BUDGET & WORK PLAN

Fiscal Years 2025-27

JUNE 25, 2025

City of Laguna Woods
Founded 1999
California

ABOUT THE CITY OF LAGUNA WOODS SEAL

Doris Jackson, a Laguna Woods resident, designed the City of Laguna Woods' seal to "symbolize a community of seniors who very much live in the contemporary world." The tree is swaying into the circle with a free-flowing motion and the small pieces bring movement to the simple design, encouraging eyes to roam repeatedly over the entire subject. According to Ms. Jackson, the green symbolizes "bountiful nature," and the blue, "courageous spirit."

Ms. Jackson's design was chosen from a field of 50 responses to the City's search for ideas. On March 15, 2000, the seal was officially adopted by the City Council. A formal unveiling took place at the City's first anniversary of incorporation on March 25, 2000.

Ms. Jackson began drawing and painting as a child, and later obtained an art education at University of California, Berkeley. She moved to Laguna Woods in 1997 and became an active member of the Laguna Woods Art Association and volunteer for the Laguna Woods Village Library. She passed away on April 12, 2019, one month shy of her 94th birthday.

Ms. Jackson's original design was refined by Greg Smith and Associates.

ABOUT THE COVER PHOTOGRAPH

Aliso Creek is one of Orange County's last remaining natural creeks. It begins near Silverado Canyon Road in unincorporated Orange County and outlets into the Pacific Ocean at Aliso Beach. Over the course of almost 20 miles, Aliso Creek passes through the cities of Aliso Viejo, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Lake Forest, and Mission Viejo.

The cover photograph was taken on May 8, 2025 along the portion of Aliso Creek within Laguna Woods.

BUDGET & WORK PLAN

Fiscal Years 2025-27

JUNE 25, 2025

Shari L. Horne
Mayor

Annie McCary
Mayor Pro Tem

Cynthia Conners
Councilmember

Pearl Lee
Councilmember

Carol Moore
Councilmember

Christopher Macon
City Manager

Liz Torres
Administrative Services Director/City Treasurer

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TRANSMITTAL LETTER

June 25, 2025

Honorable Mayor and City Councilmembers:

It is my privilege to present the City of Laguna Woods' Fiscal Years 2025-27 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, 2025 through June 30, 2027.

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 associated with 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 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

This budget and work plan is the City's fifth consecutive two-year budget and work plan since transitioning from single-year budgets and work plans in 2017. Multi-year financial planning continues to achieve the City's intended goals of providing longer-term financial forecasts, greater certainty regarding the sustainability of operations, and heightened strategic vision.

The development of this budget and work plan included six open and publicly noticed City Council meetings, each with an opportunity for public input. For more information, please refer to Chapter 3.0 (City Budget Practices).

Prior Year Service Level Indicators

[Service Level Indicators – Calendar Years 2021-2024]

	2021[A]	**2022**	**2023**	**2024**
Building Permitting				
Building Permits Issued	3,286	2,224	2,734	2,195
Building Inspections Conducted	5,552	6,394	8,143	8,016
Capital Improvements & Maintenance				
Curb Ramps Reconstructed[B]	8	14	5	Projects initiated in 2024 were completed in 2025
Pavement Rehabilitated (square feet)[B]	87,400	100,200	87,896	
Sidewalks Reconstructed (square feet)[B]	3,768.5	13,435	18,177.5	
Public Safety Calls for Service				
Animal Services (City of Laguna Beach)	196	214	363	342
Fire/Emergency Medical Services (Orange County Fire Authority)	5,423	5,762	5,787	5,970
Law Enforcement Services (Orange County Sheriff's Department)	4,324	3,662	4,433	4,765
Senior Mobility Program				
Trips (All Destinations)	1,341	612	5,149	24,956[C]
Trip Miles (All Destinations)	10,022	3,790	42,792	211,756[C]
Waste & Recycling				
Household Hazardous Waste Collected Door-to-Door (pounds)	4,946	6,466	6,121	6,270
Waste Collected through City Hall Drop-off Program (pounds)	3,817	4,403	4,168	4,279
Batteries (pounds)	2,082	2,543	3,006	3,432
Medicine (pounds)	702	1,007	299	0
Sharps (pounds)	1,033	853	863	847
Shredding (resident appointments)	618	1,083	1,282	1,397
Shredding (containers collected)	211	303	300	306
Per Capita Disposal Rate – Population (maximum pounds of landfill disposal per resident / actual pounds)[D]	3.9 / 3.1 Compliant	3.9 / 3.3 Compliant	3.9 / 3.8 Compliant	3.9 / 3.7 Compliant [E]

Per Capita Disposal Rate – Employment (maximum pounds of landfill disposal per employee / actual pounds)[D]	16.8 / 14.0 Compliant	16.8 / 14 Compliant	16.8 / 12.4 Compliant	16.8 / 12.1 Compliant [E]
Other Figures				
Foreign Pensions Acknowledged	66	114	134	142
Signatures Notarized	1,108	1,010	1,209	1,239
Public Library Materials Checked Out from Laguna Woods Branch (OC Public Libraries)	19,647	21,342	21,790	40,419[F]

[A] Service levels for 2021 were impacted by COVID-19.
[B] Data is reported in the calendar year projects are accepted as complete.
[C] The City launched a new iteration of the Senior Mobility Program on July 1, 2023.
[D] Per capita disposal rates reflect the City's compliance with state landfill disposal limits.
[E] Data is in draft form; rates will be finalized with annual state reporting in June/July 2025.
[F] The City's Public Library Building opened on January 27, 2024.

Financial Reporting and Annual Independent Audits

Fiscal Year 2023-24 was the 10th year for which an Annual Comprehensive Financial Report ("ACFR") was prepared with each of the sections prescribed by the Governmental Accounting Standards Board ("GASB"). Preparation of an ACFR includes a more detailed presentation of financial statements than is required by law and is optional, but encouraged, by GASB. The City has been awarded the Government Finance Officers Association's "Certificate of Achievement for Excellence in Financial Reporting" for each of its ACFRs with evaluation of the Fiscal Year 2024-25 ACFR currently pending.

The City's annual independent audits for both fiscal years 2022-23 and 2023-24 resulted in unmodified (clean) opinions that the financial statements were fairly presented in conformity with Generally Accepted Accounting Principles ("GAAP"). No material weaknesses or significant deficiencies were identified in the City's internal control structure for either fiscal year. The annual independent audit for Fiscal Year 2024-25 is currently underway.

Budget Snapshot

The operating budgets for fiscal years 2025-26 and 2026-27 are balanced with revenue expected to exceed expenditures. Each fiscal year also includes strategic investments in capital improvements projects and other limited-term initiatives, which are referred to as "non-operating expenditures."

Revenue estimates can be characterized as cautious, which has been the City's longstanding practice and continues to be important due to financial concerns and economic uncertainties beyond the City's control. For more

information, please refer to the Financial Health and Broader Economic Outlook discussions beginning on pages viii and x, respectively.

Expenditures have been calculated to meet the City's needs and implement the programs, projects, and services described herein. They represent best estimates based on data and information currently available.

25-26 Inclusive of all funds, expenditures for Fiscal Year 2025-26 total $13,411,987. The General Fund operating budget is balanced and accounts for the majority of expenditures at $8,394,328. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be $6,095,968, or 72.6% of the Fiscal Year 2025-26 operating budget. That unassigned balance would be in addition to reserves totaling $4,905,723.

26-27 Inclusive of all funds, expenditures for Fiscal Year 2026-27 total $12,309,436. The General Fund operating budget is balanced and accounts for the majority of expenditures at $8,941,466. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be $5,492,650, or 61.4%, of the Fiscal Year 2026-27 operating budget. That unassigned balance would be in addition to reserves totaling $5,016,723.

Financial Health

The City's financial position is strong due to its history of responsible financial management, which stems from an organization-wide commitment to being good stewards of public funds. Highlights include:

- **No debt service obligations.** The City has never issued bonds or incurred debt service obligations. For more information, please refer to the debt service obligations discussion on page 3.0-8.
- **Fully funded employee pension plans.** The City's pension plans are fully funded according to the most current actuarial valuations. For more information, please refer to the California Public Employees' Retirement System discussion beginning on page 5.0-24.
- **Growing prefunding trust funds.** The City maintains irrevocable trust funds to prefund future liabilities related to employee pension plans and retiree medical obligations. The trust fund for pension liabilities is growing

in accordance with City Council-established policy and is likely to reach its preliminary funding goal during the term of this budget and work plan. The trust fund for retiree medical liabilities contains funds equal to 94.6% of actual liabilities, as of the most current actuarial valuation. For more information, please refer to pages 5.0-25 (pension prefunding) and 5.0-27 (retiree medical prefunding).

- **Fully funded reserves.** The City maintains contingency reserves equal to 50% of General Fund operating revenue. Those reserves are fully funded in this budget and work plan and augmented by several million dollars of additional unassigned General Fund balances. For more information, please refer to the Budget Snapshot discussion beginning on page vii.

Financial concerns for the City include:

- **Rising law enforcement contract costs.** Law enforcement contract costs have historically presented a budgetary challenge for the City primarily due to labor agreements negotiated by the County of Orange and approved by the Orange County Board of Supervisors. While cannabis business tax revenue has increased the City's ability to accommodate rising law enforcement contract costs, the reality continues to be that as long as decisionmakers who are not directly accountable to the citizens of Laguna Woods (i.e., the Orange County Board of Supervisors) control such a significant cost center for the City, financial pressure will continue to grow. State law and the contractual nature of the City's relationship with the Orange County Sheriff's Department preclude the City from exerting financial control over its operations.

  This budget and work plan includes contingencies to offset potential future increases in law enforcement contract costs both as a routine safeguard and due to the expiration of existing County of Orange labor agreements in June 2026.

- **Dependance on a small number of tax generators.** Business-related tax revenue (cannabis business tax, sales tax, and transient occupancy tax) comprises approximately one-third of the City's estimated General Fund revenue for fiscal years 2025-26 and 2026-27. While business-related tax revenue has historically been a reliable performer, risk continues to exist due to the small number of businesses that generate the majority of revenue. For example, the top five sales tax producers generated 63% of all sales tax revenue in the 2024 calendar year. One business each generates all or most cannabis business tax and transient occupancy

tax revenue. Business closures or changes in consumer behavior that adversely affect business tax generators have the potential to result in large and immediate impacts on General Fund operating revenue.

This budget and work plan funds several land use and zoning-related activities that could positively impact the local business environment while simultaneously furthering the City's goal of providing residents with access to high quality goods and services close to home.

Broader Economic Outlook

The City uses information from sources including the Federal Reserve, the California Legislative Analyst's Office ("LAO"), and California State University, Fullerton's Woods Center for Economic Analysis and Forecasting to provide national, state, and regional economic context for budget and work plan development. While budget and work plan development occurs every two years, economic conditions are revisited regularly, including while preparing management's discussion and analysis for each ACFR.

California State University, Fullerton's Woods Center for Economic Analysis and Forecasting's *2025 Spring Economic Forecast*[1] notes that "the economic outlook is softening—not only because of the [presidential administration's] policies, which are delivering their own shocks, but also because the U.S. economy was already poised to slow after years of above-trend growth." While their analysis finds that the "odds of a downturn have risen appreciably," no recession is expected "even as growth slows and inflation ticks higher."

On September 18, 2024, November 7, 2024, and December 18, 2024, the Federal Reserve lowered the target range for the federal funds rate (the interest rate that banks and other depository institutions charge each other for short-term borrowing) as part of its efforts to reduce inflation to 2.00%. The target range is now 4.25 to 4.50%, after having remained at 5.25 to 5.50% since March 2020 shortly after the onset of COVID-19. In its most recent statement dated June 18, 2025, the Federal Reserve's Federal Open Market Committee ("FOMC") held the target range constant and wrote that "although swings in net exports have affected the data, recent indicators suggest that economic activity has continued to expand at a solid pace. The unemployment rate remains low, and labor market conditions remain solid."

[1] Puri, Anil K., and Mira Farka. *Shaken and Stirred: Trumponomics, Taxes, Tariffs, Trade and Prospects for Growth*. California State University, Fullerton, Woods Center for Economic Analysis and Forecasting, 24 Oct. 2024.

Increases in the target range for the federal funds rate typically result in higher interest rates for pooled investment funds, certificates of deposit, and other types of investments commonly held by the City, while reductions in the target range lower those same interest rates. This budget and work plan assumes a decline in interest revenue due to lower interest rates and a smaller investable cash balance following the final expenditure of American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds.

Economic analysis and the City's financial performance in recent fiscal years support the cautious revenue estimates included in this budget and work plan. At a minimum, a slowing economy is likely to cause some slowing of local business activity. Though the nature of the City's predominately property tax-fueled revenue base provides solid insulation from the dramatic revenue swings experienced by cities that rely more heavily on taxes generated from consumer spending, the City is not fully immune.

Beyond simply cautious revenue estimates, this budget and work plan is well positioned to endure recessions and other forms of economic downturn due to its spending restraint and lack of reliance on federal funding.

Major Work and Initiatives

In addition to routine functions and "day-to-day" operations, this budget and work plan provides for an ambitious scope of work centered around the City's six priority focus areas. Major work and initiatives include:

Significant Work Plan Items

- .gov Domain Transition
- 2025 Triennial California Building Standards Code Adoption
- Automated License Plate Reader Deployment
- Building and Planning Records Digitization
- Discretionary Zoning Permits and Procedures Regulations
- Document Retention Policy Update
- Emergency Operations Plan Update
- Fire Risk Reduction Community List
- General Plan Housing Element Implementation
- General Plan Update – Conservation and Open Space Elements

- General Plan Update – Mobility Element
- General Plan Update – Safety Element
- Group Home and Sober Living Home Regulations
- Local Hazard Mitigation Plan Update
- National Opioid Settlement
- Objective Design and Development Regulations
- Pavement Management Plan Update for Fiscal Years 2026-36
- Potential New Fire Station
- Public Safety Grant Program
- State Trash Orders Compliance
- Tree City USA Community Designation

For additional information, please refer to Chapter 7.0 (City Work Plan).

Capital Improvement Projects

- Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9
- Circulation Improvement Project – Fiscal Year 2025-26
- Circulation Improvement Project – Fiscal Year 2026-27
- City Centre Park Enhancement Project
- City Hall Complex Parkng Lot Improvement Project
- City Hall Refurbishment and Safety Project: Phase 4
- City Hall Refurbishment and Safety Project: Phase 5
- Paseo De Valencia – Moulton Parkway Confluence Bypass Corridor Project
- Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway)
- Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)
- Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)
- Pedestrian Accessibility Improvement Project: Phase 10

- Public Works Warehouse Project
- Transit Shelter and Street Furniture Project
- Woods End Wilderness Preserve Trail Drainage and Improvement Project

For additional information, please refer to Chapter 8.0 (City Capital Projects).

Conclusion

This budget and work plan was developed with sincere regard for the quality of life, health, safety, wellness, and well-being of those who live and work in Laguna Woods. The prudence, caution, and strategic investments underlying this document will cause the City to remain financially viable and capable of delivering an array of municipal programs, projects, and services.

Respectfully submitted,

Christopher Macon
City Manager

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CITY BACKGROUND

CHAPTER
1.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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1.0. CITY BACKGROUND

This chapter provides a brief overview of the City of Laguna Woods in order to establish a setting and 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 placing 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.

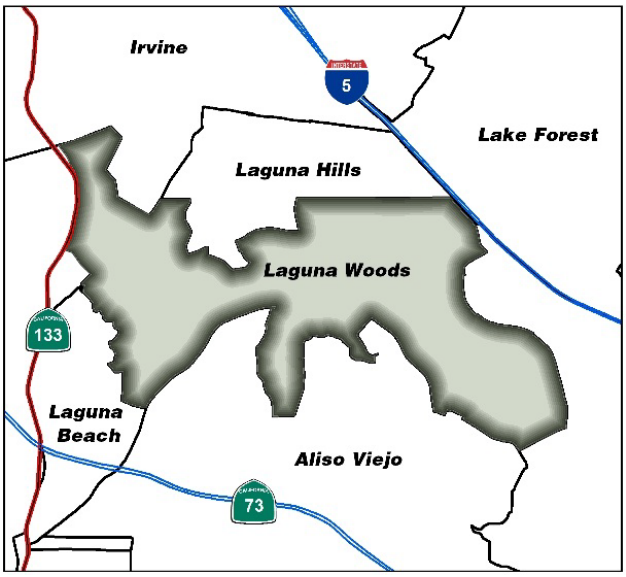
The City of Laguna Woods celebrated its 26th anniversary in 2025.

PHYSICAL SETTING

The City of Laguna Woods is located just over one mile from Laguna Canyon and approximately five miles from the Pacific Ocean. It is bordered by the cities of Aliso Viejo, Laguna Beach, and Laguna Hills, as well as the Laguna

Coast Wilderness Park and other protected open space areas.

[Regional Location]



LOCAL GOVERNMENT

The City of Laguna Woods is a general law city with a council-manager form of government, meaning that it operates within the parameters of California municipal law with an elected City Council as its legislative body. The City Council appoints a City Manager who serves as the City's chief executive officer and a City Attorney who serves as the City's primary legal counsel.

The five members of the City Council are residents of Laguna Woods who are elected by registered voters to four-year terms. Elections occur "at-large" (citywide) in even-numbered years with two and then three members of the City Council elected at subsequent elections. All five offices are nonpartisan.

The City Council appoints a Mayor and Mayor Pro Tem from amongst its membership to preside over City Council meetings, execute certain legal instruments and authorizations, and attend to various representative and ceremonial matters. The Mayor Pro Tem serves as the Mayor in their absence.

[Elected Officials (City Council)]

Cynthia Conners – current term ends in 2028
Shari L. Horne – current term ends in 2028

Pearl Lee – current term ends in 2028
Annie McCary – current term ends in 2026
Carol Moore – current term ends in 2026

[Officials Appointed by the City Council]

City Manager	Christopher Macon
City Attorney	Alisha Patterson
Assistant City Attorney	Shawna McKee

The City has 18.25 full-time equivalent employees who are responsible for delivering a full range of municipal services. The City operates as a "contract city," meaning that its small staff leverages 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 liabilities.

[Key Operating Contract Service Providers]

Animal Control & Shelter Services	City of Laguna Beach
Annual Audit Services	CliftonLarsonAllen LLP
Building Plan Review Services	Bureau Veritas North America
Civil Engineering Services	NV5
Hazardous Waste Handling Services	WM Curbside
Landscape Maintenance Services	BrightView Landscape Services
Law Enforcement Services	Orange County Sheriff's Department
Legal Services (City Attorney)	Rutan & Tucker, LLP
Senior Mobility Program Transportation Services	OCY Management, LLC

Street, Right-of-Way, and Infrastructure Maintenance Services..... PV Maintenance

Traffic Signal & Lighting Maintenance Services..... Bear Electrical Solutions

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. The fire tax was established prior to both the enaction 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, revenue and expenses for fire services are not included in this budget and work plan.

Insurance and risk management services are provided by the California Joint Powers Insurance Authority ("CJPIA"). CJPIA's services are provided pursuant to a joint powers agreement.

Solid waste handling services (including trash collection and recycling) are provided by CR&R Incorporated pursuant to a franchise agreement.

[Key Special Districts, Utility, and Other Service Providers]

Electricity..... Southern California Edison

Mosquito Abatement and Vector Control..... Orange County Mosquito and Vector Control District

Natural Gas..... Southern California Gas Company

Public Library..... County of Orange (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

Water & Sewer ..... El Toro Water District

CITY FACILITIES AND PARKS

Most of the land within Laguna Woods is privately owned, including all local streets with the exception of El Toro Road, Moulton Parkway, Ridge Route Drive, and Santa Maria Avenue. The City is responsible for operating and maintaining the portions of those four streets that are located within Laguna Woods, as well as three public parks ("A Place for Paws" Dog Park, City Centre Park, and Woods End Wilderness Preserve); a multi-modal trail network for pedestrians, golf carts, and bicyclists; and, medians, parkways, and other public property. City Hall and the Public Library Building are the only buildings that are owned, operated, and maintained by the City.

[Public Buildings]

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

City Hall was first occupied by the City in 2001 and acquired in 2011. The building was constructed in 1979/1980 for use as a bank and includes 8,374 square feet over two stories.

Public Library Building
24266 El Toro Road, Laguna Woods, CA 92637

The Public Library Building opened on January 27, 2024. The 1,734 square foot building (1,161 square feet of interior space and an adjoining 573 square foot outdoor activity room) is leased to the County of Orange for use as the Laguna Woods branch of OC Public Libraries.

[Public Parks]

"A Place for Paws" Dog Park
23199 Ridge Route Drive, Laguna Woods, CA 92637

"A Place for Paws" Dog Park opened in its current location on July 27, 2019. The park provides a comfortable outdoor space for off-leash dog exercise and socialization. Park amenities include

approximately 6,400 square feet of dog-friendly artificial turf, a dog water station, and seating. The park property is owned by the Golden Rain Foundation of Laguna Woods ("GRF"). The City and GRF entered into a memorandum of understanding in 2017 that provides for the City's use of the property through June 30, 2027, or as may be extended by mutual agreement.

City Centre Park
24121 Moulton Parkway, Laguna Woods, CA 92637

City Centre Park includes 0.54 acres of passive recreation space located just west of Moulton Parkway near the Ayres Hotel. The park property had been intended for use in connection with the development of a grocery store at the location where the Ayres Hotel is today. The previous owner deeded the property to the City in 2002 and the park opened in 2011. Park amenities include a walking trail, picnic tables, and a small gathering area.

Woods End Wilderness Preserve
24995 El Toro Road, Laguna Woods, CA 92637

Woods End Wilderness Preserve includes 10.6 acres of natural open space located near the intersection of El Toro Road and Aliso Creek Road. The park property was purchased by the City in 2002 for the purpose of adding it to the adjacent Laguna Coast Wilderness Park, providing non-vehicular access from El Toro Road into the Laguna Coast Wilderness Pak, and for natural resource protection and restoration. Since 2011, the park has been leased to the County of Orange for operation as part of the Laguna Coast Wilderness Park. The trail that begins at the entrance to the park provides close access to the nearby James Dilley Greenbelt Preserve and Barbara's Lake.

LOCAL LAND USES

Residential Communities
The vast majority of land within Laguna Woods is occupied by residential uses, including five private residential communities that offer an assortment of apartment, assisted living, condominium, and cooperative housing.

The 2020 U.S. Census estimated that 72.5% of dwelling units in Laguna Woods

were owner-occupied and 27.5% were renter-occupied.

[Residential Communities]

Residential Community	Housing Type	Dwelling Units
Ivy Park of Wellington	Assisted Living	184
Ivy Park at Laguna Woods	Assisted Living	192
Laguna Woods Village	Condominium *(Third Laguna Hills Mutual)* *(Laguna Woods Mutual No. 50)* Cooperative *(United Laguna Woods Mutual)*	12,736*
San Sebastian	Apartment	134
Whispering Fountains	Apartment	140
	TOTAL	13,386

* 6,102 units in Third Laguna Hills Mutual, 6,323 units in United Laguna Woods Mutual, and 311 units in Laguna Woods Mutual No. 50.

As the result of a density bonus agreement entered into in 2009 between the City and the developer of San Sebastian, San Sebastian includes 17 units that are deed-restricted for affordable housing for low-income, senior households through October 16, 2054 (45 years).

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. Less than one-fifth of a square mile is zoned for commercial purposes.

Laguna Woods is home to the following five shopping centers:

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

- Willow Tree Center (south of El Toro Road, east of Moulton Parkway)

A 138-room hotel (Ayres Hotel) is located in Town Centre.

POPULATION

The 2020 U.S. Census estimated Laguna Woods' population at 17,644 as of April 1, 2020, an increase of approximately 9% from the 2010 U.S. Census estimate of 16,192 as of April 1, 2010. As compared to the 33 other cities in Orange County, Laguna Woods has a larger population than the cities of La Palma (15,581), Los Alamitos (11,780), and Villa Park (5,843).

The California Department of Finance ("DOF") produces annual population estimates for use by local governments in calculating annual appropriation limits (see Chapter 3.0 (City Budget Practices)) and to aid in the allocation of certain state subventions to cities and counties, including monies accounted for in the City's Fuel Tax Fund and Road Maintenance & Rehabilitation Program Fund. The DOF estimated Laguna Woods' population at 17,183 as of January 1, 2025, a reduction of approximately 0.5% from the January 1, 2024 estimate of 17,262[1]. Based on the January 1, 2025 estimate, Laguna Woods is the 315th most populous of 483 cities statewide (168 cities – or, 34.8% of all cities in California – have smaller populations).

OTHER LOCAL DEMOGRAPHICS

The 2020 U.S. Census estimated Laguna Woods' median age at 74.9 years as of April 1, 2020, a decrease of 2.1 years from the 2010 U.S. Census estimate of 77.0 years as of April 1, 2010.

The 2020 U.S. Census estimated that approximately 91% of Laguna Woods residents were 60 years or over, an increase of 2.5% from the 2010 Census estimate of 88.5%. The largest growing segment of residents was aged 70 to 79 years, increasing by 9.6%, from 26.6% in 2010 to 36.2% in 2020.

[Median Age]

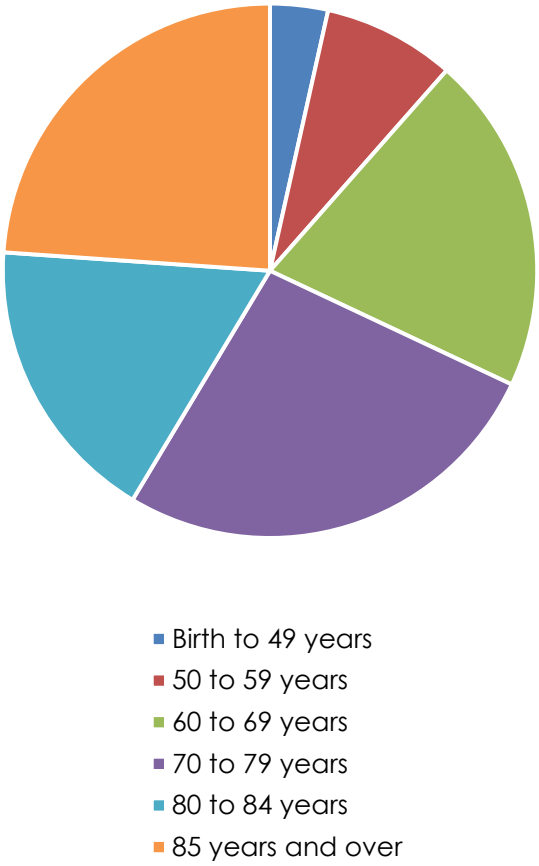
Description	2010 U.S. Census	2020 U.S. Census
Median age	77.0 years	74.9 years

[1] State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2024 and 2025.* Sacramento, California, May 2024.

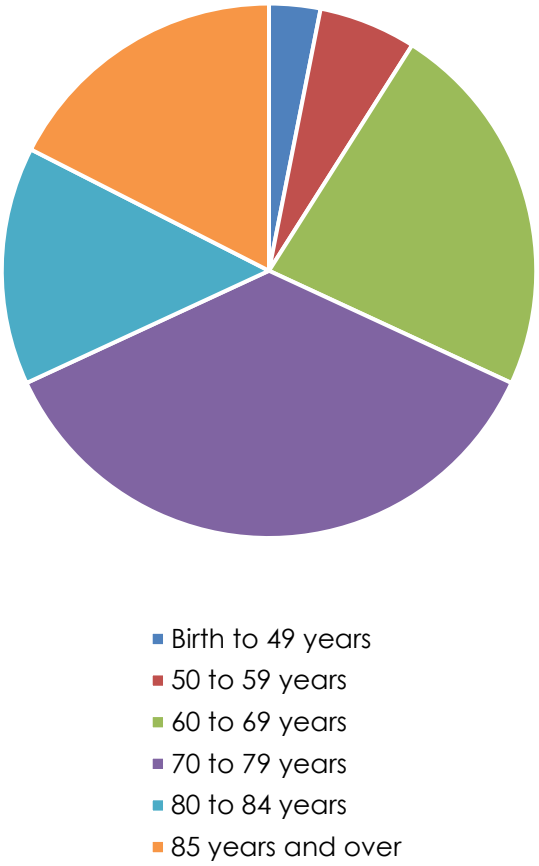
Male	76.4 years	74.9 years
Female	77.4 years	75.0 years

[Age Distribution]

2010 U.S. Census



2020 U.S. Census

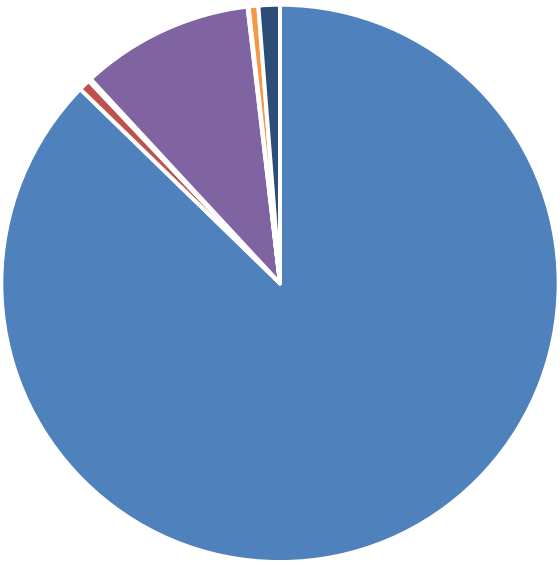


Description	2010 U.S. Census	2020 U.S. Census
Birth to 49 years*	3.5%	3.1%
50 to 59 years	8.0%	5.9%
60 to 69 years	20.5%	22.9%
70 to 79 years	26.6%	36.2%
80 to 84 years	17.5%	14.4%
85 years and over	23.9%	17.5%

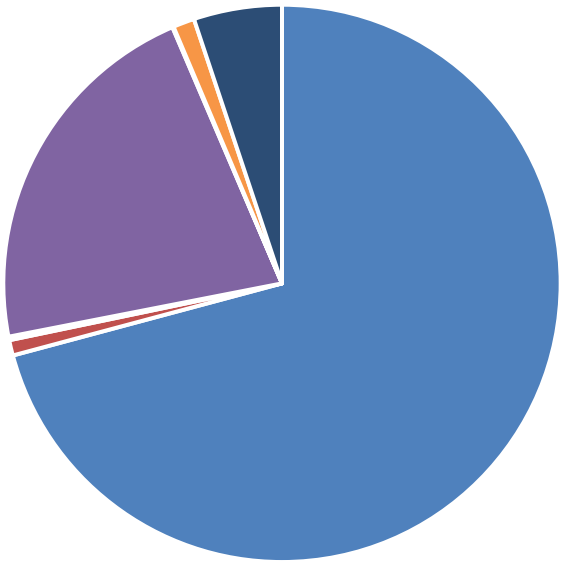
*Portion 19 years and under	0.4%	0.6%

[Race]

2010 U.S. Census



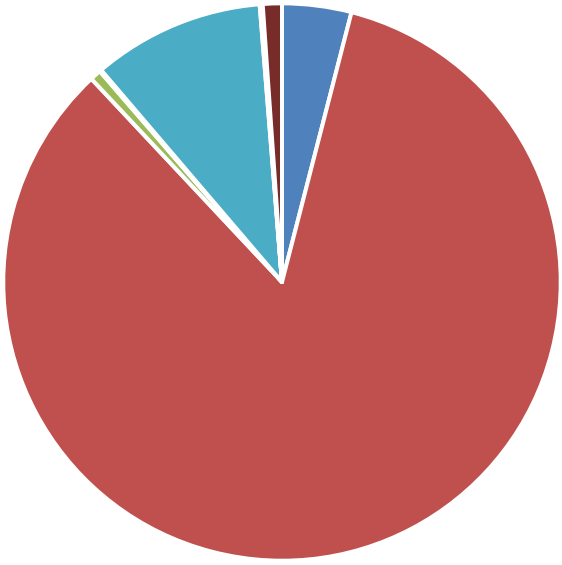
2020 U.S. Census



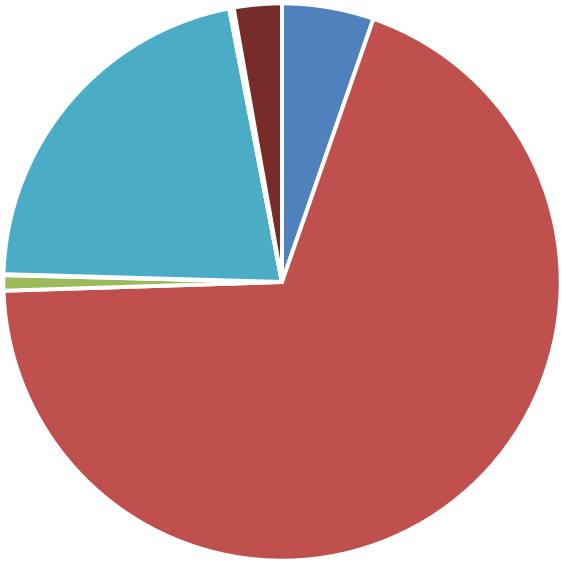
Description	2010 U.S. Census	2020 U.S. Census
White alone	87.3%	70.8%
Black or African American alone	0.7%	0.9%
American Indian/Alaska Native alone	0.1%	0.2%
Asian alone	10.0%	21.6%
Native Hawaiian and Other Pacific Islander alone	0.1%	0.1%
Some Other Race alone	0.6%	1.3%
Two or More Races	1.2%	5.1%

[Hispanic or Latino Origin]

2010 U.S. Census



2020 U.S. Census



Description	2010 U.S. Census	2020 U.S. Census
Hispanic or Latino	4.0%	5.3%
Not Hispanic or Latino		
White alone	84.0%	69.2%
Black or African American alone	0.6%	0.9%
American Indian/Alaska Native alone	0.1%	<0.1%
Asian alone	10.0%	21.5%
Native Hawaiian and Other Pacific Islander alone	0.1%	0.1%
Some Other Race alone	0.1%	0.2%
Two or More Races	1.1%	2.8%

[Sex]

Description	2010 U.S. Census	2020 U.S. Census
Male	35.5%	37.7%
Female	64.5%	62.3%

CONGRESSIONAL DISTRICTS

Most of Laguna Woods is located in the 40th Congressional District. A portion of Laguna Woods is located in the 47th Congressional District.

CALIFORNIA ASSEMBLY DISTRICT

Laguna Woods is located in the 72nd California Assembly District.

CALIFORNIA SENATE DISTRICT

Laguna Woods is located in the 37th California Senate District.

CALIFORNIA BOARD OF EQUALIZATION DISTRICT

Laguna Woods is located in the 4th California Board of Equalization District.

ORANGE COUNTY SUPERVISORIAL DISTRICT

Laguna Woods is located in the 5th Orange County Supervisorial District.

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL DISTRICT

Laguna Woods is located in the 13th Southern California Association of Governments Regional Council District.

CITY ORGANIZATION

CHAPTER
2.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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2.0. CITY ORGANIZATION

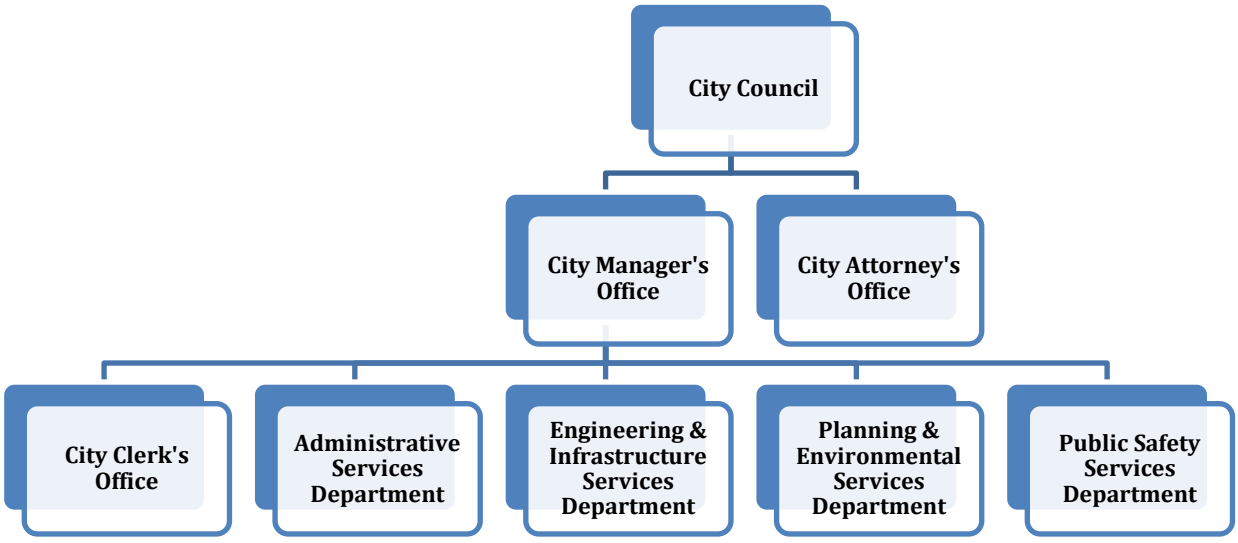
This chapter provides a brief overview of the City of Laguna Woods' internal structure in order to establish a context for understanding how this budget and work plan will be implemented.

DEPARTMENTAL STRUCTURE

The City is organized into the following eight departments:

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

[Organizational Chart – Departments]



As a contract city, many departmental functions are coordinated by City personnel and performed under contract with independent, franchise, and

joint powers agencies. This chapter reviews the organizational structures and allocations of City personnel and the City Attorney's Office.

CITY COUNCIL

Cynthia Conners – current term ends in 2028
Shari L. Horne – current term ends in 2028
Pearl Lee – current term ends in 2028
Annie McCary – current term ends in 2026
Carol Moore – current term ends in 2026

The City of Laguna Woods is a general law city with a council-manager form of government, meaning that it operates within the parameters of California municipal law with an elected City Council as its legislative body. The City Council appoints a City Manager who serves as the City's chief executive officer and a City Attorney who serves as the City's primary legal counsel.

The five members of the City Council are residents of Laguna Woods who are elected by registered voters to four-year terms. Elections occur "at-large" (citywide) in even-numbered years with two and then three members of the City Council elected at subsequent elections. All five offices are nonpartisan.

The City Council appoints a Mayor and Mayor Pro Tem from amongst its membership to preside over City Council meetings, execute certain legal instruments and authorizations, and attend to various representative and ceremonial matters. The Mayor Pro Tem serves as the Mayor in their absence.

Since April 19, 2023, the City Council has served as the Board of Directors of the Laguna Woods Civic Support Fund, a City-established nonprofit public benefit corporation that can support City and local public library activities.

CITY ATTORNEY'S OFFICE

Alisha Patterson, City Attorney
Shawna McKee, Assistant City Attorney
(under contract with Rutan & Tucker, LLP)

The City Attorney is appointed by the City Council to serve as the City's primary legal counsel. The City Attorney takes direction from the City Council and works closely with the City Manager.

In addition to providing legal representation for the City, the City Attorney's Office advises the City Council and City personnel on official business and is responsible for preparing, reviewing, and approving the form of ordinances, agreements, and other 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 provided for special projects, and other related expenditures, may be charged to those projects.

AUTHORIZED CITY EMPLOYEE POSITIONS

This budget and work plan includes an authorized personnel allocation of 18.25 full-time equivalent ("FTE") employee positions, which is an increase of 8.00 FTE employee positions as compared to the fiscal year immediately preceding this budget and work plan (Fiscal Year 2024-25). The increase is attributable to the "in-sourcing" of building and code enforcement functions that were formerly performed by consultants (one Building Official, three Building Inspectors, two Permit Technicians, and one Code Enforcement Officer) and the addition of a new Planning & Environmental Services Director position to manage and provide oversight for those and other functions.

Over the 12 years spanning fiscal years 2015-16 through 2026-27, the average number of authorized employee positions is projected to be 10.84 FTE.

[Authorized City Employee Positions – Citywide (Table)]

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
Full-time Employees [full-time equivalents (FTE)]												
Accountant/ Senior Accountant (A) ("Accountant Series")	(A)	(A)	(A)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Administrative Services Director/City Treasurer	1.00	1.00	1.00	1.00	1.00 (B)	1.00 (B)	1.00 (B)	1.00 (B)	1.00 (B)	1.00 (B)	1.00 (B)	1.00 (B)
Assistant City Manager	1.00	-	-	-	-	-	-	-	-	-	-	-
Assistant to the City Manager	-	-	-	-	-	-	-	-	0.54 (J)	1.00	1.00	1.00
Building Inspector	-	-	-	-	-	-	-	-	-	-	3.00	3.00
Building Official	-	-	-	-	-	-	-	-	-	-	1.00	1.00

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Community Services Manager	0.50 (C)	-	-	-	-	-	-	-	-	-	-	-
Conservation Administrator	-	-	-	-	-	-	-	-	1.00	1.00	-	-
Deputy City Clerk	1.00	1.00	1.00	0.47 (D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Deputy City Clerk/ City Clerk (B) ("City Clerk Series")	-	-	-	0.53 (D)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Development Administrator	-	-	-	-	-	-	-	-	0.46 (K)	-	-	-
Development Manager	-	-	-	-	-	-	-	-	0.54 (K)	1.00	-	-
Management Analyst/ Senior Management Analyst ("Management Analyst Series")	0.44 (E)	2.00	2.00	2.00	2.54 (F)	3.00	3.29 (G)	4.00	0.46 (J)	-	1.00	1.00
Management Assistant	0.56 (E)	-	-	-	-	-	-	-	-	-	-	-
Permit Technician	-	-	-	-	-	-	-	-	-	-	2.00	2.00
Planning & Environmental Services Director	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Public Works Administrator	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Senior Accountant	1.00	1.00	1.00	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Senior Planner	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Total FTE – full-time positions	8.50	8.00	8.00	8.00	8.54	9.00	9.29	9.00	9.00	9.00	17.00	17.00
Limited Part-time Employees [full-time equivalents (FTE)]												
Customer Service Representative	-	0.45 (H)	-	-	-	-	-	-	-	-	-	-
Management Analyst/ Senior Management Analyst ("Management Analyst Series")	-	0.45	0.45	0.45	0.45	0.23	-	-	-	-	-	-
Receptionist	-	-	-	-	-	-	-	1.25 (I)	1.25 (I)	1.25 (I)	1.25 (I)	1.25 (I)
Total FTE – part-time positions	-	0.90	0.45	0.45	0.45	0.23	-	1.25	1.25	1.25	1.25	1.25
Total FTE – all positions	8.50	8.90	8.45	8.45	9.99	9.23	9.29	10.25	10.25	10.25	18.25	18.25
Year-over-year change		0.40	(0.45)	-	1.54	(0.76)	0.06	0.96	-	-	8.00	-

(A) The Senior Accountant position was transitioned to a dual-class position consisting of both Accountant and Senior Accountant classes beginning in Fiscal Year 2018-19.

(B) The Administrative Services Director/City Treasurer position has been authorized as a full-time, 1.00 FTE, but filled as a part-time, approximately 0.60 FTE, since January 2, 2020.

(C) A Community Services Manager position was authorized from July 1, 2015-December 31, 2015 (0.50 FTE).

(D) The Deputy City Clerk position was transitioned to a dual-class position consisting of both Deputy City Clerk and City Clerk classes beginning on December 18, 2019. A Deputy City Clerk position was authorized from July 1, 2018-December 17, 2018 (0.47 FTE), and a Deputy City Clerk/City Clerk position was authorized beginning on December 18, 2018 (0.53 FTE), resulting in a net FTE of 1.00.

(E) A Management Assistant position was authorized from July 1, 2015-January 19, 2016 (0.56 FTE), and a Management Analyst/Senior Management Analyst position was authorized beginning on January 20, 2016 (0.44 FTE), resulting in a net FTE of 1.00.

(F) 2.00 FTE Management Analyst/Senior Management Analyst positions were authorized from July 1, 2019-December 17, 2019. Beginning on December 18, 2019, an additional 1.00 position was authorized, resulting in a total net FTE of 2.54 for Fiscal Year 2019-20.

(G) 3.00 FTE Management Analyst/Senior Management Analyst positions were authorized from July 1, 2021-March 15, 2022. Beginning on March 16, 2022, an additional 1.00 position was authorized, resulting in a total net FTE of 3.29 for Fiscal Year 2021-22. That additional position remained vacant through Fiscal Year 2022-23.

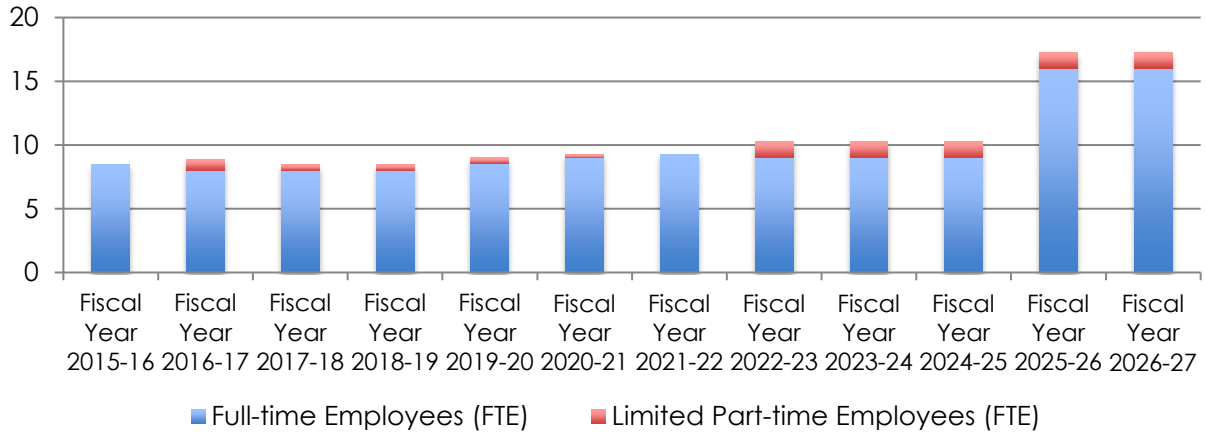
(H) A 0.45 FTE Customer Service Representative was authorized, but never filled.

(I) Four Receptionist positions were authorized up to a total of 1.25 FTE.

(J) A Management Analyst/Senior Management Analyst position was authorized from July 1, 2023-December 15, 2023 (0.46 FTE), and an Assistant to the City Manager position was authorized beginning on December 15, 2023 (0.54 FTE), resulting in a net FTE of 1.00.

(K) A Development Administrator position was authorized from July 1, 2023-December 15, 2023 (0.46 FTE), and a Development Manager position was authorized beginning on December 15, 2023 (0.54 FTE), resulting in a net FTE of 1.00.

[Authorized City Employee Positions – Citywide (Graph)]

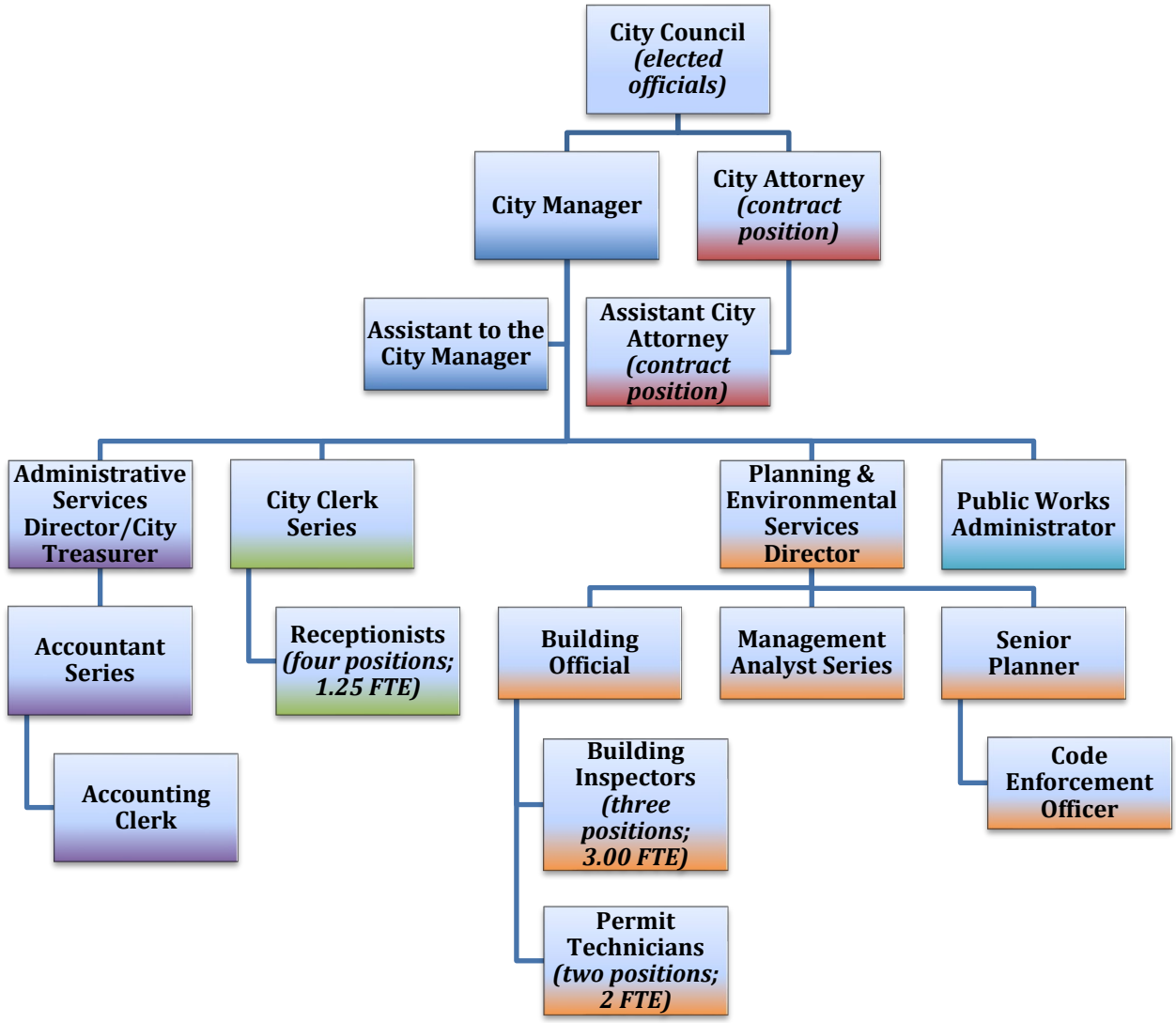


[Authorized City Employee Positions, Fiscal Years 2025-27 – Departmental]

City Manager's Office 2 FTE	
City Clerk's Office 2.25 FTE	**Engineering & Infrastructure Services Department** 1 FTE
Administrative Services Department 3 FTE	**Planning & Environmental Services Department** 10 FTE

REPORTING RELATIONSHIPS

[Organizational Chart – Reporting Relationships]



City Council

City Manager's Office

City Attorney's Office

City Clerk's Office

Administrative Services Department

Engineering & Infrastructure Services Department

Planning & Environmental Services Department

CITY MANAGER'S OFFICE

Christopher Macon, City Manager

The City Manager is appointed by the City Council to serve as the City's chief executive officer responsible for overseeing daily operations and implementing the City Council's direction and policy. All City employees are hired and work under the ultimate authority 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 public safety services.

