



FISCALLY  
RESPONSIBLE

HEALTHY  
AND  
SAFE

# BUDGET & WORK PLAN

## Fiscal Years 2023-25

ECONOMICALLY  
PROSPEROUS

HIGH IN  
QUALITY  
OF LIFE

PROFESSIONALLY  
AND EFFICIENTLY  
SERVED

ENVIRONMENTALLY  
CONSCIOUS

**JUNE 28, 2023**

Corrected by Resolution Nos. 23-25 & 23-26



### ABOUT THE CITY OF LAGUNA WOODS SEAL

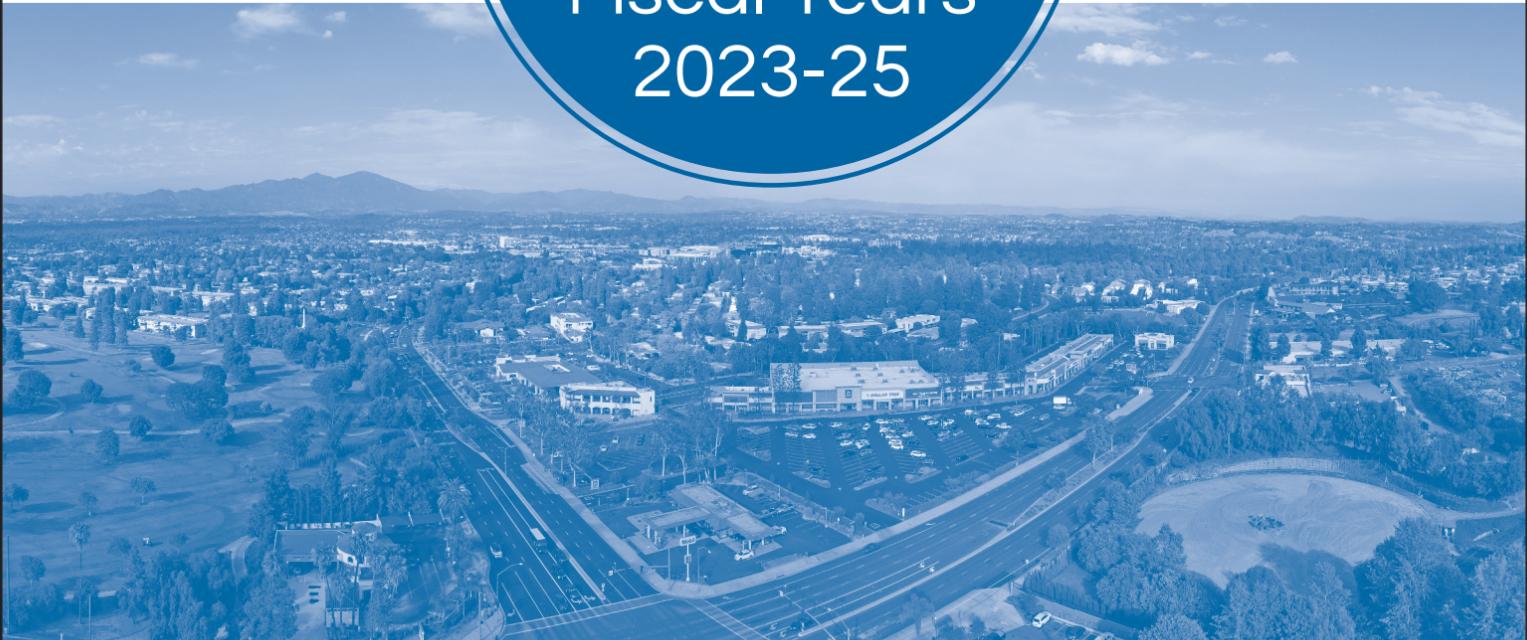
Doris Jackson, a Laguna Woods resident, designed the City of Laguna Woods' seal to "symbolize a community of seniors who very much live in the contemporary world." The tree is swaying into the circle with a free-flowing motion and the small pieces bring movement to the simple design, encouraging eyes 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 94<sup>th</sup> birthday.

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

PHOTOGRAPHS by Dusan Zupanski



City of  
Laguna Woods  
**BUDGET &  
WORK PLAN**  
Fiscal Years  
2023-25

**JUNE 28, 2023**

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**Cynthia Conners**

Mayor

**Noel Hatch**

Mayor Pro Tem

**Shari L. Horne**

Councilmember

**Annie McCary**

Councilmember

**Carol Moore**

Councilmember

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**Christopher Macon**

City Manager

**Liz Torres**

Administrative Services Director/City Treasurer

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# TRANSMITTAL LETTER

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June 28, 2023

Honorable Mayor and City Councilmembers:

It is my privilege to present the City of Laguna Woods' Fiscal Years 2023-25 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, 2023 through June 30, 2025.

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

The Fiscal Years 2023-25 Budget & Work Plan is the City's fourth consecutive two-year budget and work plan. The preceding two-year budgets and work plans successfully provided longer-term financial forecasts, greater certainty regarding the sustainability of the City's operations, and heightened strategic vision. Like the development processes for the preceding two-year budgets and work plans, the most recent process included numerous opportunities for public input, which are summarized in Chapter 3.0 (City Budget Practices).

## Prior Year Service Level Indicators

[Service Level Indicators – 2019-2022]

|   | 2019                 | 2020*                 | 2021*                 | 2022                       |
|---|----------------------|-----------------------|-----------------------|----------------------------|
| <i>Building Permitting</i>  |                      |                       |                       |                            |
| Building Permits Issued   | 4,390                | 1,588                 | 3,286                 | 2,224                      |
| Building Inspections Conducted  | 4,200+               | 3,238                 | 5,552                 | 6,394                      |
| <i>Capital Improvements &amp; Maintenance</i>   |                      |                       |                       |                            |
| Curb Ramps Reconstructed**  | 7                    | 7                     | 8                     | 14                         |
| Pavement Rehabilitated (square feet)**  | 42,032               | 62,756                | 87,400                | 100,200                    |
| Sidewalks Reconstructed (square feet)**   | -                    | 4,391.5               | 3,768.5               | 13,435                     |
| <i>Public Safety Calls for Service</i>  |                      |                       |                       |                            |
| Animal Services   | 397                  | 533                   | 196                   | 214                        |
| Fire/Emergency Medical Services   | 5,208                | 5,906                 | 5,423                 | 5,762                      |
| Law Enforcement Services  | 3,562                | 3,795                 | 4,324                 | 3,662                      |
| <i>Senior Mobility Program</i>  |                      |                       |                       |                            |
| Trips (All Destinations)  | 5,640                | 1,827                 | 1,341                 | 612                        |
| Trip Miles (All Destinations)   | 46,637               | 15,630                | 10,022                | 3,790                      |
| <i>Waste &amp; Recycling</i>  |                      |                       |                       |                            |
| Household Hazardous Waste Collected Door-to-Door (pounds)   | 7,510                | 4,556                 | 4,946                 | 6,466                      |
| Waste Collected through City Hall Drop-off Program (pounds)   | 4,314                | 3,060                 | 3,817                 | 4,403                      |
| Batteries (pounds)  | 2,922                | 2,149                 | 2,082                 | 2,543                      |
| Medicine (pounds)   | 786                  | 442                   | 702                   | 1,007                      |
| Sharps (pounds)   | 606                  | 469                   | 1,033                 | 853                        |
| Shredding (residents served)  | -                    | -                     | 618                   | 1,083                      |
| Shredding (containers collected)  | -                    | -                     | 211                   | 303                        |
| Per Capita Disposal Rate – Population (maximum pounds of landfill disposal per resident / actual pounds)*** | 3.9 / 2.2 Compliant  | 3.9 / 3.1 Compliant   | 3.9 / 3.1 Compliant   | 3.9 / 2.6 Compliant ****   |
| Per Capita Disposal Rate – Employment (maximum pounds of landfill disposal per employee / actual pounds)*** | 16.8 / 8.6 Compliant | 16.8 / 12.6 Compliant | 16.8 / 14.0 Compliant | 16.8 / 11.3 Compliant **** |
| <i>Other Figures</i>  |                      |                       |                       |                            |
| Foreign Pensions Acknowledged   | 117                  | 58                    | 66                    | 114                        |
| Signatures Notarized  | 1,338                | 682                   | 1,108                 | 1,010                      |
| Public Library Materials Checked Out  | 18,345               | 13,896                | 19,647                | 21,342                     |

\* Service level indicators for 2020 and 2021 were impacted by COVID-19.

\*\* Data is reported in the calendar year that projects were accepted as complete.

\*\*\* Per capita disposal rates reflect the City's compliance with the State's landfill disposal limits.

\*\*\*\* Data is in draft form; rates will be finalized with annual state reporting in June/July 2023.

## ***Financial Reporting and Annual Independent Audits***

Fiscal Year 2021-22 was the eighth 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 2021-22 ACFR pending.

The City's annual independent audits for both fiscal years 2020-21 and 2021-22 resulted in unmodified (clean) opinions that the financial statements were fairly presented in conformity with governmental accounting principles. No material weaknesses or significant deficiencies were identified in the City's internal control structure for either fiscal year.

## ***California State Auditor's Office Ranking***

The California State Auditor's Office maintains an Interactive Dashboard for its High-Risk Local Government Agency Audit Program ("Dashboard"), which ranks cities annually based on detailed information about their fiscal health. The rankings are used by the California State Auditor's Office to determine whether a city is at risk of fiscal distress.

The most current Dashboard data applies to Fiscal Year 2020-21. The City ranks as the 19<sup>th</sup> lowest risk city in California (of 431 cities assessed) with an overall score of 95.44 out of 100 points possible. In addition to ranking in the top 5% of cities statewide, the City also ranks as the second lowest risk city in the Los Angeles Region (of 130 cities assessed) and the second lowest risk city in Orange County (of 34 cities).

In developing the Dashboard, the California State Auditor's Office considers 10 financial indicators that are intended "to assess each city's ability to pay its bills in both the short and long term." Those indicators are general fund reserves, debt burden, liquidity, revenue trends, pension obligations, pension funding, pension costs, future pension costs, other post-employment benefits ("OPEB") obligations, and OPEB funding.

For more information on the Dashboard, please visit the California State Auditor's website ([www.auditor.ca.gov/local\\_high\\_risk/dashboard-csa](http://www.auditor.ca.gov/local_high_risk/dashboard-csa)).

### ***Status of Employee Pension and Benefit Liabilities***

According to the most current actuarial valuation reports, which are based on information as of June 30, 2021, the City's California Public Employees' Retirement System ("CalPERS") pension plans are more than fully funded at 109% with a balance of \$328,447. Elective lump sum payments approved by the City Council in prior fiscal years have lowered annual costs, bolstered the City's ability to weather future CalPERS discount rate changes, and otherwise contributed measurably to this secure financial position. For additional information on the City's management of employee pension liabilities, please refer to the CalPERS discussion beginning on page 5.0-22.

The City has been similarly prudent in prefunding its statutorily required other post-employment benefits ("OPEB") liabilities. Since Fiscal Year 2015-16, the City has maintained an irrevocable trust fund to prefund OPEB liabilities. As of June 30, 2021, the date of the most current actuarial valuation report, the City's OPEB liability was more than fully funded with a balance of \$243. For additional information on the City's prefunding of OPEB liabilities, please refer to the OPEB discussion on page 5.0-23.

### ***Broader Economic Outlook***

The City uses information from sources including 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.

The Fiscal Years 2021-23 Budget & Work Plan was adopted in June 2022 amidst the uncertainty of the COVID-19 pandemic, with the impacts thereof appearing to lessen but still anticipated to be felt for years to come. While the City's revenues have largely recovered from the most economically dire days of COVID-19, economic projections are currently such that the potential for a recession must be seriously considered.

While the City's General Fund revenue has tended to be comparatively more stable than municipalities that are more reliant on luxury goods and development growth, a recession could nevertheless impact both sales tax and transient occupancy tax revenue, which are identified as being of

significant financial concern as discussed in the next section. Accordingly, this Fiscal Years 2023-25 Budget & Work Plan estimates revenue cautiously and does not include significant new and ongoing expenditures that might prove difficult to sustain during recessionary conditions.

California State University, Fullerton's Woods Center for Economic Analysis and Forecasting's *2023 Spring Economic Outlook and Forecast*<sup>1</sup> anticipates a coming recession and characterizes it as a "...normal recession,' not the heart-stopping calamity of the financial crisis but a garden-variety kind akin to the early 1990s or 2000s." Their analysis notes that, despite the economy performing somewhat more resiliently than expected in the face of federal funds rate increases, the Russia/Ukraine war, and global commodity and supply chain disruptions, "... underneath the hood, the economy is more fragile than originally meets the eye, which means that even moderate shocks may deliver punches deadly enough to derail it."

The LAO, in a fiscal perspectives article titled *Whether or Not to Tap Reserves to Solve Estimated Budget Problem Emerges as Key Fiscal Decision Facing California's Legislature*<sup>2</sup>, notes that "beginning in May 2022, [the LAO] estimated that the economy was at a heightened risk of recession occurring within the next two years." While the LAO concedes that inflation appears to be trending downward from its June 2022 peak, the Federal Reserve's efforts to continue to "... lower inflation by raising the Fed funds rate has the effect of cooling the economy, which inherently raises the odds of a recession."

### ***Significant Financial Concerns***

With law enforcement services costs continuing to increase in a manner that threatens the City's long-term solvency, and questions looming related to the future stability of at least two major General Fund revenue sources, the City must continue to exercise fiscal discipline in order to ensure the delivery of all core municipal services and the fulfillment of all statutory responsibilities. It is important for the City to continue to operate with a realistic understanding of the limits of its available resources and remain committed to enhancing the efficiency, effectiveness, and economy of its operations, as strategies for managing future costs. This budget and work plan does exactly that.

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<sup>1</sup> Puri, Anil and Farka, Mira, California State University, Fullerton, Woods Center for Economic Analysis and Forecasting, *The Dark Side of the Moon: Outlook for Growth and Inflation in the Shadow of the Fed*. Fullerton, California. April 27, 2023.

<sup>2</sup> Petek, Gabriel, State of California, Legislative Analyst's Office, *Whether or Not to Tap Reserves to Solve Estimated Budget Problem Emerges as Key Fiscal Decision Facing California's Legislature*. [Fiscal Perspectives]. April 19, 2023.

City projections continue to show that law enforcement services costs are increasing at an unsustainable rate in excess of the growth of the City's General Fund operating revenue, primarily due to labor agreements approved by the Orange County Board of Supervisors, operational decisions made by the Orange County Sheriff's Department, and unfunded pension liabilities associated with the Orange County Employees Retirement System ("OCERS"). Labor agreements currently being negotiated by the County of Orange are expected to compound existing challenges by granting multi-year, significant increases in pay and benefits.

The reality is that as long as decisionmakers who are not directly accountable to the citizens of Laguna Woods (namely, the Orange County Board of Supervisors, Orange County Sheriff's Department, and OCERS) drive the vast majority of the City's increasing cost of doing business, financial pressure will continue to grow. Absent either a change in bargaining philosophy on the part of the Orange County Board of Supervisors, or some manner of service level reduction and/or revenue enhancement on the part of the City, future financial imbalance remains possible within the coming decade.

The City's lack of a strong and diversified commercial tax base continues to be of significant concern. Sales tax revenue and transient occupancy tax revenue – which are the City's second and fifth largest sources of operating revenue, respectively – are extremely vulnerable to sudden and significant loss due to an overreliance on a small number of businesses for the majority of revenue. In the case of sales tax, the replacement of previously sales tax-generating businesses with lesser or non-sales tax-generating businesses, as well as the potential for new housing development in place of existing commercial development (due to changes in, and the City's obligations under, state housing law), exacerbate that concern.

### **Budget Snapshot**

**23-24**

Inclusive of all funds, expenditures for Fiscal Year 2023-24 total \$10,052,655. The General Fund operating budget is balanced and accounts for the majority of expenditures at \$7,016,829. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be \$6,644,156, or 94.7% of the Fiscal Year 2023-24 operating budget. That unassigned balance would be in addition to reserves totaling \$3,686,707.

# 24-25

Inclusive of all funds, expenditures for Fiscal Year 2024-25 total \$9,550,275. The General Fund operating budget is balanced and accounts for the majority of expenditures at \$7,247,511. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be \$6,778,145, or 93.5%, of the Fiscal Year 2024-25 operating budget. That unassigned balance would be in addition to reserves totaling \$3,772,607.

