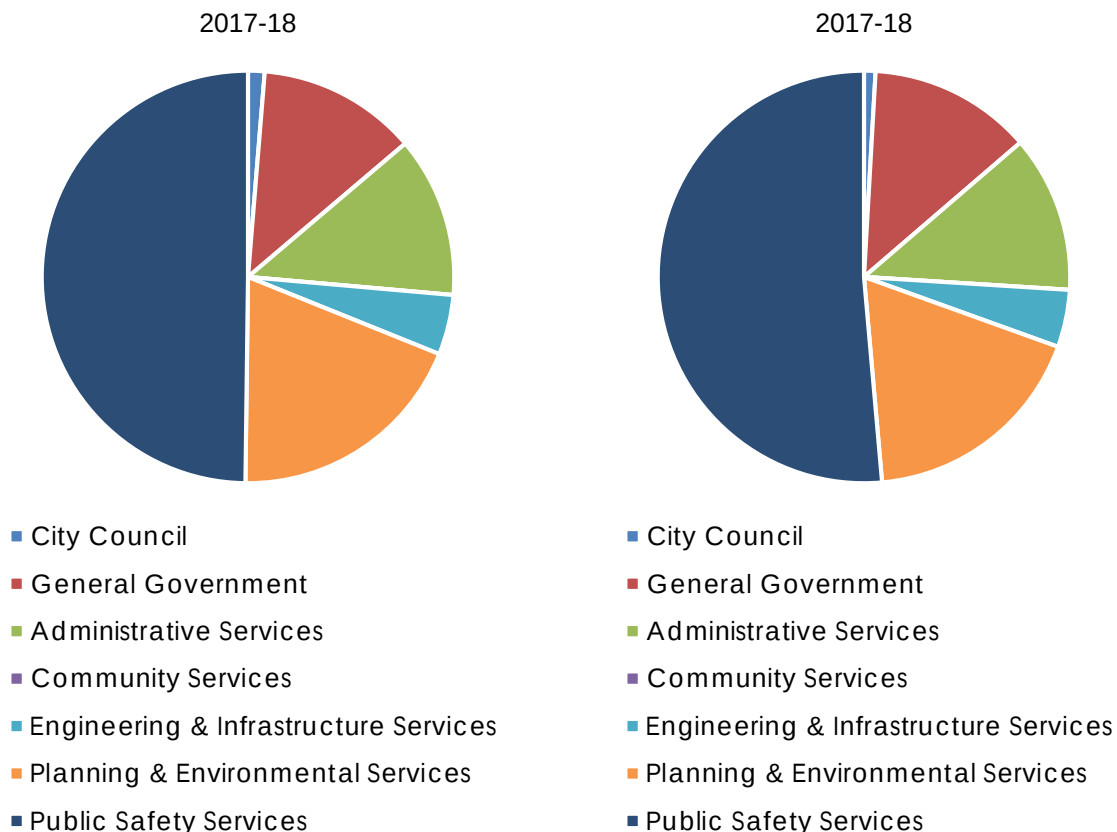
Fiscal Year 2018-19

- City Hall Refurbishment and Safety Project: Phase 1 (Construction)
- Automated Fingerprint Identification System Reserve Contribution (required by the Orange County Remote Access Network Board)
- 800 MHz Countywide Coordinated Communications System Upgrades (required by the Orange County Remote Access Network Board)

The primary causes of General Fund operating expenditure increases for both fiscal years are modest, inflationary-type increases for most line items and more significant increases for law enforcement services. The departments with the largest General Fund operating expenditures are projected to be public safety services; planning and environmental services; and, general government. All departments are projected to maintain relative proportionality.

Note: Non-operating expenditures and transfers to the Capital Projects Fund are excluded from the “operating expenditures” calculations in this budget.

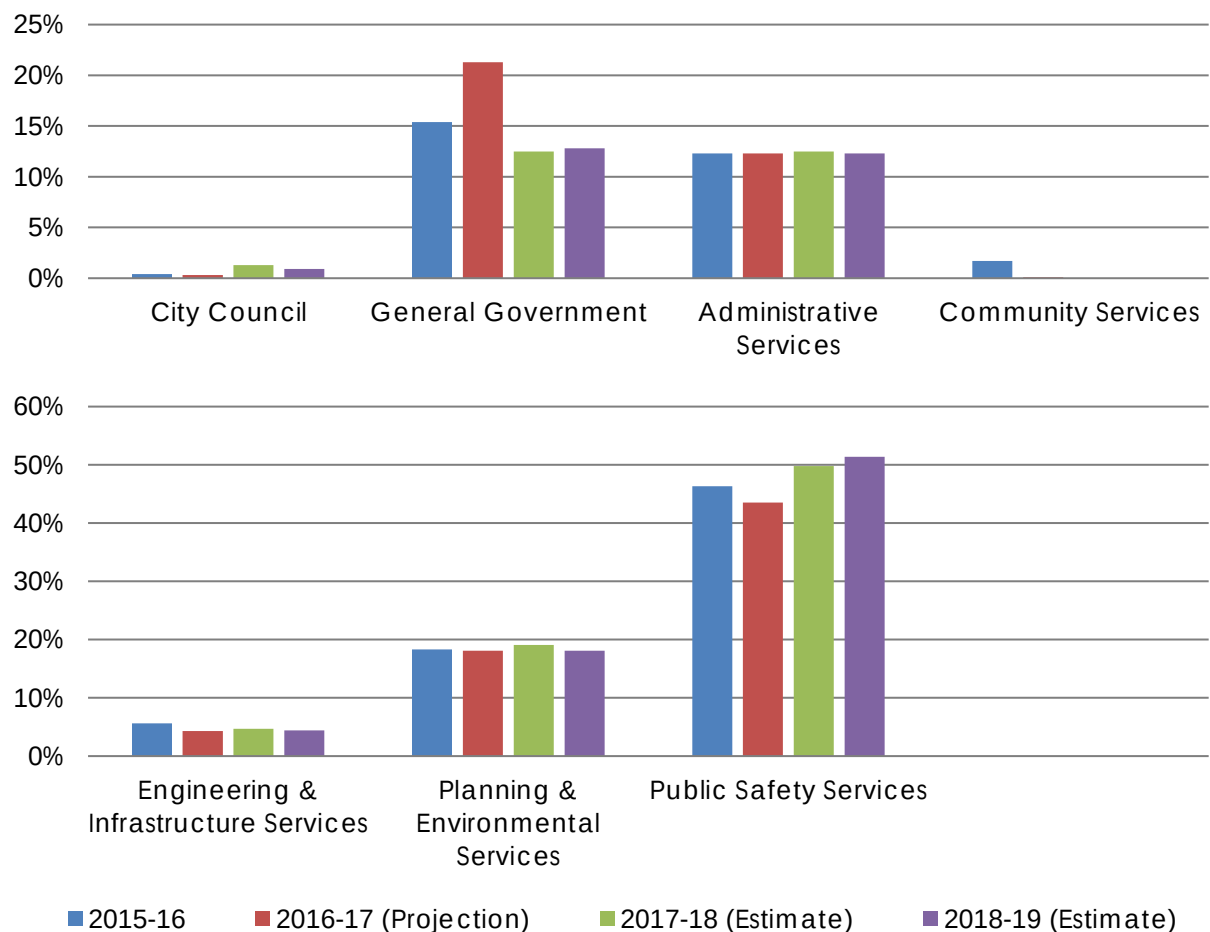
*[General Fund Operating Expenditure Projections by Department
– Fiscal Years 2017-19]*



General Fund Department	Percent of Adopted Budget Estimate (Fiscal Year 2017-18)	Percent of Adopted Budget Estimate (Fiscal Year 2018-19)
City Council	1.3%	0.9%
General Government	12.5%	12.8%
Administrative Services	12.6%	12.3%
Community Services	0.0%	0.0%
Engineering & Infrastructure Services	4.7%	4.5%
Planning & Environmental Services	19.1%	18.1%
Public Safety Services	49.8%	51.4%

Historical Comparison

*[Historical General Operating Expenditures by Department
– Fiscal Years 2014-15 through 2018-19]*



General Fund Department	Percent of Actual Year-End (Fiscal Year 2015-16)	Percent of Projected Year-End (Fiscal Year 2016-17)
City Council	0.4%	0.3%
General Government	15.4%	21.3%
Administrative Services	12.3%	12.3%
Community Services	1.7%	0.1%
Engineering & Infrastructure Services	5.6%	4.3%
Planning & Environmental Services	18.3%	18.1%
Public Safety Services	46.3%	43.6%

General Fund Department	Percent of Adopted Budget Estimate (Fiscal Year 2017-18)	Percent of Adopted Budget Estimate (Fiscal Year 2018-19)
City Council	1.3%	0.9%
General Government	12.5%	12.8%
Administrative Services	12.6%	12.3%
Community Services	0.0%	0.0%
Engineering & Infrastructure Services	4.7%	4.5%
Planning & Environmental Services	19.1%	18.1%
Public Safety Services	49.8%	51.4%

Employee Salaries, Taxes, and Benefits

While employee salaries, taxes, and benefits relate to multiple departments within the General Fund, discussion is consolidated in this section for ease of reference. Additional organizational information is included in Chapter 2.0.

Salaries and Benefits

Compensation schedules and benefits are approved by the City Council at duly noticed public meetings. In addition to base salaries, full-time employees generally receive a monthly benefit allowance (which, irrespective of the cost to employees, limits the City's contributions toward medical, dental, and vision coverage), paid time off, paid holidays, and retirement benefits. Long-term disability insurance was provided from 2004 until its elimination at the end of Fiscal Year 2016-17. The City has also reformed its paid time off accrual policies

to reduce the prospective cost of employee compensation for accumulated balances, beginning on January 1, 2018.

The City's annual base salary ranges, most recent employee compensation and benefits resolutions, and the City Manager's employment agreement are available at City Hall and on the City's website (www.cityoflagunawoods.org > click on "Transparency & Public Records").

This budget does not envision any changes to the compensation schedule or benefits for non-contract employees, nor to the terms of the City Manager's employment agreement. It does not include any new positions and allows for only minimal ability for movement by employees within existing salary ranges.

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). Qualified employees hired prior to January 1, 2013, or otherwise eligible in accordance with to the Public Employees' Pension Reform Act of 2013 ("PEPRA"), are considered "classic" members and are enrolled in a "2% at age 55" plan. Classic members contribute 7% of their annual covered salary. Qualified employees hired on or after January 1, 2013, and not considered "classic" members ("new/PEPRA members"), are enrolled in a "2% at age 62" plan and contribute a variable percentage of their annual covered salary, in accordance with PEPRA. The new/PEPRA employee contribution rate is 6.75% for Fiscal Year 2017-18 and expected to increase for Fiscal Year 2018-19.

CalPERS produces an annual valuation report for each city's pension plans based on information available as of June 30 of the preceding year. The City's expenditure appropriations for employer contributions to CalPERS are based on the information contained in the most current valuation reports. Current and prior valuation reports are available at City Hall and on CalPERS' website (www.calpers.ca.gov > search "Public Agency Actuarial Valuation Reports" > search "Laguna Woods City" in the "Name" field).

The City makes annual required contributions to CalPERS that are based on a variety of assumptions including, but not limited to, rates of return on pooled investments managed by CalPERS. The difference between the sum of the City's annual required contributions and the total projected cost of earned pension benefits is referred to as "unfunded accrued liability ("UAL")."

The City's most current valuation reports are based on information as of June 30, 2015. The City's total UAL was calculated at \$486,899. In May 2017, the City paid off the entirety of its then-calculated UAL. That action is expected to save the City upwards of \$500,000 over the next 30 years, including \$24,275 in Fiscal Year 2017-18 and at least \$33,102 in Fiscal Year 2018-19.

On December 21, 2016, the CalPERS Board of Administration voted to lower CalPERS' assumed rate of return on pooled investments from 7.5 to 7%, over a three-year period, beginning in Fiscal Year 2017-18. CalPERS advised that cities should anticipate increases of up to 3% in annual required contributions over that three-year period, as well as increases of up to 40% in unfunded accrued liability. It has also been suggested that the assumed rate of return may be further reduced, resulting in even greater increases. The City's May 2017 UAL pay-off will significantly mitigate the associated fiscal impacts. The City's budget policies also call for consideration of additional UAL payments at least as often as each two-year budget development process.

*[CalPERS Employer Normal Costs and Unfunded Liability Payments
– Classic Members – Fiscal Years 2014-15 through 2018-19]*

	Fiscal Year 2014-15 (Valuation as of June 30, 2012)	Fiscal Year 2015-16 (Valuation as of June 30, 2013)	Fiscal Year 2016-17 (Valuation as of June 30, 2014)	Fiscal Year 2017-18 (Valuation as of June 30, 2015)	Fiscal Year 2018-19 (Valuation as of June 30, 2015)
<i>Classic Members</i>					
Employer Normal Cost Rate (% of Each Salary)	9.154%	9.344%	9.476%	9.517%	9.5% (Projected)
Annual Required Employer Payment of UAL	3.208%	\$15,072	\$18,622	\$0	\$0 (Projected)
Elective Lump Sum Employer Payment of UAL	-	-	\$483,069	-	-

*[CalPERS Employer Normal Costs and Unfunded Liability Payments
– New/PEPRA Members – Fiscal Years 2014-15 through 2018-19]*

	Fiscal Year 2014-15 (Valuation as of June 30, 2012)	Fiscal Year 2015-16 (Valuation as of June 30, 2013)	Fiscal Year 2016-17 (Valuation as of June 30, 2014)	Fiscal Year 2017-18 (Valuation as of June 30, 2015)	Fiscal Year 2018-19 (Valuation as of June 30, 2015)
<i>New/PEPRA Members</i>					
Employer Normal Cost Rate (% of Each Salary)	6.550%	6.570%	6.649%	6.628%	6.6% (Projected)
Annual Required Employer Payment of UAL	-	-	-	\$0	\$0 (Projected)
Elective Lump Sum Employer Payment of UAL	-	-	\$149	-	-

[Total CalPERS Employer Contributions – Fiscal Years 2014-15 through 2018-19]

	Fiscal Year 2015-16 Actual	Fiscal Year 2016-17 Projected	Fiscal Year 2017-18 Projected	Fiscal Year 2018-19 Projected
<i>All Members</i>				
Total Employer Contributions	\$64,900	\$78,288	\$65,471	\$69,298
Percent of General Fund Operating Budget	1.237%	1.498%	1.238%	1.271%
Elective Lump Sum Employer Payment of UAL	-	\$483,218	-	-

Payroll Taxes (Social Security, Medicare, and State Unemployment Insurance)

The City participates in Social Security and Medicare programs, which provide retirement and health benefits to qualified employees beginning as early as

age 62. All employees pay the full employee contribution and the City pays an equivalent employer contribution, which for calendar year 2017 is 6.2% on the first \$127,200 of earnings for Social Security and 1.45% on all earnings for Medicare. Social Security contributions account for approximately 97% of total payroll taxes paid by the City. Total costs for Social Security are projected to be \$57,678 for Fiscal Year 2017-18 and \$57,853 for Fiscal Year 2018-19.

The City also participates in the State of California's Unemployment Insurance program, which provides temporary financial assistance to qualified persons who have separated from employment. The City pays a rate established by the State, which is currently 2.5% on the first \$7,000 of earnings.

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. Rates are established by State law with the monthly cost for the 2017 calendar year set at \$112 per qualified, retired employee. The City's costs are projected to increase to \$113 per month, per qualified retiree for Fiscal Year 2017-18 and \$126 per month, per qualified retiree in Fiscal Year 2018-19.

An actuarial study completed in April 2016 calculated the City's unfunded liability for retiree medical other post-employment benefits ("OPEB") at \$75,638 as of July 1, 2016. In Fiscal Year 2015-16, the City established an irrevocable 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 OPEB trust allows the City to proactively manage future costs and reduce unfunded liabilities.

This budget and work plan does not include any new contributions to the OPEB trust. The next actuarial study will be completed for Fiscal Year 2017-18, after which additional contributions may be necessary to maintain a funding level of at least 80% of the recalculated unfunded liability.

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 the County of Orange's 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 either the County of Orange's or OCERS' decision-making. The City's ability to project future law enforcement costs is further limited as the County of Orange does not provide long-term projections that separately identify pension costs with amortized unfunded liabilities.

GENERAL FUND EXPENDITURES BY DEPARTMENT

For additional information on the role, responsibilities, and staffing for each City department, please refer to Chapter 2.0.

City Council Department

Notable Changes from Prior Years

- The City Council Contingency line item has an appropriation of \$50,000 for Fiscal Year 2017-18 and \$25,000 for Fiscal Year 2018-19. In Fiscal Year 2018-19, \$25,000 has been reallocated to fund municipal election costs. There is no municipal election scheduled for Fiscal Year 2017-18.
- As a cost control measure, no budget is provided for City Council travel, meetings, or conferences that require air travel.

General Government Department

Notable Changes from Prior Years

- Funds are included for the City's dues for the League of California Cities, the Southern California Association of Governments ("SCAG"), the Orange County Council of Governments ("OCCOG"), and the Orange County Local Agency Formation Commission ("OCLAFCO").
- Funds are included for various City staff memberships in professional organizations, including the City Clerk's Association of California, the California Society of CPAs, and the American Institute of CPAs. As a cost control measure, the City Manager has waived his membership in the International City/County Management Association.
- As a cost control measure, no budget is provided for City staff travel, meetings, or conferences that require air travel, or for attendance at League of California Cities conferences, regardless of location.
- \$25,000 has been allocated from the City Council Contingency to fund municipal election costs in Fiscal Year 2018-19.
- Cost savings associated with the City's May 2017 CalPERS UAL pay-off are reflected in this department. For additional discussion of CalPERS-related expenditures, please refer to page 114.

- Maintenance costs for City Hall continue to increase, with most of the increase attributable to deterioration of the facility over time. Several capital improvement projects are included in the capital improvement program with the intention of making necessary repairs and ensuring that City Hall remains safe, accessible, and well-maintained. As a cost control measure, routine pest control service at City Hall was eliminated in Fiscal Year 2016-17 and has not been reinstated in this budget. Pest control is now contracted for on an as-needed basis.
- As cost control measures, City Hall's Internet speed has been reduced and telephone service has been converted to a new fiber plan.
- Landscaping costs for the City's parks continue to increase, with most of the increase attributable to "A Place for Paws" Dog Park. As a cost control measure, park landscape inspection services were eliminated in Fiscal Year 2016-17 and have not been reinstated in this budget. Park landscape inspection is now being regularly handled by City staff.

Administrative Services Department

Notable Changes from Prior Years

- Information technology costs have increased by more than 25% due to operational, software, and computer server changes. One contributing factor is the installation and maintenance of a new computer server to support new financial and permitting software, as well as conversion of an existing computer server to function as an emergency back-up.
- As a result of reorganization and the implementation of new accounting processes and procedures, costs for financial consulting services have been reduced by more than 20%.
- As a cost control measure, the City held the part-time Customer Service Representative position vacant in Fiscal Year 2016-17. The position has not been reinstated in this budget.

Community Services Department

Notable Changes from Prior Years

- The Fiscal Year 2016-17 budget included a \$5,000 contribution to establish the Laguna Woods Civic Support Fund. No additional contributions to the Laguna Woods Civic Support Fund are included in this budget.
- Beginning in Fiscal Year 2016-17, the City enhanced the events offered at City Hall by entering into partnerships that allow for participation in new events and programming. As a result of increased weekday offerings, the

City has been able to reduce overtime and other costs associated with events and programming formerly held on weekends.

Engineering & Infrastructure Services Department

Notable Changes from Prior Years

- As a cost control measure, right-of-way landscape inspection services were eliminated in Fiscal Year 2016-17 and have not been reinstated in this budget. Right-of-way landscape inspection is now being regularly handled by City staff.
- The City's required Maintenance of Effort expenditures to remain eligible to receive Measure M2 funds will increase from \$84,173 in Fiscal Year 2016-17 to \$92,255 in Fiscal Year 2017-18 and \$93,008 in Fiscal Year 2018-19. Maintenance of Effort requirements will be satisfied with expenditures including direct administration, public street sweeping services, right-of-way tree pruning services, and right-of-way irrigation.
- Non-Operating Expenditure: The Fiscal Year 2017-18 budget includes \$12,500 to perform a Complete Streets Assessment. For more information, please refer to Significant Work Plan Item #4 on page 21.

Planning & Environmental Services Department

Notable Changes from Prior Years

- Contract staffing for building permitting and inspection continues to be enhanced to meet demand. Information on contract staffing levels and costs is available in the *Building and Planning Services Fee Study*.
- As a cost control measure, the Sharps Waste Mail Back Collection Program has been discontinued. The City continues to accept home-generated sharps waste from residents, at City Hall, at no charge.
- Non-Operating Expenditure: The Fiscal Year 2017-18 budget includes \$37,500 to implement permitting software. For more information, please refer to Significant Work Plan Item #10 on page 23.

Public Safety Services Department

Notable Changes from Prior Years

- The Fiscal Year 2016-17 budget included a transfer of \$20,700 from the City Council Contingency to the Public Safety Services Department to support the analysis of potential strategies and actions to address increasing law enforcement costs. No additional transfers are included

in this budget; however, it is possible that a need may arise based on the outcomes of the analysis that is currently underway.

- Non-Operating Expenditure: All cities that contract with the Orange County Sheriff's Department participate in the 800 MHz Countywide Coordinated Communications System ("CCCS"). In Fiscal Year 2016-17, the Orange County Chiefs' of Police and Sheriff's Association approved new encryption standards with one-time equipment modification costs estimated to total \$8,979 in Fiscal Year 2017-18. An additional \$20,852 in Fiscal Year 2017-18 and \$2,907 in Fiscal Year 2018-19 will also be required to fund one-time CCCS "Next Generation" upgrade costs.
- All cities that contract with the Orange County Sheriff's Department participate in the Automated Fingerprint Identification System ("AFIS"), which is governed by the Orange County Remote Access Network Board. Beginning in Fiscal Year 2017-18, monthly AFIS cost-share charges will increase by 23.1%, from \$456 to \$597.
 - Non-Operating Expenditure: In addition to monthly AFIS cost-share charges, the City will also be required to contribute \$1,910 to a new AFIS reserve in both fiscal years 2017-18 and 2018-19.
- Law enforcement services represent the single largest expenditure in the General Fund operating budget, at 50.5% or \$2,642,047 in Fiscal Year 2016-17, 49.3% or 2,603,724 in Fiscal Year 2017-18, and 51.0% or 2,777,974 in Fiscal Year 2018-19, based on gross contract value.
 - On September 6, 2016, the Orange County Board of Supervisors approved a new, multi-year memorandum of understanding with the Association of Orange County Deputy Sheriffs. The result was a \$49,927 increase in costs for Fiscal Year 2016-17 and increases in base costs that will affect future contracts. The City had no role in reviewing or approving the memorandum of understanding.
 - While the City was able to moderate costs in Fiscal Year 2017-18 through a reduction of one-half of a formerly full-time investigator position, future costs are expected to continue to increase at an unsustainable rate, significantly in excess of inflation. Without the staffing reduction, the City's costs for maintaining the existing level of service would have increased approximately 4.5%, or \$119,000. Costs for Fiscal Year 2018-19 are projected to increase by 6.69%, or \$174,250, in addition to CCCS and AFIS charges, as well as future salary, benefit, and operational increases that the Orange County Board of Supervisors may approve.