In the absence of separately appointed incumbents, the City Manager may also serve as City Clerk and City Treasurer. When serving as City Clerk, the City Manager provides director-level management of the City Clerk's Office.

The City Manager serves as the Chief Executive Officer of the Laguna Woods Civic Support Fund.

[Authorized City Employee Positions – City Manager's Office]

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
Full-time Employees [full-time equivalents (FTE)]												
Assistant to the City Manager	-	-	-	-	-	-	-	-	0.54 (D)	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Community Services Manager	0.50 (A)	-	-	-	-	-	-	-	-	-	-	-
Management Analyst/ Senior Management Analyst ("Management Analyst Series")	-	-	-	-	-	-	0.29 (B)	1.00 (B)	0.46 (D)	-	-	-
Management Assistant	0.56 (C)	-	-	-	-	-	-	-	-	-	-	-
Total FTE – full-time positions	2.06	1.00	1.00	1.00	1.00	1.00	1.29	2.00	2.00	2.00	2.00	2.00
Limited Part-time Employees [full-time equivalents (FTE)]												
Management Analyst/ Senior Management Analyst ("Management Analyst Series")	-	0.45	0.45	0.45	0.45	0.23	-	-	-	-	-	-
Total FTE – part-time positions	-	0.45	0.45	0.45	0.45	0.23	-	-	-	-	-	-
Total FTE – all positions	2.06	1.45	1.45	1.45	1.45	1.23	1.29	2.00	2.00	2.00	2.00	2.00
Year-over-year change		(0.61)	-	-	-	(0.22)	0.06	0.71	-	-	-	-

(A) A Community Services Manager position was authorized from July 1, 2015-December 31, 2015 (0.50 FTE).
(B) A Management Analyst/Senior Management Analyst position was authorized on March 16, 2022, but remained vacant through Fiscal Year 2022-23.
(C) A Management Assistant position was authorized from July 1, 2015-January 19, 2016 (0.56 FTE).
(D) A Management Analyst/Senior Management Analyst position was authorized from July 1, 2023-December 15, 2023 (0.46 FTE), and an Assistant to the City Manager position was authorized beginning on December 15, 2023 (0.54 FTE), resulting in a net FTE of 1.00.

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

CITY CLERK'S OFFICE

Yolie Trippy, CMC, City Clerk

The City Clerk is appointed by the City Manager to serve as the City's local elections official and custodian of records. The City Clerk implements state laws pertaining to legislative and recordkeeping functions, including the Political Reform Act, Public Records Act, and Ralph M. Brown Act.

The City Clerk's Office also operates City Hall's front counter, provides notary public and acknowledgement services, responds to public records requests, and manages the local government television channel.

Since October 2022, notary public and acknowledgement services have been provided with assistance from personnel from other departments. All notary public and acknowledgement services are coordinated and supervised by the City Clerk's Office.

The City Clerk serves as the Secretary of the Laguna Woods Civic Support Fund.

[Authorized City Employee Positions – City Clerk's Office]

Position	Number Authorized by Fiscal Year											
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Full-time Employees [full-time equivalents (FTE)]												
Administrative Coordinator	(A)	(A)	(A)	(A)	1.00	1.00	1.00	-	-	-	-	-
Deputy City Clerk/ City Clerk (B) ("City Clerk Series")	(A)	(A)	(A)	(A)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
Total FTE – full-time positions	-	-	-	-	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Limited Part-time Employees [full-time equivalents (FTE)]												
-	-	(C)	-	-	-	-	-	-	-	-	-	-
Receptionist	-	-	-	-	-	-	-	1.25 (D)	1.25 (D)	1.25 (D)	1.25 (D)	1.25 (D)
Total FTE – part-time positions	-	-	-	-	-	-	-	1.25	1.25	1.25	1.25	1.25
Total FTE – all positions	-	-	-	-	2.00	2.00	2.00	2.25	2.25	2.25	2.25	2.25
Year-over-year change		-	-	-	-	-	-	0.25	-	-	-	-

(A) Prior to Fiscal Year 2019-20, these positions were allocated to the Administrative Services Department.

(B) The Deputy City Clerk position was transitioned to a dual-class position consisting of both Deputy City Clerk and City Clerk classes beginning on December 18, 2019.

(C) A Customer Service Representative position (0.45 FTE) was authorized, but never filled, in Fiscal Year 2016-17, when the City Clerk's Office was allocated to the Administrative Services Department. The position was intended to support the functions of what is today the City's Clerk Office.

(D) Four Receptionist positions were authorized up to a total, full-time equivalency of 1.25.

Personnel allocated to the City Clerk's Office, and notary public stipends paid to personnel from other departments who assist with providing notary public and acknowledgement services, are included in the General Government section of this budget.

ADMINISTRATIVE SERVICES DEPARTMENT

Liz Torres, Administrative Services Director/City Treasurer

The Administrative Services Department is responsible for finance, accounting, purchasing, payroll, human resources, and information technology functions, as well as insurance and workers' compensation programs.

The City Treasurer's Office is part of the Administrative Services Department with investment-related responsibilities set forth in state law, the Laguna Woods Municipal Code, and City Council policy.

The City Treasurer serves as the Chief Financial Officer of the Laguna Woods Civic Support Fund.

[Authorized City Employee Positions – Administrative Services Department]

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
Full-time Employees [full-time equivalents (FTE)]												
Accountant/ Senior Accountant (A) ("Accountant Series")	(A)	(A)	(A)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	(B)	(B)	(B)	-	-	-	-	-
Administrative Services Director/City Treasurer	1.00	1.00	1.00	1.00	1.00 (C)	1.00 (C)	1.00 (C)	1.00 (C)	1.00 (C)	1.00 (C)	1.00 (C)	1.00 (C)
Deputy City Clerk	1.00	1.00	1.00	0.47 (D)	-	-	-	-	-	-	-	-
Deputy City Clerk/ City Clerk (B) ("City Clerk Series")	-	-	-	0.53 (D)	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(B)
Senior Accountant	1.00	1.00	1.00	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)
Total FTE – full-time positions	5.00	5.00	5.00	5.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Limited Part-time Employees [full-time equivalents (FTE)]												
Customer Service Representative	-	0.45 (E)	-	-	-	-	-	-	-	-	-	-
Total FTE – part-time positions	-	0.45	-	-	-	-	-	-	-	-	-	-
Total FTE – all positions	5.00	5.45	5.00	5.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Year-over-year change		0.45	(0.45)	-	(2.00)	-	-	-	-	-	-	-

(A) The Senior Accountant position was transitioned to a dual-class position consisting of both Accountant and Senior Accountant classes beginning in Fiscal Year 2018-19.

(B) Beginning in Fiscal Year 2019-20, these positions were reallocated to the newly separated City Clerk's Office.

(C) The Administrative Services Director/City Treasurer position has been authorized as a full-time, 1.00 FTE, but filled as a part-time, approximately 0.60 FTE, since January 2, 2020.

(D) The Deputy City Clerk position was transitioned to a dual-class position consisting of both Deputy City Clerk and City Clerk classes beginning on December 18, 2019. A Deputy City Clerk position was authorized from July 1, 2018-December 17, 2018 (0.47 FTE), and a Deputy City Clerk/City Clerk position was authorized beginning on December 18, 2018 (0.53 FTE), resulting in a net FTE of 1.00.

(E) The Customer Service Representative position was authorized, but never filled. The position was intended to support the functions of what is today the City Clerk's Office.

Personnel allocated to the Administrative Services Department are included in the Administrative Services Department section of this budget.

ENGINEERING & INFRASTRUCTURE SERVICES DEPARTMENT

Christopher Macon, City Manager

The Engineering & Infrastructure Services Department is responsible for the operation, maintenance, construction, and improvement of public property. In addition to City Hall, the Public Library Building, and the three public parks, the Engineering & Infrastructure Services Department's purview includes public streets, sidewalks, traffic signals, streetlights, transit shelters, drainage systems, and landscaping.

[Authorized City Employee Positions – Engineering & Infrastructure Services Department]

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
Full-time Employees [full-time equivalents (FTE)]												
Assistant City Manager	0.25	-	-	-	-	-	-	-	-	-	-	-
Management Analyst/ Senior Management Analyst ("Management Analyst Series")	0.44 (A)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Public Works Administrator	-	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Total FTE – full-time positions	0.69	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Limited Part-time Employees [full-time equivalents (FTE)]												
-	-	-	-	-	-	-	-	-	-	-	-	-
Total FTE – part-time positions	-	-	-	-	-	-	-	-	-	-	-	-
Total FTE – all positions	0.69	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Year-over-year change		0.31	-	-	-	-	-	-	-	-	-	-

(A) A Management Analyst/Senior Management Analyst position was authorized beginning on January 20, 2016 (0.44 FTE).

Due to the elimination of the full-time Assistant City Manager position in Fiscal Year 2016-17, the City Manager provides director-level management for the Engineering & Infrastructure Services Department. The City Manager is included in the General Government section of this budget.

Personnel allocated to the Engineering & Infrastructure Services Department are included in the Engineering & Infrastructure Services Department section of this budget.

PLANNING & ENVIRONMENTAL SERVICES DEPARTMENT

Planning & Environmental Services Director

The Planning & Environmental Services Department is responsible for functions related to private construction and the built environment, including planning,

building, economic development, and code enforcement, as well as resource conservation, water quality (stormwater), and waste and recycling.

[Authorized City Employee Positions –
Planning & Environmental Services Department]

Position	Number Authorized by Fiscal Year											
	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	2025 -26	2026 -27
Full-time Employees [full-time equivalents (FTE)]												
Assistant City Manager	0.75	-	-	-	-	-	-	-	-	-	-	-
Building Inspector	-	-	-	-	-	-	-	-	-	-	3.00	3.00
Building Official	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Code Enforcement Officer	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Conservation Administrator	-	-	-	-	-	-	-	-	1.00	1.00	-	-
Development Administrator	-	-	-	-	-	-	-	-	0.46 (A)	-	-	-
Development Manager	-	-	-	-	-	-	-	-	0.54 (A)	1.00	-	-
Management Analyst/ Senior Management Analyst ("Management Analyst Series")	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00		-	1.00	1.00
Permit Technician	-	-	-	-	-	-	-	-	-	-	2.00	2.00
Planning & Environmental Services Director	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Senior Planner	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Total FTE – full-time positions	0.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	10.00	10.00
Limited Part-time Employees [full-time equivalents (FTE)]												
-	-	-	-	-	-	-	-	-	-	-	-	-
Total FTE – part-time positions	-	-	-	-	-	-	-	-	-	-	-	-
Total FTE – all positions	0.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	10.00	10.00
Year-over-year change		1.25	-	-	-	-	-	-	-	-	8.00	-

(A) A Development Administrator position was authorized from July 1, 2023-December 15, 2023 (0.46 FTE), and a Development Manager position was authorized beginning on December 15, 2023 (0.54 FTE), resulting in a net FTE of 1.00.

Personnel allocated to the Planning & Environmental Services Department are included in the Planning & Environmental Services Department section of this budget.

PUBLIC SAFETY SERVICES DEPARTMENT

Christopher Macon, City Manager

The Public Safety Services Department includes law enforcement and animal

control and shelter services, for which the City contracts with the Orange County Sheriff's Department and City of Laguna Beach, respectively. Other public safety agreements and emergency management functions are also included in the Public Safety Services Department, as are liaison activities with the Orange County Fire Authority (a joint powers authority of which the City is a member) and County of Orange-contracted 9-1-1 emergency ambulance services.

The City Manager's Office is principally responsible for coordinating public safety services. Personnel allocated to the City Manager's Office are included in the General Government section of this budget.

FUTURE OUTLOOK FOR CITY EMPLOYEE POSITIONS

Building Services

As has occurred with the Accountant/Senior Accountant, Deputy City Clerk/ City Clerk, and Management Analyst/Senior Management Analyst positions, the City anticipates transitioning the Building Inspector and Permit Technician positions to dual-class positions (e.g., Building Inspector/Building Inspector II and Permit Technician/Senior Permit Technician). Dual-class positions provide opportunities for employee development and career advancement.

Code Enforcement Services

As has occurred with the Accountant/Senior Accountant, Deputy City Clerk/ City Clerk, and Management Analyst/Senior Management Analyst positions, the City anticipates transitioning the Code Enforcement Officer position to a dual-class position (e.g., Code Enforcement Officer/Senior Code Enforcement Officer). Dual-class positions provide opportunities for employee development and career advancement.

Human Resources

With the "in-sourcing" of building and code enforcement functions resulting in an increase of 8.00 FTE employee positions beginning in Fiscal Year 2025-26, the City anticipates increasing need for a Human Resources Analyst position to assist with employee payroll, benefits, and training functions.

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CITY BUDGET PRACTICES

CHAPTER
3.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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3.0. CITY BUDGET PRACTICES

This chapter reviews financial and accounting practices used in the development of this budget and work plan.

INTRODUCTION

In addition to outlining a scope of work for the City to undertake during the fiscal years spanning July 1, 2025 through June 30, 2027, this budget and work plan serves as a financial plan for the City's operations. To that end, chapters 3.0, 4.0, 5.0, and 6.0 translate the scope of work that is described in chapters 7.0 and 8.0 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. That transition was undertaken with the goals of providing longer-term financial forecasts, greater certainty regarding the sustainability of the City's operations, and heightened strategic vision.

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 the 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 adopts a Gann Limit for the second

year of the same two-year budget and work plan, as well as updates of the budgetary reserve levels and 11-year capital improvement program. The City Council may also be asked to modify adopted budgets and work plans to reflect changes in the economy, priorities, and/or needs.

In the second year of each two-year budget and work plan, development is focused on updating revenue estimates and expenditure projections for that fiscal year, as well as preparing a draft budget and work plan for the next two-year budget and work plan cycle.

The Fiscal Years 2025-27 Budget & Work Plan development process included a total of six open and publicly noticed City Council meetings, each with an opportunity for public input. Several chapters of the draft budget and work plan were released for review and comment in advance of the publication of the complete draft document. Meetings and releases occurred as follows:

Friday, March 14, 2025 – public release of draft chapters 1.0 (City Background), 2.0 (City Organization), and 3.0 (City Budget Practices)

- Meeting on Wednesday, March 19, 2025 – kick-off, discussion and development; councilmembers expressed consensus support for the proposed staffing plan described in the draft of Chapter 2.0

Friday, April 11, 2025 – public release of draft Chapter 8.0 (City Capital Projects)

- Meeting on Wednesday, April 16, 2025 – discussion and development, including a presentation on law enforcement contract costs

Friday, May 16, 2025 – public release of draft Chapter 7.0 (City Work Plan)

- Meeting on Wednesday, May 21, 2025 – discussion and development

Friday, May 23, 2025 – public release of draft Chapter 5.0 (City Budget Detail, General and Capital Funds)

- Meeting on Wednesday, May 28, 2025 – discussion and development

Friday, June 13, 2025 – public release of draft chapters 4.0 (City Budget Detail, All Funds Summaries) and 6.0 (City Budget Detail, Special Revenue Funds), as well as revised drafts of chapters 1.0-3.0, 5.0, and 7.0-8.0

- Meeting on Wednesday, June 18, 2025 – discussion and development

Friday, June 20, 2025 – public release of final draft budget and work plan

- Meeting on Wednesday, June 25, 2025 – discussion and 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 generally accepted best practices.

The Fiscal Years 2023-25 operating budget was submitted to CSMFO for evaluation. Following two independent, third-party reviews, the City earned CSMFO's Operating Budget Meritorious Award.

[CSMFO Operating Budget Meritorious Award for Fiscal Years 2023-25]

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Years 2023-2024 & 2024-2025

Presented to the

City of Laguna Woods

For meeting the criteria established to achieve a CSMFO Award in Budgeting.

January 29, 2024

Rich Lee
2023 CSMFO President

James Russell-Field
James Russell-Field, Chair
Recognition Committee

Dedicated to Excellence in Municipal Financial Reporting

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 prudent and responsible standards related to budget development and implementation, 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 assigned reserves is 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 used to fund three assigned reserves:

- Paid Leave Contingency Reserve – The Paid Leave Contingency Reserve compensates for payments required to comply with the City's paid leave policies and obligations, when such amounts exceed adopted budgets.
- Self-Insurance Contingency Reserve – The Self-Insurance Contingency Reserve compensates for legal judgements and liability and workers' compensation claim settlements not covered by insurance policies.

- General Contingency Reserve – The General Contingency Reserve compensates for economic uncertainty, operating contingencies, and emergencies caused by calamitous events.

[Assigned Reserves Funding Levels – Fiscal Year 2025-26]

Fiscal Year 2025-26 General Fund Revenue Budget, less one-time and non-operating revenues	$9,303,200
	x .50
Overall Target for Assigned Reserves	$4,651,600
Paid Leave Contingency Reserve[1]	$136,394
Self-Insurance Contingency Reserve	$500,000
General Contingency Reserve	$4,015,206
Total Assigned Reserves	$4,651,600

[Assigned Reserves Funding Levels – Fiscal Year 2026-27]*

Fiscal Year 2026-27 General Fund Revenue Budget, less one-time and non-operating revenues	$9,525,200
	x .50
Overall Target for Assigned Reserves	$4,762,600
Paid Leave Contingency Reserve[1]	$136,394
Self-Insurance Contingency Reserve	$500,000
General Contingency Reserve	$4,126,206
Total Assigned Reserves	$4,762,600

* If the adopted General Fund revenue budget changes prior to the beginning of Fiscal Year 2026-27, the overall target and funding levels for assigned reserves will be modified in accordance with Administrative Policy 2.9.

In addition to assigned reserves, unassigned General Fund balance (General Fund monies that are spendable and not classified as restricted, committed, or assigned for specific purposes) is available for any governmental purpose and can be appropriated by the City Council at a public meeting. Use of

[1] The Paid Leave Contingency Reserve 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.

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 ("GAAP") on a "modified accrual" basis. Section 7440 of Chapter 7400 of the California State Administrative Manual (October 2024) defines "modified accrual" as:

> "This basis of accounting recognizes revenues if the underlying transaction 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 soon enough after the end of the current period, to pay current period's obligations). Expenditures are recognized when the obligations are created, except for amounts payable from future fiscal year appropriations."

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

FUND TYPES

Government agencies classify funds as either governmental (accounting for typical government operations), proprietary (accounting for activities 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 parties).

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 or committed to expenditures for specified purposes.
- Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of revenue sources that are legally restricted or committed

to expenditures for specified purposes [e.g., allocations from statewide fuel taxes and Orange County's Measure M2 (OC Go), as well as grant awards from external sources and restricted donations]. The City also accounts for the Laguna Woods Civic Support Fund, a nonprofit public benefit corporation, as a Special Revenue Fund for financial reporting purposes, because it meets the criteria of a "component unit"[2] as that term is defined by the Governmental Accounting Standards Board.

- Capital Projects Fund – The Capital Projects Fund is used to account for transfers from the unassigned General Fund balance that are reserved for major capital improvement purposes. The Capital Projects Fund is a separate fund for budgetary purposes, but is combined with the General Fund for reporting in the Annual Comprehensive Financial Report.

The City has no proprietary or fiduciary funds, although the City does maintain two Internal Revenue Code Section 115 trust funds to prefund (1) employer contributions to California Public Employees' Retirement System ("CalPERS") pension plans and (2) other post-employment benefits liability incurred as a result of state-mandated retiree medical obligations. Both Internal Revenue Code Section 115 trust funds are administered by CalPERS.

ANNUAL APPROPRIATIONS LIMIT ("GANN LIMIT")

Proposition 4 ("Limitation of Government Appropriations"), commonly referred to as the "Gann Initiative," was approved by California voters on November 6, 1979. The Gann Initiative added Article XIIIB to the California State Constitution, establishing a limit on the amount of tax proceeds that state and local governments can 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 a methodology established by Proposition 111 ("Traffic Congestion Relief and Spending Limitation Act Of 1990").

In the event that the City's receipt of tax proceeds exceeded 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

[2] Government Accounting Standards Board Statement No. 61 (November 2010), Paragraph 20, defines a "component unit" as a legally separate organization for which the City Council is financially accountable or other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading.

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. 25-21 included with this budget as Appendix D). The Gann Limit for Fiscal Year 2025-26 is $14,575,985 and was calculated as follows:

[Gann Limit Calculation – Fiscal Year 2025-26]

Fiscal Year 2024-25 Gann Limit	$13,670,969
Population Change (County of Orange)[3]	x 1.0017
Cost of Living Change (Per Capita Personal Income)[3]	x 1.0644
Fiscal Year 2025-26 Gann Limit	$14,575,985
Fiscal Year 2025-26 Appropriations Subject to the Gann Limit	$5,856,131
Fiscal Year 2025-26 Gann Limit over Appropriations	$8,719,854

The Gann Limit for Fiscal Year 2026-27 is expected to be adopted by the City Council in June 2026, once the necessary information on population and cost of living changes for Fiscal Year 2025-26 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 2025-26 or 2026-27. As such, the Gann Limit is not expected to impact the City's operations.

DEBT SERVICE OBLIGATIONS

The California Department of Finance's *Finance Glossary of Accounting and Budgeting Terms* (2025), defines "debt service" as:

> "The amount of money required to pay interest on outstanding bonds and the principal of maturing bonds."

The City has never issued bonds. Accordingly, this budget and work plan does not include any debt service obligations.

[3] State of California, Department of Finance, *Price and Population Information*. May 2025. Factors are rounded to four decimal places for presentation purposes.

CITY BUDGET DETAIL, ALL FUNDS SUMMARIES

CHAPTER
4.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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4.0. CITY BUDGET DETAIL, ALL FUNDS SUMMARIES

This chapter summarizes revenues and expenditures, including inter-fund transfers, for all funds 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 5.0 and 6.0.

[All Funds Fund Structure – Fiscal Years 2025-27]

General Fund

Special Revenue Funds

- Fuel Tax
- Road Maintenance & Rehabilitation Program
- Measure M2 (OC Go)
- Service Authority for Abandoned Vehicles
- Supplemental Law Enforcement Services
- Mobile Source Reduction
- PEG/Cable Television
- Senior Mobility
- Community Development Block Grant (CDBG)
- Federal Grants
- State of California Grants
- Miscellanous Special Revenue
- Laguna Woods Civic Support Fund

Capital Projects Fund

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CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Summary by Fund, All Funds - Fiscal Year 2025-27

	7/1/2025 Estimated Opening Fund Balance	Budgeted Revenues	Budgeted Expenditures	Inter-Fund Transfers	Changes to Reserves	Net Change in Fund Balance	6/30/2026 Projected Ending Fund Balance
GENERAL FUND GROUP							
General Fund							
General Fund - Unassigned	7,581,190	9,303,200	8,954,328	(2,266,052)	431,958	(1,485,222)	6,095,968
Nonspendable:							
Prepaids	22,210				-	-	22,210
Restricted for:							
Employee Benefits	169,211					-	169,211
Strong Motion Instrumentation Program (SMIP)	2,739				-	-	2,739
Senate Bill 1473 (2008)	1,630				-	-	1,630
Committed for:							
Waste Diversion	58,333				-	-	58,333
Assigned for:							
Paid Leave Contingency Reserve	136,394				-	-	136,394
Self-Insurance Contingency Reserve	50,000				450,000	450,000	500,000
General Fund Contingency Reserve	4,447,164				(431,958)	(431,958)	4,015,206
Total General Fund	**12,468,871**	**9,303,200**	**8,954,328**	**(2,266,052)**	**450,000**	**(1,467,180)**	**11,001,691**
Capital Projects Fund							
Capital Projects	561,477	85,000	1,860,000	1,860,000	-	85,000	646,477
Total Capital Projects Fund	**561,477**	**85,000**	**1,860,000**	**1,860,000**	**-**	**85,000**	**646,477**
TOTAL GENERAL FUND GROUP	**13,030,348**	**9,388,200**	**10,814,328**	**(406,052)**	**450,000**	**(1,382,180)**	**11,648,168**
Special Revenue Funds							
Fuel Tax	681,211	529,000	404,557	-	-	124,443	805,654
Road Maintenance & Rehabilitation Program	1,349,231	510,600	515,824	-	-	(5,224)	1,344,007
Measure M2 (OC Go)	386,222	332,600	267,780	-	-	64,820	451,042
Service Authority for Abandoned Vehicles	42,373	1,000	-	-	-	1,000	43,373
Supplemental Law Enforcement Services	55,494	200,400	231,600	-	-	(31,200)	24,294
Mobile Source Reduction	140,837	28,000	10,000	-	-	18,000	158,837
PEG/Cable Television	86,305	16,400	15,000	-	-	1,400	87,705
Senior Mobility	32,582	830,952	652,598	406,052	-	178,354	210,936
Community Development Block Grant (CDBG)	-	500,000	500,000	-	-	-	-
Federal Grants	(446,866)	277,000	-	-	-	277,000	(169,866)
State of California Grants	(602,541)	388,000	-	-	-	388,000	(214,541)
Miscellaneous Special Revenue	391	400	-	-	-	400	791
Laguna Woods Civic Support Fund	1,439	-	300	-	-	(300)	1,139
Total Special Revenue Funds	**1,726,678**	**3,614,352**	**2,597,659**	**406,052**	**-**	**1,016,693**	**2,743,371**
CUMULATIVE TOTAL	**$ 14,757,026**	**$ 13,002,552**	**$ 13,411,987**	**$ -**	**$ 450,000**	**$ (365,487)**	**$ 14,391,539**

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CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Summary by Fund, All Funds - Fiscal Year 2026-27

	7/1/2026 Estimated Opening Fund Balance	Budgeted Revenues	Budgeted Expenditures	Inter-Fund Transfers	Changes to Reserves	Net Change in Fund Balance	6/30/2027 Projected Ending Fund Balance
GENERAL FUND GROUP							
General Fund							
General Fund - Unassigned	6,095,968	9,525,200	9,261,466	(756,052)	(111,000)	(603,318)	5,492,650
Nonspendable:							
Prepaids	22,210				-	-	22,210
Restricted for:							
Employee Benefits	169,211					-	169,211
Strong Motion Instrumentation Program (SMIP)	2,739				-	-	2,739
Senate Bill 1473 (2008)	1,630				-	-	1,630
Committed for:							
Waste Diversion	58,333						58,333
Assigned for:							
Paid Leave Contingency Reserve	136,394				-	-	136,394
Self-Insurance Contingency Reserve	500,000				-	-	500,000
General Fund Contingency Reserve	4,015,206				111,000	111,000	4,126,206
Total General Fund	**11,001,691**	**9,525,200**	**9,261,466**	**(756,052)**	**-**	**(492,318)**	**10,509,373**
Capital Projects Fund							
Capital Projects	646,477	-	350,000	350,000	-	-	646,477
Total Capital Projects Fund	**646,477**	**-**	**350,000**	**350,000**	**-**	**-**	**646,477**
TOTAL GENERAL FUND GROUP	**11,648,168**	**9,525,200**	**9,611,466**	**(406,052)**	**-**	**(492,318)**	**11,155,850**
Special Revenue Funds							
Fuel Tax	805,654	532,800	439,580	-	-	93,220	898,874
Road Maintenance & Rehabilitation Program	1,344,007	538,200	529,206	-	-	8,994	1,353,001
Measure M2 (OC Go)	451,042	341,000	284,878	-	-	56,122	507,164
Service Authority for Abandoned Vehicles	43,373	1,000	-	-	-	1,000	44,373
Supplemental Law Enforcement Services	24,294	205,400	231,600	-	-	(26,200)	(1,906)
Mobile Source Reduction	158,837	28,000	10,500	-	-	17,500	176,337
PEG/Cable Television	87,705	16,400	15,000	-	-	1,400	89,105
Senior Mobility	210,936	508,552	686,906	406,052	-	(178,354)	32,582
Community Development Block Grant (CDBG)	-	500,000	500,000	-	-	-	-
Federal Grants	(169,866)	-	-	-	-	-	(169,866)
State of California Grants	(214,541)	-	-	-	-	-	(214,541)
Miscellaneous Special Revenue	791	400	-	-	-	400	1,191
Laguna Woods Civic Support Fund	1,139	-	300	-	-	(300)	839
Total Special Revenue Funds	**2,743,371**	**2,671,752**	**2,697,970**	**406,052**	**-**	**(26,218)**	**2,717,153**
CUMULATIVE TOTAL	**$ 14,391,539**	**$ 12,196,952**	**$ 12,309,436**	**$ -**	**$ -**	**$ (518,536)**	**$ 13,873,003**

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CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Revenue Summary - All Funds

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25		2025-26		2027-28	
	Actual Received	Actual Received	Actual Received	Actual Received	Actual Received	Budget	Projection	Budget	% Change From 2024-25 Projection	Budget	% Change From 2025-26 Budget
GENERAL FUND GROUP											
General Fund											
Property Tax	2,767,653	3,057,124	3,047,329	3,172,659	3,388,708	3,405,200	3,568,477	3,705,800	3.8%	3,862,400	4.2%
Property Transfer Tax	85,478	116,657	139,357	110,361	128,203	114,900	130,000	130,000	0.0%	133,100	2.4%
Sales Tax	957,549	1,010,418	1,156,470	1,189,614	1,103,571	1,233,000	1,215,100	1,239,000	2.0%	1,285,800	3.8%
Cannabis Business Tax				Collection Began in Fiscal Year 2023-24	37,380	-	1,082,600	1,200,000	10.8%	1,200,000	0.0%
Franchise Fees	699,250	667,091	675,108	707,654	813,820	753,100	876,501	883,200	0.8%	892,500	1.1%
Transient Occupancy Tax	349,660	254,371	465,867	581,921	598,188	620,000	587,100	597,900	1.8%	609,200	1.9%
Development Processing Fees	671,039	682,913	815,005	891,684	885,158	827,400	875,324	887,000	1.3%	899,300	1.4%
Interest	189,379	100,503	83,686	290,865	464,254	340,000	400,000	395,000	-1.3%	372,000	-5.8%
Miscellaneous											
Regular	254,585	188,198	193,651	311,354	368,296	213,800	266,100	265,300	-0.3%	270,900	2.1%
One-Time Rule 20A Transfer	19,227	30,747	-	-	-	-	-	-		-	
TOTAL GENERAL FUND (ALL REVENUE)	**5,993,820**	**6,108,022**	**6,576,473**	**7,256,112**	**7,787,578**	**7,507,400**	**9,001,202**	**9,303,200**	**3.4%**	**9,525,200**	**2.4%**
Less: One-Time Rule 20A Transfer	(19,227)	(30,747)	-	-	-	-	-	-		-	
TOTAL GENERAL FUND (ONGOING REVENUE)	**5,974,593**	**6,077,275**	**6,576,473**	**7,256,112**	**7,787,578**	**7,507,400**	**9,001,202**	**9,303,200**	**3.4%**	**9,525,200**	**2.4%**
Capital Projects Fund											
Intergovernmental	7,993	-	-	-	-	-	110,930	85,000	-23.4%	-	-100.0%
Interest	8,046	7,244	6,391	16,667	31,691	-	69,077	-	-100.0%	-	-100.0%
TOTAL CAPITAL PROJECTS FUND	**16,039**	**7,244**	**6,391**	**16,667**	**31,691**	**-**	**180,007**	**85,000**	-52.8%	**-**	**-100.0%**
TOTAL GENERAL FUND GROUP (ALL REVENUE)	**6,009,859**	**6,115,266**	**6,582,864**	**7,272,779**	**7,819,269**	**7,507,400**	**9,181,209**	**9,388,200**	**2.3%**	**9,525,200**	**1.5%**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Revenue Summary - All Funds

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25		2025-26		2027-28	
	Actual Received	Actual Received	Actual Received	Actual Received	Actual Received	Budget	Projection	Budget	% Change From 2024-25 Projection	Budget	% Change From 2025-26 Budget
SPECIAL REVENUE FUNDS											
Fuel Tax	395,192	366,878	397,090	463,654	512,054	503,700	540,900	529,000	-2.2%	532,800	0.7%
Road Maintenance & Rehabilitation Program	292,739	302,367	334,676	402,464	518,565	465,600	510,100	510,600	0.1%	538,200	5.4%
Measure M2 (OC Go)	232,616	299,194	277,705	314,299	323,609	348,600	322,000	332,600	3.3%	341,000	2.5%
Coastal Area Road Improvement and Traffic Signals (CARITS)	5,413	2,798	476	Fund Closed in Fiscal Year 2021-22							
Service Authority for Abandoned Vehicles	782	404	293	725	1,517	-	2,100	1,000	-52.4%	1,000	0.0%
Supplemental Law Enforcement Services	156,806	157,177	161,589	166,224	188,644	169,600	197,100	200,400	1.7%	205,400	2.5%
Mobile Source Reduction	19,632	28,601	16,936	27,101	81,164	22,000	36,200	28,000	-22.7%	28,000	0.0%
Mobile Source Reduction - Local Government Partnership	-	Fund Closed									
Beverage Container Recycling	Fund Closed										
Used Oil/Oil Payment Program	111	46	Fund Closed in Fiscal Year 2020-21								
PEG/Cable Television	15,419	14,546	13,992	18,474	16,688	18,800	17,900	16,400	-8.4%	16,400	0.0%
Senior Mobility	167,420	147,104	164,600	140,215	138,488	145,700	747,000	830,952	11.2%	508,552	-38.8%
Community Development Block Grant (CDBG)	145,699	177,726	349,546	-	459,265	150,000	150,000	500,000	233.3%	500,000	0.0%
Proposition 68 (2018) Per Capita	-	Fund Closed									
Federal Grants	30,985	318,101	675,132	1,390,510	824,756	782,869	625,300	277,000	-55.7%	-	-100.0%
State of California Grants	1,453	3,652	502,332	163,638	87,302	193,972	30,700	388,000	1163.8%	-	-100.0%
Miscellaneous Special Revenue		Fund Opened in Fiscal Year 2022-23		15	76	-	300	400	33.3%	400	0.0%
Laguna Woods Civic Support Fund	207	1,773	47,876	1,203	2	-	-	-		-	
TOTAL SPECIAL REVENUE FUNDS	**1,464,474**	**1,820,367**	**2,942,243**	**3,088,522**	**3,152,130**	**2,800,841**	**3,179,600**	**3,614,352**	13.7%	**2,671,752**	-26.1%
TOTAL ALL FUNDS (ALL REVENUE)	**7,474,333**	**7,935,633**	**9,525,107**	**10,361,301**	**10,971,399**	**10,308,241**	**12,360,809**	**13,002,552**	**5.2%**	**12,196,952**	**-6.2%**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Summary - All Funds

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26		2026-27	
	Actual For Year	Actual For Year	Actual For Year	Actual For Year	Actual For Year	Projection	Budget	% Change From 2024-25 Projection	Budget	% Change From 2025-26 Budget
GENERAL FUND GROUP										
General Fund										
City Council	15,764	14,856	15,506	18,559	18,193	21,017	22,167	5.5%	22,417	1.1%
General Government	912,885	821,879	962,307	925,945	1,399,074	1,359,634	1,312,689	-3.5%	1,414,437	7.8%
Administrative Services	405,810	435,327	431,980	463,367	509,433	559,345	593,935	6.2%	624,543	5.2%
Engineering & Infrastructure Services	333,119	307,820	326,020	323,279	369,911	420,455	470,600	11.9%	493,120	4.8%
Planning & Environmental Services	992,748	1,185,731	1,349,811	1,440,405	1,726,088	1,825,190	2,211,766	21.2%	2,136,880	-3.4%
Public Safety Services	2,754,601	2,857,749	2,953,471	2,874,688	3,067,711	3,324,544	3,907,119	17.5%	4,134,017	5.8%
Operating Contribution to Senior Mobility Fund	-	-	-	-	-	645,000	406,052	-37.0%	406,052	0.0%
Information Technology & Cyber Security Account	130,000	45,000	20,640	4,359	899	23,232	30,000	29.1%	30,000	0.0%
TOTAL GENERAL FUND	**5,544,927**	**5,668,362**	**6,059,735**	**6,050,602**	**7,091,309**	**8,178,417**	**8,954,328**	**9.5%**	**9,261,466**	**3.4%**
Capital Projects Fund										
Capital Projects	327,534	252,316	164,043	603,367	189,969	809,099	1,860,000	129.9%	350,000	-81.2%
TOTAL CAPITAL PROJECTS FUND	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**809,099**	**1,860,000**	129.9%	**350,000**	-81.2%
TOTAL GENERAL FUND GROUP	**5,872,461**	**5,920,678**	**6,223,778**	**6,653,969**	**7,281,278**	**8,987,516**	**10,814,328**	**20.3%**	**9,611,466**	**-11.1%**
SPECIAL REVENUE FUNDS										
Fuel Tax	635,245	412,524	378,366	354,373	378,271	432,426	404,557	-6.4%	439,580	8.7%
Road Maintenance & Rehabilitation Program	154,245	218,289	174,787	255,526	244,732	44,728	515,824	1053.2%	529,206	2.6%
Measure M2 (OC Go)	238,705	221,174	245,022	246,440	265,223	232,536	267,780	15.2%	284,878	6.4%
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	261,786	Fund Closed in Fiscal Year 2021-22						
Service Authority for Abandoned Vehicles	-	-	-	-	-	-	-	0.0%	-	0.0%
Supplemental Law Enforcement Services	154,100	158,100	158,100	158,100	176,100	176,100	231,600	31.5%	231,600	0.0%

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Summary - All Funds

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26		2026-27	
	Actual For Year	Actual For Year	Actual For Year	Actual For Year	Actual For Year	Projection	Budget	% Change From 2024-25 Projection	Budget	% Change From 2025-26 Budget
Mobile Source Reduction	6,866	290	-	81,789	10,711	154,794	10,000	-93.5%	10,500	0.0%
Mobile Source Reduction - Local Government Partnership	-	Fund Closed								
Beverage Container Recycling	Fund Closed									
Used Oil/Oil Payment Program	-	5,326	Fund Closed in Fiscal Year 2020-21							
PEG/Cable Television	-	104,668	-	-	5,540	-	15,000	100.0%	15,000	0.0%
Senior Mobility	89,405	67,711	37,880	29,977	377,600	902,659	652,598	-27.7%	686,906	5.3%
Community Development Block Grant (CDBG)	145,699	177,726	349,546	42,472	416,793	150,000	500,000	233.3%	500,000	0.0%
Proposition 68 (2018) Per Capita	-	Fund Closed								
Federal Grants	30,985	304,716	675,132	1,390,510	824,756	795,183	-	-100.0%	-	0.0%
State of California Grants	-	88,179	584,195	65,823	22,205	227,169	-	-100.0%	-	0.0%
Miscellaneous Special Revenue		Fund Opened in Fiscal Year 2022-23		-	-	-	-	0.0%	-	0.0%
Laguna Woods Civic Support Fund	9,567	3,579	334	3,890	48,652	205	300	46.3%	300	0.0%
TOTAL SPECIAL REVENUE FUNDS	**1,464,817**	**1,762,282**	**2,865,148**	**2,628,900**	**2,770,583**	**3,115,800**	**2,597,659**	**-16.6%**	**2,697,970**	**3.9%**
TOTAL ALL FUNDS	**7,337,278**	**7,682,960**	**9,088,926**	**9,282,869**	**10,051,861**	**12,103,316**	**13,411,987**	**10.8%**	**12,309,436**	**-8.2%**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Inter-Fund Transfers Summary - All Funds

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual for Year	Actual for Year	Actual for Year	Actual for Year	Actual for Year	Projection	Budget	Budget
TRANSFERS OUT								
General Fund	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**1,454,099**	**2,266,052**	**756,052**
Other Funds:								
Capital Projects Fund	-	-	-	-	-	265,914	-	-
Total Other Funds	**-**	**-**	**-**	**-**	**-**	**265,914**	**-**	**-**
TOTAL TRANSFERS OUT	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**1,720,013**	**2,266,052**	**756,052**
TRANSFERS IN								
General Fund	**-**	**-**	**-**	**-**	**-**	**265,914**	**-**	**-**
Other Funds:								
Capital Projects Fund	327,534	252,316	164,043	603,367	189,969	809,099	1,860,000	350,000
Senior Mobility Fund	-	-	-	-	-	645,000	406,052	406,052
Total Other Funds	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**1,454,099**	**2,266,052**	**756,052**
TOTAL TRANSFERS IN	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**1,720,013**	**2,266,052**	**756,052**

Transfers to the Capital Projects Fund from the General Fund were made to fund various capital improvement projects. See Chapter 5 for more information.

Transfers to the Senior Mobility Fund from the General Fund were made to support operation of the Senior Mobility Program.

Fiscal Year 2024-25 transfers to the General Fund from the Capital Projects Fund were made to return unspent funds for the following completed capital improvement projects:

	Amount Unspent
El Toro Road Traffic Signal Synchronization Grant	5,996
Moulton Parkway Traffic Signal Synchronization Grant	36,527
Moulton Parkway Water Efficient Median Improvement Project	1,992
Santa Maria Avenue Bioswale Project	5,873
Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	8,758
Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	9,976
City Hall Restroom Repair and Improvement Project	56
City Hall Refurbishment and Safety Project: Phase 1	25,237
City Hall Refurbishment and Safety Project: Phase 2	92,790
City Hall Refurbishment and Safety Project: Electric Vehicle Charging Infrastructure	5,000
City Hall Refurbishment and Safety Project: Phase 3	51,650
City-maintained Catch Basins Full Capture Systems Retrofit Project	22,059
	265,914

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CITY BUDGET DETAIL, GENERAL AND CAPITAL FUNDS

CHAPTER
5.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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5.0. CITY BUDGET DETAIL, GENERAL AND CAPITAL FUNDS

This chapter presents fund-level 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 2025-26	Fiscal Year 2026-27
Total General Fund Revenue Estimate	$9,303,200	$9,525,200
Non-Operating Revenue Estimate	$0	$0
Operating Expenditures	($8,394,328)	($8,941,466)
Total General Fund Operating Revenue over/(under) Operating Expenditures	$908,872	$583,734

[Total General Fund Non-Operating Expenditures and Transfers]

	Fiscal Year 2025-26	Fiscal Year 2026-27
Non-Operating Expenditures	$560,000	$320,000
Transfers to Capital Projects Fund	$1,860,000	$350,000
Total	$2,420,000	$670,000

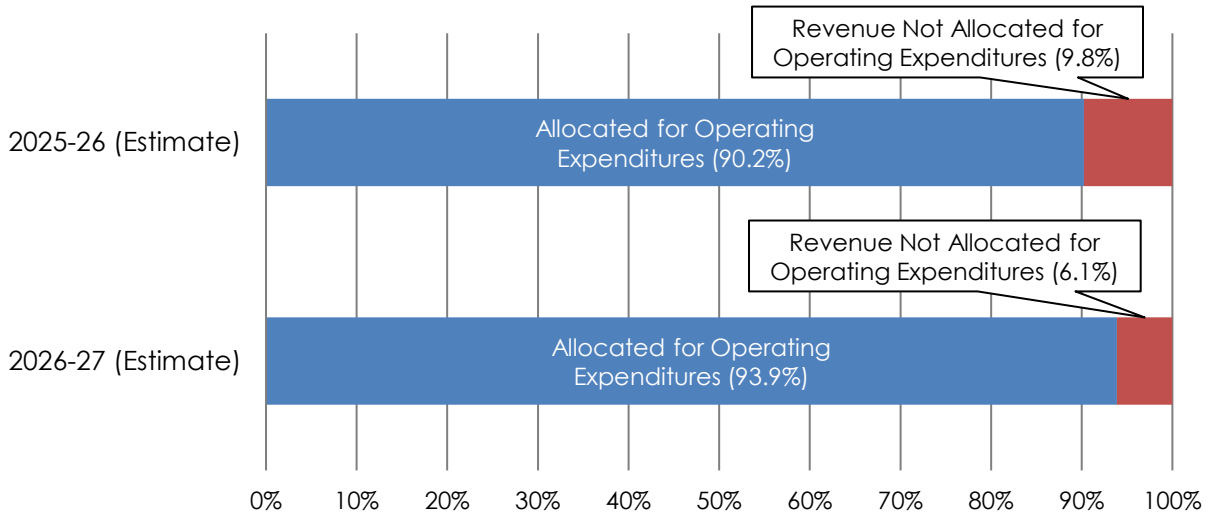
[Total General Fund Expenditures and Transfers]

	Fiscal Year 2025-26	Fiscal Year 2026-27
Total General Fund Operating Expenditures	$8,394,328	$8,941,466
Total General Fund Non-Operating Expenditures and Transfers	$2,420,000	$670,000
Total	$10,814,328	$9,611,466

The General Fund operating budget for Fiscal Year 2025-26 is balanced and totals $8,394,328. At year-end, it is projected that the unassigned General Fund balance will total $6,095,968, or 72.6% of the Fiscal Year 2025-26 operating budget. That unassigned fund balance would be in addition to assigned reserves totaling $4,905,723. An additional $2,420,000 is budgeted for non-operating expenditures and transfers to the Capital Projects Fund.

The General Fund operating budget for Fiscal Year 2026-27 is balanced and totals $8,941,466. At year-end, it is projected that the unassigned General Fund balance will total $5,492,650, or 61.4% of the Fiscal Year 2026-27 operating budget. That unassigned fund balance would be in addition to assigned reserves totaling $5,016,723. An additional $670,000 is budgeted for non-operating expenditures and transfers to the Capital Projects Fund.

[Allocation of General Fund Operating Revenue – Fiscal Years 2025-27]



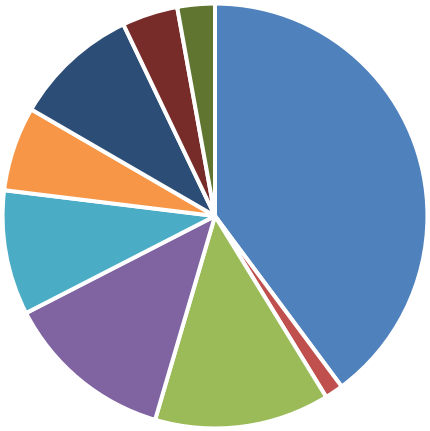
Operating expenditures are budgeted at 9.8% and 6.1% less than estimated operating revenue in fiscal years 2025-26 and 2026-27, respectively. That delta provides a "buffer" for economic changes and may offset non-operating expenditures and transfers to the Capital Projects Fund.

GENERAL FUND SUMMARY – REVENUE

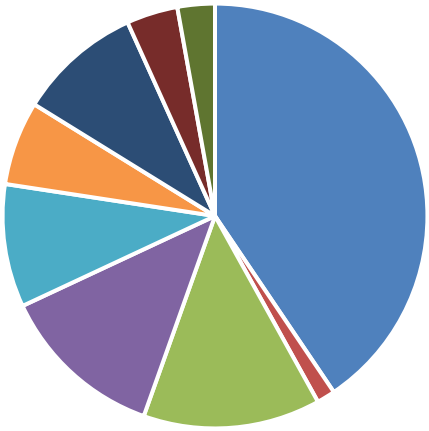
General Fund revenue for Fiscal Year 2025-26 is estimated to be $9,303,200, or 3.4% more than year-end projections for Fiscal Year 2024-25. In Fiscal Year 2026-27, General Fund revenue is estimated to be $9,525,200, which reflects growth of $222,000, or 2.4%, over the Fiscal Year 2025-26 estimate.