## ***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**

- Accessibility Improvement Reimbursement Program
- Active Transportation Plan Development
- Animal Regulations
- Building Permitting Records Digitization
- Building Permitting Software and Electronic Plan Review Enhancements
- Commercial Zoning Regulations
- Construction and Demolition Materials Management Regulations
- County Easement and City Boundary Clarification
- Crime Prevention through Environmental Design Regulations
- Discretionary Zoning Permits and Procedures Regulations
- Document Retention Policy Update
- Emergency Operations Plan Update
- Engineering and Traffic Survey for Speed Limits
- General Plan Housing Element Implementation
- General Plan Update
- Local California Environmental Quality Act Guidelines Update
- Local Hazard Mitigation Plan Update
- Maintenance Inspection and Repair Programs Update

- Objective Design and Development Regulations
- Pavement Management Plan Update for Fiscal Years 2024-34
- Personnel Policies and Workplace Safety Programs Update
- Potential New Fire Station
- Requests for Proposals
- Sidewalk Vending Regulations
- State Trash Orders Compliance
- Voice over Internet Protocol Implementation

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

### **Capital Improvement Projects**

- Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phases 6 and 6B
- Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7
- Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8
- City Hall Complex Parking Lot Improvement Project
- City Hall Electric Vehicle Charging Infrastructure Project
- City Hall Refurbishment and Safety Project: Phase 4
- City Hall Refurbishment and Safety Project: Phase 5
- City Hall/Public Library Project
- El Toro Road and Moulton Parkway Water Quality Treatment Project
- El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora)
- Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager)
- Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta)
- Ridge Route Drive Drainage Repair Project
- Transit Shelter and Street Furniture Replacement 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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CHAPTER  
1.0

CITY  
BACKGROUND

BUDGET &  
WORK PLAN  
Fiscal Years  
2023-25



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# **1.0. CITY BACKGROUND**

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*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 32<sup>nd</sup> 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 24<sup>th</sup> anniversary in 2023.

## **PHYSICAL SETTING**

The City of Laguna Woods is bordered by the cities of Aliso Viejo, Irvine, Laguna Beach, and Laguna Hills, as well as the Laguna Coast Wilderness Park and other natural open spaces. Nearby transportation corridors include

Interstate 5, State Route 73, and State Route 133. The Pacific Ocean is approximately five miles to the west. Notable land uses include the private community of Laguna Woods Village, several other senior-oriented residential communities, a number of commercial centers, and three public parks.

*[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 and supervises a City Manager who is responsible for the day-to-day administration of the City and implementation of the City Council's ordinances, regulations, and policy direction. The City Council also appoints a City Attorney to serve 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 2024

Noel Hatch – current term ends in 2024

Shari L. Horne – current term ends in 2024

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

The City has 10.25 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.....  
Brown Armstrong Accountancy Corporation

Building Services.....Interwest Consulting Group  
Bureau Veritas North America

Engineering Services.....CivilSource/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.....  
California Yellow Cab

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 enactment of Proposition 13 in 1978 and the incorporation of the City in 1999. The County of Orange collects the fire tax, accumulates the proceeds in a structural fire fund, and makes payments to OCFA for Laguna Woods' fire services. Because the City is not involved in the levy, collection, or disbursement of the fire tax, 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 7,910 square feet over two stories.

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

The Public Library Building is expected to open in summer 2023. The building will include 1,161 square feet of interior space and an adjoining 573 square foot outdoor activity room. Portions of the building are 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 Park, 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 offering an assortment of apartment, assisted living, condominium, and cooperative housing.

#### *[Residential Communities]*

| Residential Community                              | Housing Type             | Dwelling Units |
|--|--------------------------|----------------|
| Ivy Park of Wellington<br>(formerly Las Palmas)    | Assisted Living          | 184            |
| Ivy Park at Laguna Woods<br>(formerly The Regency) | Assisted Living          | 192            |
| Laguna Woods Village                               | Condominium, Cooperative | 12,736         |
| San Sebastian                                      | Apartment                | 134            |
| Whispering Fountains                               | Apartment                | 140            |
| TOTAL  |                          | 13,386         |

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 served by the following five major shopping centers:

- Town Centre (north of El Toro Road, west of Moulton Parkway)
- Home Depot Center (south of El Toro Road, west of Moulton Parkway)

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

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

## 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 population larger 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 17,450 as of January 1, 2023, a reduction of approximately 0.5% from the January 1, 2022 estimate of 17,536<sup>1</sup>. Based on the January 1, 2023 estimate, Laguna Woods is the 312<sup>th</sup> most populous of 482 cities statewide (170 cities – or, just over 35% of all cities in California – have smaller populations).

## OTHER LOCAL DEMOGRAPHICS

[Sex]

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

[Median Age]

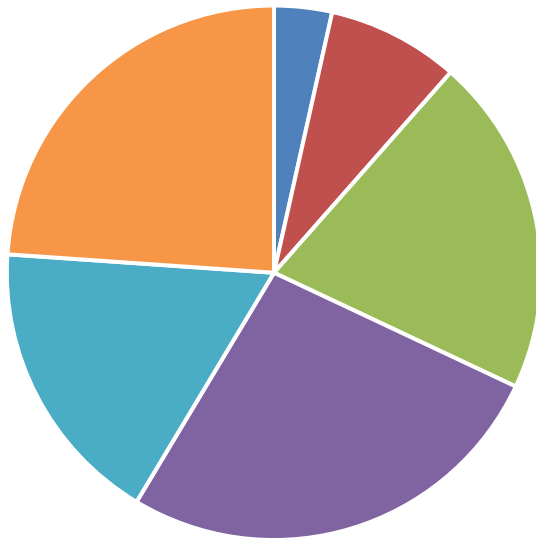
| Description | 2010 U.S. Census | 2020 U.S. Census |
|-------------|------------------|------------------|
| Median age  | 77.0 years       | 74.9 years       |

<sup>1</sup> State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2022 and 2023*. Sacramento, California, May 2023.

|        |            |            |
|--------|------------|------------|
| Male   | 76.4 years | 74.9 years |
| Female | 77.4 years | 75.0 years |

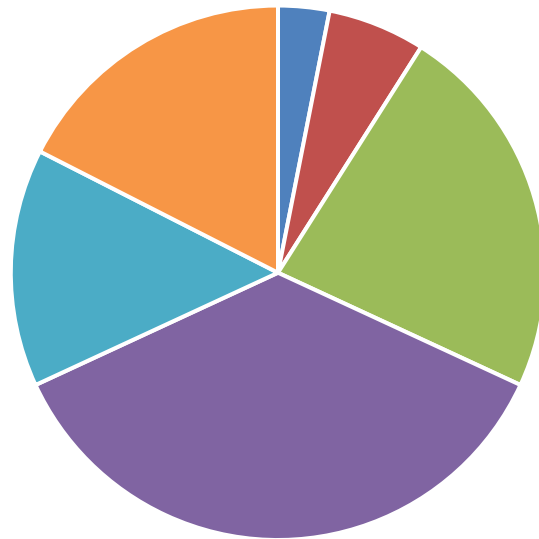
[Age Distribution]

2010 U.S. Census



- Birth to 49 years
- 50 to 59 years
- 60 to 69 years
- 70 to 79 years
- 80 to 84 years
- 85 years and over

2020 U.S. Census



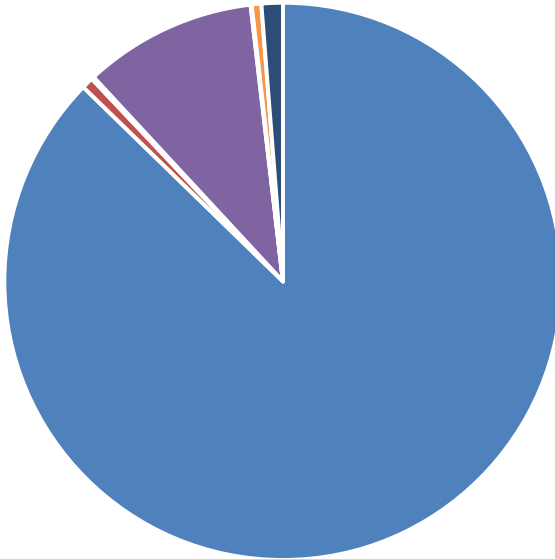
- Birth to 49 years
- 50 to 59 years
- 60 to 69 years
- 70 to 79 years
- 80 to 84 years
- 85 years and over

| 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% |
|-----------------------------|------|------|

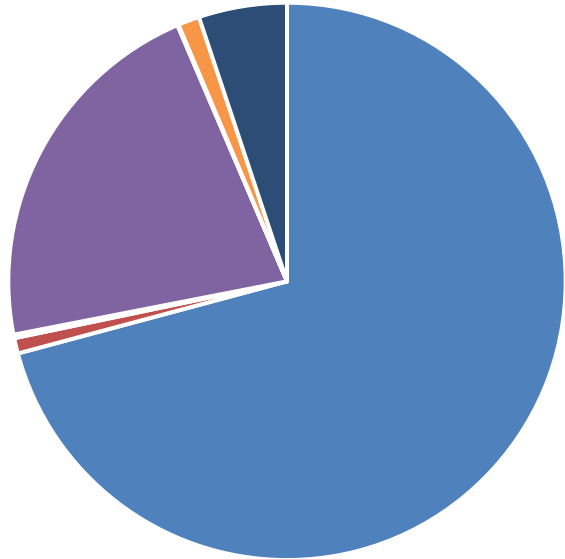
[Race]

2010 U.S. Census



- White alone
- Black or African American alone
- American Indian/Alaska Native alone
- Asian alone
- Native Hawaiian and Other Pacific Islander alone
- Some Other Race alone
- Two or More Races

2020 U.S. Census

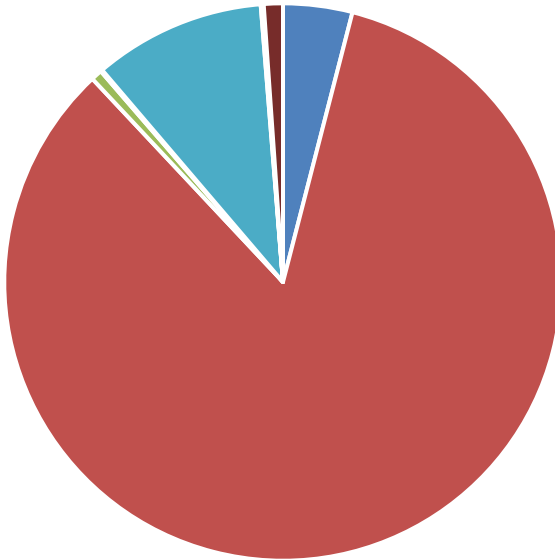


- White alone
- Black or African American alone
- American Indian/Alaska Native alone
- Asian alone
- Native Hawaiian and Other Pacific Islander alone
- Some Other Race alone
- Two or More Races

| 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%             |

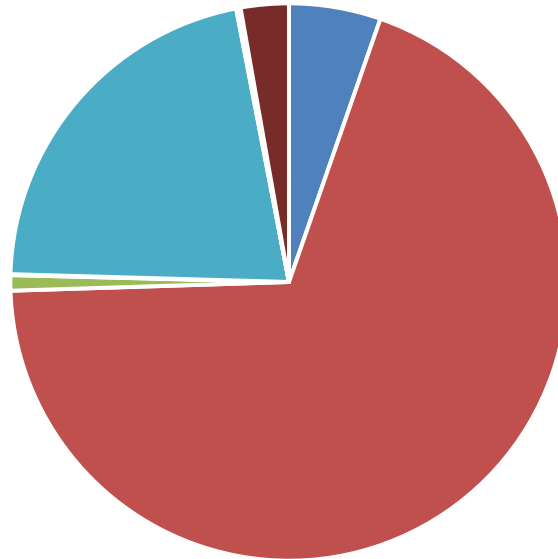
[Hispanic or Latino Origin]

2010 U.S. Census



- Hispanic or Latino
- White alone
- Black or African American alone
- American Indian/Alaska Native alone
- Asian alone
- Native Hawaiian/Other Pacific Islander alone
- Some Other Race alone
- Two or More Races

2020 U.S. Census



- Hispanic or Latino
- White alone
- Black or African American alone
- American Indian/Alaska Native alone
- Asian alone
- Native Hawaiian/Other Pacific Islander alone
- Some Other Race alone
- Two or More Races

| Description                                      | 2010 U.S. Census | 2020 U.S. Census |
|--|------------------|------------------|
| Hispanic or Latino                               | 4.0%             | 5.3%             |
| <i>Not Hispanic or Latino</i>                    |                  |                  |
| 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%             |

## **CONGRESSIONAL DISTRICTS**

The majority of Laguna Woods is located in the 40<sup>th</sup> Congressional District. A portion of Laguna Woods is located in the 47<sup>th</sup> Congressional District.

## **CALIFORNIA ASSEMBLY DISTRICT**

Laguna Woods is located in the 72<sup>nd</sup> California Assembly District.

## **CALIFORNIA SENATE DISTRICT**

Laguna Woods is located in the 37<sup>th</sup> California Senate District.

## **CALIFORNIA BOARD OF EQUALIZATION DISTRICT**

Laguna Woods is located in the 4<sup>th</sup> California Board of Equalization District.

## **ORANGE COUNTY SUPERVISORIAL DISTRICT**

Laguna Woods is located in the 5<sup>th</sup> Orange County Supervisorial District.

## **SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL DISTRICT**

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

CHAPTER

2.0

# CITY ORGANIZATION

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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## 2.0. CITY ORGANIZATION

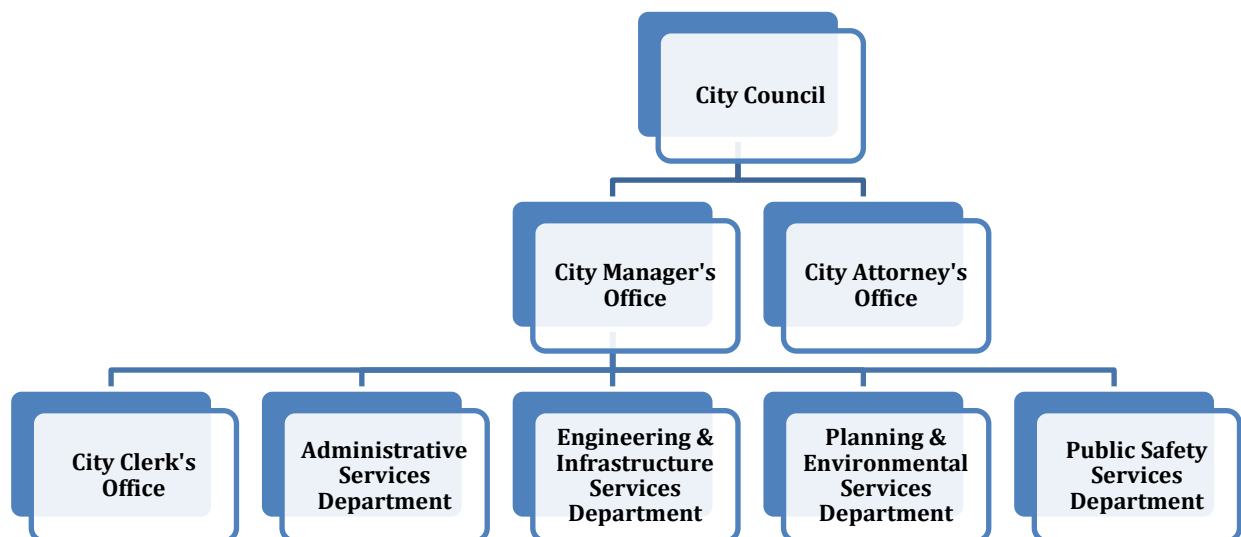
*This chapter provides a brief overview of the City of Laguna Woods' internal structure in order to establish a context for understanding how this budget and work plan will be implemented.*

### 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 S. Conners – current term ends in 2024*

*Noel Hatch – current term ends in 2024*

*Shari L. Horne – current term ends in 2024*

*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 and supervises a City Manager who is responsible for the day-to-day administration of the City and implementation of the City Council's ordinances, regulations, and policy direction. The City Council also appoints a City Attorney to serve 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 (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 matters related to City business and is responsible for preparing, reviewing, and approving the form of ordinances, resolutions, 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 10.25 full-time equivalent ("FTE") employee positions, which is equal to the number of FTE employee positions that were authorized in the fiscal year immediately preceding this budget and work plan (Fiscal Year 2022-23). While the number of FTE employee positions remains the same, three Management Analyst Series positions have been reclassified to administrator-level positions to better reflect and define their programmatic responsibilities.

Over the 10 years spanning fiscal years 2015-16 through 2024-25, the average number of authorized employee positions is projected to be 9.36 FTE.