- The budget assumes a funding offset from the Supplemental Law Enforcement Services Account (“SLESA”), distributed by the State of California of \$119,300 in Fiscal Year 2017-18 and \$123,500 in Fiscal Year 2018-19. SLESA funds are accounted for in the Special Revenue Funds section of the budget (see Chapter 8.0).
- The budget assumes a cost savings of \$6,509 in Fiscal Year 2017-18 and \$6,945 in Fiscal Year 2018-19, due to early payment discounts.

CAPITAL PROJECTS FUND REVENUE

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. All Capital Projects Fund revenue is transferred from the unassigned General Fund balance.

Additional funding for capital improvement purposes is also budgeted in Special Revenue Funds and discussed separately in Chapter 8.0.

CAPITAL PROJECTS FUND EXPENDITURES

Capital Projects Fund expenditures are considered to be non-operating and projected to be \$365,426 for Fiscal Year 2017-18 and \$165,000 for Fiscal Year 2018-19. All expenditures relate to the implementation of the City’s Capital Improvement Program (“CIP”), specifically, the capital improvement projects listed below. For additional information on the CIP, please refer to Chapter 4.0.

Fiscal Year 2017-18

- City Hall Restroom Repair and Improvement Project (Construction)
- City Hall Refurbishment and Safety Project: Phase 1 (Design)
- Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)

Fiscal Year 2018-19

- City Hall Refurbishment and Safety Project: Phase 1 (Construction)

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>GENERAL FUND</u>				
Property Tax	2,272,000	2,272,000	2,448,200	2,543,000
Property Transfer Tax	90,000	90,000	95,900	99,600
Sales Tax:				
Regular	932,000	932,000	803,200	832,100
One-Time	-	-	-	-
Franchise Fees	591,000	591,000	623,800	628,100
Transient Occupancy Tax	467,000	467,000	461,800	468,900
Development Processing Fees	671,000	671,000	707,300	723,900
Interest	48,000	48,000	51,200	51,700
Miscellaneous	190,000	190,000	182,200	194,300
Total General Fund	5,261,000	5,261,000	5,373,600	5,541,600
Less: One-Time Sales Tax	-	-	-	-
Total General Fund (ongoing revenues)	5,261,000	5,261,000	5,373,600	5,541,600
Plus: INTER-FUND TRANSFERS	-	467,451	-	-
TOTAL GENERAL FUND (including inter-fund transfers and one-time revenues)	5,261,000	5,728,451	5,373,600	5,541,600

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>CAPITAL PROJECTS FUND:</u>				
Capital Projects	137,240	137,240	365,426	165,000
TOTAL CAPITAL PROJECTS FUND	137,240	137,240	365,426	165,000
TOTAL REVENUE - GENERAL FUNDS	5,398,240	5,865,691	5,739,026	5,706,600
Less: INTER-FUND TRANSFERS	90,300	557,751	365,426	165,000
TOTAL NET ONGOING REVENUE	5,307,940	5,307,940	5,373,600	5,541,600

CITY OF LAGUNA WOODS
Fiscal Years 2017-19 Expenditures Detail - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>GENERAL FUND</u>				
City Council				
<u>General Expenses</u>				
Mileage and Parking	500	500	500	500
Travel, Conferences, and Meetings	5,952	5,952	4,203	5,067
<u>City Council Contingency</u>				
City Council Contingency	50,000	7,300	50,000	25,000
<u>Compensation</u>				
Monthly Compensation	14,400	14,400	16,200	18,000
Payroll Taxes	-	-	1,414	1,552
Total City Council	70,852	28,152	72,317	50,119
General Government				
<u>General Expenses</u>				
Community Outreach	2,500	2,500	2,500	2,559
Insurance	82,710	82,710	89,746	91,951
Legal Services	153,900	153,900	153,900	153,900
Meeting Accessibility Services	5,508	5,508	5,508	5,508
Memberships and Dues	15,339	15,339	17,609	17,887
Mileage and Parking	1,000	1,000	1,000	1,000
Office Equipment & Maintenance	12,456	34,456	13,807	13,960
Non-Operating	-	45,000	-	-
Office Supplies & Activities	9,750	9,750	9,750	9,865
Postage	3,500	3,500	3,500	3,500
Printing	1,000	1,000	1,012	1,036
Public Notices	6,500	6,500	5,614	5,680
Travel, Conferences, and Meetings	7,775	7,775	4,434	900
Other Projects and Services	8,600	8,600	2,500	2,500
Non-Operating	-	483,218	-	-
<u>Election Expenses</u>				
City Council Election	25,000	25,000	-	25,000

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Detail - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>City Hall Expenses</u>				
Janitorial Services, City Hall	10,590	10,590	10,814	11,464
Maintenance, City Hall	33,124	33,124	44,570	42,780
Non-Operating	-	89,494	-	-
Telephones, City Hall	16,794	16,794	17,596	18,009
Utilities, Electric, City Hall	20,342	20,342	17,307	17,714
Utilities, Gas, City Hall	501	501	783	801
Utilities, Water, City Hall	1,539	1,539	1,876	1,920
<u>Compensation & Benefits</u>				
Salaries, Full-time	181,681	181,681	174,208	176,821
Salaries, Part-time	39,886	39,886	39,886	39,886
Fringe Benefits	12,000	12,000	12,000	12,000
Supplemental Allowances	2,754	2,754	3,708	3,708
Payroll Taxes	13,498	13,498	13,801	13,839
Non-Operating	60,000	60,000	-	-
Retirement (Employer Contribution)	20,940	20,940	16,579	17,682
Benefit Administration	1,858	1,858	1,889	1,942
Long-term Disability	351	351	-	-
Retiree Medical (Employer Contribution)	3,783	3,783	4,140	4,536
Total General Government	755,179	1,394,891	670,037	698,348
Administrative Services				
<u>General Expenses</u>				
Audit Services	20,700	20,700	21,320	21,960
Information Technology Services	17,739	17,739	26,527	24,927
Finance and Payroll Services	95,693	95,693	74,967	74,967
Non-Operating	-	82,329	-	-
Records Management Services	11,660	11,660	11,660	11,660
Website Services	2,900	2,900	3,600	3,600
Other Projects & Services	3,500	3,500	3,500	3,500
<u>Compensation & Benefits</u>				
Salaries, Full-time	402,104	402,104	403,714	403,714
Salaries, Part-time	15,912	15,912	-	-
Fringe Benefits	60,000	60,000	60,000	60,000
Payroll Taxes	30,817	30,817	31,451	31,451

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Detail - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
Retirement (Employer Contribution)	44,103	44,103	35,496	37,435
Long-term Disability	3,707	3,707	-	-
Total Administrative Services	708,835	791,164	672,235	673,214
Community Services				
<u>General Expenses</u>				
Channel 31 Programming	3,057	3,057	-	-
Community Recreation Events	950	950	250	250
<u>Civic Support Fund</u>				
Civic Support Fund Establishment	5,000	5,000	-	-
<u>Compensation & Benefits</u>				
Salaries	3,378	3,378	500	500
Payroll Taxes	258	258	38	38
Retirement (Employer Contribution)	225	225	-	-
Total Community Services	12,868	12,868	788	788
Engineering & Infrastructure Services				
<u>General Expenses</u>				
Engineering Services	7,500	7,500	-	-
Non-Operating	-	26,900	12,500	-
Landscaping Services	60,131	60,131	39,991	40,656
Landscaping Services, M2 Maintenance of Effort	84,173	84,173	92,255	93,008
Maintenance, Catch Basins	2,800	2,800	2,800	2,819
<u>Utilities</u>				
Utilities, Street Lights, Residential	33,696	33,696	34,084	34,304
<u>Compensation & Benefits</u>				
Salaries, Full-time	36,380	36,380	48,184	48,184
Fringe Benefits	12,000	12,000	12,000	12,000
Payroll Taxes	5,566	5,566	6,165	6,165
Retirement (Employer Contribution)	4,838	4,838	5,190	5,560
Long-term Disability	897	897	-	-
Total Engineering & Infrastructure Services	247,981	274,881	253,169	242,696

CITY OF LAGUNA WOODS
Fiscal Years 2017-19 Expenditures Detail - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
Planning & Environmental Services				
<u>General Expenses</u>				
Building Services	526,900	526,900	636,196	636,196
Building Services, Printing	1,800	1,800	1,000	1,000
Building Services, Publications	1,000	1,000	1,800	1,800
Code Enforcement Services	40,592	40,592	36,428	36,428
Community Waste Events and Collections	53,550	53,550	38,174	38,174
Planning Services	15,000	15,000	15,000	15,000
Non-Operating	-	265,516	37,500	-
Waste Management Services	35,000	35,000	35,000	35,000
Water Quality Services	99,677	99,677	104,093	106,406
<u>Compensation & Benefits</u>				
Salaries, Full-time	88,712	88,712	86,213	86,213
Community Events	5,320	5,320	2,745	2,745
Fringe Benefits	12,000	12,000	12,000	12,000
Payroll Taxes	6,786	6,786	6,770	6,770
Community Events	407	407	210	210
Retirement (Employer Contribution)	8,406	8,406	8,205	8,621
Community Events	504	504	-	-
Long-term Disability	897	897	-	-
Total Planning & Environmental Services	896,551	1,162,067	1,021,334	986,563
Public Safety Services				
<u>General Expenses</u>				
Animal Services	105,516	105,516	108,842	113,909
Law Enforcement Services	2,508,685	2,508,685	2,535,219	2,683,444
Non-Operating	7,743	28,443	22,762	4,817
Other Public Safety Services	2,046	2,046	2,347	2,348
Total Public Safety Services	2,623,990	2,644,690	2,669,170	2,804,518
Inter-Fund Transfers				
<u>Inter-Fund Transfers</u>				
Transfer to Capital Projects	90,300	90,300	365,426	165,000
Transfer to Special Revenue Funds	-	390,121	-	-
Total Inter-Fund Transfers	90,300	480,421	365,426	165,000
Subtotal General Fund Operating Expenditures	5,248,513	5,227,811	5,286,288	5,451,429

CITY OF LAGUNA WOODS
Fiscal Years 2017-19 Expenditures Detail - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
Non-Operating Expenditures Subtotal	67,743	1,080,900	72,762	4,817
Transfer to Capital Projects Subtotal	90,300	90,300	365,426	165,000
Transfer to Special Revenue Funds Subtotal	-	390,121	-	-
Subtotal General Fund Non-Operating Expenditures and Inter-Fund Transfers	158,043	1,561,321	438,188	169,817
TOTAL GENERAL FUND EXPENDITURES	5,406,556	6,789,134	5,724,476	5,621,246
<u>CAPITAL PROJECTS FUND</u>				
Capital Projects	137,240	161,989	365,426	165,000
TOTAL CAPITAL PROJECTS FUND	137,240	161,989	365,426	165,000
TOTAL ALL GENERAL FUND EXPENDITURES	5,543,796	6,951,123	6,089,902	5,786,246

<u>Non-Operating Detail</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>
ENGINEERING & INFRASTRUCTURE SERVICES		
Complete Streets Assessment	12,500	-
PLANNING & ENVIRONMENTAL SERVICES		
Permitting Software	37,500	-
PUBLIC SAFETY SERVICES		
800 MHz Countywide Coordinated Communications System Upgrades	20,852	2,907
Automated Fingerprint Identification System Reserve Contribution	1,910	1,910
TOTAL	72,762	4,817

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Expenditures Detail - General Fund

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>Transfer to Capital Projects Detail</u>			<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>
City Hall Restroom Repair and Improvement Project (Construction)			283,363	-
City Hall Refurbishment and Safety Project: Phase 1 (Design)			22,500	-
Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)			59,563	-
City Hall Refurbishment and Safety Project: Phase 1 (Construction)			-	165,000
TOTAL			365,426	165,000
<u>Fiscal Year 2017-18 Carryovers from Fiscal Year 2016-17 (Anticipated; subject to change)</u>				
Financial Software Replacement			Unexpended balance at year-end	
Payroll Tax Reconciliations			Unexpended balance at year-end	
Commercial Zoning Code Uses and Parking Standards Update			Unexpended balance at year-end	
General Plan Comprehensive Update			Unexpended balance at year-end	
El Toro Road Traffic Signal Synchronization Project			Unexpended balance at year-end	
Moulton Parkway Traffic Signal Synchronization Project			Unexpended balance at year-end	
Moulton Parkway Water Efficient Median Improvement Project (Design)			Unexpended balance at year end	
Moulton Parkway Water Efficient Median Improvement Project (Construction)			Unexpended balance at year end	
City Hall Restroom Repair and Improvement Project (Design)			Unexpended balance at year end	

8.0. CITY BUDGET DETAIL, **SPECIAL REVENUE FUNDS**

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

SPECIAL REVENUE FUNDS SUMMARY

The City uses Special Revenue Funds to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes. This budget accounts for financial activity within Special Revenue Funds using the governmental funds listed below.

The City classifies its Special Revenue Funds as either primarily relating to transportation, public safety, the environment, or community services. These classifications are intended to organize similar funding for ease of reference.

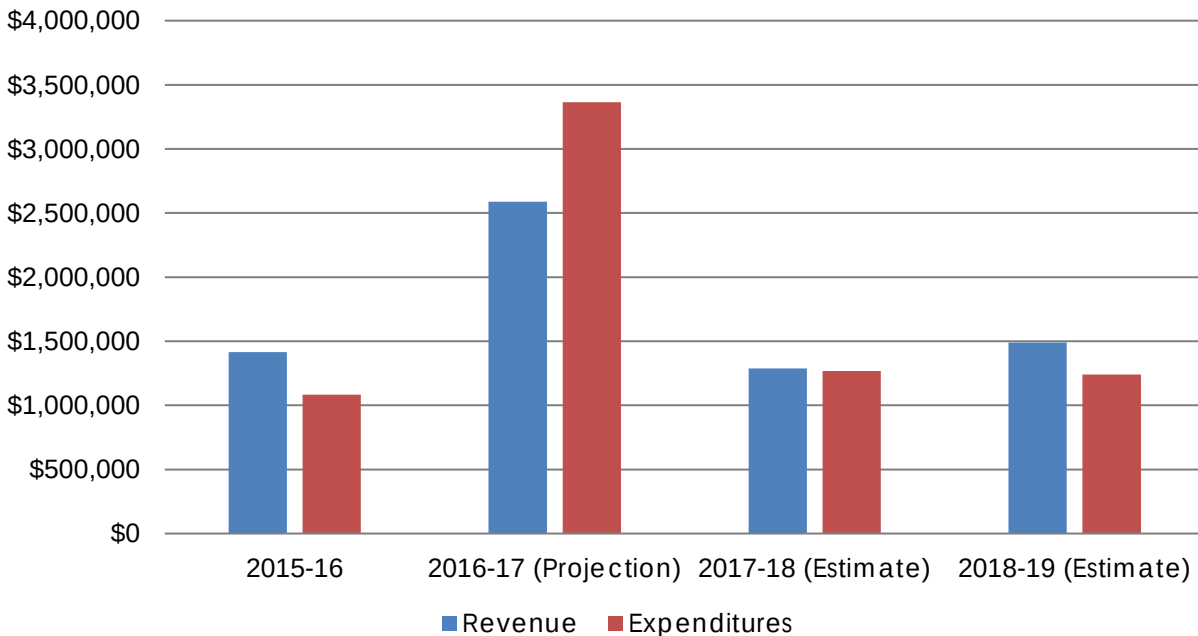
[Special Revenue Funds Structure – Fiscal Years 2017-19]

Special Revenue Funds

- *Transportation Funds*
 - Fuel Tax
 - Road Maintenance & Rehabilitation Program
 - Measure M2
 - Coastal Area Road Improvement and Traffic Signals (CARITS)
- *Public Safety Funds*
 - Supplemental Law Enforcement Services
- *Environmental Funds*
 - Mobile Source Reduction
 - Beverage Container Recycling
 - Used Oil/Oil Payment Program
- *Community Services Funds*
 - PEG/Cable Television
 - Senior Mobility
 - Community Development Block Grant (CDBG)

Historical Comparison

*[Historical Special Revenue Funds Revenue and Expenditures
– Fiscal Years 2015-16 through 2018-19]*



Fiscal Year	Revenue Estimate	Expenditure Estimate
2015-16	\$1,415,145	\$1,084,072
2016-17 (Projection)	\$2,589,115	\$3,365,003
2017-18 (Estimate)	\$1,287,700	\$1,267,904
2018-19 (Estimate)	\$1,490,700	\$1,241,292

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

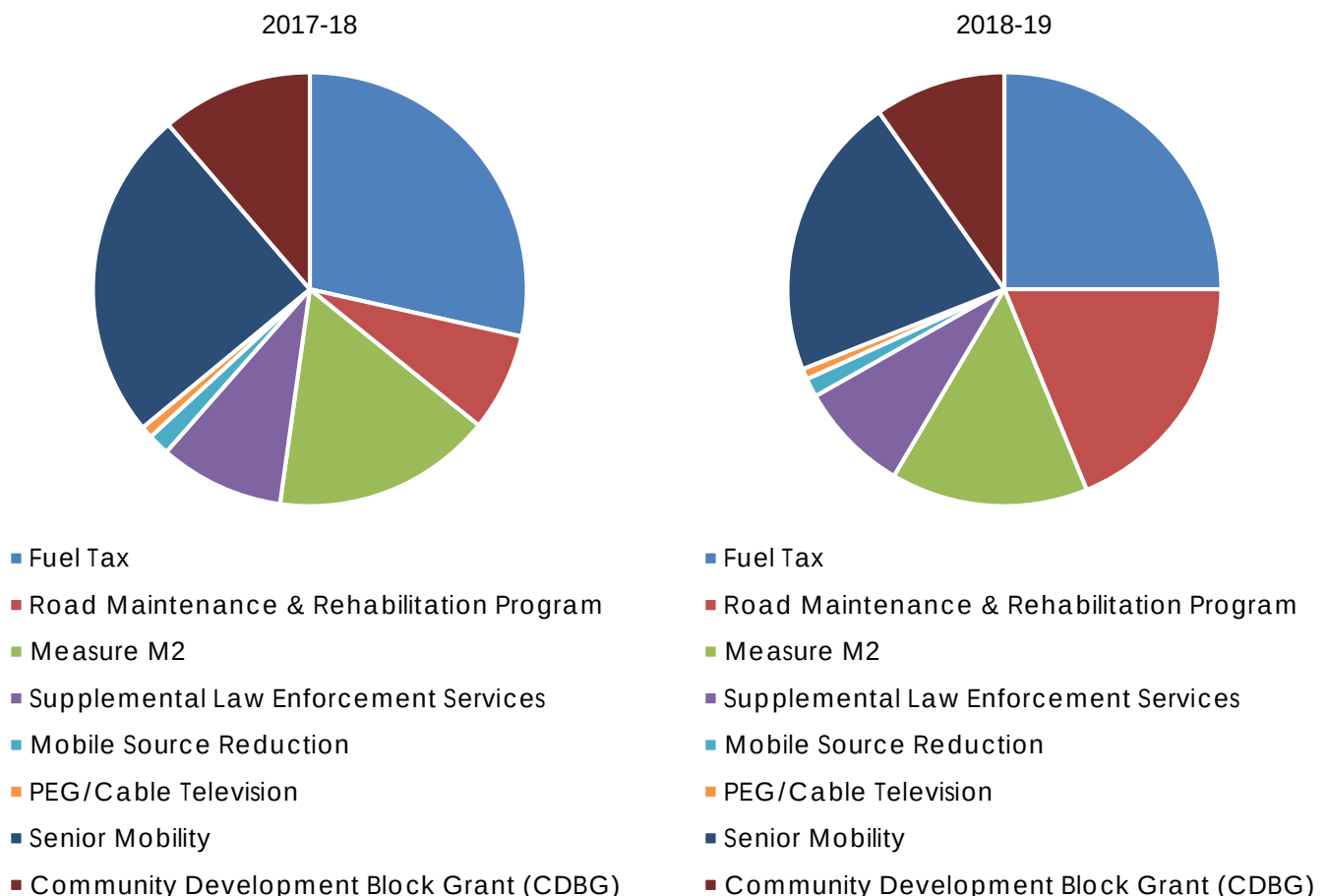
SPECIAL REVENUE FUNDS REVENUE SUMMARY

Total revenue for Special Revenue Funds for Fiscal Year 2017-18 is estimated to be \$1,287,700, or 50.3% less than year-end estimates for Fiscal Year 2016-17. In Fiscal Year 2018-19, total revenue for Special Revenue Funds is estimated to be \$1,490,700, which reflects growth of \$203,000, or 15.8%, over the Fiscal Year 2017-18 estimate.

The differences in estimated revenue for both fiscal years can be attributed to variety of contributing factors, including the receipt of new funding from the Road Repair and Accountability Act of 2017 (“Senate Bill 1”). Revenue in Fiscal Year 2016-17 was higher than typical due to limited-term reimbursements for expenditures related to the El Toro Road and Moulton Parkway traffic signal synchronization projects, which also accounts for the significant difference in Measure M2 between fiscal years 2016-17 and 2017-18.

The three largest sources of revenue for Special Revenue Funds are 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, maintenance, and construction of public roads and right-of-way, account for approximately 50% of total revenue for Special Revenue Funds.