[General Fund Revenue Estimates by Source – Fiscal Years 2025-27]

2025-26



2026-27

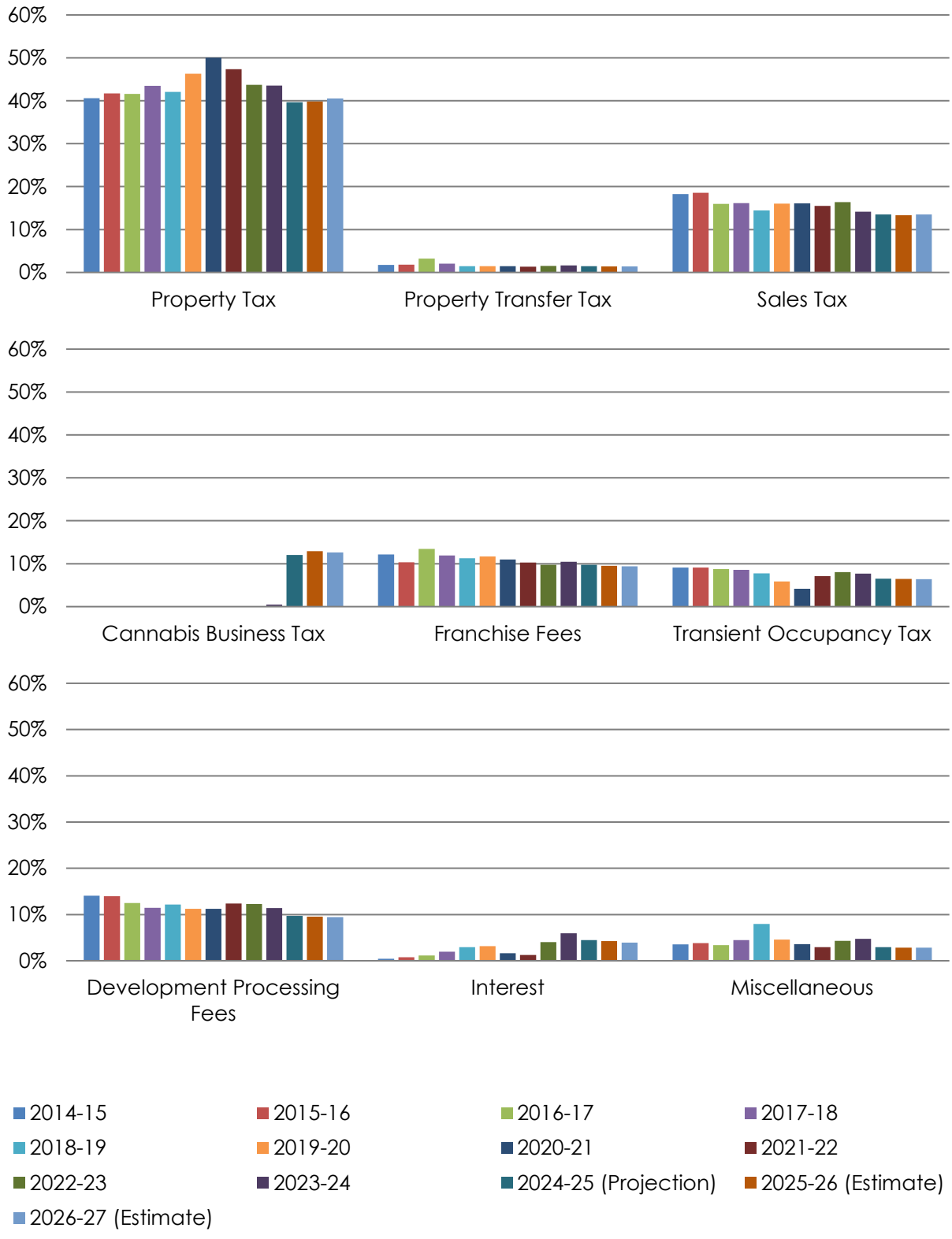


- Property Tax
- Property Transfer Tax
- Sales Tax
- Cannabis Business Tax
- Franchise Fees
- Transient Occupancy Tax
- Development Processing Fees
- Interest
- Miscellaneous

General Fund Revenue Source	Percent of Adopted Budget Estimate (Fiscal Year 2025-26)	Percent of Adopted Budget Estimate (Fiscal Year 2026-27)
Property Tax	39.8%	40.6%
Property Transfer Tax	1.4%	1.4%
Sales Tax	13.3%	13.5%
Cannabis Business Tax	12.9%	12.6%
Franchise Fees	9.5%	9.4%
Transient Occupancy Tax	6.4%	6.4%
Development Processing Fees	9.5%	9.4%
Interest	4.3%	3.9%
Miscellaneous	2.9%	2.8%

Note: This budget accounts for property tax in lieu of vehicle license fees as part of general property tax revenue and property transfer tax separately.

[Historical General Fund Revenue by Source – Fiscal Years 2014-15 through 2026-27]

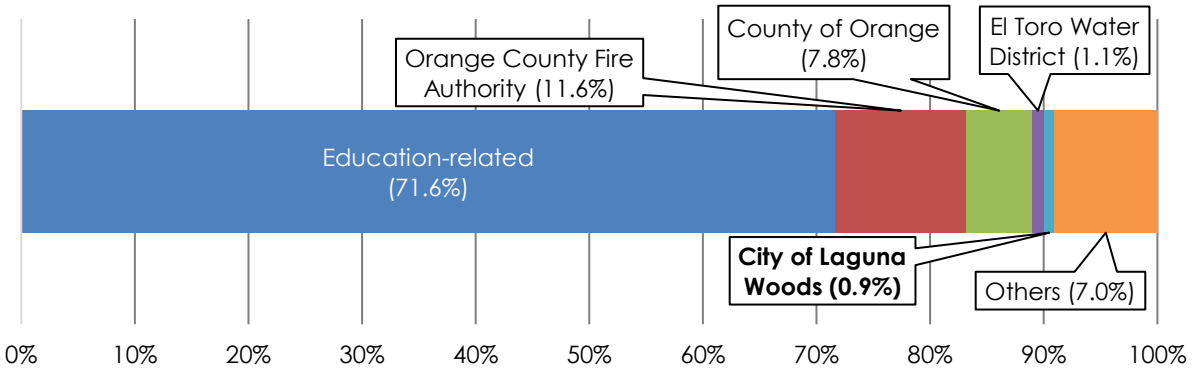


Property Tax Revenue

Property tax is a tax on certain types of real and 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 collects property tax from property owners and distributes a portion of the proceeds to the City.

For every dollar of property tax paid, the City generally receives less than one cent ($0.00879)[1]. Over 73% of every property tax dollar funds education

[Representative Property Tax Allocation – Tax Rate Area 32010]



The Orange County Assessor's *Local Assessment Roll of Values for Fiscal Year 2024-25* includes an inflationary index of 2.0%, equal to the Fiscal Year 2023-24 increase of 2.0%. The total value of Laguna Woods' local assessment roll increased by $207,157,707, or 5.19%, to $4,200,979,082 in Fiscal Year 2024-25, below the Fiscal Year 2023-24 increase of 8.29%.

[Surrounding Cities Local Assessment Rolls – Fiscal Year 2024-25]

City	Total Local Assessment Roll Value	Percent Change of Local Assessment Roll Value from Fiscal Year 2023-24
Laguna Woods	**$4,200,979,082**	**5.19%**
Aliso Viejo	$12,868,219,499	4.70%

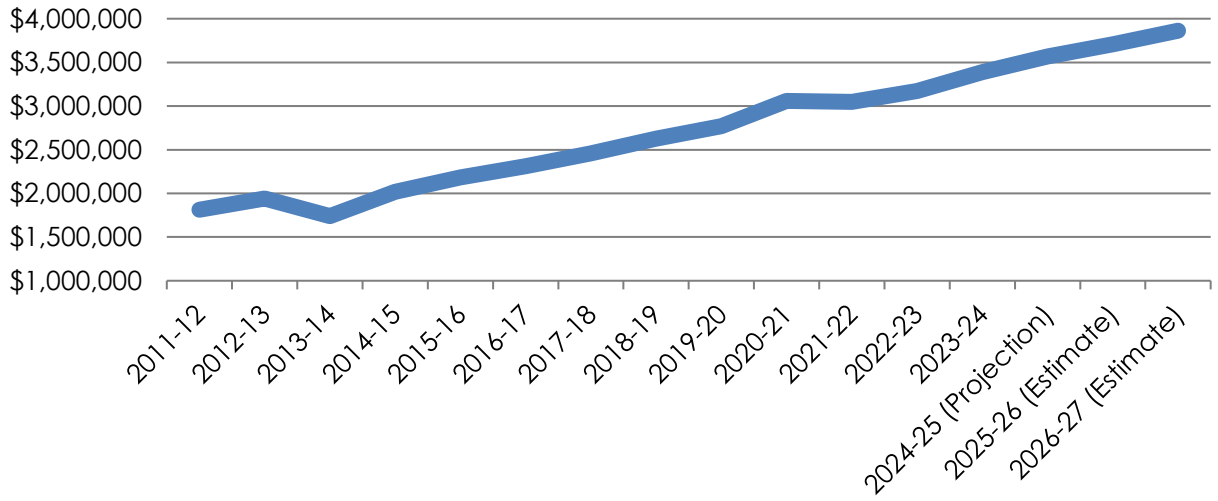
[1] Representative Tax Rate Area 32010, redevelopment factors and additional debt service excluded
Source: Orange County Assessor 2023/24 Annual Tax Increment Tables

Irvine	$113,130,210,621	5.33%
Laguna Beach	$21,136,020,584	4.95%
Laguna Hills	$9,182,889,200	4.34%

In Fiscal Year 2024-25, Laguna Woods had the fourth lowest local assessment roll value in Orange County, ranking above the cities of (from highest to lowest) Los Alamitos, La Palma, and Villa Park.

In Fiscal Year 2024-25, Laguna Woods' percent change of local assessment roll value (5.19%) was lower than both the percent change for all 34 Orange County cities (5.31%) and the percent change for all 34 Orange County cities plus unincorporated areas in Orange County (5.41%).

[Property Tax Revenue – Fiscal Years 2011-12 through 2026-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$3,705,800	3.9%	$3,862,400	4.2%

Summary of Significant Trends and Observations

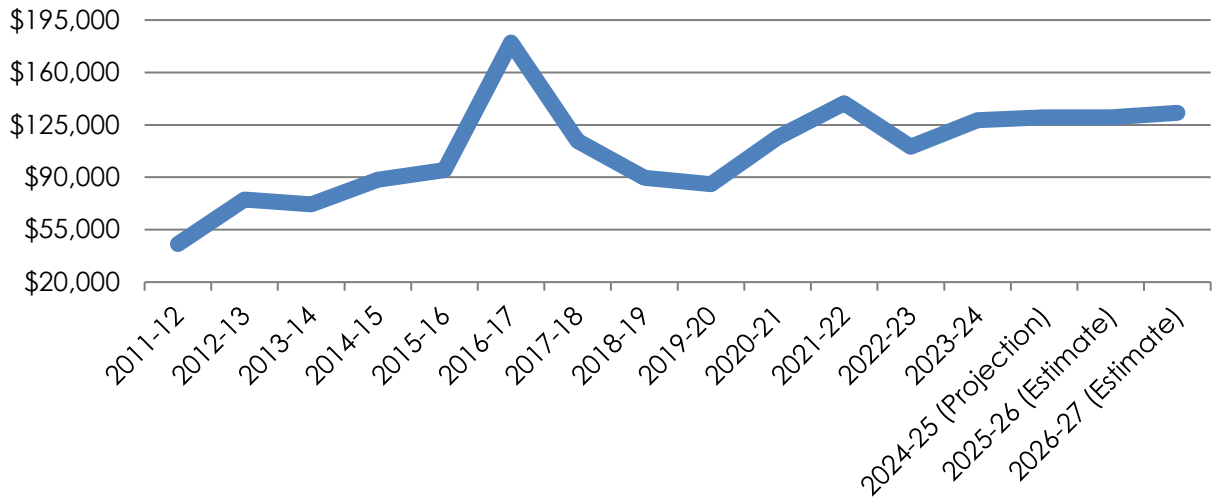
- As required by City Administrative Policy 2.9, property tax revenue was projected and estimated after considering economic forecasts and data from multiple sources, including independent analysis by HdL Coren & Cone.

- Property tax revenue is the City's largest single source of revenue and now accounts for approximately 40% of all General Fund revenue. With the exception of a minor decrease in Fiscal Year 2021-22 ($9,795 from Fiscal Year 2020-21), property tax revenue has grown steadily each year since Fiscal Year 2013-14. For fiscal years 2025-26 and 2026-27, that trend is expected to continue.
- Increases in estimated property tax revenue are due, primarily, to two factors: growth in home sale prices and anticipated increases in the consumer price index used to calculate assessed property valuations. Other factors, to a lesser degree, include the value of new construction and recapture of assessed property valuations that were temporarily reduced pursuant to Proposition 8's (1978) tax relief program.
- Actual changes in property ownership account for just over half of the overall increase in estimated property tax revenue for both fiscal years 2025-26 and 2026-27. The actual increase due to changes in property ownership for Fiscal Year 2025-26 is 2.1% and is estimated at the same for Fiscal Year 2026-27. Those estimates are based on the historical average rate of property turnover and resulting property value increases.
- For Fiscal Year 2025-26, just under half of the overall increase in estimated property tax revenue is due to the actual increases in the consumer price index used to increase assessed property valuations. The maximum annual adjustment is 2.0% under Proposition 13 (1978) and the actual increase for Fiscal Year 2025-26 is 2.0%. The estimated increase for Fiscal Year 2026-27 is also 2.0%.
- Were it to occur, the potential future housing construction envisioned by the State of California's Regional Housing Needs Assessment ("RHNA") process would result in an expanded property tax base and increased property tax revenue. The City's 6th Cycle Housing Element provides for the construction of 1,196 new housing units which, if constructed, would represent an 8.9% increase in the local housing stock. New housing units would be assessed at current market values.

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 of Orange each receive 50% of property transfer tax proceeds.

[Property Transfer Tax Revenue – Fiscal Years 2011-12 through 2026-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$130,000	0.0%	$133,100	2.4%

Summary of Significant Trends and Observations

- Property transfer tax revenue is difficult to estimate, as it is only collected during the transfer of land and real property, neither of which the City typically has advance notice. Property transfer tax revenue has leveled off in the past two fiscal years. For Fiscal Year 2025-26, property transfer tax revenue is estimated at the same level as Fiscal Year 2024-25. For Fiscal Year 2026-27, the prior year's estimate is increased by a Consumer Price Index, All Urban Consumers (CPI-U) projection based on information obtained from the Congressional Budget Office[2].
- Revenue in Fiscal Year 2016-17 was higher than typical as a result of ownership transfers of two assisted living facilities.

Sales Tax Revenue

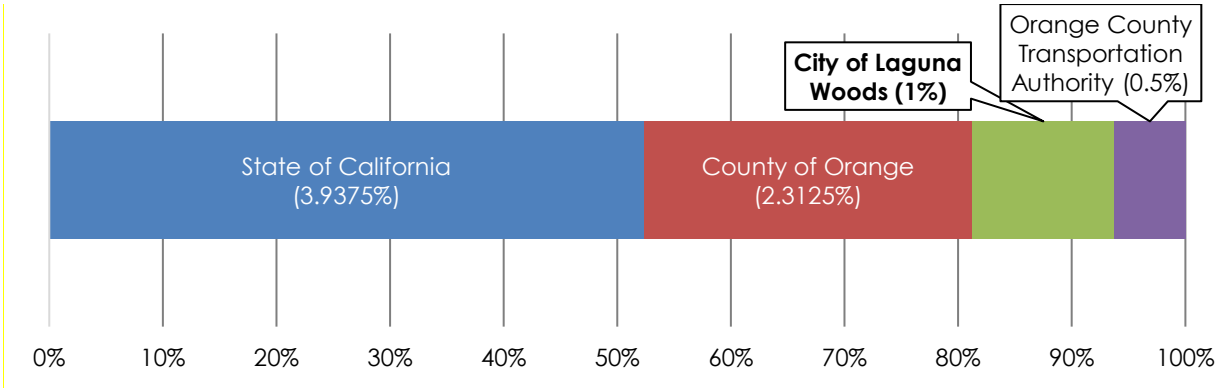
Sales tax is a tax on the total retail price of certain types of tangible personal property, as well as on the use or storage of certain other types of property.

[2] Congressional Budget Office, The Budget and Economic Outlook: 2025 to 2035, January 2025.

Sales tax rates are established by a combination of state law and voter-approved ballot measures. The California Department of Tax and Fee Administration collects sales tax from retailers and businesses and distributes a portion of the proceeds to the City.

Of the 7.75% local sales tax rate, the City directly receives only 1% of tax proceeds. The City also receives a portion of the half-cent sales tax collected by the Orange County Transportation Authority pursuant to voter-approved Measure M2 (OC Go) (2006), which is separately accounted for in the Special Revenue Funds section of this budget. The majority of sales tax proceeds are distributed to the State of California and the County of Orange.

[Sales Tax Allocation]



[Surrounding Cities Sales Tax Rates and Per Capita Revenue – Calendar Year 2024[3]]

City	Sales Tax Rate	Per Capita Sales Tax Revenue for Calendar Year 2024
Laguna Woods	**7.75%**	**$71**
Aliso Viejo	7.75%	$192
Irvine	7.75%	$309
Laguna Beach	7.75%	$301
Laguna Hills	7.75%	$204

In 2024, Laguna Woods ranked 488 of 540 cities statewide, and 33 of 34 cities in Orange County, for per capita sales tax revenue. Within Orange County, only the City of Villa Park had less per capita sales tax revenue ($52).

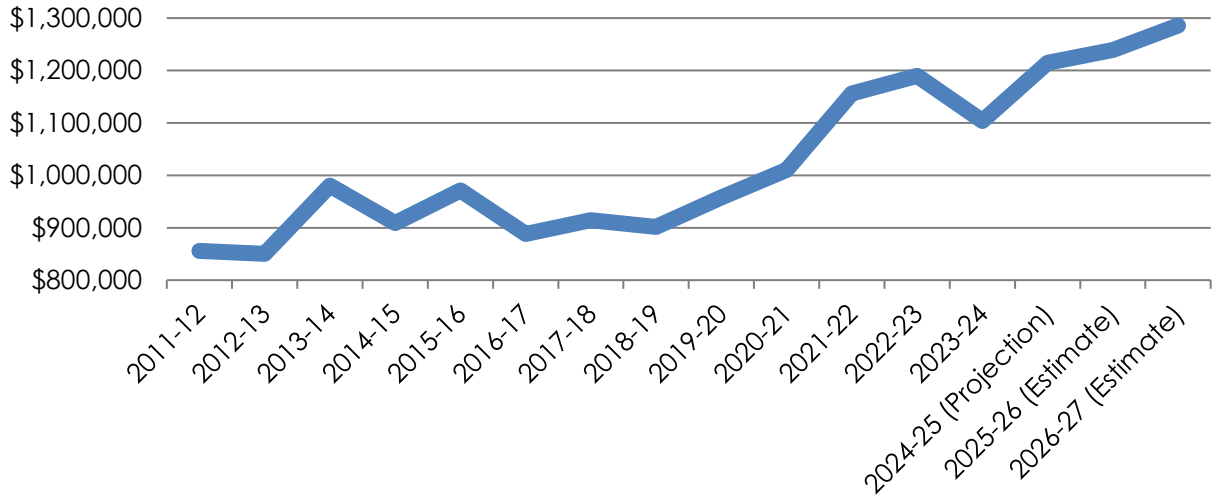
[3] Sales Tax Per Capita (Point of Sale (1%) & County/State Pools), Calendar Year 2024, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration.

[Top 25 Sales Tax Producers – Calendar Year 2024[4]]

Top 25 Sales Tax Producers for Calendar Year 2024	
19 Restaurant & Lounge	McCormick & Son Mortuaries
Adapt 2 It	Mobil
Aldi	Mother's Market & Kitchen
Arco	Moulton Parkway Auto Spa
Artist Tree	Olive Garden
Cart Mart	Pizza Guys
Charminar Lw	PrestineHydro
CVS Pharmacy	Rite Aid
Dollar Tree	Sabrosada
Flowerful	Saddleback Golf Cars
Home Depot	Starbucks *(all three locations)*
Laguna Cafe and Spirits	Stater Bros.
Tomo Sushi	

Note: The top 25 sales tax producers are presented in alphabetical order to comply with the confidentiality requirements set forth in state law. State law prohibits the City from presenting "top" sales tax producers in groups of less than 25, ranking sales tax producers either overall or within groups, or disclosing the amounts of sales tax paid by individual sales tax producers.

[Sales Tax Revenue – Fiscal Years 2011-12 through 2026-27]



[4] Top 75 Sales Tax Producers Rank Comparison – Calendar 2024, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration. Adjusted for economic data.

Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$1,239,000	2.0%	$1,285,800	3.8%

Summary of Significant Trends and Observations

- As required by City Administrative Policy 2.9, sales tax revenue was projected and estimated after considering economic forecasts and data from multiple sources, including independent analysis by Hinderliter de Llamas and Associates ("HdL"). HdL's analysis identified economic uncertainty, inflation, the timing and frequency of Federal Reserve interest rate reductions, higher consumer debt, and lower household discretionary spending as broad economic factors contributing to sales tax performance in fiscal years 2025-26 and 2026-27. For more information, please refer to HdL's California Consensus Forecast based on fourth quarter 2024 data (www.hdlcompanies.com/resources/webinar/california-consensus-forecast-4q-2024-data).
- 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 96% of total sales tax revenue, and the top five sales tax producing businesses accounting for 63% of total sales tax revenue, in the 2024 calendar year. This dependance on a small number of sales tax producers means that the City is particularly vulnerable to changes in local economic conditions.

[Sales Tax Generated by Top Producers – Calendar Years 2022-2024]

Portion of Total Sales Tax Revenue Generated	Calendar Year 2022[5]	Calendar Year 2023[6]	Calendar Year 2024[7]
Top 25 Sales Tax Producers	96%	96%	96%
Top 5 Sales Tax Producers	57%	60%	63%

[5] Top 100 Sales Tax Producers 4Q of 2022, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration. Adjusted for economic data.

[6] Top 100 Sales Tax Producers 4Q of 2023, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration. Adjusted for economic data.

[7] Top 100 Sales Tax Producers 4Q of 2024, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration. Adjusted for economic data.

- Sales tax revenue estimates for fiscal years 2025-26 and 2026-27 take into account the bankruptcy-related closure of Rite Aid (expected in the second quarter of 2025), the temporary closure of Mobil to expand the existing convenience store and make other improvements (expected in the third and fourth quarters of 2025), the future opening of a new Shell on the former Moulton Parkway Auto Spa property (expected in the fourth quarter of 2025), and growth in cannabis-related sales tax revenue (the City receives both sales tax and cannabis business tax revenue).
- Were it to occur, the potential future housing construction envisioned by the State of California's Regional Housing Needs Assessment ("RHNA") process could result in a reduced sales tax base and decreased sales tax revenue. Three of the 17 potential housing sites contain a total of four of the top 25 sales tax producers. Such a decrease would likely be at least partially offset by increased property tax revenue.

Cannabis Business Tax

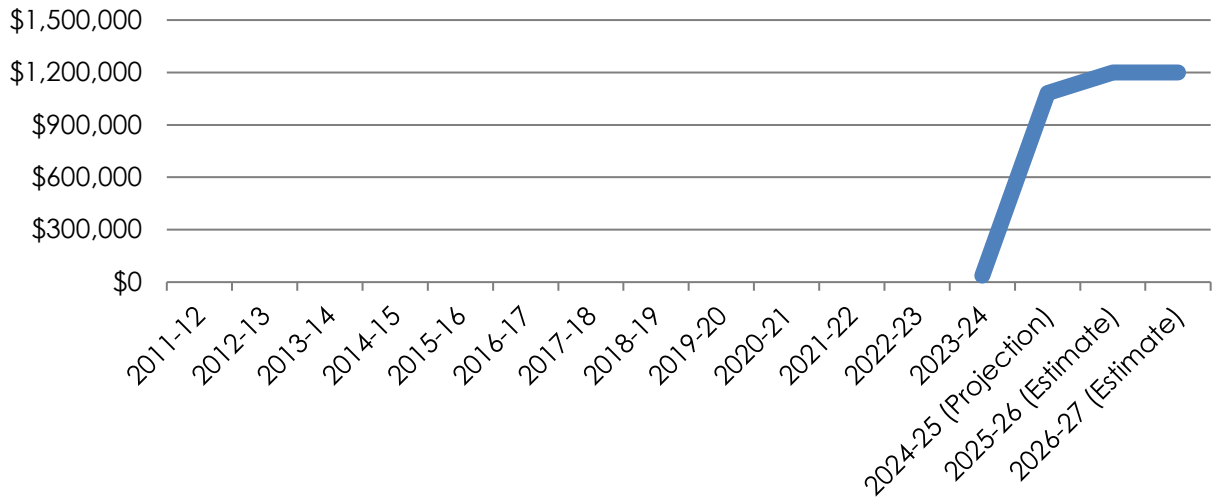
On November 8, 2022, Laguna Woods voters approved Measure T ("City of Laguna Woods Cannabis Business Tax Ordinance"), which established a tax on cannabis businesses conducting business from a fixed location in Laguna Woods. Measure T is codified in Laguna Woods Municipal Code Chapter 3.18.

On August 16, 2023, City Council adopted Ordinance No. 23-01, which set the tax rate for cannabis businesses holding a Type 10 (storefront retailer) license from the California Department of Cannabis Control, or successor agency, at the higher of the two following tax rates:

- A minimum tax rate of 10% of gross receipts received or generated for each monthly reporting period; or
- $35.00 per square foot of floor area (annual tax rate) prorated monthly to 1/12 of the annual tax rate amount.

With the exception of storefront retailers, all other types of cannabis businesses are currently prohibited. The cannabis business tax would apply to other types of cannabis businesses should the City Council decide to permit them in the future including, but not limited to, commercial cultivation, testing laboratories, manufacturing, distribution, non-storefront retail, and events.

[Cannabis Business Tax Revenue – Fiscal Years 2011-12 through 2062-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$1,200,000	10.8%	$1,200,000	0.0%

Summary of Significant Trends and Observations

- City Ordinance No. 23-01, which established a regulatory framework to issue commercial cannabis permits, took effect on September 15, 2023. The first cannabis storefront retailer opened on May 31, 2024.
- Cannabis business tax revenue has tended to increase month-to-month for the first 11 months collected. Revenue is estimated conservatively for fiscal years 2025-26 and 2026-27 due to a lack of historical data.

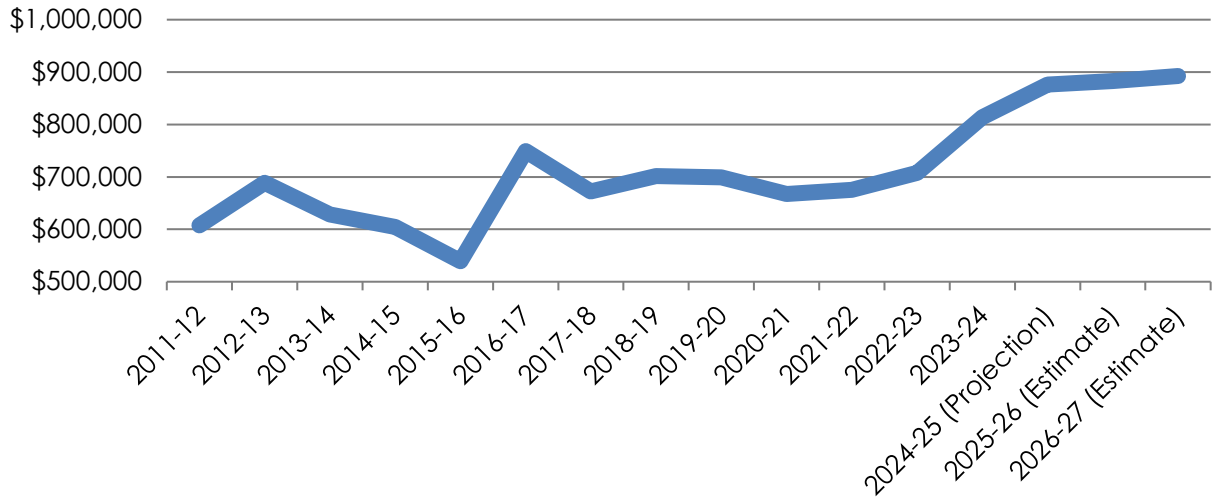
Franchise Fees Revenue

Franchise fees are collected by the City from the following entities:

- Clear Channel Outdoor (advertising)
- Cox Communications (cable television)
- CR&R Incorporated (solid waste)
- Golden Rain Foundation of Laguna Woods (cable television)

- Southern California Edison (electric)
- SoCalGas (gas)

[Franchise Fees Revenue – Fiscal Years 2011-12 through 2062-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$883,200	0.8%	$892,500	1.1%

Summary of Significant Trends and Observations

- Due to consumer rate increases, franchise fees revenue from Southern California Edison and Southern California Gas is expected to increase modestly during fiscal years 2025-26 and 2026-27.
- Cable television franchise fee revenue (Cox Communications and the Golden Rain Foundation of Laguna Woods) is expected to decline. As television viewing increasingly occurs via online streaming platforms, the number of cable television subscribers decreases, resulting in reduced subscriber fees and advertising receipts, which negatively affects cable television franchise fee revenue. Cable television franchise fee revenue is $366,000, or 41.4%, of the Fiscal Year 2025-26 estimate.
- Solid waste franchise fee revenue (CR&R Incorporated) is expected to increase slower than in fiscal years past due to the completion of a four-year phasing of rate increases that began in Calendar Year 2022 and

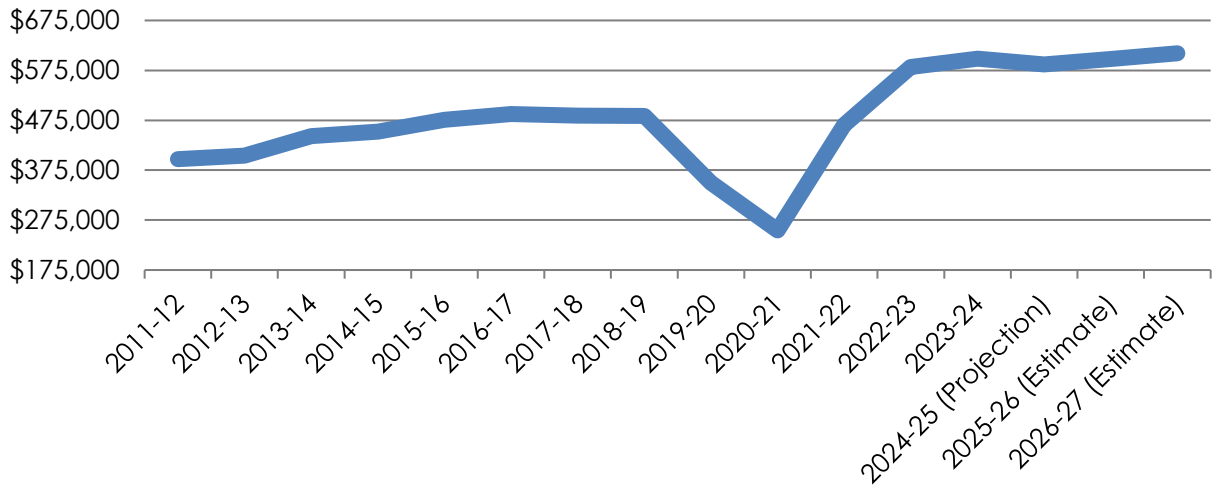
ended in Calendar Year 2025. Beginning in Calendar Year 2026, solid waste franchise fee revenue is expected to increase only by consumer price index rate increases capped at 5% per calendar year.

- Bus shelter franchise fee revenue (Clear Channel Outdoor) is fixed at a flat rate of $40,000 through the end of the existing franchise agreement on December 31, 2027. It is assumed that the franchise agreement will not be renewed or replaced and, as a result, fiscal years 2025-26 and 2026-27 will be the final fiscal years with the current level of annual bus shelter franchise fee 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 2026-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$597,900	1.8%	$609,200	1.9%

Summary of Significant Trends and Observations

- Transient occupancy tax revenue is projected to decrease in Fiscal Year

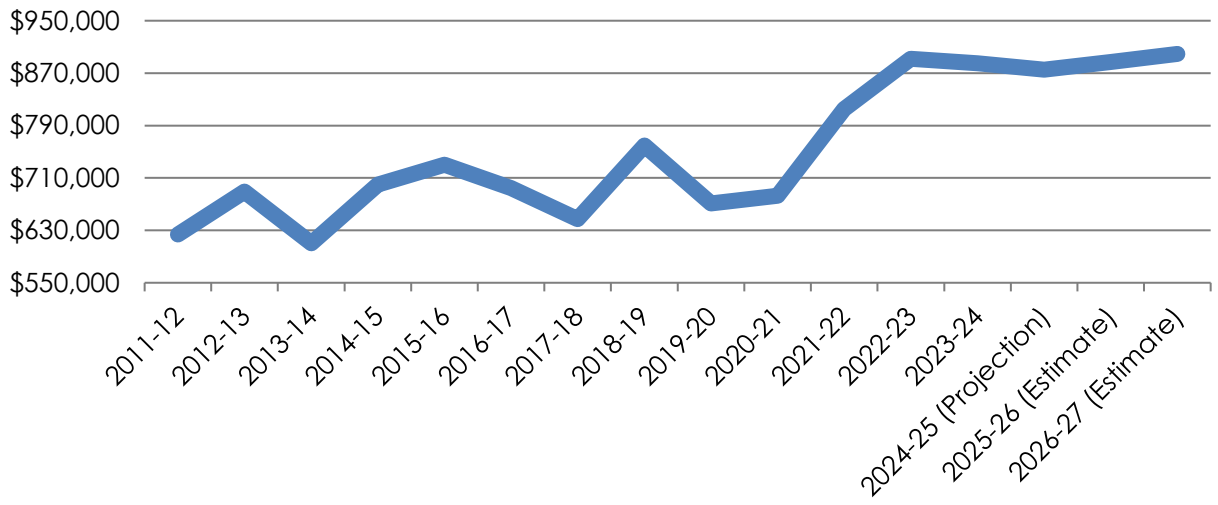
2024-25 following two fiscal years of stronger performance. Revenue is estimated conservatively for fiscal years 2025-26 and 2026-27 at less than projected consumer price index increases.

- Transient occupancy tax revenue declined dramatically in fiscal years 2019-20 and 2020-21 due, in large part, to the COVID-19 pandemic.
- Transient occupancy tax revenue is expected to increase in connection with higher than normal demand during the 2028 Summer Olympics (July 14-30, 2028). That increase would be realized in Fiscal Year 2028-29.
- The City's transient occupancy tax base continues to be limited in size and largely dependent on a single transient occupancy tax producer.

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, encroachment, and grading services.

[Development Processing Fees Revenue – Fiscal Years 2011-12 through 2026-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$887,000	1.3%	$899,300	1.4%

Summary of Significant Trends and Observations

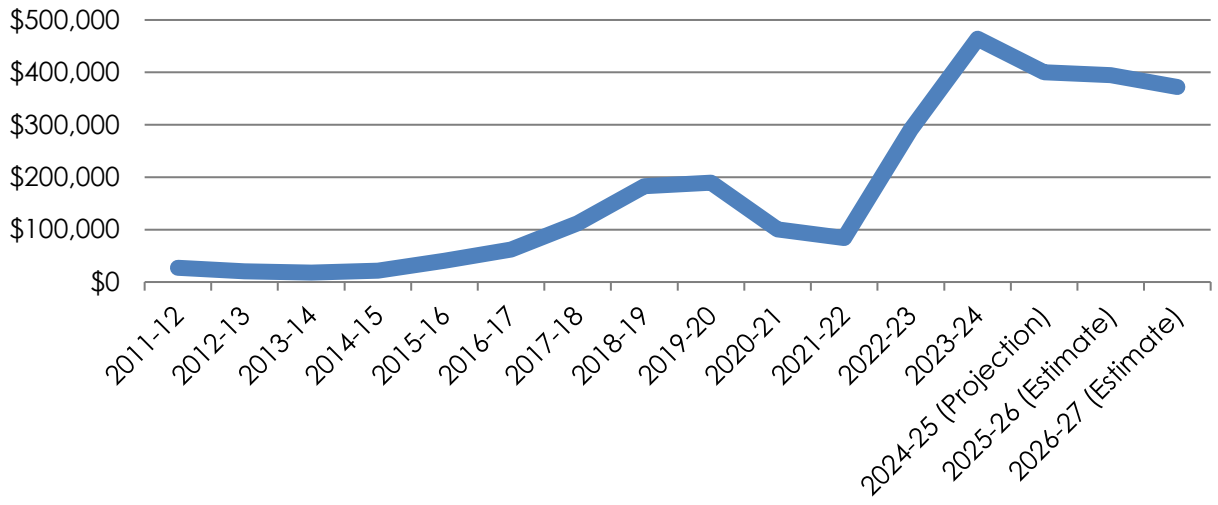
- Development processing fees revenue will continue to cover the City's reasonable costs of providing services. Since Fiscal Year 2014-15, the City has conducted an annual evaluation of the rationality and adequacy of its fees to cover the reasonable costs of providing services.

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 Section 53600 et seq.

[Interest Revenue – Fiscal Years 2011-12 through 2026-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$395,000	-1.3%	$372,000	-5.8%

Summary of Significant Trends and Observations

- Short-term interest rates declined dramatically in fiscal years 2019-20 and

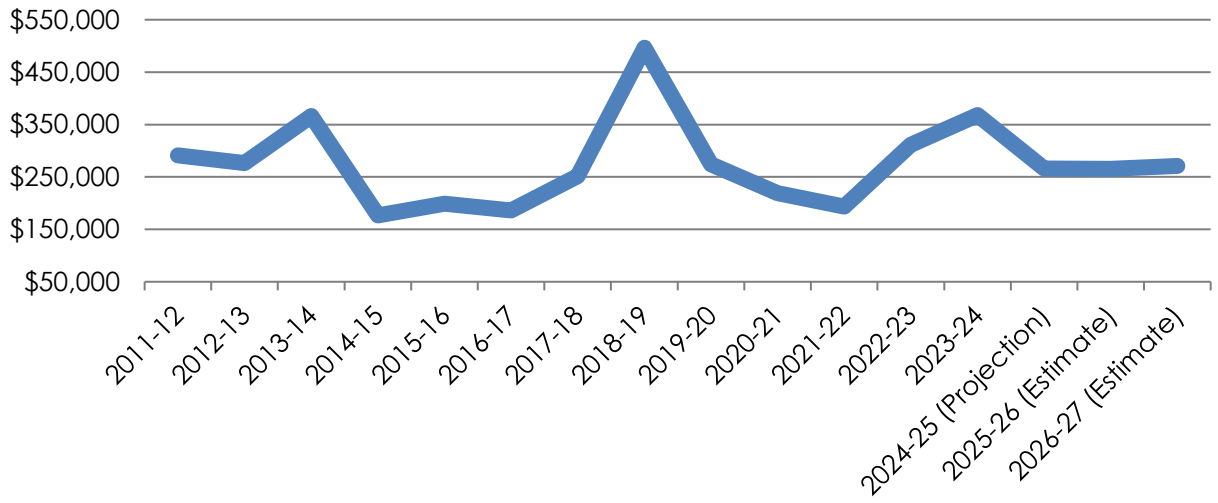
2020-21 due, in large part, to the COVID-19 pandemic. During that time, interest revenue decreased accordingly.

- Interest rates were increased by the Federal Reserve from March 2020 through September 2024 in an attempt to control inflation, and the City's investable cash balance temporarily increased in fiscal years 2022-23 and 2023-24 due to the receipt of American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds, resulting in significant increases in interest revenue.
- Interest revenue is expected to decline in fiscal years 2025-26 and 2026-27 due to lower interest rates and a smaller investable cash balance following the expenditure of American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds.

Miscellaneous Revenue

Miscellaneous revenue includes revenue collected as a result of agreements not accounted for in other revenue categories, reimbursements, and fines.

[Miscellaneous Revenue – Fiscal Years 2011-12 through 2026-27]



Budget Estimate (Fiscal Year 2025-26)	Percent Change from Projected Year-End Receipts (Fiscal Year 2024-25)	Budget Estimate (Fiscal Year 2026-27)	Percent Change from Projected Year-End Receipts (Fiscal Year 2025-26)
$265,300	-0.3%	$270,900	2.1%

Summary of Significant Trends and Observations

- The solid waste handling services franchise agreement that was entered into with CR&R Incorporated effective January 1, 2022 requires the payment of biannual waste and recycling services reimbursements to assist with various City expenses. Those reimbursements are expected to continue to be the largest source of miscellaneous revenue, increasing by consumer price index increases capped at 5% per calendar year. Reimbursements received in Fiscal Year 2024-25 totaled $186,211.52.
- In Fiscal Year 2018-19, the City received a payment of $326,471 from the City of Laguna Beach as part of a transfer of the City's California Public Utilities Commission Tariff Rule 20A allocation balance. That payment accounts for the significant increase in miscellaneous revenue in Fiscal Year 2018-19. Smaller payments related to other Rule 20A transfers were received from the City of Newport Beach in fiscal years 2019-20 and 2020-21. On June 3, 2021, the California Public Utilities Commission issued Decision 21-06-013 ("Phase 1 Decision Revising Electric Rule 20 and Enhancing Program Oversight") which, in part, banned most Rule 20A transfers. As a result, no additional Rule 20A revenue is anticipated.

GENERAL FUND SUMMARY – EXPENDITURES

General Fund operating expenditures for Fiscal Year 2025-26 are projected to be $8,394,328, or 6.7% more than the projection for Fiscal Year 2024-25. In Fiscal Year 2026-27, General Fund operating expenditures are projected to increase to $8,941,466, which reflects additional expenditures of $547,138, or 6.5%, over the budget for Fiscal Year 2025-26.

The primary causes of General Fund operating expenditure increases for both fiscal years are modest, inflationary-type increases for most line items, changes in personnel costs, and significant increases for law enforcement services.

An additional $2,420,000 for Fiscal Year 2025-26 and $670,000 for Fiscal Year 2026-27 is budgeted to support the following non-operating expenditures and transfers to the Capital Projects Fund:

Fiscal Year 2025-26

- *Non-Operating Expenditures*
    - Automated License Plate Reader Deployment ($40,000)
    - Building and Planning Records Digitization ($40,000)
    - Emergency Operations Plan Update ($50,000)

- General Plan Updates ($100,000)
- Information Technology & Cyber Security Account ($30,000)
- Objective Design and Development Regulations ($50,000)
- Public Safety Grant Program ($250,000)

  TOTAL: $560,000

- *Transfers to the Capital Projects Fund*
  - City Hall Complex Parking Lot Improvement Project ($50,000)
  - City Hall Refurbishment and Safety Project: Phase 5 ($1,600,000)
  - Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway) ($85,000) – will be reimbursed by the City of Laguna Hills
  - Public Works Warehouse Project ($50,000)
  - Transit Shelter and Street Furniture Project ($75,000)

    TOTAL: $1,860,000

GRAND TOTAL – FISCAL YEAR 2025-26: $2,420,000

Fiscal Year 2026-27

- *Non-Operating Expenditures*
  - Building and Planning Records Digitization ($40,000)
  - Information Technology & Cyber Security Account ($30,000)
  - Public Safety Grant Program ($250,000)

    TOTAL: $320,000

- *Transfers to the Capital Projects Fund*
  - Transit Shelter and Street Furniture Project ($350,000)

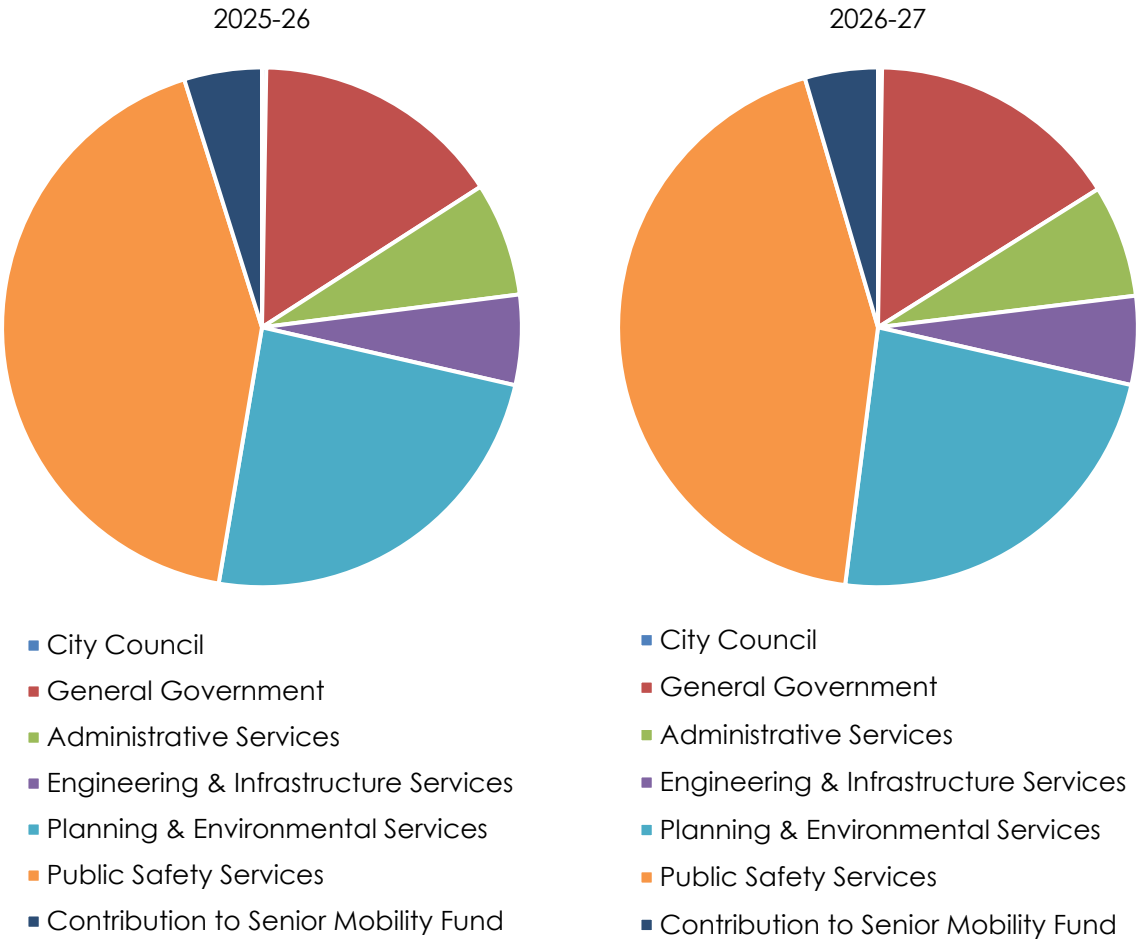
    TOTAL: $350,000

GRAND TOTAL – FISCAL YEAR 2026-27: $670,000

Expected Carryovers

- Unspent appropriations approved prior to July 1, 2025 are expected to be carried over to Fiscal Year 2025-26 for the following purposes, pursuant to Section 2.9.04(10) of City Administrative Policy 2.9:
  - Information Technology & Cyber Security Account

[General Fund Operating Expenditure Projections by Department or Purpose – Fiscal Years 2025-27]



General Fund Department or Purpose	Percent of Adopted Budget Estimate (Fiscal Year 2025-26)	Percent of Adopted Budget Estimate (Fiscal Year 2026-27)
City Council	0.3%	0.3%
General Government	15.6%	15.8%
Administrative Services	7.1%	7.0%
Engineering & Infrastructure Services	5.6%	5.5%
Planning & Environmental Services	24.1%	23.5%
Public Safety Services	42.5%	43.4%
Operating Contribution to Senior Mobility Fund	4.8%	4.5%

Employee Salaries, Benefits, and Taxes

While employee salaries, benefits, and taxes 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.

During Fiscal Years 2023-25, employee benefits were modified as follows:

- The City provides a monthly benefit allowance to full-time and part-time employees which can be used for health insurance, dental insurance, vision insurance, health flexible spending, dependent care flexible spending, and/or up to $500 in taxable compensation (taxable compensation is only available to full-time employees hired prior to January 1, 2019). Effective January 1, 2024, the amount of the monthly benefit allowance was increased from $1,000 to $1,200 for full-time employees and from $800 to $960 for part-time employees. Effective January 1, 2025, the amount of the monthly benefit allowance was increased from $1,200 to $1,500 for full-time employees and from $960 to $1,200 for part-time employees.
- Prior to January 1, 2024, the City enrolled full-time and part-time employees in an employee assistance program that provides voluntary, confidential assistance to employees in working through various life challenges that may adversely affect job performance, health, and personal well-being. Enrollment costs were paid as a mandatory deduction from each employee's monthly benefit allowance. Effective January 1, 2024, the employee assistance program was extended to limited part-time employees and the City began paying enrollment costs on behalf of all employees.
- Effective, January 1, 2024, Ceasar Chavez Day and Juneteenth National Independence Day were added as paid holidays for full-time and part-time employees.
- Effective January 1, 2024, to avoid a single-day workweek preceding the paid Winter Holiday for full-time and part-time employees, the timing of the Winter Holiday was adjusted to specify that when December 24 falls

on a Tuesday, the Winter Holiday will be observed beginning on December 23.

- Effective January 1, 2024, paid bereavement leave and paid court leave were added for full-time and part-time employees
- Effective January 1, 2024, paid time off accrual and use policies for limited part-time employees were modified to comply with California Senate Bill 616 (Gonzalez, Chapter 309, Statutes of 2023).
- Effective January 1, 2024, a second tier of technology allowances was added for employees who are regularly required to use their personal cellular telephone as part of the City's multi-factor authentication and cyber security protocols ($25 per month).
- Effective July 1, 2025, building employees will be required to work on Martin Luther King, Jr. Day, Cesar Chavez Day, and Juneteenth National Independence Day. All full-time and part-time employees, except for the City Manager, will receive one hour of administrative leave (if exempt) or 1.5 times pay (if non-exempt) for every hour they are required to work on City-observed holidays.
- Effective July 1, 2025, a new educational assistance program will provide all employees who have been employed by the City for at least six months (including the City Manager, but excluding limited part-time employees who are not building employees), with nontaxable financial assistance for tuition, textbooks, and other educational expenses on a reimbursement basis. Maximum reimbursements will range from $1,050 to $5,250 per employee/calendar year, based on length of employment.
- Effective July 1, 2025, employees who are temporarily assigned to a higher level job classification for 14 consecutive calendar days or more will receive acting status pay.
- Effective July 1, 2025, new policies will be added regarding the City Manager's ability to grant unpaid leaves of absence to employees.