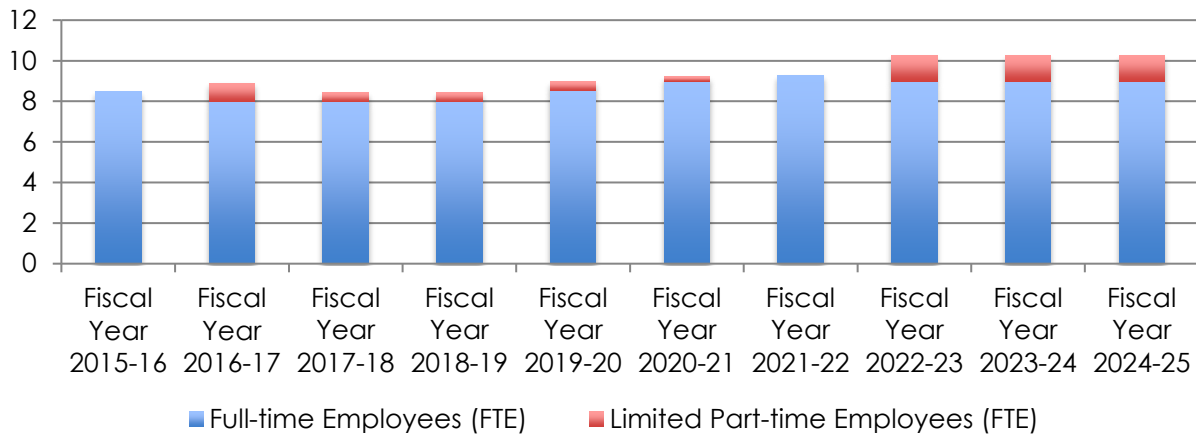
*[Authorized City Employee Positions – Citywide (Table)]*

| Position  | Number Authorized   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| <i>Full-time Employees [full-time equivalents (FTE)]</i>      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Accountant/<br>Senior Accountant (A)<br>("Accountant Series") | (A)                 | (A)                 | (A)                 | 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                |
| Administrative Coordinator                                    | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | -                   | -                   | -                   |
| Administrative Services<br>Director/City Treasurer            | 1.00                | 1.00                | 1.00                | 1.00                | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         |
| Assistant City Manager  | 1.00                | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| City Manager  | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                |
| Community Services<br>Manager                                 | 0.50<br>(C)         | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Conservation Administrator                                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1.00                | 1.00                |
| Deputy City Clerk   | 1.00                | 1.00                | 1.00                | 0.47<br>(D)         | (D)                 | (D)                 | (D)                 | (D)                 | (D)                 | (D)                 |

| Position  | Number Authorized   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| Deputy City Clerk/<br>City Clerk (B)<br>("City Clerk Series")                     | -                   | -                   | -                   | 0.53<br>(D)         | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                |
| Development Administrator   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1.00                | 1.00                |
| Management Analyst/<br>Senior Management Analyst<br>("Management Analyst Series") | 0.44<br>(E)         | 2.00                | 2.00                | 2.00                | 2.54<br>(F)         | 3.00                | 3.29<br>(G)         | 4.00                | 1.00                | 1.00                |
| Management Assistant  | 0.56<br>(E)         | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Public Works Administrator  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1.00                | 1.00                |
| Senior Accountant   | 1.00                | 1.00                | 1.00                | (A)                 | (A)                 | (A)                 | (A)                 | (A)                 | (A)                 | (A)                 |
| 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                |
| <i>Limited Part-time Employees [full-time equivalents (FTE)]</i>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Customer Service Representative   | -                   | 0.45<br>(H)         | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Management Analyst/<br>Senior Management Analyst<br>("Management Analyst Series") | -                   | 0.45                | 0.45                | 0.45                | 0.45                | 0.23                | -                   | -                   | -                   | -                   |
| Receptionist  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1.25<br>(I)         | 1.25<br>(I)         | 1.25<br>(I)         |
| Total FTE – part-time positions   | -                   | 0.90                | 0.45                | 0.45                | 0.45                | 0.23                | -                   | 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               |
| Year-over-year change   |                     | 0.40                | (0.45)              | -                   | 1.54                | (0.76)              | 0.06                | 0.96                | -                   | -                   |

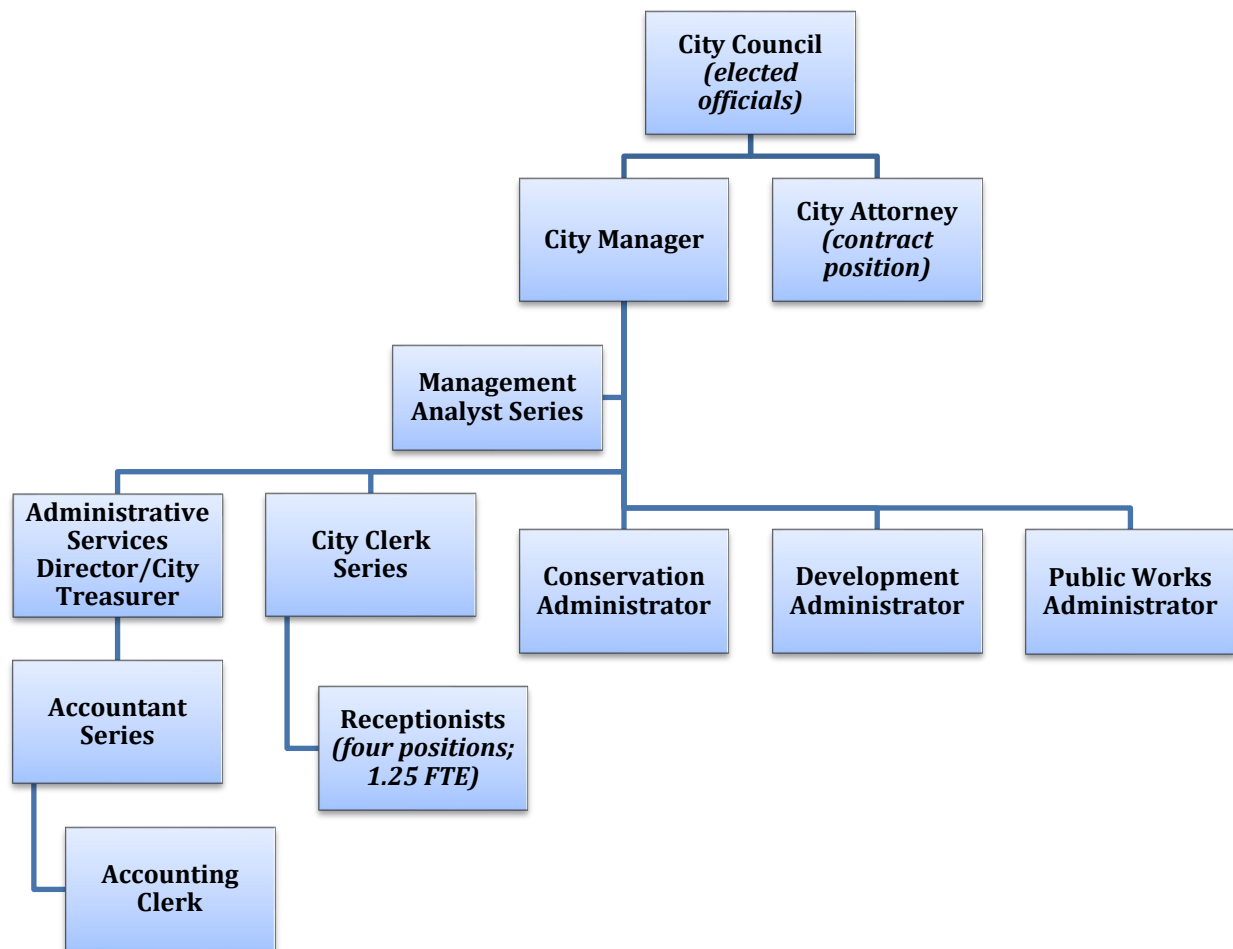
- (A) The Senior Accountant position was transitioned to a dual-class position consisting of both Accountant and Senior Accountant classes beginning in Fiscal Year 2018-19.
- (B) The Administrative Services Director/City Treasurer position has been authorized as a full-time, 1.00 FTE, but filled as a 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 (0.52 FTE), resulting in a net FTE of 1.00.
- (E) A Management Analyst 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.

[Authorized City Employee Positions – Citywide (Graph)]



## REPORTING RELATIONSHIPS

[Organizational Chart – Reporting Relationships]



## 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 the City's 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.

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 both the Engineering & Infrastructure Services Department and the Planning & Environmental Services Department.

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   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| <i>Full-time Employees [full-time equivalents (FTE)]</i>                          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| City Manager  | 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/<br>Senior Management Analyst<br>("Management Analyst Series") | -                   | -                   | -                   | -                   | -                   | -                   | 0.29 (B)            | 1.00 (B)            | 1.00                | 1.00                |
| 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                |

| Position  | Number Authorized   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| <i>Limited Part-time Employees [full-time equivalents (FTE)]</i>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Management Analyst/<br>Senior Management Analyst<br>("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                |
| 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).

*[Organizational Chart – City Manager's Office]*



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 the City's legislative and recordkeeping functions, including the Political Reform Act, the 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.

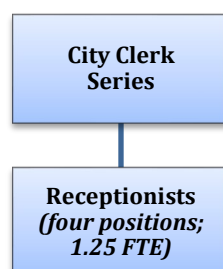
The City Clerk serves as the Secretary of the Laguna Woods Civic Support Fund.

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

| Position   | Number Authorized   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| <i>Full-time Employees [full-time equivalents (FTE)]</i>         |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Administrative Coordinator                                       | (A)                 | (A)                 | (A)                 | (A)                 | 1.00                | 1.00                | 1.00                | -                   | -                   | -                   |
| Deputy City Clerk/<br>City Clerk (B)<br>("City Clerk Series")    | (A)                 | (A)                 | (A)                 | (A)                 | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                |
| Total FTE – full-time positions                                  | -                   | -                   | -                   | -                   | 2.00                | 2.00                | 2.00                | 1.00                | 1.00                | 1.00                |
| <i>Limited Part-time Employees [full-time equivalents (FTE)]</i> |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| -  | -                   | (C)                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Receptionist   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1.25 (D)            | 1.25 (D)            | 1.25 (D)            |
| Total FTE – part-time positions                                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1.25                | 1.25                | 1.25                |
| Total FTE – all positions  | -                   | -                   | -                   | -                   | 2.00                | 2.00                | 2.00                | 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.

*[Organizational Chart – City Clerk's Office]*



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 policy.

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

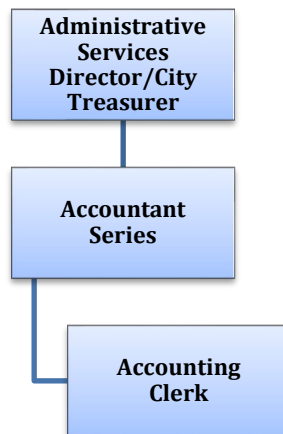
*[Authorized City Employee Positions – Administrative Services Department]*

| Position   | Number Authorized   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| <i>Full-time Employees [full-time equivalents (FTE)]</i>         |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Accountant/<br>Senior Accountant (A)<br>("Accountant Series")    | 1.00                | 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                |
| Administrative Coordinator                                       | 1.00                | 1.00                | 1.00                | 1.00                | (B)                 | (B)                 | (B)                 | (B)                 | (B)                 | (B)                 |
| Administrative Services<br>Director/City Treasurer               | 1.00                | 1.00                | 1.00                | 1.00                | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         | 1.00<br>(B)         |
| Deputy City Clerk/<br>City Clerk (C)<br>("City Clerk Series")    | -                   | -                   | -                   | 0.53<br>(D)         | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                | 1.00                |
| Deputy City Clerk  | 1.00                | 1.00                | 1.00                | 0.47<br>(D)         | (B)                 | (B)                 | (B)                 | (B)                 | (B)                 | (B)                 |
| 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                |
| <i>Limited Part-time Employees [full-time equivalents (FTE)]</i> |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Customer Service<br>Representative                               | -                   | 0.45<br>(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                |

| Position              | Number Authorized   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                       | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 | Fiscal Year 2021-22 | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 |
| 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 (0.52 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.

*[Organizational Chart – Administrative Services Department]*



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

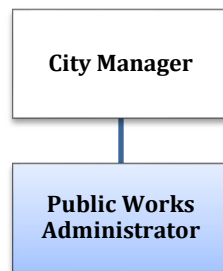
## ENGINEERING & INFRASTRUCTURE SERVICES DEPARTMENT

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 City's three public parks, the Engineering & Infrastructure Services Department's purview includes public streets, sidewalks, traffic signals, street lights, transit shelters, drainage systems, and landscaping.

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

| Position  | Number Authorized             |                               |                               |                               |                               |                               |                               |                               |                               |                               |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|   | Fiscal<br>Year<br>2015-<br>16 | Fiscal<br>Year<br>2016-<br>17 | Fiscal<br>Year<br>2017-<br>18 | Fiscal<br>Year<br>2018-<br>19 | Fiscal<br>Year<br>2019-<br>20 | Fiscal<br>Year<br>2020-<br>21 | Fiscal<br>Year<br>2021-<br>22 | Fiscal<br>Year<br>2022-<br>23 | Fiscal<br>Year<br>2023-<br>24 | Fiscal<br>Year<br>2024-<br>25 |
| <i>Full-time Employees [full-time equivalents (FTE)]</i>                          |                               |                               |                               |                               |                               |                               |                               |                               |                               |                               |
| Assistant City Manager  | 0.25                          | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |
| Management Analyst/<br>Senior Management Analyst<br>("Management Analyst Series") | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | -                             | -                             |
| Public Works Administrator  | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | 1.00                          | 1.00                          |
| Total FTE – full-time positions   | 1.25                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.0                           | 1.00                          | 1.00                          | 1.00                          |
| <i>Limited Part-time Employees [full-time equivalents (FTE)]</i>                  |                               |                               |                               |                               |                               |                               |                               |                               |                               |                               |
| -   | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |
| Total FTE – part-time positions   | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |
| Total FTE – all positions   | 1.25                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          | 1.00                          |
| Year-over-year change   | (0.25)                        | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |

*[Organizational Chart –  
Engineering & Infrastructure Services Department]*



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**

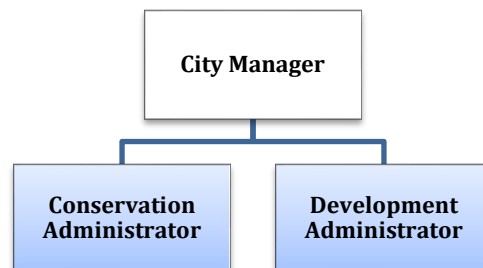
The Planning & Environmental Services Department is responsible for functions

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             |                               |                               |                               |                               |                               |                               |                               |                               |                               |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|   | Fiscal<br>Year<br>2015-<br>16 | Fiscal<br>Year<br>2016-<br>17 | Fiscal<br>Year<br>2017-<br>18 | Fiscal<br>Year<br>2018-<br>19 | Fiscal<br>Year<br>2019-<br>20 | Fiscal<br>Year<br>2020-<br>21 | Fiscal<br>Year<br>2021-<br>22 | Fiscal<br>Year<br>2022-<br>23 | Fiscal<br>Year<br>2023-<br>24 | Fiscal<br>Year<br>2024-<br>25 |
| <i>Full-time Employees [full-time equivalents (FTE)]</i>                          |                               |                               |                               |                               |                               |                               |                               |                               |                               |                               |
| Assistant City Manager  | 0.75                          | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |
| Conservation Administrator  | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | 1.00                          | 1.00                          |
| Development Administrator   | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | 1.00                          | 1.00                          |
| Management Analyst/<br>Senior Management Analyst<br>("Management Analyst Series") | -                             | 2.00                          | 2.00                          | 2.00                          | 2.00                          | 2.00                          | 2.00                          | 2.00                          | -                             | -                             |
| 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                          |
| <i>Limited Part-time Employees [full-time equivalents (FTE)]</i>                  |                               |                               |                               |                               |                               |                               |                               |                               |                               |                               |
| -   | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |
| 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                          |
| Year-over-year change   |                               | 1.25                          | -                             | -                             | -                             | -                             | -                             | -                             | -                             | -                             |

*[Organizational Chart –  
Planning & Environmental Services Department]*



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 Planning & Environmental Services Department. The City Manager is included in the General Government section of this budget.

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

## **PUBLIC SAFETY SERVICES DEPARTMENT**

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 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*

During Fiscal Years 2023-25 (prior to the fourth quarter of Fiscal Year 2024-25), the City anticipates conducting an analysis of the manner in which building services are provided. At present, building services are principally provided by contract service providers under agreements managed by the Planning & Environmental Services Department. Those agreements are currently set to end no later than June 30, 2025. While the City may ultimately pursue a new competitive procurement process to identify contract service providers for terms beginning after the end of the current agreements, the City anticipates first analyzing the efficiency, effectiveness, and economy (including potential effects on building services fees paid by residents and other private parties) of transitioning all or a portion of building services to new employee positions.