[Special Revenue Fund Revenue Estimates by Source – Fiscal Years 2017-19]



Special Revenue Funds Revenue Source	Percent of Adopted Budget Estimate (Fiscal Year 2017-18)	Percent of Adopted Budget Estimate (Fiscal Year 2018-19)
Fuel Tax	28.5%	25.0%
Road Maintenance & Rehabilitation Program	7.3%	18.8%
Measure M2	16.4%	14.7%
Supplemental Law Enforcement Services	9.3%	8.3%
Mobile Source Reduction	1.6%	1.4%
PEG/Cable Television	0.9%	0.8%
Senior Mobility	24.7%	21.2%
Community Development Block Grant (CDBG)	11.3%	9.8%

SPECIAL REVENUE FUNDS EXPENDITURE SUMMARY

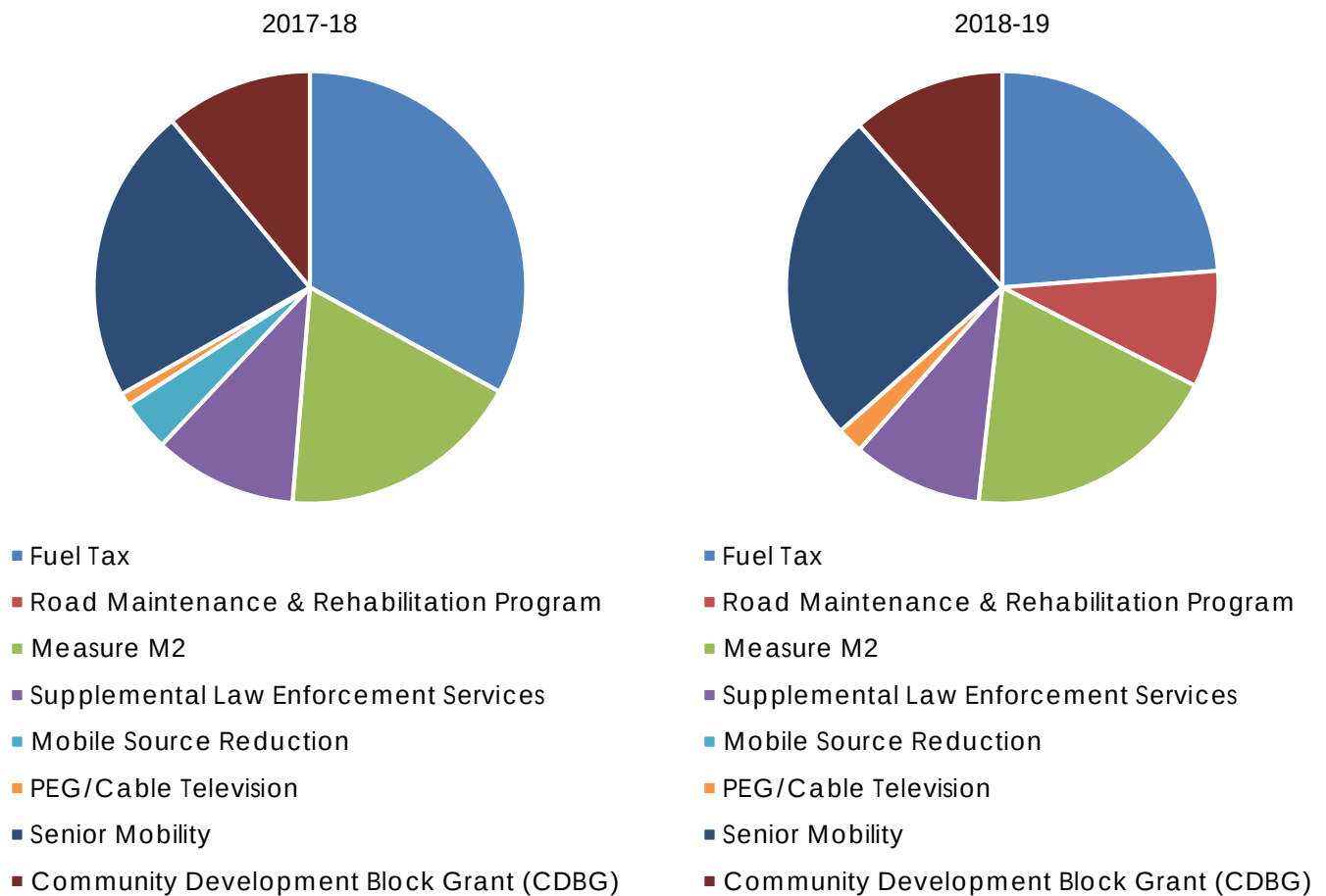
Special Revenue Fund expenditures for Fiscal Year 2017-18 are projected to be \$1,267,904, or 55.1% less than year-end projections for Fiscal Year 2016-17. In Fiscal Year 2018-19, Special Revenue Fund expenditures are projected to be \$1,241,292, which reflects a reduction of \$26,612, or 2.1%, from the Fiscal Year 2017-18 estimate.

While there is minimal year-to-year change in overall expenditures, in some cases, expenditures have been reallocated amongst Special Revenue Funds (e.g., pavement management plan projects that have historically been paid from the Fuel Tax Fund are paid from the new Road Maintenance and Rehabilitation Program Fund beginning in Fiscal Year 2018-19) or moved to the General Fund (e.g., certain landscaping costs that have historically been paid from the Fuel Tax Fund are paid from the General Fund beginning in Fiscal Year 2017-18 to satisfy Measure M2's Maintenance of Effort requirements). The Supplemental Law Enforcement Services and Senior Mobility funds have also experienced moderate change in overall expenditures.

As is the case with revenue, Fuel Tax, Measure M2, and Senior Mobility funds are the three largest sources of Special Revenue Funds expenditures.

Note: Special Revenue Funds are self-balancing. In the following charts/tables, expenditures may exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

*[Special Revenue Fund Expenditure Projections by Source
– Fiscal Years 2017-19]*



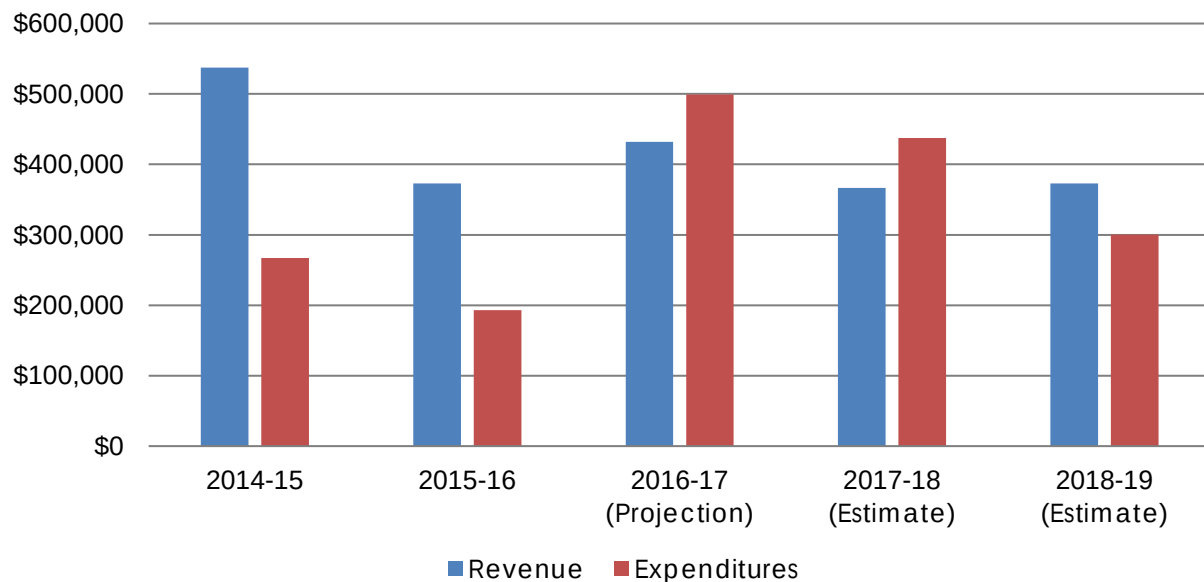
Special Revenue Fund	Percent of Adopted Budget Estimate (Fiscal Year 2017-18)	Percent of Adopted Budget Estimate (Fiscal Year 2018-19)
Fuel Tax	34.5%	24.2%
Road Maintenance & Rehabilitation Program	0.0%	8.9%
Measure M2	19.1%	19.6%
Supplemental Law Enforcement Services	11.2%	9.9%
Beverage Container Recycling	0.4%	0.0%
PEG/Cable Television	0.1%	0.2%
Senior Mobility	23.2%	25.5%
Community Development Block Grant (CDBG)	11.5%	11.7%

SPECIAL REVENUE FUNDS SUMMARY – TRANSPORTATION

Fuel Tax Fund

Fuel tax is generated by a per gallon excise tax on fuel used to propel motor vehicles or aircraft pursuant to California Constitution Article XIX Section 1; Revenue and Tax Code sections 7301 – 8404 and 8601 – 9355; and, Streets and Highways Code sections 2100 *et seq.* The City uses Fuel Tax revenue to support the maintenance, operation, and construction of roads and right-of-way.

*[Fuel Tax Fund Historical Revenue and Expenditures Comparison
– Fiscal Years 2014-15 through 2018-19]*



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	\$537,418	\$266,925
2015-16	\$372,739	\$192,889
2016-17 (Projection)	\$432,160	\$499,246
2017-18 (Estimate)	\$366,500	\$437,274
2018-19 (Estimate)	\$373,000	\$300,102

Summary of Significant Trends and Observations

- Fuel Tax revenue has eroded over-time due, in part, to reductions in the price of gasoline and increasing motor vehicle fuel efficiency. While fuel consumption is expected to remain relatively flat over the coming years,

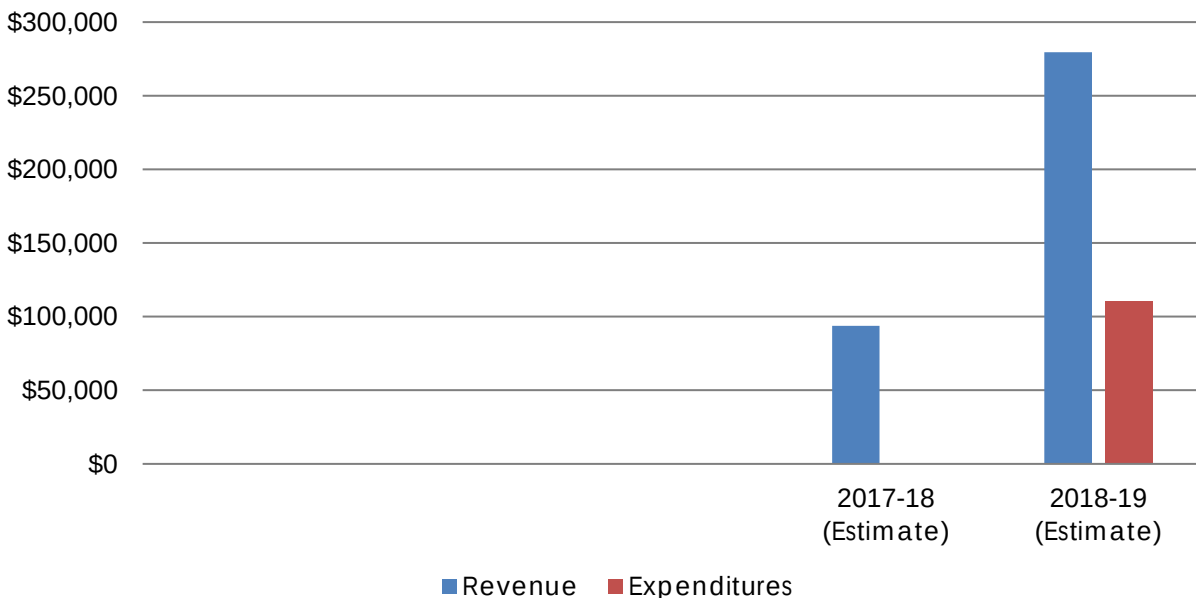
an increase in variable gasoline rates will take effect on July 1, 2017 and result in modest revenue gains.

- The perceived increase of Fuel Tax revenue in Fiscal Year 2016-17 is the result of a multi-year reconciliation of the City's financial records and is not indicative of future trends.

Road Maintenance & Rehabilitation Program Fund

In April 2017, Governor Brown signed the Road Repair and Accountability Act of 2017 ("Senate Bill 1") into law, which increased the funds available to cities for public road maintenance and rehabilitation. The City accounts for Senate Bill 1 revenue in the Road Maintenance & Rehabilitation Program Fund, which is used to support the maintenance and operation of roads and right-of-way.

[Road Maintenance & Rehabilitation Fund Revenue and Expenditures Comparison – Fiscal Years 2017-19]



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	-	-
2015-16	-	-
2016-17 (Projection)	-	-
2017-18 (Estimate)	\$93,800	\$0
2018-19 (Estimate)	\$279,500	\$110,250

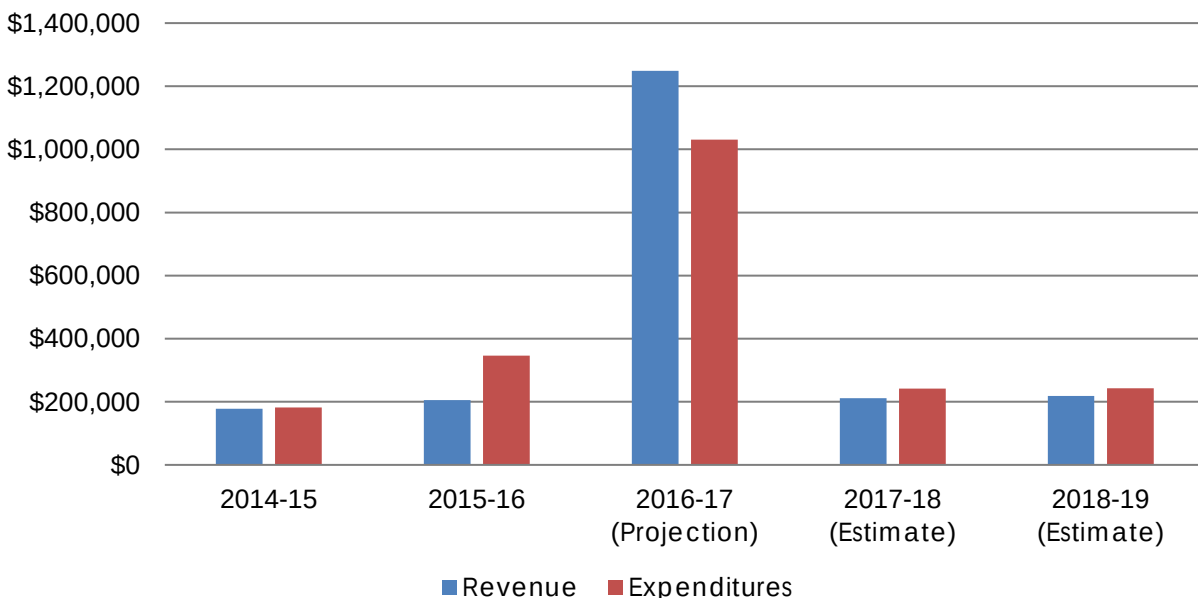
Summary of Significant Trends and Observations

- The first Senate Bill 1 revenue measures take effect on November 1, 2017, with additional measures effective as of January 1, 2018. As a result, the City will not receive a full year of funding until Fiscal Year 2018-19.

Measure M2 Fund

Measure M2 is a ballot measure that Orange County voters approved in 2006 to increase the countywide sales tax rate through 2041 by one-half cent for the purpose of funding transportation projects and activities. It was preceded by Measure M, a ballot measure that Orange County voters approved for similar purposes in 1990. The City uses Measure M2 revenue to support the maintenance, operation, and construction of roads and right-of-way.

*[Measure M2 Fund Historical Revenue and Expenditures Comparison
– Fiscal Years 2014-15 through 2018-19]*



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	\$177,604	\$181,849
2015-16	\$205,261	\$346,436
2016-17 (Projection)	\$1,248,554	\$1,030,892
2017-18 (Estimate)	\$211,200	\$242,044
2018-19 (Estimate)	\$218,400	\$242,992

Summary of Significant Trends and Observations

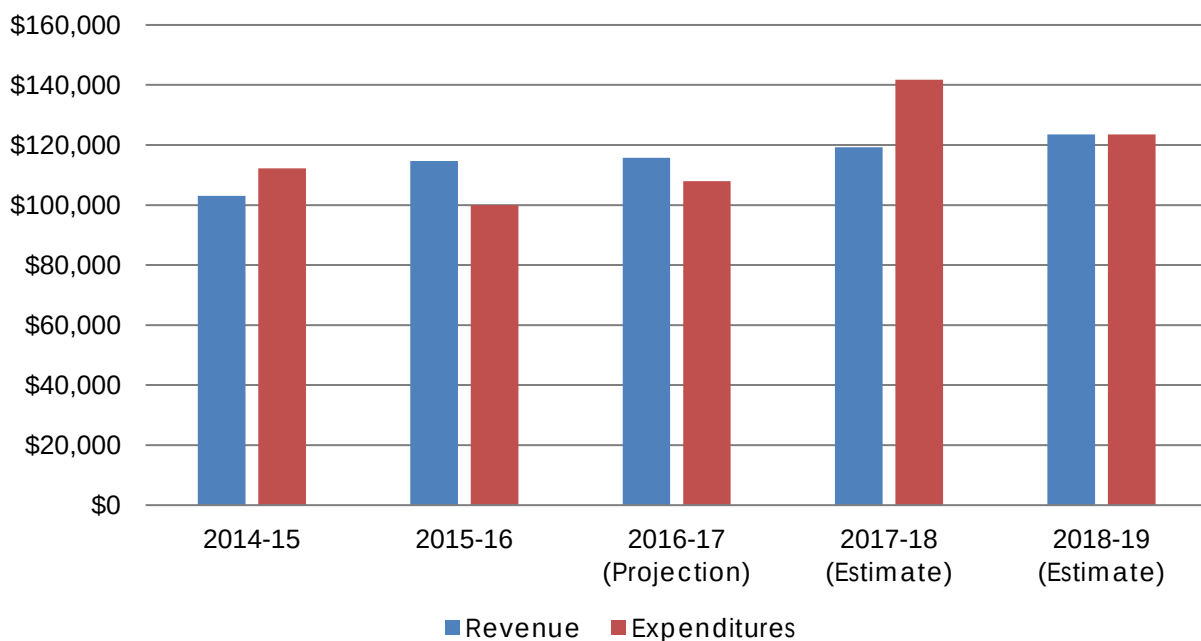
- Measure M2 revenue is tied to countywide sales tax receipts. Revenue forecasts are prepared by the Orange County Transportation Authority using an average of sales tax forecasts prepared by local colleges and universities. Revenue is expected to increase over the coming years, but at a slower rate than previously forecast.
- The significant increase of Measure M2 revenue in Fiscal Year 2016-17 is the result of the City receiving reimbursements related to the El Toro Road and Moulton Parkway traffic signal synchronization projects. It is not indicative of future trends.

SPECIAL REVENUE FUNDS SUMMARY – PUBLIC SAFETY

Supplemental Law Enforcement Services Fund

The Supplemental Law Enforcement Services Fund was included in the State of California's Local Law Enforcement Services Act of 2011, which realigned a variety of formerly state law enforcement programs by shifting responsibilities to local authorities. The City receives a minimum of \$100,000 in Supplemental Law Enforcement Services revenue each year, which it uses to offset a portion of qualifying law enforcement costs.

[Supplemental Law Enforcement Services Fund Historical Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2018-19]



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	\$103,064	\$112,226
2015-16	\$114,687	\$100,000
2016-17 (Projection)	\$115,700	\$108,000
2017-18 (Estimate)	\$119,300	\$141,707
2018-19 (Estimate)	\$123,500	\$123,500

Summary of Significant Trends and Observations

- Supplemental Law Enforcement Services revenue continues to increase, although still at a rate less than increases in law enforcement costs.

Service Authority for Abandoned Vehicles Fund

In addition to the active funds discussed in this section, the City also maintains a balance in its Service Authority for Abandoned Vehicles Fund to assist with the abatement of abandoned vehicles. No Service Authority for Abandoned Vehicles Fund activity is anticipated for fiscal years 2017-18 or 2018-19.

SPECIAL REVENUE FUNDS SUMMARY – ENVIRONMENTAL

Beverage Container Recycling Fund

The State of California's Beverage Container Recycling and Litter Reduction Act of 1987 established the California Redemption Value ("CRV") for certain bottles and cans to promote beverage container recycling. The City is eligible to apply for \$5,000 in CRV revenue each year. When the City receives CRV revenue, it is accounted for in the Beverage Container Recycling Fund.

The City does not anticipate applying for CRV revenue in fiscal years 2017-18 or 2018-19. Beverage Container Recycling Fund activity is limited to expending the accumulated fund balance.

Mobile Source Reduction Fund

In addition to the active funds discussed in this section, the City also maintains a balance in its Mobile Source Reduction Fund, generated by the State of California's Assembly Bill 2766 Subvention Program, to support measures and projects that reduce mobile vehicle emissions. With the exception of receiving annual revenue, no Mobile Source Reduction Fund activity is anticipated for fiscal years 2017-18 or 2018-19.

Used Oil/Oil Payment Program

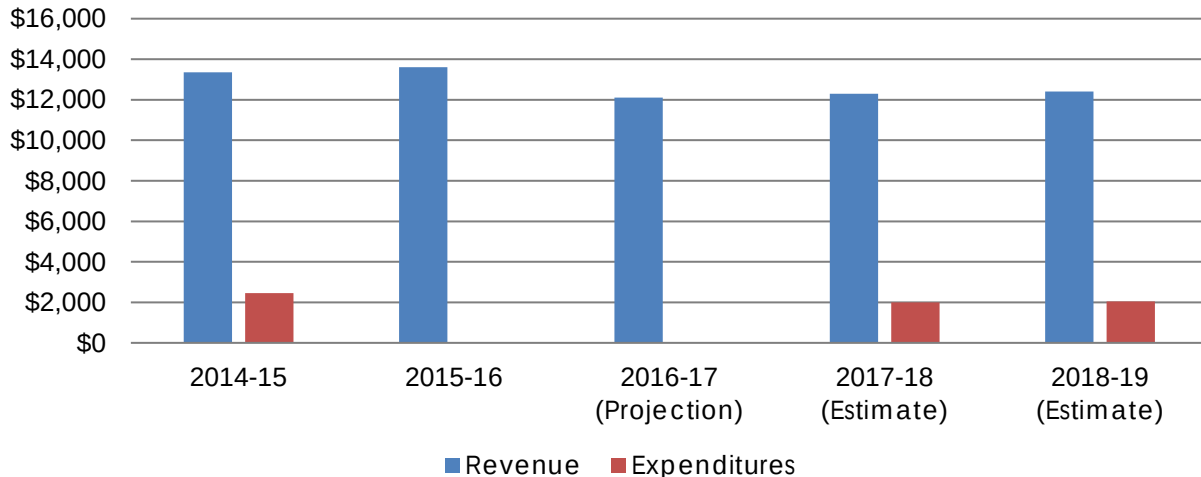
In addition to the active funds discussed in this section, the City also maintains a balance in its Used Oil/Oil Payment Program Fund, generated by payments from oil manufacturers, as required by the California Public Resources Code, to promote used oil recycling. The City is eligible to apply for \$5,000 in used oil/oil payment program revenue each year. No Used Oil/Oil Payment Program Fund activity is anticipated for fiscal years 2017-18 or 2018-19.