The most current employee compensation and benefits resolutions and the City Manager Employment Agreement are available at or from City Hall and on the City's website (www.cityoflagunawoods.org > click on "City Council/ Employee Compensation & Benefits" in the footer on any page).

Except as noted, this budget does not contemplate significant changes to the compensation schedule or benefits for non-contract employees, nor to the terms of the City Manager Employment Agreement. It includes the employee

positions identified in Chapter 2.0 and allows for only minimal movement by employees within established compensation ranges.

California Public Employees' Retirement System

Like many local governments in California, the City contracts with the California Public Employees' Retirement System ("CalPERS") to provide defined pension benefits for employees.

Qualified employees hired prior to January 1, 2013, or otherwise eligible pursuant to the Public Employees' Pension Reform Act of 2013 ("PEPRA"), are considered "classic" pension plan members. Classic members are enrolled in a pension plan with a "2% at age 55" retirement formula. Though not required by law, classic members contribute 7% of their annual covered salary to their pension plan.

Qualified employees hired on or after January 1, 2013, and not otherwise eligible for "classic" pension plan enrollment, are considered "PEPRA" pension plan members. PEPRA members are enrolled in a pension plan with a "2% at age 62" retirement formula. PEPRA members contribute a variable percentage of their annual covered salary to their pension plan in an amount calculated in accordance with state law. The PEPRA employee contribution rate is 8.0% for Fiscal Year 2025-26 and may change for Fiscal Year 2026-27.

The City is required to make employer contributions to its pension plans 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 accumulated pension plan assets and the total projected cost of earned pension benefits is referred to as "unfunded accrued liability."

Paying Off Unfunded Accrued Liability

City Administrative Policy 2.9 calls for the consideration of lump sum payments to reduce unfunded accrued liability for pension plans at least as frequently as each biennial budget development process. It also establishes a goal of maintaining an at least 80% funded level for all pension plans.

Since May 2017, the City Council has approved periodic lump sum payments to reduce the unfunded accrued liability of its pension plans. Those contributions additionally help to reduce future employer contributions and mitigate potential future impacts of reductions in or variances from CalPERS' discount rate (expected rate of return on pooled investments).

[History of Lump Sum Payments to CalPERS]

Date of City Council Approval	Total Lump Sum Payments (all pension plans)
September 18, 2024	$96,448
October 18, 2023	$306,925
October 21, 2020	$29,970
October 16, 2019	$101,092
September 26, 2018	$137,455
May 17, 2017	$483,218

Note: No lump sum payments were necessary between the lump sum payments approved on October 21, 2020 and October 18, 2023, due to the City's total liability being more than fully funded as a result of investment performance and prior contributions.

This budget does not include any additional lump sum payments. CalPERS' next valuation reports will be released in August 2025, after which the City Council may consider making such payments.

Actuarial Valuations

CalPERS produces an annual valuation report for the City's pension plans based on information available as of June 30 of the preceding year. The valuation reports include the annual required contributions from both the City and its employees for the next fiscal year, a projection of the annual required contributions for the following fiscal year, funding calculations, and related information.

On September 18, 2024, the City Council approved lump sum payments to pay off the total unfunded accrued liability of its pension plans as of the fiscal year ended June 30, 2023. Those lump sum payments have caused the City's pension plans to be fully funded according to the most current actuarial valuations.

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 or from City Hall and on the City's website (www.cityoflagunawoods.org/pension-liabilities).

Prefunding Employer Contributions

On April 7, 2021, the City Council adopted two resolutions (Resolution Nos. 21-

13 and 23-14) that enabled the City's participation in the California Employers' Pension Prefunding Trust ("CEPPT"). The CEPPT is established in the State of California's Treasury for the purpose of allowing eligible public agencies to prefund required pension plan contributions.

Since January 2024, the City Council has approved periodic contributions to the CEPPT to prefund required pension contributions. Those contributions diversify the City's investment portfolio and are invested in a manner intended to generate earnings to offset future lump sum payments to reduce the unfunded accrued liability of the City's pension plans.

[History of Contributions to the CEPPT]

Date of City Council Approval	Total Contribution
December 18, 2024	$104,490
January 31, 2024	$163,555

On January 15, 2025, the City Council amended City Administrative Policy 2.9 to establish an initial goal of maintaining a minimum balance in the CEPPT of $670,000 (the sum of the five most recent lump sum payments made by the City to pay off the entirety of its then-current unfunded accrued liability for CalPERS pension plans) with suggested annual payments equal to 50% of the audited increase in the General Fund fund balance at the end of each fiscal year, beginning with Fiscal Year 2024-25. It is expected that the City Council will consider amending this budget to provide for such payments after each annual audit is completed for fiscal years 2024-25 and 2025-26.

Payroll Taxes – Employment Training Tax

The City is required to pay the State of California's Employment Training Tax, which provides funds to train employees in targeted industries to improve the competitiveness of California businesses. The City pays a rate established by the State, which for calendar year 2025 is 0.1% on the first $7,000 of earnings. This budget assumes the rate will remain the same in calendar year 2026.

Payroll Taxes – Social Security and Medicare

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 (full-time, part-time, and limited part-time) pay the full employee contribution and the City pays an equivalent employer contribution, which for calendar year 2025 is 6.2% on the first $176,100 of earnings for Social Security and 1.45% on all earnings for Medicare. Total costs for Social Security

and Medicare are projected to be $145,700 for Fiscal Year 2025-26 and $152,328 for Fiscal Year 2026-27.

Payroll Taxes – State Unemployment Insurance

The City 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 for calendar year 2025 is 1.5% on the first $7,000 of earnings. This budget assumes the rate will remain the same in calendar year 2026.

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 ("other post-employment benefits" or "OPEB") at a minimum rate that is adjusted annually. Rates are established by state law with the monthly cost for calendar year 2025 totaling $158 per qualified retired employee. Retired employees pay the remainder of their premium costs.

In Fiscal Year 2015-16, the City established an irrevocable OPEB Trust Fund to prefund OPEB liabilities. The OPEB Trust Fund was established with an initial prefunding level equal to 80% of the then-current 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 fund allows the City to proactively manage future costs and reduce unfunded liabilities.

An actuarial valuation completed in May 2018 calculated the City's unfunded OPEB liability at $46,631 as of June 30, 2017. In June 2018, the City made a supplemental contribution to the OPEB Trust Fund in the amount of $23,812 to maintain a prefunding level equal to 80% of the projected benefits.

An actuarial valuation completed in June 2020 calculated the City's unfunded OPEB liability at $51,013 as of June 30, 2019. In June 2020, the City made a supplemental contribution to the OPEB Trust Fund in the amount of $19,529 to maintain a prefunding level equal to 80% of the projected benefits.

An actuarial valuation completed in June 2022 calculated that the City had more than fully funded its OPEB liability and had a net asset of $243 as of June 30, 2021. The OPEB liability was fully funded through the OPEB Trust Fund.

An actuarial valuation completed in July 2024 calculated the City's unfunded OPEB liability at $7,450 as of June 30, 2023. The OPEB liability is 94.6% funded through the OPEB Trust Fund according to the most current actuarial valuation.

This budget does not include any additional contributions to the OPEB Trust Fund. The next actuarial study will be completed in Fiscal Year 2025-26, after which the City Council may consider making such contributions.

Law Enforcement Retirement and Other 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 vote 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

Notes and Notable Changes from Prior Years

- Monthly compensation reflects current elections by councilmembers. Compensation is fixed at $300 per month, but may be waived at the discretion of each councilmember.
- No budget is provided for councilmember air travel.
- This budget includes lodging costs for all councilmembers to attend the California Joint Powers Insurance Authority's Annual Risk Management Educational Forum each fiscal year.
- Funds are included for councilmembers to attend the:
    - League of California Cities' Annual Conference and Expo
    - League of California Cities' Orange County Division meetings
    - Orange County Fire Authority's Best & Bravest Dinner
    - Orange County Sheriff's Department's Medal of Valor Luncheon

  A contingency is also included with the assumption that there may be

additional City Council travel, conference, and meeting costs.

General Government Department

Notes and Notable Changes from Prior Years

- Insurance costs vary from year to year based on actuarial studies of the California Joint Powers Insurance Authority's claims experience. Funding requirements are allocated to each member of the insurance pool using loss experience and payroll, relative to other members. Insurance costs include policies for crime, liability, pollution legal liability, property, and workers' compensation. In Fiscal Year 2025-26, insurance costs include a relatively large pool-wide increase in the primary liability program due to a combination of factors such as social inflation driving up the cost of settlements and jury awards, and increases in excess and reinsurance premiums. The Fiscal Year 2026-27 budget assumes continued increases.
- Funds are included for the City's annual dues for the:
    - League of California Cities
    - Orange County Council of Governments
    - Orange County Local Agency Formation Commission
    - Southern California Association of Governments
- Funds are included for staff memberships in professional organizations, including the:
    - California Municipal Clerks Association (City Clerk)
    - California Municipal Treasurers Association (City Manager)
    - Orange County City Manager Association (City Manager)
- Memberships and dues budgets for Administrative Services Department and Planning & Environmental Services Department staff have been moved to new accounts in those departments.
- Mileage and parking budgets for Administrative Services Department, Engineering & Infrastructure Services Department, and Planning & Environmental Services Department staff have been moved to new accounts in those departments.
- This budget includes lodging costs for the City Manager to attend the California Joint Powers Insurance Authority's Annual Risk Management Educational Forum in Fiscal Year 2026-27. The City Manager and other staff plan to commute to and from the Annual Risk Management Educational Forum in Fiscal Year 2025-26.

- Funds are included for City Manager's Office and City Clerk's Office staff to attend meetings and conferences associated with memberships in professional organizations, as well as:
    - League of California Cities' webinars
    - League of California Cities' Orange County Division meetings
    - Orange County Fire Authority's Best & Bravest Dinner
    - Orange County Sheriff's Department's Medal of Valor Luncheon

  A contingency is also included with the assumption that there may be additional, as yet unknown, staff travel, conference, and meeting costs.
- Travel, conferences, and meetings budgets for Administrative Services Department, Engineering & Infrastructure Services Department, and Planning & Environmental Services Department staff have been moved to new accounts in those departments.
- Funds are included for the General Municipal Election on November 7, 2028 (assumption is City Council election only; no local ballot measures).
- Budgets for janitorial and maintenance services include both City Hall and the Public Library Building (City Hall and the Public Library Building are collectively referred to as the "City Hall Complex"). As required by the City's public library lease agreement with the County of Orange, the County of Orange will reimburse the City for janitorial services and supplies provided for the public library and in connection with the County of Orange's use of the outdoor activity room. Reimbursement revenue is accounted for as General Fund miscellaneous revenue.
- The website services budget has been moved from the Administrative Services Department to the General Government Department.
- This budget anticipates increases in costs associated with applicable agreements scheduled for competitive procurement in fiscal years 2025-27 (please refer to Chapter 7.0).

Administrative Services Department

Notes and Notable Changes from Prior Years

- New accounts have been added to create department-specific budgets for the following, which were previously accounted for in the General Government Department: Membership and dues; mileage and parking; and, travel, conferences, and meetings.
- Funds are included for staff memberships in professional organizations,

including the:

- California Municipal Treasurers Association (Administrative Services Director/City Treasurer)
- California Society of Municipal Finance Officers (Administrative Services Director/City Treasurer and Accountant)
- Government Finance Officers Association (Administrative Services Director/City Treasurer and Accountant)

- The website services budget has been moved to the General Government Department.
- This budget anticipates increases in costs associated with applicable agreements scheduled for competitive procurement in fiscal years 2025-27 (please refer to Chapter 7.0).

Engineering & Infrastructure Services Department

Notes and Notable Changes from Prior Years

- Funds are included to provide for as-needed engineering services that are not transportation-related. Most transportation-related engineering services costs are budgeted in special revenue funds.
- The City is required to expend at least $104,578 in Fiscal Year 2025-26 and $104,578 in Fiscal 2026-27 from its General Fund for transportation-related purposes in order to be eligible to receive funds from Orange County's Measure M2 (OC Go) one-half cent transportation-related sales tax. This requirement is referred to as "maintenance of effort" or "MOE."
    - The M2 MOE budget is slightly higher than the MOE requirement amount to allow for fluctuations in costs and to provide a buffer in the event the City and Orange County Transportation Authority (in its role as Measure M2 administrator) differ as to cost eligibility.
    - The MOE requirement amount may increase on July 1, 2029 and every three years thereafter based on the California Department of Transportation's Construction Cost Index for the preceding three calendar years, provided that the Construction Cost Index-based increase cannot exceed the City's General Fund revenue growth rate during the update period.
- This budget anticipates increases in costs associated with applicable agreements scheduled for competitive procurement in fiscal years 2025-27 (please refer to Chapter 7.0).

Planning & Environmental Services Department

Notes and Notable Changes from Prior Years

- This budget includes the "in-sourcing" of building and code enforcement functions that were formerly performed by consultants and the addition of a new Planning & Environmental Services Director position to manage and provide oversight for those and other functions. Those organizational changes account for the significant decreases in the building services and code enforcement services budgets, as well as the significant increases in the compensation and benefits budgets.
- Building plan review and other building-related contract services have been shifted from the building services account to a new building services, contract services account.
- A new building services, supplies/other account has been added.
- A new fleet services account has been added with a budget for costs associated with the four 2025 Chevrolet Equinox EVs that have been purchased for use by building inspectors and other department staff. The fleet services budget includes maintenance, monitoring, and washing costs. Charging costs will be accounted for in the Mobile Source Reduction Fund for the first three years. Charging costs will become General Fund expenses in May 2028 (Fiscal Year 2027-28).
- The City transitioned from a primarily paper-based to electronic building permitting system on November 18, 2019. The electronic system requires ongoing software and software implementation services that are funded in this budget. Those costs are also considered in the annual *Building, Planning, Encroachment, and Grading Permit Fee Study*.
- Funds are included to provide for as-needed planning services that are not related to reimbursable projects, including implementation of the General Plan Housing Element, annual compliance reviews of San Sebastian Apartment's affordable housing program, and monitoring of the Orange County Transportation Authority's Interstate 5/El Toro Road Interchange Project and other external development projects with the potential to impact Laguna Woods.
- This budget includes funding for an agreement approved by the City Council on December 21, 2022 for the procurement of mulch from the Golden Rain Foundation of Laguna Woods in connection with California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016). The cost of the agreement is $10,890 for Fiscal Year 2025-26 and $10,890 for Fiscal Year 2026-27, for a total of $21,780 payable to the Golden Rain Foundation of

Laguna Woods from this budget. The Fiscal Year 2025-26 payment is accounted for in the State of California Grants Fund.

- Water quality (stormwater) costs continue to increase, with most of the increase attributable to activities required to comply with orders related to the State Water Resources Control Board's Statewide Water Quality Control Plans for Trash, as well as pending reissuance of National Pollutant Discharge Elimination System ("NPDES") permits and continued implementation of the South Orange County Watershed Management Area's Water Quality Improvement Plan.
- New accounts have been added to create department-specific budgets for the following, which were previously accounted for in the General Government Department: Membership and dues; mileage and parking; and, travel, conferences, and meetings.
- Funds are included for staff memberships in professional organizations, including the:
    - American Planning Association (Planning & Environmental Services Director and Development Manager)
    - California Association of Code Enforcement Officers (Planning & Environmental Services Director, Development Manager, and Code Enforcement Officer)
    - California Building Officials Association (Building Official)
- This budget anticipates increases in costs associated with applicable agreements scheduled for competitive procurement in fiscal years 2025-27 (please refer to Chapter 7.0).

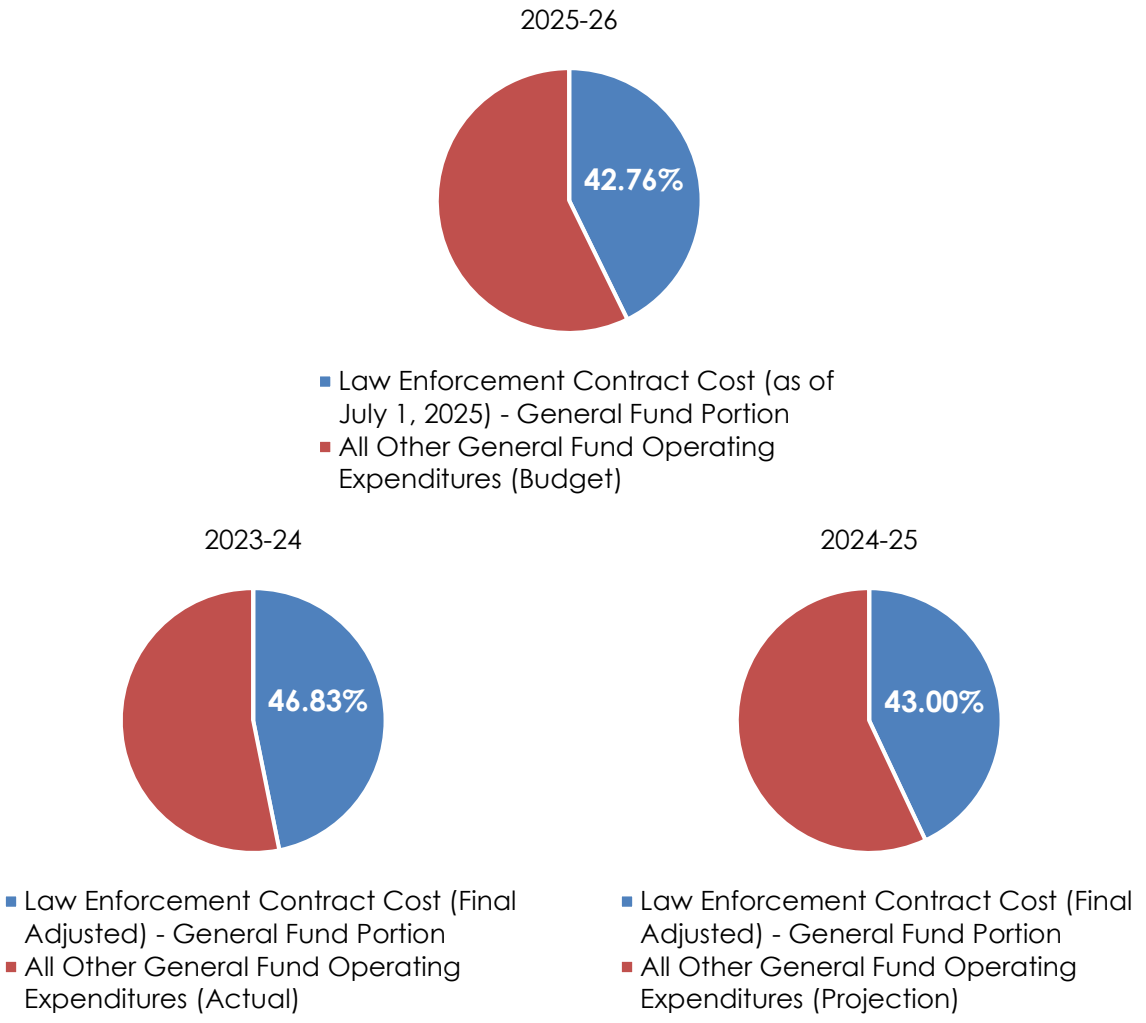
Public Safety Services Department

Notes and Notable Changes from Prior Years

- The current agreement with the City of Laguna Beach for animal control and shelter services will end on June 30, 2026. Service costs are $124,392 for Fiscal Year 2025-26 and as yet unknown for Fiscal Year 2026-27 (a contingency is included to offset potential future increases in costs).
- The City's agreement with the County of Orange for law enforcement services in Fiscal Year 2025-26 includes an annual cost of $3,588,995 (an increase of $206,818, or approximately 6.11%, from Fiscal Year 2024-25; and 42.76% of the Fiscal Year 2025-26 General Fund operating budget).
    - The agreement includes:
        - *"Direct Purchase" Positions:*

        - 1.34 full-time equivalent ("FTE") Sergeant (shared with Aliso Viejo and Laguna Hills)
        - 0.50 FTE Investigator (shared with Aliso Viejo)
        - 6.00 FTE Deputy Sheriff II
    - *Regional/Shared Positions:*
        - 13.25% of 14.90 FTE positions assigned to traffic, auto theft, directed enforcement, and courts
    - Charges for services/supplies, transportation, indirect costs (e.g., overhead), and other additional costs
- Salaries and benefits are 74.26% ($2,664,994) of total costs.

[Historical Law Enforcement Contract Costs as a Percentage of General Fund Operating Budgets – Fiscal Years 2023-24 through 2025-26]



- The law enforcement services budget assumes:
    - A funding offset from the State of California's Supplemental Law Enforcement Services Account ("SLESA") of $231,600 in each fiscal year. SLESA funds are accounted for in a special revenue fund.
    - A cost savings of one-quarter of 1% of each fiscal year's base law enforcement services agreement cost, due to early payment discounts offered by the County of Orange
- The primary cause of increases in law enforcement costs continues to be labor agreements negotiated by the County of Orange and approved by the Orange County Board of Supervisors. Those labor agreements expire in June 2026. Due to the Orange County Board of Supervisors' past proclivity to approve costly labor agreements without consultation with cities, the law enforcement services budget includes a contingency in each fiscal year to offset potential future increases in costs. No new law enforcement services are assumed or anticipated.

[Historical Law Enforcement Contract Costs – Fiscal Years 2020-21 through 2025-26]

Fiscal Year	Contract Cost (Final Adjusted)	Change from Prior Fiscal Year	Change from Fiscal Year 2020-21	Credit at Fiscal Year End (A)
2025-26	$3,588,995 (B)	6.11% ($206,818)	23.72%	TBD
2024-25	$3,382,177	7.34% ($231,382)	16.59%	TBD
2023-24	$3,150,795	-0.01% (-$407)	8.61%	($64,547.23)
2022-23	$3,151,202	2.69% ($82,670)	8.63%	($232,061.67)
2021-22	$3,068,532	5.78% ($167,602)	5.78%	($76,631.22) (C)
2020-21	$2,900,930	-	-	($7,906.00)

(A) The City does not budget assuming receipt of fiscal year end credits.
(B) The Fiscal Year 2025-26 contract cost is as of July 1, 2025.
(C) The Fiscal Year 2021-22 credit includes $11,739.07 from the American Rescue Plan Act.

- Funds are included for other law enforcement-related costs paid outside of the law enforcement services agreement, including:
    - 800 MHz Countywide Coordinated Communication System
    - Automated Fingerprint Identification System
    - Automated license plate readers
- Funds are included to continue the emotional and practical support

services provided by Trauma Intervention Programs, Inc.

General Fund Operating Contribution to Senior Mobility Fund

Notes and Notable Changes from Prior Years

- This budget includes transfers from the General Fund to the Senior Mobility Fund in the amount of $406,052 each fiscal year. Those transfers will support the operation of the Senior Mobility Program.

Information Technology & Cyber Security Account

Notes and Notable Changes from Prior Years

- The Information Technology & Cyber Security Account was added in Fiscal Year 2019-20 to address limited-term and extraordinary information technology and cyber security needs. Information Technology & Cyber Security Account expenditures are considered to be non-operating. $30,000 is budgeted in each fiscal year.

CAPITAL PROJECTS FUND REVENUE

The Capital Projects Fund is used to account for resources that are reserved for capital improvement purposes. All Capital Projects Fund resources come either from transfers in from the unassigned General Fund balance or from intergovernmental revenue from other government entities cooperating with the City on capital improvement projects.

Capital Projects Fund transfers in from the General Fund for Fiscal Year 2025-26 are estimated to be $1,860,000, or 129.9% more than year-end projections for Fiscal Year 2024-25. In Fiscal Year 2026-27, Capital Projects Fund transfers in from the General Fund are estimated to be $350,000, which reflects a decrease of $1,510,000, or 81.2%, from the Fiscal Year 2025-26 estimate.

Intergovernmental revenue for Fiscal Year 2025-26 is estimated to be $85,000 (from the City of Laguna Hills for the Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway)), or 23.38% less than year-end projections for Fiscal Year 2024-25. No intergovernmental revenue is anticipated for Fiscal Year 2026-27.

Additional funding for capital improvement purposes is budgeted in special revenue funds and discussed separately in Chapter 6.0.

CAPITAL PROJECTS FUND EXPENDITURES

Capital Projects Fund expenditures are considered to be non-operating and projected to be $1,860,000 for Fiscal Year 2025-26 and $350,000 for Fiscal Year 2026-27. All expenditures relate to the Capital Improvement Program projects listed below. For additional information, please refer to Chapter 8.0.

Fiscal Year 2025-26

- City Hall Complex Parking Lot Improvement Project ($50,000)
- City Hall Refurbishment and Safety Project: Phase 5 ($1,600,000)
- Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway) ($85,000) – will be reimbursed by the City of Laguna Hills
- Public Works Warehouse Project ($50,000)
- Transit Shelter and Street Furniture Project ($75,000)

  TOTAL: $1,860,000

Fiscal Year 2026-27

- Transit Shelter and Street Furniture Project ($350,000)

  TOTAL: $350,000

Expected Carryovers

- Unspent appropriations approved prior to July 1, 2025 are expected to be carried over to Fiscal Year 2025-26 for the following projects, pursuant to Section 2.9.04(10) of City Administrative Policy 2.9:
    - Circulation Improvement Project – Fiscal Year 2024-25
    - City Centre Park Enhancement Project
    - City Hall Refurbishment and Safety Project: Phase 4
    - City Hall Refurbishment and Safety Project: Phase 5
    - Paseo De Valencia – Moulton Parkway Confluence Bypass Corridor Project
    - Woods End Wilderness Preserve Trail Drainage and Improvement Project

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CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Revenue Summary - General Fund

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
GENERAL FUND GROUP									
General Fund									
Property Tax	2,767,653	3,057,124	3,047,329	3,172,659	3,388,708	3,405,200	3,568,477	3,705,800	3,862,400
Property Transfer Tax	85,478	116,657	139,357	110,361	128,203	114,900	130,000	130,000	133,100
Sales Tax	957,549	1,010,418	1,156,470	1,189,614	1,103,571	1,233,000	1,215,100	1,239,000	1,285,800
Cannabis Business Tax	Collection Began in Fiscal Year 2023-24				37,380	-	1,082,600	1,200,000	1,200,000
Franchise Fees	699,250	667,091	675,108	707,654	813,820	753,100	876,501	883,200	892,500
Transient Occupancy Tax	349,660	254,371	465,867	581,921	598,188	620,000	587,100	597,900	609,200
Development Processing Fees	671,039	682,913	815,005	891,684	885,158	827,400	875,324	887,000	899,300
Interest	189,379	100,503	83,686	290,865	464,254	340,000	400,000	395,000	372,000
Miscellaneous:									
Regular	254,585	188,198	193,651	311,354	368,296	213,800	266,100	265,300	270,900
One-Time Rule 20A Transfer	19,227	30,747	-	-	-	-	-	-	-
TOTAL GENERAL FUND (ALL REVENUE)	**5,993,820**	**6,108,022**	**6,576,473**	**7,256,112**	**7,787,578**	**7,507,400**	**9,001,202**	**9,303,200**	**9,525,200**
Less: One-Time Rule 20A Transfer	(19,227)	(30,747)	-	-	-	-	-	-	-
TOTAL GENERAL FUND (ONGOING REVENUE)	**5,974,593**	**6,077,275**	**6,576,473**	**7,256,112**	**7,787,578**	**7,507,400**	**9,001,202**	**9,303,200**	**9,525,200**
Capital Projects Fund									
Intergovernmental	7,993	-	-	-	-	-	110,930	85,000	-
Interest	8,046	7,244	6,391	16,667	31,691	-	69,077	-	-
TOTAL CAPITAL PROJECTS FUND	16,039	7,244	6,391	16,667	31,691	-	180,007	85,000	-
TOTAL GENERAL FUND GROUP (ALL REVENUE)	**6,009,859**	**6,115,266**	**6,582,864**	**7,272,779**	**7,819,269**	**7,507,400**	**9,181,209**	**9,388,200**	**9,525,200**

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CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - General Fund

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
GENERAL FUND									
City Council									
General Expenses									
Mileage and Parking	-	-	-	-	4	500	62	250	250
Travel, Conferences, and Meetings	262	-	-	2,734	2,687	5,130	5,130	6,415	6,665
Compensation									
Monthly Compensation	14,400	13,800	14,400	14,700	14,400	14,400	14,700	14,400	14,400
Payroll Taxes	1,102	1,056	1,106	1,125	1,102	1,102	1,125	1,102	1,102
Total City Council	**15,764**	**14,856**	**15,506**	**18,559**	**18,193**	**21,132**	**21,017**	**22,167**	**22,417**
General Government									
General Expenses									
Community Outreach	728	1,149	786	557	2,919	2,000	3,188	3,129	3,285
SB 2557 Property Tax Admin Fee	-	-	-	1,940	1,979	2,000	2,775	3,000	3,000
Insurance	66,305	68,182	49,011	71,984	71,912	73,855	72,998	85,035	93,858
Legal Services	141,311	79,559	193,287	101,231	179,258	103,971	102,058	125,000	125,000
Meeting Accessibility and Broadcast Services	2,800	3,800	4,600	5,400	15,529	15,250	12,426	15,420	19,405
Memberships and Dues	9,661	8,877	9,727	11,503	12,135	24,190	24,190	20,681	22,048
Mileage and Parking	963	602	1,328	1,969	1,940	500	2,000	500	510
Office Equipment and Maintenance	6,613	5,702	7,182	9,500	10,075	10,071	8,299	9,215	9,400
Office Supplies and Activities	7,822	9,636	8,139	7,743	9,737	10,000	12,918	20,000	21,000
Postage and Mailing	(42)	1,757	914	1,711	2,672	2,000	1,385	2,000	2,040
Printing	483	253	1,578	95	520	750	565	750	765
Public Notices	7,005	8,910	6,125	6,556	23,858	16,700	16,629	20,000	21,000
Records Management Services	3,552	6,279	5,043	7,443	5,637	12,806	12,806	12,452	13,068
Travel, Conferences, and Meetings	1,083	550	1,478	1,753	1,618	3,035	1,256	1,045	1,958
Website Services	-	-	-	-	-	-	-	29,445	30,867
Other Projects and Services	22,379	20,040	53,876	54,756	30,578	28,257	24,372	28,120	29,595
Indirect Costs Allocation	-	-	-	(2,707)	-	-	-	-	-
Election Expenses									
City Council Election	-	24,443	-	37,534	-	35,000	36,204	-	46,948
City Hall Expenses									
Janitorial Services, City Hall Complex	12,679	26,994	30,620	30,285	26,368	39,723	39,191	74,936	76,664
Maintenance, City Hall Complex	52,067	83,823	127,587	79,992	126,258	91,295	87,420	94,641	101,601
Telephones, City Hall	24,420	31,105	33,790	47,297	26,508	10,200	11,796	12,180	12,798
Utilities, Electric, City Hall Complex	20,130	23,013	26,985	29,860	35,375	33,000	40,650	42,683	44,817
Utilities, Gas, City Hall Complex	436	718	979	4,002	685	3,250	757	795	835
Utilities, Internet, City Hall	-	-	11,426	9,361	10,923	11,348	9,569	10,568	11,082
Utilities, Water, City Hall Complex	1,953	1,967	1,966	2,615	2,752	4,904	3,380	3,718	4,090
Compensation & Benefits									
Salaries, Full-time	312,191	312,140	309,971	278,585	326,742	425,979	425,978	454,180	465,379
Salaries, Contra Acct.	(6,661)	(23,594)	(19,784)	(10,273)	(4,769)	(3,295)	(3,294)	-	-
Salaries, Part-time	9,288	192	-	41,586	51,236	52,772	49,991	57,200	65,000
Fringe Benefits	32,341	32,725	31,271	24,750	30,295	48,750	48,749	54,000	54,000
Supplemental Allowances	1,959	1,800	2,754	4,054	14,772	18,408	18,408	32,958	32,958
Payroll Taxes	21,736	21,212	21,000	21,899	26,756	33,994	34,232	37,773	38,965
Retirement (Employer Contribution)	30,989	33,065	33,485	35,797	39,685	47,278	48,972	51,446	52,552
Non-Operating - Lump Sum Payments *(see detail below)*	101,092	29,970	-	-	306,925	200,938	200,938	-	-
Benefit Administration	1,636	1,934	1,927	1,766	2,652	2,125	3,158	4,095	4,153
Retiree Medical (Employer Contribution)	6,437	5,076	5,256	5,400	5,544	5,544	5,670	5,724	5,796
Non-Operating - OPEB Trust Contribution *(see detail below)*	19,529	-	-	-	-	-	-	-	
Total General Government	**912,885**	**821,879**	**962,307**	**925,945**	**1,399,074**	**1,366,598**	**1,359,634**	**1,312,689**	**1,414,437**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - General Fund

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
Administrative Services									
General Expenses									
Audit Services	22,200	32,300	21,500	25,500	27,218	30,000	39,691	43,060	44,600
Information Technology Services	46,390	76,790	72,315	80,925	74,456	87,426	86,356	94,992	99,742
Finance and Payroll Services	147,140	50,603	70,123	50,632	55,506	71,990	67,108	73,819	77,510
Card Processing Fees	604	6,097	8,300	17,758	26,125	20,000	16,911	20,000	20,000
Memberships and Dues	-	-	-	-	-	-	-	616	6,648
Mileage and Parking	-	-	-	-	-	-	-	500	510
Travel, Conferences, and Meetings	-	-	-	-	-	-	-	1,000	1,020
Website Services	5,167	6,180	4,924	5,400	23,509	24,158	24,118	-	-
Other Projects & Services	5,357	199	232	-	-	2,500	-	-	-
Compensation & Benefits									
Salaries, Full-time	137,965	201,928	202,758	219,894	231,829	237,199	241,754	253,973	266,672
Salaries, Contra Acct.	(3,818)	(2,943)	(3,652)	(4,133)	(3,638)	-	(2,084)	-	-
Fringe Benefits	23,390	33,079	24,459	33,099	36,590	45,026	45,025	50,400	50,400
Supplemental Allowances	-	-	954	1,854	2,304	2,154	2,754	15,879	15,879
Payroll Taxes	10,841	15,178	15,278	16,282	17,046	21,328	18,130	19,765	20,736
Retirement (Employer Contribution)	10,574	15,916	14,789	16,155	18,488	18,140	19,582	19,931	20,826
Total Administrative Services	**405,810**	**435,327**	**431,980**	**463,367**	**509,433**	**559,921**	**559,345**	**593,935**	**624,543**
Engineering & Infrastructure Services									
General Expenses									
Engineering Services	56,066	10,015	10,352	7,986	34,348	54,715	54,711	65,000	66,750
Non-Operating *(see detail below)*	14,924	22,936	-	-	-	-	-	-	-
Landscaping Services	66,759	74,234	76,104	74,940	64,524	95,100	95,001	82,838	89,745
Street Maintenance	-	-	881	-	-	-	-	-	-
Traffic Signal Maintenance	-	-	6,628	-	-	-	-	-	-
Mileage and Parking	-	-	-	-	-	-	-	2,000	2,040
M2 Maintenance of Effort	102,314	104,578	135,845	134,770	161,543	138,900	138,845	114,740	119,745
Travel, Conferences, and Meetings	-	-	-	-	-	-	-	500	510
Other Projects & Services	-	-	-	-	-	1,050	1,050	-	-
Utilities									
Utilities, Street Lights, Residential	22,005	20,887	24,208	35,429	37,031	55,800	55,776	57,200	59,910
Compensation & Benefits									
Salaries, Full-time	78,163	77,864	80,093	84,195	91,138	101,686	101,654	106,328	111,644
Less: M2 Maintenance of Effort	(32,118)	(27,646)	(33,258)	(40,901)	(48,786)	(61,500)	(61,348)	-	-
Fringe Benefits	12,000	12,000	12,000	12,000	13,210	16,225	16,221	18,000	18,000
Supplemental Allowances	795	954	954	1,854	2,154	2,154	2,154	7,404	7,404
Payroll Taxes	6,398	6,160	6,330	6,835	7,494	8,297	8,155	8,246	8,653
Retirement (Employer Contribution)	5,813	5,838	5,883	6,171	7,255	8,238	8,236	8,344	8,719
Total Engineering & Infrastructure Services	**333,119**	**307,820**	**326,020**	**323,279**	**369,911**	**420,665**	**420,455**	**470,600**	**493,120**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - General Fund

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
Planning & Environmental Services									
General Expenses									
Building Services	586,339	706,984	814,665	851,531	1,050,039	1,105,296	1,114,625	-	-
Non-Operating *(see detail below)*	2,537	17,463	19,982	6,457	22,637	65,906	20,641	20,000	20,000
Building Services, Contract Services	-	-	-	-	-	-	-	104,500	114,950
Building Services, Printing	585	1,951	939	1,322	1,700	2,000	1,750	2,000	2,100
Building Services, Publications	1,439	-	-	1,548	-	-	-	-	-
Building Services, Software	-	-	33,625	59,813	38,795	66,632	72,917	98,058	101,808
Building Services, State Fees	-	-	-	7,515	7,785	5,140	5,059	7,200	7,560
Building Services, Supplies/Other	-	-	-	-	-	-	-	7,724	7,956
Code Enforcement Services	28,674	36,839	32,910	29,340	105,374	76,310	98,868	1,600	1,680
Fleet Services	-	-	-	-	-	-	-	11,864	12,308
Membership and Dues	-	-	-	-	-	-	-	1,951	2,050
Mileage and Parking	-	-	-	-	-	-	-	500	510
Planning Services	22,233	54,393	51,228	87,852	149,433	64,100	64,072	138,125	139,438
Non-Operating *(see detail below)*	34,290	15,710	-	-	-	-	-	170,000	20,000
Travel, Conferences, and Meetings	-	-	-	-	-	-	-	2,000	2,000
Community Waste Events and Collections	37,645	35,059	56,546	68,276	56,357	53,296	53,279	66,180	72,935
Waste Management Services	21,883	37,036	39,706	20,321	9,356	9,724	9,700	14,300	25,180
Water Quality Services	123,365	87,091	102,511	98,289	136,000	134,566	133,871	150,030	129,557
Compensation & Benefits									
Salaries, Full-time	108,897	154,210	151,828	168,692	111,358	186,237	190,541	1,006,320	1,056,636
Salaries, Contra.	(9,505)	(13,509)	(9,073)	(19,098)	(4,324)	(3,725)	(3,723)	-	-
Salaries, Part-time	-	-	-	-	-	-	-	54,432	57,154
Fringe Benefits	13,937	21,943	23,607	23,756	16,779	24,000	28,069	162,000	162,000
Supplemental Allowances	-	-	1,908	1,908	1,272	1,908	1,749	24,240	24,240
Payroll Taxes	9,021	12,484	12,459	13,739	8,837	14,356	14,352	82,268	86,325
Retirement (Employer Contribution)	11,408	18,077	16,970	19,144	14,690	19,455	19,420	86,474	90,493
Total Planning & Environmental Services	**992,748**	**1,185,731**	**1,349,811**	**1,440,405**	**1,726,088**	**1,825,201**	**1,825,190**	**2,211,766**	**2,136,880**
Public Safety Services									
General Expenses									
Animal Services	113,100	109,046	111,168	113,121	115,094	125,604	125,604	124,392	149,271
Law Enforcement Services	2,635,462	2,741,718	2,838,642	2,759,517	2,915,664	3,154,275	3,154,242	3,399,356	3,689,508
Other Public Safety Services	6,039	6,985	3,661	2,050	3,893	40,959	40,958	43,371	45,238
Non-Operating *(see detail below)*	-	-	-	-	33,060	6,940	3,740	340,000	250,000
Total Public Safety Services	**2,754,601**	**2,857,749**	**2,953,471**	**2,874,688**	**3,067,711**	**3,327,778**	**3,324,544**	**3,907,119**	**4,134,017**
General Fund Operating Contribution to Senior Mobility Fund									
General Expenses									
Senior Mobility Program	-	-	-	-	-	645,000	645,000	406,052	406,052
Total General Fund Operating Contribution to Senior Mobility Fund	**-**	**-**	**-**	**-**	**-**	**645,000**	**645,000**	**406,052**	**406,052**
Information Technology & Cyber Security Account									
General Expenses									
Non-Operating *(see detail below)*	130,000	45,000	20,640	4,359	899	24,101	23,232	30,000	30,000
Total Information Technology & Cyber Security Account	**130,000**	**45,000**	**20,640**	**4,359**	**899**	**24,101**	**23,232**	**30,000**	**30,000**
Subtotal Operating Expenditures	5,242,555	5,537,283	6,019,113	6,039,786	6,727,788	7,892,511	7,929,866	8,394,328	8,941,466
Subtotal Non-Operating Expenditures	302,372	131,079	40,622	10,816	363,521	297,885	248,551	560,000	320,000
TOTAL GENERAL FUND (ALL EXPENDITURES)	**5,544,927**	**5,668,362**	**6,059,735**	**6,050,602**	**7,091,309**	**8,190,396**	**8,178,417**	**8,954,328**	**9,261,466**
CAPITAL PROJECTS FUND									
Capital Projects *(see detail below)*	327,534	252,316	164,043	603,367	189,969	1,644,668	809,099	1,860,000	350,000
TOTAL CAPITAL PROJECTS FUND	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**1,644,668**	**809,099**	**1,860,000**	**350,000**
TOTAL ALL GENERAL FUND GROUP (ALL EXPENDITURES)	**5,872,461**	**5,920,678**	**6,223,778**	**6,653,969**	**7,281,278**	**9,835,065**	**8,987,516**	**10,814,328**	**9,611,466**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - General Fund

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
Non-Operating Detail									
GENERAL GOVERNMENT									
CalPERS Other Post-Employment Benefits (OPEB) Trust Contribution	19,529	-	-	-	-	-	-	-	-
CalPERS Retirement Unfunded Accrued Liability Lump Sum Payments	101,092	29,970	-	-	306,925	200,938	200,938	-	-
ENGINEERING & INFRASTRUCTURE SERVICES									
El Toro Road Drainage/Localized Flooding Analysis	14,924	-	-	-	-	-	-	-	-
Golf Cart Path/Low-Speed Vehicle Crossing Zone Signage	-	22,936	-	-	-	-	-	-	-
PLANNING & ENVIRONMENTAL SERVICES									
Building and Planning Records Digitization	-	-	-	-	-	-	-	40,000	40,000
Building Permitting Records Digitization	2,537	17,463	19,982	6,457	22,637	65,906	20,641	-	-
General Plan Comprehensive Update	34,290	15,710	-	-	-	-	-	-	-
General Plan Updates and Implementation	-	-	-	-	-	-	-	100,000	-
Objective Design and Development Regulations	-	-	-	-	-	-	-	50,000	-
PUBLIC SAFETY SERVICES									
Automated License Plate Reader Deployment	-	-	-	-	-	-	-	40,000	-
Emergency Operations Plan Update	-	-	-	-	33,060	6,940	3,740	50,000	-
Public Safety Grant Program	-	-	-	-	-	-	-	250,000	250,000
INFORMATION TECHNOLOGY & CYBER SECURITY ACCOUNT									
Expenditures are intended to address limited-term and extraordinary information technology and cyber security needs. Expenditures may include, but are not necessarily limited to, hardware, software, and equipment purchase and installation; network, data, and physical asset protection, redundancy, connectivity, and interoperability improvement; software optimization and workflow improvement; strategic planning; policy and procedure development; cyber security assessment; and, incident response and recovery. Expenditures for routine ("day-to-day") information technology consulting services, routine Internet and telecommunications services, and software license agreement and maintenance contract renewals beyond initial terms, are not permitted.	130,000	45,000	20,640	4,359	899	24,101	23,232	30,000	30,000
TOTAL	**302,372**	**131,079**	**40,622**	**10,816**	**363,521**	**297,885**	**248,551**	**560,000**	**320,000**
Capital Projects Fund Detail for Capital Projects									
"A Place for Paws" Dog Park Relocation Project	83,898	-	-	-	-	-	-		
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3	7,925	-	-	-	-	-	-		
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8	-	-	-	-	-	16,052	16,052		
Circulation Improvement Project - Fiscal Year 2024-25	-	-	-	-	-	31,604	11,572		
City Centre Park Enhancement Project	-	-	-	-	-	125,000	8,118		
City Hall Complex Parking Lot Improvement Project	-	-	-	-	-	-	-	50,000	-
City Hall/Public Library Project	147,882	89,815	125,784	423,275	83,523	-	-	-	-
City Hall Refurbishment and Safety Project: Phase 1 (Construction)	59,593	-	-	-	-	-	-	-	-
City Hall Refurbishment and Safety Project: Phase 2 (Design and Construction)	20,243	161,967	-	-	-	-	-	-	-
City Hall Refurbishment and Safety Project: Phase 3	-	-	18,259	180,092	-	-	-	-	-
City Hall Refurbishment and Safety Project: Phase 4	-	-	-	-	45,683	876,799	504,255	-	-
City Hall Refurbishment and Safety Project: Phase 5	-	-	-	-	35,030	49,970	19,569	1,600,000	-
City-maintained Catch Basins Full Capture Systems Retrofit Project	-	534	-	-	-	-	-	-	-
El Toro Road and Moulton Parkway Water Quality Treatment Project	-	-	-	-	-	90,768	82,124	-	-
El Toro Road Traffic Signal Synchronization Project	1,204	-	-	-	-	-	-	-	-
Moulton Parkway Traffic Signal Synchronization Project	6,789	-	-	-	-	-	-	-	-
Paseo de Valencia-Moulton Parkway Bypass Corridor	-	-	-	-	-	109,946	-	-	-
Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria and Moulton Parkway)	-	-	-	-	-	-	-	85,000	-
Public Works Warehouse Project	-	-	-	-	-	-	-	50,000	-
Ridge Route Drive Drainage Repair Project	-	-	-	-	-	273,250	124,349	-	-
Ridge Route Drive Landscape Project	-	-	20,000	-	-	-	-	-	-
Transit Shelter and Street Furniture Project	-	-	-	-	-	-	-	75,000	350,000
Woods End Wilderness Preserve Trail Drainage and Improvement Project	-	-	-	-	25,733	71,279	43,060	-	-
TOTAL	**327,534**	**252,316**	**164,043**	**603,367**	**189,969**	**1,644,668**	**809,099**	**1,860,000**	**350,000**

CITY BUDGET DETAIL, SPECIAL REVENUE FUNDS

CHAPTER
6.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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6.0. CITY BUDGET DETAIL, SPECIAL REVENUE FUNDS

This chapter presents fund-level 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 or committed to expenditures for specified purposes. The City also accounts for the Laguna Woods Civic Support Fund, a nonprofit public benefit corporation, as a Special Revenue Fund for financial reporting purposes, because it meets the criteria of a "component unit"[1] as that term is defined by the Governmental Accounting Standards Board.

The City currently maintains 13 individual Special Revenue Funds.

[Special Revenue Funds Structure – Fiscal Years 2025-27]

Fund Title
Fuel Tax
Road Maintenance & Rehabilitation Program
Measure M2 (OC Go)
Service Authority for Abandoned Vehicles
Supplemental Law Enforcement Services
Mobile Source Reduction
PEG/Cable Television
Senior Mobility
Community Development Block Grant (CDBG)
Federal Grants
State of California Grants
Miscellaneous Special Revenue
Laguna Woods Civic Support Fund

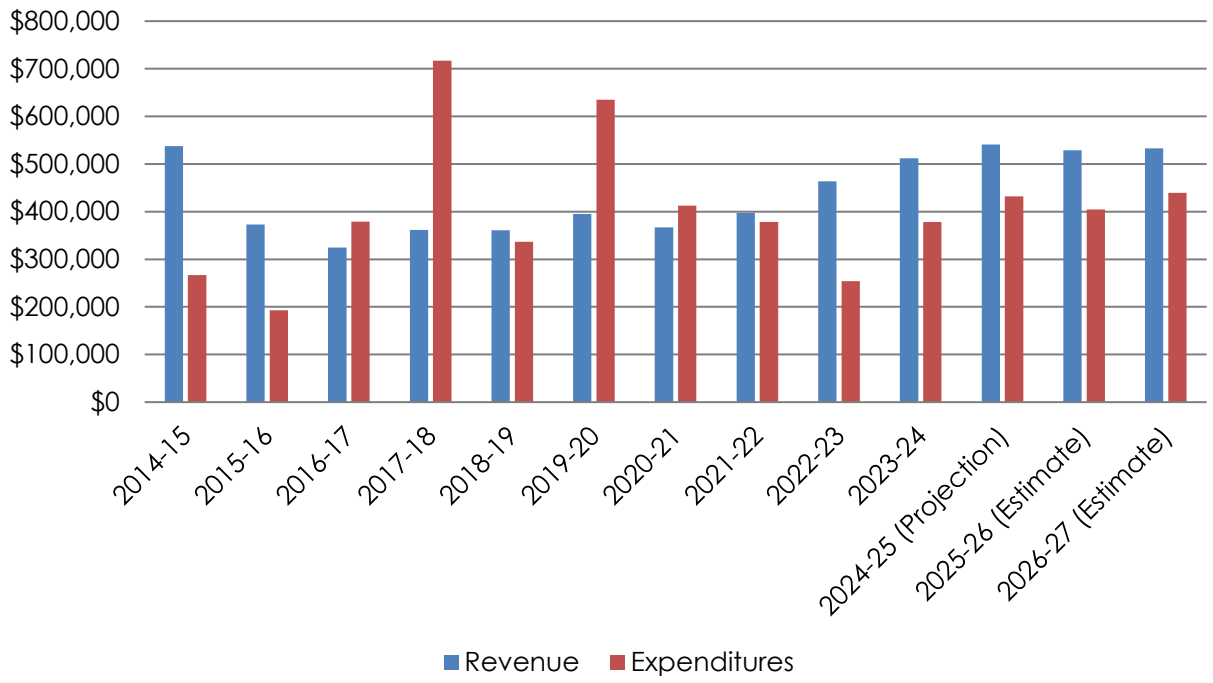
[1] Government Accounting Standards Board Statement No. 61 (November 2010), Paragraph 20, defines a "component unit" as a legally separate organization for which the City Council is financially accountable or other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading.