### *Code Enforcement Services*

During Fiscal Years 2023-25 (prior to the fourth quarter of Fiscal Year 2024-25), the City also anticipates conducting an analysis of the manner in which code enforcement services are provided. At present, code enforcement services are principally provided by contract service providers under agreements managed by the Planning & Environmental Services Department. The primary code enforcement services agreement is currently set to end no later than July 31, 2023. A competitive procurement process is underway to identify a primary contract service provider for a period ending no later than June 30, 2025. While the City may ultimately pursue a new competitive procurement

process to identify contract service providers for terms beginning after the end of current and prospective agreements, the City anticipates first analyzing the efficiency, effectiveness, and economy of transitioning all or a portion of code enforcement services to new employee positions.

Additional factors contributing to the anticipated analysis of the manner in which code enforcement services are provided include:

- Code enforcement needs have grown over time and are closely related to building services as a large portion of code enforcement cases are opened due to unpermitted construction and issues of building safety.
- The 2021-2029 General Plan Housing Element includes Program H-2.3.1, which requires the formalization of a proactive code enforcement program that focuses on housing-related rehabilitation needs, results in repairs, and seeks to mitigate potential cost, displacement, and relocation impacts on residents. The implementation of Program H-2.3.1 is scheduled to occur in Calendar Year 2025 and may affect the manner in which code enforcement services are provided thereafter.
- If the City Council elects to permit cannabis businesses, staff anticipates that additional code enforcement services will be necessary to assist with the administration of applicable Laguna Woods Municipal Code requirements and the collection of business tax proceeds.

CHAPTER

3.0

## CITY BUDGET PRACTICES

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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## **3.0. CITY BUDGET PRACTICES**

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*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, 2023 through June 30, 2025, 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 2023-25 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:

- Wednesday, March 22, 2023 – kick-off, discussion and development
- 

- Wednesday, April 19, 2023 – discussion and development
- 

*Thursday, May 25, 2023 – public release of draft budget and work plan chapters 1 (City Background) and 2 (City Organization)*

- Wednesday, May 31, 2023 – discussion and development
- 

*Friday, June 9, 2023 – public release of draft budget and work plan Chapter 7 (City Work Plan)*

- Wednesday, June 14, 2023 – discussion and development
- 

- Wednesday, June 21, 2023 – discussion and development
- 

*Saturday, June 24, 2023 – public release of final draft budget and work plan*

- Wednesday, June 28, 2023 – 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 2021-23 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 2021-23]*



## 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 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 2023-24]*

|  |                    |
|--|--------------------|
| Fiscal Year 2023-24 General Fund Revenue Budget,<br>less one-time and non-operating revenues | \$7,335,600        |
|  | x .50              |
| Overall Target for Assigned Reserves   | <u>\$3,667,800</u> |
| Paid Leave Contingency Reserve <sup>1</sup>  | \$120,046          |
| Self-Insurance Contingency Reserve   | \$50,000           |
| General Contingency Reserve  | <u>\$3,497,754</u> |
| Total Assigned Reserves  | <u>\$3,667,800</u> |

*[Assigned Reserves Funding Levels – Fiscal Year 2024-25\*]*

|  |                    |
|--|--------------------|
| Fiscal Year 2024-25 General Fund Revenue Budget,<br>less one-time and non-operating revenues | \$7,507,400        |
|  | x .50              |
| Overall Target for Assigned Reserves   | <u>\$3,753,700</u> |
| Paid Leave Contingency Reserve <sup>1</sup>  | \$120,046          |
| Self-Insurance Contingency Reserve   | \$50,000           |
| General Contingency Reserve  | <u>\$3,583,654</u> |
| Total Assigned Reserves  | <u>\$3,753,700</u> |

\* If the adopted General Fund revenue budget changes prior to the beginning of Fiscal Year 2024-25, 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 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.

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<sup>1</sup> 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.

## 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. The California Department of Finance's *Finance Glossary of Accounting and Budgeting Terms* (2017) defines "modified accrual" as:

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

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

## FUND TYPES

Government agencies classify funds as either governmental (accounting for typical government operations), proprietary (accounting for activities 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”<sup>2</sup> 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 XIII B 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 XIII B of the California State Constitution would allow the City to “carry those excess funds into the subsequent year.” At the conclusion of the subsequent year, the City would be required to either return remaining excess funds to taxpayers or gain voter approval to “override” the Gann Limit.

The City's Gann Limit is adopted by the City Council by resolution each year

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<sup>2</sup> 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.

(see Resolution No. 23-18 included with this budget as Appendix D). The Gann Limit for Fiscal Year 2023-24 is \$13,152,426 and was calculated as follows:

*[Gann Limit Calculation – Fiscal Year 2023-24]*

|   |                    |
|---|--------------------|
| Fiscal Year 2022-23 Gann Limit                                  | \$12,651,025       |
| Population Change (County of Orange) <sup>3</sup>               | x 0.9954           |
| Cost of Living Change (Per Capita Personal Income) <sup>3</sup> | x <u>1.0444</u>    |
| Fiscal Year 2023-24 Gann Limit                                  | \$13,152,426       |
| Fiscal Year 2023-24 Appropriations<br>Subject to the Gann Limit | <u>\$4,991,577</u> |
| Fiscal Year 2023-24 Gann Limit over Appropriations              | <u>\$8,160,848</u> |

The Gann Limit for Fiscal Year 2024-25 is expected to be adopted by the City Council in June 2024, once the necessary information on population and cost of living changes for Fiscal Year 2023-24 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 2023-24 or 2024-25. 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* (2017), 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.

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<sup>3</sup> State of California, Department of Finance, *Price and Population Information*. May 2023. Factors are rounded to four decimal places for presentation purposes.

CHAPTER

4.0

CITY  
BUDGET DETAIL,  
ALL FUNDS  
SUMMARIES

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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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 2023-25]*

### 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
- Miscellaneous Special Revenue
- Laguna Woods Civic Support Fund

### Capital Projects Fund

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**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Summary by Fund, All Funds - Fiscal Year 2023-24**

|  | 7/1/2023<br>Estimated<br>Opening<br>Fund<br>Balance | Budgeted<br>Revenues | Budgeted<br>Expenditures | Inter-Fund<br>Transfers | Changes<br>to<br>Reserves | Net Change<br>in Fund<br>Balance | 6/30/2024<br>Projected<br>Ending<br>Fund<br>Balance |
|--|---|----------------------|--------------------------|-------------------------|---------------------------|----------------------------------|---|
| <b><u>GENERAL FUND GROUP</u></b>             |   |                      |                          |                         |                           |                                  |   |
| <b><u>General Fund</u></b>                   |   |                      |                          |                         |                           |                                  |   |
| General Fund - Unassigned                    | 7,227,151   | 7,335,600            | 7,121,829                | (608,250)               | (188,516)                 | (582,995)                        | 6,644,156   |
| Nonspendable:                                |   |                      |                          |                         |                           |                                  |   |
| Prepays                                      | 15,597  | -                    | -                        | -                       | -                         | -                                | 15,597  |
| Restricted for:                              |   |                      |                          |                         |                           |                                  |   |
| Strong Motion Instrumentation Program (SMIP) | 2,267   | -                    | -                        | -                       | -                         | -                                | 2,267   |
| Senate Bill 1473 (2008)                      | 1,043   | -                    | -                        | -                       | -                         | -                                | 1,043   |
| Assigned for:                                |   |                      |                          |                         |                           |                                  |   |
| Paid Leave Contingency Reserve               | 120,046   | -                    | -                        | -                       | -                         | -                                | 120,046   |
| Self Insurance Contingency Reserve           | 50,000  | -                    | -                        | -                       | -                         | -                                | 50,000  |
| General Fund Contingency Reserve             | 3,309,239   | -                    | -                        | -                       | 188,516                   | 188,516                          | 3,497,754   |
| <b>Total General Fund</b>                    | <b>10,725,342</b>                                   | <b>7,335,600</b>     | <b>7,121,829</b>         | <b>(608,250)</b>        | <b>-</b>                  | <b>(394,479)</b>                 | <b>10,330,863</b>                                   |
| <b><u>Capital Projects Fund</u></b>          |   |                      |                          |                         |                           |                                  |   |
| Capital Projects                             | 372,502   | -                    | 608,250                  | 608,250                 | -                         | -                                | 372,502   |
| <b>Total Capital Projects Fund</b>           | <b>372,502</b>                                      | <b>-</b>             | <b>608,250</b>           | <b>608,250</b>          | <b>-</b>                  | <b>-</b>                         | <b>372,502</b>                                      |
| <b>TOTAL GENERAL FUND GROUP</b>              | <b>11,097,844</b>                                   | <b>7,335,600</b>     | <b>7,730,079</b>         | <b>-</b>                | <b>-</b>                  | <b>(394,479)</b>                 | <b>10,703,365</b>                                   |
| <b><u>Special Revenue Funds</u></b>          |   |                      |                          |                         |                           |                                  |   |
| Fuel Tax                                     | 452,536   | 492,800              | 395,000                  | -                       | -                         | 97,800                           | 550,336   |
| Road Maintenance & Rehabilitation Program    | 623,202   | 435,300              | 325,821                  | -                       | -                         | 109,479                          | 732,681   |
| Measure M2 (OC Go)                           | 222,518   | 336,000              | 285,700                  | -                       | -                         | 50,300                           | 272,818   |
| Service Authority for Abandoned Vehicles     | 38,630  | -                    | -                        | -                       | -                         | -                                | 38,630  |
| Supplemental Law Enforcement Services        | 21,526  | 167,800              | 176,100                  | -                       | -                         | (8,300)                          | 13,226  |
| Mobile Source Reduction                      | 175,166   | 72,000               | -                        | -                       | -                         | 72,000                           | 247,166   |
| PEG/Cable Television                         | 57,183  | 18,400               | 15,000                   | -                       | -                         | 3,400                            | 60,583  |
| Senior Mobility                              | 435,171   | 140,700              | 207,000                  | -                       | -                         | (66,300)                         | 368,871   |
| Community Development Block Grant (CDBG)     | (35,258)  | 500,000              | 150,000                  | -                       | -                         | 350,000                          | 314,742   |
| Federal Grants                               | -   | 1,618,278            | 719,145                  | -                       | -                         | 899,133                          | 899,133   |
| State of California Grants                   | (85,490)  | 239,800              | -                        | -                       | -                         | 239,800                          | 154,310   |
| Miscellaneous Special Revenue                | -   | -                    | -                        | -                       | -                         | -                                | -   |
| Laguna Woods Civic Support Fund              | 50,294  | -                    | 48,810                   | -                       | -                         | (48,810)                         | 1,484   |
| <b>Total Special Revenue Funds</b>           | <b>1,955,478</b>                                    | <b>4,021,078</b>     | <b>2,322,576</b>         | <b>-</b>                | <b>-</b>                  | <b>1,698,502</b>                 | <b>3,653,980</b>                                    |
| <b>CUMULATIVE TOTAL</b>                      | <b>\$ 13,053,322</b>                                | <b>\$ 11,356,678</b> | <b>\$ 10,052,655</b>     | <b>\$ -</b>             | <b>\$ -</b>               | <b>\$ 1,304,023</b>              | <b>\$ 14,357,345</b>                                |

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**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Summary by Fund, All Funds - Fiscal Year 2024-25**

|  | 7/1/2024<br>Estimated<br>Opening<br>Fund<br>Balance | Budgeted<br>Revenues | Budgeted<br>Expenditures | Inter-Fund<br>Transfers | Changes<br>to<br>Reserves | Net Change<br>in Fund<br>Balance | 6/30/2025<br>Projected<br>Ending<br>Fund<br>Balance |
|--|---|----------------------|--------------------------|-------------------------|---------------------------|----------------------------------|---|
| <b><u>GENERAL FUND GROUP</u></b>             |   |                      |                          |                         |                           |                                  |   |
| <b><u>General Fund</u></b>                   |   |                      |                          |                         |                           |                                  |   |
| General Fund - Unassigned                    | 6,644,156   | 7,507,400            | 7,287,511                | -                       | (85,900)                  | 133,989                          | 6,778,145   |
| Nonspendable:                                |   |                      |                          |                         |                           |                                  |   |
| Prepays                                      | 15,597  | -                    | -                        | -                       | -                         | -                                | 15,597  |
| Restricted for:                              |   |                      |                          |                         |                           |                                  |   |
| Strong Motion Instrumentation Program (SMIP) | 2,267   | -                    | -                        | -                       | -                         | -                                | 2,267   |
| Senate Bill 1473 (2008)                      | 1,043   | -                    | -                        | -                       | -                         | -                                | 1,043   |
| Assigned for:                                |   |                      |                          |                         |                           |                                  |   |
| Paid Leave Contingency Reserve               | 120,046   | -                    | -                        | -                       | -                         | -                                | 120,046   |
| Self Insurance Contingency Reserve           | 50,000  | -                    | -                        | -                       | -                         | -                                | 50,000  |
| General Fund Contingency Reserve             | 3,497,754   | -                    | -                        | -                       | 85,900                    | 85,900                           | 3,583,654   |
| <b>        Total General Fund</b>            | <b>10,330,863</b>                                   | <b>7,507,400</b>     | <b>7,287,511</b>         | <b>-</b>                | <b>-</b>                  | <b>219,889</b>                   | <b>10,550,752</b>                                   |
| <b><u>Capital Projects Fund</u></b>          |   |                      |                          |                         |                           |                                  |   |
| Capital Projects                             | 372,502   | -                    | -                        | -                       | -                         | -                                | 372,502   |
| <b>        Total Capital Projects Fund</b>   | <b>372,502</b>                                      | <b>-</b>             | <b>-</b>                 | <b>-</b>                | <b>-</b>                  | <b>-</b>                         | <b>372,502</b>                                      |
| <b>TOTAL GENERAL FUND GROUP</b>              | <b>10,703,365</b>                                   | <b>7,507,400</b>     | <b>7,287,511</b>         | <b>-</b>                | <b>-</b>                  | <b>219,889</b>                   | <b>10,923,254</b>                                   |
| <b><u>Special Revenue Funds</u></b>          |   |                      |                          |                         |                           |                                  |   |
| Fuel Tax                                     | 550,336   | 503,700              | 425,000                  | -                       | -                         | 78,700                           | 629,036   |
| Road Maintenance & Rehabilitation Program    | 732,681   | 465,600              | 195,795                  | -                       | -                         | 269,805                          | 1,002,486   |
| Measure M2 (OC Go)                           | 272,818   | 348,600              | 290,700                  | -                       | -                         | 57,900                           | 330,718   |
| Service Authority for Abandoned Vehicles     | 38,630  | -                    | -                        | -                       | -                         | -                                | 38,630  |
| Supplemental Law Enforcement Services        | 13,226  | 169,600              | 176,100                  | -                       | -                         | (6,500)                          | 6,726   |
| Mobile Source Reduction                      | 247,166   | 22,000               | -                        | -                       | -                         | 22,000                           | 269,166   |
| PEG/Cable Television                         | 60,583  | 18,800               | 15,000                   | -                       | -                         | 3,800                            | 64,383  |
| Senior Mobility                              | 368,871   | 145,700              | 227,000                  | -                       | -                         | (81,300)                         | 287,571   |
| Community Development Block Grant (CDBG)     | 314,742   | 150,000              | 150,000                  | -                       | -                         | -                                | 314,742   |
| Federal Grants                               | 899,133   | 782,869              | 782,869                  | -                       | -                         | -                                | 899,133   |
| State of California Grants                   | 154,310   | -                    | -                        | -                       | -                         | -                                | 154,310   |
| Miscellaneous Special Revenue                | -   | -                    | -                        | -                       | -                         | -                                | -   |
| Laguna Woods Civic Support Fund              | 1,484   | -                    | 300                      | -                       | -                         | (300)                            | 1,184   |
| <b>        Total Special Revenue Funds</b>   | <b>3,653,980</b>                                    | <b>2,606,869</b>     | <b>2,262,764</b>         | <b>-</b>                | <b>-</b>                  | <b>344,105</b>                   | <b>3,998,085</b>                                    |
| <b>CUMULATIVE TOTAL</b>                      | <b>\$ 14,357,345</b>                                | <b>\$ 10,114,269</b> | <b>\$ 9,550,275</b>      | <b>\$ -</b>             | <b>\$ -</b>               | <b>\$ 563,994</b>                | <b>\$ 14,921,339</b>                                |