SPECIAL REVENUE FUNDS SUMMARY – COMMUNITY SERVICES

PEG/Cable Television Fund

The City collects a Public, Educational, and Governmental (“PEG”) fee from franchised video service providers operating within the City. The City uses PEG fee revenue to support PEG-related purposes consistent with state and federal law, including operation and maintenance of the City’s television channel.

*[PEG/Cable Television Fund Historical Revenue and Expenditures
Comparison – Fiscal Years 2014-15 through 2018-19]*



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	\$13,349	\$2,455
2015-16	\$13,605	\$0
2016-17 (Projection)	\$12,100	\$0
2017-18 (Estimate)	\$12,300	\$2,000
2018-19 (Estimate)	\$12,400	\$2,047

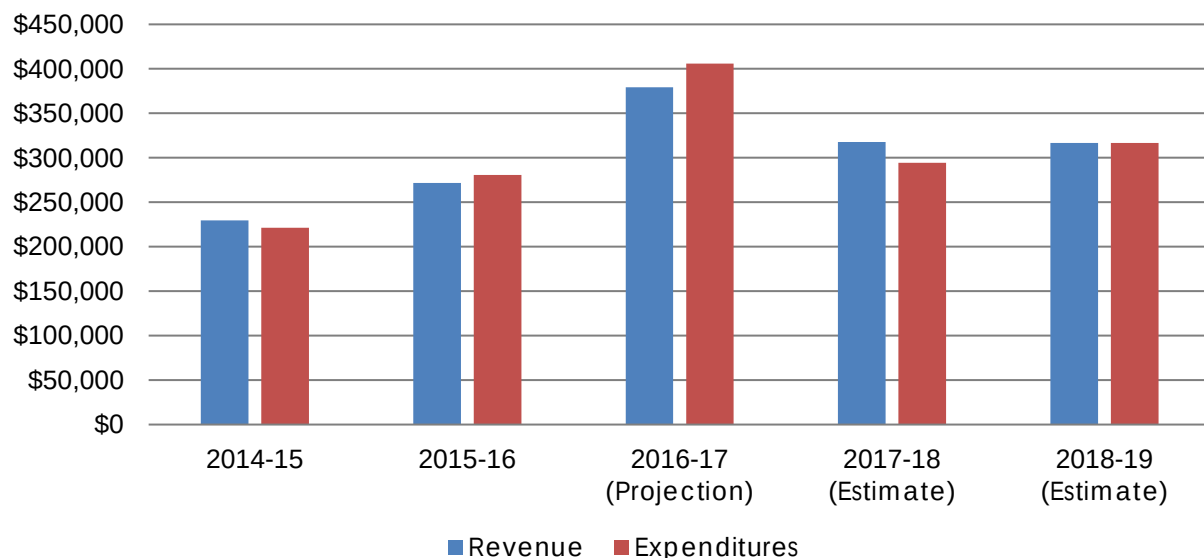
Summary of Significant Trends and Observations

- PEG fee revenue is expected to continue to remain relatively flat over the coming years without any significant variation.

Senior Mobility Fund

The City uses the Senior Mobility Fund to account for revenues that are used to support the Senior Mobility Program, including Measure M2 Senior Mobility funds, Transportation Development Act funds, fees paid by participants, and any transfers from the General Fund to offset unanticipated expenditures (e.g., costs associated with higher than projected demand).

*[Senior Mobility Fund Historical Revenue and Expenditures Comparison
– Fiscal Years 2014-15 through 2018-19]*



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	\$229,454	\$221,460
2015-16	\$271,715	\$280,639
2016-17 (Projection)	\$379,300	\$405,982
2017-18 (Estimate)	\$317,700	\$294,179
2018-19 (Estimate)	\$316,700	\$316,700

Summary of Significant Trends and Observations

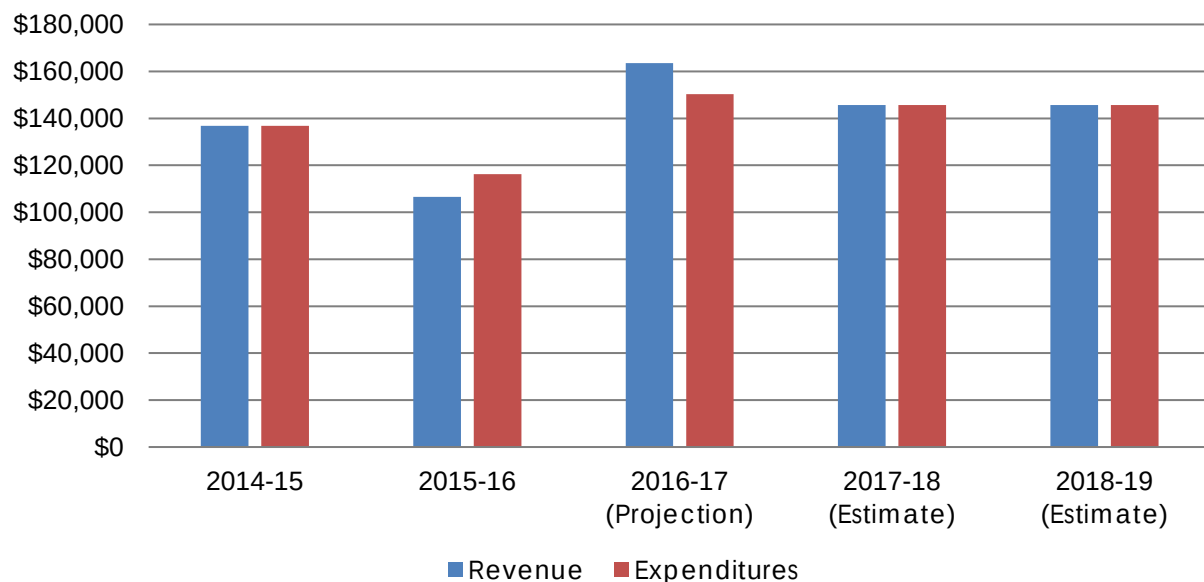
- The Senior Mobility Program continues to experience such high levels of demand that a transfer of \$90,000 was required from the General Fund

in Fiscal Year 2016-17 to cover operating costs. That same year, the City Council approved several modifications to the Senior Mobility Program's fee schedule to offset future costs. While the additional revenue from those fee changes may not be sufficient to offset all future costs, it is expected to help moderate and reduce potential future impacts on the General Fund, thereby helping to promote the long-term sustainability of the Senior Mobility Program. Staff will continue to monitor this issue.

Community Development Block Grant (CDBG) Fund

Community Development Block Grant ("CDBG") funding is subject to federal appropriation and intended to assist cities and counties with a variety of local community development needs. The City competes for CDBG funds through the Urban County CDBG Program administered by the County of Orange.

[Community Development Block Grant (CDBG) Fund Historical Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2018-19]



Fiscal Year	Revenue Estimate	Expenditure Estimate
2014-15	\$136,815	\$136,815
2015-16	\$106,581	\$116,190
2016-17 (Projection)	\$163,507	\$150,264
2017-18 (Estimate)	\$145,700	\$145,700
2018-19 (Estimate)	\$145,700	\$145,700

Summary of Significant Trends and Observations

- Prior to Fiscal Year 2017-18, the City's primary use of CDBG funding was to offer the Residential Energy Efficiency Improvement Program, which installed replacement windows, doors, and other energy efficient improvements in the homes of qualifying low-income residents, at no charge. The program was suspended beginning in Fiscal Year 2017-18 due to uncertainty surrounding the future availability of CDBG funds, as well as the impacts of increasing compliance requirements and law enforcement costs on City resources. The City's costs to administer the program had exceeded 35% of the costs of the improvements that were made. Reinstatement of the program may be considered for future CDBG applications, should circumstances change.
- Beginning in Fiscal Year 2017-18, the City has included several pedestrian accessibility projects in the capital improvement program that are contingent on the receipt of CDBG funding. The City has received a tentative notice of award to fund construction of the "Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)" in Fiscal Year 2017-18 and anticipates applying for additional CDBG funding to construct the second phase of the project in Fiscal Year 2018-19. No expenditures will be made, nor costs incurred, until funding agreements are in place.

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - Special Revenue Funds
--

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>SPECIAL FUNDS:</u>				
<u>Transportation Funds</u>				
Fuel Tax	350,000	449,360	366,500	373,000
Road Maintenance & Rehabilitation Program	-	-	93,800	279,500
Measure M1	-	184,001	-	-
Measure M2	218,000	1,312,154	211,200	218,400
Prop 1B - State-Local Partnership Program (SLPP)	-	-	-	-
Traffic Mitigation Fees - Moulton Parkway Project	-	-	-	-
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	-	-
Total Transportation Funds	568,000	1,945,515	671,500	870,900
<u>Public Safety Funds</u>				
Service Authority for Abandoned Vehicles	-	-	-	-
Supplemental Law Enforcement Services	108,000	108,000	119,300	123,500
Disaster Recovery Initiative (DRI) Grant	-	-	-	-
Total Public Safety Funds	108,000	108,000	119,300	123,500
<u>Environmental Funds</u>				
Mobile Source Reduction	21,000	21,000	21,200	21,500

CITY OF LAGUNA WOODS Fiscal Years 2017-19 Revenue Summary - Special Revenue Funds
--

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
Proposition 84 Grant	-	15,733	-	-
Beverage Container Recycling	5,000	5,000	-	-
Used Oil/Oil Payment Program	5,000	5,000	-	-
Energy Efficiency Conservation Grant	-	-	-	-
CalRecycle Grant	-	-	-	-
Total Environmental Funds	31,000	46,733	21,200	21,500
<u>Community Services Funds</u>				
PEG/Cable Television	13,700	13,700	12,300	12,400
Senior Mobility	225,000	315,000	317,700	316,700
Community Development Block Grant (CDBG)	135,000	163,507	145,700	145,700
Total Community Services Funds	373,700	492,207	475,700	474,800
TOTAL REVENUE - SPECIAL FUNDS	1,080,700	2,592,455	1,287,700	1,490,700
Less: INTER-FUND TRANSFERS	-	390,121	-	-
TOTAL NET REVENUE	1,080,700	2,202,334	1,287,700	1,490,700

CITY OF LAGUNA WOODS
Fiscal Year 2017-19 Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
<u>TRANSPORTATION FUNDS</u>				
Fuel Tax				
Street Lighting - Public ROW	40,698	40,698	-	-
Direct Administrative Costs	-	-	-	-
Contract - Landscaping	238,503	238,503	162,350	163,396
Contract - Pavement Management Plan Projects	150,000	150,000	157,500	-
Contract - Street Maintenance	71,000	71,000	115,824	115,824
Contract - Street Sweeping	-	-	1,600	1,632
El Toro Water Efficient Median Improvement Project (Construction)	-	-	-	19,250
Moulton Parkway Water Efficient Median Improvement Project (Construction)	-	273,914	-	-
TOTAL	500,201	774,115	437,274	300,102
Road Maintenance & Rehabilitation Program				
Contract - Pavement Management Plan Projects	-	-	-	110,250
TOTAL	-	-	-	110,250
Measure M1				
Moulton Pkwy Widening	-	4,200	-	-
TOTAL	-	4,200	-	-
Measure M2				
El Toro Road Traffic Signal Synchronization Project	-	447,470	-	-
Moulton Parkway Traffic Signal Synchronization Project	-	584,251	-	-
Street Lighting - Public ROW	25,329	25,329	25,761	26,367
Contract - Traffic Engineering	165,600	165,600	163,600	163,600
Contract - Traffic Signal Maintenance	41,505	41,505	51,983	52,325
Allowable Overhead Costs	600	600	700	700
TOTAL	233,034	1,264,755	242,044	242,992
Prop 1B - State-Local Partnership Program (SLPP)				
TOTAL	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Year 2017-19 Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
Traffic Mitigation Fees - Moulton Parkway Project				
Santa Maria Avenue Bioswale Project	-	436,556	-	-
TOTAL	-	436,556	-	-
Coastal Area Road Improvement and Traffic Signals (CARITS)				
El Toro Road Traffic Signal Synchronization Project	-	83,020	-	-
Moulton Parkway Traffic Signal Synchronization Project	-	65,680	-	-
TOTAL	-	148,700	-	-
PUBLIC SAFETY FUNDS				
Service Authority for Abandoned Vehicles				
Program Activity	-	-	-	-
TOTAL	-	-	-	-
Supplemental Law Enforcement Services				
Law Enforcement Services	108,000	108,000	141,707	123,500
TOTAL	108,000	108,000	141,707	123,500
Disaster Recovery Initiative (DRI) Grant				
Grant Activities	-	-	-	-
TOTAL	-	-	-	-
ENVIRONMENTAL FUNDS				
Mobile Source Reduction				
Grant Activities	-	-	-	-
TOTAL	-	-	-	-
Beverage Container Recycling				
Grant Activities	5,000	6,500	5,000	-
TOTAL	5,000	6,500	5,000	-
Used Oil/Oil Payment Program				
Grant Activities	5,310	5,310	-	-
TOTAL	5,310	5,310	-	-

CITY OF LAGUNA WOODS
Fiscal Year 2017-19 Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2016-17 Adopted	Fiscal Year 2016-17 Amended	Fiscal Year 2017-18 Budget	Fiscal Year 2018-19 Budget
CalRecycle / Energy Efficiency Conservation Grants				
Administrative Costs	-	-	-	-
Collection/Contract-Solid Waste	-	30,895	-	-
Education	-	-	-	-
TOTAL	-	30,895	-	-
COMMUNITY SERVICES FUNDS				
PEG/Cable Television				
Equipment & Maintenance	12,000	12,000	2,000	2,047
TOTAL	12,000	12,000	2,000	2,047
Senior Mobility				
Printing	4,100	4,100	5,831	5,834
Contract - Transportation	173,310	173,310	135,000	135,000
Contract - Taxi Voucher NEMT	62,678	242,678	153,348	175,866
TOTAL	240,088	420,088	294,179	316,700
Community Development Block Grant (CDBG)				
Grant Activities	135,000	153,884	145,700	145,700
TOTAL	135,000	153,884	145,700	145,700
TOTAL ALL EXPENDITURES - SPECIAL REVENUE FUNDS	1,238,633	3,365,003	1,267,904	1,241,292
Less: INTER-FUND TRANSFERS	-	467,451	-	-
TOTAL NET EXPENDITURES	1,238,633	2,897,552	1,267,904	1,241,292

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9.0. CITY FIVE-YEAR STRATEGIC FINANCIAL PLAN

This chapter is intended to present the long-term revenue forecasts and expenditure projections that assisted with the development of this budget, and will assist with the development of future budgets.

INTRODUCTION

Beginning with the Fiscal Years 2017-19 Budget & Work Plan, the City began to develop a five-year strategic financial plan as part of each two-year budget and work plan process. The five-year strategic financial plan is a proactive and iterative planning tool that helps ensure that the City's financial resources are sufficient to sustain core programs, projects, and services over a term greater than the two-year period considered in immediate budget and work planning. While revenue forecasts and expenditure projections are included in the five-year strategic financial plan, it is important to note that the City Council retains the ability to adopt budgets and work plans at its discretion and that no funding commitment is created by the five-year strategic financial plan.

The five-year strategic financial plan links the programs, projects, and services that the City plans to offer and undertake with the resources required to do so. It also highlights where additional resources and/or redefinition of planned programs, projects, or services may be required. Rather than requiring balance in each of the years analyzed, the purpose of the five-year strategic financial plan is to identify potential fiscal issues in order to assist the City Council and staff with longer-term decision-making. To that end, forecasts and projections may identify theoretical future deficits for the City to explore and address in advance of the adoption of associated budgets and work plans.

KEY ASSUMPTIONS – GENERAL FUND AND CAPITAL PROJECTS FUND

This five-year strategic financial plan was developed using the following key assumptions for the General Fund and Capital Projects Fund:

Key Revenue Assumptions

- Property Tax – The City retained HdL Coren & Cone (“HdL”) to project local trends in assessed property values and tax assessments over the

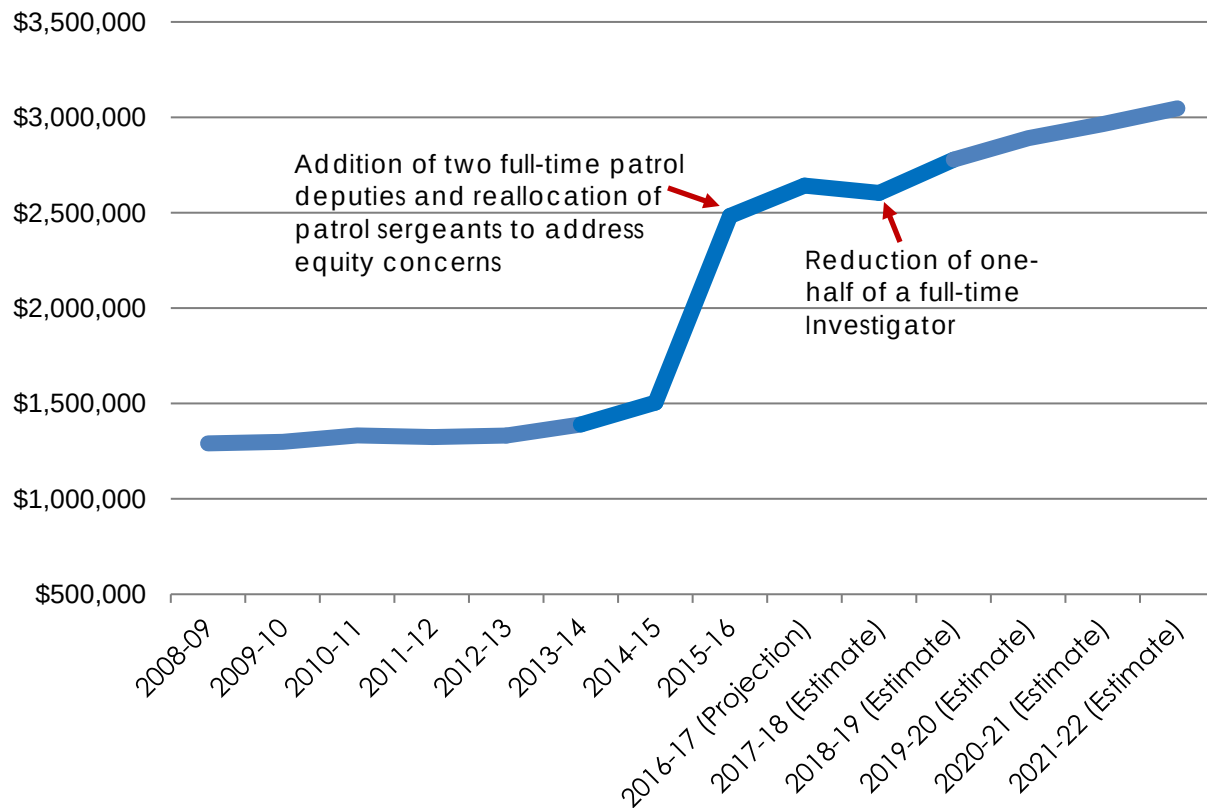
next five years. HdL projected that collections of secured and unsecured property taxes, combined, will increase 5.69% in Fiscal Year 2017-18, 3.89% in Fiscal Year 2018-19, and 3.90% for each of the following three fiscal years. The City considered HdL's projections and added forecasted revenues for property taxes such as supplemental rolls and prior year collections at amounts consistent with Fiscal Year 2016-17 projections.

- Sales Tax – The City retained Hinderliter, de Llamas & Associates (“HdL”) to project local trends in sales tax receipts over the next five years. HdL projected that sales tax receipts will increase 3.70% in Fiscal Year 2017-18, 3.60% in Fiscal Year 2018-19, 2.60% in Fiscal Year 2019-20, and 2.50% for each of the following two fiscal years. The City considered HdL's projections and reduced the base year (Fiscal Year 2016-17) to reflect current economic conditions. Growth rates for fiscal years 2019-20 through 2021-22 were reduced in anticipation of economic slowing.
- Franchise Fees – The City forecast franchise fee receipts based on current agreements (for fixed fees) and historical trends (for variable fees). A growth rate of approximately 1.00% is included for all five fiscal years.
- Transient Occupancy Tax – The City forecast transient occupancy tax receipts based on historical trends and anticipated market conditions. A growth rate of approximately 1.55% is included for all five fiscal years.
- Development Processing Fees – The City does not anticipate significant changes in development activity or associated fees in Fiscal Year 2017-18 and, accordingly, a growth rate of approximately 1.00% is included. Growth in future years is based on the Congressional Budget Office's Consumer Price Index forecasts (Fiscal Year 2018-19: 2.35%, fiscal years 2019-20 through 2021-22: 2.40%).

Key Expenditure Assumptions

- All expenditures were projected based on actual rates, when known. If actual rates were not available, projections were based on industry and/or historical growth trends. In the absence of other sufficient data, projections were based on the Congressional Budget Office's Consumer Price Index forecasts (Fiscal Year 2017-18: 2.30%, Fiscal Year 2018-19: 2.35%, fiscal years 2019-20 through 2021-22: 2.40%).
- Law Enforcement – The City projected law enforcement expenditures for Fiscal Year 2017-18 based on actual contract amounts. Growth in future years is based on estimates provided by the Orange County Sheriff's Department, adjusted for anticipated cost savings resultant of a staffing reduction. The Orange County Sheriff's Department's estimates incorporate the County of Orange's strategic financial planning.

*[Historical and Projected Change in Law Enforcement Costs
– Fiscal Years 2008-09 through 2018-19⁹]*



Fiscal Year	Adopted Contract Cost (beginning of fiscal year)	Final, Adjusted Contract Cost (end of fiscal year)
2008-09	\$1,290,825	\$1,290,825
2009-10	\$1,298,308	\$1,299,457
<i>Year-over-Year Change</i>	<i>0.58%</i>	<i>0.67%</i>
2010-11	\$1,332,911	\$1,332,911
<i>Year-over-Year Change</i>	<i>2.67%</i>	<i>2.57%</i>
2011-12	\$1,323,851	\$1,323,851
<i>Year-over-Year Change</i>	<i>-0.68%</i>	<i>-0.68%</i>
2012-13	\$1,331,904	\$1,331,904
<i>Year-over-Year Change</i>	<i>0.61%</i>	<i>0.61%</i>

⁹ County of Orange, 2017 Strategic Financial Plan. February 2017. Note: Estimates are based on the City's Fiscal Year 2016-17 staffing levels and exclude non-operating costs, 800 MHz communications charges, Automated Fingerprint Identification System charges, and future salary, benefit, and operational increases that the Orange County Board of Supervisors may approve.