Special Revenue Funds are self-balancing. In the following charts and tables, expenditures may exceed revenue as a result of limited-term non-operating expenditures, capital improvement project expenditures, or expenditures for projects funded with revenues received in prior fiscal years.

FUEL TAX FUND

Fuel Tax is generated by an 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 public streets and rights-of-way.

[Fuel Tax Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$540,900	$432,426
2025-26 (Estimate)	$529,000	-
2025-26 (Budget)	-	$404,557
2026-27 (Estimate)	$532,800	-
2026-27 (Budget)	-	$439,580

Summary of Significant Trends and Observations

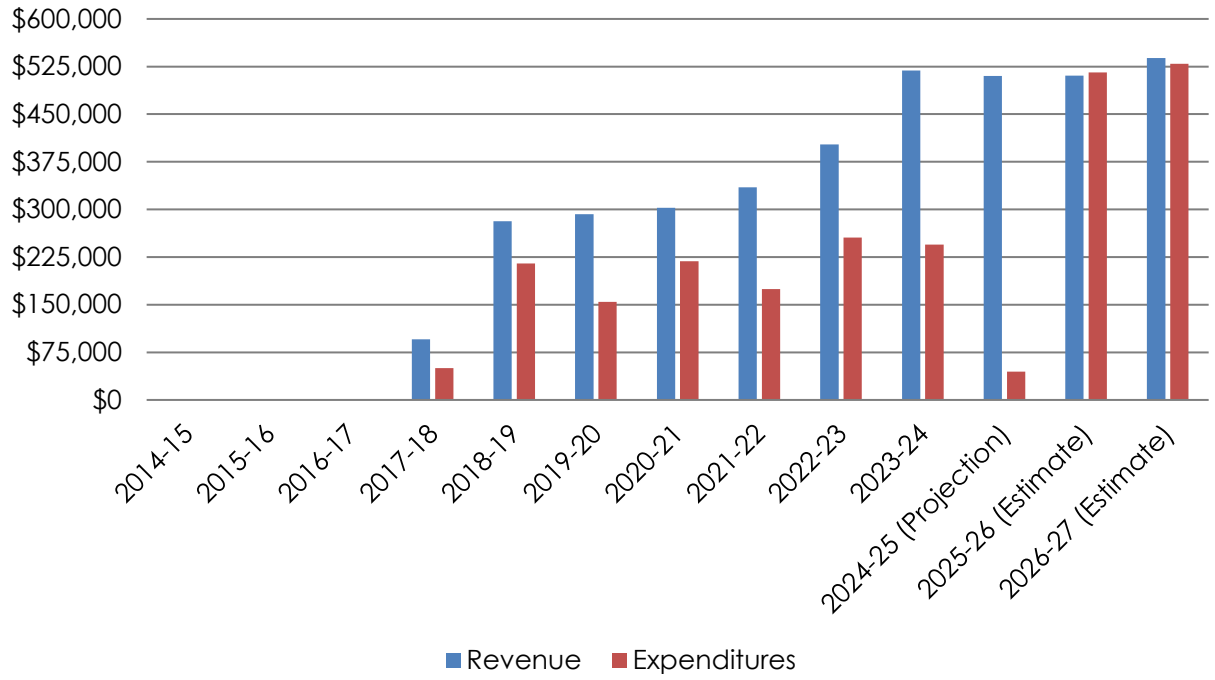
- Fuel Tax revenue was projected and estimated after considering the California Local Government Finance Almanac's May 2025 analysis of information from the California Department of Finance.
- The Fuel Tax Fund and the Measure M2 (OC Go) Fund support the maintenance, operation, and construction of public streets and rights-of-way. Beginning in Fiscal Year 2025-26, the City modified the types of expenditures that have historically been budgeted in each fund, and added several new accounts, to streamline accounting activities.
    - Fuel Tax expenditures principally support pavement, sidewalk, and other hardscape maintenance, as well as related civil engineering services and traffic engineering services.
    - Measure M2 (OC Go) expenditures principally support traffic signal maintenance and electric and water utility services.
    - Landscape services are split between both funds.
- Expenditures in fiscal years 2017-18 and 2019-20 were higher than typical due to capital improvement project expenditures and, in the case of Fiscal Year 2019-20, limited-term street maintenance expenditures (e.g., extensive street restriping work).

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.

Proposition 69 (2018) is a ballot measure that California voters approved in 2018 to restrict the California State Legislature's ability to spend Senate Bill 1 revenue for purposes other than originally intended.

[Road Maintenance & Rehabilitation Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$510,100	$44,728
2025-26 (Estimate)	$510,600	-
2025-26 (Budget)	-	$515,824
2026-27 (Estimate)	$538,200	-
2026-27 (Budget)	-	$529,206

Summary of Significant Trends and Observations

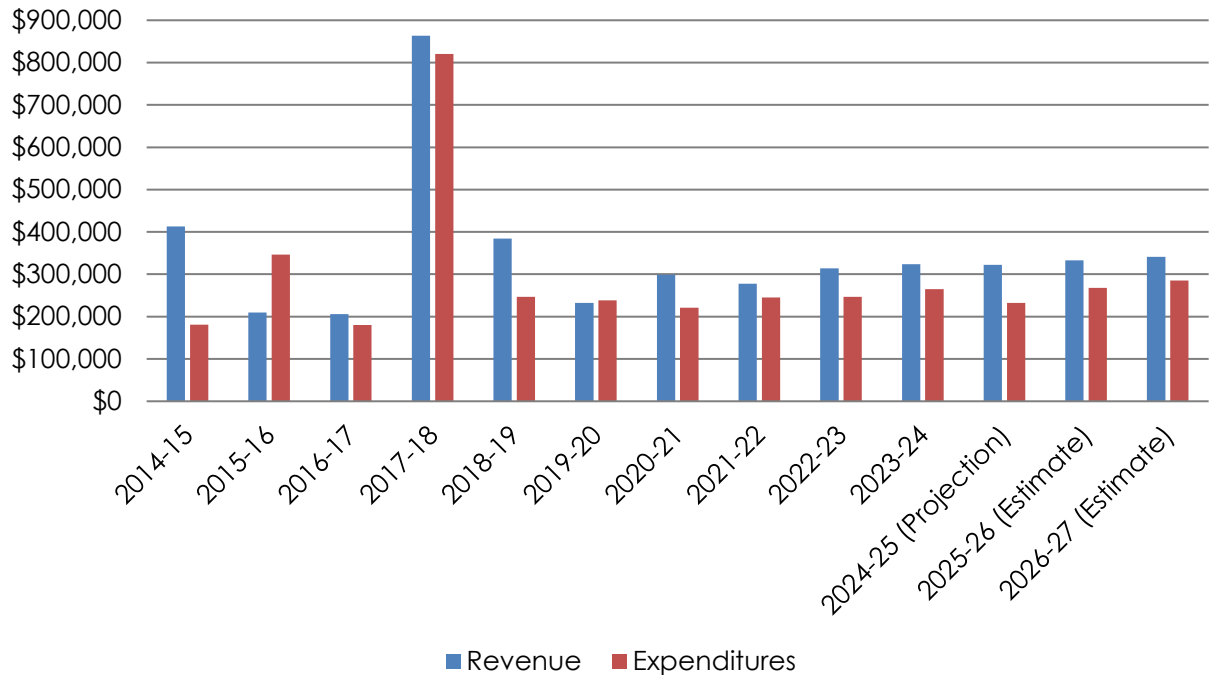
- The first Senate Bill 1 revenue measures took effect on November 1, 2017, resulting in the receipt of partial year revenue in Fiscal Year 2017-18.
- Senate Bill 1 revenue was projected and estimated after considering the California Local Government Finance Almanac's May 2025 analysis of information from the California Department of Finance.
- The City's Senate Bill 1 expenditures are focused on annual pavement management plan-related capital improvement projects.
- For additional information on how the City is using Senate Bill 1 funds to improve local roads, please visit the State of California's Rebuilding CA website (http://rebuildingca.ca.gov).

MEASURE M2 (OC GO) 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 public roads and rights-of-way.

In 2017, OCTA rebranded Measure M2 as "OC Go." The City now uses the term "Measure M2 (OC Go)."

[Measure M2 (OC Go) Fund Historical Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$322,000	$232,536
2025-26 (Estimate)	$332,600	-
2025-26 (Budget)	-	$267,780
2026-27 (Estimate)	$341,000	-
2026-27 (Budget)	-	$284,878

Summary of Significant Trends and Observations

- Measure M2 (OC Go) "Local Fair Share" apportionment revenue is tied to countywide sales tax receipts and typically comprises the largest portion of Measure M2 (OC Go) Fund revenues. As of March 2025, OCTA estimates that the City's Local Fair Share apportionment revenue will increase relatively slowly over the coming years.

[OCTA's Measure M2 (OC Go) Local Fair Share Revenue Estimates as of March 2025 – Fiscal Years 2023-24 through 2031-32]

Fiscal Year	Local Fair Share Revenue Estimate	Change from Prior Fiscal Year	Change from Fiscal Year 2023-24
2031-32	$379,025	3.96% ($14,430)	20.61%
2030-31	$364,595	4.07% ($14,257)	16.01%
2029-30	$350,338	2.65% ($9,028)	11.48%
2028-29	$341,310	1.55% ($5,217)	8.61%
2027-28	$336,093	1.55% ($5,123)	6.95%
2026-27	$330,970	2.58% ($8,331)	5.32%
2025-26	$322,639	5.30% ($16,239)	2.66%
2024-25	$306,400 (A)	-2.50% (-$7,868)	-2.50%
2023-24	$314,268 (B)	-	-

(A) The Fiscal Year 2024-25 Local Fair Share revenue estimate is year-end projected.
(B) The Fiscal Year 2023-24 Local Fair Share revenue estimate is year-end actual.

- The Fuel Tax Fund and the Measure M2 (OC Go) Fund support the maintenance, operation, and construction of public streets and rights-of-way. Beginning in Fiscal Year 2025-26, the City modified the types of expenditures that have historically been budgeted in each fund, and added several new accounts, to streamline accounting activities.
    - Fuel Tax expenditures principally support pavement, sidewalk, and other hardscape maintenance, as well as related civil engineering services and traffic engineering services.
    - Measure M2 (OC Go) expenditures principally support traffic signal maintenance and electric and water utility services.
    - Landscape services are split between both funds.
- Measure M2 (OC Go) grant revenue was received in fiscal years 2017-18, 2018-19, and 2020-21 to support two traffic signal synchronization projects which are now complete. Expenditures in those fiscal years were higher than typical as a result.

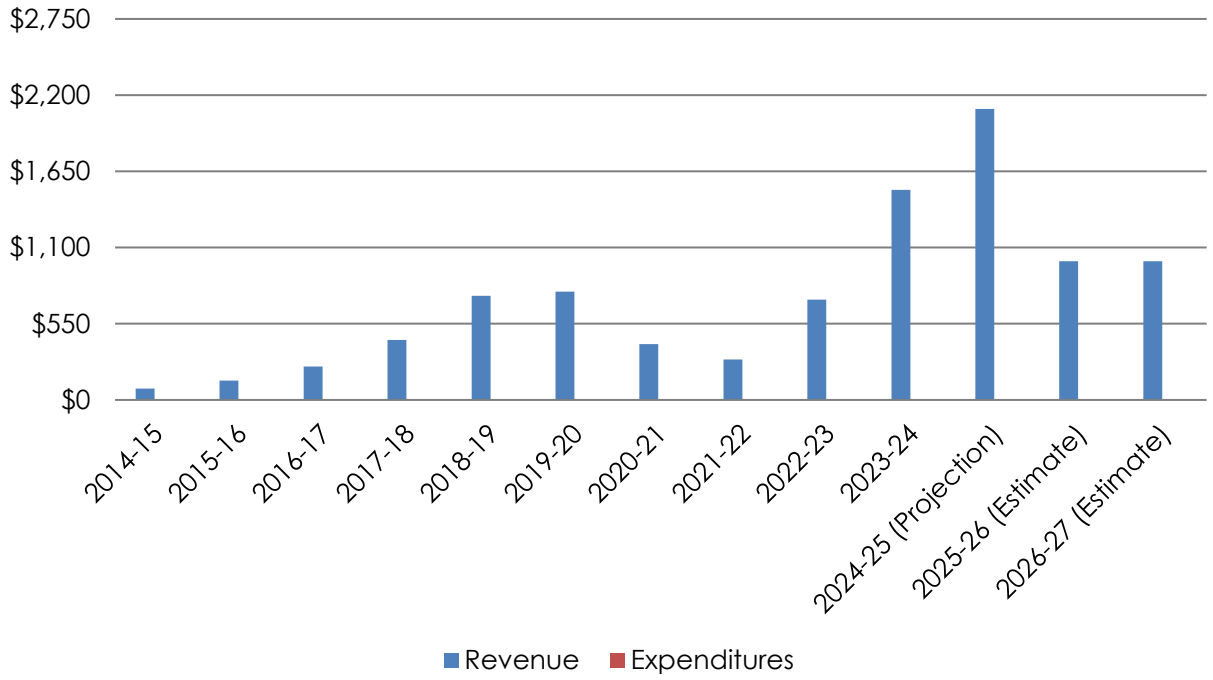
SERVICE AUTHORITY FOR ABANDONED VEHICLES FUND

The City maintains funds in its Service Authority for Abandoned Vehicles Fund to assist with the abatement of abandoned vehicles. Service Authority for Abandoned Vehicles ("SAAV") revenue was generated as a result of the City's former membership in the now defunct Orange County Service Authority for Abandoned Vehicles ("OC SAAV"), which operated between 1991 and 2012, pursuant to California Vehicle Code Section 22710(a). During its operation, the OC SAAV imposed and collected a $1 per vehicle registration fee ($2 for commercial vehicles) for use in offsetting member agencies' costs of abating abandoned vehicles.

The City continues to maintain SAAV funds that it has been unable to spend due to a lack of abandoned vehicles to abate (none in at least the past 17 years). The Orange County Transportation Authority ("OCTA"), which acted as the administrator of the Orange County Service Authority for Abandoned Vehicles, has informed the City that its SAAV funds cannot be returned to OCTA, nor transferred to another city that has a use for them, due to limitations in state law. As a result, the City is pursuing state legislation that would provide for alternative use or disposition of its SAAV funds.

No Service Authority for Abandoned Vehicles Fund activity is expected for fiscal years 2025-26 or 2026-27, beyond minimal interest earnings on the accumulated fund balance.

[Service Authority for Abandoned Vehicles Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]

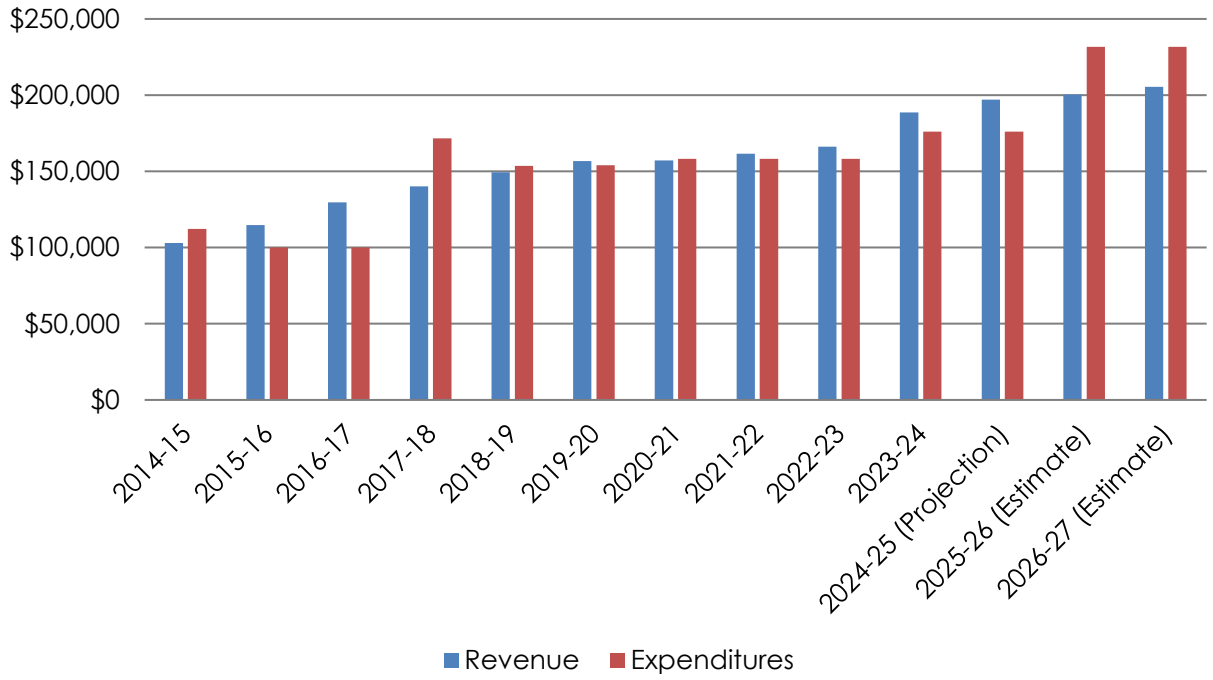


Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$2,100	$0
2025-26 (Estimate)	$1,000	-
2025-26 (Budget)	-	$0
2026-27 (Estimate)	$1,000	-
2026-27 (Budget)	-	$0

SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

Supplemental Law Enforcement Services Account funding was included in California Assembly Bill 118 (Committee on Budget, Chapter 40, Statutes of 2011) as part of a realignment of state law enforcement responsibilities to local authorities (see California Assembly Bill 109 (Committee on Budget, Chapter 15, Statutes of 2011)). The City receives a minimum of $100,000 in Supplemental Law Enforcement Services revenue each year, which is used to offset a portion of qualifying, frontline law enforcement services costs.

[Supplemental Law Enforcement Services Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$197,100	$176,100
2025-26 (Estimate)	$200,400	-
2025-26 (Budget)	-	$231,600
2026-27 (Estimate)	$205,400	-
2026-27 (Budget)	-	$231,600

Summary of Significant Trends and Observations

- Supplemental Law Enforcement Services Fund revenue continues to increase. The growth rate has varied between 0.2% and 13.5%, annually, over the past five fiscal years. Due to the historic variability, this budget estimates growth in fiscal years 2025-26 and 2026-27 at only 2%.

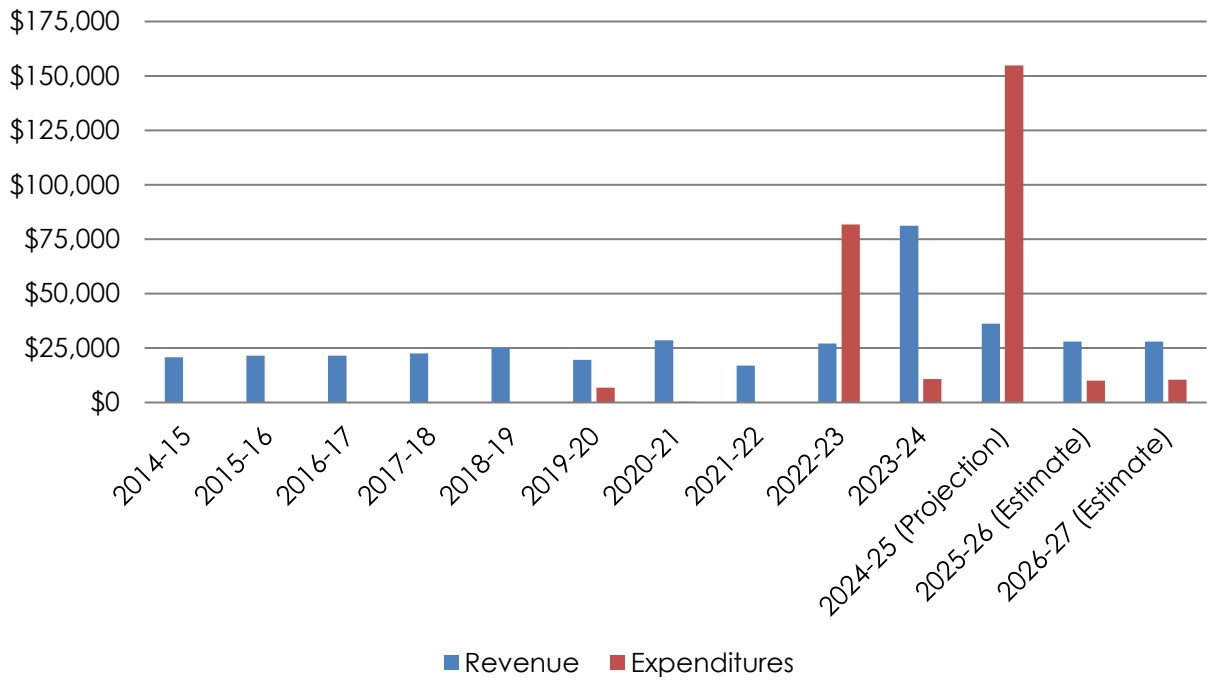
MOBILE SOURCE REDUCTION FUND

The City receives funding from the State of California's Assembly Bill 2766 (1991) Subvention Program, which remits a portion of a motor vehicle registration fee surcharge to counties and cities to support efforts to meet requirements of federal and state clean air acts, and for the implementation of motor vehicle

emission reduction measures in the South Coast Air Quality Management District's Air Quality Management Plan. The City accounts for Assembly Bill 2766 Subvention Program revenue in the Mobile Source Reduction Fund.

Revenue from the Mobile Source Air Pollution Reduction Review Committee's Clean Transportation Funding™ 2017 Local Government Partnership Program ("2017 MSRC Program") was accounted for in the Mobile Source Reduction Fund. 2017 MSRC Program funds were intended to "jumpstart" implementation of the South Coast Air Quality Management District's 2016 Air Quality Management Plan. The City's one-time allocation was $50,000.

[Mobile Source Reduction Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$36,200	$154,794
2025-26 (Estimate)	$28,000	-
2025-26 (Budget)	-	$10,000
2026-27 (Estimate)	$28,000	-
2026-27 (Budget)	-	$10,500

Summary of Significant Trends and Observations

- Assembly Bill 2766 Subvention Program revenue is relatively erratic with

the annual change over the past five fiscal years ranging from -40.8% to 60.0%. Due to the historic variability, this budget estimates revenue in fiscal years 2025-26 and 2026-27 at a level 22.7% below the projection for Fiscal Year 2024-25.

- In Fiscal Year 2024-25, Assembly Bill 2766 Subvention Program revenue was used to purchase four 2025 Chevrolet Equinox electric vehicles for use by building inspectors and other Planning & Environmental Services Department staff. Assembly Bill 2766 Subvention Program revenue will be used to fund charging costs for the first three years. Charging costs will become General Fund expenses in May 2028 (Fiscal Year 2027-28).
- The City expended its $50,000 allocation of 2017 MSRC Program funds in Fiscal Year 2022-23, with the reimbursing revenue received in Fiscal Year 2023-24. 2017 MSRC Program funds supported the City Hall Electric Vehicle Charging Infrastructure Project, which was also partially funded using Assembly Bill 2766 Subvention Program revenue.

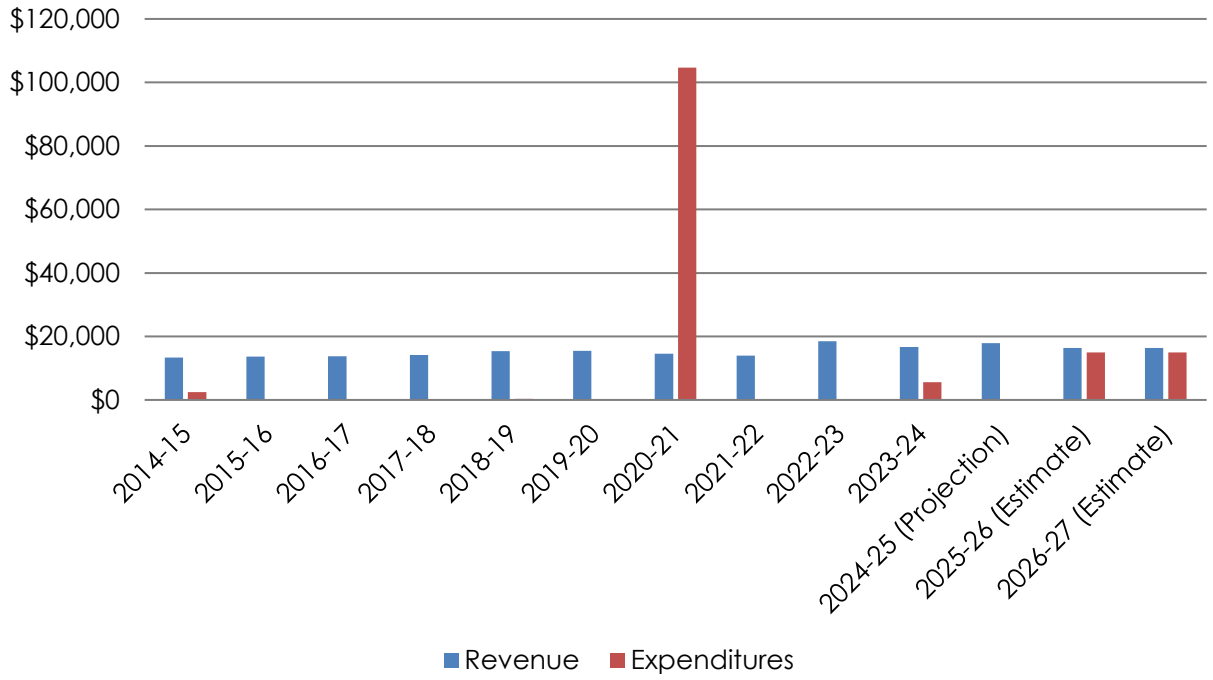
PEG/CABLE TELEVISION FUND

The City collects a Public, Educational, and Governmental ("PEG") fee from the following cable television franchisees

- Cox Communications
- Golden Rain Foundation of Laguna Woods

The City uses PEG fee revenue for purposes consistent with applicable law, which generally relate to the operation and maintenance of its PEG television channel (Channel 3 on the Laguna Woods Village television network).

[PEG/Cable Television Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$17,900	$0
2025-26 (Estimate)	$16,400	-
2025-26 (Budget)	-	$15,000
2026-27 (Estimate)	$16,400	-
2026-27 (Budget)	-	$15,000

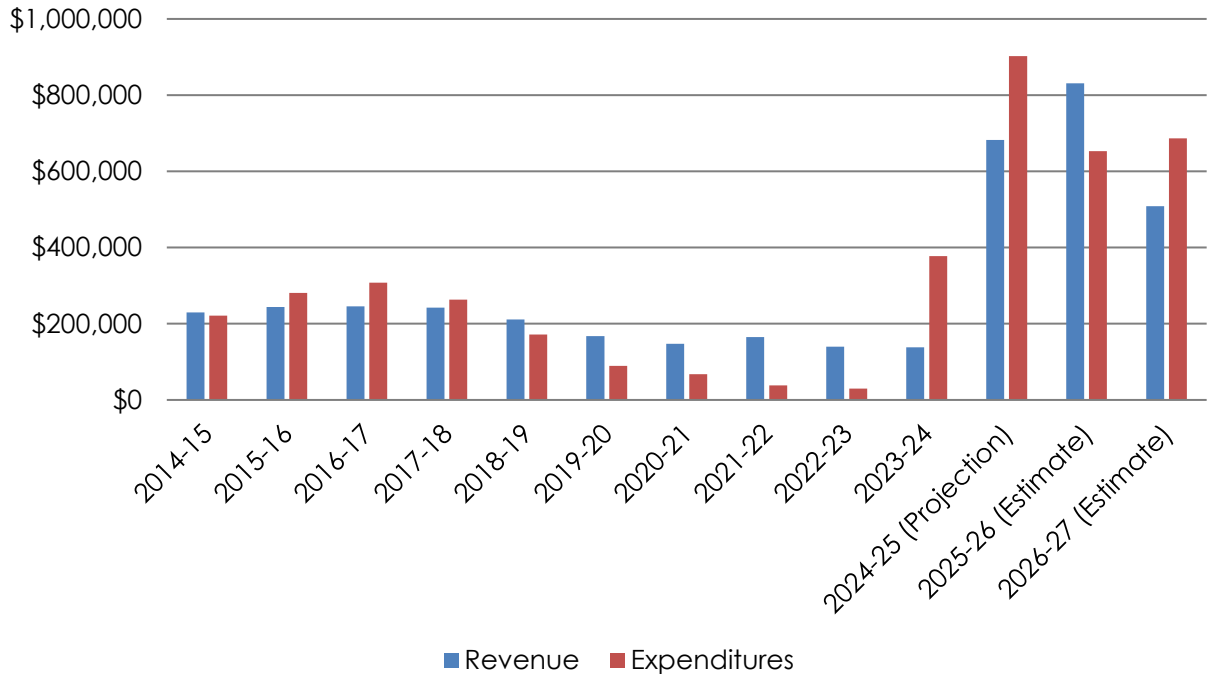
Summary of Significant Trends and Observations

- PEG fee revenue is expected to remain fairly constant over the coming fiscal years without any significant variation.
- Expenditures in Fiscal Year 2020-21 were higher than typical due to capital improvement project expenditures.

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 (OC Go) Senior Mobility Program funds, Transportation Development Act funds, participant fees (prior to July 1, 2023), and transfers from the General Fund.

[Senior Mobility Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$682,000	$902,659
2025-26 (Estimate)	$830,952	-
2025-26 (Budget)	-	$652,598
2026-27 (Estimate)	$508,552	-
2026-27 (Budget)	-	$686,906

Summary of Significant Trends and Observations

- In June 2021, the City Council approved an agreement with OCTA that provides for the continued receipt of Measure M2 (OC Go) Senior Mobility Program funds between July 1, 2021 and June 30, 2026, with the potential for extensions through June 30, 2031. This budget assumes that the agreement will be extended through Fiscal Year 2026-27.
- Senior Mobility Program ridership steadily declined between fiscal years 2016-17 and 2022-23. The City launched a new iteration of the Senior Mobility Program on July 1, 2023 (Fiscal Year 2023-24) that resulted in a significant increase in ridership and associated costs.
- The City's Senior Mobility Program is unique within Orange County in that there is no limit on the number of rides a participant can take and travel is available anywhere in Orange County and to or from VA Long Beach.

As a result, it is difficult to predict expenditures as they are dependent on the number of participants who enroll in the Senior Mobility Program and where and how often those participants choose to travel.

- As of March 2025, OCTA estimates that the City's Measure M2 (OC Go) Senior Mobility Program revenue – which is tied to countywide sales tax receipts and percentages of city populations aged 60 and over – will increase slowly over the coming years.

[OCTA's Measure M2 (OC Go) Senior Mobility Program Revenue Estimates as of March 2025 – Fiscal Years 2023-24 through 2029-30]

Fiscal Year	Senior Mobility Program Revenue Estimate	Change from Prior Fiscal Year	Change from Fiscal Year 2023-24
2029-30	$107,659	2.73% ($2,859)	-13.74%
2028-29	$104,800	1.60% ($1,651)	-16.03%
2027-28	$103,149	1.60% ($1,622)	-17.35%
2026-27	$101,527	2.37% ($2,638)	-18.65%
2025-26	$98,889	1.22% ($1,189)	-20.77%
2024-25	$97,700 (A)	-21.72% (-$27,108)	-21.72%
2023-24	$124,808 (B)	-	-

(A) The Fiscal Year 2024-25 Senior Mobility Program revenue estimate is year-end projected.
(B) The Fiscal Year 2023-24 Senior Mobility Program revenue estimate is year-end actual.

- On November 25, 2024, the OCTA Board of Directors awarded the City a $325,000 grant through its 2024 Orange County Enhanced Mobility for Seniors and Individuals with Disabilities Program ("EMSD Program"). The EMSD Program funds will support a portion of the Senior Mobility Program in Fiscal Year 2025-26.
- To meet projected demand for the Senior Mobility Program, this budget includes transfers from the General Fund to the Senior Mobility Fund in the amount of $406,052 each fiscal year. Those transfers are in addition to Measure M2 (OC Go) Senior Mobility funds and EMSD Program funds.

[History of Transfers from the General Fund to the Senior Mobility Fund – Fiscal Years 2023-25 through 2026-27]

Fiscal Year	Total Transfers
2026-27	$406,052 (budgeted)
2025-26	$406,052 (budgeted)

2024-25	$645,000 (actual)
2023-24	$0 (actual)

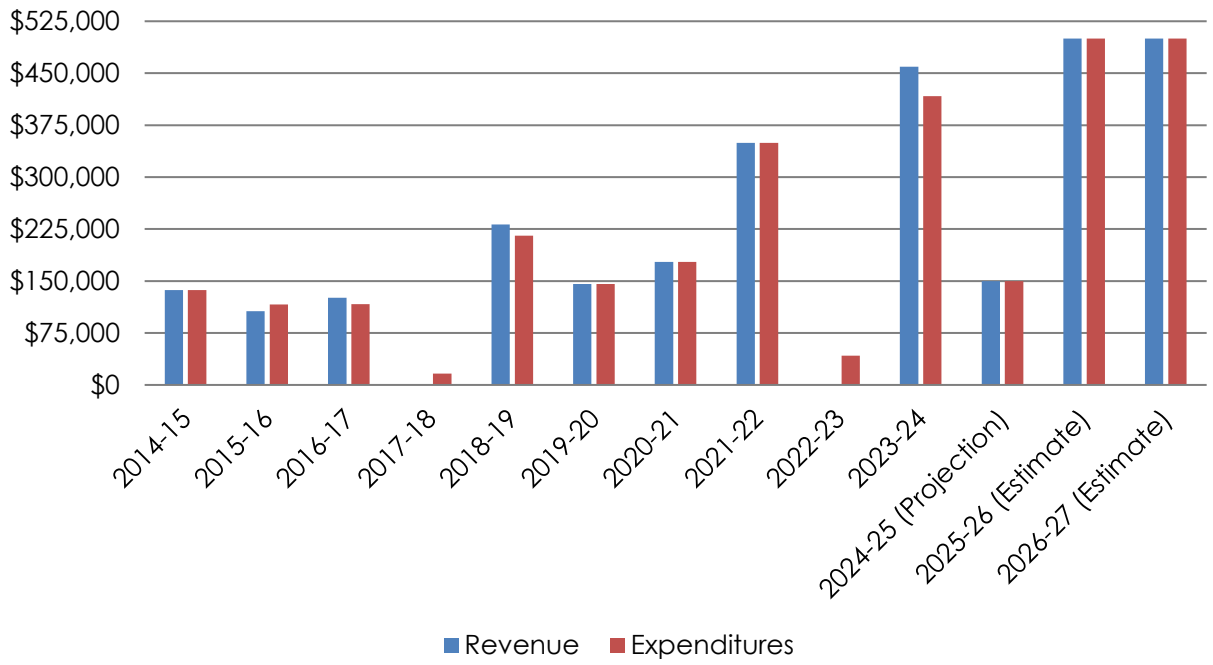
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND

Community Development Block Grant ("CDBG") funding is authorized under Title 1 of the federal Housing and Community Development Act of 1974, as amended, and is subject to federal appropriation. CDBG funding is intended to assist with local community development needs.

Units of local government are classified as either "entitlement areas" or "non-entitlement areas" for the purpose of receiving CDBG funding. The City is a non-entitlement area, meaning that it must compete for CDBG funds and does not receive CDBG funds directly from the federal Department of Housing and Urban Development. Non-entitlement areas generally include counties and cities with populations of less than 200,000 and 50,000, respectively.

The City competes for CDBG funds through the Urban County CDBG Program administered by the County of Orange. The cities of Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, La Palma, Los Alamitos, Seal Beach, Stanton, and Villa Park are also part of the Urban County CDBG Program.

[Community Development Block Grant (CDBG) Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$150,000	$150,000
2025-26 (Estimate)	$500,000	-
2025-26 (Budget)	-	$500,000
2026-27 (Estimate)	$500,000	-
2026-27 (Budget)	-	$500,000

Summary of Significant Trends and Observations

- Prior to Fiscal Year 2017-18, CDBG funds were primarily used to offer the Residential Energy Efficiency Improvement Program, which installed replacement windows, doors, and other energy efficient improvements in the homes of lower income, senior households, at no charge. The program was suspended in 2017 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.
- In Fiscal Year 2017-18, the City began its Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project with annual phases

contingent on the receipt of CDBG funds. The eighth phase of the project was completed in Fiscal Year 2024-25. Beginning with the 10th phase of the project planned for Fiscal Year 2025-26, the title will be shortened to the "Pedestrian Accessibility Improvement Project."

- Timing differences related to the completion of capital improvement projects and the receipt of reimbursing revenue account for variations in typical revenue and expenditures in fiscal years 2017-18, 2022-23, and 2023-24.
- An increase in the amount of funds able to be applied for without providing matching funds accounts for the increases in revenue and expenditures in fiscal years 2025-26 and 2026-27.
- In Fiscal Year 2020-21, the City received a one-time allocation of $33,713 in CDBG Coronavirus Aid, Relief, and Economic Security Act ("COVID-19 CDBG-CV") funding, which was used to provide financial assistance to local businesses and nonprofit organizations through the COVID-19 Face Coverings Reimbursement Program. Revenue and expenditures in Fiscal Year 2020-21 were higher than typical as a result.

FEDERAL GRANTS FUND

The City uses the Federal Grants Fund to account for revenues from grants and other awards and allocations from the United States government that are not otherwise accounted for in a separate fund.

FUNDING SOURCES WITH NEW APPROPRIATIONS IN FISCAL YEARS 2025-27

None

ACTIVE FUNDING SOURCES WITH APPROPRIATIONS PRIOR TO FISCAL YEAR 2025-26

American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds)
H.R. 1319 ("American Rescue Plan Act of 2021") was signed by President Biden on March 11, 2021. H.R. 1319 included $350 billion in emergency funding for state, local, territorial, and tribal governments related to the COVID-19 public health emergency. The City's one-time allocation was $3,791,656 (budgeted in Fiscal Year). Revenue was received in fiscal years 2021-22 and 2022-23, and is recognized as expenditures are incurred. Expenditures began in Fiscal Year 2021-22 and are expected to continue through Fiscal Year 2025-26.

CLOSED FUNDING SOURCES WITH APPROPRIATIONS PRIOR TO FISCAL YEAR 2025-26

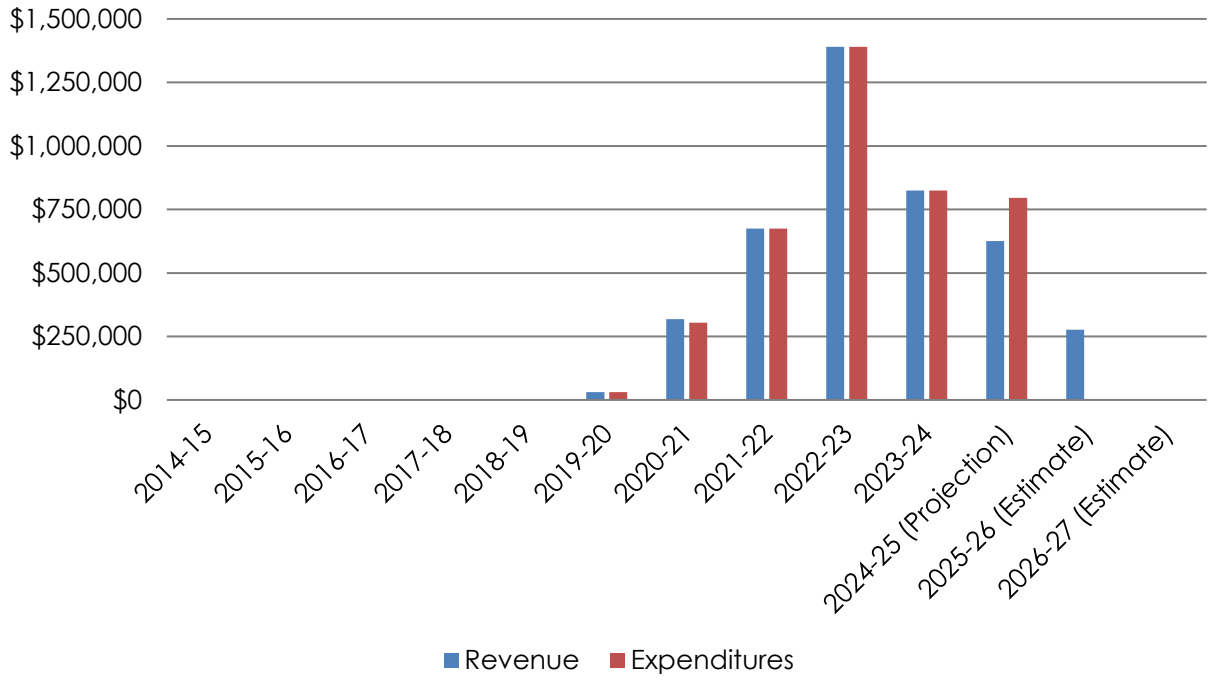
Coronavirus Aid, Relief, and Economic Security (CARES) Act – County

H.R. 748 ("Coronavirus Aid, Relief, and Economic Security (CARES) Act") was signed by President Trump on March 27, 2020. H.R. 748 provided the County of Orange with an allocation of "Coronavirus Relief Funds" to offset expenditures incurred due to the COVID-19 public health emergency. The County of Orange distributed a portion of the Coronavirus Relief Funds to cities based on population. The City used the Coronavirus Relief Funds it received through the County of Orange for personal protective measures and enhanced janitorial services at City Hall, the COVID-19 Business Closure Assistance Program, the COVID-19 Face Coverings Reimbursement Program, and COVID-19-related law enforcement services. The City's one-time allocation was $147,094.82 (budgeted and received in Fiscal Year 2019-20). Expenditures were incurred in fiscal years 2019-20 and 2020-21.

Coronavirus Aid, Relief, and Economic Security (CARES) Act – State

H.R. 748 ("Coronavirus Aid, Relief, and Economic Security (CARES) Act") was signed by President Trump on March 27, 2020. H.R. 748 provided the State of California with an allocation of "Coronavirus Relief Funds" to offset expenditures incurred due to the COVID-19 public health emergency. The State of California distributed a portion of the Coronavirus Relief Funds to cities that did not receive allocations directly from the federal government, based on population. The City used the Coronavirus Relief Funds it received through the State of California for personal protective measures and enhanced janitorial services at City Hall, technological improvements related to remote services, the COVID-19 Facility Disinfection Reimbursement Program, the COVID-19 Home Electric Utility Subsidy Program, and other eligible purposes. The City's one-time allocation was $200,554 (budgeted and received in Fiscal Year 2020-21). Expenditures were incurred in Fiscal Year 2020-21.

[Federal Grants Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$625,300	$795,183
2025-26 (Estimate)	$277,000	-
2025-26 (Budget)	-	$0
2026-27 (Estimate)	$0	-
2026-27 (Budget)	-	$0

Note: The Federal Grants Fund was established in Fiscal Year 2019-20. Prior to Fiscal Year 2019-20, grants and other awards and allocations from the United States government were accounted for in other funds.

Summary of Significant Trends and Observations

- Unspent appropriations approved prior to July 1, 2025 are expected to be carried over to Fiscal Year 2025-26 for the following American Rescue Plan Act of 2021-funded projects, pursuant to Section 2.9.04(10) of Administrative Policy 2.9: Circulation Improvement Project – Fiscal Year 2024-25 and Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits).

STATE OF CALIFORNIA GRANTS FUND

The City uses the State of California Grants Fund to account for revenues from grants and other awards and allocations from the State of California that are not otherwise accounted for in a separate fund.

FUNDING SOURCES WITH NEW APPROPRIATIONS IN FISCAL YEARS 2025-27

None

ACTIVE FUNDING SOURCES WITH APPROPRIATIONS PRIOR TO FISCAL YEAR 2025-26

Coronavirus Response and Relief Supplemental Appropriations Act of 2021 – Non-STIP Program

H.R. 133 ("Coronavirus Response and Relief Supplemental Appropriations Act of 2021") included federal funding for certain surface transportation purposes ("COVID Relief Funds"). The California Transportation Commission planned to fund a "CRRSAA Program" using the Non-State Transportation Improvement Program ("STIP") regional distribution of the COVID Relief Funds, however unobligated funds were rescinded when H.R. 3746 ("Fiscal Responsibility Act of 2023") became federal law on June 3, 2023. Subsequently, the California Department of Transportation ("Caltrans") elected to backfill the rescinded funding using State Highway Account funds. The City obtained approval from Caltrans to use its apportionment of State Highway Account funds for the Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits). The City's one-time allocation was $200,000 (budgeted in Fiscal Year 2024-25). Expenditures were incurred in Fiscal Year 2024-25 and are expected to be reimbursed in Fiscal Year 2025-26.

Permanent Local Housing Allocation (PLHA)

Permanent Local Housing Allocation ("PLHA") funds are made available as a result of California Senate Bill 2 (Atkins, Chapter 364, Statutes of 2017) with the goal of increasing the supply of affordable housing. PLHA funds are raised from the proceeds of a $75 recording fee on certain real estate transactions (up to a maximum of $225 per transaction) and can be used for purposes set forth in California Health and Safety Code Section 50470(b)(2)(D).

In Fiscal Year 2021-22, the City became eligible for an ongoing grant of PLHA funds based on the formula prescribed under federal law for the Community Development Block Grant ("CDBG") Program. The City plans to use its PLHA

funds to offer a new Accessibility Improvement Reimbursement Program to provide financial assistance to lower income, senior households that make accessibility improvements inside their homes; however, implementation has been delayed while the City seeks clarification regarding the application of the California Public Contract Code and prevailing wage requirements to the contemplated program. The City budgeted an initial appropriation of $16,000 in Fiscal Year 2021-22 and anticipates launching the Accessibility Improvement Reimbursement Program in Fiscal Year 2025-26. The City will receive PLHA funds on a reimbursement-basis after expenditures are incurred.

Proposition 68 (Per Capita Program)

Proposition 68 ("California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018") is a ballot measure that California voters approved in 2018 to authorize the issuance of bonds in the amount of $4 billion to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. A portion of bond proceeds is available to cities for local park rehabilitation, creation, and improvement grants on a per capita basis. The City plans to use its Proposition 68 (Per Capita Program) funds to support construction of the Woods End Wilderness Preserve Trail Drainage and Improvement Project. The City's one-time allocation is $188,048 (budgeted in Fiscal Year 2022-23). Expenditures are expected to be incurred and reimbursed in Fiscal Year 2025-26.

Senate Bill 1383 Local Assistance Grant Program (Fiscal Year 2022-23)

Senate Bill 1383 Local Assistance Grant Program funds were made available through the California Department of Resources Recycling and Recovery ("CalRecycle") to support local jurisdictions in implementing organic waste recycling and edible food recovery requirements established by California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016). Senate Bill 1383 Local Assistance Grant Program funds were awarded to support activities such as public education, the implementation of commercial edible food recovery programs, procurement of recovered organic waste products, and the installation of signage at Laguna Woods Village waste enclosures to promote recycling compliance. The City's one-time allocation was $75,000 (budgeted and received in Fiscal Year 2023-24). Expenditures began in Fiscal Year 2023-24 and are expected to continue through Fiscal Year 2025-26.

CLOSED FUNDING SOURCES WITH APPROPRIATIONS PRIOR TO FISCAL YEAR 2025-26

Local Early Action Planning (LEAP) Grant

Local Early Action Planning ("LEAP") Grant funds were made available as part

of the California Local Government Planning Support Grants Program pursuant to California Health and Safety Code Chapter 3.1. LEAP Grant funds were awarded to support the preparation and adoption of planning documents, implementation of process improvements to accelerate housing production, and activities that facilitate implementation of the sixth cycle of the Regional Housing Needs Assessment ("RHNA"). The City's one-time allocation was $65,000 (budgeted in Fiscal Year 2020-21). Expenditures were incurred in fiscal years 2020-21 and 2021-22, and reimbursed in Fiscal Year 2022-23.

Senate Bill 2 Planning Grant

Senate Bill 2 Planning Grant funds were made available as a result of California Senate Bill 2 (Atkins, Chapter 364, Statutes of 2017) with the goal of increasing the supply of affordable housing. Senate Bill 2 Planning Grant funds were awarded to support the preparation, adoption, and implementation of plans and process improvements that streamline housing approvals and accelerate housing production. The City's one-time allocation was $160,000 (budgeted in Fiscal Year 2020-21). Expenditures were incurred in fiscal years 2020-21through 2022-23, and reimbursed in fiscal years 2022-23 and 2023-24.