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**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Revenue Summary - All Funds**

|   | 2016-17            | 2017-18            | 2018-19            | 2019-20            | 2020-21            | 2021-22            | 2022-23           |                  | 2023-24          |   | 2024-25          |                                       |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|------------------|------------------|---|------------------|---------------------------------------|
|   | Actual<br>Received | Actual<br>Received | Actual<br>Received | Actual<br>Received | Actual<br>Received | Actual<br>Received | Amended<br>Budget | Projection       | Budget           | % Change<br>From<br>2022-23<br>Projection | Budget           | % Change<br>From<br>2023-24<br>Budget |
| <b>GENERAL FUND GROUP</b>                     |                    |                    |                    |                    |                    |                    |                   |                  |                  |   |                  |                                       |
| <b>General Fund</b>                           |                    |                    |                    |                    |                    |                    |                   |                  |                  |   |                  |                                       |
| Property Tax                                  | 2,311,196          | 2,459,239          | 2,625,423          | 2,767,653          | 3,057,124          | 3,047,329          | 3,210,800         | 3,166,700        | 3,297,700        | 4.1%                                      | 3,405,200        | 3.3%                                  |
| Property Transfer Tax                         | 179,988            | 114,180            | 89,740             | 85,478             | 116,657            | 139,357            | 89,500            | 99,100           | 112,000          | 13.0%                                     | 114,900          | 2.6%                                  |
| Sales Tax                                     | 888,144            | 914,550            | 901,697            | 957,549            | 1,010,418          | 1,156,470          | 1,058,400         | 1,216,000        | 1,196,000        | -1.6%                                     | 1,233,000        | 3.1%                                  |
| Franchise Fees                                | 748,947            | 672,266            | 701,647            | 699,250            | 667,091            | 675,108            | 678,900           | 618,000          | 751,800          | 21.7%                                     | 753,100          | 0.2%                                  |
| Transient Occupancy Tax                       | 487,391            | 484,470            | 483,729            | 349,660            | 254,371            | 465,867            | 343,600           | 581,000          | 604,000          | 4.0%                                      | 620,000          | 2.6%                                  |
| Development Processing Fees                   | 694,316            | 647,008            | 759,262            | 671,039            | 682,913            | 815,005            | 713,300           | 791,200          | 814,400          | 2.9%                                      | 827,400          | 1.6%                                  |
| Interest                                      | 61,948             | 111,739            | 183,014            | 189,379            | 100,503            | 83,686             | 87,000            | 200,100          | 352,000          | 75.9%                                     | 340,000          | -3.4%                                 |
| Miscellaneous                                 |                    |                    |                    |                    |                    |                    |                   |                  |                  |   |                  |                                       |
| Regular                                       | 186,300            | 251,416            | 170,023            | 254,585            | 188,198            | 193,651            | 231,000           | 286,469          | 207,700          | -27.5%                                    | 213,800          | 2.9%                                  |
| One-Time Rule 20A Transfer                    | -                  | -                  | 326,471            | 19,227             | 30,747             | -                  | -                 | -                | -                |   | -                |                                       |
| <b>TOTAL GENERAL FUND (ALL REVENUE)</b>       | <b>5,558,230</b>   | <b>5,654,868</b>   | <b>6,241,006</b>   | <b>5,993,820</b>   | <b>6,108,022</b>   | <b>6,576,473</b>   | <b>6,412,500</b>  | <b>6,958,569</b> | <b>7,335,600</b> | <b>5.4%</b>                               | <b>7,507,400</b> | <b>2.3%</b>                           |
| Less: One-Time Rule 20A Transfer              | -                  | -                  | (326,471)          | (19,227)           | (30,747)           | -                  | -                 | -                | -                |   | -                |                                       |
| <b>TOTAL GENERAL FUND (ONGOING REVENUE)</b>   | <b>5,558,230</b>   | <b>5,654,868</b>   | <b>5,914,535</b>   | <b>5,974,593</b>   | <b>6,077,275</b>   | <b>6,576,473</b>   | <b>6,412,500</b>  | <b>6,958,569</b> | <b>7,335,600</b> | <b>5.4%</b>                               | <b>7,507,400</b> | <b>2.3%</b>                           |
| <b>Capital Projects Fund</b>                  |                    |                    |                    |                    |                    |                    |                   |                  |                  |   |                  |                                       |
| Intergovernmental                             | -                  | 56,143             | 32,361             | 7,993              | -                  | -                  | -                 | -                | -                |   | -                |                                       |
| Interest                                      | 617                | 133                | 10,943             | 8,046              | 7,244              | 6,391              | -                 | 14,000           | -                | -100.0%                                   | -                |                                       |
| <b>TOTAL CAPITAL PROJECTS FUND</b>            | <b>617</b>         | <b>56,276</b>      | <b>43,304</b>      | <b>16,039</b>      | <b>7,244</b>       | <b>6,391</b>       | <b>-</b>          | <b>14,000</b>    | <b>-</b>         | <b>-100.0%</b>                            | <b>-</b>         |                                       |
| <b>TOTAL GENERAL FUND GROUP (ALL REVENUE)</b> | <b>5,558,847</b>   | <b>5,711,144</b>   | <b>6,284,310</b>   | <b>6,009,859</b>   | <b>6,115,266</b>   | <b>6,582,864</b>   | <b>6,412,500</b>  | <b>6,972,569</b> | <b>7,335,600</b> | <b>5.2%</b>                               | <b>7,507,400</b> | <b>2.3%</b>                           |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Revenue Summary - All Funds**

|  | 2016-17                            | 2017-18            | 2018-19            | 2019-20            | 2020-21            | 2021-22                            | 2022-23                            |            | 2023-24    |   | 2024-25    |                                       |
|--|------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------|------------------------------------|------------|------------|---|------------|---------------------------------------|
|  | Actual<br>Received                 | Actual<br>Received | Actual<br>Received | Actual<br>Received | Actual<br>Received | Actual<br>Received                 | Amended<br>Budget                  | Projection | Budget     | % Change<br>From<br>2022-23<br>Projection | Budget     | % Change<br>From<br>2023-24<br>Budget |
| SPECIAL REVENUE FUNDS                                      |                                    |                    |                    |                    |                    |                                    |                                    |            |            |   |            |                                       |
| Fuel Tax   | 324,388                            | 361,613            | 360,886            | 395,192            | 366,878            | 397,090                            | 407,319                            | 452,100    | 492,800    | 9.0%                                      | 503,700    | 2.2%                                  |
| Traffic Mitigation Fees                                    | 2,160                              | Fund Closed        |                    |                    |                    |                                    |                                    |            |            |   |            |                                       |
| Road Maintenance & Rehabilitation Program                  | -                                  | 95,622             | 281,445            | 292,739            | 302,367            | 334,676                            | 322,469                            | 387,400    | 435,300    | 12.4%                                     | 465,600    | 7.0%                                  |
| Measure M2 (OC Go)   | 205,920                            | 863,653            | 384,458            | 232,616            | 299,194            | 277,705                            | 218,800                            | 320,600    | 336,000    | 4.8%                                      | 348,600    | 3.8%                                  |
| Coastal Area Road Improvement and Traffic Signals (CARITS) | 1,030                              | 1,683              | 5,081              | 5,413              | 2,798              | 476                                | Fund Closed in Fiscal Year 2021-22 |            |            |   |            |                                       |
| Service Authority for Abandoned Vehicles                   | 241                                | 434                | 751                | 782                | 404                | 293                                | -                                  | 600        | -          | -100.0%                                   | -          | 0.0%                                  |
| Supplemental Law Enforcement Services                      | 129,595                            | 140,133            | 149,327            | 156,806            | 157,177            | 161,589                            | 171,000                            | 165,800    | 167,800    | 1.2%                                      | 169,600    | 1.1%                                  |
| Mobile Source Reduction                                    | 21,528                             | 22,524             | 24,977             | 19,632             | 28,601             | 16,936                             | 72,000                             | 26,100     | 72,000     | 175.9%                                    | 22,000     | -69.4%                                |
| Mobile Source Reduction - Local Government Partnership     | -                                  | -                  | -                  | -                  | Fund Closed        |                                    |                                    |            |            |   |            |                                       |
| Beverage Container Recycling                               | 5,164                              | 7                  | -                  | Fund Closed        |                    |                                    |                                    |            |            |   |            |                                       |
| Used Oil/Oil Payment Program                               | 5,151                              | 61                 | 106                | 111                | 46                 | Fund Closed in Fiscal Year 2020-21 |                                    |            |            |   |            |                                       |
| Energy Efficiency Conservation & CalRecycle Surplus        | 149                                | Fund Closed        |                    |                    |                    |                                    |                                    |            |            |   |            |                                       |
| PEG/Cable Television                                       | 13,794                             | 14,173             | 15,333             | 15,419             | 14,546             | 13,992                             | 14,700                             | 18,400     | 18,400     | 0.0%                                      | 18,800     | 2.2%                                  |
| Senior Mobility  | 245,462                            | 242,031            | 211,592            | 167,420            | 147,104            | 164,600                            | 133,800                            | 144,000    | 140,700    | -2.3%                                     | 145,700    | 3.6%                                  |
| Community Development Block Grant (CDBG)                   | 125,847                            | -                  | 231,789            | 145,699            | 177,726            | 349,546                            | 150,000                            | -          | 500,000    | 100.0%                                    | 150,000    | -70.0%                                |
| Proposition 68 (2018) Per Capita                           | -                                  | -                  | -                  | -                  | Fund Closed        |                                    |                                    |            |            |   |            |                                       |
| Federal Grants   | -                                  | -                  | -                  | 30,985             | 318,101            | 675,132                            | 1,895,828                          | 1,390,510  | 1,618,278  | 16.4%                                     | 782,869    | -51.6%                                |
| State of California Grants                                 | -                                  | -                  | -                  | 1,453              | 3,652              | 502,332                            | 193,952                            | 163,500    | 239,800    | 46.7%                                     | -          | -100.0%                               |
| Miscellaneous Special Revenue                              | Fund Opened in Fiscal Year 2022-23 |                    |                    |                    |                    |                                    | -                                  | -          | -          |   | -          |                                       |
| Laguna Woods Civic Support Fund                            | 1                                  | 151                | 14,073             | 207                | 1,773              | 47,876                             | 20,015                             | 1,202      | -          | -100.0%                                   | -          | 0.0%                                  |
| TOTAL SPECIAL REVENUE FUNDS                                | 1,080,430                          | 1,742,085          | 1,679,818          | 1,464,474          | 1,820,367          | 2,942,243                          | 3,599,883                          | 3,070,212  | 4,021,078  | 31.0%                                     | 2,606,869  | -35.2%                                |
| TOTAL ALL FUNDS (ALL REVENUE)                              | 6,639,277                          | 7,453,229          | 7,964,128          | 7,474,333          | 7,935,633          | 9,525,107                          | 10,012,383                         | 10,042,781 | 11,356,678 | 13.1%                                     | 10,114,269 | -10.9%                                |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Summary - All Funds**

|  | 2016-17            | 2017-18            | 2018-19            | 2019-20            | 2020-21            | 2021-22            | 2022-23                            | 2023-24          | 2024-25                                   |                  |                                       |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------|------------------|---|------------------|---------------------------------------|
|  | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year | Projection                         | Budget           | % Change<br>From<br>2022-23<br>Projection | Budget           | % Change<br>From<br>2023-24<br>Budget |
| <b><u>GENERAL FUND GROUP</u></b>                           |                    |                    |                    |                    |                    |                    |                                    |                  |   |                  |                                       |
| <b><u>General Fund</u></b>                                 |                    |                    |                    |                    |                    |                    |                                    |                  |   |                  |                                       |
| City Council   | 19,072             | 16,925             | 18,586             | 15,764             | 14,856             | 15,506             | 18,559                             | 19,007           | 2.4%                                      | 19,157           | 0.8%                                  |
| General Government   | 1,161,317          | 583,059            | 770,352            | 912,885            | 821,879            | 962,307            | 890,738                            | 1,113,993        | 25.1%                                     | 1,177,789        | 5.7%                                  |
| Administrative Services                                    | 680,220            | 634,055            | 673,797            | 405,810            | 435,327            | 431,980            | 453,037                            | 515,576          | 13.8%                                     | 532,395          | 3.3%                                  |
| Community Services   | 3,426              | 794                | -                  | -                  | -                  | -                  | -                                  | -                |   | -                |                                       |
| Engineering & Infrastructure Services                      | 228,898            | 261,451            | 1,159,237          | 333,119            | 307,820            | 326,020            | 292,058                            | 365,224          | 25.1%                                     | 382,855          | 4.8%                                  |
| Planning & Environmental Services                          | 942,424            | 961,253            | 1,082,897          | 992,748            | 1,185,731          | 1,349,811          | 1,430,668                          | 1,769,821        | 23.7%                                     | 1,781,766        | 0.7%                                  |
| Public Safety Services                                     | 2,567,582          | 2,496,393          | 2,718,495          | 2,754,601          | 2,857,749          | 2,953,471          | 3,006,424                          | 3,313,208        | 10.2%                                     | 3,393,549        | 2.4%                                  |
| Information Technology & Cyber Security Account            | -                  | -                  | -                  | 130,000            | 45,000             | 20,640             | 4,359                              | 25,000           | 473.5%                                    | -                | -100.0%                               |
| <b>TOTAL GENERAL FUND</b>                                  | <b>5,602,939</b>   | <b>4,953,930</b>   | <b>6,423,364</b>   | <b>5,544,927</b>   | <b>5,668,362</b>   | <b>6,059,735</b>   | <b>6,095,843</b>                   | <b>7,121,829</b> | <b>16.8%</b>                              | <b>7,287,511</b> | <b>2.3%</b>                           |
| <b><u>Capital Projects Fund</u></b>                        |                    |                    |                    |                    |                    |                    |                                    |                  |   |                  |                                       |
| Capital Projects   | 49,106             | 319,378            | 319,378            | 327,534            | 252,316            | 164,043            | 592,547                            | 608,250          | 2.7%                                      | -                | -100.0%                               |
| <b>TOTAL CAPITAL PROJECTS FUND</b>                         | <b>49,106</b>      | <b>319,378</b>     | <b>319,378</b>     | <b>327,534</b>     | <b>252,316</b>     | <b>164,043</b>     | <b>592,547</b>                     | <b>608,250</b>   | <b>2.7%</b>                               | <b>-</b>         | <b>-100.0%</b>                        |
| <b>TOTAL GENERAL FUND GROUP</b>                            | <b>5,652,045</b>   | <b>5,273,308</b>   | <b>6,742,742</b>   | <b>5,872,461</b>   | <b>5,920,678</b>   | <b>6,223,778</b>   | <b>6,688,390</b>                   | <b>7,730,079</b> | <b>15.6%</b>                              | <b>7,287,511</b> | <b>-5.7%</b>                          |
| <b><u>SPECIAL REVENUE FUNDS</u></b>                        |                    |                    |                    |                    |                    |                    |                                    |                  |   |                  |                                       |
| Fuel Tax   | 379,335            | 716,966            | 336,880            | 635,245            | 412,524            | 378,366            | 329,236                            | 395,000          | 20.0%                                     | 425,000          | 7.6%                                  |
| Traffic Mitigation Fees                                    | -                  | Fund Closed        |                    |                    |                    |                    |                                    |                  |   |                  |                                       |
| Road Maintenance & Rehabilitation Program                  | -                  | 50,000             | 215,100            | 154,245            | 218,289            | 174,787            | 258,626                            | 325,821          | 26.0%                                     | 195,795          | -39.9%                                |
| Measure M2 (OC Go)   | 179,886            | 820,315            | 247,006            | 238,705            | 221,174            | 245,022            | 241,128                            | 285,700          | 18.5%                                     | 290,700          | 1.8%                                  |
| Coastal Area Road Improvement and Traffic Signals (CARITS) | -                  | 53,021             | -                  | -                  | -                  | 261,786            | Fund Closed in Fiscal Year 2021-22 |                  |   |                  |                                       |
| Service Authority for Abandoned Vehicles                   | -                  | -                  | -                  | -                  | -                  | -                  | -                                  | -                | 0.0%                                      | -                | 0.0%                                  |
| Supplemental Law Enforcement Services                      | 100,000            | 171,707            | 153,500            | 154,100            | 158,100            | 158,100            | 158,100                            | 176,100          | 11.4%                                     | 176,100          | 0.0%                                  |
| Mobile Source Reduction                                    | -                  | -                  | -                  | 6,866              | 290                | -                  | 36,178                             | -                | -100.0%                                   | -                | 0.0%                                  |
| Mobile Source Reduction - Local Government Partnership     | -                  | -                  | -                  | -                  | Fund Closed        |                    |                                    |                  |   |                  |                                       |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Summary - All Funds**