2013-14	\$1,388,991	\$1,389,979
<i>Year-over-Year Change</i>	<i>4.29%</i>	<i>4.36%</i>
2014-15	\$1,501,981	\$1,504,606
<i>Year-over-Year Change</i>	<i>8.13%</i>	<i>8.25%</i>
2015-16	\$2,451,840	\$2,483,174
<i>Year-over-Year Change</i>	<i>63.24%</i>	<i>65.04%</i>
2016-17 (Projection)	\$2,592,120	\$2,642,047
<i>Year-over-Year Change</i>	<i>5.72%</i>	<i>6.40%</i>
2017-18 (Estimate)	\$2,603,724	-
<i>Year-over-Year Change</i>	<i>0.45%</i>	-
2018-19 (Estimate)	\$2,777,974	-
<i>Year-over-Year Change</i>	<i>6.69%</i>	-
2019-20 (Estimate)	\$2,891,605	-
<i>Year-over-Year Change</i>	<i>4.09%</i>	-
2020-21 (Estimate)	\$2,965,211	-
<i>Year-over-Year Change</i>	<i>2.55%</i>	-
2021-22 (Estimate)	\$3,047,047	-
<i>Year-over-Year Change</i>	<i>2.76%</i>	-
<i>Estimated Future Impacts</i>		
Dollar Change between 2016-17 and 2021-22	\$405,000 (Estimate)	
Percent Change between 2016-17 and 2021-22	15.33% (Estimate)	
Percent of General Fund Operating Budget at 2021-22	52.14% (Estimate)	

- Employee Salaries and Benefits – In projecting employee salary and benefit expenditures, the City assumed that there will be no changes to the compensation schedule or benefits for non-contract employees, no changes to the terms of the City Manager's employment agreement, no new full- or part-time positions, and only minimal ability for movement by employees within existing salary ranges.
- Capital Improvement Projects – The City projected capital improvement project expenditures based on the capital improvement program set forth in this budget and work plan.
- Non-Operating – With the exception of capital improvement projects and the significant work plan items included in this budget and work plan, the City has not included projections for additional, non-operating expenditures due to a lack of available information.

KEY ASSUMPTIONS – SPECIAL REVENUE FUNDS

This five-year strategic financial plan was developed using the following key assumptions for the Special Revenue Funds:

Key Revenue Assumptions

- All revenues for special revenue funds were forecast based on historical trends and/or estimates provided by outside agencies, such as the State of California and the Orange County Transportation Authority.
- Fuel Tax – The City forecast Fuel Tax receipts through Fiscal Year 2018-19 using projections from the State of California. Revenue in Fiscal Year 2019-20 is anticipated to remain level with Fiscal Year 2018-19. Growth in future years is based on the Congressional Budget Office's Consumer Price Index forecasts (fiscal years 2020-21 through 2021-22: 2.40%).
- Road Maintenance and Rehabilitation Program – The City forecast Road Maintenance and Rehabilitation Program receipts through Fiscal Year 2018-19 using projections from the State of California and the League of California Cities. Revenue in Fiscal Year 2019-20 is anticipated to remain level with Fiscal Year 2018-19. Growth in future years is based on the Congressional Budget Office's Consumer Price Index forecasts (fiscal years 2020-21 through 2021-22: 2.40%).

Key Expenditure Assumptions

- All expenditures were projected based on actual rates, when known. If actual rates were not available, projections were based on industry and/or historical growth trends. In the absence of other sufficient data, projections were based on the Congressional Budget Office's Consumer Price Index forecasts (Fiscal Year 2017-18: 2.30%, Fiscal Year 2018-19: 2.35%, fiscal years 2019-20 through 2021-22: 2.40%).
- Capital Improvement Projects – The City projected capital improvement project expenditures based on the capital improvement program set forth in this budget and work plan.
- Non-Operating – With the exception of capital improvement projects and the significant work plan items included in this budget and work plan, the City has not included projections for additional, non-operating expenditures due to a lack of available information.

FORECASTS AND PROJECTIONS

The five-year strategic financial plan's forecasts and projections are shown in tables beginning on page 157. The tables should be viewed with recognition

that budgetary conditions and underlying assumptions will change over time, particularly in later years and as a result of broader economic pressures. The best available information has been considered in developing the five-year strategic financial plan; however, there are variables and factors beyond the City's control that limit estimative accuracy.

In general, this five-year strategic financial plan identifies balanced budgets, healthy reserves, and deliberate expenditures of accumulated fund balance to address limited-term needs, consistent with the City's budget policies. While fiscal years 2020-21 and 2021-22 show theoretical General Fund operating budget deficits, it is important to note that they are minor and unlikely to be realized as actual deficits, assuming a continuation of conservative financial management. Still, the theoretical deficits are indicative of how carefully balanced the City's operating budget is and how little discretion exists to relax cost recovery strategies or expand programs, projects, or services. Due to the unpredictable volatility created by actions of the Orange County Board of Supervisors and the Orange County Sheriff's Department with respect to law enforcement costs, as well as the lack of a strong and diversified local sales tax base, it remains possible, if not likely, that service level reductions and operational changes will be required in the future.

Additional commentary on budgetary opportunities and challenges in both the near- and long-term is included in the transmittal letter beginning on page "iii" and in chapters 4.0, 6.0, 7.0, and 8.0.

CITY OF LAGUNA WOODS ALL FUNDS STRATEGIC FINANCIAL PLAN FISCAL YEARS 2017-18 through 2021-22 FORECASTED
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	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
ALL FUNDS								
All Funds Activity								
Beginning Fund Balance	10,989,134	10,973,824	10,973,675	9,960,368	9,629,288	9,799,051	10,186,502	10,012,033
Revenues	7,754,296	8,458,146	8,458,713	7,026,726	7,197,300	7,207,800	7,772,596	7,429,000
Expenditures	7,769,606	10,316,125	9,456,287	7,357,807	7,027,536	6,820,349	7,947,065	7,255,295
Revenues Over / (Under Expense)	(15,309)	(1,857,979)	(997,574)	(331,081)	169,764	387,451	(174,469)	173,705
Ending Fund Balance	10,973,824	9,115,845	9,976,101	9,629,287	9,799,052	10,186,502	10,012,033	10,185,738

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

CITY OF LAGUNA WOODS
GENERAL FUND STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
General Funds								
General Fund (Operating, Fund 001)								
Beginning Fund Balance	8,746,050	9,489,672	9,489,672	8,748,694	8,397,817	8,318,171	8,273,296	7,783,678
Operating Revenues								
Property Tax	2,182,789	2,272,000	2,282,612	2,448,200	2,543,000	2,592,500	2,648,100	2,705,100
Property Transfer Tax	94,807	90,000	158,422	95,900	99,600	101,600	103,600	105,600
Sales Tax	971,157	932,000	774,522	803,200	832,100	853,700	875,100	896,900
Franchise Fees	539,107	591,000	652,440	623,800	628,100	632,600	636,800	641,300
Transient Occupancy Tax	475,926	467,000	454,736	461,800	468,900	476,200	483,600	491,100
Development Processing Fees	730,204	671,000	700,372	707,300	723,900	741,300	759,200	777,400
Interest	40,421	48,000	50,700	51,200	51,700	52,200	52,800	53,300
Miscellaneous	198,803	190,000	191,103	182,200	194,300	195,900	197,400	199,000
Total Operating Revenues	5,233,214	5,261,000	5,264,907	5,373,600	5,541,600	5,646,000	5,756,600	5,869,700
Operating Expenditures								
City Council								
Operating Expenditures	19,545	28,152	19,373	72,317	50,119	72,152	49,547	73,688
Non-Operating Expenditures	0	0	0	0	0	0	0	0
General Government								
Operating Expenditures	745,654	717,179	609,565	670,037	698,346	694,546	732,161	717,374
Non-Operating Expenditures	94,306	677,712	665,765	0	0	0	0	0
Administrative Services								
Operating Expenditures	660,805	708,835	659,328	672,235	673,214	679,663	682,997	683,880
Non-Operating Expenditures	7,500	82,329	79,427	0	0	0	0	0
Community Services								
Operating Expenditures	92,222	12,868	8,426	788	788	788	788	788
Non-Operating Expenditures	0	0	0	0	0	0	0	0
Engineering & Infrastructure Services								
Operating Expenditures	304,486	247,981	232,072	240,669	242,696	245,537	247,731	249,751
Non-Operating Expenditures	1,700	26,900	26,900	12,500	0	0	0	0
Planning & Environmental Services								
Operating Expenditures	859,020	896,551	818,459	983,834	986,563	988,031	1,016,445	1,045,763
Non-Operating Expenditures	136,038	265,516	263,792	37,500	0	0	0	0
Public Safety								
Operating Expenditures	2,454,197	2,616,247	2,578,711	2,646,408	2,799,701	2,947,180	3,027,105	3,115,606
Non-Operating Expenditures	66,821	28,443	31,097	22,762	4,817	2,977	3,048	3,121
Total Operating Expenditures	5,135,928	5,227,812	4,925,934	5,286,289	5,451,428	5,627,898	5,756,774	5,886,850
Operating Revenues Over / (Under) Operating Expense	97,286	33,188	338,973	87,311	90,172	18,102	(174)	(17,150)
Total Non-Operating Expenditures	306,365	1,080,900	1,066,981	72,762	4,817	2,977	3,048	3,121
Net Revenues Over / (Under) All Expense	(209,079)	(1,047,712)	(728,008)	14,549	85,355	15,125	(3,222)	(20,271)
Transfers In from Other General Funds	1,043,009	0	0	0	0	0	0	0
Transfers In from Special Revenue Funds	0	467,451	467,451	0	0	0	0	0
Transfers Out to Other General Funds	(62,780)	(90,300)	(90,300)	(365,426)	(165,000)	(60,000)	(486,396)	(115,000)
Transfers Out to Special Revenue Funds	(27,528)	(390,121)	(390,121)	0	0	0	0	0

CITY OF LAGUNA WOODS

GENERAL FUND STRATEGIC FINANCIAL PLAN

FISCAL YEARS 2017-18 through 2021-22 FORECASTED

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
General Funds								
Net Transfers In / Out	952,701	(12,970)	(12,970)	(365,426)	(165,000)	(60,000)	(486,396)	(115,000)
Ending Fund Balance, Operating Fund 001	<u>9,489,672</u>	<u>8,428,990</u>	<u>8,748,694</u>	<u>8,397,817</u>	<u>8,318,171</u>	<u>8,273,296</u>	<u>7,783,678</u>	<u>7,648,407</u>
Capital Projects (General Fund 500)								
Beginning Fund Balance	1,185,703	95,549	95,549	70,800	70,800	70,800	70,800	70,800
Revenues	0	46,940	46,940	0	0	0	0	0
Expenditures	109,925	161,989	161,989	365,426	165,000	60,000	486,396	115,000
Revenues Over / (Under Expense)	<u>(109,925)</u>	<u>(115,049)</u>	<u>(115,049)</u>	<u>(365,426)</u>	<u>(165,000)</u>	<u>(60,000)</u>	<u>(486,396)</u>	<u>(115,000)</u>
Transfers In from Other General Funds	62,780	90,300	90,300	365,426	165,000	60,000	486,396	0
Transfers In from Special Revenue Funds	0	0	0	0	0	0	0	0
Transfers Out to Other General Funds	(1,043,009)	0	0	0	0	0	0	0
Transfers Out to Special Revenue Funds	0	0	0	0	0	0	0	0
Net Transfers In / Out	<u>(980,229)</u>	<u>90,300</u>	<u>90,300</u>	<u>365,426</u>	<u>165,000</u>	<u>60,000</u>	<u>486,396</u>	<u>0</u>
Ending Fund Balance, Capital Projects Fund 500	<u>95,549</u>	<u>70,800</u>	<u>70,800</u>	<u>70,800</u>	<u>70,800</u>	<u>70,800</u>	<u>70,800</u>	<u>(44,200)</u>
Grand Total Ending Fund Balance, All General Funds	<u>9,585,221</u>	<u>8,499,790</u>	<u>8,819,494</u>	<u>8,468,617</u>	<u>8,388,971</u>	<u>8,344,096</u>	<u>7,854,478</u>	<u>7,604,207</u>

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

CITY OF LAGUNA WOODS

**SPECIAL REVENUE FUNDS STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED**

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
Transportation Funds								
Fuel Tax								
Beginning Fund Balance	688,861	868,710	868,710	801,624	730,850	803,748	864,957	929,302
Revenues	372,739	449,360	432,160	366,500	373,000	373,000	381,900	391,100
Expenditures	192,889	774,115	499,246	437,274	300,102	311,791	317,555	322,315
Revenues Over / (Under Expense)	179,850	(324,755)	(67,086)	(70,774)	72,898	61,209	64,345	68,785
Ending Fund Balance	868,710	543,955	801,624	730,850	803,748	864,957	929,302	998,087
Road Maintenance & Rehabilitation Program								
Beginning Fund Balance	0	0	0	0	93,800	263,050	432,300	701,000
Revenues	0	0	0	93,800	279,500	279,500	286,200	293,100
Expenditures	0	0	0	0	110,250	110,250	17,500	0
Revenues Over / (Under Expense)	0	0	0	93,800	169,250	169,250	268,700	293,100
Ending Fund Balance	0	0	0	93,800	263,050	432,300	701,000	994,100
Measure M1								
Beginning Fund Balance	(184,000)	(179,925)	(179,925)	(0)	(0)	(0)	(0)	(0)
Revenues	4,075	184,001	184,001	0	0	0	0	0
Expenditures	0	4,200	4,076	0	0	0	0	0
Revenues Over / (Under Expense)	4,075	179,801	179,925	0	0	0	0	0
Ending Fund Balance	(179,925)	(124)	(0)	(0)	(0)	(0)	(0)	(0)
Measure M2								
Beginning Fund Balance	(4,372)	(145,547)	(145,547)	72,115	41,271	16,679	26,197	40,459
Revenues	205,261	1,312,154	1,248,554	211,200	218,400	226,500	235,500	245,200
Expenditures	346,436	1,264,755	1,030,892	242,044	242,992	216,982	221,238	222,549
Revenues Over / (Under Expense)	(141,175)	47,399	217,662	(30,844)	(24,592)	9,518	14,262	22,651
Ending Fund Balance	(145,547)	(98,148)	72,115	41,271	16,679	26,197	40,459	63,110

CITY OF LAGUNA WOODS

SPECIAL REVENUE FUNDS STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
Proposition 1B, State-Local Partnership Program (SLPP)								
Beginning Fund Balance	(293,000)	0	0	0	0	0	0	0
Revenues	293,000	0	0	0	0	0	0	0
Expenditures	0	0	0	0	0	0	0	0
Revenues Over / (Under Expense)	293,000	0	0	0	0	0	0	0
Ending Fund Balance	0	0	0	0	0	0	0	0
Traffic Mitigation Fees								
Beginning Fund Balance	478,245	434,396	434,396	0	0	0	0	0
Revenues	1,900	0	2,160	0	0	0	0	0
Expenditures	45,750	436,556	436,556	0	0	0	0	0
Revenues Over / (Under Expense)	(43,850)	(436,556)	(434,396)	0	0	0	0	0
Ending Fund Balance	434,396	(2,160)	0	0	0	0	0	0
Coastal Area Road Improvement and Traffic Signals (CARITS)								
Beginning Fund Balance	150,218	150,218	150,218	1,518	1,518	1,518	1,518	1,518
Revenues	0	0	0	0	0	0	0	0
Expenditures	0	148,700	148,700	0	0	0	0	0
Revenues Over / (Under Expense)	0	(148,700)	(148,700)	0	0	0	0	0
Ending Fund Balance	150,218	1,518	1,518	1,518	1,518	1,518	1,518	1,518

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

CITY OF LAGUNA WOODS

SPECIAL REVENUE FUNDS STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
Public Safety Funds								
Supplemental Law Enforcement Program								
Beginning Fund Balance	19	14,706	14,706	22,406	0	0	0	0
Revenues	114,687	108,000	115,700	119,300	123,500	126,800	129,900	133,200
Expenditures	100,000	108,000	108,000	141,707	123,500	126,800	129,900	133,200
Revenues Over / (Under Expense)	14,687	0	7,700	(22,406)	0	0	0	0
Ending Fund Balance	14,706	14,706	22,406	0	0	0	0	0

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

CITY OF LAGUNA WOODS

SPECIAL REVENUE FUNDS STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
Environmental Funds								
Mobile Source Reduction								
Beginning Fund Balance	93,051	114,524	114,524	140,424	161,624	183,124	204,824	226,824
Revenues	21,473	21,000	25,900	21,200	21,500	21,700	22,000	22,300
Expenditures	0	0	0	0	0	0	0	0
Revenues Over / (Under Expense)	21,473	21,000	25,900	21,200	21,500	21,700	22,000	22,300
Ending Fund Balance	114,524	135,524	140,424	161,624	183,124	204,824	226,824	249,124
Proposition 84 Grant								
Beginning Fund Balance	(15,733)	(15,733)	(15,733)	0	0	0	0	0
Revenues	0	15,733	15,733	0	0	0	0	0
Expenditures	0	0	0	0	0	0	0	0
Revenues Over / (Under Expense)	0	15,733	15,733	0	0	0	0	0
Ending Fund Balance	(15,733)	0	0	0	0	0	0	0
Beverage Container Recycling								
Beginning Fund Balance	22,288	25,966	25,966	24,466	19,466	19,466	19,466	19,466
Revenues	5,038	5,000	5,000	0	0	0	0	0
Expenditures	1,360	6,500	6,500	5,000	0	0	0	0
Revenues Over / (Under Expense)	3,678	(1,500)	(1,500)	(5,000)	0	0	0	0
Ending Fund Balance	25,966	24,466	24,466	19,466	19,466	19,466	19,466	19,466
Used Oil / Oil Payment Program								
Beginning Fund Balance	16,841	21,105	21,105	26,105	26,105	26,105	26,105	26,105
Revenues	5,071	5,000	5,000	0	0	0	0	0
Expenditures	808	5,310	0	0	0	0	0	0
Revenues Over / (Under Expense)	4,263	(310)	5,000	0	0	0	0	0
Ending Fund Balance	21,105	20,795	26,105	26,105	26,105	26,105	26,105	26,105

CITY OF LAGUNA WOODS

**SPECIAL REVENUE FUNDS STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED**

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
CalRecycle / Energy Efficiency Conservation Grants								
Beginning Fund Balance	30,746	30,895	30,746	0	0	0	0	0
Revenues	149	0	0	0	0	0	0	0
Expenditures	0	30,895	30,746	0	0	0	0	0
Revenues Over / (Under Expense)	149	(30,895)	(30,746)	0	0	0	0	0
Ending Fund Balance	30,895	0	0	0	0	0	0	0

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

CITY OF LAGUNA WOODS

SPECIAL REVENUE FUNDS STRATEGIC FINANCIAL PLAN
FISCAL YEARS 2017-18 through 2021-22 FORECASTED

	Actual 2015-16	Amended 2016-17	Projected 2016-17	Budget 2017-18	Budget 2018-19	Forecasted 2019-20	Forecasted 2020-21	Forecasted 2021-22
Community Service Funds								
PEG/Cable Television								
Beginning Fund Balance	43,194	56,799	56,799	68,899	79,199	89,552	99,956	35,410
Revenues	13,605	13,700	12,100	12,300	12,400	12,500	12,600	12,700
Expenditures	0	12,000	0	2,000	2,047	2,096	77,146	2,198
Revenues Over / (Under Expense)	13,605	1,700	12,100	10,300	10,353	10,404	(64,546)	10,502
Ending Fund Balance	56,799	58,499	68,899	79,199	89,552	99,956	35,410	45,912
Senior Mobility								
Beginning Fund Balance	18,924	10,000	10,000	(16,682)	6,839	6,839	21,384	31,772
Program Revenues	244,187	225,000	289,300	317,700	316,700	316,100	315,800	316,000
Transfers In from General Fund	27,528	90,000	90,000	0	0	0	0	0
Total Revenues	271,715	315,000	379,300	317,700	316,700	316,100	315,800	316,000
Expenditures	280,639	420,088	405,982	294,179	316,700	301,555	305,412	309,362
Revenues Over / (Under Expense)	(8,924)	(105,088)	(26,682)	23,521	0	14,545	10,388	6,638
Ending Fund Balance	10,000	(95,088)	(16,682)	6,839	6,839	21,384	31,772	38,410
Community Development Block Grant (CDBG)								
Beginning Fund Balance	(3,634)	(13,243)	(13,243)	0	0	0	145,700	145,700
Program Revenues	106,581	162,934	162,934	145,700	145,700	145,700	145,700	145,700
Transfers In from General Fund	0	573	573	0	0	0	0	0
Total Revenues	106,581	163,507	163,507	145,700	145,700	145,700	145,700	145,700
Expenditures (including C/Os)	116,190	153,884	150,264	145,700	145,700	0	145,700	145,700
Revenues Over / (Under Expense)	(9,609)	9,623	13,243	0	0	145,700	0	0
Ending Fund Balance	(13,243)	(3,620)	0	0	0	145,700	145,700	145,700

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.



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

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8.3 CITY COUNCIL VACANCY

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: June 21, 2017 Regular Meeting
SUBJECT: City Council Vacancy

Recommendation

1. Review the applications received from individuals interested in being appointed to fill the City Council vacancy.

AND

2. Select individuals to interview for the City Council vacancy at the adjourned regular meeting of the City Council on June 28, 2017 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

Background

Due to the resignation of Councilmember Bert Hack on May 23, 2017, a vacancy exists on the City Council for the balance of his former term (November 2018).

On May 30, 2017, the City Council selected to fill the vacancy by appointment and approved the following appointment process schedule:

Table 1: Appointment Process Schedule

Description	Date(s)
Decision to fill the vacancy by appointment	May 30, 2017
Application period (two weeks)	June 1 – 15, 2017

Meeting to review applications and select candidates to schedule for interviews	June 21, 2017
Meeting to interview candidates and make an appointment	June 28, 2017 (subject to change)

In accordance with state law, the deadline for the City Council to fill the vacancy by appointment is July 22, 2017. If the City Council does not make an appointment by July 22, 2017, a special election will be required.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on matters related to filling the City Council vacancy. Staff recommends that the City Council review the applications received from individuals interested in being appointed to fill the vacancy and select individuals to interview at the adjourned regular meeting on July 28, 2017 at 2 p.m. at City Hall.

The following individuals submitted applications prior to the application deadline of June 15, 2017. Applications and Statements of Economic Interests [Fair Political Practices Commission (FPPC) Form 700] for each applicant are attached.

- Prakash M. Achrekar
- Francis Herman
- Richard B. Johnston
- Louise Lanning
- William "Joe" Rainey
- Sheryl Strich

Fiscal Impact

The recommended action could be accommodated in the City's budget.