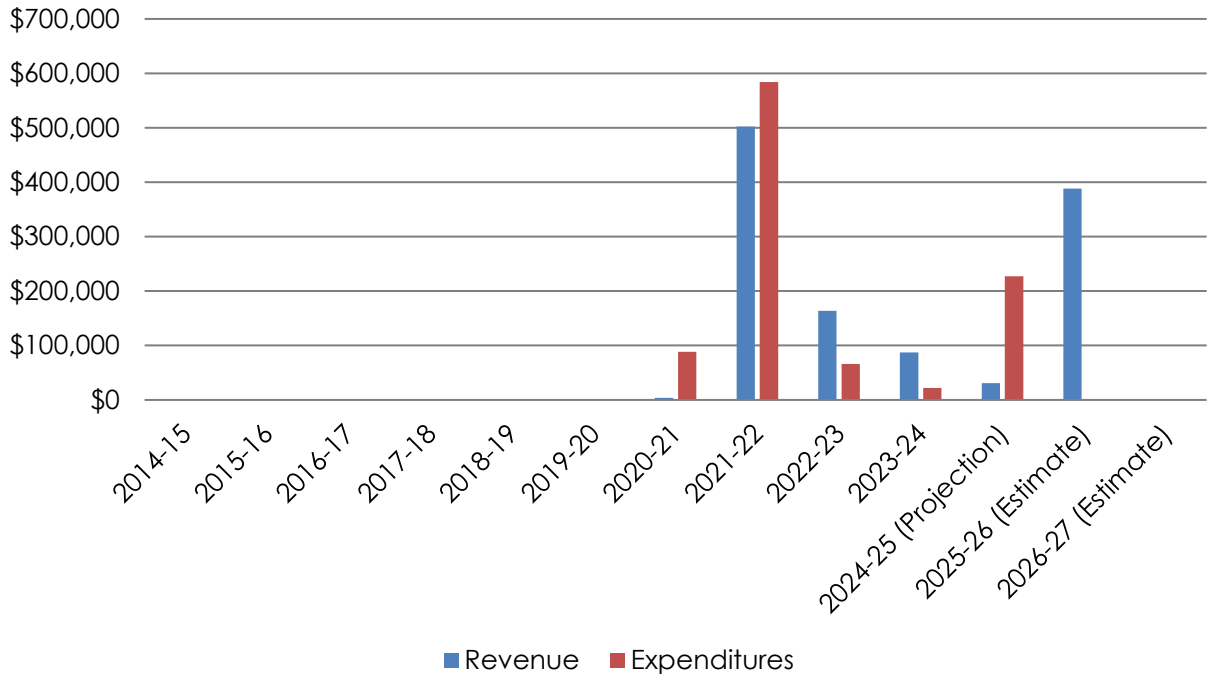
Senate Bill 1383 Local Assistance Grant Program (Fiscal Year 2021-22)

Senate Bill 1383 Local Assistance Grant Program funds were made available through CalRecycle to support local jurisdictions in implementing organic waste recycling and edible food recovery requirements established by California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016). Senate Bill 1383 Local Assistance Grant Program funds were awarded to support activities such as public education and the implementation of commercial edible food recovery programs. The City's one-time allocation was $23,629 (budgeted in Fiscal Year 2022-23). $710 was earned in interest, resulting in total expenditures of $24,339 in fiscal years 2022-23 through 2024-25. Expenditures were reimbursed in fiscal years 2022-23 and 2023-24.

State of California Budget Appropriation: City Hall/Public Library Project

With the assistance of Assemblywoman Cottie Petrie-Norris, the City secured a $500,000 State of California budget appropriation to support construction of the City Hall/Public Library Project (California Assembly Bill 74 (Ting, Chapter 23, Statutes of 2019)). The City's one-time allocation was budgeted in Fiscal Year 2020-21 and received in fiscal years 2020-21 and 2021-22. Expenditures were incurred in Fiscal Year 2021-22.

[State of California Grants Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$30,700	$227,169
2025-26 (Estimate)	$388,000	-
2025-26 (Budget)	-	$0
2026-27 (Estimate)	$0	-
2026-27 (Budget)	-	$0

Note: The State of California Grants Fund was established in Fiscal Year 2019-20. Prior to Fiscal Year 2019-20, grants and other awards and allocations from the State of California were accounted for in other funds.

Summary of Significant Trends and Observations

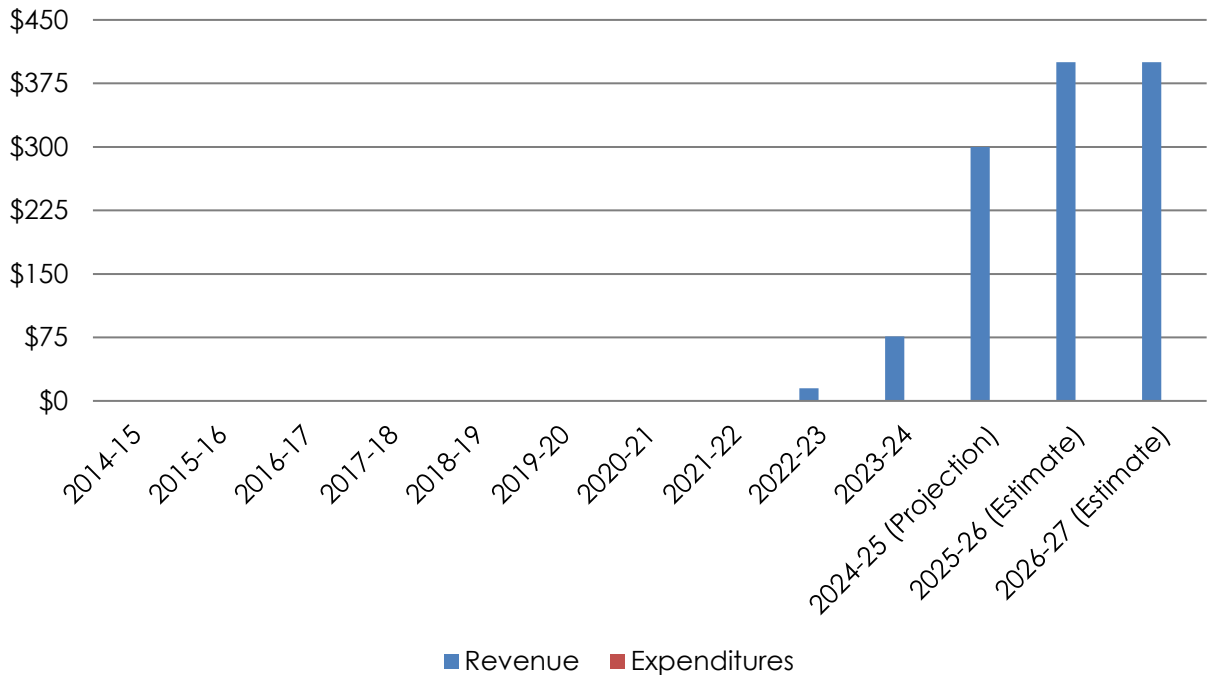
- Unspent appropriations approved prior to July 1, 2025 are expected to be carried over to Fiscal Year 2025-26 for the following project, pursuant to Section 2.9.04(10) of Administrative Policy 2.9: Woods End Wilderness Preserve Trail Drainage and Improvement Project.

MISCELLANEOUS SPECIAL REVENUE FUND

The City uses the Miscellaneous Special Revenue Fund to account for revenues

collected as a result of agreements, grant awards, and other allocations not accounted for in other Special Revenue Fund categories.

[Miscellaneous Special Revenue Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$300	$0
2025-26 (Estimate)	$400	-
2025-26 (Budget)	-	$0
2026-27 (Estimate)	$400	-
2026-27 (Budget)	-	$0

Note: The Miscellaneous Special Revenue Fund was established in Fiscal Year 2022-23.

Summary of Significant Trends and Observations

- Revenue received as a result of the City's participation in the National Opioid Settlement will be recognized in the Miscellaneous Special Revenue Fund following future, as-of-yet-undetermined expenditures. For additional information on the National Opioid Settlement, please visit www.nationalopioidessettlement.com.

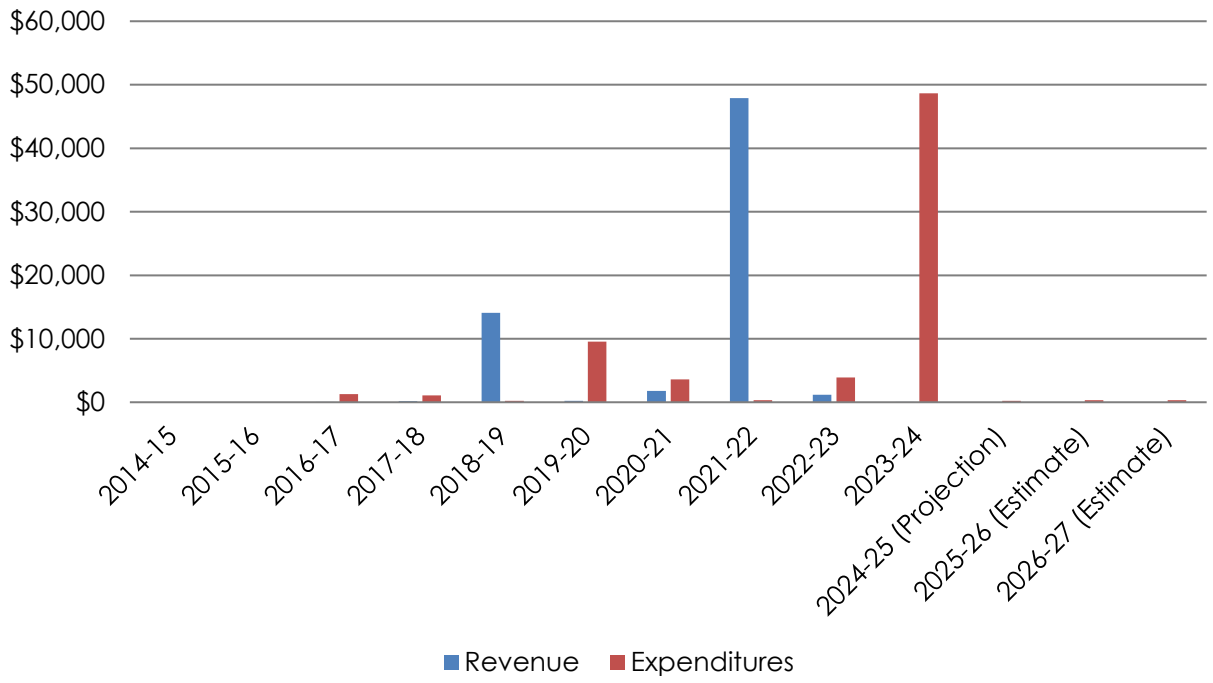
LAGUNA WOODS CIVIC SUPPORT FUND

The Laguna Woods Civic Support Fund is a nonprofit public benefit corporation that can raise and distribute funds to support programs, projects, and services of the City, and function as a "friends of the library" group in support of the Laguna Woods branch of OC Public Libraries.

The City Council serves as the Board of Directors for the Laguna Woods Civic Support Fund. Administrative support is provided by City personnel.

The Laguna Woods Civic Support Fund is accounted for as a Special Revenue Fund for financial reporting purposes because it meets the criteria of a "component unit" as that term is defined by the Governmental Accounting Standards Board (refer to footnote 1 on page 6.0-1).

[Laguna Woods Civic Support Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2026-27]



Fiscal Year	Revenue	Expenditures
2024-25 (Projection)	$0	$205
2025-26 (Estimate)	$0	-
2025-26 (Budget)	-	$300
2026-27 (Estimate)	$0	-

2026-27 (Budget)	-	$300

Summary of Significant Trends and Observations

- The Laguna Woods Civic Support Fund is expected to remain largely inactive during fiscal years 2025-26 and 2026-27. Planned expenditures include annual corporate filings and other minimum activities necessary to maintain the corporation.

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Revenue Summary - Special Revenue Funds

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
SPECIAL REVENUE FUNDS									
Fuel Tax	395,192	366,878	397,090	463,654	512,054	503,700	540,900	529,000	532,800
Road Maintenance & Rehabilitation Program	292,739	302,367	334,676	402,464	518,565	465,600	510,100	510,600	538,200
Measure M2 (OC Go)	232,616	299,194	277,705	314,299	323,609	348,600	322,000	332,600	341,000
Coastal Area Road Improvement & Traffic Signals (CARITS)	5,413	2,798	476	Fund Closed in Fiscal Year 2021-22					
Service Authority for Abandoned Vehicles	782	404	293	725	1,517	-	2,100	1,000	1,000
Supplemental Law Enforcement Services Act	156,806	157,177	161,589	166,224	188,644	169,600	197,100	200,400	205,400
Mobile Source Reduction	19,632	28,601	16,936	27,101	81,164	22,000	36,200	28,000	28,000
Mobile Source Reduction - Local Government Partnership	-	Fund Closed							
Used Oil/Oil Payment Program	111	46	Fund Closed in Fiscal Year 2020-21						
PEG/Cable Television	15,419	14,546	13,992	18,474	16,688	18,800	17,900	16,400	16,400
Senior Mobility	167,420	147,104	164,600	140,215	138,488	145,700	747,000	830,952	508,552
Community Development Block Grant (CDBG)	145,699	177,726	349,546	-	459,265	150,000	150,000	500,000	500,000
Proposition 68 (2018) Per Capita	-	Fund Closed							
Federal Grants	30,985	318,101	675,132	1,390,510	824,756	782,869	625,300	277,000	-
State of California Grants	1,453	3,652	502,332	163,638	87,302	193,972	30,700	388,000	-
Miscellaneous Special Revenue		Fund Opened in Fiscal Year 2022-23		15	76	-	300	400	400
Laguna Woods Civic Support Fund:									
R1 - Donations - Restricted - Friends of the Library	-	272	47,875	700	-	-	-	-	-
R2 - Donations - Restricted - Friends of the Dog Park	200	500	-	500	-	-	-	-	-
R3 - Donations - Unrestricted	-	1,000	-	-	-	-	-	-	-
R4 - Fundraising	-	-	-	-	-	-	-	-	-
R5 - Grant Funding	-	-	-	-	-	-	-	-	-
R6 - Miscellaneous	7	1	1	3	2	-	-	-	-
TOTAL SPECIAL REVENUE FUNDS (ALL REVENUE)	**1,464,474**	**1,820,367**	**2,942,243**	**3,088,522**	**3,152,130**	**2,800,841**	**3,179,600**	**3,614,352**	**2,671,752**

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CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
Fuel Tax									
Active Accounts									
Contract - Street Maintenance	128,464	104,921	127,240	96,426	77,614	114,500	114,209	125,630	138,193
Engineering Services, Traffic and Public Right-of-Way		-	-	-	-	-	-	133,351	146,687
Landscaping Services, Public Right-of-Way		-	-	-	-	-	-	145,576	154,700
Inactive or Carryover Accounts									
Contract - Landscaping	197,848	240,740	228,274	256,795	276,604	310,500	310,199	-	-
Contract - Traffic Signal Maintenance	22,466	-	-	-	24,053	10,518	8,018	-	-
El Toro Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Design)	4,167	66,863	-	-	-	-	-	-	-
Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction	10,157	-	-	-	-	-	-	-	-
Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon, Santa Maria Avenue Shared Median) (Construction)	272,143	-	-	-	-	-	-	-	-
Ridge Route Drive Landscape Project	-	-	22,852	1,152	-	-	-	-	-
Total Fuel Tax	**635,245**	**412,524**	**378,366**	**354,373**	**378,271**	**435,518**	**432,426**	**404,557**	**439,580**
Road Maintenance & Rehabilitation Program									
Active Accounts									
Circulation Improvement Project - Fiscal Year 2025-26	-	-	-	-	-	-	-	169,042	-
Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria and Moulton Parkway)	-	-	-	-	-	-	-	346,782	-
Circulation Improvement Project - Fiscal Year 2026-27	-	-	-	-	-	-	-	-	135,209
Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)	-	-	-	-	-	-	-	-	393,997
Inactive or Carryover Accounts									
Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)	154,245	-	-	-	-	-	-	-	-
Pavement Management Plan Project (Eastbound El Toro Road between Church Intersection and Moulton Parkway, Westbound El Toro Road between Willow Tree Center and Moulton Parkway)	-	218,289	-	-	-	-	-	-	-
Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)	-	-	174,787	-	-	-	-	-	-
Pavement Management Plan Project (Southbound Moulton Parkway between Calle Cortez and South City Limit)	-	-	-	255,526	(2,100)	-	-	-	-
Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager)	-	-	-	-	246,832	-	-	-	-
Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta)	-	-	-	-	-	64,000	44,728	-	-
Total Road Maintenance & Rehabilitation Program	**154,245**	**218,289**	**174,787**	**255,526**	**244,732**	**64,000**	**44,728**	**515,824**	**529,206**
Measure M2 (OC Go)									
Active Accounts									
Public Right-of-Way									
Landscaping Services, Public Right-of-Way	-	-	-	-	-	-	-	87,090	90,576
Utilities, Electric, Street Lights, Public Right-of-Way	-	-	-	-	-	-	-	38,845	43,118
Utilities, Water, Landscaping, Public Right-of-Way	-	-	-	-	-	-	-	55,285	60,814
Traffic Signals									
Contract - Traffic Signal Maintenance	46,177	46,256	64,991	52,177	74,389	75,000	75,631	54,360	56,610
Utilities, Electric, Traffic Signals	-	-	-	-	-	-	-	31,200	32,760
Other									
Allowable Overhead Costs	650	650	650	650	650	700	682	1,000	1,000

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
Inactive or Carryover Accounts									
Street Lighting - Public Right-of-Way	25,562	28,633	28,473	29,406	31,325	35,000	34,995	-	-
Contract - Traffic Engineering	119,540	145,635	146,735	164,207	158,859	180,000	121,228	-	-
El Toro Road Traffic Signal Synchronization Project	11,699	-	-	-	-	-	-	-	-
Moulton Parkway Traffic Signal Synchronization Project	35,077	-	-	-	-	-	-	-	-
City-maintained Catch Basins Full Capture Systems Retrofit Project	-	-	4,173	-	-	-	-	-	-
Total Measure M2 (OC Go)	**238,705**	**221,174**	**245,022**	**246,440**	**265,223**	**290,700**	**232,536**	**267,780**	**284,878**
Coastal Area Road Improvement and Traffic Signals (CARITS)									
Non-Operating (Reimburse County)	-	-	261,786	Fund Closed in Fiscal Year 2021-22					
Total Coastal Area Road Improvement and Traffic Signals (CARITS)	**-**	**-**	**261,786**						
Service Authority for Abandoned Vehicles									
Inactive or Carryover Accounts									
Program Activity	-	-	-	-	-	-	-	-	-
Total Service Authority for Abandoned Vehicles	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Supplemental Law Enforcement Services Act									
Active Accounts									
Law Enforcement Services	154,100	158,100	158,100	158,100	176,100	176,100	176,100	231,600	231,600
Total Supplemental Law Enforcement Services Act	**154,100**	**158,100**	**158,100**	**158,100**	**176,100**	**176,100**	**176,100**	**231,600**	**231,600**
Mobile Source Reduction									
Active Accounts									
City-Owned Electric Vehicle Charging	-	-	-	-	-	-	-	10,000	10,500
Inactive or Carryover Accounts									
Program Activity	1,581	-	-	-	-	-	-	-	-
City Hall Refurbishment and Safety Project: Phase 3 and Electric Vehicle Charging Infrastructure (Design)	5,285	290	-	-	-	-	-	-	-
City Hall Electric Vehicle Charging Infrastructure Project	-	-	-	81,789	10,711	-	-	-	-
City Hall Electric Vehicles	-	-	-	-	-	160,000	154,794	-	-
Total Mobile Source Reduction	**6,866**	**290**	**-**	**81,789**	**10,711**	**160,000**	**154,794**	**10,000**	**10,500**
Used Oil/Oil Payment Program									
Contract - Solid Waste	-	5,326	Fund Closed in Fiscal Year 2020-21						
Total Used Oil/Oil Payment Program	**-**	**5,326**							
PEG/Cable Television									
Active Accounts									
Equipment & Maintenance	-	3,000	-	-	5,540	15,000	-	15,000	15,000
Inactive or Carryover Accounts									
City Hall Television Broadcast Improvement Project	-	101,668	-	-	-	-	-	-	-
Total PEG/Cable Television	**-**	**104,668**	**-**	**-**	**5,540**	**15,000**	**-**	**15,000**	**15,000**
Senior Mobility									
Active Accounts									
Contract - Transportation	28,054	12,219	9,518	6,948	364,563	873,100	873,096	316,369	675,452
Grant - Orange County EMSD 2024	-	-	-	-	-	-	-	325,000	-
Office Supplies & Activities	-	-	-	3,404	12,243	28,500	28,526	10,229	10,454
Printing	3,775	4,224	1,629	2,370	794	2,000	1,037	1,000	1,000
Inactive or Carryover Accounts									
Contract - Taxi Voucher NEMT	54,622	28,847	3,914	5,389	-	-	-	-	-
Indirect Costs Allocation	-	-	-	2,707	-	-	-	-	-
Salaries, Full-Time	2,954	22,421	22,819	9,159	-	-	-	-	-
Total Senior Mobility	**89,405**	**67,711**	**37,880**	**29,977**	**377,600**	**903,600**	**902,659**	**652,598**	**686,906**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
Community Development Block Grant (CDBG)									
Active Accounts									
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9	-	-	-	-	-	-	-	500,000	-
Pedestrian Accessibility Improvement Project: Phase 10	-	-	-	-	-	-	-	-	500,000
Inactive or Carryover Accounts									
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3	145,699	-	-	-	-	-	-	-	-
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4	-	144,013	-	-	-	-	-	-	-
COVID-19 CDBG-CV (Face Coverings Reimbursement Program)	-	33,713	-	-	-	-	-	-	-
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5	-	-	349,546	-	-	-	-	-	-
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6	-	-	-	42,472	108,738	-	-	-	-
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6B	-	-	-	-	165,747	-	-	-	-
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7	-	-	-	-	142,308	-	-	-	-
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8	-	-	-	-	-	150,000	150,000	-	-
Total Community Development Block Grant (CDBG)	**145,699**	**177,726**	**349,546**	**42,472**	**416,793**	**150,000**	**150,000**	**500,000**	**500,000**
Federal Grants									
Active Accounts									
American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds)									
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8	-	-	-	-	-	61,917	61,917	-	-
Circulation Improvement Project - Fiscal Year 2024-25	-	-	-	-	-	161,577	74,547	-	-
City Hall Complex Parking Lot Improvement Project	-	-	-	-	87,909	-	41,804	-	-
City Hall/Public Library Project	-	-	675,132	1,212,840	165,291	-	26,979	-	-
El Toro Road and Moulton Parkway Water Quality Treatment Project	-	-	-	-	313,410	50,797	151,979	-	-
El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora)	-	-	-	-	166,470	-	-	-	-
Electronic Message Board Signs and Speed Awareness Monitor	-	-	-	-	-	63,334	63,334	-	-
Law Enforcement Services	-	-	-	-	-	110,687	110,687	-	-
Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)	-	-	-	-	-	160,943	141,900	-	-
Ridge Route Drive Drainage Repair Project	-	-	-	-	54,176	-	85,129	-	-
Ridge Route Drive Landscape Project	-	-	-	177,670	-	-	-	-	-
Woods End Wilderness Preserve Trail Drainage and Improvement Project	-	-	-	-	37,500	36,907	36,907	-	-
Inactive or Carryover Accounts									
Coronavirus Aid, Relief, and Economic Security (CARES) Act - State	-	187,805	-	-	-	-	-	-	-
Coronavirus Aid, Relief, and Economic Security (CARES) Act - County	30,985	116,911	-	-	-	-	-	-	-
Total Federal Grants	**30,985**	**304,716**	**675,132**	**1,390,510**	**824,756**	**646,162**	**795,183**	**-**	**-**

CITY OF LAGUNA WOODS
Fiscal Years 2025-27 Budget & Work Plan
Expenditures Detail - Special Revenue Funds

Line Item	Fiscal Year 2019-20 Actual	Fiscal Year 2020-21 Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Actual	Fiscal Year 2024-25 Budget	Fiscal Year 2024-25 Projection	Fiscal Year 2025-26 Budget	Fiscal Year 2026-27 Budget
State of California Grants									
Active Accounts									
CRRSAA - Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta)	-	-	-	-	-	200,000	200,000		
Household Hazardous Waste Grant Program, Cycle 41	-	-	-	-	2,988	-	7,130	-	-
Local Early Action Planning (LEAP) Grant	-	12,839	52,161	-	-	-	-	-	-
Permanent Local Housing Allocation (PLHA)	-	-	-	-	-	-	-	-	-
SB 1383 Local Assistance Grant Program	-	-	-	5,779	17,850	710	710	-	-
SB 1383 Local Assistance Grant Program FY 22-23	-	-	-	-	1,367	-	19,329	-	-
Senate Bill 2 Planning Grant	-	75,340	24,616	60,044	-	-	-	-	-
Proposition 68 (Per Capita Program) - Woods End Wilderness Preserve Trail Drainage and Improvement Project	-	-	-	-	-	-	-	-	-
State Budget Appropriation - City Hall/Public Library Project	-	-	507,418	-	-	-	-	-	-
Total State of California Grants	**-**	**88,179**	**584,195**	**65,823**	**22,205**	**200,710**	**227,169**	**-**	**-**
Miscellaneous Special Revenue									
Active Accounts		Fund Opened in Fiscal Year 2022-23							
National Opioid Settlement									
Janssen				-	-	-	-	-	-
Distributors				-	-	-	-	-	-
NOAT II				-	-	-	-	-	-
Walmart				-	-	-	-	-	-
Walgreens				-	-	-	-	-	-
Teva				-	-	-	-	-	-
CVS				-	-	-	-	-	-
Allergan				-	-	-	-	-	-
McKinsey				-	-	-	-	-	-
Endo				-	-	-	-	-	-
Total Miscellaneous Special Revenue				**-**	**-**	**-**	**-**	**-**	**-**
Laguna Woods Civic Support Fund									
Active Accounts									
E2 - Corporate Fees	-	-	-	-	46	100	25	100	100
E3 - Information Technology	-	-	-	-	96	100	180	200	200
Inactive or Carryover Accounts									
E1 - Contract Services	-	-	-	-	-	-	-	-	-
E4 - Supplies and Printing	8,438	3,579	334	3,890	-	-	-	-	-
E5 - Supportive Contributions, Friends of the Library	-	-	-	-	48,510	-	-	-	-
E6 - Supportive Contributions, Friends of the Dog Park	-	-	-	-	-	-	-	-	-
E7 - Miscellaneous	1,129	-	-	-	-	100	-	-	-
Total Laguna Woods Civic Support Fund	**9,567**	**3,579**	**334**	**3,890**	**48,652**	**300**	**205**	**300**	**300**
TOTAL SPECIAL REVENUE FUNDS (ALL EXPENDITURES)	**1,464,817**	**1,762,282**	**2,865,148**	**2,628,900**	**2,770,583**	**3,042,090**	**3,115,800**	**2,597,659**	**2,697,970**

Note: References to "Active," "Inactive," and "Carryover" accounts are for organizational purposes only and do not limit the City Manager's ability to utilize or add accounts during the term of this Budget & Work Plan.

CITY WORK PLAN

CHAPTER
7.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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7.0. CITY WORK PLAN

This chapter describes 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

This budget and work plan generally includes the continuation of programs, projects, and services that were ongoing or underway as of the close of Fiscal Year 2024-25 including, but not limited to, the following:

Public Safety

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

  For more information: www.ocsheriff.gov

- **Fire and emergency medical services.** Due to the City's membership in the Orange County Fire Authority, fire and emergency medical services will continue to be provided by the Orange County Fire Authority. This budget and work plan does not include revenue and expenses for fire and emergency medical services due to the City being a "structural fire fund city" (for more information, please refer to page 1.0-4).

  For more information: www.ocfa.org

- **Animal control and 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. Laguna Woods residents and their pets will continue to enjoy the high quality of services provided by

the City of Laguna Beach's Animal Services Division, including access to a humane animal shelter located in nearby Laguna Canyon.

For more information: www.lagunabeachcity.net/government/departments/police/animal-services

Waste & Recycling

- **Solid waste handling services**. This budget and work plan continues the City's contract relationship with CR&R Incorporated for solid waste handling services, including residential and commercial collection.

  The City grants a franchise agreement for solid waste handling services as part of its efforts to comply with the California Integrated Waste Management Act of 1989 (California Assembly Bill 939; Sher, Chapter 1095, Statutes of 1989), which declares that the responsibility for solid waste management is shared between the State of California and local governments. The California Integrated Waste Management Act of 1989 requires local governments to make adequate provision for solid waste handling both within their jurisdiction and in response to regional needs. In doing so, local governments are also required to comply with laws including:

  - Federal Resource Conservation and Recovery Act
  - California Assembly Bill 341 (Chesbro, Chapter 476, Statutes of 2011) – commercial recycling
  - California Assembly Bill 1826 (Chesbro, Chapter 727, Statutes of 2014) – commercial organic recycling
  - California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016) – residential organic recycling

- **Special waste disposal services.** This budget and work plan continues the following special waste disposal services:

  - **City Hall Waste Drop-Off Program:** Allows Laguna Woods residents to safely and easily dispose of home-generated sharps waste, non-vehicle batteries, and certain other items by dropping them off at City Hall, at no charge.
  - **Edible Food Recovery Program:** Provides education, resources, monitoring, and enforcement related to state requirements for

certain commercial edible food generators to arrange to recover the maximum amount of edible food that would otherwise be disposed. This program is required by California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016).

- **Household Document Shredding Drop-Off Service:** Allows Laguna Woods residents to drop off personal documents at City Hall for shredding, at no charge.
- **Household Hazardous Waste Door-to-Door Collection Program:** Allows Laguna Woods residents to safely and easily dispose of paint, aerosols, chemicals, light bulbs, motor oil, vehicle batteries, and other household hazardous waste, at no charge

- **Mulch procurement.** The budget and work plan continues the annual purchase of 1,100 tons of mulch from the Golden Rain Foundation of Laguna Woods ("GRF") as part of the City's efforts to comply with California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016). The mulch is immediately donated back to GRF for certain specified use.

Development and Zoning Control

State law requires all cities to adopt a comprehensive, long-term general plan to guide physical development. The City implements its General Plan, in part, through its Municipal Code, which contains ordinances with specific requirements related to development and zoning (how land can be used).

Building Permitting and Inspection

State law requires all cities (and counties in areas where there is no city) to enforce the California Building Standards Code. The California Building Standards Code contains statewide standards for the design, construction, alteration, and maintenance of buildings, structures, and certain equipment. New editions of the California Building Standards Code are adopted by the California Building Standards Commission every three years with additional errata and supplements adopted in intervening years. Due to the frequency with which the California Building Standards Code changes, projects constructed today are likely to be required to comply with standards different than projects that were constructed previously.

While homeowners associations may choose to require their own permit-type approvals, review plans, and perform inspections, those requirements are in addition to, and are not a substitute for, the City's obligations under state

law. Though requirements may appear similar, homeowners associations typically focus on ensuring compliance with their own rules, rather than with the California Building Standards Code. As is the case throughout California, buildings, structures, and certain equipment within a homeowners association are still required to comply with the California Building Standards Code.

Water Quality (Stormwater)

The City works to address water pollution affecting the municipal separate storm sewer system and waters of the United States, including by complying with National Pollutant Discharge Elimination System ("NPDES") permits issued by regional water quality control boards under authority of the 1972 Federal Water Pollution Control Act (also referred to as the Clean Water Act).

Senior Mobility Program

The City offers a Senior Mobility Program that subsidizes the cost of taxi travel for Laguna Woods residents who are at least 60 years of age. Made possible, in part, with the generous support of the Orange County Transportation Authority and Orange County's Measure M2 (OC Go) half-cent sales tax, the Senior Mobility Program promotes lifelong mobility through the provision of affordable, older adult-oriented transportation services.

Notary and Foreign Pension Acknowledgements

Notary and foreign pension acknowledgement services are available at City Hall. Laguna Woods residents receive most services free of charge.

Public Streets and Property

The City is responsible for operating and maintaining:

- City Hall
- Public Library Building
- The portions of El Toro Road, Moulton Parkway, Ridge Route Drive, and Santa Maria Avenue that are located within Laguna Woods
- "A Place for Paws" Dog Park
- City Centre Park
- Woods End Wilderness Preserve

- An undeveloped 0.32 acre parcel located west of the intersection of Santa Vittoria Drive and San Remo Drive
- 224 residential streetlights located within Laguna Woods Village

For more information, please refer to pages 1.0-5 and 1.0-6.

SIGNIFICANT CHANGES IN SERVICE LEVELS

The following significant changes in service levels will be made beginning in Fiscal Year 2025-26:

- **Senior Mobility Program.** Trips to and from Laguna Woods and the Laguna Hills Transportation Center and the Santa Ana Regional Transportation Center will be 100% subsidized ($0 co-pay).

Additional changes in service levels are described in the Significant Work Plan Items tables beginning on page 7.0-7, as well as in the City Capital Projects chapter beginning on page 8.0-1.

SIGNIFICANT WORK PLAN ITEMS

For ease of reference and to assist with implementation, programs, projects, and services that represent significant new and/or limited-term undertakings by the City are presented in tables beginning on page 7.0-7.

The Significant Work Plan Items tables are presented alphabetically by lead department.

The following information is included in the Significant Work Plan Items tables:

- ID – A numerical designation for reference purposes only
- Description – A brief summary of 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 significant work plan item, only the primary priority focus areas are shown in the table
- Lead Department – Designation of the City personnel who are primarily responsible for implementing the significant work plan item

- Scheduling Consideration – Notes regarding any timing requirements or other factors that affect when a significant work plan item must be undertaken or completed

This work plan does not limit the City Manager's ability to undertake or cause to be undertaken such work as may be necessary or advantageous for the City, or as may change from time to time.

This work plan does not limit the City Manager's ability to schedule, manage, or assign work as may be necessary or advantageous for the City, or as may change from time to time.

The City Manager is authorized to pursue funding to implement this work plan and other work as may be necessary or advantageous for the City, or as may change from time to time.

The City Council retains the ability to modify this work plan at its discretion.

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

[Significant Work Plan Items]

Priority Alignment Legend **THE CITY OF LAGUNA WOODS SEEKS TO CREATE *A CITY THAT IS…***					
Healthy and safe	*High in quality of life*	*Environmentally conscious*	*Economically prosperous*	*Fiscally responsible*	*Professionally and efficiently served*

ID	Description	Priority Alignment
1	**.gov Domain Transition** – Implement California Assembly Bill 1637 (Irwin, Chapter 586, Statutes of 2023), which requires local agencies to utilize either ".gov" or ".ca.gov" domains for websites and email addresses beginning on January 1, 2029. The City has obtained the "lagunawoods.gov" domain.	
Lead Department:	Administrative Services	
Scheduling Consideration:	No later than January 1, 2029	

ID	Description	Priority Alignment
2	**Document Retention Policy Update** – Review and update the City's document retention policy in order to efficiently and effectively manage the maintenance, preservation, and disposal of City records in a manner that complies with applicable federal, state, and local laws, as well as contractual obligations.	
Lead Department:	City Clerk's Office	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
3	**Pavement Management Plan Update for Fiscal Years 2026-36** – 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 is also a biennial requirement for the receipt of Measure M2 (OC Go) funds.	
Lead Department:	Engineering & Infrastructure Services	
Scheduling Consideration:	No later than June 30, 2026	

ID	Description	Priority Alignment
4	**Tree City USA Community Designation** – Take the actions required to qualify the City for recognition as a Tree City USA Community by the Arbor Day Foundation. Tree City USA Communities meet four forestry-related standards established by the Arbor Day Foundation and the National Association of State Foresters.	
Lead Department:	Engineering & Infrastructure Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
5	**2025 Triennial California Building Standards Code Adoption** – Adopt regulations implementing the 2025 Triennial California Building Standards Code, including any local building standards amendments that are reasonably necessary due to local climatic, geological, topographic, or environmental conditions.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	2025 Code is effective January 1, 2026	

ID	Description	Priority Alignment
6	**Building and Planning Records Digitization** – Convert paper records to digital files in order to enhance long-term preservation, improve ease of reference, and reduce physical storage needs. While the City's digitization goals extend to all departments, the current work effort is focused on building and planning records.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
7	**Discretionary Zoning Permits and Procedures Regulations** – Review and update the City's discretionary zoning permits and procedures regulations in order to better align zoning activities with local needs, as well as to enhance the efficiency and effectiveness of the discretionary review and permitting process.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
8	**General Plan Housing Element Implementation** – Implement the City's 6th Cycle General Plan Housing Element in a manner consistent with the goals, policy objectives, and programs identified therein. Most of the Housing Element's 34 programs are "ongoing" or contemplate completion prior to December 31, 2025.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	See General Plan Housing Element	

ID	Description	Priority Alignment
9	**General Plan Update – Conservation and Open Space Elements** – Review and update the City's General Plan Conservation and Open Space elements, which were last updated in 2012 and 2007, respectively. The General Plan is required by state law and is a comprehensive, long-term plan to guide physical development.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
10	**General Plan Update – Mobility Element** – Review and update the City's General Plan Mobility Element to comply with the truck routing requirements of California Assembly Bill 98 (Juan Carrillo, Chapter 931, Statutes of 2024). The General Plan is required by state law and is a comprehensive, long-term plan to guide physical development.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	No later than January 1, 2028	

ID	Description	Priority Alignment
11	**General Plan Update – Safety Element** – Review and update the City's General Plan Safety Element, which was last updated in 2014 and is required to be updated due to the recent Housing Element update. The General Plan is required by state law and is a comprehensive, long-term plan to guide physical development.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
12	**Group Home and Sober Living Home Regulations** – Adopt an ordinance regulating group homes (supportive living environments for persons who are disabled) and sober living homes (alcoholism or drug abuse recovery or treatment facilities). State law does not allow cities to prohibit group homes or sober living homes.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
13	**Objective Design and Development Regulations** – Refine the City's objective design and development regulations for new and redevelopment projects (e.g., architectural and landscape standards). Regulations applicable to housing projects will not conflict with California Senate Bill 9 (Atkins, Chapter 162, Statutes of 2021).	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
14	**State Trash Orders Compliance** – Take actions necessary to comply with the State Water Resources Control Board's Statewide Water Quality Control Plans for Trash, which generally require the installation, operation, and maintenance of full capture systems for all storm drains that capture stormwater runoff from priority land uses.	
Lead Department:	Planning & Environmental Services	
Scheduling Consideration:	Regional Water Quality Control Board orders	

ID	Description	Priority Alignment
15	**Automated License Plate Reader Deployment** – Continue to deploy automated license plate readers to expand the automated license plate recognition system contracted for by the City. The system is used by the Orange County Sheriff's Department for official law enforcement purposes only.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
16	**Emergency Operations Plan Update** – Review and update the City's Emergency Operations Plan with a focus on enhancing alert, warning, and evacuation planning, particularly in the event of wildfires. Updates will also be made to reflect changes in the City's organizational structure and to integrate with external plans.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
17	**Fire Risk Reduction Community List** – Take the actions required to qualify the City for inclusion on a future Fire Risk Reduction Community List approved by the California State Board of Forestry and Fire Protection. Listed cities meet best practices for local fire planning and receive priority for certain wildfire prevention grants.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	Applications are accepted every two years	

ID	Description	Priority Alignment
18	**Local Hazard Mitigation Plan Update** – Review and update the City's Local Hazard Mitigation Plan in order to further a long-term strategy to lessen the impacts of wildfires, floods and other natural disasters. A Local Hazard Mitigation Plan is also a requirement for the receipt of certain federal disaster assistance funds.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
19	**National Opioid Settlement** – Identify and implement an eligible opioid remediation use for the revenue received as a result of the City's participation in the National Opioid Settlement. Eligible uses generally support treatment of Opioid Use Disorder and any co-occurring substance use disorder or mental health conditions.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
20	**Potential New Fire Station** – Continue to pursue the potential long-term lease of approximately 0.32 acres of the 0.56 acre City Centre Park property for use as a new Orange County Fire Authority fire station. The new fire station would operate in addition to the existing Laguna Woods fire station on Paseo de Valencia.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
21	**Public Safety Grant Program** – Develop and launch a grant program to financially incentivize (1) early implementation of the California Board of Forestry and Fire Protection's forthcoming Zone 0 defensible space regulations and (2) registration and integration of security cameras with the Orange County Sheriff's Department.	
Lead Department:	Public Safety Services	
Scheduling Consideration:	-	

ID	Description	Priority Alignment
22	**Requests for Proposals** – Conduct competitive processes to select contract providers for the following services: <u>Fiscal Year 2025-26</u> *Engineering & Infrastructure Services* • Street, Right-of-Way, and Infrastructure Maintenance Services – for services beginning July 1, 2026 • Street Sweeping Services – *for services beginning July 1, 2026* • Traffic Engineering Services – *for services beginning July 1, 2026* • Tree Pruning and Removal Services – for services beginning April 1, 2026 *Planning & Environmental Services* • Building Plan Review and Certified Access Specialist ("CASp") Services – *for services beginning January 1, 2026* • Hazardous Waste Handling Services – for services beginning July 1, 2026 <u>Fiscal Year 2026-27</u> *Administrative Services*	

	• Annual Audit Services – for services beginning April 1, 2027 (Fiscal Year 2026-27 annual audit) *City Manager's Office* • Senior Mobility Program Transportation Services – for services beginning July 1, 2027 *Engineering & Infrastructure Services* • Tree Pruning and Removal Services – for services beginning April 1, 2027	
Lead Department:	See "Description" above	
Scheduling Consideration:	See "Description" above	

FUTURE OUTLOOK FOR SIGNIFICANT WORK PLAN ITEMS

Permitting Process for Hydrogen-Fueling Stations – California Senate Bill 1418 (Archuleta, Chapter 607, Statutes of 2024) requires all cities and counties with populations less than 250,000 to create an expedited, streamlined permitting process for hydrogen-fueling stations no later than September 30, 2028. Staff recommends preparing and adopting the required ordinance and checklist as part of the Fiscal Years 2027-29 Budget & Work Plan.

Speed Limits for Public Streets – Speed limits for public streets (El Toro Road, Moulton Parkway, Ridge Route Drive, and Santa Maria Avenue) were most recently adopted on November 20, 2024. Staff recommends preparing and presenting the next engineering and traffic survey to review and potentially recommend amendments of speed limits no later than December 31, 2031 (the Fiscal Years 2031-33 Budget & Work Plan).

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CITY CAPITAL PROJECTS

CHAPTER
8.0

BUDGET & WORK PLAN

Fiscal Years 2025-27

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8.0. CITY CAPITAL PROJECTS

This chapter describes 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

The City Council adopts an 11-year Capital Improvement Program ("CIP") on an annual basis in order to assist with the long-term development of funding for major capital improvement projects. The City is required to adopt an at least seven-year CIP in order to receive funding from Orange County's Measure M2 (OC Go) 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, the City Council retains the ability to modify the CIP at its discretion and 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 California Public Contract Code Section 22002, 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 10-year Pavement Management Plan, work that is required to be included in the CIP for Measure M2 (OC Go) eligibility, and any other project so-designated by the City Council.

Major capital improvement projects are 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.

The term of this CIP is fiscal years 2025-26 through 2035-36.

CAPITAL PROJECTS APPROPRIATIONS SUMMARY – BUDGETED

The appropriations summarized below are included in the Fiscal Years 2025-27 Budget & Work Plan. For additional information on specific projects, please refer to the worksheets beginning on page 8.0-9.

Fiscal Year 2025-26

- *General Fund/Capital Projects Fund*
    - City Hall Complex Parking Lot Improvement Project ($50,000)
    - City Hall Refurbishment and Safety Project: Phase 5 ($1,600,000)
    - Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway) ($85,000) – will be reimbursed by the City of Laguna Hills
    - Public Works Warehouse Project ($50,000)
    - Transit Shelter and Street Furniture Project ($75,000)

  FUND TOTAL: $1,860,000
- *Road Maintenance & Rehabilitation Program Fund*
    - Circulation Improvement Project – Fiscal Year 2025-26 ($169,042)
    - Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway) ($346,782)

  FUND TOTAL: $515,824
- *Community Development Block Grant (CDBG) Fund*
    - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2025-26: $2,875,824

  64.68% General Fund, 35.32% Special Revenue Funds

Unspent appropriations approved prior to July 1, 2025 are expected to be carried over to Fiscal Year 2025-26 for the following projects, pursuant to Section 2.9.04(10) of Administrative Policy 2.9:

- *General Fund/Capital Projects Fund*
    - Circulation Improvement Project – Fiscal Year 2024-25

- City Centre Park Enhancement Project
- City Hall Refurbishment and Safety Project: Phase 4
- City Hall Refurbishment and Safety Project: Phase 5
- Paseo De Valencia – Moulton Parkway Confluence Bypass Corridor Project
- Woods End Wilderness Preserve Trail Drainage and Improvement Project

- *Federal Grants Fund*
  - Circulation Improvement Project – Fiscal Year 2024-25
  - Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)
- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)
- *State of California Grants Fund*
  - Woods End Wilderness Preserve Trail Drainage and Improvement Project

Fiscal Year 2026-27

- *General Fund/Capital Projects Fund*
  - Transit Shelter and Street Furniture Project ($350,000)

  FUND TOTAL: $350,000
- *Road Maintenance & Rehabilitation Program Fund*
  - Circulation Improvement Project – Fiscal Year 2026-27 ($135,209)
  - Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez) ($393,997)

  FUND TOTAL: $529,206
- *Community Development Block Grant (CDBG) Fund*
  - Pedestrian Accessibility Improvement Project: Phase 10 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2026-27: $1,379,206

  25.38% General Fund, 74.62% Special Revenue Funds

Unspent appropriations approved prior to July 1, 2026 are expected to be carried over to Fiscal Year 2026-27 for projects that are not yet complete, pursuant to Section 2.9.04(10) of Administrative Policy 2.9.

CAPITAL PROJECTS APPROPRIATIONS SUMMARY – PLANNED

The appropriations summarized below are planned for inclusion in future budgets and work plans. The City Council retains the ability to modify the CIP at its discretion and no funding commitment is created by planning for these projects. For additional information on specific projects, please refer to the worksheets beginning on page 8.0-47.

Fiscal Year 2027-28

- *Road Maintenance & Rehabilitation Program Fund*
    - Circulation Improvement Project – Fiscal Year 2027-28 ($236,873)
    - Pavement Management Plan Project (Westbound El Toro Road between Moulton Parkway and Calle Sonora) ($333,408)

  FUND TOTAL: $570,281
- *Community Development Block Grant (CDBG) Fund*
    - Pedestrian Accessibility Improvement Project: Phase 11 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2027-28: $1,070,281

Fiscal Year 2028-29

- *Road Maintenance & Rehabilitation Program Fund*
    - Circulation Improvement Project – Fiscal Year 2028-29 ($135,235)
    - Pavement Management Plan Project (Northbound Moulton Parkway between Via Campo Verde and Gate 12) ($331,000)

  FUND TOTAL: $466,235
- *Community Development Block Grant (CDBG) Fund*
    - Pedestrian Accessibility Improvement Project: Phase 12 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2028-29: $966,235

Fiscal Year 2029-30

- *Road Maintenance & Rehabilitation Program Fund*
    - Pavement Management Plan Project (Southbound Moulton Parkway between Gate 16 and Via Campo Verde) ($325,000)

  FUND TOTAL: $325,000
- *Community Development Block Grant (CDBG) Fund*
    - Pedestrian Accessibility Improvement Project: Phase 13 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2029-30: $825,000

Fiscal Year 2030-31

- *Road Maintenance & Rehabilitation Program Fund*
    - Pavement Management Plan Project (Westbound Santa Maria Avenue between Moulton Parkway and Terminus) ($350,000)

  FUND TOTAL: $350,000
- *Community Development Block Grant (CDBG) Fund*
    - Pedestrian Accessibility Improvement Project: Phase 14 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2030-31: $850,000

Fiscal Year 2031-32

- *Road Maintenance & Rehabilitation Program Fund*
    - Pavement Management Plan Project (Eastbound El Toro Road between City Limits and Aliso Creek Road, and Avenida Sevilla and Paseo De Valencia) ($276,000)

  FUND TOTAL: $276,000
- *Community Development Block Grant (CDBG) Fund*
    - Pedestrian Accessibility Improvement Project: Phase 15 ($500,000)

  FUND TOTAL: $500,000

  GRAND TOTAL – FISCAL YEAR 2031-32: $776,000

Fiscal Year 2032-33

- *Road Maintenance & Rehabilitation Program Fund*

- Pavement Management Plan Project (Westbound El Toro Road between Paseo De Valencia and Avenida Sevilla, and Tanager Lane and Calle Corta) ($343,000)

FUND TOTAL: $343,000

- *Community Development Block Grant (CDBG) Fund*
  - Pedestrian Accessibility Improvement Project: Phase 16 ($500,000)

FUND TOTAL: $500,000

GRAND TOTAL – FISCAL YEAR 2032-33: $843,000

Fiscal Year 2033-34

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Southbound Moulton Parkway between Santa Maria Avenue and Gate 16, and Via Iglesia and Calle Aragon) ($336,000)

FUND TOTAL: $336,000

- *Community Development Block Grant (CDBG) Fund*
  - Pedestrian Accessibility Improvement Project: Phase 17 ($500,000)

FUND TOTAL: $500,000

GRAND TOTAL – FISCAL YEAR 2033-34: $836,000

Fiscal Year 2034-35

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (*Placeholder for project per forthcoming Fiscal Years 2026-36 Pavement Management Plan*)

FUND TOTAL: $TBD

- *Community Development Block Grant (CDBG) Fund*
  - Pedestrian Accessibility Improvement Project: Phase 18 ($500,000)

FUND TOTAL: $500,000

GRAND TOTAL – FISCAL YEAR 2034-35: $TBD

Fiscal Year 2035-36

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (*Placeholder for project per*

forthcoming Fiscal Years 2026-36 Pavement Management Plan)

FUND TOTAL: $TBD

- *Community Development Block Grant (CDBG) Fund*
  - Pedestrian Accessibility Improvement Project: Phase 19 ($500,000)

FUND TOTAL: $500,000

GRAND TOTAL – FISCAL YEAR 2035-36: $TBD

FUTURE OUTLOOK FOR CAPITAL IMPROVEMENT PROJECTS

Active Transportation Plan

Developing an Active Transportation Plan is included as a significant work plan item in this budget and work plan. Once adopted, it is anticipated that additional projects will be identified for inclusion in this CIP.