|   | 2016-17                            | 2017-18            | 2018-19            | 2019-20            | 2020-21            | 2021-22                            | 2022-23    | 2023-24    |   | 2024-25   |                                       |
|---|------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------|------------|------------|---|-----------|---------------------------------------|
|   | Actual<br>For Year                 | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year | Actual<br>For Year                 | Projection | Budget     | % Change<br>From<br>2022-23<br>Projection | Budget    | % Change<br>From<br>2023-24<br>Budget |
| Beverage Container Recycling                        | 6,449                              | 2,109              | -                  | Fund Closed        |                    |                                    |            |            |   |           |                                       |
| Used Oil/Oil Payment Program                        | -                                  | -                  | -                  | -                  | 5,326              | Fund Closed in Fiscal Year 2020-21 |            |            |   |           |                                       |
| Energy Efficiency Conservation & CalRecycle Surplus | -                                  | Fund Closed        |                    |                    |                    |                                    |            |            |   |           |                                       |
| PEG/Cable Television                                | 293                                | -                  | 313                | -                  | 104,668            | -                                  | -          | 15,000     | 100.0%                                    | 15,000    | 0.0%                                  |
| Senior Mobility                                     | 307,664                            | 263,510            | 172,125            | 89,405             | 67,711             | 37,880                             | 25,945     | 207,000    | 697.8%                                    | 227,000   | 9.7%                                  |
| Community Development Block Grant (CDBG)            | 116,797                            | 16,341             | 215,448            | 145,699            | 177,726            | 349,546                            | 35,258     | 150,000    | 325.4%                                    | 150,000   | 0.0%                                  |
| Proposition 68 (2018) Per Capita                    | -                                  | -                  | -                  | -                  | Fund Closed        |                                    |            |            |   |           |                                       |
| Federal Grants                                      | -                                  | -                  | -                  | 30,985             | 304,716            | 675,132                            | 1,390,510  | 719,145    | -48.3%                                    | 782,869   | 8.9%                                  |
| State of California Grants                          | -                                  | -                  | -                  | -                  | 88,179             | 584,195                            | 65,823     | -          | -100.0%                                   | -         | 0.0%                                  |
| Miscellaneous Special Revenue                       | Fund Opened in Fiscal Year 2022-23 |                    |                    |                    |                    |                                    | -          | -          | 0.0%                                      | -         | 0.0%                                  |
| Laguna Woods Civic Support Fund                     | 1,299                              | 1,080              | 242                | 9,566              | 3,579              | 334                                | 3,889      | 48,810     | 1155.1%                                   | 300       | -99.4%                                |
| TOTAL SPECIAL REVENUE FUNDS                         | 1,091,723                          | 2,095,049          | 1,340,614          | 1,464,816          | 1,762,282          | 2,865,148                          | 2,544,693  | 2,322,576  | -8.7%                                     | 2,262,764 | -2.6%                                 |
| TOTAL ALL FUNDS                                     | 6,743,768                          | 7,368,357          | 8,083,356          | 7,337,277          | 7,682,960          | 9,088,926                          | 9,233,083  | 10,052,655 | 8.9%                                      | 9,550,275 | -5.0%                                 |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Inter-Fund Transfers Summary - All Funds**

|   | 2011-12            | 2012-13            | 2013-14            | 2014-15            | 2015-16            | 2016-17            | 2017-18            | 2018-19            | 2019-20            | 2020-21            | 2021-22            | 2022-23        | 2023-24        | 2024-25  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|----------------|----------|
|   | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Actual for<br>Year | Projection     | Budget         | Budget   |
| <b><u>TRANSFERS OUT</u></b>                         |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                |                |          |
| General Fund  | 61,277             | -                  | 25,000             | 88,697             | 90,308             | 461,293            | 989,534            | 241,219            | 327,534            | 252,316            | 164,043            | 277,012        | 608,250        | -        |
| <b>Other Funds:</b>                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                |                |          |
| Capital Projects Fund                               | -                  | -                  | -                  | -                  | 1,043,009          | -                  | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Traffic Mitigation Fees Fund                        | -                  | -                  | -                  | -                  | -                  | 436,555            | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Beverage Container Recycling Fund                   | -                  | -                  | -                  | -                  | -                  | 22,579             | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Used Oil/Oil Payment Program Fund                   | -                  | -                  | -                  | -                  | -                  | 21,254             | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Energy Efficiency Conservation & CalRecycle Surplus | -                  | -                  | -                  | -                  | -                  | 30,894             | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Senior Mobility Fund                                | 10,461             | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| <b>Total Other Funds</b>                            | <b>10,461</b>      | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>1,043,009</b>   | <b>511,282</b>     | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>-</b> |
| <b>TOTAL TRANSFERS OUT</b>                          | <b>71,738</b>      | <b>-</b>           | <b>25,000</b>      | <b>88,697</b>      | <b>1,133,317</b>   | <b>972,575</b>     | <b>989,534</b>     | <b>241,219</b>     | <b>327,534</b>     | <b>252,316</b>     | <b>164,043</b>     | <b>277,012</b> | <b>608,250</b> | <b>-</b> |
| <b><u>TRANSFERS IN</u></b>                          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                |                |          |
| General Fund  | 10,461             | -                  | -                  | -                  | 1,043,009          | 511,282            | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| <b>Other Funds:</b>                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                |                |          |
| Capital Projects Fund                               | -                  | -                  | -                  | 88,697             | 62,780             | 90,300             | 984,534            | 226,304            | 327,534            | 252,316            | 164,043            | 277,012        | 608,250        | -        |
| Fuel Tax Fund                                       | -                  | -                  | -                  | -                  | -                  | 99,359             | -                  | 14,872             | -                  | -                  | -                  | -              | -              | -        |
| Measure M2 Fund                                     | -                  | -                  | -                  | -                  | -                  | 184,506            | -                  | 43                 | -                  | -                  | -                  | -              | -              | -        |
| Proposition 84 Grant Fund                           | -                  | -                  | -                  | -                  | -                  | 15,733             | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Park State Bonds                                    | 61,277             | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Senior Mobility Fund                                | -                  | -                  | 25,000             | -                  | 27,528             | 62,202             | 5,000              | -                  | -                  | -                  | -                  | -              | -              | -        |
| Community Development Block Grant (CDBG) Fund       | -                  | -                  | -                  | -                  | -                  | 4,193              | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| Laguna Woods Civic Support Fund                     | -                  | -                  | -                  | -                  | -                  | 5,000              | -                  | -                  | -                  | -                  | -                  | -              | -              | -        |
| <b>Total Other Funds</b>                            | <b>61,277</b>      | <b>-</b>           | <b>25,000</b>      | <b>88,697</b>      | <b>90,308</b>      | <b>461,293</b>     | <b>989,534</b>     | <b>241,219</b>     | <b>327,534</b>     | <b>252,316</b>     | <b>164,043</b>     | <b>277,012</b> | <b>608,250</b> | <b>-</b> |
| <b>TOTAL TRANSFERS IN</b>                           | <b>71,738</b>      | <b>-</b>           | <b>25,000</b>      | <b>88,697</b>      | <b>1,133,317</b>   | <b>972,575</b>     | <b>989,534</b>     | <b>241,219</b>     | <b>327,534</b>     | <b>252,316</b>     | <b>164,043</b>     | <b>277,012</b> | <b>608,250</b> | <b>-</b> |

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CHAPTER

5.0

CITY  
BUDGET DETAIL,  
GENERAL AND  
CAPITAL FUNDS

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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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<br>2023-24 | Fiscal Year<br>2024-25 |
|---|------------------------|------------------------|
| Total General Fund Revenue Estimate   | \$7,335,600            | \$7,507,400            |
| Non-Operating Revenue Estimate  | \$0                    | \$0                    |
| Operating Expenditures  | (\$7,016,829)          | (\$7,247,511)          |
| Total General Fund Operating Revenue<br>over/(under) Operating Expenditures | \$318,771              | \$259,889              |

*[Total General Fund Non-Operating Expenditures and Transfers]*

|                                    | Fiscal Year<br>2023-24 | Fiscal Year<br>2024-25 |
|------------------------------------|------------------------|------------------------|
| Non-Operating Expenditures         | \$105,000              | \$40,000               |
| Transfers to Capital Projects Fund | \$608,250              | \$0                    |
| Total                              | \$713,250              | \$40,000               |

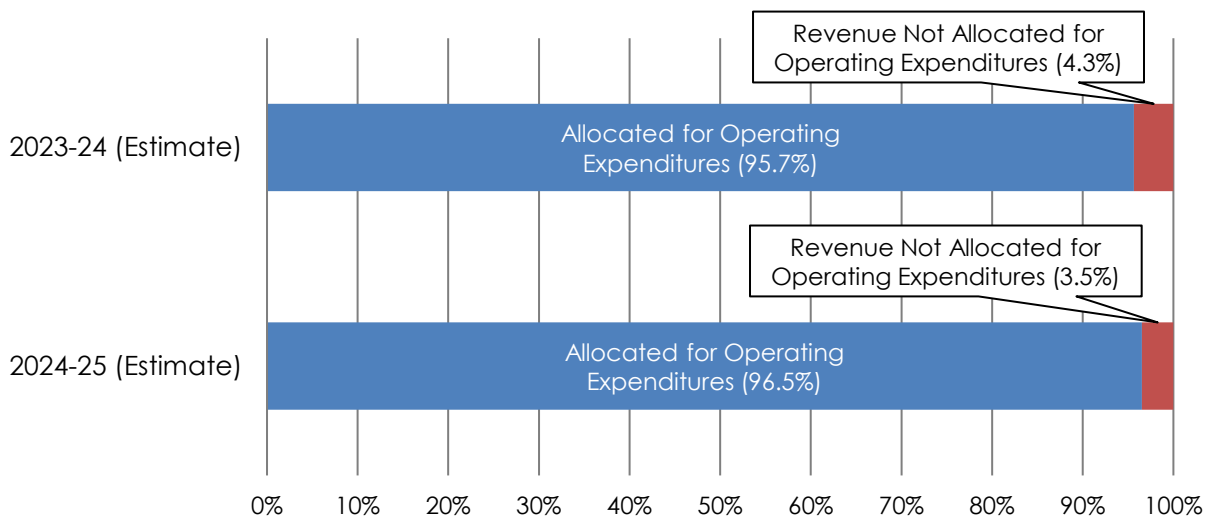
*[Total General Fund Expenditures and Transfers]*

|  | Fiscal Year<br>2023-24 | Fiscal Year<br>2024-25 |
|--|------------------------|------------------------|
| Total General Fund Operating<br>Expenditures                   | \$7,016,829            | \$7,247,511            |
| Total General Fund Non-Operating<br>Expenditures and Transfers | \$713,250              | \$40,000               |
| Total  | \$7,730,079            | \$7,287,511            |

The General Fund operating budget for Fiscal Year 2023-24 is balanced and totals \$7,016,829. At year-end, it is projected that the unassigned General Fund balance will total \$6,644,156, or 94.7% of the Fiscal Year 2023-24 operating budget. That unassigned fund balance would be in addition to assigned reserves totaling \$3,686,707. An additional \$713,250 is budgeted for non-operating expenditures and transfers to the Capital Projects Fund.

The General Fund operating budget for Fiscal Year 2024-25 is balanced and totals \$7,247,511. At year-end, it is projected that the unassigned General Fund balance will total \$6,778,145, or 93.5% of the Fiscal Year 2024-25 operating budget. That unassigned fund balance would be in addition to assigned reserves totaling \$3,772,607. An additional \$40,000 is budgeted for non-operating expenditures.

*[Allocation of General Fund Operating Revenue – Fiscal Years 2023-25]*



There are insufficient resources to add or expand ongoing programs, projects, or services, without a commensurate expenditure offset, as demonstrated in the Allocation of General Fund Operating Revenue chart.

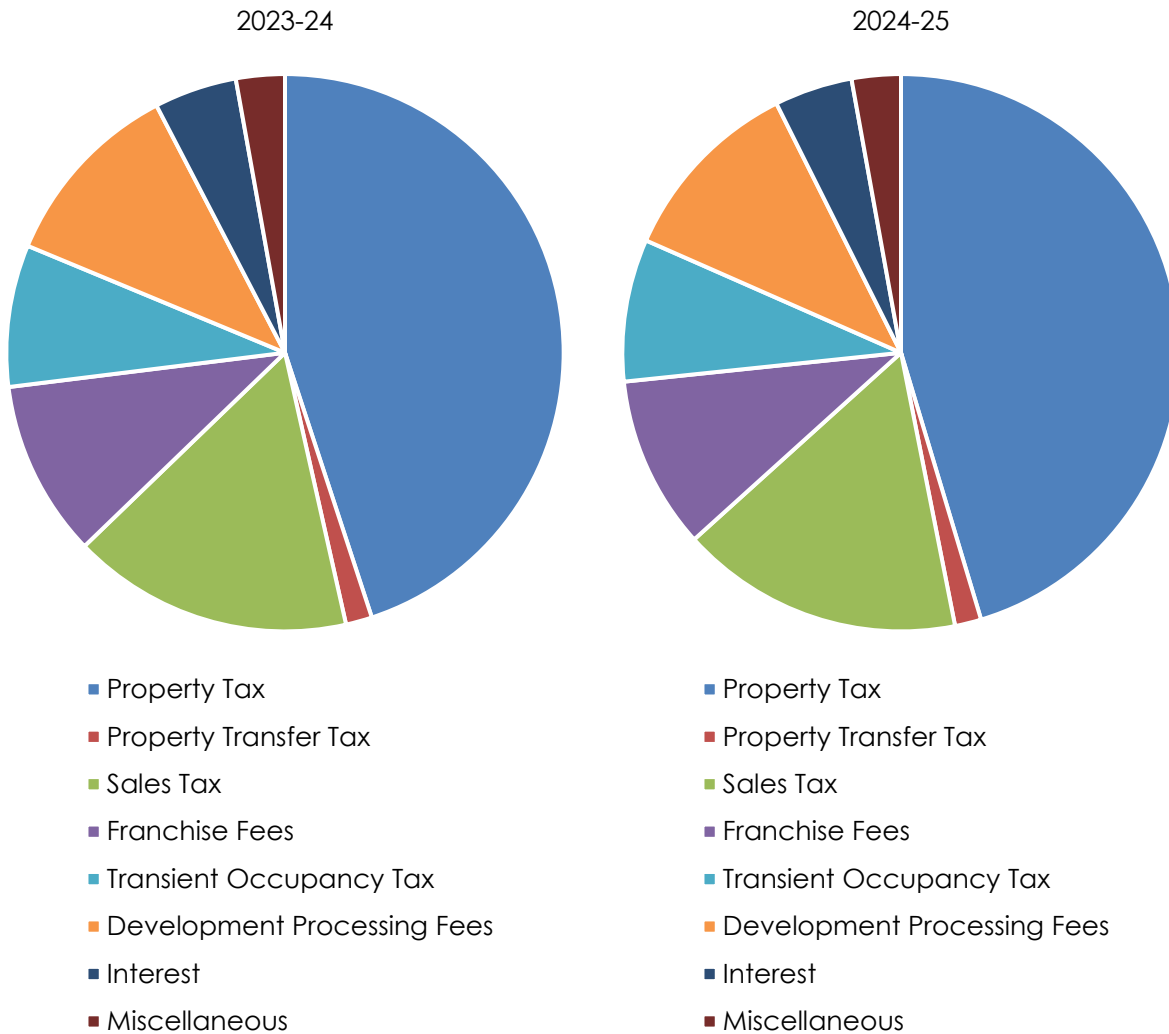
## GENERAL FUND SUMMARY – REVENUE

General Fund revenue for Fiscal Year 2023-24 is estimated to be \$7,335,600, or 5.4% more than year-end projections for Fiscal Year 2022-23. In Fiscal Year 2024-25, General Fund revenue is estimated to be \$7,507,400, which reflects growth of \$171,800, or 2.3%, over the Fiscal Year 2023-24 estimate.

Revenue estimates by source for both fiscal years are nearly identical, with

property tax and most others increasing minimally, and franchise fees and interest revenue decreasing, from Fiscal Year 2023-24 to Fiscal Year 2024-25.