Report Prepared With: Yolie Trippy, Deputy City Clerk

Attachments: A – Prakash M. Achrekar: Application and FPPC Form 700
 B – Francis Herman: Application and FPPC Form 700
 C – Richard B. Johnston: Application and FPPC Form 700
 D – Louise Lanning: Application and FPPC Form 700
 E – William "Joe" Rainey: Application and FPPC Form 700
 F – Sheryl Strich: Application and FPPC Form 700

JUN 15 2017

City Clerk
City of Laguna Woods**Application**NAME: ACHREKAR, PRAKASH M.PHONE NUMBER: (949) 217-1950RESIDENCE ADDRESS: 201 Ave. Majorca Unit-E, Laguna Woods CA 92637REGISTERED VOTER IN THE CITY OF LAGUNA WOODS: YES x NO OCCUPATION: RetiredNAME/ADDRESS OF PRESENT EMPLOYER (if applicable): N/A

DO YOU HAVE ANY INTERESTS OR ASSOCIATIONS WHICH MIGHT PRESENT A CONFLICT OF INTEREST OR CREATE AN INCOMPATIBLE OFFICE? IF YES, PLEASE EXPLAIN.

N/A

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

1. Director United Mutual Board, Laguna Woods Village2. Meals on Wheels, Laguna Hills3. Laguna Woods City Hall Reception Desk

WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

1. Adopt policies and regulations for health & safety of Laguna Woods residents2. Ensure efficient municipal services for welfare of Laguna Woods residents present and future

3. Provide legislative function over city staff, consultants, citizen advisory committees etc; for smooth city operation
4. Participate in strategic and long-term planning for the city

5. Participate in selection and hiring of top city administrators as needed

6. Involve in Annual City budget

7. Improve City's sphere of influence by promoting good relations with other cities and Government agencies.

WHAT DO YOU BELIEVE ARE YOUR MOST IMPORTANT QUALIFICATIONS FOR A CITY COUNCIL POSITION?

As a people person, I am a skillful negotiator well versed in communicating with all echelons of people.

I have earned a reputation throughout my career as an excellent problem solver under extreme program

and schedule constraints. I have no personal agenda and I live by utmost honesty and fairness principals

in all my actions. My focus on appropriate and successful utilization of resources is second to none.

I am a strong believer in pursuit of truthful, fair, ethical, and impartial work environment.

WHY DO YOU WISH TO SERVE AS A MEMBER OF THE CITY COUNCIL?

Laguna Woods is a small city and has earned good reputation as one of the most desirable place to live for

senior citizens. Yet, our city lacks a strong revenue base due to limited commercial anchors. The city's vast

and very diversified resource, ie; knowledge base, brought together by its 18,000 residents has yet not

successfully tapped. One of my dreams is to fulcrum this resource to make Laguna Woods as the Nation's

capitol for innovation in the 21st Century. I want to make Laguna Woods as the incubator where Next-Gen businesses shall spawn.

WHAT WOULD YOU BRING BY WAY OF PERSPECTIVE OR EXPERIENCE TO THE CITY COUNCIL AND WHAT ARE YOUR GOALS FOR THE CITY DURING YOUR TERM?

My experiences encompass many avenues in commercial, industrial, public, and private sectors. I have

traveled through many countries for education and job assignments. I also own three Masters degrees.

I have volunteered for over 30 years in different capacities as President, Treasurer, and Director. Laguna

Woods is my last place to live on Planet Earth. My goal during the short term will be to do my very best

to promote Laguna Woods as a Model City for its innovative people, programs, and accomplishments.

YOU MAY USE THE BACK OF THIS APPLICATION OR ADDITIONAL SHEETS TO COMPLETE YOUR ANSWERS TO THE ABOVE QUESTIONS.

PLEASE ATTACH YOUR RESUME, LETTER OF INTEREST, OR ANY ADDITIONAL INFORMATION OR STATEMENTS THAT YOU FEEL WOULD BE HELPFUL TO THE CITY COUNCIL IN REVIEWING YOUR QUALIFICATIONS.

THIS APPLICATION MUST BE ACCOMPANIED BY A COMPLETED AND SIGNED FAIR POLITICAL PRACTICES COMMISSION (FPPC) FORM 700. FOR MORE INFORMATION, PLEASE CONTACT THE FPPC AT (866) ASK-FPPC OR <http://www.fppc.ca.gov/Form700.html>.

AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, all information contained herein and attached hereto will be made available to the general public. I further understand that if appointed, I will be required to take the oath of office and file additional financial disclosure statements.

PRINT NAME: PRAKASH M. ACHREKAR

SIGNATURE: P.M. Achrekar DATE: 6/15/2017

RECEIVED
Date Initial Filing Received
Official Use Only
JUN 14 2017
City Clerk
City of Laguna Woods

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION
A PUBLIC DOCUMENT

STATEMENT OF ECONOMIC INTERESTS

COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST)	(FIRST)	(MIDDLE)
ACHREKAR	PRAKASH	M.

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

City of Laguna Woods

Division, Board, Department, District, if applicable

Your Position

City Council Member

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: _____ Position: _____

2. Jurisdiction of Office (Check at least one box)

☐ State

☐ Judge or Court Commissioner (Statewide Jurisdiction)

☐ Multi-County _____

☐ County of _____

☒ City of Laguna Woods

☐ Other _____

3. Type of Statement (Check at least one box)

☐ **Annual:** The period covered is January 1, 2016, through December 31, 2016.

-or-

The period covered is ____/____/____, through December 31, 2016.

☐ **Leaving Office:** Date Left ____/____/____
(Check one)

☐ The period covered is January 1, 2016, through the date of leaving office.

-or-

☐ The period covered is ____/____/____, through the date of leaving office.

☐ **Assuming Office:** Date assumed ____/____/____

☒ **Candidate:** Election year 2017 and office sought, if different than Part 1: _____

4. Schedule Summary (must complete) ► Total number of pages including this cover page: 3

Schedules attached

☐ **Schedule A-1 - Investments** – schedule attached

☒ **Schedule C - Income, Loans, & Business Positions** – schedule attached

☒ **Schedule A-2 - Investments** – schedule attached

☐ **Schedule D - Income – Gifts** – schedule attached

☐ **Schedule B - Real Property** – schedule attached

☐ **Schedule E - Income – Gifts – Travel Payments** – schedule attached

-or-

☐ **None - No reportable interests on any schedule**

5. Verification

MAILING ADDRESS	STREET	CITY	STATE	ZIP CODE
(Business or Agency Address Recommended - Public Document)				
201 AVE. MAJORCA UNIT-E	LAGUNA WOODS	CA	92637	

DAYTIME TELEPHONE NUMBER

(949) 217-1950

E-MAIL ADDRESS

cash334@gmail.com

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed 6/15/2017
(month, day, year)

Signature P.M. Achrekar
(File the originally signed statement with your filing official.)

SCHEDULE A-2
Investments, Income, and Assets
of Business Entities/Trusts
 (Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION

Name
 ACHREKAR, PRAKASH M

► 1. BUSINESS ENTITY OR TRUST

PROFESSIONAL'S BROKER

Name
 201 Ave. Majorca Unit-E, Laguna Woods CA 92637
 Address (Business Address Acceptable)

Check one
☐ Trust, go to 2 ☒ Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

Real Estate Broker

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:
☒ \$0 - \$1,999 ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000 ☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000
 ACQUIRED / / 16 DISPOSED / / 16

NATURE OF INVESTMENT
☐ Partnership ☒ Sole Proprietorship ☐ Other

YOUR BUSINESS POSITION Broker Owner

► 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

☐ \$0 - \$499 ☐ \$10,001 - \$100,000
☐ \$500 - \$1,000 ☐ OVER \$100,000
☒ \$1,001 - \$10,000

► 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☒ None or ☐ Names listed below

► 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
☐ INVESTMENT ☐ REAL PROPERTY
 N/A

Name of Business Entity, if Investment, or
 Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or
 City or Other Precise Location of Real Property

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000 ☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000
 ACQUIRED / / 16 DISPOSED / / 16

NATURE OF INTEREST
☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold Yrs. remaining ☐ Other

☐ Check box if additional schedules reporting investments or real property are attached

► 1. BUSINESS ENTITY OR TRUST

BIJLEE LLC

Name
 201 Ave. Majorca Unit-E, Laguna Woods CA 92637
 Address (Business Address Acceptable)

Check one
☐ Trust, go to 2 ☐ Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

Developing my own invention

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:
☒ \$0 - \$1,999 ☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000 ☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000
 ACQUIRED / / 16 DISPOSED / / 16

NATURE OF INVESTMENT
☐ Partnership ☐ Sole Proprietorship ☐ Other

YOUR BUSINESS POSITION

► 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

☒ \$0 - \$499 ☐ \$10,001 - \$100,000
☐ \$500 - \$1,000 ☐ OVER \$100,000
☐ \$1,001 - \$10,000

► 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☒ None or ☐ Names listed below

► 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
☐ INVESTMENT ☐ REAL PROPERTY
 N/A

Name of Business Entity, if Investment, or
 Assessor's Parcel Number or Street Address of Real Property

Description of Business Activity or
 City or Other Precise Location of Real Property

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000 ☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000
 ACQUIRED / / 16 DISPOSED / / 16

NATURE OF INTEREST
☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold Yrs. remaining ☐ Other

☐ Check box if additional schedules reporting investments or real property are attached

Comments:

SCHEDULE C
Income, Loans, & Business
Positions
 (Other than Gifts and Travel Payments)

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name ACHREKAR, PRAKASH M
--

▶ 1. INCOME RECEIVED

NAME OF SOURCE OF INCOME

PROFESSIONAL'S BROKER

ADDRESS (Business Address Acceptable)

201 Ave. Majorca Unit-E, Laguna Woods CA 92637

BUSINESS ACTIVITY, IF ANY, OF SOURCE

Real Estate Broker

YOUR BUSINESS POSITION

Sole Proprietor

GROSS INCOME RECEIVED

☐ No Income - Business Position Only☐ \$500 - \$1,000☐ \$1,001 - \$10,000☒ \$10,001 - \$100,000☐ OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☐ Salary ☐ Spouse's or registered domestic partner's income
(For self-employed use Schedule A-2.)☐ Partnership (Less than 10% ownership. For 10% or greater use
Schedule A-2.)☐ Sale of _____
(Real property, car, boat, etc.)☐ Loan repayment☒ Commission or ☐ Rental Income, list each source of \$10,000 or more

Sales Commission earned on two home sales

(Describe)

☐ Other _____
(Describe)

▶ 1. INCOME RECEIVED

NAME OF SOURCE OF INCOME

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

YOUR BUSINESS POSITION

GROSS INCOME RECEIVED

☐ No Income - Business Position Only☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☐ Salary ☐ Spouse's or registered domestic partner's income
(For self-employed use Schedule A-2.)☐ Partnership (Less than 10% ownership. For 10% or greater use
Schedule A-2.)☐ Sale of _____
(Real property, car, boat, etc.)☐ Loan repayment☐ Commission or ☐ Rental Income, list each source of \$10,000 or more

(Describe)

☐ Other _____
(Describe)

▶ 2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD

* You are not required to report loans from commercial lending institutions, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*

INTEREST RATE

TERM (Months/Years)

ADDRESS (Business Address Acceptable)

_____% ☐ None

BUSINESS ACTIVITY, IF ANY, OF LENDER

SECURITY FOR LOAN

☐ None ☐ Personal residence

HIGHEST BALANCE DURING REPORTING PERIOD

☐ Real Property _____
Street address☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000☐ Guarantor _____☐ Other _____
(Describe)

Comments: _____

JUN 17 2017

City Clerk
City of Laguna WoodsApplication

NAME:

FRANCIS HERMAN

PHONE NUMBER:

949 916 1219

MAI 4 1961 ADDRESS: 24301 MUIRLANDS BL #D4-153 EL TORO CA 92631

RESIDENCE ADDRESS:

24302 EL TORO RD #208 LAGUNA WOODS CA 92637

REGISTERED VOTER IN THE CITY OF LAGUNA WOODS: YES _____ NO X

OCCUPATION:

RETIRED

NAME/ADDRESS OF PRESENT EMPLOYER (if applicable):

NONE

DO YOU HAVE ANY INTERESTS OR ASSOCIATIONS WHICH MIGHT PRESENT A CONFLICT OF INTEREST OR CREATE AN INCOMPATIBLE OFFICE? IF YES, PLEASE EXPLAIN.

NONE

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

US VETERANS BKFS LAKELAND CA

US VETERANS SUPPORT GRPS

SENIOR CTR ACTIVITIES & LAG WOODS VILLAGE ACTIVITIES

WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

PROTECTION OF ALL RESIDENTS OF LAGUNA WOODS,
ESPECIALLY SENIORS

WHAT DO YOU BELIEVE ARE YOUR MOST IMPORTANT QUALIFICATIONS FOR A CITY COUNCIL POSITION?

US VETERAN (NAVY; MIDDLE EAST; VIETNAM POW)
LAW SCHOOL GRADUATE
PRIOR CHICAGO POLICE OFFICER

WHY DO YOU WISH TO SERVE AS A MEMBER OF THE CITY COUNCIL?

TO SERVE THE PEOPLE & SENIORS OF LAGUNA WOODS

WHAT WOULD YOU BRING BY WAY OF PERSPECTIVE OR EXPERIENCE TO THE CITY COUNCIL AND WHAT ARE YOUR GOALS FOR THE CITY DURING YOUR TERM?

PRIOR BOARD MEMBER IN LAW SCHOOL (GOALS
ALL ACCOMPLISHED AS BD MEMBER)

CURRENT GOALS: TO HELP/ASSIST RESIDENTS & ALL
US VETERANS

YOU MAY USE THE BACK OF THIS APPLICATION OR ADDITIONAL SHEETS TO COMPLETE YOUR ANSWERS TO THE ABOVE QUESTIONS.

✓ NONE

PLEASE ATTACH YOUR RESUME, LETTER OF INTEREST, OR ANY ADDITIONAL INFORMATION OR STATEMENTS THAT YOU FEEL WOULD BE HELPFUL TO THE CITY COUNCIL IN REVIEWING YOUR QUALIFICATIONS.

THIS APPLICATION MUST BE ACCOMPANIED BY A COMPLETED AND SIGNED FAIR POLITICAL PRACTICES COMMISSION (FPPC) FORM 700. FOR MORE INFORMATION, PLEASE CONTACT THE FPPC AT (866) ASK-FPPC OR <http://www.fppc.ca.gov/Form700.html>.

AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, all information contained herein and attached hereto will be made available to the general public. I further understand that if appointed, I will be required to take the oath of office and file additional financial disclosure statements.

PRINT NAME:

FRANCIS HERMAN

SIGNATURE:

[Handwritten Signature]

DATE:

15 JUN 2017

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 A PUBLIC DOCUMENT

STATEMENT OF ECONOMIC INTERESTS

Date Initial Filing Received
JUN 13 2017

COVER PAGE

City Clerk
City of Laguna Woods

Please type or print in ink.

NAME OF FILER (LAST)

HERMAN

(FIRST)

FRANCES

(MIDDLE)

ARTHUR

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: _____

Position: _____

2. Jurisdiction of Office (Check at least one box)

☐ State☐ Judge or Court Commissioner (Statewide Jurisdiction)☐ Multi-County _____☐ County of _____☐ City of _____☐ Other _____

3. Type of Statement (Check at least one box)

☐ Annual: The period covered is January 1, 2016, through December 31, 2016.

-or-

The period covered is ____/____/____, through December 31, 2016.

☐ Assuming Office: Date assumed ____/____/____☐ Leaving Office: Date Left ____/____/____
(Check one)☐ The period covered is January 1, 2016, through the date of leaving office.

-or-

☐ The period covered is ____/____/____, through the date of leaving office.☒ Candidate: Election year 2017and office sought, if different than Part 1: ODMBR CITY COUNCIL4. Schedule Summary (must complete) ► Total number of pages including this cover page: 1

Schedules attached

☒ Schedule A-1 - Investments - schedule attached☒ Schedule C - Income, Loans, & Business Positions - schedule attached☒ Schedule A-2 - Investments - schedule attached☒ Schedule D - Income - Gifts - schedule attached☒ Schedule B - Real Property - schedule attached☒ Schedule E - Income - Gifts - Travel Payments - schedule attached☒ None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS

STREET

CITY

STATE

ZIP CODE

(Business or Agency Address Recommended - Public Document)

29331 MYRIAN BLVD #D4-155 ELIZABETH CA 92630

DAYTIME TELEPHONE NUMBER

(949) 916 1219

E-MAIL ADDRESS

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed

15/04/2017

(month, day, year)

Signature

(File the originally signed statement with your filing official.)

JUN 06 2017

City Clerk
City of Laguna WoodsApplicationNAME: RICHARD B. JOHNSTONPHONE NUMBER: (760) 496-8571RESIDENCE ADDRESS: 5486A PASEO DEL LAGO W, LAGUNA WOODSREGISTERED VOTER IN THE CITY OF LAGUNA WOODS: YES X NO OCCUPATION: RETIREDNAME/ADDRESS OF PRESENT EMPLOYER (if applicable):

DO YOU HAVE ANY INTERESTS OR ASSOCIATIONS WHICH MIGHT PRESENT A CONFLICT OF INTEREST OR CREATE AN INCOMPATIBLE OFFICE? IF YES, PLEASE EXPLAIN.

NONE

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

See next page for responses.

WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

on next page →

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

I am currently serving on the 2016/2017 Orange County Grand Jury. My one year commitment is up on June 30, 2017. Immediately prior to the OCGJ, I served as GRF Director and Treasurer as well as catalyst for the transition to self-management.

WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

Establish policy, review and approve local ordinances, evaluate and approve land use; to find ways to provide city services within current budget constraints and the vagaries of county and state government actions.

WHAT DO YOU BELIEVE ARE YOUR MOST IMPORTANT QUALIFICATIONS FOR A CITY COUNCIL POSITION?

The ability to separate personal interest and bias from the larger community interest. The ability to listen and understand opposing positions and be open to adjusting a position based on a better understanding of an issue. Being collegial and a team player with good analytical skills. Depth of experience working with large organizations on complex problems. Familiarity with city and county issues. Ability to think long term and manage priorities.

WHY DO YOU WISH TO SERVE AS A MEMBER OF THE CITY COUNCIL?

I have always been active in communities in which I have lived and am concerned about preserving the long term health and viability of this community. My recent service on the GRF Board and the Orange County Grand Jury puts me in a better position to be able to contribute to the larger community. This recent experience proved to be my most intensive experience in community involvement. It was civics on steroids. I feel that this experience could be of value in city government.

WHAT WOULD YOU BRING BY WAY OF PERSPECTIVE OR EXPERIENCE TO THE CITY COUNCIL AND WHAT ARE YOUR GOALS FOR THE CITY DURING YOUR TERM?

Laguna Woods is a unique senior community in one of the most expensive counties in the country. I have concerns that we make the right decisions regarding land use both within Laguna Woods and neighboring communities as well as infrastructure and policy and that those decisions are in the long term best interest of this community. My perspective is greatly influenced by a depth of experience working at the highest levels in large organizations on organization performance and strategic planning. I prefer to create a clear and compelling vision and designing the path to getting to the vision. Also relevant is my recent experience moving Laguna Woods Village to self-management where 1,000 employees of Laguna Woods Village are now working for the benefit of the community and not for the benefit of the bottom line of a separate entity in Texas.

PLEASE ATTACH YOUR RESUME, LETTER OF INTEREST, OR ANY ADDITIONAL INFORMATION OR STATEMENTS THAT YOU FEEL WOULD BE HELPFUL TO THE CITY COUNCIL IN REVIEWING YOUR QUALIFICATIONS.

THIS APPLICATION MUST BE ACCOMPANIED BY A COMPLETED AND SIGNED FAIR POLITICAL PRACTICES COMMISSION (FPPC) FORM 700. FOR MORE INFORMATION, PLEASE CONTACT THE FPPC AT (866) ASK-FPPC OR <http://www.fppc.ca.gov/Form700.html>.

AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, all information contained herein and attached hereto will be made available to the general public. I further understand that if appointed, I will be required to take the oath of office and file additional financial disclosure statements.

PRINT NAME: RICHARD B. JOHNSTON

SIGNATURE: Richard B Johnston DATE: 6/6/17

RESUME

Richard Johnston
5486 Paseo Del Lago West, Apt A
Laguna Woods, CA 92637

Business Background

45 year corporate career focused on organizational performance and executive decision making in multi-billion dollar corporations in the food, paper, and wine industries. Throughout my career I worked directly with and in senior leadership improving organization performance. Introduced a methodology for development of management decision systems that can link all of the key players in the organization to core decision processes, provides a river of relevant information that flows through the organization and improves organization performance at every touch point and to put relevant, actionable information in digestible form at the fingertips of senior level decision makers.

Professional History

1971-2006 E&J Gallo Winery -VP Strategic Planning –35 yrs .

Responsible for Management of the \$Billion wine supply, Market Analysis and Forecasting, Project Management, Financial Planning, Planning Services, IT. Other roles included V.P. Chief Information Officer, V.P Production Planning, Vice President Planning Services. Designed and developed an enterprise wide system to manage the \$billion wine supply for the world's largest and most successful winery, E&J Gallo Winery. Cut the number of executive meetings by 80%, reduced supply costs by \$20 million per year, reduced the influence of power players and silos within the organization, linked the entire organization to the mission critical process, gave all role players finger-tip access and intuitive tools for all relevant information in real-time, resulted in a dramatic improvement in speed and quality of decision making. As a result, the owners gave me the keys to the \$Billion wine supply. As I was making changes throughout the organization, my role and title changed through several officer positions. I initiated the effort to bring senior leadership together to examine and assess total organization performance. That effort then led to the change in corporate leadership to the next generation.

1976-1986 CSUS 10 years- Adjunct Professor MBA Core Course – Quantitative Methods for Business Decisions – Keeping my tools sharp and expanding the potential talent pool for Gallo Winery.

1969-1971 Crown Zellerbach 2 years– Sr. Operations Research Analyst

Responsible for the design and implementation of senior management decision systems. Led the development of a corporate-wide production balancing methodology. Instrumental in development of forecast modelling used for financial planning. Crafted a new methodology for development of process management systems.

1961-1969 Oscar Mayer – Industrial Engineer/OR analyst.

One of 5 new graduates selected to be fast-tracked for management training and mentoring by five senior corporate officers. Demonstrated to the senior management team the power of computer technology in executive decision making. Given leadership role in development of a corporate Sales Forecasting System and in designing the structure of the supporting organization.

Post Retirement

President, Broker AFR INVESTMENTS LLC – A California Real Estate Investment Company, buying foreclosures, rehabbing and selling SFRs in California.