Closed-Circuit Television (CCTV) Cameras at Signalized Intersections

Members of the City Council have expressed interest in installing CCTV cameras at signalized intersections to allow the City's traffic engineers to monitor and observe traffic flow in real time. The CCTV cameras would not serve an enforcement purpose (i.e., they would not be red light cameras or speed cameras). Staff agrees that the installation of CCTV cameras would improve the City's traffic operations capabilities and anticipates identifying opportunities for installation as part of future CIPs. *(Note: Staff consulted with the California State Controller's Office and was informed that the installation of CCTV cameras cannot be funded using Fuel Tax monies. As such, it is anticipated that General Fund appropriations would be required.)*

Local Hazard Mitigation Plan

Updating the City's Local Hazard Mitigation Plan is included as a significant work plan item in this budget and work plan. As a result of that update and the implementation of General Plan Housing Element Program H-3.2.3, it is anticipated that additional projects will be identified for inclusion in this CIP.

Pavement Management Plan

The City's 10-year Pavement Management Plan will undergo its next biennial update in Fiscal Year 2025-26 for a term spanning fiscal years 2026-27 through 2035-36. As a result of that update, it is anticipated that additional pavement

management plan projects will be identified for inclusion in this CIP.

Statewide Water Quality Control Plans for Trash

The City is in the process of refining its strategy for complying with the State Water Resources Control Board's Statewide Water Quality Control Plans for Trash. As a result of that refinement, it is anticipated that additional projects will be identified for inclusion in this CIP.

Woods End Wilderness Preserve Detention Basin

During the design of the Woods End Wilderness Preserve Trail Drainage and Improvement Project, returning the detention basin located in Woods End Wilderness Preserve to a more natural condition was identified as a potential project to be added to this CIP in the future. To assist with the scoping of such a project, an engineering study to evaluate the hydrologic function and need of the detention basin should be completed.

Unfunded and/or Unscheduled Projects

The following projects are presently unfunded and unscheduled, but may be undertaken in the event funds are appropriated, grant funding is obtained, or funding otherwise becomes available:

- Bus Stop Relocation Project – Eastbound El Toro Road past Moulton Parkway
- City Hall Complex Emergency Backup Generator Project
- City Hall Refurbishment and Safety Project – Future Phases
- El Toro Road Green Street and Flood Relief Project
- Ridge Route Drive Utility Undergrounding Project
- Streetscape Enhancement Project – Moulton Parkway
- Streetscape Enhancement Project – Santa Maria Avenue

For additional information on presently unfunded and unscheduled projects, please refer to the worksheets beginning on page 8.0-47.

CAPITAL IMPROVEMENT PROGRAM
PROJECT WORKSHEETS

CARRYOVER PROJECTS TO
FISCAL YEAR 2025-26

QUICK REFERENCE	
Project Title	Page Number
Circulation Improvement Project – Fiscal Year 2024-25	8.0-11
City Hall Complex Parking Lot Improvement Project	8.0-13
City Centre Park Enhancement Project	8.0-14
City Hall Refurbishment and Safety Project: Phase 4	8.0-16
City Hall Refurbishment and Safety Project: Phase 5	8.0-18
Paseo de Valencia - Moulton Parkway Confluence Bypass Corridor Project	8.0-19
Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)	8.0-22
Woods End Wilderness Preserve Trail Drainage and Improvement Project	8.0-24

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CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Circulation Improvement Project – Fiscal Year 2024-25

Funding Status: Funded (2024-25)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

This project involves the addition of a safety light over a pedestrian crosswalk, the installation of new accessible pedestrian signals, the replacement of illuminated street name signs, and other traffic-related improvements.

Planned Safety Light Additions

- (1) Moulton Parkway/Via Campo Verde

Planned Accessible Pedestrian Signal Installations

- El Toro Road/Avenida Sevilla

Other Planned Improvements

- Pedestrian crosswalk button relocation – southeast corner of El Toro Road/Avenida Sevilla (east-west crosswalk)
- Traffic signal modification – southbound Moulton Parkway-facing side of Moulton Parkway/Via Iglesia
- New flashing yellow beacon and sign – southbound Moulton Parkway approaching Moulton Parkway/Via Iglesia
- Traffic signal backplate and visor replacements – El Toro Road/Avenida Sevilla, Moulton Parkway/Via Campo Verde, and Moulton Parkway/Via Iglesia

Purpose

This project is intended to improve the ease and safety of pedestrian and vehicular travel by increasing intersection and crosswalk visibility, as well as enhancing crosswalk operation.

Replacing traffic signal backplates and visors is also intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface.

Though not explicitly called for in the General Plan Housing Element, this project supports Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons)* and Policy Objective H-3.1 *(Enhance access to housing)*.

[Housing Element H-3.1.1 Analysis –
Circulation Improvement Project – Fiscal Year 2024-25]

Improvements	U.S. Census Tract(s)	Notes
Safety light addition at Moulton Parkway/Via Campo Verde	60590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Accessible pedestrian signal at El Toro Road/Avenida Sevilla	60590626.22 and 60590626.46	Census Tract 60590626.22 has a low resource designation 3, and Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map

Cost

The one-time cost of designing and constructing this project is estimated at $193,181.15 (as of January 2025; subject to the completion of construction).

Funding

$161,577.15 in American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds and $31,604 in General Fund monies will be used to fund this project.

- Fiscal Year 2024-24: Federal Grants Fund ($161,577.15)
- Fiscal Year 2024-25: General Fund/Capital Projects Fund ($31,604)
  TOTAL: $193,181.15

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
City Hall Complex Parking Lot Improvement Project

Funding Status: Partially Funded (2023-24, 2025-26)

Priority Alignment:

Healthy and safe

Project Description

This project involves repaving the asphalt parking lot and driveways at the City Hall Complex (including adjusting grades and restriping); replacing cracked and lifted concrete curbs and gutters; improving overhead lighting; installing an additional dual-port, Level 2 electric vehicle charging station; laying conduit to accommodate potential future surveillance cameras and a step-up transformer to provide sufficient power for Level 3 electric vehicle charging stations; planting additional trees; and, refreshing landscaping.

Purpose

This project is intended to address maintenance needs and ensure that City Hall remains accessible, functional, safe, and secure. The work will safeguard and enhance the City's only public building and seat of government.

Cost

The one-time cost of designing this project is estimated at $91,804. The one-time cost of constructing this project is not yet known. A construction budget will be considered after design documents are completed.

Funding

$41,804 in American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds and $50,000 in General Fund monies will be used to fund this project.

- Fiscal Year 2023-24: Federal Grants Fund ($41,804)
- Fiscal Year 2025-26: General Fund/Capital Projects Fund ($50,000)
  TOTAL: $91,804

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
City Centre Park Enhancement Project

Funding Status: Partially Funded (2024-25)

Priority Alignment:

Healthy and safe

Environmentally conscious

Project Description

This project involves redeveloping City Centre Park within a smaller footprint that allows for the co-location of a potential future fire station and adding shade from tree canopies, landscaping including manicured planter beds and educational signage for a botanic garden-type look, seating areas, and public art. Notable aspects of this project include the following:

- This project includes the City's first public art installation. The City will collaborate with one or more local artists to create an installation that highlights the area's Native American and agricultural history.

- This project includes the addition of habitat to support the breeding and migration of Monarch butterflies (generally, a variety of milkweed and nectar plants with staggered flowering or blooming times) and related educational signage.

Purpose

California Senate Bill 475 (Min, Chapter 287, Statutes of 2023) authorizes the City to use a portion of City Centre Park as a fire station and for public safety purposes, subject to the reinvestment of $212,000 in capital improvements in the remaining City Centre Park. This project is intended to construct the capital improvements required by California Senate Bill 475 and enhance the recreational utility of City Centre Park.

Cost

The one-time cost of designing this project is estimated at $125,000. The one-time cost of constructing this project is not yet known. A construction budget will be considered after design documents are completed.

Funding

General Fund monies will be used to fund this project ($125,000).

It is anticipated that the Orange County Fire Authority will reimburse the City for costs associated with this project, subject to negotiation of the same in a lease agreement for use of a portion of City Centre Park as a fire station.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
City Hall Refurbishment and Safety Project: Phase 4

Funding Status: Funded (2023-24, 2024-25)

Priority Alignment:

Healthy and safe

Professionally and efficiently served

Project Description

This project involves refurbishments and safety improvements at City Hall.

Phase 4: Includes the replacement of windows, doors, balcony railing, and carpeting; construction of new ceilings, walls, windows, and doors; lighting improvement; heating, ventilation, and air conditioning improvement; and, other work related to accessibility, functionality, safety, and security.

Phase 4 (Elevator): Includes the modernization of the elevator machine room equipment, hall and car signals fixtures, hall and car door equipment, cab interior, and related control systems such as electrical and fire life safety.

Purpose

This project is intended to address maintenance needs and ensure that City Hall remains accessible, functional, safe, and secure. The work will safeguard and enhance the City's only public building and seat of government.

Cost

Phase 4: The one-time cost of designing and constructing this project is estimated at $600,000 (as of October 2024; subject to the completion of construction).

Phase 4 (Elevator): The one-time cost of designing and constructing this project is estimated at $322,482 (as of February 2025; subject to the completion of construction).

Funding

General Fund monies will be used to fund this project ($922,482).

- Fiscal Year 2023-24: General Fund/Capital Projects Fund ($250,000)

- Fiscal Year 2024-25: General Fund/Capital Projects Fund ($350,000)
- Fiscal Year 2024-25: General Fund/Capital Projects Fund ($322,482)
  TOTAL: $922,482

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
City Hall Refurbishment and Safety Project: Phase 5

Funding Status: Partially Funded (2023-24, 2025-26)

Priority Alignment:

Healthy and safe

Professionally and efficiently served

Project Description

This project involves refurbishments and safety improvements at City Hall. The scope of work includes the following:

- Remodel of the first-floor lobby, counter, and office areas
- Improvement of heating, ventilation, and air conditioning systems
- Other work related to accessibility, functionality, safety, and security

Purpose

This project is intended to address maintenance needs and ensure that City Hall remains accessible, functional, safe, and secure. The work will safeguard and enhance the City's only public building and seat of government.

Cost

The one-time cost of designing this project is estimated at $85,000. The one-time cost of constructing this project (including temporary relocation of City Hall functions during construction) is not yet known; however, $1,600,000 has been appropriated as a budgetary placeholder. A final construction budget will be considered after design documents are completed.

Funding

General Fund monies will be used to fund this project ($1,685,000).

- Fiscal Year 2023-24: General Fund/Capital Projects Fund ($85,000)
- Fiscal Year 2025-26: General Fund/Capital Projects Fund ($1,600,000)
  TOTAL: $1,685,000

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

Paseo de Valencia - Moulton Parkway Confluence Bypass Corridor Project

Funding Status: Funded (2024-25)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

This project is a joint project with the City of Laguna Hills. While the City of Laguna Hills serves as the lead agency, the City's participation requires that the project be added to the Capital Improvement Program and the required 20% cost-share be appropriated.

Improvements within Laguna Woods include the following:

- *Fiber communication upgrades* – installation of fiber optic communications cables and peripheral communications equipment along the project corridor spanning the five signalized intersections listed below and at City Hall. This is anticipated to require a combination of boring and trenching within public street and sidewalk areas.

    - El Toro Road/Avenida Sevilla
    - El Toro Road/Church Intersection
    - El Toro Road/Moulton Parkway
    - Moulton Parkway/Laguna Woods Village Gates 12 & 16
    - Moulton Parkway/Santa Maria Avenue

- *Traffic signal equipment upgrades* – signal controller/cabinet modifications at the five signalized intersections listed above.

Purpose

Benefits of this project include:

- *Enhanced traffic management* – Fiber optic cables have a higher bandwidth than copper wires, which means they can carry more data at the same time. This is important for traffic signal communications, as

it allows for the transmission of high-resolution video images and real-time traffic data for proactive traffic management.

- *Improved traffic flow* – Fiber optic communication is more reliable than copper cable communication, and modern controllers have more features and faster processing speed than the controllers currently used by the City This will allow for more immediate real-time data transfer between traffic signals and the City's traffic management system, enabling dynamic traffic signal timing adjustments and leading to smoother traffic flow and reduced congestion.

- *Improved safety* – Fiber optic communications and modern controllers can help improve safety by supporting advanced traffic management features that might be deployed in the future, such as adaptive/ responsive traffic signal timing and vehicle-to-infrastructure ("V2I") communications. Advanced traffic management can help to reduce the risk of accidents.

- *Scalability* – Fiber optic networks and modern controllers are highly scalable, accommodating future growth and changes in traffic patterns.

- *Support for emerging technologies* – The improvements will pave the way for the integration of emerging technologies like connected and automated vehicles, which require robust traffic signal infrastructure.

- *Cost savings* – The improvements will result in cost savings as some of the traffic signal equipment improvements are necessary in the short term even if grant funding had not obtained (in that case, the City would be responsible for all costs, as opposed to 20% of costs). Long-term operational savings are also anticipated due to reduced maintenance needs and improved traffic management.

Cost

The one-time cost of designing and constructing the Laguna Woods portion of this project is estimated at $549,727 (as of October 2023; subject to the completion of design documents, construction drawings, and competitive bidding). The City will be responsible for 20% of costs ($109,946).

Funding

General Fund monies will be used to fund the City's portion of project costs

($109,946). Grant funding from a 2024 Orange County Transportation Authority Regional Traffic Signal Synchronization Program (Project P) award will fund the balance of this project. The City of Laguna Hills, as the lead agency for this project, will account for and appropriate the grant award.

- Fiscal Year 2024-25: General Fund/Capital Projects Fund ($109,946) – *satisfies the 20% match required by the 2024 Orange County Transportation Authority Regional Traffic Signal Synchronization Program (Project P) award*
  TOTAL: $109,946

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)

Funding Status: Funded (2024-25)

Priority Alignment:

Healthy and safe

High in quality of life

Estimated Useful Life: 15 years from completion date

Project Description

This project involves the rehabilitation of deteriorated pavement along the specified street section(s), including asphalt concrete pavement cold milling and repaving. The work may also include the adjustment of utility covers and valves to grade; re-establishment of survey monuments, painted striping, and pavement markings; relocation of vehicle stop lines back from crosswalks; reconstruction of curbs, gutters, and sidewalks; installation of green-colored pavement in bikeways; and, replacement of traffic signal backplates, visors, and illuminated street name signs.

Planned Illuminated Street Name Sign Replacements

- El Toro Road/Aliso Creek Road
- El Toro Road/Calle Corta

Purpose

This project is part of the City's 10-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 October 2023, the specified street section had a PCI of 76.

Relocating vehicle stop lines back from pedestrian crosswalks is intended to promote expanded clearance zones for pedestrians.

Reconstructing curbs, gutters, sidewalks and other concrete road elements is intended to serve a maintenance function.

Installing green-colored pavement in bicycle lanes is intended to further consistency with Chapter 9C of the 2014 California Manual of Uniform Traffic Control Devices, which calls for the consideration of the use of green-colored pavement in bikeways where appropriate.

Replacing traffic signal backplates and visors is intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface.

Replacing illuminated street names signs is intended to serve a maintenance function and improve wayfinding.

Cost

The one-time cost of designing and constructing this project is estimated at $264,000 (as of March 2024; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

$64,000 in Road Maintenance & Rehabilitation Program Fund monies, $160,942.65 in American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds, and $200,000 in Coronavirus Response and Relief Supplemental Appropriations Act of 2021 – Non-STIP Program funds ("CRRSAA") will be used to fund this project ($264,000).

- Fiscal Year 2024-25: Road Maintenance & Rehabilitation Program Fund ($64,000)
- Fiscal Year 2024-25: Federal Grants Fund ($160,942.65)
- Fiscal Year 2024-25: State of California Grants Fund ($200,000)
  TOTAL: $424,942.65

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

Woods End Wilderness Preserve Trail Drainage and Improvement Project

Funding Status: Funded (2022-23)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

This project involves the construction and refurbishment of drainage and entry facilities at Woods End Wilderness Preserve, as well as work related to accessibility, safety, and security.

Purpose

This project is intended to improve drainage and manage stormwater runoff from the Woods End Wilderness Preserve trail. The work will also enhance the safety, visibility, and condition of City-maintained park areas.

Cost

The one-time cost of constructing this project is estimated at $272,560 (as of June 2022; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

$47,012 in General Fund monies, $188,048 in Proposition 68 (Per Capita) funds, and $37,500 in American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project.

- Fiscal Year 2022-23: General Fund/Capital Projects Fund ($47,012) – *satisfies the 20% match required by Proposition 68 (Per Capita Program)*
- Fiscal Year 2022-23: State of California Grants Fund ($188,048)
- Fiscal Year 2022-23: Federal Grants Fund ($37,500)
  TOTAL: $272,560

CAPITAL IMPROVEMENT PROGRAM
PROJECT WORKSHEETS

NEW PROJECTS FOR
FISCAL YEAR 2025-26

QUICK REFERENCE	
Project Title	Page Number
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9	8.0-27
Circulation Improvement Project – Fiscal Year 2025-26	8.0-30
Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway)	8.0-32
Public Works Warehouse Project	8.0-34
Transit Shelter and Street Furniture Project	8.0-35

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CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9

Funding Status: Contingent on the receipt of external funding (2025-26)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

About the Pedestrian Accessibility Improvement Project

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; reconstruction of driveway crossings; and/or, replacement of detectable warnings. The work may also include the modification of right-of-way to increase navigable area and clearances.

Improvements are prioritized using factors including the following, which are identified in General Plan Housing Element Program H-3.1.1:

- The California Office of Environmental Health Hazard Assessment's California Communities Environmental Health Screening Tool ("CalEnviroScreen") scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and

- Education domain scores from the California Tax Credit Allocation Committee ("TCAC")/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.

About Phase 9 – Primary Project

Phase 9 involves the reconstruction of the following driveway crossings:

- El Toro Road adjacent to the Lutheran Church of the Cross
- Santa Maria Avenue adjacent to Polly's Pies Restaurant & Bakery

[Housing Element H-3.1.1 Analysis – Phase 9]

Improvements	U.S. Census Tract(s)	Notes
Driveway crossing on El Toro Road	60590626.22	Target Census Tract – TCAC/HCD Opportunity Map
Driveway crossing on Santa Maria Avenue	60590626.21	Adjacent to census tracts 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map) and 60590626.22 (Target Census Tract – TCAC/HCD Opportunity Map)

About Phase 9 – Waitlist/Expanded Scope Project

If additional funding is available, Phase 9 will be expanded to include the installation of accessible pedestrian signals at the following intersections:

- El Toro Road/Calle Sonora
- El Toro Road/Home Depot & Town Centre
- El Toro Road/Moulton Parkway
- Moulton Parkway/Laguna Woods Village Gates 12 & 16
- Moulton Parkway/Via Campo Verde
- Santa Maria Avenue/Moulton Parkway

[Housing Element H-3.1.1 Analysis – Phase 9 – Waitlist/Expanded Scope]

Improvements	U.S. Census Tract(s)	Notes
Accessible pedestrian signal at El Toro Road/Calle Sonora	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at El Toro Road/Home Depot & Town Centre	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at El Toro Road/Moulton Parkway	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at Moulton Parkway/Laguna Woods	60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity

Village Gates 12 & 16		Map
Accessible pedestrian signal at Moulton Parkway/Via Campo Verde	60590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Accessible pedestrian signal at Santa Maria Avenue/Moulton Parkway	60590626.21 and 60590626.48	Census Tract 60590626.46 has a low resource designation 2 on 2025 TCAC/ HCD Opportunity Map

Purpose

This project is intended to improve the ease and safety of pedestrian travel, while also promoting compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

The improvements are also called for in the General Plan Housing Element as part of Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons*) and Policy Objective H-3.1 (*Enhance access to housing*).

Cost

Phase 9 – Primary Project

The one-time cost of designing and constructing this project is estimated at $250,000 (as of December 2024; subject to the completion of design documents, construction drawings, and competitive bidding).

Phase 9 – Waitlist/Expanded Scope Project

The one-time cost of designing and constructing this project is estimated at $250,000 (as of December 2024; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

The City anticipates using Community Development Block Grant ("CDBG") monies to fund this project ($250,000-$500,000). The maximum CDBG award has been appropriated ($500,000); however, if the City does not receive an award or is awarded an amount less than the maximum, the City Manager will reduce appropriations accordingly, pursuant to the authority set forth in Section 2.9.05 of Administrative Policy 2.9. No direct costs will be incurred until the effective date of a funding award.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Circulation Improvement Project – Fiscal Year 2025-26

Funding Status: Funded (2025-26)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

This project involves the addition of safety lights over pedestrian crosswalks and the replacement of various traffic signal components (backplates, visors, and illuminated street name signs).

Planned Safety Light Additions

- (1) El Toro Road/Lutheran Church & Catholic Church
- (1) El Toro Road/Avenida Sevilla

Planned Traffic Signal Backplate and Visor Replacements

- El Toro Road/Lutheran Church & Catholic Church

Planned Illuminated Street Name Sign Replacements

- El Toro Road/Lutheran Church & Catholic Church

Purpose

This project is intended to improve the ease and safety of pedestrian and vehicular travel by increasing intersection and crosswalk visibility.

Replacing traffic signal backplates, visors, and illuminated street names signs is also intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface. The new illuminated street name signs will include the City's logo consistent with previous City Council direction.

Though not explicitly called for in the General Plan Housing Element, this project supports Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons)* and Policy Objective H-3.1 *(Enhance access to housing)*.

[Housing Element H-3.1.1 Analysis –
Circulation Improvement Project – Fiscal Year 2025-26]

Improvements	U.S. Census Tract(s)	Notes
Safety light addition and illuminated street name sign replacements at El Toro Road/Lutheran Church & Catholic Church	60590626.22 and 60590626.46	Census Tract 60590626.22 has a low resource designation 3, and Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map
Safety light addition at El Toro Road/Avenida Sevilla	60590626.22 and 60590626.46	Census Tract 60590626.22 has a low resource designation 3, and Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map

Cost

The one-time cost of designing and constructing this project is estimated at $169,042 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

Road Maintenance & Rehabilitation Program Fund monies will be used to fund this project ($169,042).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway)

Funding Status: Funded (2025-26)

Priority Alignment:

Healthy and safe

High in quality of life

Estimated Useful Life: 15 years from completion date

Project Description

This project involves the rehabilitation of deteriorated pavement along the specified street section(s), including asphalt concrete pavement cold milling and repaving. The work may also include the adjustment of utility covers and valves to grade; re-establishment of survey monuments, painted striping, and pavement markings; relocation of vehicle stop lines back from crosswalks; reconstruction of curbs, gutters, and sidewalks; installation of green-colored pavement in bikeways; and, replacement of traffic signal backplates, visors, and illuminated street name signs.

Planned Sidewalk Reconstruction

- Santa Maria Avenue

Planned Traffic Signal Backplate and Visor Replacements

- El Toro Road/Moulton Parkway
- Moulton Parkway/Santa Maria Avenue

Planned Illuminated Street Sign Replacements

- El Toro Road/Moulton Parkway
- Moulton Parkway/Santa Maria Avenue

Purpose

This project is part of the City's 10-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 October 2023, the specified street section had a blended PCI of 81.6 for

all segments; the lowest segment PCI was 77.

Relocating vehicle stop lines back from pedestrian crosswalks is intended to promote expanded clearance zones for pedestrians.

Reconstructing curbs, gutters, sidewalks and other concrete road elements is intended to serve a maintenance function.

Installing green-colored pavement in bicycle lanes is intended to further consistency with Chapter 9C of the 2014 California Manual of Uniform Traffic Control Devices, which calls for the consideration of the use of green-colored pavement in bikeways where appropriate.

Replacing traffic signal backplates and visors is intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface.

Replacing illuminated street names signs is intended to serve a maintenance function and improve wayfinding.

Cost

The one-time cost of designing and constructing this project is estimated at $431,782 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). The City of Laguna Hills will reimburse the City for work conducted on the portion of the specified street section within its jurisdiction (estimated to be $85,000).

Funding

$85,000 in General Fund monies and $346,782 in Road Maintenance & Rehabilitation Program Fund monies will be used to fund this project. Expenses related to the work conducted on the portion of the specified street section within the City of Laguna Hills' jurisdiction will be paid using General Fund monies and reimbursed by the City of Laguna Hills.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Public Works Warehouse Project

Funding Status: Partially Funded (2025-26)

Priority Alignment:

Professionally and efficiently served

Project Description

This project involves the construction of a public works warehouse to store equipment, supplies, and materials, and serve as a staging area for the City's construction projects. Facility needs are estimated to be 1,500-2,500 square feet, a portion of which could be outdoors.

Purpose

This project is intended to allow the City to take possession of, and better manage, its equipment, supplies, and materials, which are currently stored in a private facility in the city of Laguna Niguel. This project will also provide a construction staging location other than the City Hall Complex's parking lot, which will reduce wear-and-tear on asphalt surfaces.

Cost

The one-time cost of designing and constructing this project is not yet known. $50,000 has been appropriated to provide for site evaluation, conceptual design, and related due diligence. A design and construction budget will be considered after those efforts are completed and a site is selected.

Funding

General Fund monies will be used to fund this project ($50,000).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Transit Shelter and Street Furniture Project

Funding Status: Partially Funded (2025-26, 2026-27)

Priority Alignment:

High in quality of life

Project Description

This project involves the replacement of all transit shelters and most street furniture on El Toro Road and Moulton Parkway with new transit shelters and street furniture.

Purpose

The transit shelters and most street furniture on El Toro Road and Moulton Parkway are currently supplied under a franchise agreement that ends on December 31, 2027. This project is intended to construct transit shelters and street furniture that better align with community aesthetics and needs, on or in advance of the anticipated expiration of that franchise agreement.

Cost

The one-time cost of designing this project is estimated at $75,000. The one-time cost of constructing this project is not yet known; however, $350,000 has been appropriated as a budgetary placeholder. A final construction budget will be considered after design documents are completed.

Funding

General Fund monies will be used to fund this project ($425,000).

- Fiscal Year 2025-26: General Fund/Capital Projects Fund ($75,000)
- Fiscal Year 2026-27: General Fund/Capital Projects Fund ($350,000)
  TOTAL: $425,000

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CAPITAL IMPROVEMENT PROGRAM
PROJECT WORKSHEETS

NEW PROJECTS FOR
FISCAL YEAR 2026-27

QUICK REFERENCE	
Project Title	Page Number
Circulation Improvement Project – Fiscal Year 2026-27	8.0-39
Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)	8.0-41
Pedestrian Accessibility Improvement Project: Phase 10	8.0-43

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CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Circulation Improvement Project – Fiscal Year 2026-27

Funding Status: Funded (2026-27)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

This project involves the addition of safety lights over pedestrian crosswalks and the replacement of various traffic signal components (backplates, visors, and illuminated street name signs).

Planned Safety Light Additions

- (1) Moulton Parkway/Santa Maria Avenue

Planned Traffic Signal Backplate and Visor Replacements

- Moulton Parkway/Laguna Woods Village Gates 12 & 16

Planned Illuminated Street Name Sign Replacements

- Moulton Parkway/Laguna Woods Village Gates 12 & 16
- Moulton Parkway/Via Campo Verde

Purpose

This project is intended to improve the ease and safety of pedestrian and vehicular travel by increasing intersection and crosswalk visibility.

Replacing traffic signal backplates, visors, and illuminated street names signs is also intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface. The new illuminated street name signs will include the City's logo consistent with previous City Council direction.

Though not explicitly called for in the General Plan Housing Element, this project supports Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons)* and Policy Objective H-3.1 *(Enhance access to housing)*.

[Housing Element H-3.1.1 Analysis –
Circulation Improvement Project – Fiscal Year 2026-27]

Improvements	U.S. Census Tract(s)	Notes
Safety light addition at Moulton Parkway/Santa Maria Avenue	60590626.21 and 60590626.48	Census Tract 60590626.46 has a low resource designation 2 on 2025 TCAC/ HCD Opportunity Map
Illuminated street name sign replacements at Moulton Parkway/ Laguna Woods Village Gates 12 & 16	60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Illuminated street name sign replacements at Moulton Parkway/Via Campo Verde	60590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)

Cost

The one-time cost of designing and constructing this project is estimated at $135,209 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

Road Maintenance & Rehabilitation Program Fund monies will be used to fund this project ($135,209).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)

Funding Status: Funded (2026-27)

Priority Alignment:

Healthy and safe

High in quality of life

Estimated Useful Life: 15 years from completion date

Project Description

This project involves the rehabilitation of deteriorated pavement along the specified street section(s), including asphalt concrete pavement cold milling and repaving. The work may also include the adjustment of utility covers and valves to grade; re-establishment of survey monuments, painted striping, and pavement markings; relocation of vehicle stop lines back from crosswalks; reconstruction of curbs, gutters, and sidewalks; installation of green-colored pavement in bikeways; and, replacement of traffic signal backplates, visors, and illuminated street name signs.

Planned Traffic Signal Backplate and Visor Replacements

- Moulton Parkway/Calle Cortez
- Moulton Parkway/Calle Aragon

Planned Illuminated Street Sign Replacements

- Moulton Parkway/Calle Cortez
- Moulton Parkway/Via Iglesia
- Moulton Parkway Calle Aragon

Purpose

This project is part of the City's 10-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 October 2023, the specified street section had a blended PCI of 80.3 for all segments; the lowest segment PCI was 78.

Relocating vehicle stop lines back from pedestrian crosswalks is intended to promote expanded clearance zones for pedestrians.

Reconstructing curbs, gutters, sidewalks and other concrete road elements is intended to serve a maintenance function.

Installing green-colored pavement in bicycle lanes is intended to further consistency with Chapter 9C of the 2014 California Manual of Uniform Traffic Control Devices, which calls for the consideration of the use of green-colored pavement in bikeways where appropriate.

Replacing traffic signal backplates and visors is intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface.

Replacing illuminated street names signs is intended to serve a maintenance function and improve wayfinding.

Cost

The one-time cost of designing and constructing this project is estimated at $393,997 (as of March 2024; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

Road Maintenance & Rehabilitation Program Fund monies will be used to fund this project ($393,997).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Pedestrian Accessibility Improvement Project: Phase 10

Funding Status: Contingent on the receipt of external funding (2026-27)

Priority Alignment:

Healthy and safe

High in quality of life

Project Description

About the Pedestrian Accessibility Improvement Project

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; reconstruction of driveway crossings; and/or, replacement of detectable warnings. The work may also include the modification of right-of-way to increase navigable area and clearances.

Improvements are prioritized using factors including the following, which are identified in General Plan Housing Element Program H-3.1.1:

- The California Office of Environmental Health Hazard Assessment's California Communities Environmental Health Screening Tool ("CalEnviroScreen") scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and

- Education domain scores from the California Tax Credit Allocation Committee ("TCAC")/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.

About Phase 10 – Primary Project

Phase 10 involves the reconstruction of the following driveway crossings:

- El Toro Road/Laguna Woods Village Equestrian Center
- Paseo De Valencia/Chase Bank

[Housing Element H-3.1.1 Analysis – Phase 10]

Improvements	U.S. Census Tract(s)	Notes
Driveway crossing at El Toro Road/Laguna Woods Village Equestrian Center	060590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Driveway crossing at Paseo De Valencia/Chase Bank	060590626.22	Target Census Tract – TCAC/HCD Opportunity Map

About Phase 10 – Waitlist/Expanded Scope Project

If additional funding is available, Phase 10 will be expanded to include the installation of accessible pedestrian signals at the following intersections:

- El Toro Road/Calle Sonora
- El Toro Road/Home Depot & Town Centre
- El Toro Road/Moulton Parkway
- Moulton Parkway/Laguna Woods Village Gates 12 & 16
- Moulton Parkway/Via Campo Verde
- Santa Maria Avenue/Moulton Parkway

[Housing Element H-3.1.1 Analysis – Phase 10 – Waitlist/Expanded Scope (A)]

Improvements	U.S. Census Tract(s)	Notes
Accessible pedestrian signal at El Toro Road/Calle Sonora	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at El Toro Road/Home Depot & Town Centre	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at El Toro Road/Moulton Parkway	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at Moulton Parkway/Laguna Woods Village Gates 12 & 16	60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian	60590626.41	Adjacent to Census Tract

signal at Moulton Parkway/Via Campo Verde		60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Accessible pedestrian signal at Santa Maria Avenue/Moulton Parkway	60590626.21 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map

If the aforementioned expanded/waitlist scope is completed as part of Phase 9 of the Pedestrian Accessibility Improvement Project, Phase 10 will instead be expanded to include the installation of accessible pedestrian signals at the following intersections:

- El Toro Road/Lutheran Church & Catholic Church
- El Toro Road/Canyon Wren Lane
- El Toro Road/Calle Corta
- Moulton Parkway/Calle Cortez
- Moulton Parkway/Via Iglesia
- Moulton Parkway/Calle Aragon

[Housing Element H-3.1.1 Analysis – Phase 10 – Waitlist/Expanded Scope (B)]

Improvements	U.S. Census Tract(s)	Notes
Accessible pedestrian signal at El Toro Road/Lutheran Church & Catholic Church	60590626.22 and 60590626.46	Census Tract 60590626.22 has a low resource designation 3, and Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at El Toro Road/Canyon Wren Lane	60590626.35 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at El Toro Road/Calle Corta	60590626.35, 60590626.48, and 60590626.49	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Accessible pedestrian signal at Moulton Parkway/Calle Cortez	60590626.41	Intersection is second north of Census Tract 60590626.47 (target for CalEnviroScreen)
Accessible pedestrian signal at Moulton Parkway/Via Iglesia	60590626.41	Intersection is first north of Census Tract 60590626.47 (target for CalEnviroScreen)

Accessible pedestrian signal at Moulton Parkway/Calle Aragon	60590626.41 and 60590626.47	Census Tract 60590626.47 is target for CalEnviroScreen

Purpose

This project is intended to improve the ease and safety of pedestrian travel, while also promoting compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

The improvements are also called for in the General Plan Housing Element as part of Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons*) and Policy Objective H-3.1 (*Enhance access to housing*).

Cost

Phase 10 – Primary Project

The one-time cost of designing and constructing this project is estimated at $250,000 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding).

Phase 10 – Waitlist/Expanded Scope Project (either (A) or (B))

The one-time cost of designing and constructing this project is estimated at $250,000 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding).

Funding

The City anticipates using Community Development Block Grant ("CDBG") monies to fund this project ($250,000-$500,000). The maximum CDBG award has been appropriated ($500,000); however, if the City does not receive an award or is awarded an amount less than the maximum, the City Manager will reduce appropriations accordingly, pursuant to the authority set forth in Section 2.9.05 of Administrative Policy 2.9. No direct costs will be incurred until the effective date of a funding award.

CAPITAL IMPROVEMENT PROGRAM
PROJECT WORKSHEETS

PROJECTS FOR
FUTURE FISCAL YEARS

QUICK REFERENCE	
Project Title	Page Number
Scheduled Projects	
Circulation Improvement Project – Fiscal Year 2027-28	8.0-50
Circulation Improvement Project – Fiscal Year 2028-29	8.0-52
Pavement Management Plan Project – Future Phases	8.0-59
Pedestrian Accessibility Improvement Project – Future Phases 11 through 19	8.0-62
Unscheduled Projects	
Bus Stop Relocation Project – Eastbound El Toro Road past Moulton Parkway	8.0-49
City Hall Complex Emergency Backup Generator Project	8.0-54
City Hall Refurbishment and Safety Project – Future Phases	8.0-56
El Toro Road Green Street and Flood Relief Project	8.0-57
Ridge Route Drive Utility Undergrounding Project	8.0-66
Streetscape Enhancement Project – Moulton Parkway	8.0-67
Streetscape Enhancement Project – Santa Maria Avenue	8.0-68

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CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

Bus Stop Relocation Project – Eastbound El Toro Road past Moulton Parkway

Funding Status: Unfunded

Priority Alignment:

Healthy and safe

High in quality of life

Projected Funding Plan: Unscheduled

Project Description

This project involves the relocation of the bus stop located on eastbound El Toro Road past the Mobil Station to a new location approximately 400 feet to the east, past the El Toro Road/Willow Tree Center (City Hall) driveway. A bus turnout and new shelter facilities will be constructed in the new location.

Purpose

This project is intended to improve the safety of vehicular travel by relocating the existing bus stop away from the three right-in/right-out driveways located in the approximately 225 feet of eastbound El Toro Road following the El Toro Road/Moulton Parkway intersection. Whereas the existing bus stop is located in a vehicular travel lane of El Toro Road, the relocated bus stop will include a bus turnout to allow buses to pull out of traffic for loading and unloading.

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $470,634 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will seek grant opportunities.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Circulation Improvement Project – Fiscal Year 2027-28

Funding Status: Unfunded

Priority Alignment:

Healthy and safe

High in quality of life

Projected Funding Plan: Fiscal Year 2027-28

Project Description

This project involves the addition of safety lights over pedestrian crosswalks and the replacement of illuminated street name signs.

Planned Safety Light Additions

- (2) El Toro Road/Calle Corta
- (1) El Toro Road/Canyon Wren Lane

Planned Traffic Signal Backplate and Visor Replacements

- El Toro Road/Calle Corta
- El Toro Road/Canyon Wren Lane

Planned Illuminated Street Name Sign Replacements

- El Toro Road/Canyon Wren Lane

Purpose

This project is intended to improve the ease and safety of pedestrian and vehicular travel by increasing intersection and crosswalk visibility.

Replacing traffic signal backplates, visors, and illuminated street names signs is also intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface. The new illuminated street name signs will include the City's logo consistent with previous City Council direction.

Though not explicitly called for in the General Plan Housing Element, this project supports Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons)* and Policy Objective H-3.1 *(Enhance access to housing)*.

[Housing Element H-3.1.1 Analysis –
Circulation Improvement Project – Fiscal Year 2027-28]

Improvements	U.S. Census Tract(s)	Notes
Safety light additions at El Toro Road/Calle Corta	60590626.35, 60590626.48, and 60590626.49	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Safety light addition and illuminated street name sign replacements at El Toro Road/Canyon Wren Lane	60590626.35 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $236,873 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). It is anticipated that Road Maintenance & Rehabilitation Program Fund monies will be used to fund this project ($236,873).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Circulation Improvement Project – Fiscal Year 2028-29

Funding Status: Planned

Priority Alignment:

Healthy and safe

High in quality of life

Projected Funding Plan: Fiscal Year 2028-29

Project Description

This project involves the addition of a safety light over a pedestrian crosswalk, the installation of new accessible pedestrian signals, the replacement of illuminated street name signs, and other traffic-related improvements.

Planned Safety Light Additions

- (2) El Toro Road/Aliso Creek Road

Planned Traffic Signal Backplate and Visor Replacements

- El Toro Road/Aliso Creek Road
- El Toro Road/Home Depot & Town Centre

Planned Illuminated Street Name Sign Replacements

- El Toro Road/Home Depot & Town Centre

Purpose

This project is intended to improve the ease and safety of pedestrian and vehicular travel by increasing intersection and crosswalk visibility.

Replacing traffic signal backplates, visors, and illuminated street names signs is also intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface. The new illuminated street name signs will include the City's logo consistent with previous City Council direction.

Though not explicitly called for in the General Plan Housing Element, this project supports Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons)* and Policy Objective H-3.1 *(Enhance access to housing)*.

[Housing Element H-3.1.1 Analysis –
Circulation Improvement Project – Fiscal Year 2028-29]

Improvements	U.S. Census Tract(s)	Notes
Safety light additions at El Toro Road/Aliso Creek Road	60590626.49	Intersection is first west of Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Illuminated street name sign replacements at El Toro Road/Home Depot & Town Centre	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $135,235 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). It is anticipated that Road Maintenance & Rehabilitation Program Fund monies will be used to fund this project ($135,235).

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
City Hall Complex Emergency Backup Generator Project

Funding Status: Unfunded

Priority Alignment:

Healthy and safe

Professionally and efficiently served

Projected Funding Plan: Unscheduled

Project Description

This project involves the addition of an emergency backup generator and automatic transfer switch to serve portions of the City Hall Complex (two buildings – City Hall and the Public Library). The generator will be capable of providing sufficient power to allow core functions and cooling center operations to continue for at least 24 hours of continuous use.

Purpose

This project is intended to ensure that the City Hall Complex remains accessible, functional, safe, and secure during power outages and Public Safety Power Shutdown ("PSPS") events. The City Hall Complex contains the only public buildings in Laguna Woods that would be available for residents and other persons to obtain resources or respite during power outages and PSPS events. City Hall serves as the seat of government and offices for all City staff, as well as the City's emergency operations center and cooling center. City Hall also regularly hosts a vote center during public elections.

- *82.2% of Laguna Woods residents are 65 or older, with an average age of 74.9 years (2020 U.S. Census)* – Older adults, including persons who rely on electric life-sustaining equipment, are identified by the California Public Utilities Commission as particularly vulnerable to the effects of de-energization during PSPS events. Older adults are also considered to be access and functionally impaired, per California Government Code Section 8593.3(f)(1).

- *Climate Change* – Cooling centers are considered "local community resilience stations" established to mitigate the public health impacts of extreme heat and other emergency situations exacerbated by climate

change (e.g., power outages/PSPS events) on local populations, per California Government Code Section 8593.3(f)(3)).

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $425,000 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will seek grant opportunities.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
City Hall Refurbishment and Safety Project
FUTURE PHASES

Funding Status: Unfunded

Priority Alignment:

Healthy and safe

Professionally and efficiently served

Projected Funding Plan: Unscheduled

Project Description

This project involves refurbishments and safety improvements at City Hall.

The scope of work for future phases is expected to include the following:

- Remodel of the second-floor lobby and office areas
- Replacement of the red tile roof
- Other work related to accessibility, functionality, safety, and security

Purpose

This project is intended to address maintenance needs and ensure that City Hall remains accessible, functional, safe, and secure. The work will safeguard and enhance the City's only public building and seat of government.

Cost & Funding

The one-time cost of designing the remodel of the second-floor lobby and office areas and replacement of the red tile roof is estimated at $150,000. The one-time cost of constructing this project is not yet known. A construction budget will be considered after design documents are completed. The City anticipates that General Fund monies will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
El Toro Road Green Street and Flood Relief Project

Funding Status: Unfunded

Priority Alignment:

High in quality of life

Projected Funding Plan: Unscheduled

Project Description

This project involves making "green street" improvements and upsizing the existing storm drain and catch basins on eastbound El Toro Road between Laguna Woods City Hall and the Valencia Center (approximately 0.5 linear miles). As part of this project, the eastbound sidewalk will be reconstructed to include natural stormwater management approaches that slow, filter, and cleanse stormwater runoff from impervious areas.

Purpose

This project is based on the findings of a hydrologic/hydraulic study that was commissioned by the City in 2019 to analyze recurring instances of localized flooding that affect both vehicle travel lanes and the joint-use pedestrian/ bicycle/golf cart sidewalk. The work is intended to mitigate localized flooding resultant of a 10-year storm event.

- *El Toro Road carries significant traffic* – El Toro Road is an arterial highway identified on the 2024 Orange County Master Plan of Arterial Highways as "major" with a capacity of up to 45,000 average daily trips.

- *Climate Change* – State agencies and academic institutions (including the University of California) have long held that, despite drought conditions, precipitation and flood risk is likely to increase as a result of climate change. The 2021 California Climate Adaptation Strategy projects that Orange County will see "increased frequency and severity of rain events" and increased oscillation "between dry and wet weather extremes."

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $1,950,000 (as of February 2025; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will seek grant opportunities.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Pavement Management Plan Project
FUTURE PHASES

Funding Status: Planned

Priority Alignment:

Healthy and safe

High in quality of life

Projected Funding Plan: See table below

Estimated Useful Life: 15 years from each project's completion date

Project Description

This project involves the rehabilitation of deteriorated pavement along the specified street section(s), including asphalt concrete pavement cold milling and repaving. The work may also include the adjustment of utility covers and valves to grade; re-establishment of survey monuments, painted striping, and pavement markings; relocation of vehicle stop lines back from crosswalks; reconstruction of curbs, gutters, and sidewalks; installation of green-colored pavement in bikeways; and, replacement of traffic signal backplates, visors, and illuminated street name signs.

Purpose

This project is part of the City's 10-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.

Relocating vehicle stop lines back from pedestrian crosswalks is intended to promote expanded clearance zones for pedestrians.

Reconstructing curbs, gutters, sidewalks and other concrete road elements is intended to serve a maintenance function.

Installing green-colored pavement in bicycle lanes is intended to further consistency with Chapter 9C of the 2014 California Manual of Uniform Traffic Control Devices, which calls for the consideration of the use of green-colored pavement in bikeways where appropriate.

Replacing traffic signal backplates and visors is intended to serve a maintenance function. The new traffic signal backplates will include a retroreflective border strip around the outside edge of the front surface.

Replacing illuminated street names signs is intended to serve a maintenance function and improve wayfinding.

Cost & Funding

Over the course of fiscal years 2025-26 through 2033-34, the one-time cost of constructing these projects is estimated to be at least $2,294,408 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). It is anticipated that Road Maintenance & Rehabilitation Program Fund monies will be used to fund these projects.

Street Section(s)	Blended PCI / Lowest Segment PCI as of October 2023	Anticipated Fiscal Year	Total
Westbound El Toro Road between Moulton Parkway and Calle Sonora *(Planned Illuminated Street Name Sign Replacements: El Toro Road/Calle Sonora, El Toro Road/Moulton Parkway)* *(Planned Traffic Signal Backplate and Visor Replacements: El Toro Road/Calle Sonora)*	81 / 79	2027-28	$333,408
Northbound Moulton Parkway between Via Campo Verde and Gate 12	82 / 79	2028-29	$331,000
Southbound Moulton Parkway between Gate 16 and Via Campo Verde	82.5 / 80	2029-30	$325,000
Westbound Santa Maria Avenue between Moulton Parkway and Terminus	83.25 / 82	2030-31	$350,000
Eastbound El Toro Road between City Limits and Aliso Creek Road, and Avenida Sevilla and Paseo de Valencia	84 / 84	2031-32	$276,000
Westbound El Toro Road between Paseo de Valencia and Avenida Sevilla, and Tanager Lane and Calle Corta	85 / 84	2032-33	$343,000
Southbound Moulton Parkway between	85 / 85	2033-34	$336,000

Santa Maria Avenue and Gate 16, and Via Iglesia and Calle Aragon			
TBD pending adoption of the Pavement Management Plan for 2026-27 through 2035-36		2034-35	TBD
TBD pending adoption of the Pavement Management Plan for 2026-27 through 2035-36		2035-36	TBD
		Total	$2,294,408

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Pedestrian Accessibility Improvement Project
FUTURE PHASES 11 THROUGH 19

Funding Status: Planned

Priority Alignment:

Healthy and safe

High in quality of life

Projected Funding Plan: See table below

Project Description

About the Pedestrian Accessibility Improvement Project

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; reconstruction of driveway crossings; and/or, replacement of detectable warnings. The work may also include the modification of right-of-way to increase navigable area and clearances.

Improvements are prioritized using factors including the following, which are identified in General Plan Housing Element Program H-3.1.1:

- The California Office of Environmental Health Hazard Assessment's California Communities Environmental Health Screening Tool ("CalEnviroScreen") scores for individual census tracts, with an emphasis on undertaking improvements in and around Census Tract 626.47 due to its comparatively higher CalEnviroScreen score, as feasible and economical; and

- Education domain scores from the California Tax Credit Allocation Committee ("TCAC")/HCD Opportunity Map, with an emphasis on undertaking improvements in and around Census Tract 626.22 due to its comparatively lower scores, as feasible and economical.