*[General Fund Revenue Estimates by Source – Fiscal Years 2023-25]*



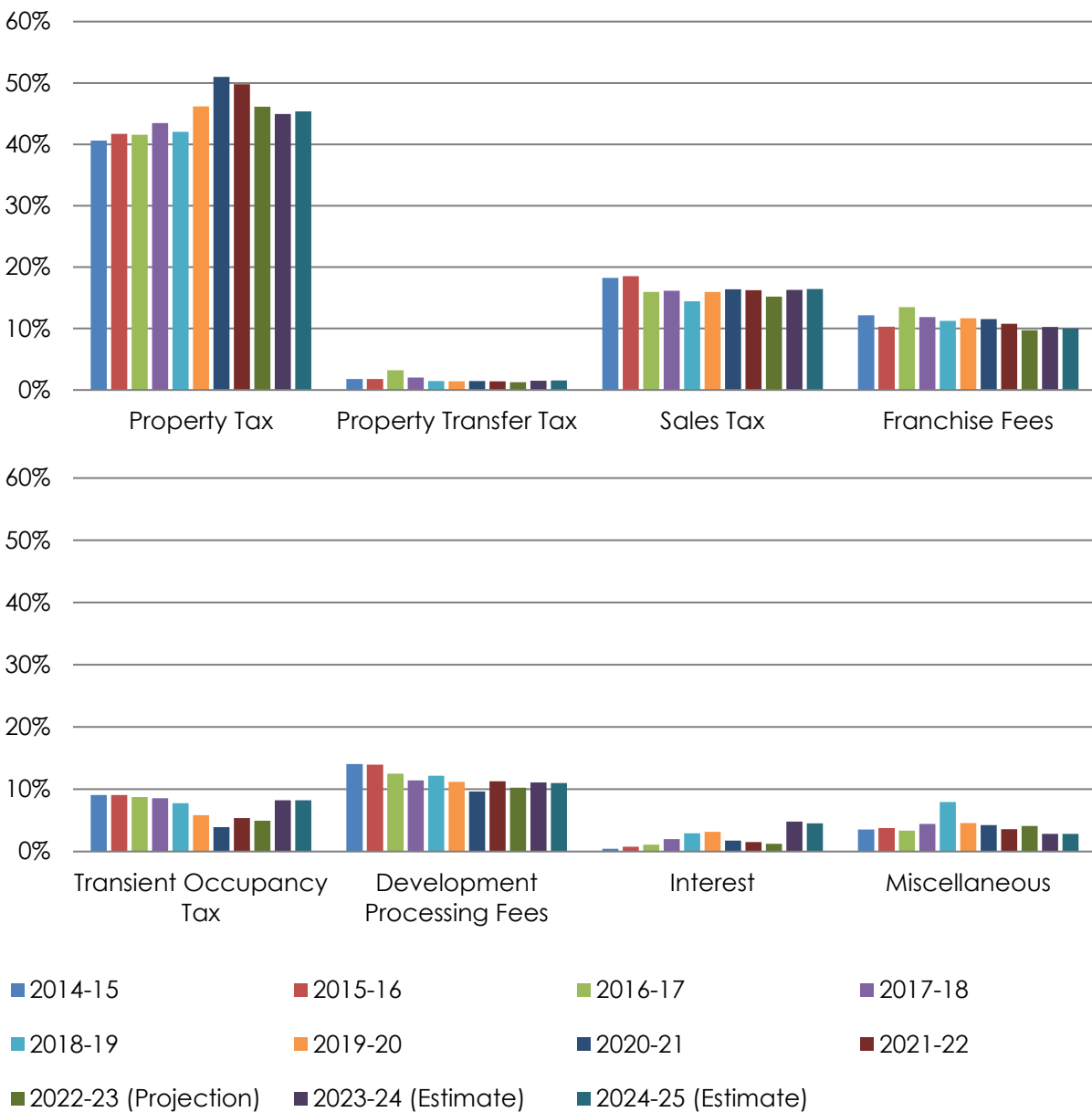
| General Fund Revenue Source | Percent of Adopted Budget Estimate (Fiscal Year 2023-24) | Percent of Adopted Budget Estimate (Fiscal Year 2024-25) |
|-----------------------------|--|--|
| Property Tax                | 45.0%  | 45.4%  |
| Property Transfer Tax       | 1.5%   | 1.5%   |
| Sales Tax                   | 16.3%  | 16.4%  |
| Franchise Fees              | 10.3%  | 10.0%  |
| Transient Occupancy Tax     | 8.2%   | 8.3%   |
| Development Processing Fees | 11.1%  | 11.0%  |

|               |      |      |
|---------------|------|------|
| Interest      | 4.8% | 4.5% |
| Miscellaneous | 2.8% | 2.9% |

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 Comparison**

*[Historical General Fund Revenue by Source  
– Fiscal Years 2014-15 through 2024-25]*

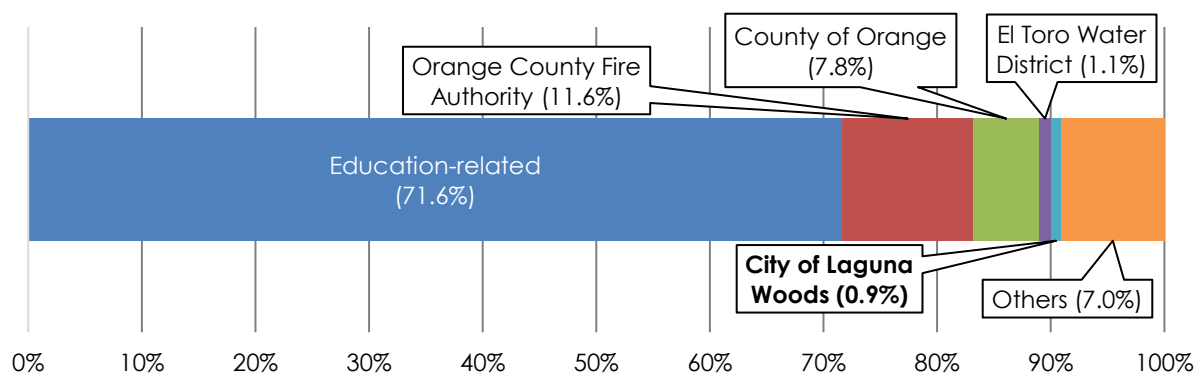


## Property Tax Revenue

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 is responsible for collecting property tax from property owners and distributing the proceeds to the various entities to which taxes are owed.

For every dollar of property tax paid, the City receives an average of only \$0.0088. Over 70% of every property tax dollar funds education.

*[Average Property Tax Allocation – Tax Rate Area 32010]*



The Orange County Assessor's *Local Assessment Roll of Values for Fiscal Year 2022-23* includes an inflationary index of 2.0%, equal to the Fiscal Year 2021-22 increase of 2.0%. The total value of Laguna Woods' local assessment roll increased by \$138,500,531, or 3.86%, to \$3,728,565,846 in Fiscal Year 2022-23, above the Fiscal Year 2021-22 increase of 1.88%.

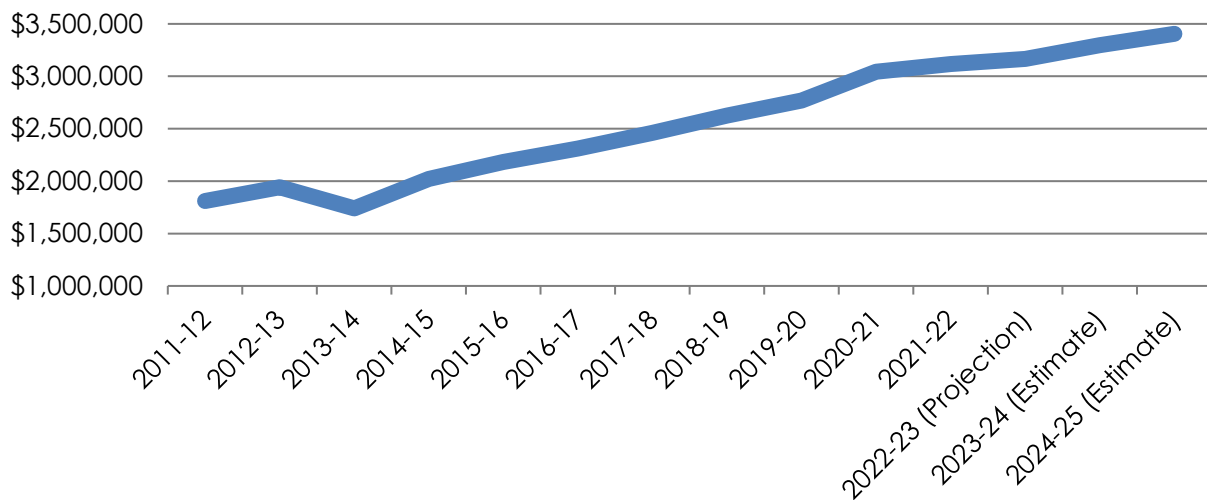
*[Surrounding Cities Local Assessment Rolls – Fiscal Year 2022-23]*

| City                | Total Local Assessment Roll Value | Percent Change of Local Assessment Roll Value from Fiscal Year 2021-22 |
|---------------------|-----------------------------------|--|
| <b>Laguna Woods</b> | <b>\$3,728,565,846</b>            | <b>3.86%</b>   |
| Aliso Viejo         | \$11,802,886,563                  | 4.41%  |
| Irvine              | \$99,990,080,533                  | 5.35%  |
| Laguna Beach        | \$18,616,152,806                  | 7.26%  |
| Laguna Hills        | \$8,223,437,822                   | 3.66%  |

In Fiscal Year 2022-23, Laguna Woods had the fifth lowest local assessment roll value in Orange County, ranking above the cities of (from highest to lowest) Stanton, Los Alamitos, La Palma, and Villa Park.

In Fiscal Year 2022-23, Laguna Woods' percent change of local assessment roll value (3.86%) was lower than both the percent change for all 34 Orange County cities (6.34%) and the percent change for all 34 Orange County cities plus unincorporated areas in Orange County (6.37%).

*[Property Tax Revenue – Fiscal Years 2011-12 through 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$3,297,700                                 | 4.1%  | \$3,405,200                                 | 3.3%  |

#### Summary of Significant Trends and Observations

- As required by City of Laguna Woods 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 half 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 revenue tax has grown steadily each year

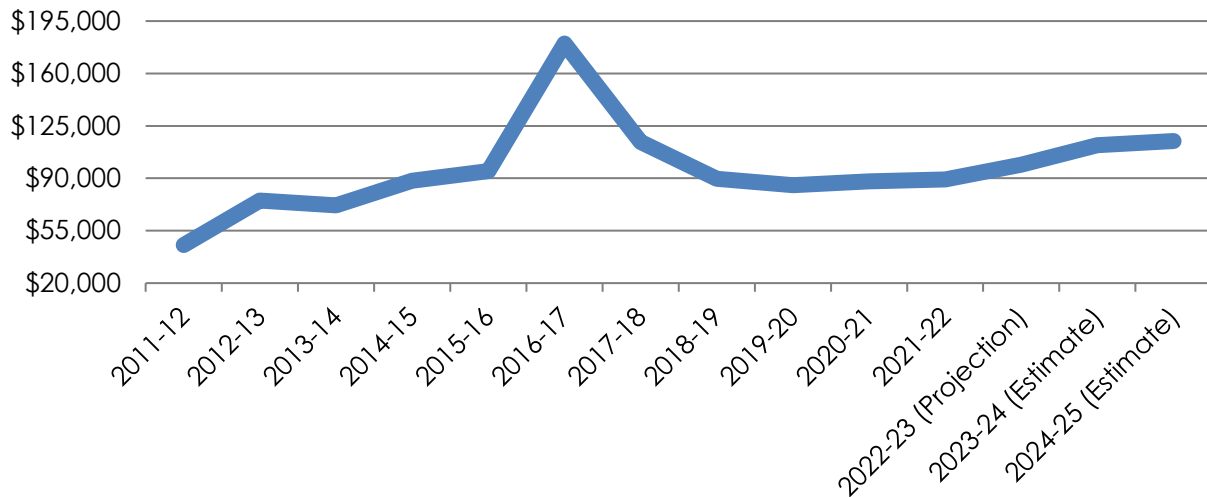
since Fiscal Year 2013-14. For fiscal years 2023-24 and 2024-25, that trend is expected to continue.

- Increases in estimated property tax revenue are due, in part, to growth in home sale prices, continued recapture of assessed property valuations that had been temporarily reduced pursuant to Proposition 8's (1978) tax relief program, and anticipated increases in the consumer price index used to calculate assessed property valuations.
- Actual changes in property ownership account for just over half of the overall increase in estimated property tax revenue for Fiscal Years 2023-24. The actual increase due to this factor for Fiscal Year 2023-24 is 2.2%. For Fiscal Year 2024-25, a mild economic downturn is expected, resulting in an estimated change in property ownership that is forecast to be just under half of the overall increase in estimated property tax revenue. The estimated increase due to this factor for Fiscal Year 2024-25 is 1.4%. These estimates are based on the historical average rate of property turnover and resulting property value increases.
- For Fiscal Year 2023-24, 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) ("People's Initiative to Limit Property Taxation"), and the actual increase for Fiscal Year 2023-24 is 2.0%. The estimated increase for Fiscal Year 2024-25 is also 2.0%, but due to an expected mild economic downturn in Fiscal Year 2024-25, the inflation factor is estimated to represent over half of the overall increase in estimated property tax revenue.
- 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 6<sup>th</sup> 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 each receive 50% of the property transfer taxes collected.

*[Property Transfer Tax Revenue – Fiscal Years 2011-12 through 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$112,000                                   | 13.0%   | \$114,900                                   | 2.6%  |

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 of. For Fiscal Year 2023-24, property transfer tax revenue is estimated based on an eight-year average of historical revenue. For Fiscal Year 2024-25, 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<sup>1</sup>.
- Revenue in Fiscal Year 2016-17 was higher than typical as a result of ownership transfers of two assisted living facilities.

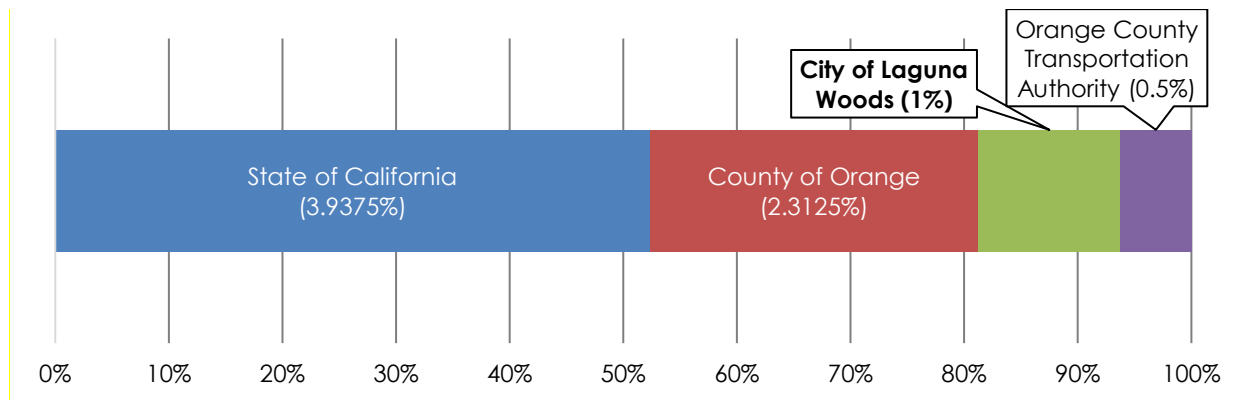
**Sales Tax Revenue**

Of the 7.75% local sales tax rate, the City receives only 1% of tax proceeds. The majority of sales tax revenue is paid to the State of California and the County of Orange. The City also receives a portion of the half-cent sales tax collected

<sup>1</sup> Congressional Budget Office, The Budget and Economic Outlook: 2023 to 2033, February 2023.

by the Orange County Transportation Authority pursuant to Measure M2 (OC Go), which is separately accounted for in the Special Revenue Funds section of this budget.

*[Sales Tax Allocation]*



*[Surrounding Cities Per Capita Sales Tax Rates and Revenue – Calendar Year 2022<sup>2</sup>]*

| City                | Sales Tax Rate | Per Capita Sales Tax Revenue for Calendar Year 2022 |
|---------------------|----------------|---|
| <b>Laguna Woods</b> | <b>7.75%</b>   | <b>\$69</b>   |
| Aliso Viejo         | 7.75%          | \$125   |
| Irvine              | 7.75%          | \$288   |
| Laguna Beach        | 7.75%          | \$331   |
| Laguna Hills        | 7.75%          | \$229   |

On a per capita basis, sales tax revenue for Laguna Woods was the second lowest in Orange County in 2022, ranking above only the City of Villa Park.