2007-2015 Post Retirement: President, Broker, AFR INVESTMENTS LLC – A California Real Estate Investment Company, buying foreclosures rehabbing and selling and financing SFRs in California.

Education

BS Industrial Engineering, Iowa State Univ. MBA CSUS

Completed course work for PHD in IE/OR at University of Wisconsin and UC Berkeley

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 A PUBLIC DOCUMENT

STATEMENT OF ECONOMIC INTERESTS
COVER PAGE

Date Issued: JUN 06 2017

City Clerk
City of Laguna Woods

Please type or print in ink.

NAME OF FILER (LAST)	(FIRST)	(MIDDLE)
JOHNSTON	RICHARD	BRIAN

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

LAGUNA WOODS CITY COUNCIL

Division, Board, Department, District, if applicable

Your Position

MEMBER

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: _____ Position: _____

2. Jurisdiction of Office (Check at least one box)☐ State☐ Judge or Court Commissioner (Statewide Jurisdiction)☐ Multi-County _____☐ County of _____☒ City of LAGUNA WOODS☐ Other _____**3. Type of Statement (Check at least one box)**☒ **Annual:** The period covered is January 1, 2016, through December 31, 2016.☐ **Leaving Office:** Date Left ____/____/____
(Check one)

-or-

The period covered is ____/____/____, through December 31, 2016.

☐ The period covered is January 1, 2016, through the date of leaving office.

-or-

☐ **Assuming Office:** Date assumed ____/____/____☐ The period covered is ____/____/____, through the date of leaving office.☒ **Candidate:** Election year 2017 and office sought, if different than Part 1: _____**4. Schedule Summary (must complete) ► Total number of pages including this cover page: 7****Schedules attached**☒ **Schedule A-1 - Investments** – schedule attached☒ **Schedule C - Income, Loans, & Business Positions** – schedule attached☒ **Schedule A-2 - Investments** – schedule attached☒ **Schedule D - Income – Gifts** – schedule attached☒ **Schedule B - Real Property** – schedule attached☒ **Schedule E - Income – Gifts – Travel Payments** – schedule attached

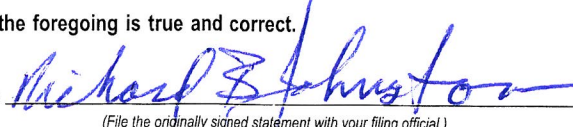
-or-

☐ **None - No reportable interests on any schedule****5. Verification**

MAILING ADDRESS (Business or Agency Address Recommended - Public Document)	STREET	CITY	STATE	ZIP CODE
5486 PASEO DEL LAGO W UNIT A		LAGUNA WOODS	CA	92637
DAYTIME TELEPHONE NUMBER	E-MAIL ADDRESS			
(760) 496-8571	afrtoday@yahoo.com			

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed 06/06/2017
(month, day, year)Signature 
(File the originally signed statement with your filing official.)

SCHEDULE A-1

Investments

Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Do not attach brokerage or financial statements.

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name

RICHARD B JOHNSTON

▶ NAME OF BUSINESS ENTITY
FRANKLIN INCOME FUND CLASS A

GENERAL DESCRIPTION OF THIS BUSINESS

MUTUAL FUND

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☒ Over \$1,000,000

NATURE OF INVESTMENT **MUTUAL FUND - INCOME**
☐ Stock ☒ Other (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/16 ACQUIRED ____/____/16 DISPOSED

▶ NAME OF BUSINESS ENTITY
WELLS FARGO

GENERAL DESCRIPTION OF THIS BUSINESS

BANKING

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☒ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☒ Stock ☐ Other (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/16 ACQUIRED ____/____/16 DISPOSED

▶ NAME OF BUSINESS ENTITY
AMAZON

GENERAL DESCRIPTION OF THIS BUSINESS

SERVICES

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☒ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☒ Stock ☐ Other (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/16 ACQUIRED ____/____/16 DISPOSED

▶ NAME OF BUSINESS ENTITY
POLLOCK 2006 INDEPENDENT INVESTORS

GENERAL DESCRIPTION OF THIS BUSINESS

REIT

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☒ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT **COMMERCIAL REAL ESTAT**
☐ Stock ☒ Other (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/16 ACQUIRED ____/____/16 DISPOSED

▶ NAME OF BUSINESS ENTITY
APPLE INC

GENERAL DESCRIPTION OF THIS BUSINESS

COMPUTER PRODUCTS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☒ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☒ Stock ☐ Other (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/16 ACQUIRED ____/____/16 DISPOSED

▶ NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other (Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
____/____/16 ACQUIRED ____/____/16 DISPOSED

Comments: _____

SCHEDULE A-2
Investments, Income, and Assets
of Business Entities/Trusts
 (Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name RICHARD B JOHNSTON

► 1. BUSINESS ENTITY OR TRUST

AFR INVESTMENTS LLC

Name

5486 PASEO DEL LAGO W UNIT A LAGUNA WOODS

Address (Business Address Acceptable)

Check one

☐ Trust, go to 2 ☒ Business Entity, complete the box, then go to 2
GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

☐ \$0 - \$1,999☐ \$2,000 - \$10,000☐ \$10,001 - \$100,000☐ \$100,001 - \$1,000,000☒ Over \$1,000,000

____/____/16

ACQUIRED

____/____/16

DISPOSED

NATURE OF INVESTMENT

☐ Partnership☐ Sole Proprietorship☐

Other

YOUR BUSINESS POSITION OWNER/PRESIDENT**► 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**☐ \$0 - \$499☐ \$10,001 - \$100,000☐ \$500 - \$1,000☐ OVER \$100,000☐ \$1,001 - \$10,000**► 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**☐ None or ☐ Names listed below**► 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:

☐ INVESTMENT☐ REAL PROPERTYName of Business Entity, if Investment, or
Assessor's Parcel Number or Street Address of Real PropertyDescription of Business Activity or
City or Other Precise Location of Real Property

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

☐ \$2,000 - \$10,000☐ \$10,001 - \$100,000☐ \$100,001 - \$1,000,000☐ Over \$1,000,000

____/____/16

ACQUIRED

____/____/16

DISPOSED

NATURE OF INTEREST

☐ Property Ownership/Deed of Trust☐ Stock☐ Partnership☐ Leasehold

Yrs. remaining

☐ Other☐ Check box if additional schedules reporting investments or real property are attached**► 1. BUSINESS ENTITY OR TRUST**

Name

Address (Business Address Acceptable)

Check one

☐ Trust, go to 2 ☐ Business Entity, complete the box, then go to 2
GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

☐ \$0 - \$1,999☐ \$2,000 - \$10,000☐ \$10,001 - \$100,000☐ \$100,001 - \$1,000,000☐ Over \$1,000,000

____/____/16

ACQUIRED

____/____/16

DISPOSED

NATURE OF INVESTMENT

☐ Partnership☐ Sole Proprietorship☐

Other

YOUR BUSINESS POSITION

► 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)☐ \$0 - \$499☐ \$10,001 - \$100,000☐ \$500 - \$1,000☐ OVER \$100,000☐ \$1,001 - \$10,000**► 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**☐ None or ☐ Names listed below**► 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:

☐ INVESTMENT☐ REAL PROPERTYName of Business Entity, if Investment, or
Assessor's Parcel Number or Street Address of Real PropertyDescription of Business Activity or
City or Other Precise Location of Real Property

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

☐ \$2,000 - \$10,000☐ \$10,001 - \$100,000☐ \$100,001 - \$1,000,000☐ Over \$1,000,000

____/____/16

ACQUIRED

____/____/16

DISPOSED

NATURE OF INTEREST

☐ Property Ownership/Deed of Trust☐ Stock☐ Partnership☐ Leasehold

Yrs. remaining

☐ Other☐ Check box if additional schedules reporting investments or real property are attached

Comments: _____

FPPC Form 700 (2016/2017) Sch. A-2

FPPC Advice Email: advice@fppc.ca.govFPPC Toll-Free Helpline: 866/275-3772 www.fppc.ca.gov

SCHEDULE B
Interests in Real Property
(Including Rental Income)

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name

RICHARD B JOHNSTON

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CA 057-624-007

CITY

LAGUNA WOODS CA

FAIR MARKET VALUE

☐ \$2,000 - \$10,000☐ \$10,001 - \$100,000☒ \$100,001 - \$1,000,000☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

____/____/16	____/____/16
ACQUIRED	DISPOSED

NATURE OF INTEREST

☒ Ownership/Deed of Trust☐ Easement☐ Leasehold

Yrs. remaining

☐

Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ \$0 - \$499☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY

FAIR MARKET VALUE

☐ \$2,000 - \$10,000☐ \$10,001 - \$100,000☐ \$100,001 - \$1,000,000☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

____/____/16	____/____/16
ACQUIRED	DISPOSED

NATURE OF INTEREST

☐ Ownership/Deed of Trust☐ Easement☐ Leasehold

Yrs. remaining

☐

Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

☐ \$0 - \$499☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

* You are not required to report loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE

TERM (Months/Years)

_____% ☐ None

HIGHEST BALANCE DURING REPORTING PERIOD

☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000☐ Guarantor, if applicable

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE

TERM (Months/Years)

_____% ☐ None

HIGHEST BALANCE DURING REPORTING PERIOD

☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000☐ Guarantor, if applicable

Comments:

SCHEDULE C
Income, Loans, & Business
Positions
 (Other than Gifts and Travel Payments)

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name RICHARD B JOHNSTON

1. INCOME RECEIVED	1. INCOME RECEIVED
NAME OF SOURCE OF INCOME AFR JOHNSTON REALTY	NAME OF SOURCE OF INCOME
ADDRESS (Business Address Acceptable) 5486 PASEO DEL LAGO W - A LAGUNA WOODS	ADDRESS (Business Address Acceptable)
BUSINESS ACTIVITY, IF ANY, OF SOURCE REAL ESTATE SALES	BUSINESS ACTIVITY, IF ANY, OF SOURCE
YOUR BUSINESS POSITION OWNER/BROKER	YOUR BUSINESS POSITION
GROSS INCOME RECEIVED ☐ No Income - Business Position Only ☐ \$500 - \$1,000 ☐ \$1,001 - \$10,000 ☒ \$10,001 - \$100,000 ☐ OVER \$100,000	GROSS INCOME RECEIVED ☐ No Income - Business Position Only ☐ \$500 - \$1,000 ☐ \$1,001 - \$10,000 ☐ \$10,001 - \$100,000 ☐ OVER \$100,000
CONSIDERATION FOR WHICH INCOME WAS RECEIVED ☐ Salary ☐ Spouse's or registered domestic partner's income (For self-employed use Schedule A-2.) ☐ Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.) ☒ Sale of LAGUNA WOODS CONDOMINIUMS (Real property, car, boat, etc.) ☐ Loan repayment ☐ Commission or ☐ Rental Income, list each source of \$10,000 or more (Describe) ☐ Other (Describe)	CONSIDERATION FOR WHICH INCOME WAS RECEIVED ☐ Salary ☐ Spouse's or registered domestic partner's income (For self-employed use Schedule A-2.) ☐ Partnership (Less than 10% ownership. For 10% or greater use Schedule A-2.) ☐ Sale of (Real property, car, boat, etc.) ☐ Loan repayment ☐ Commission or ☐ Rental Income, list each source of \$10,000 or more (Describe) ☐ Other (Describe)

2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD

* You are not required to report loans from commercial lending institutions, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*	INTEREST RATE	TERM (Months/Years)
ADDRESS (Business Address Acceptable)	% ☐ None	
BUSINESS ACTIVITY, IF ANY, OF LENDER	SECURITY FOR LOAN	
HIGHEST BALANCE DURING REPORTING PERIOD	☐ None ☐ Personal residence	
☐ \$500 - \$1,000	☐ Real Property	Street address
☐ \$1,001 - \$10,000		City
☐ \$10,001 - \$100,000	☐ Guarantor	
☐ OVER \$100,000	☐ Other	(Describe)

Comments:

SCHEDULE D **Income – Gifts**

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name

RICHARD B JOHNSTON

► NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

► NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

► NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

► NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

► NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

► NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: _____

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name

RICHARD B JOHNSTON

SCHEDULE E

Income – Gifts

Travel Payments, Advances, and Reimbursements

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. These payments are not subject to the gift limit, but may result in a disqualifying conflict of interest.
- For gifts of travel, provide the travel destination.

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCEDATE(S): ____/____/____ - ____/____/____ AMT: \$_____
(If gift)▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income☐ Made a Speech/Participated in a Panel☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCEDATE(S): ____/____/____ - ____/____/____ AMT: \$_____
(If gift)▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income☐ Made a Speech/Participated in a Panel☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCEDATE(S): ____/____/____ - ____/____/____ AMT: \$_____
(If gift)▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income☐ Made a Speech/Participated in a Panel☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCEDATE(S): ____/____/____ - ____/____/____ AMT: \$_____
(If gift)▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income☐ Made a Speech/Participated in a Panel☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

Comments: _____

JUN 15 2017

City Clerk
City of Laguna WoodsApplication

NAME: LOUISE LANNING

PHONE NUMBER: (949) 855 9115

RESIDENCE ADDRESS: 119 VIA ESTRADA - UNIT 5, LAGUNA WOODS CA 92637

REGISTERED VOTER IN THE CITY OF LAGUNA WOODS: YES X NO 92637

OCCUPATION: RETIRED CORPORATE PRESIDENT/CEO 28 YEARS EXPERIENCE

NAME/ADDRESS OF PRESENT EMPLOYER (if applicable): N/A

DO YOU HAVE ANY INTERESTS OR ASSOCIATIONS WHICH MIGHT PRESENT A CONFLICT OF INTEREST OR CREATE AN INCOMPATIBLE OFFICE? IF YES, PLEASE EXPLAIN.

NO CONFLICTS OF OFFICE OR INTERESTS
WHAT SO EVER,

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

- LIVED HERE NOW FOR 7+ YEARS PROACTIVE
 - SUPPORT WELLNESS IN THE WOODS IN LAGUNA
 - WOODS VILLAGE FOR SPECIAL FOCUS ON SENIOR HEALTH
 - JUST THIS MAY COMPLETED 24 CLASS CIRCUIT
 - TRAINING AT NEW GYM. (I'M IN PERFECT HEALTH)
 - ATTEND VARIOUS CLUBS, LECTURES, MEDITATION, SPECIAL EVENTS
 - PRO ACTIVE AND SUPPORTIVE TO COMMUNITY ACTIVITIES
- WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

TO SERVE OBEDIENTLY THE GREATEST GOOD OF THE PEOPLE AND
THE COMMUNITY OF LAGUNA WOODS HELP FURTHER HIGH IDEAS
STANDARDS, SAFETY AND WISE PROGRESSIVENESS. HELP WITH
CREATING (WHERE APPROPRIATE) LAWS AND CHANGE IN LAWS BEING TIMELY
FOR CURRENT NEEDS WHILE BUDGET-FOCUSED. I HAVE VAST EXPERIENCE
AND AM VERY SUCCESSFULLY BEING CEO + TREASURER OF A CORPORATION

It is important to maintain and further the gains and successes in the area of recycling, waste management budget targets, community services and quality of life.

I HAVE A LOT OF EXPERIENCE AND SUCCESS
AT MAKING PRUDENT DECISIONS REGARDING OWNING + DAILY
RUNNING A CORPORATION PRODUCING + UNDERSTANDING ALL FINANCIAL
DOCUMENTS, SETTING + MONITORING OPERATIONAL PROCEDURES ETC.
WHAT DO YOU BELIEVE ARE YOUR MOST IMPORTANT QUALIFICATIONS FOR A CITY COUNCIL POSITION?

I am vastly capable, experienced and seasoned.
I HELD POLITICAL OFFICE AS SENIOR REPRESENTATIVE
AT SAN JOSE STATE UNIVERSITY. TAUGHT PUBLIC SCHOOL - 3 STATE.
28 YEARS CORPORATE CEO, Treasurer + founder of A
Graduated from San Jose State Univ. plus graduate work.
Very successful B STORE 30 employees, chains.
REAL ESTATE MANAGEMENT EXPERIENCE + STUDIED REAL ESTATE LAW.
WHY DO YOU WISH TO SERVE AS A MEMBER OF THE CITY COUNCIL? I believe strongly

that I would do a very capable and excellent job. This
job is in my high skillset AND I WOULD MAKE WORTHY
CONTRIBUTIONS to all causes, issues and innovations.
I WOULD TRULY LOVE TO HAVE THIS POSITION and do well
BY IT WITH SELFLESS DEDICATION.

WHAT WOULD YOU BRING BY WAY OF PERSPECTIVE OR EXPERIENCE TO THE CITY COUNCIL AND WHAT ARE YOUR GOALS FOR THE CITY DURING YOUR TERM?

My perspective is THAT OF VARIED PROFESSIONAL EXPERIENCE
and a career business woman that is prudent + level headed.
My strong suits are leadership, yet "team player" people
person skills, HIGH, HIGH INTEGRITY, UNSELFISH DOES VERY BEST.
My GOALS ARE TO BE A TRUE PUBLIC SERVANT AND ALL THE FINE
QUALITIES THAT ENTAILS WITH A FOCUS ON SUSTAINING THE
YOU MAY USE THE BACK OF THIS APPLICATION OR ADDITIONAL SHEETS TO COMPLETE YOUR

ANSWERS TO THE ABOVE QUESTIONS.
CITY COUNCILS + CITIES ADMIRABLE MANY SUCCESSSES and
BEING PROACTIVE FOR FUTURE WISE INNOVATIONS. ENTHUSIASM and
COMMITMENT ARE MY
SANDERE MOTTO.

PLEASE ATTACH YOUR RESUME, LETTER OF INTEREST, OR ANY ADDITIONAL INFORMATION OR STATEMENTS THAT YOU FEEL WOULD BE HELPFUL TO THE CITY COUNCIL IN REVIEWING YOUR QUALIFICATIONS.

THIS APPLICATION MUST BE ACCOMPANIED BY A COMPLETED AND SIGNED FAIR POLITICAL PRACTICES COMMISSION (FPPC) FORM 700. FOR MORE INFORMATION, PLEASE CONTACT THE FPPC AT (866) ASK-FPPC OR <http://www.fppc.ca.gov/Form700.html>.

AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, all information contained herein and attached hereto will be made available to the general public. I further understand that if appointed, I will be required to take the oath of office and file additional financial disclosure statements.

PRINT NAME: Louise Lanning

SIGNATURE: Louise Lanning DATE: 6/14/17

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 A PUBLIC DOCUMENT

STATEMENT OF ECONOMIC INTERESTS
COVER PAGE

 Date Initial Filing Received
 Official Use Only

JUN 15 2017

 City Clerk
 City of Laguna Woods

Please type or print in ink.

NAME OF FILER (LAST)

LANNING

(FIRST)

LOUISE

(MIDDLE)

SAYLOR

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

CITY OF LAGUNA WOODS (COUNCILMAN)

Division, Board, Department, District, if applicable

Your Position

member of city council as councilman

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency:

one position as above

Position:

N/A

2. Jurisdiction of Office (Check at least one box)☐ State☐ Judge or Court Commissioner (Statewide Jurisdiction)☐ Multi-County☐ County of☒ City of

LAGUNA WOODS

☐ Other**3. Type of Statement (Check at least one box)**☐ Annual: The period covered is January 1, 2016, through December 31, 2016.

-or-

The period covered is ____/____/____, through December 31, 2016.

☐ Assuming Office: Date assumed ____/____/____☐ Leaving Office: Date Left ____/____/____
(Check one)☐ The period covered is January 1, 2016, through the date of leaving office.☒ The period covered is 7/1/17, through the date of leaving office. APPROX: upon appointment
NOV 2018☐ Candidate: Election year ____ and office sought, if different than Part 1: ____**4. Schedule Summary (must complete) ► Total number of pages including this cover page: 3****Schedules attached**☒ Schedule A-1 - Investments - schedule attached☐ Schedule C - Income, Loans, & Business Positions - schedule attached☐ Schedule A-2 - Investments - schedule attached☒ Schedule D - Income - Gifts - schedule attached☒ Schedule B - Real Property - schedule attached☐ Schedule E - Income - Gifts - Travel Payments - schedule attached

-or-

☐ None - No reportable interests on any schedule**5. Verification**MAILING ADDRESS
(Business or Agency Address Recommended - Public Document)

STREET

CITY

STATE

ZIP CODE

119 VIA ESTRADA - Unit 5 LAGUNA WOODS, CA 92637

DAYTIME TELEPHONE NUMBER

E-MAIL ADDRESS

119 VIA ESTRADA - Unit 5 LAGUNA WOODS, CA 92637
(949) 855 9115

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed

6/14/17
(month, day, year)

Signature

Louise S. Lanning
(File the originally signed statement with your filing official.)

Name

LOUISE LANNING

SCHEDULE B Interests in Real Property (Including Rental Income)

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

119 VIA ESTRADA - Units
 CITY LAGUNA WOODS CA 92637

FAIR MARKET VALUE

- ☐
- \$2,000 - \$10,000
-
- ☐
- \$10,001 - \$100,000
-
- ☒
- \$100,001 - \$1,000,000
-
- ☐
- Over \$1,000,000

IF APPLICABLE, LIST DATE:

May 2001 16
 ACQUIRED DISPOSED
STILL own
outright - no loan
for mortgage

NATURE OF INTEREST

☒ Ownership/Deed of Trust☐ Easement
☐ Leasehold N/A
 Yrs. remaining

☒ MY RESIDENCE
 Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

- ☐
- \$0 - \$499
- ☐
- \$500 - \$1,000
- ☐
- \$1,001 - \$10,000
-
- ☐
- \$10,001 - \$100,000
- ☐
- OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None
N/A
THIS IS my HOME RESIDENCE
I LIVE IN.