In addition to any unconstructed improvements identified for phases 9 or 10 of the Pedestrian Accessibility Improvement Project, the following improvements will be prioritized in future phases:

Intersection Curb Ramp Improvements

- El Toro Road/Laguna Woods Village Equestrian Center
- El Toro Road/Moulton Parkway (will require replacement of the colored concrete within the pedestrian crosswalks)

Sidewalk Improvements

- Eastbound El Toro Road between the signalized Home Depot Center driveway and the Laguna Woods Village Equestrian Center driveway
- Westbound Santa Maria Avenue between Moulton Parkway and San Remo

Driveway Crossing Reconstruction

- El Toro Road/Willow Tree Center (ALDI Sign)
- El Toro Road/Willow Tree Center (Olive Garden)
- Moulton Parkway/Willow Tree Center (South of Mobil Station)
- Moulton Parkway/Willow Tree Center (The Coffee Bean & Tea Leaf)

Accessible Pedestrian Signal Installations

- El Toro Road/Aliso Creek Road
- El Toro Road/Lutheran Church & Catholic Church

[Housing Element H-3.1.1 Analysis – Phase 11 through 19]

Improvements	U.S. Census Tract(s)	Notes
Intersection curb ramps at El Toro Road/Laguna Woods Equestrian Center	060590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Intersection curb ramps at El Toro Road/Moulton Parkway	60590626.41 and 60590626.48	Census Tract 60590626.48 has a low resource designation 3 on 2025 TCAC/ HCD Opportunity Map
Sidewalk on eastbound El Toro Road between the signalized Home Depot Center driveway and the Laguna Woods Village Equestrian Center driveway	060590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Sidewalk on westbound Santa Maria Avenue between Moulton	60590626.21 and 60590626.48	Census Tract 60590626.46 has a low resource designation 2 on 2025 TCAC/ HCD Opportunity

Parkway and San Remo		Map
Driveway crossing at El Toro Road/Willow Tree Center (ALDI Sign)	60590626.46	Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map
Driveway crossing at El Toro Road/Willow Tree Center (Olive Garden)	60590626.22 and 60590626.46	Census Tract 60590626.22 has a low resource designation 3, and Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map
Driveway crossing at Moulton Parkway/Willow Tree Center (South of Mobil Station)	60590626.46	Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map
Driveway crossing at Moulton Parkway/Willow Tree Center (The Coffee Bean & Tea Leaf)	60590626.41	Adjacent to Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Accessible pedestrian signal at El Toro Road/Aliso Creek Road	60590626.49	Intersection is first west of Census Tract 60590626.48 (low resource designation 3 on 2025 TCAC/ HCD Opportunity Map)
Accessible pedestrian signal at El Toro Road/Lutheran Church & Catholic Church	60590626.22 and 60590626.46	Census Tract 60590626.22 has a low resource designation 3, and Census Tract 60590626.46 has a low resource designation 2, on 2025 TCAC/ HCD Opportunity Map

Purpose

This project is intended to improve the ease and safety of pedestrian travel, while also promoting compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

The improvements are also called for in the General Plan Housing Element as part of Goal H-3 (*Administer housing and community development programs and activities in a manner to affirmatively further fair housing for all persons*) and Policy Objective H-3.1 (*Enhance access to housing*).

Cost & Funding

Over the course of fiscal years 2027-28 through 2035-36, the one-time cost of designing and constructing these projects is estimated at $2,250,000-$4,500,000 (as of April 2025; subject to the completion of design documents,

construction drawings, and competitive bidding). These projects are contingent on the receipt of external funding. The City anticipates applying for Community Development Block Grant ("CDBG") funding.

Phase	Anticipated Fiscal Year	Total
11	2027-28	$250,000-$500,000
12	2028-29	$250,000-$500,000
13	2029-30	$250,000-$500,000
14	2030-31	$250,000-$500,000
15	2031-32	$250,000-$500,000
16	2032-33	$250,000-$500,000
17	2033-34	$250,000-$500,000
18	2034-35	$250,000-$500,000
19	2035-36	$250,000-$500,000
	Total	$2,250,000-$4,500,000

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Ridge Route Drive Utility Undergrounding Project

Funding Status: Unfunded

Priority Alignment:

Healthy and safe

Projected Funding Plan: Unscheduled

Project Description

This project involves undergrounding approximately 2,100 linear feet of power lines located within the City's street right-of-way on eastbound Ridge Route Drive between Peralta Drive and Avenida De La Carlota. *(Note: Staff has initiated communication with Southern California Edison to explore the feasibility of this project and begin to quantify associated costs.)*

Purpose

This project is intended to eliminate the fire risk created by the presence of power lines in an urban setting adjacent to a primary arterial highway (Ridge Route Drive).

Cost & Funding

The one-time cost of designing and constructing this project is not yet known. Funding has not yet been identified; it is anticipated that General Fund appropriations will be required.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Streetscape Enhancement Project – Moulton Parkway

Funding Status: Unfunded

Priority Alignment:

High in quality of life

Environmentally conscious

Projected Funding Plan: Unscheduled

Project Description

This project involves refreshing four street medians on Moulton Parkway between Via Campo Verde and the southern City limit (approximately 0.6 linear miles) with additional trees and drought-tolerant landscaping.

Planned Enhancements

- Planting of Carrotwood trees in the three medians between Via Campo Verde and Via Iglesia
- Planting of Carrotwood trees and relandscaping of the median south of Calle Aragon to the City limit for greater visual consistency with the four medians between Via Campo Verde and Via Iglesia

Purpose

This project is intended to increase shade, improve air quality, reduce the urban heat island effect, and enhance streetscape aesthetics.

The planting of trees is specifically intended to beautify public property and achieve benefits set forth in the California Urban Forestry Act of 1978, as amended, including, but not limited to, expanding urban forest canopies, greening, increasing carbon sequestration, reducing impacts of the urban heat island effect, improving management of stormwater and dry weather runoff, improving local water capture and the efficient use of water for urban forest maintenance, and climate adaptation.

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $225,000 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will seek grant opportunities.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:
Streetscape Enhancement Project – Santa Maria Avenue

Funding Status: Unfunded

Priority Alignment:

High in quality of life

Environmentally conscious

Projected Funding Plan: Unscheduled

Project Description

This project involves retrofitting four street medians on Santa Maria Avenue between its eastern terminus and Moulton Parkway (approximately 0.6 linear miles) with additional trees and drought-tolerant landscaping.

Purpose

This project is intended to increase shade, improve air quality, reduce the urban heat island effect, and enhance streetscape aesthetics.

The planting of trees is specifically intended to beautify public property and achieve benefits set forth in the California Urban Forestry Act of 1978, as amended, including, but not limited to, expanding urban forest canopies, greening, increasing carbon sequestration, reducing impacts of the urban heat island effect, improving management of stormwater and dry weather runoff, improving local water capture and the efficient use of water for urban forest maintenance, and climate adaptation.

Cost & Funding

The one-time cost of designing and constructing this project is estimated at $375,000 (as of April 2025; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will seek grant opportunities.

CITY OF LAGUNA WOODS
Fiscal Years 2025-36 Capital Improvement Program
Funding Plan

Project Title	Estimated Project Cost	Fiscal Year	Projected Funding	Funding Source
CARRYOVER PROJECTS TO FISCAL YEAR 2025-26				
Circulation Improvement Project - Fiscal Year 2024-25	137,644	2024-25	161,577.15	Federal Grants Fund (American Rescue Plan Act)
		2024-25	31,604	Capital Projects Fund
			193,181.15	
City Hall Complex Parking Lot Improvement Project	91,804	2023-24	41,804	Federal Grants Fund (American Rescue Plan Act)
		2025-26	50,000	Capital Projects Fund
			41,804	
City Centre Park Enhancement Project	TBD	2024-25	125,000	Capital Projects Fund
			125,000	
City Hall Refurbishment and Safety Project: Phase 4	922,482	2023-24	250,000	Capital Projects Fund
		2024-25	350,000	Capital Projects Fund
		2024-25	322,482	Capital Projects Fund
			922,482	
City Hall Refurbishment and Safety Project: Phase 5	TBD	2023-24	85,000	Capital Projects Fund
		2025-26	1,600,000	Capital Projects Fund
			1,685,000	
Paseo de Valencia - Moulton Parkway Confluence Bypass Corridor Project	109,946	2024-25	109,946	Capital Projects Fund
			109,946	
Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)	424,942.65	2024-25	64,000	Road Maintenance & Rehabilitation Program Fund
		2024-25	160,942.65	Federal Grants Fund (American Rescue Plan Act)
		2024-25	200,000	State of California Grants Fund (COVID Relief Funds)
			424,942.65	
Woods End Wilderness Preserve Trail Drainage and Improvement Project	272,560	2022-23	47,012	Capital Projects Fund
		2022-23	188,048	State of Califonia Grants Fund (Proposition 68)
		2022-23	37,500	Federal Grants Fund (American Rescue Plan Act)
			272,560	
NEW PROJECTS FOR FISCAL YEAR 2025-26				
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9	500,000	2025-26	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Circulation Improvement Project - Fiscal Year 2025-26	169,042	2025-26	169,042	Road Maintenance & Rehabilitation Program Fund
			169,042	
Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway)	431,782	2025-26	85,000	Capital Projects Fund
		2025-26	346,782	Road Maintenance & Rehabilitation Program Fund
			431,782	
Public Works Warehouse Project	TBD	2025-26	50,000	Capital Projects Fund
			50,000	
Transit Shelter and Street Furniture Project	TBD	2025-26	75,000	Capital Projects Fund
		2026-27	350,000	Capital Projects Fund
			425,000	
NEW PROJECTS FOR FISCAL YEAR 2026-27				
Circulation Improvement Project - Fiscal Year 2026-27	135,209	2026-27	135,209	Road Maintenance & Rehabilitation Program Fund
			135,209	
Pedestrian Accessibility Improvement Project: Phase 10	500,000	2026-27	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)	393,997	2026-27	393,997	Road Maintenance & Rehabilitation Program Fund
			393,997	
PROJECTS FOR FUTURE FISCAL YEARS - SCHEDULED PROJECTS				
Circulation Improvement Project - Fiscal Year 2027-28	236,873	2027-28	236,873	Road Maintenance & Rehabilitation Program Fund
			236,873	
Pavement Management Plan Project (Westbound El Toro Road between Moulton Parkway and Calle Sonora)	333,408	2027-28	333,408	Road Maintenance & Rehabilitation Program Fund
			333,408	
Pedestrian Accessibility Improvement Project: Phase 11	500,000	2027-28	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Circulation Improvement Project - Fiscal Year 2028-29	135,235	2028-29	135,235	Road Maintenance & Rehabilitation Program Fund
			135,235	

CITY OF LAGUNA WOODS
Fiscal Years 2025-36 Capital Improvement Program
Funding Plan

Project Title	Estimated Project Cost	Fiscal Year	Projected Funding	Funding Source
Pavement Management Plan Project (Northbound Moulton Parkway between Via Campo Verde and Gate 12)	331,000	2028-29	331,000	Road Maintenance & Rehabilitation Program Fund
			331,000	
Pedestrian Accessibility Improvement Project: Phase 12	500,000	2028-29	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Southbound Moulton Parkway between Gate 16 and Via Campo Verde)	325,000	2029-30	325,000	Road Maintenance & Rehabilitation Program Fund
			325,000	
Pedestrian Accessibility Improvement Project: Phase 13	500,000	2029-30	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Westbound Santa Maria Avenue between Moulton Parkway and Terminus)	350,000	2030-31	350,000	Road Maintenance & Rehabilitation Program Fund
			350,000	
Pedestrian Accessibility Improvement Project: Phase 14	500,000	2030-31	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Eastbound El Toro Road between City Limits and Aliso Creek Road, and Avenida Sevilla and Paseo de Valencia)	276,000	2031-32	276,000	Road Maintenance & Rehabilitation Program Fund
			276,000	
Pedestrian Accessibility Improvement Project: Phase 15	500,000	2031-32	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Westbound El Toro Road between Paseo de Valenica and Avenida Sevilla, and Tanager Lane and Calle Corta)	343,000	2032-33	343,000	Road Maintenance & Rehabilitation Program Fund
			343,000	
Pedestrian Accessibility Improvement Project: Phase 16	500,000	2032-33	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Southbound Moulton Parkway between Santa Maria Avenue and Gate 16, and Via Iglesia and Calle Aragon)	336,000	2033-34	336,000	Road Maintenance & Rehabilitation Program Fund
			336,000	
Pedestrian Accessibility Improvement Project: Phase 17	500,000	2033-34	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
TBD pending adoption of the Pavement Management Plan for 20226-27 through 20235-26	TBD	2034-35	TBD	Road Maintenance & Rehabilitation Program Fund
			TBD	
Pedestrian Accessibility Improvement Project: Phase 18	500,000	2034-35	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
TBD pending adoption of the Pavement Management Plan for 20226-27 through 20235-26	TBD	2035-36	TBD	Road Maintenance & Rehabilitation Program Fund
			TBD	
Pedestrian Accessibility Improvement Project: Phase 19	500,000	2035-36	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
PROJECTS FOR FUTURE FISCAL YEARS - UNSCHEDULED PROJECTS				
Bus Stop Relocation Project - Eastbound El Toro Road past Moulton Parkway	470,634	TBD	470,634	Not Yet Identified - Seek Grant Opportunities
			470,634	
City Hall Complex Emergency Backup Generator Project	425,000	TBD	425,000	Not Yet Identified - Seek Grant Opportunities
			425,000	
City Hall Refurbishment and Safety Project - Future Phases	TBD > $150,000	TBD	TBD > $150,000	Anticipate Capital Projects Fund
			TBD > $150,000	
El Toro Road Green Street and Flood Relief Project	1,950,000	TBD	1,950,000	Not Yet Identified - Seek Grant Opportunities
			1,950,000	
Ridge Route Drive Utility Undergrounding Project	TBD	TBD	TBD	Not Yet Identified - Anticipate Capital Projects Fund
			TBD	
Streetscape Enhancement Project - Moulton Parkway	225,000	TBD	225,000	Not Yet Identified - Seek Grant Opportunities
			225,000	
Streetscape Enhancement Project - Santa Maria Avenue	375,000	TBD	375,000	Not Yet Identified - Seek Grant Opportunities
			375,000	

CITY OF LAGUNA WOODS
Fiscal Years 2025-36 Capital Improvement Program
Funding Plan

Project Title	Estimated Project Cost	Fiscal Year	Projected Funding	Funding Source

TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE

The following information is included at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

	Fiscal Year 2025-26 Budget	*Fiscal Year 2026-27 Budget*	*Fiscal Year 2027-28 Estimate*
Measure M2 (OC Go) Fair Share Expenditures			
Landscaping Services, Public Rights-of-Way	87,090	90,576	93,293
Utilities, Electric, Street Lights, Public Rights-of-Way	38,845	43,118	44,412
Utilities, Water, Landscaping, Public Rights-of-Way	55,285	60,814	62,638
Contract - Traffic Signal Maintenance	54,360	56,610	58,308
Utilities, Electric, Traffic Signals	31,200	32,760	33,743
Allowable Overhead Costs	1,000	1,000	1,000
	267,780	284,878	293,394

	Fiscal Year 2028-29 Estimate	*Fiscal Year 2029-30 Estimate*	*Fiscal Year 2030-31 Estimate*
Measure M2 (OC Go) Fair Share Expenditures			
Landscaping Services, Public Rights-of-Way	96,092	98,975	101,944
Utilities, Electric, Street Lights, Public Rights-of-Way	45,744	47,116	48,530
Utilities, Water, Landscaping, Public Rights-of-Way	64,518	66,453	68,447
Contract - Traffic Signal Maintenance	60,058	61,859	63,715
Utilities, Electric, Traffic Signals	34,755	35,798	36,872
Allowable Overhead Costs	1,000	1,000	1,000
	302,166	311,201	320,507

	Fiscal Year 2031-32 Estimate
Measure M2 (OC Go) Fair Share Expenditures	
Landscaping Services, Public Rights-of-Way	105,002
Utilities, Electric, Street Lights, Public Rights-of-Way	49,986
Utilities, Water, Landscaping, Public Rights-of-Way	70,500
Contract - Traffic Signal Maintenance	65,627
Utilities, Electric, Traffic Signals	37,978
Allowable Overhead Costs	1,000
	330,092

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APPENDICES

BUDGET & WORK PLAN

Fiscal Years 2025-27

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APPENDIX A

Administrative Policy 2.9 (Budgeting, Reserves, and Reporting)

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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, as well as related financial reporting.

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 of each odd-numbered year.

2.9.03. Budget Adoption.

The City Council shall adopt a budget for the upcoming two fiscal years no later than June 30 of each odd-numbered year. 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 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 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, an 11-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 (OC Go) 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 California Public Contracts Code Section 22002, 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 10-year Pavement Management Plan, work that is required to be included in the CIP for Measure M2 (OC Go) eligibility, and any other project so-designated by the City Council.

9. While the first two years of the 11-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, carryovers of budget appropriations between fiscal years require approval of the City Council. All carryovers of budget appropriations between fiscal years shall be finalized and all necessary accounting entries made within 60 days of the submission of each Annual Comprehensive Financial Report to 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: *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.

The City shall evaluate the adequacy of the overall target for committed and assigned reserves and individual targets by reserve category contained in this Administrative Policy at least as frequently as each biennial budget development process. In doing so, the City shall consider current and future risk and funding obligations that may

impact reserve levels, as well as best practices established by the Government Finance Officers Association and other authoritative entities.

The time and method for replenishment of reserves shall be defined following use thereof, based on the category of reserve, reason required, amount used, and other relevant factors. The City shall strive to replenish reserve balances within 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 at least 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 Reserve

The City shall maintain a Paid Leave Contingency Reserve 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 Reserve in amounts necessary to comply with the City's paid leave policies and obligations (e.g., the payment of accrued paid leave upon an employee's separation from the City). The Administrative Services Director/City Treasurer shall notify the City Council of all expenditures made from the Paid Leave Contingency Reserve as a part of the quarterly budget reporting described in Section 2.9.09.

Self-Insurance Contingency Reserve

The City shall maintain a Self-Insurance Contingency Reserve for legal judgements 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 litigation, and any reasonably anticipated future claims activity and litigation.

The City Manager is authorized to make expenditures from the Self-Insurance Contingency Reserve in the amount of any claim settlements approved by the City Council. Payments for legal judgements and all other expenditures from the Self-Insurance Contingency Reserve require approval of the City Council.

General Contingency Reserve

The City shall maintain a General Contingency Reserve 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 Contingency Reserve 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 Pension Plans.

The City shall maintain an irrevocable Internal Revenue Code Section 115 trust fund to prefund employer contributions to California Public Employees' Retirement System (CalPERS) pension plans.

The City shall consider making lump sum payments to reduce unfunded accrued liability (UAL) for CalPERS pension plans at least as frequently as each biennial budget development process. The City shall strive to maintain an at least 80% funded level for all CalPERS pension plans.

2.9.08. Trust Funds.

Other Post-Employment Benefits Prefunding Trust Fund

The City shall maintain an irrevocable Internal Revenue Code Section 115 trust fund to prefund other post-employment benefit (OPEB) liability incurred as a result of state-mandated retiree medical obligations. The City shall strive to maintain an at least 80% prefunding level calculated at least as frequently as CalPERS requires employers to prepare actuarial valuations of OPEB liability for participation in the California Employers' Retiree Benefit Trust Fund.

Contributions to the trust fund require approval of the City Council. Expenditures from the trust fund shall be made in a manner approved by the City Council.

Pension Prefunding Trust Fund

The City shall maintain an irrevocable Internal Revenue Code Section 115 trust fund to prefund pension liability incurred as a result of participation in CalPERS. The City shall strive to maintain a minimum balance of $670,000 in the trust fund (the sum of the five most recent lump sum payments made by the City to pay off the entirety of its then-current UAL, as of January 1, 2025, rounded to the nearest ten thousand). After reaching a minimum balance of $670,000, the City Council shall consider establishing new goals for the trust fund.

To reach a minimum balance of $670,000, the City shall consider making at least annual contributions to the trust fund equal to 50% of the audited increase in the General Fund fund balance at the end of each fiscal year, beginning with Fiscal Year 2024-25. For fiscal years when there is no increase in the audited General Fund fund balance, the City shall consider contributing an alternative amount.

Contributions to the trust fund require approval of the City Council. Expenditures from the trust fund shall be made in a manner approved by the City Council.

2.9.09. Reporting.

1. The Administrative Services Director/City Treasurer shall prepare and submit an Annual Comprehensive Financial Report (ACFR) with each of the sections prescribed by GASB, including an independent audit performed by a qualified firm, to the City Council within eight months of the end of each fiscal year. The City shall strive for submission of the ACFR to the City Council within six

months of the end of each fiscal year and an unqualified audit opinion.

2. The Administrative Services Director/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; information regarding any change in revenue projections or anticipated expenditures that is likely to impact the ability to carry out budgeted activities; and, notification of all expenditures made from the Paid Leave Contingency Fund and Self-Insurance Contingency Fund during the subject quarter.

3. The Administrative Services Director/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 Administrative Services Director/City Treasurer shall advise the City Council of any contradictions of federal or state law for consideration during each biennial budget development process.

City Council Adoption: January 15, 2025

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APPENDIX B

Resolution No. 25-18 (Budget and Work Plan Adoption)

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RESOLUTION NO. 25-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE FISCAL YEARS 2025-27 BUDGET AND WORK PLAN FOR FISCAL YEAR 2025-26 COMMENCING JULY 1, 2025 AND ENDING JUNE 30, 2026, AND FISCAL YEAR 2026-27 COMMENCING JULY 1, 2026 AND ENDING JUNE 30, 2027

WHEREAS, publicly noticed City Council meetings were held on March 19, 2025, April 16, 2025, May 21, 2025, May 28, 2025, June 18, 2025, and June 25, 2025, to discuss and provide direction to staff on the development of the Fiscal Years 2025-27 Budget & Work Plan and allow opportunities for public input; and

WHEREAS, the City Manager presented the proposed Fiscal Years 2025-27 Budget & Work Plan to the City Council on June 25, 2025.

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

SECTION 1. The Fiscal Years 2025-27 Budget & Work Plan for the City is hereby adopted for the period of July 1, 2025 through June 30, 2027, as presented at the City Council meeting on June 25, 2025 and described herein.

SECTION 2. The budget appropriations authorized, on a fund level, are:

	Fiscal Year 2025-26 Adopted Budget	***Fiscal Year 2024-25 Carryover Appropriations***	***Fiscal Year 2025-26 Budget Amendments***	***Fiscal Year 2025-26 Amended Budget***
General Fund	$10,814,328 (includes transfers to Capital Projects Fund of $1,860,000 and to the Senior Mobility Fund of $406,052)	-	-	$10,814,328 (includes transfers to Capital Projects Fund of $1,860,000 and to the Senior Mobility Fund of $406,052)
Capital Projects Fund	$1,860,000	-	-	$1,860,000

Fuel Tax	$404,557	-	-	$404,557
Road Maintenance & Rehabilitation Program	$515,824	-	-	$515,824
Measure M2 (OC Go)	$267,780	-	-	$267,780
Service Authority for Abandoned Vehicles	$0	-	-	$0
Supplemental Law Enforcement Services	$231,600	-	-	$231,600
Mobile Source Reduction	$10,000	-	-	$10,000
PEG/Cable Television	$15,000	-	-	$15,000
Senior Mobility	$652,598	-	-	$652,598
Community Development Block Grant (CDBG)	$500,000	-	-	$500,000
Federal Grants	$0	-	-	$0
State of California Grants	$0	-	-	$0
Miscellaneous Special Revenue	$0	-	-	$0
Laguna Woods Civic Support Fund	$300	-	-	$300
Less: Transfer to Other Funds	($2,266,052)	-	$0	($2,266,052)
TOTAL	$13,411,987	$0	$0	$13,411,987

	Fiscal Year 2026-27 Adopted Budget	***Fiscal Year 2025-26 Carryover Appropriations***	***Fiscal Year 2026-27 Budget Amendments***	***Fiscal Year 2026-27 Amended Budget***
General Fund	$9,611,466 (includes transfers to Capital Projects Fund of $350,000 and to the Senior Mobility Fund of $406,052)	-	-	$9,611,466 (includes transfers to Capital Projects Fund of $350,000 and to the Senior Mobility Fund of $406,052)
Capital Projects Fund	$350,000	-	-	$350,000
Fuel Tax	$439,580	-	-	$439,580
Road Maintenance & Rehabilitation Program	$529,206	-	-	$529,206
Measure M2 (OC Go)	$284,878	-	-	$284,878

Service Authority for Abandoned Vehicles	$0	-	-	$0
Supplemental Law Enforcement Services	$231,600	-	-	$231,600
Mobile Source Reduction	$10,500	-	-	$10,500
PEG/Cable Television	$15,000	-	-	$15,000
Senior Mobility	$686,906	-	-	$686,906
Community Development Block Grant (CDBG)	$500,000	-	-	$500,000
Federal Grants	$0	-	-	$0
State of California Grants	$0	-	-	$0
Miscellaneous Special Revenue	$0	-	-	$0
Laguna Woods Civic Support Fund	$300	-	-	$300
Less: Transfer to Other Funds	($756,052)	-	($0)	($756,052)
TOTAL	$12,309,436	$0	$0	$12,309,436

SECTION 3. The General Fund assigned reserves authorized are:

	Fiscal Year 2025-26	***Fiscal Year 2026-27***
Paid Leave Contingency Reserve	$136,394	$136,394
Self-Insurance Contingency Reserve	$500,000	$500,000
General Fund Contingency Reserve	$4,015,206	$4,126,206
TOTAL	$4,651,600	$4,762,600

Assigned reserves shall be maintained, administered, and expended in accordance with Administrative Policy 2.9.

SECTION 4. The authorized City personnel positions for fiscal years 2025-26 and 2026-27 are:

Full-time
(1) ACCOUNTANT or SENIOR ACCOUNTANT
(1) ACCOUNTING CLERK

(1) ADMINISTRATIVE SERVICES DIRECTOR/CITY TREASURER
(1) ASSISTANT TO THE CITY MANAGER
(3) BUILDING INSPECTOR
(1) BUILDING OFFICIAL
(1) CITY MANAGER
(1) CODE ENFORCEMENT OFFICER
(1) DEPUTY CITY CLERK or CITY CLERK
(1) MANAGEMENT ANALYST or SENIOR MANAGEMENT ANALYST
(2) PERMIT TECHNICIAN
(1) PLANNING & ENVIRONMENTAL SERVICES DIRECTOR
(1) PUBLIC WORKS ADMINISTRATOR
(1) SENIOR PLANNER
TOTAL: 17 FULL-TIME EQUIVALENTS

Limited part-time
(4) RECEPTIONIST [1.25 FULL-TIME EQUIVALENT]
TOTAL LIMITED PART-TIME: 1.25 FULL-TIME EQUIVALENTS

SECTION 5. From the effective date of said budget, the total amount as stated therein for the operating budget shall be, and is, appropriated subject to expenditure pursuant to all applicable ordinances of the City of Laguna Woods and statutes of the State of California. The operating budget may be reallocated by the City Manager providing there is no change in the total appropriations within any fund as authorized by the City Council.

SECTION 6. 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.

SECTION 7. The City Manager may decrease revenue estimates to reflect economic change during the fiscal year and may reduce expenditure appropriations as a method of fiscal control.

SECTION 8. At the close of Fiscal Year 2024-25, all appropriations shall lapse, except that unexpended appropriations shall be encumbered as necessary to underwrite the expense of outstanding purchase commitments. Unexpended appropriations for capital improvements projects and non-operating projects shall be automatically carried over to Fiscal Year 2025-26, unless the project is completed.

SECTION 9. At the close of Fiscal Year 2025-26, all appropriations shall lapse, except that unexpended appropriations shall be encumbered as necessary to underwrite the expense of outstanding purchase commitments. Unexpended appropriations for capital improvements projects and non-operating projects shall be automatically carried over to Fiscal Year 2026-27, unless the project is completed.

SECTION 10. The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this 25th day of June 2025.

_____
SHARI L. HORNE, Mayor

ATTEST:

_____
CHRISTOPHER MACON, Acting City Clerk

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

I, CHRISTOPHER MACON, Acting City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 25-18** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the 25th day of June 2025, by the following vote:

AYES: COUNCILMEMBERS: Conners, Horne, Lee, McCary, Moore
NOES: COUNCILMEMBERS: -
ABSTAIN: COUNCILMEMBERS: -
ABSENT: COUNCILMEMBERS: -

_____
CHRISTOPHER MACON, Acting City Clerk

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APPENDIX C

Resolution No. 25-19 (Capital Improvement Program Adoption)

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RESOLUTION NO. 25-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A NEW 11-YEAR CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2025-26 THROUGH 2035-36, IN CONFORMANCE WITH APPLICABLE CITY POLICIES AND DISCRETION

WHEREAS, City Administrative Policy 2.9 establishes the following policy related to the adoption of capital improvement programs:

> "In order to assist with the long-term development of funding for major capital improvement projects on public property, an 11-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 (OC Go) 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 California Public Contracts Code Section 22002, 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 10-year Pavement Management Plan, work that is required to be included in the CIP for Measure M2 (OC Go) eligibility, and any other project so-designated by the City Council."

; and

WHEREAS, publicly noticed City Council meetings were held on March 19, 2025, April 16, 2025, May 21, 2025, May 28, 2025, June 18, 2025, and June 25, 2025, to discuss and provide direction to staff on the development of the Fiscal Years 2025-36 Capital Improvement Program ("CIP") and allow opportunities for public input; and

WHEREAS, the City Manager presented the proposed Fiscal Years 2025-36 CIP to the City Council on June 25, 2025; and

WHEREAS, the Fiscal Year 2025-26 expenditures identified in the Fiscal Years 2025-36 CIP are consistent with the City's adopted Fiscal Year 2025-27 Budget; and

WHEREAS, the Fiscal Year 2026-27 expenditures identified in the Fiscal Years 2025-36 CIP are consistent with the City's adopted Fiscal Year 2025-27 Budget.

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

SECTION 1. The City's 11-Year Capital Improvement Program for Fiscal Years 2025-26 through 2035-36 is adopted in conformance with applicable City policies and discretion, as attached hereto as Exhibit A and incorporated herein by reference. Exhibit A replaces and supersedes all previous capital improvement programs adopted by the City Council for all or a portion of fiscal years 2025-26 through 2035-36.

SECTION 2. The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this 25th day of June 2025.

_____
SHARI L. HORNE, Mayor

ATTEST:

_____
CHRISTOPHER MACON, Acting City Clerk

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

I, CHRISTOPHER MACON, Acting City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 25-19** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the 25th day of June 2025, by the following vote:

AYES: COUNCILMEMBERS: Conners, Horne, Lee, McCary, Moore
NOES: COUNCILMEMBERS: -
ABSTAIN: COUNCILMEMBERS: -
ABSENT: COUNCILMEMBERS: -

_____
CHRISTOPHER MACON, Acting City Clerk

CITY OF LAGUNA WOODS
Fiscal Years 2025-36 Capital Improvement Program
Funding Plan

Project Title	Estimated Project Cost	Fiscal Year	Projected Funding	Funding Source
CARRYOVER PROJECTS TO FISCAL YEAR 2025-26				
Circulation Improvement Project - Fiscal Year 2024-25	137,644	2024-25	161,577.15	Federal Grants Fund (American Rescue Plan Act)
		2024-25	31,604	Capital Projects Fund
			193,181.15	
City Hall Complex Parking Lot Improvement Project	91,804	2023-24	41,804	Federal Grants Fund (American Rescue Plan Act)
		2025-26	50,000	Capital Projects Fund
			41,804	
City Centre Park Enhancement Project	TBD	2024-25	125,000	Capital Projects Fund
			125,000	
City Hall Refurbishment and Safety Project: Phase 4	922,482	2023-24	250,000	Capital Projects Fund
		2024-25	350,000	Capital Projects Fund
		2024-25	322,482	Capital Projects Fund
			922,482	
City Hall Refurbishment and Safety Project: Phase 5	TBD	2023-24	85,000	Capital Projects Fund
		2025-26	1,600,000	Capital Projects Fund
			1,685,000	
Paseo de Valencia - Moulton Parkway Confluence Bypass Corridor Project	109,946	2024-25	109,946	Capital Projects Fund
			109,946	
Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)	424,942.65	2024-25	64,000	Road Maintenance & Rehabilitation Program Fund
		2024-25	160,942.65	Federal Grants Fund (American Rescue Plan Act)
		2024-25	200,000	State of California Grants Fund (COVID Relief Funds)
			424,942.65	
Woods End Wilderness Preserve Trail Drainage and Improvement Project	272,560	2022-23	47,012	Capital Projects Fund
		2022-23	188,048	State of Califonia Grants Fund (Proposition 68)
		2022-23	37,500	Federal Grants Fund (American Rescue Plan Act)
			272,560	
NEW PROJECTS FOR FISCAL YEAR 2025-26				
Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9	500,000	2025-26	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Circulation Improvement Project - Fiscal Year 2025-26	169,042	2025-26	169,042	Road Maintenance & Rehabilitation Program Fund
			169,042	
Pavement Management Plan Project (Eastbound Santa Maria Avenue between Santa Vittoria Drive and Moulton Parkway)	431,782	2025-26	85,000	Capital Projects Fund
		2025-26	346,782	Road Maintenance & Rehabilitation Program Fund
			431,782	
Public Works Warehouse Project	TBD	2025-26	50,000	Capital Projects Fund
			50,000	
Transit Shelter and Street Furniture Project	TBD	2025-26	75,000	Capital Projects Fund
		2026-27	350,000	Capital Projects Fund
			425,000	
NEW PROJECTS FOR FISCAL YEAR 2026-27				
Circulation Improvement Project - Fiscal Year 2026-27	135,209	2026-27	135,209	Road Maintenance & Rehabilitation Program Fund
			135,209	
Pedestrian Accessibility Improvement Project: Phase 10	500,000	2026-27	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)	393,997	2026-27	393,997	Road Maintenance & Rehabilitation Program Fund
			393,997	
PROJECTS FOR FUTURE FISCAL YEARS - SCHEDULED PROJECTS				
Circulation Improvement Project - Fiscal Year 2027-28	236,873	2027-28	236,873	Road Maintenance & Rehabilitation Program Fund
			236,873	
Pavement Management Plan Project (Westbound El Toro Road between Moulton Parkway and Calle Sonora)	333,408	2027-28	333,408	Road Maintenance & Rehabilitation Program Fund
			333,408	
Pedestrian Accessibility Improvement Project: Phase 11	500,000	2027-28	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Circulation Improvement Project - Fiscal Year 2028-29	135,235	2028-29	135,235	Road Maintenance & Rehabilitation Program Fund
			135,235	

CITY OF LAGUNA WOODS
Fiscal Years 2025-36 Capital Improvement Program
Funding Plan

Project Title	Estimated Project Cost	Fiscal Year	Projected Funding	Funding Source
Pavement Management Plan Project (Northbound Moulton Parkway between Via Campo Verde and Gate 12)	331,000	2028-29	331,000	Road Maintenance & Rehabilitation Program Fund
			331,000	
Pedestrian Accessibility Improvement Project: Phase 12	500,000	2028-29	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Southbound Moulton Parkway between Gate 16 and Via Campo Verde)	325,000	2029-30	325,000	Road Maintenance & Rehabilitation Program Fund
			325,000	
Pedestrian Accessibility Improvement Project: Phase 13	500,000	2029-30	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Westbound Santa Maria Avenue between Moulton Parkway and Terminus)	350,000	2030-31	350,000	Road Maintenance & Rehabilitation Program Fund
			350,000	
Pedestrian Accessibility Improvement Project: Phase 14	500,000	2030-31	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Eastbound El Toro Road between City Limits and Aliso Creek Road, and Avenida Sevilla and Paseo de Valencia)	276,000	2031-32	276,000	Road Maintenance & Rehabilitation Program Fund
			276,000	
Pedestrian Accessibility Improvement Project: Phase 15	500,000	2031-32	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Westbound El Toro Road between Paseo de Valenica and Avenida Sevilla, and Tanager Lane and Calle Corta)	343,000	2032-33	343,000	Road Maintenance & Rehabilitation Program Fund
			343,000	
Pedestrian Accessibility Improvement Project: Phase 16	500,000	2032-33	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
Pavement Management Plan Project (Southbound Moulton Parkway between Santa Maria Avenue and Gate 16, and Via Iglesia and Calle Aragon)	336,000	2033-34	336,000	Road Maintenance & Rehabilitation Program Fund
			336,000	
Pedestrian Accessibility Improvement Project: Phase 17	500,000	2033-34	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
TBD pending adoption of the Pavement Management Plan for 20226-27 through 20235-26	TBD	2034-35	TBD	Road Maintenance & Rehabilitation Program Fund
			TBD	
Pedestrian Accessibility Improvement Project: Phase 18	500,000	2034-35	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
TBD pending adoption of the Pavement Management Plan for 20226-27 through 20235-26	TBD	2035-36	TBD	Road Maintenance & Rehabilitation Program Fund
			TBD	
Pedestrian Accessibility Improvement Project: Phase 19	500,000	2035-36	500,000	Community Development Block Grant (CDBG) Fund
			500,000	
PROJECTS FOR FUTURE FISCAL YEARS - UNSCHEDULED PROJECTS				
Bus Stop Relocation Project - Eastbound El Toro Road past Moulton Parkway	470,634	TBD	470,634	Not Yet Identified - Seek Grant Opportunities
			470,634	
City Hall Complex Emergency Backup Generator Project	425,000	TBD	425,000	Not Yet Identified - Seek Grant Opportunities
			425,000	
City Hall Refurbishment and Safety Project - Future Phases	TBD > $150,000	TBD	TBD > $150,000	Anticipate Capital Projects Fund
			TBD > $150,000	
El Toro Road Green Street and Flood Relief Project	1,950,000	TBD	1,950,000	Not Yet Identified - Seek Grant Opportunities
			1,950,000	
Ridge Route Drive Utility Undergrounding Project	TBD	TBD	TBD	Not Yet Identified - Anticipate Capital Projects Fund
			TBD	
Streetscape Enhancement Project - Moulton Parkway	225,000	TBD	225,000	Not Yet Identified - Seek Grant Opportunities
			225,000	
Streetscape Enhancement Project - Santa Maria Avenue	375,000	TBD	375,000	Not Yet Identified - Seek Grant Opportunities
			375,000	

CITY OF LAGUNA WOODS
Fiscal Years 2025-36 Capital Improvement Program
Funding Plan

Project Title	Estimated Project Cost	Fiscal Year	Projected Funding	Funding Source

TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE

The following information is included at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

	Fiscal Year 2025-26 Budget	*Fiscal Year 2026-27 Budget*	*Fiscal Year 2027-28 Estimate*
Measure M2 (OC Go) Fair Share Expenditures			
Landscaping Services, Public Rights-of-Way	87,090	90,576	93,293
Utilities, Electric, Street Lights, Public Rights-of-Way	38,845	43,118	44,412
Utilities, Water, Landscaping, Public Rights-of-Way	55,285	60,814	62,638
Contract - Traffic Signal Maintenance	54,360	56,610	58,308
Utilities, Electric, Traffic Signals	31,200	32,760	33,743
Allowable Overhead Costs	1,000	1,000	1,000
	267,780	284,878	293,394

	Fiscal Year 2028-29 Estimate	*Fiscal Year 2029-30 Estimate*	*Fiscal Year 2030-31 Estimate*
Measure M2 (OC Go) Fair Share Expenditures			
Landscaping Services, Public Rights-of-Way	96,092	98,975	101,944
Utilities, Electric, Street Lights, Public Rights-of-Way	45,744	47,116	48,530
Utilities, Water, Landscaping, Public Rights-of-Way	64,518	66,453	68,447
Contract - Traffic Signal Maintenance	60,058	61,859	63,715
Utilities, Electric, Traffic Signals	34,755	35,798	36,872
Allowable Overhead Costs	1,000	1,000	1,000
	302,166	311,201	320,507

	Fiscal Year 2031-32 Estimate
Measure M2 (OC Go) Fair Share Expenditures	
Landscaping Services, Public Rights-of-Way	105,002
Utilities, Electric, Street Lights, Public Rights-of-Way	49,986
Utilities, Water, Landscaping, Public Rights-of-Way	70,500
Contract - Traffic Signal Maintenance	65,627
Utilities, Electric, Traffic Signals	37,978
Allowable Overhead Costs	1,000
	330,092

APPENDIX D

Resolution No. 25-21 (Annual Appropriations Limit Adoption)

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RESOLUTION NO. 25-21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2025-26 COMMENCING JULY 1, 2025 AND ENDING JUNE 30, 2026, IN ACCORDANCE WITH ARTICLE XIIIB OF THE CALIFORNIA STATE CONSTITUTION

WHEREAS, Article XIIIB of the California State Constitution restricts the appropriations growth rate for cities and other local jurisdictions; and

WHEREAS, annual appropriations limits established pursuant to Article XIIIB of the California State Constitution (sometimes referred to as "Gann Limits") are required to be modified on an annual basis for changes in population and inflation according to calculation methods established by California's Proposition 111 (1990); and

WHEREAS, in November 2002, Laguna Woods voters established a base annual appropriations limit for the City of $4,165,544; and

WHEREAS, the City has complied with the provisions of Article XIIIB of the California State Constitution in determining an appropriations limit for Fiscal Year 2025-26; and

WHEREAS, the City has complied with California Government Code Section 7910 by making documentation regarding its determination available for public review at least 15 days prior to adoption.

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

SECTION 1. That the adjustment factors for the annual appropriations limit for Fiscal Year 2025-26 calculation shall be the annual percentage change in Orange County population and the annual percentage change in California per capita personal income, with sources as identified on Exhibit A attached hereto and incorporated herein by reference.

SECTION 2. That the annual appropriations limit for Fiscal Year 2025-26 shall be $14,575,985, as calculated in Exhibit A attached hereto and incorporated

herein by reference.

SECTION 3. The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this 25th day of June 2025.

_____
SHARI L. HORNE, Mayor

ATTEST:

_____
CHRISTOPHER MACON, Acting City Clerk

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

I, CHRISTOPHER MACON, Acting City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 25-21** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the 25th day of June 2025, by the following vote:

AYES: COUNCILMEMBERS: Conners, Horne, Lee, McCary, Moore
NOES: COUNCILMEMBERS: -
ABSTAIN: COUNCILMEMBERS: -
ABSENT: COUNCILMEMBERS: -

_____
CHRISTOPHER MACON, Acting City Clerk

CITY OF LAGUNA WOODS
ANNUAL APPROPRIATIONS LIMIT
Fiscal Year 2025-26 Calculation

Calculation of Appropriations Limit:

Appropriations Limit for Fiscal Year 2024-25	$13,670,969
Adjustment Factors:	
Population Change (County of Orange)*	x 1.0017
Cost of Living (Per Capita Personal Income)*	x 1.0644
Appropriations Limit for Fiscal Year 2025-26	$14,575,985

Appropriations Subject to Limitation for Fiscal Year 2025-26	$5,856,131

* State of California, Department of Finance, *Price and Population Information*. May 2025. Factors are rounded to four decimal places for presentation purposes.

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APPENDIX E

Glossary of Terms and Acronyms

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APPENDIX E

Appendix E defines terms and acronyms used in this budget and work plan. Individuals with questions regarding these or other terms or acronyms are encouraged to contact the City's Administrative Services Department.

GLOSSARY OF TERMS AND ACRONYMS

AMERICANS WITH DISABILITIES ACT (ADA): The Americans with Disabilities Act is a federal law that prohibits discrimination and ensures equal opportunity for individuals with disabilities in employment, government services, public accommodations, commercial facilities, and transportation.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): A set of annual financial statements comprising the financial report of a state, municipal, or other governmental entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board. The Annual Comprehensive Financial Report includes introductory, financial, and statistical information about the governmental entity.

APPROPRIATION: A legal authorization granted by the City Council to make expenditures or incur obligations for specified purposes.

ASSESSED VALUATION: The monetary value assigned to personal property by the Orange County Assessor's Office for use in levying property taxes.

BEVERAGE CONTAINER RECYCLING PROGRAM: A grant program administered by the State of California to promote beverage container recycling, pursuant to the Beverage Container Recycling and Litter Reduction Act of 1987.

BUDGET: A financial plan that identifies revenues; specific types and levels of services to be provided; and, associated expenditures.

CAPITAL IMPROVEMENT PROGRAM (CIP): A planning tool to assist the City with the long-term development of funding for major capital improvement projects on public property. The Capital Improvement Program is adopted for a seven-year period in accordance with Measure M2 (OC Go) requirements.

CAPITAL PROJECTS FUND: A fund used to account for transfers from the General Fund that are reserved for capital improvement purposes. The Capital Projects Fund is combined with the General Fund for the purpose of reporting in the Annual Comprehensive Financial Report.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG): A grant program that is subject to federal appropriation and intended to assist counties and cities with local community development needs.

COMPONENT UNIT: Government Accounting Standards Board Statement No. 61 (November 2010), Paragraph 20, defines a "component unit" as a legally separate organization for which the City Council is financially accountable or other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading.

DEPARTMENT: An organizational unit of the City that has direct management responsibility for a group of related programs and services.

EXPENDITURE: A decrease in net financial resources representing the actual payment for goods and services or the accrual thereof.

FEES: Charges levied by the City for providing programs or services.

FISCAL YEAR (FY): The annual period designated by the City for the beginning and ending of financial transactions. The City's fiscal year begins on July 1 of each year and ends on June 30 of each subsequent year.

FUEL TAX: A tax 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.

FULL-TIME EQUIVALENTS (FTE): The amount of time for which a position has been budgeted, stated in terms of the fraction of time that a regular, full-time employee normally works in a year. For example, a full-time employee (1 FTE) normally works 2,080 hours in a year, while a 0.45 FTE employee normally works 936 hours in a year (2,080 hours x 0.45 = 936).

FUND: A self-balancing set of accounts to record revenues and expenditures associated with a specific purpose or funding source.

FUND BALANCE: The difference between assets and liabilities for a particular fund. Fund balance represents the amount available for future expenditures.

GENERAL FUND: The City's primary operating fund. The General Fund is used to account for the proceeds of specific revenue sources that are not legally restricted to expenditures for specified purposes.

GENERAL PLAN: A comprehensive, long-term planning document that the City is required to develop and maintain for the physical development of land within its boundaries and any relational land outside of its boundaries. The City's current General Plan is available at www.cityoflagunawoods.org.

GRANT: Contributions, gifts of cash, or other assets from a government entity or other organization to be expended for a specific purpose.

INFRASTRUCTURE: The underlying physical foundation or basic framework of the City, including buildings, parks, roadways, parkways, medians, sidewalks, traffic signals, and other related facilities and fixtures.

INTER-FUND TRANSFERS: The flow of assets from one fund to another without an equivalent flow of assets in return or a requirement for repayment. Inter-fund transfers are often used to finance capital projects or support the operations of special funds.

LAGUNA WOODS CIVIC SUPPORT FUND: A nonprofit public benefit corporation established by the City with a specific and primary purpose of raising and distributing funds to support programs, projects, and services of the City, as well as functioning as a "friends of the library" group in support of the Laguna Woods branch of the County of Orange's public library system.

MEASURE M2 (OC Go): 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, and is now referred to as "OC Go."

MOBILE SOURCE REDUCTION: Funding generated by the State of California's Assembly Bill 2766 Subvention Program to support measures and projects that reduce mobile vehicle emissions.

MODIFIED ACCRUAL BASIS: The basis of accounting in which revenues are recognized if the underlying transaction has occurred as of the last day of the

fiscal year and the amount is measurable and available to finance expenditures of the current period (i.e., the actual collection will occur either during the current period, or after the end of the current period, to be used to pay current year-end liabilities). Expenditures are recognized when the obligations are created, except for amounts payable from future fiscal year appropriations. [State of California, Department of Finance, *Finance Glossary of Accounting and Budgeting Terms* (2017)]

OPERATING BUDGET: A budget established for the "day-to-day" delivery of City programs and services. The Operating Budget is exclusive of limited-term expenditures, including capital improvement projects.

PRIORITY FOCUS AREAS: Priorities established by the City Council to articulate the goals and intended outcomes of the City's budget and work plan. The Priority Focus Areas for Fiscal Years 2021-23 are: *A City that is… healthy and safe, high in quality of life, environmentally conscious, economically prosperous, fiscally responsible, and professionally and efficiently served.*

PROPERTY TAX: An ad valorem tax imposed on personal property, pursuant to California Constitution Article XIII and XIIIA; Revenue and Tax Code sections 95 and 97. Property tax is collected by the County of Orange and distributed to the City throughout the fiscal year.

PROPERTY TAX IN LIEU OF VEHICLE LICENSE FEES (VLF): Revenues resultant of a tax swap approved by the California State Legislature in 2004 that eliminated State General Fund payments to cities as compensation for revenue lost from vehicle license fee rate cuts and added property tax transfers in lieu.

PROPERTY TRANSFER TAX: 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.

PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (PEG) FEES: Fees collected by the City from franchised video service providers operating within the City to support PEG-related purposes consistent with state and federal law.

RESERVE: A separate account maintained to proactively set aside money for unforeseen and/or unusual expenditures.

REVENUE: Income received by the City.

ROAD MAINTENANCE & REHABILITATION PROGRAM: 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.

SALES TAX: A tax imposed on the total retail price of any tangible personal property and the use or storage of such property when sales tax is not paid pursuant to California Constitution Article XIII sections 25.5(a)(2) and 29; Revenue and Tax Code sections 7200 et seq. The City currently receives 1% of the 7.75% sales tax charged within Laguna Woods. The City also receives a share of the 0.5% sales tax levied by Measure M2 (OC Go) throughout Orange County, which is reported as Measure M2 (OC Go) revenue in this budget and the City's annual financial statements.

SENIOR MOBILITY: The City's Senior Mobility Program subsidizes the cost of taxi travel for Laguna Woods residents who are at least 60 years of age. The City uses the Senior Mobility Fund to account for revenues that are used to support the Senior Mobility Program, including Measure M2 (OC Go) 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).

SERVICE AUTHORITY FOR ABANDONED VEHICLES: Orange County's Service Authority for Abandoned Vehicles was formed in 1991 to assist with the abatement of abandoned vehicles. Fees were collected by the State of California from annual vehicle registrations and allocated to cities through local service authorities. The collection of fees ended in 2012.

SPECIAL REVENUE FUNDS: Funds used to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes.

SUPPLEMENTAL LAW ENFORCEMENT SERVICES: A source of local revenue that 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 to offset a portion of qualifying law enforcement costs.

TRANSIENT OCCUPANCY TAX (TOT): A tax levied at a rate of 10% of the rent charged for most hotel stays and short-term rentals, pursuant to California Revenue and Tax Code sections 7280 and 7281. Transient occupancy tax is

collected by hotel and short-term rental operators, and then paid to the City.

USED OIL/OIL PAYMENT PROGRAM: A grant program administered by the State of California, as required by the California Public Resources Code, to promote used oil recycling.

YEAR-END: The end of the City's fiscal year (June 30).

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City of Laguna Woods
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