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY

FAIR MARKET VALUE

- ☐
- \$2,000 - \$10,000
-
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$100,001 - \$1,000,000
-
- ☐
- Over \$1,000,000

IF APPLICABLE, LIST DATE:

16 16
 ACQUIRED DISPOSED

NATURE OF INTEREST

☐ Ownership/Deed of Trust☐ Easement
☐ Leasehold Yrs. remaining
☐ Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

- ☐
- \$0 - \$499
- ☐
- \$500 - \$1,000
- ☐
- \$1,001 - \$10,000
-
- ☐
- \$10,001 - \$100,000
- ☐
- OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

* You are not required to report loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE

TERM (Months/Years)

_____% ☐ None

HIGHEST BALANCE DURING REPORTING PERIOD

- ☐
- \$500 - \$1,000
- ☐
- \$1,001 - \$10,000
-
- ☐
- \$10,001 - \$100,000
- ☐
- OVER \$100,000

☐ Guarantor, if applicable

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE

TERM (Months/Years)

_____% ☐ None

HIGHEST BALANCE DURING REPORTING PERIOD

- ☐
- \$500 - \$1,000
- ☐
- \$1,001 - \$10,000
-
- ☐
- \$10,001 - \$100,000
- ☐
- OVER \$100,000

☐ Guarantor, if applicable

Comments:

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name <i>LOUISE LANNING</i>
--

SCHEDULE D

Income – Gifts

► NAME OF SOURCE (Not an Acronym)
SOCIAL SECURITY

ADDRESS (Business Address Acceptable)
Retirement benefit

BUSINESS ACTIVITY, IF ANY, OF SOURCE
Government soc sec. benefit

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
<i>all of 2016</i>	<i>\$22,000</i>	<i>yearly</i>
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

► NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

► NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

► NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

► NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

► NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

Comments: _____

JUN 13 2017

City Clerk
City of Laguna WoodsApplication

NAME:

WILLIAM "JOE" RAINEY

PHONE NUMBER:

(949) 322-9456

RESIDENCE ADDRESS:

889-C RONDA SEVILLA, LAGUNA WOODS, CA 92637

REGISTERED VOTER IN THE CITY OF LAGUNA WOODS: YES

X

NO

OCCUPATION:

RETIRED

NAME/ADDRESS OF PRESENT EMPLOYER (if applicable):

N/A

DO YOU HAVE ANY INTERESTS OR ASSOCIATIONS WHICH MIGHT PRESENT A CONFLICT OF INTEREST OR CREATE AN INCOMPATIBLE OFFICE? IF YES, PLEASE EXPLAIN.

No

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

2ND VICE CHAIR - VILLAGE MANAGEMENT SERVICES, INC.,
(TERM ENDING DECEMBER 2017)

WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

TO PRESERVE, PROTECT AND SERVE THE
RESIDENTS OF THE CITY OF LAGUNA WOODS,

WHAT DO YOU BELIEVE ARE YOUR MOST IMPORTANT QUALIFICATIONS FOR A CITY COUNCIL POSITION?

BACHELORS OF MANAGEMENT DEGREE - UNIV. OF PHOENIX
CURRENTLY SERVING AS A BOARD MEMBER OF VMS, INC.
PRIOR MEMBER OF OC VETERANS ADVISORY COUNCIL.
CITY RESIDENT FOR PAST 20 YEARS.
BUSINESS EXPERIENCE IN TRANSPORTATION & INSURANCE.

WHY DO YOU WISH TO SERVE AS A MEMBER OF THE CITY COUNCIL?

TO PRESERVE THE BEAUTY OF OUR CITY AND TO
ENSURE OUR COMMUNITY REMAINS A PARADISE FOR
OUR CITIZENS.

WHAT WOULD YOU BRING BY WAY OF PERSPECTIVE OR EXPERIENCE TO THE CITY COUNCIL AND WHAT ARE YOUR GOALS FOR THE CITY DURING YOUR TERM?

POSITIVE ATTITUDE, TEAM WORKER, NO HIDDEN
AGENDAS (NON-POLITICAL) AND A WILLINGNESS
TO SERVE OTHERS IN A CIVIL MANNER.

YOU MAY USE THE BACK OF THIS APPLICATION OR ADDITIONAL SHEETS TO COMPLETE YOUR ANSWERS TO THE ABOVE QUESTIONS.

PLEASE ATTACH YOUR RESUME, LETTER OF INTEREST, OR ANY ADDITIONAL INFORMATION OR STATEMENTS THAT YOU FEEL WOULD BE HELPFUL TO THE CITY COUNCIL IN REVIEWING YOUR QUALIFICATIONS.

THIS APPLICATION MUST BE ACCOMPANIED BY A COMPLETED AND SIGNED FAIR POLITICAL PRACTICES COMMISSION (FPPC) FORM 700. FOR MORE INFORMATION, PLEASE CONTACT THE FPPC AT (866) ASK-FPPC OR <http://www.fppc.ca.gov/Form700.html>.

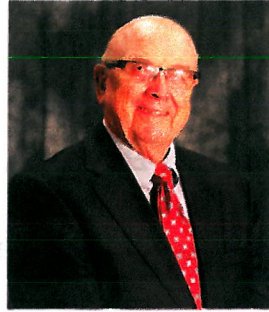
AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, all information contained herein and attached hereto will be made available to the general public. I further understand that if appointed, I will be required to take the oath of office and file additional financial disclosure statements.

PRINT NAME: William "Joe" Rainey

SIGNATURE: William J Rainey DATE: 6/13/17

JOE RAINY



My wife Rene and I have lived in Laguna Woods for the past nineteen years. I have been active in the Village, being the Past

President of the Astronomy Club, Past Commander of the American Legion Post and a member of our Men's Golf Club.

PROFESSIONAL EXPERIENCE

Western Regional Training Manager - Continental Airlines

Los Angeles International Airport 1966-1991

Senior Payroll Auditor and District Underwriter -

State Compensation Insurance Fund

Santa Ana, California 1991-2011

Multi-Policy Insurance Auditor - Overland Solutions

Headquartered at Overland Park, Kansas 2011-2014

Retired in 2014

EDUCATION

Bachelor of Arts in Management

University of Phoenix 1991

SKILLS

My past business skills and experience have allowed me to contribute back to our community. As a veteran who participated in helping fellow men and women who served in our Armed Forces, I was appointed by the Orange County 5th District Supervisor Tom Wilson to the Veterans Advisory Council for a two-year term in 2007. I was recently appointed by United Mutual in 2016 to the Laguna Woods Village Audit Task Force. I am currently serving as a Director of Village Management Services Inc., my term ending in December 2017.

OBJECTIVE

To be appointed to the Laguna Woods City Council, replacing Bert Hack who recently resigned.

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 A PUBLIC DOCUMENT

STATEMENT OF ECONOMIC INTERESTS

Date Initial Filing Received
Official Use Only

JUN 13 2017

COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST)

RAINEY

(FIRST)

William

(MIDDLE)

JOE

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: CITY OF LAGUNA WOODS Position: City Council

2. Jurisdiction of Office (Check at least one box)

☐ State☐ Judge or Court Commissioner (Statewide Jurisdiction)☐ Multi-County☐ County of☒ City of LAGUNA WOODS☐ Other

3. Type of Statement (Check at least one box)

☒ Annual: The period covered is January 1, 2016, through December 31, 2016.

-or-

The period covered is ____/____/____, through December 31, 2016.

☐ Leaving Office: Date Left ____/____/____
(Check one)☐ The period covered is January 1, 2016, through the date of leaving office.

-or-

☐ The period covered is ____/____/____, through the date of leaving office.☐ Assuming Office: Date assumed ____/____/____☐ Candidate: Election year ____ and office sought, if different than Part 1: ____

4. Schedule Summary (must complete) ► Total number of pages including this cover page: 1

Schedules attached

☐ Schedule A-1 - Investments - schedule attached☐ Schedule C - Income, Loans, & Business Positions - schedule attached☐ Schedule A-2 - Investments - schedule attached☐ Schedule D - Income - Gifts - schedule attached☐ Schedule B - Real Property - schedule attached☐ Schedule E - Income - Gifts - Travel Payments - schedule attached

-or-

☒ None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS

STREET

CITY

STATE

ZIP CODE

(Business or Agency Address Recommended - Public Document)

889-C RONDA SEVILLA, LAGUNA WOODS, CA 92637

DAYTIME TELEPHONE NUMBER

(949) 322-9456

E-MAIL ADDRESS

LINKSGUY@COMLINE.COM

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed

6/13/17

(month, day, year)

Signature

William Rainey

(File the originally signed statement with your filing official.)

JUN 15 2017

City Clerk
City of Laguna WoodsApplicationNAME: Sheryl STRICHPHONE NUMBER: 949-285-4622RESIDENCE ADDRESS: 3509-A BAHIA BLANCA WESTREGISTERED VOTER IN THE CITY OF LAGUNA WOODS: YES ☒ NO ☐OCCUPATION: RETIRED PODIATRIST

NAME/ADDRESS OF PRESENT EMPLOYER (if applicable): _____

DO YOU HAVE ANY INTERESTS OR ASSOCIATIONS WHICH MIGHT PRESENT A CONFLICT OF INTEREST OR CREATE AN INCOMPATIBLE OFFICE? IF YES, PLEASE EXPLAIN.

No, I don't have any conflicts

LIST ANY COMMUNITY ACTIVITIES IN WHICH YOU ARE CURRENTLY INVOLVED OR HAVE BEEN INVOLVED IN THE LAST TWELVE MONTHS.

1. Theater Guild - board member
2. Reform Temple of Laguna Woods - will be joining The board in July
3. I play pickleball

WHAT DO YOU BELIEVE TO BE THE MAIN RESPONSIBILITIES OF THE CITY COUNCIL?

The main responsibilities are to operate within the parameters of the California municipal law, & be

responsible for legislative & policy functions. Special services can be offered if they fit into the parameters to members of our community.

WHAT DO YOU BELIEVE ARE YOUR MOST IMPORTANT QUALIFICATIONS FOR A CITY COUNCIL POSITION?

The most important qualification for a city council position is to have an open mind. This position is a representative of the community. There can be no hidden agendas.

WHY DO YOU WISH TO SERVE AS A MEMBER OF THE CITY COUNCIL?

Having recently retired, I have the time to spend. I also have experience on both local & national podiatric boards as well as a Homeowner's board. I think that Laguna Woods is a very well run city, & I would like to see it continued as such.

WHAT WOULD YOU BRING BY WAY OF PERSPECTIVE OR EXPERIENCE TO THE CITY COUNCIL AND WHAT ARE YOUR GOALS FOR THE CITY DURING YOUR TERM?

I was vicepresident of my homeowner's board, Sierra Bonita in Turtle Rock area of Irvine for six years, president of the American Assn. of Women Podiatrists for 5 years and am immediate past president of the Orange County Podiatric Medical Assn. I am a —→ other side

YOU MAY USE THE BACK OF THIS APPLICATION OR ADDITIONAL SHEETS TO COMPLETE YOUR ANSWERS TO THE ABOVE QUESTIONS.

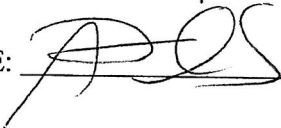
PLEASE ATTACH YOUR RESUME, LETTER OF INTEREST, OR ANY ADDITIONAL INFORMATION OR STATEMENTS THAT YOU FEEL WOULD BE HELPFUL TO THE CITY COUNCIL IN REVIEWING YOUR QUALIFICATIONS.

THIS APPLICATION MUST BE ACCOMPANIED BY A COMPLETED AND SIGNED FAIR POLITICAL PRACTICES COMMISSION (FPPC) FORM 700. FOR MORE INFORMATION, PLEASE CONTACT THE FPPC AT (866) ASK-FPPC OR <http://www.fppc.ca.gov/Form700.html>.

AUTHORIZATION AND RELEASE

I understand that in connection with this application for appointment, all information contained herein and attached hereto will be made available to the general public. I further understand that if appointed, I will be required to take the oath of office and file additional financial disclosure statements.

PRINT NAME: Sheryl Struch

SIGNATURE:  DATE: 6/15/2017

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION
 A PUBLIC DOCUMENT

STATEMENT OF ECONOMIC INTERESTS
COVER PAGE

Date Initial Filing Received

JUN 15 2017

City Clerk

City of Laguna Woods

Please type or print in ink.

NAME OF FILER (LAST) STRICK (FIRST) SHERYL (MIDDLE) T.

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

CITY OF LAGUNA WOODS

Division, Board, Department, District, if applicable

Council member (prospective)

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: _____ Position: _____

2. Jurisdiction of Office (Check at least one box)☐ State☐ Judge or Court Commissioner (Statewide Jurisdiction)☐ Multi-County _____☐ County of _____☒ City of LAGUNA WOODS☐ Other _____**3. Type of Statement (Check at least one box)**☐ Annual: The period covered is January 1, 2016, through December 31, 2016.☐ Leaving Office: Date Left ____/____/____
(Check one)

-or-

The period covered is ____/____/____, through December 31, 2016.

☐ The period covered is January 1, 2016, through the date of leaving office.

-or-

☐ Assuming Office: Date assumed ____/____/____☐ The period covered is ____/____/____, through the date of leaving office.☒ Candidate: Election year 2017 and office sought, if different than Part 1: Council member**4. Schedule Summary (must complete) ► Total number of pages including this cover page: _____****Schedules attached**☐ Schedule A-1 - Investments - schedule attached☐ Schedule C - Income, Loans, & Business Positions - schedule attached☐ Schedule A-2 - Investments - schedule attached☐ Schedule D - Income - Gifts - schedule attached☐ Schedule B - Real Property - schedule attached☐ Schedule E - Income - Gifts - Travel Payments - schedule attached

-or-

☐ None - No reportable interests on any schedule**5. Verification**MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

3509-A BAHIA BLANCA WEST, LAGUNA WOODS, CA 92637

DAYTIME TELEPHONE NUMBER

(949) 285-4622

E-MAIL ADDRESS

ladypod79@gmail.com

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed 6/15/2017
(month, day, year)Signature [Signature]
(File the originally signed statement with your filing official.)

SCHEDULE A-1 **Investments**

Stocks, Bonds, and Other Interests (Ownership Interest is Less Than 10%)

Do not attach brokerage or financial statements.

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION

Name _____

► NAME OF BUSINESS ENTITY
none

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other _____
(Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
 ☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
 _____ / _____ / **16** _____ / _____ / **16**
 ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other _____
(Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
 ☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
 _____ / _____ / **16** _____ / _____ / **16**
 ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other _____
(Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
 ☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
 _____ / _____ / **16** _____ / _____ / **16**
 ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other _____
(Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
 ☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
 _____ / _____ / **16** _____ / _____ / **16**
 ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other _____
(Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
 ☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
 _____ / _____ / **16** _____ / _____ / **16**
 ACQUIRED DISPOSED

► NAME OF BUSINESS ENTITY

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE
☐ \$2,000 - \$10,000 ☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000 ☐ Over \$1,000,000

NATURE OF INVESTMENT
☐ Stock ☐ Other _____
(Describe)
☐ Partnership ☐ Income Received of \$0 - \$499
 ☐ Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
 _____ / _____ / **16** _____ / _____ / **16**
 ACQUIRED DISPOSED

Comments: _____

SCHEDULE A-2
Investments, Income, and Assets
of Business Entities/Trusts
(Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name _____

▶ 1. BUSINESS ENTITY OR TRUST

Name

none

Address (Business Address Acceptable)

Check one

☐ Trust, go to 2 ☐ Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

- ☐
- \$0 - \$1,999
-
- ☐
- \$2,000 - \$10,000
-
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$100,001 - \$1,000,000
-
- ☐
- Over \$1,000,000

 ____/____/16 ____/____/16
 ACQUIRED DISPOSED

NATURE OF INVESTMENT

☐ Partnership ☐ Sole Proprietorship ☐ _____ Other

YOUR BUSINESS POSITION _____

▶ 1. BUSINESS ENTITY OR TRUST

Name

Address (Business Address Acceptable)

Check one

☐ Trust, go to 2 ☐ Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

- ☐
- \$0 - \$1,999
-
- ☐
- \$2,000 - \$10,000
-
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$100,001 - \$1,000,000
-
- ☐
- Over \$1,000,000

 ____/____/16 ____/____/16
 ACQUIRED DISPOSED

NATURE OF INVESTMENT

☐ Partnership ☐ Sole Proprietorship ☐ _____ Other

YOUR BUSINESS POSITION _____

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

- ☐
- \$0 - \$499
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$500 - \$1,000
- ☐
- OVER \$100,000
-
- ☐
- \$1,001 - \$10,000

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

- ☐
- \$0 - \$499
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$500 - \$1,000
- ☐
- OVER \$100,000
-
- ☐
- \$1,001 - \$10,000

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☐ None or ☐ Names listed below

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

☐ None or ☐ Names listed below

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:

☐ INVESTMENT ☐ REAL PROPERTY

 Name of Business Entity, if Investment, or
 Assessor's Parcel Number or Street Address of Real Property

 Description of Business Activity or
 City or Other Precise Location of Real Property

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

- ☐
- \$2,000 - \$10,000
-
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$100,001 - \$1,000,000
-
- ☐
- Over \$1,000,000

 ____/____/16 ____/____/16
 ACQUIRED DISPOSED

NATURE OF INTEREST

☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold _____
 Yrs. remaining

☐ Other _____

☐ Check box if additional schedules reporting investments or real property are attached

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:

☐ INVESTMENT ☐ REAL PROPERTY

 Name of Business Entity, if Investment, or
 Assessor's Parcel Number or Street Address of Real Property

 Description of Business Activity or
 City or Other Precise Location of Real Property

FAIR MARKET VALUE

IF APPLICABLE, LIST DATE:

- ☐
- \$2,000 - \$10,000
-
- ☐
- \$10,001 - \$100,000
-
- ☐
- \$100,001 - \$1,000,000
-
- ☐
- Over \$1,000,000

 ____/____/16 ____/____/16
 ACQUIRED DISPOSED

NATURE OF INTEREST

☐ Property Ownership/Deed of Trust ☐ Stock ☐ Partnership

☐ Leasehold _____
 Yrs. remaining

☐ Other _____

☐ Check box if additional schedules reporting investments or real property are attached

Comments: _____

SCHEDULE B
Interests in Real Property
(Including Rental Income)

CALIFORNIA FORM 700

FAIR POLITICAL PRACTICES COMMISSION

Name _____

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

934-500-43

CITY

Laguna Woods, CA

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☒ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

9 / 14 / 16
ACQUIRED DISPOSED

NATURE OF INTEREST

- ☒ Ownership/Deed of Trust ☐ Easement
☐ Leasehold _____
Yrs. remaining Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

- ☐ \$0 - \$499 ☐ \$500 - \$1,000 ☐ \$1,001 - \$10,000
☐ \$10,001 - \$100,000 ☐ OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS

CITY

FAIR MARKET VALUE

- ☐ \$2,000 - \$10,000
☐ \$10,001 - \$100,000
☐ \$100,001 - \$1,000,000
☐ Over \$1,000,000

IF APPLICABLE, LIST DATE:

____ / ____ / 16 ____ / ____ / 16
ACQUIRED DISPOSED

NATURE OF INTEREST

- ☐ Ownership/Deed of Trust ☐ Easement
☐ Leasehold _____
Yrs. remaining Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

- ☐ \$0 - \$499 ☐ \$500 - \$1,000 ☐ \$1,001 - \$10,000
☐ \$10,001 - \$100,000 ☐ OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

☐ None

* You are not required to report loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*

none

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE TERM (Months/Years)

_____% ☐ None

HIGHEST BALANCE DURING REPORTING PERIOD

- ☐ \$500 - \$1,000 ☐ \$1,001 - \$10,000
☐ \$10,001 - \$100,000 ☐ OVER \$100,000

☐ Guarantor, if applicable

NAME OF LENDER*

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

INTEREST RATE TERM (Months/Years)

_____% ☐ None

HIGHEST BALANCE DURING REPORTING PERIOD

- ☐ \$500 - \$1,000 ☐ \$1,001 - \$10,000
☐ \$10,001 - \$100,000 ☐ OVER \$100,000

☐ Guarantor, if applicable

Comments: _____

SCHEDULE C
Income, Loans, & Business
Positions
 (Other than Gifts and Travel Payments)

CALIFORNIA FORM 700 FAIR POLITICAL PRACTICES COMMISSION Name
--

▶ 1. INCOME RECEIVED

NAME OF SOURCE OF INCOME

PODIATRY PRACTICE (MOULTON)

ADDRESS (Business Address Acceptable)

30001 Town Center Dr. E2

BUSINESS ACTIVITY, IF ANY, OF SOURCE

Laguna Niguel Health related

YOUR BUSINESS POSITION

PODIATRIST

GROSS INCOME RECEIVED

☐ \$500 - \$1,000☒ \$10,001 - \$100,000☐ No Income - Business Position Only☐ \$1,001 - \$10,000☐ OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☒ Salary ☐ Spouse's or registered domestic partner's income
(For self-employed use Schedule A-2.)☐ Partnership (Less than 10% ownership. For 10% or greater use
Schedule A-2.)☐ Sale of _____
(Real property, car, boat, etc.)☐ Loan repayment☐ Commission or ☐ Rental Income, list each source of \$10,000 or more☐ _____
(Describe)☐ Other _____
(Describe)

▶ 1. INCOME RECEIVED

NAME OF SOURCE OF INCOME

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

YOUR BUSINESS POSITION

GROSS INCOME RECEIVED

☐ \$500 - \$1,000☐ \$10,001 - \$100,000☐ No Income - Business Position Only☐ \$1,001 - \$10,000☐ OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED

☐ Salary ☐ Spouse's or registered domestic partner's income
(For self-employed use Schedule A-2.)☐ Partnership (Less than 10% ownership. For 10% or greater use
Schedule A-2.)☐ Sale of _____
(Real property, car, boat, etc.)☐ Loan repayment☐ Commission or ☐ Rental Income, list each source of \$10,000 or more☐ _____
(Describe)☐ Other _____
(Describe)

▶ 2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD

* You are not required to report loans from commercial lending institutions, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER*

none

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF LENDER

HIGHEST BALANCE DURING REPORTING PERIOD

☐ \$500 - \$1,000☐ \$1,001 - \$10,000☐ \$10,001 - \$100,000☐ OVER \$100,000

INTEREST RATE

_____% ☐ None

TERM (Months/Years)

SECURITY FOR LOAN

☐ None ☐ Personal residence☐ Real Property _____
Street address_____
City☐ Guarantor _____☐ Other _____
(Describe)

Comments: _____

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION

Name _____

SCHEDULE D

Income – Gifts

▶ NAME OF SOURCE (Not an Acronym)

none

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
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ADDRESS (Business Address Acceptable)

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___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: _____

SCHEDULE E
Income – Gifts
Travel Payments, Advances,
and Reimbursements

CALIFORNIA FORM 700
FAIR POLITICAL PRACTICES COMMISSION
Name _____

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. These payments are not subject to the gift limit, but may result in a disqualifying conflict of interest.
- For gifts of travel, provide the travel destination.

▶ NAME OF SOURCE (Not an Acronym)
None

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____
 (If gift)

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

☐ Made a Speech/Participated in a Panel

☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____
 (If gift)

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

☐ Made a Speech/Participated in a Panel

☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____
 (If gift)

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

☐ Made a Speech/Participated in a Panel

☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

▶ NAME OF SOURCE (Not an Acronym)

ADDRESS (Business Address Acceptable)

CITY AND STATE

☐ 501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE(S): ____/____/____ - ____/____/____ AMT: \$_____
 (If gift)

▶ MUST CHECK ONE: ☐ Gift **-or-** ☐ Income

☐ Made a Speech/Participated in a Panel

☐ Other - Provide Description _____

▶ If Gift, Provide Travel Destination _____

Comments: _____