*[Top 25 Sales Tax Producers – Calendar Year 2022<sup>3</sup>]*

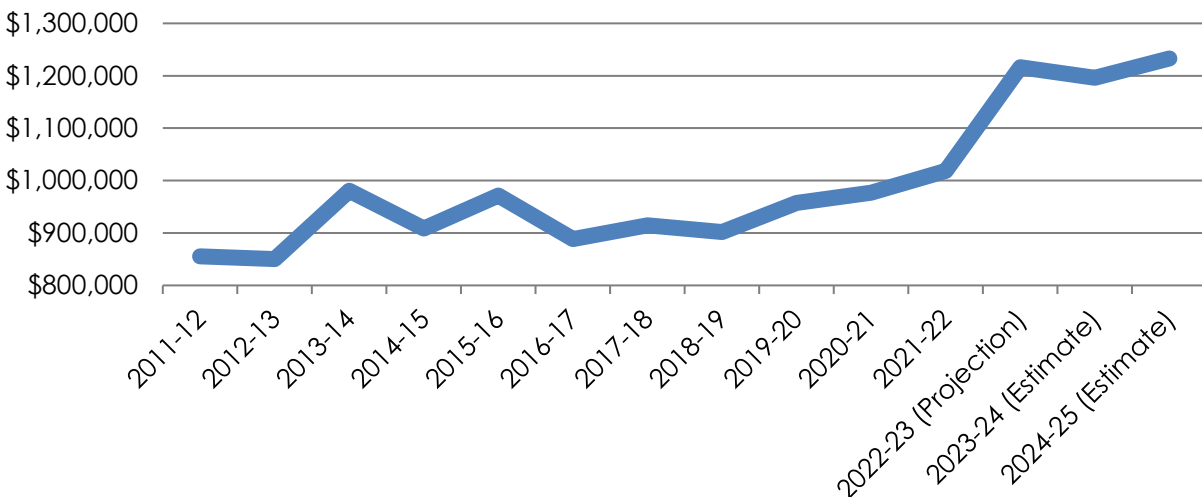
| Top 25 Sales Tax Producers for Calendar Year 2022 |            |          |
|---|------------|----------|
| 19 Restaurant & Lounge                            | Home Depot | Rite Aid |

<sup>2</sup> Sales Tax Per Capita (Point of Sale (1%) & County/State Pools), Calendar Year 2022, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration.

<sup>3</sup> Sales Tax Allocations Adjusted for Economic Data, January 2022 through December 2022, Hinderliter, de Llamas & Associates. Based on information from the California Department of Tax and Fee Administration. Sales tax producers are presented alphabetically in accordance with state law.

|                                   |                             |                                     |
|-----------------------------------|-----------------------------|-------------------------------------|
| Adapt 2 It                        | Mobil Station               | Sabrosada                           |
| ALDI                              | McCormick & Son             | Saddleback Golf Cars                |
| Cart Mart                         | Mother's Market             | Starbucks<br>(two locations)        |
| CVS Pharmacy                      | Moulton Arco                | Stater Bros.                        |
| Dollar Tree                       | Moulton Parkway<br>Auto Spa | Tomo Sushi                          |
| Firehouse Subs                    | Okon Dental Lab             | Trident Society of<br>Orange County |
| Flowerful                         | Olive Garden                |                                     |
| Fortune Cookies<br>Chinese Bistro | PrestineHydro               |                                     |

*[Sales Tax Revenue – Fiscal Years 2011-12 through 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$1,196,000                                 | -1.6%   | \$1,233,000                                 | 3.1%  |

#### Summary of Significant Trends and Observations

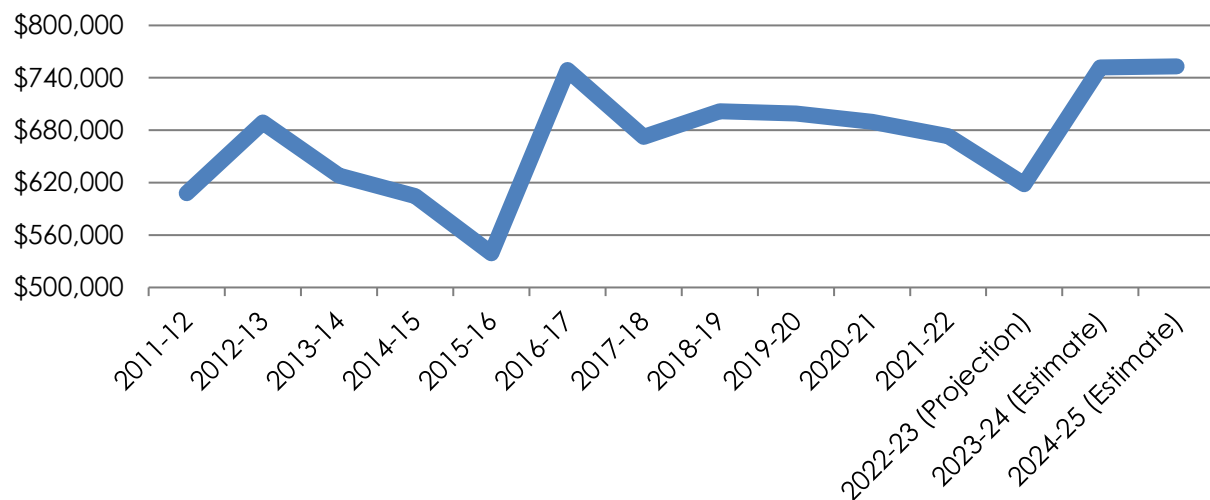
- As required by City of Laguna Woods Administrative Policy 2.9, sales tax revenue was projected and estimated after considering economic forecasts and data from multiple sources, including independent analysis by Hinderliter de Llamas and Associates ("HdL").

- 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 in the 2022 calendar year and the top five sales tax producing businesses accounting for 57% of total sales tax revenue. This over-reliance on a small number of sales tax producers means that the City is particularly vulnerable to changes in local economic conditions.
- The City's sales tax base has been physically and monetarily reduced by the replacement of previously sales tax-generating uses with lesser or non-sales tax-generating uses ("goods-to-service conversion") (e.g., the replacement of a portion of the former Vons with Anytime Fitness and the replacement of the former Hometown Buffet with Goldfish Swim School). Continued "erosion" of revenue generating potential may result in significant revenue loss over both the near- and long-term.
- Since the adoption of the Fiscal Years 2021-23 Budget & Work Plan, the City's sales tax base has remained relatively stable with notable additions including Flowerful and Cart Mart. A third Starbucks location is currently under construction and expected to open in the first quarter of Fiscal Year 2023-24.
- Overall sales tax revenue was not significantly affected by COVID-19. The performance of some sectors of the local economy declined while others remained strong or increased. The projected growth in sales tax revenue for Fiscal Year 2022-23 is based, in large part, on a strong, continuing rebound in taxable sales activity for the following major business groups: building and construction, fuel and service stations, and restaurants. An expected tapering of fuel prices, as well as one-time catch-up and double payments paid in Fiscal Year 2022-23 by certain businesses, are the primary factors for the estimated decline in sales tax revenue in Fiscal Year 2023-24. Growth in all sectors of the local economy – caveated by the aforementioned concerns regarding size and a lack of diversity – is forecast for Fiscal Year 2024-25.
- Sales tax fluctuates with changes in the economy, as well as consumer confidence. A "leveling off" or slowing of economic growth, could have a potentially significant, negative impact on future revenue.
- 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 producing businesses. Such a decrease would likely be at least partially offset by increased property tax revenue.

## **Franchise Fees Revenue**

Franchise fees are collected by the City in accordance with agreements with various advertising, cable television, solid waste, and utility providers.

*[Franchise Fees Revenue – Fiscal Years 2011-12 through 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$751,800                                   | 21.7%   | \$753,100                                   | 0.2%  |

### **Summary of Significant Trends and Observations**

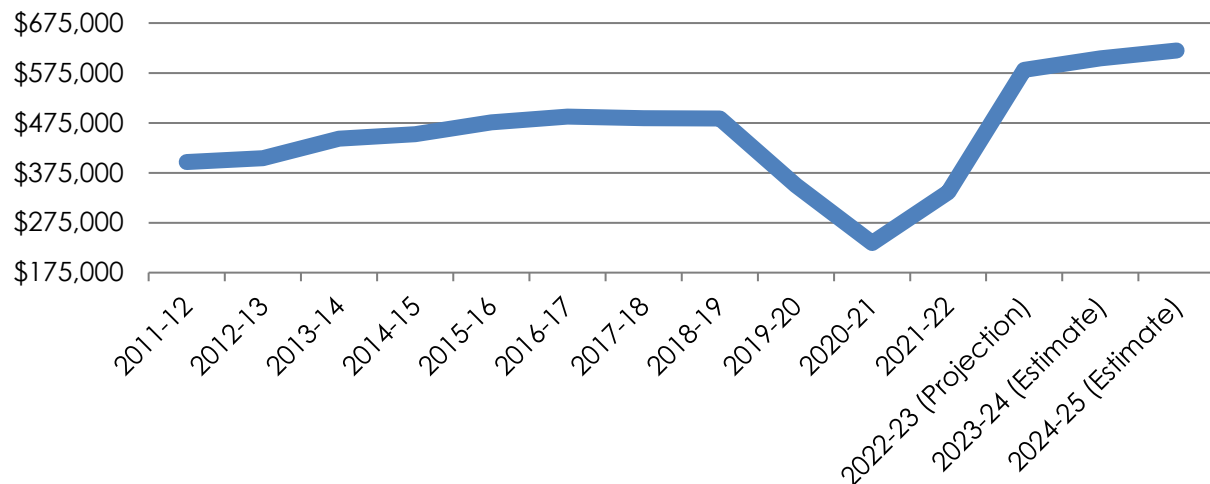
- Due to consumer rate increases, franchise fees revenue from Southern California Edison and Southern California Gas is expected to increase faster than inflation during fiscal years 2023-24 and 2024-25.
- Cable television franchise fee revenue (Cox Communications and the Golden Rain Foundation of Laguna Woods) is expected to continue 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. This is a matter of increasing concern as cable television franchise fees represent nearly half of all franchise fees revenue.

- Solid waste franchise fee revenue (CR&R Incorporated) is expected to increase more significantly than in years past through the 2025 calendar year as CR&R Incorporated phases in rate increases that began with the initiation of their services on January 1, 2022. After the 2025 calendar year, solid waste franchise fee revenue is expected to increase only by consumer price index 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 current end of the franchise agreement on December 31, 2027. Staff believes that the agreement is unlikely to be extended and has recommended that the City proactively plan for both the loss of this annual revenue and the assumption of maintenance and replacement costs for transit shelters and street furniture.

### **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 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$604,000                                   | 4.0%  | \$620,000                                   | 2.6%  |

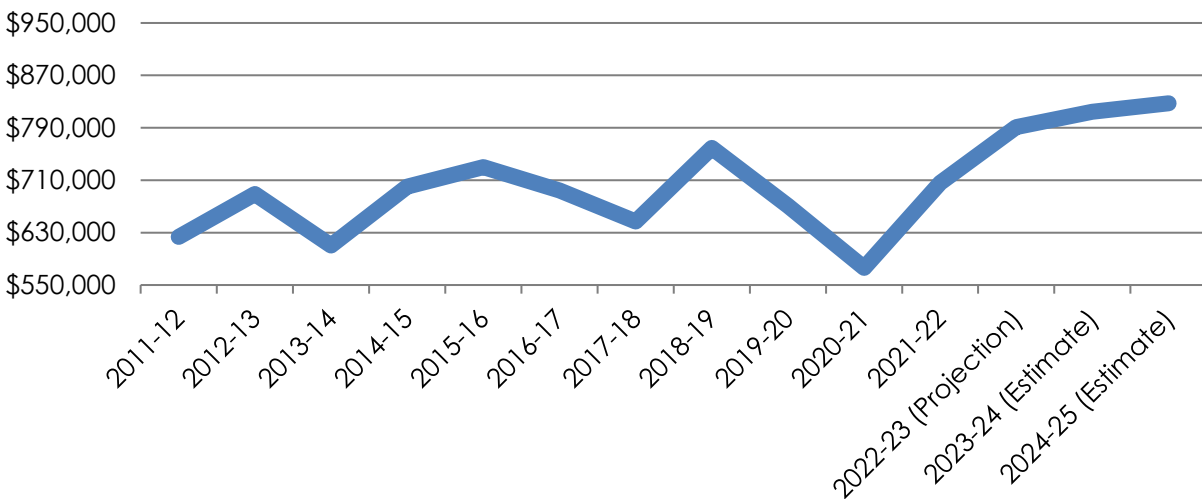
### Summary of Significant Trends and Observations

- Transient occupancy tax revenue has fully recovered from the declines that resulted from the COVID-19 pandemic in fiscal years 2019-20 and 2020-21. Fiscal Year 2022-23 revenue is projected to exceed pre-COVID-19 levels. Increases comparable to the rate of inflation are expected for fiscal years 2023-24 and 2024-25.
- The City's transient occupancy tax base continues to be limited in size and over-reliant 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 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$814,400                                   | 2.9%  | \$827,400                                   | 1.6%  |

### 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.

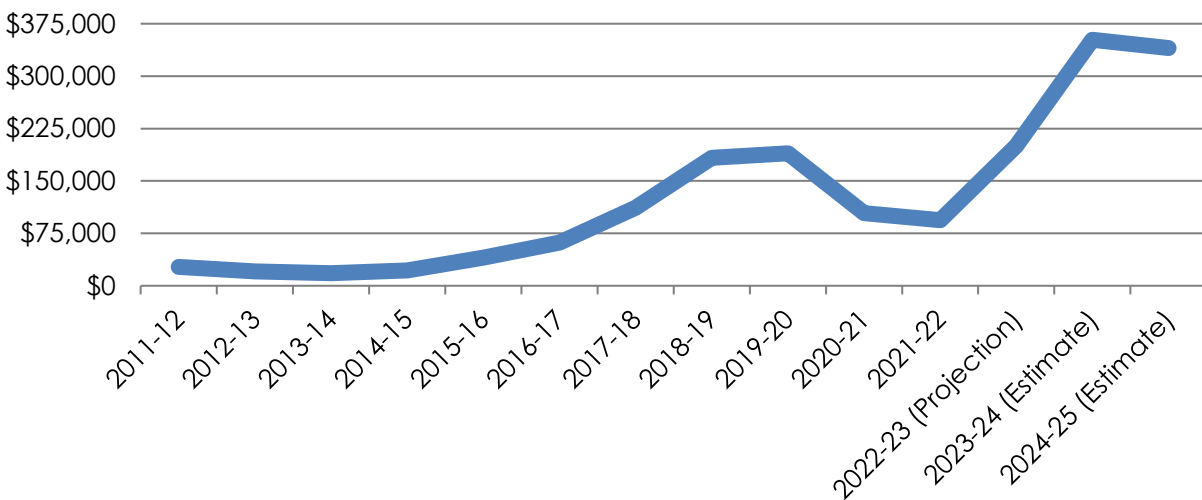
- Development processing fees revenue has fully recovered from the declines that resulted from the COVID-19 pandemic in fiscal years 2019-20 and 2020-21. Fiscal Year 2022-23 revenue is projected to exceed pre-COVID-19 levels.

### **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 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$352,000                                   | 75.9%   | \$340,000                                   | -3.4%   |

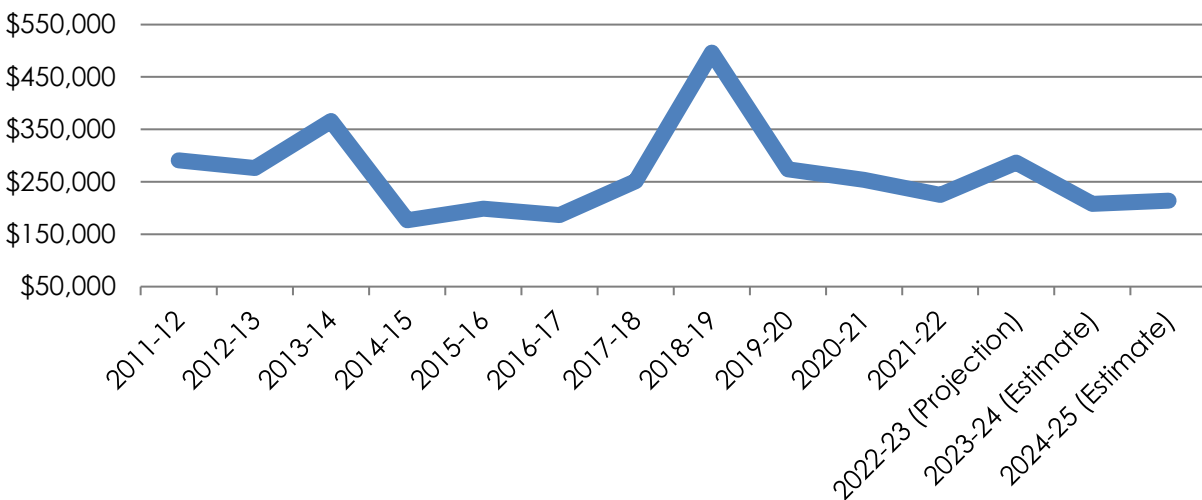
### Summary of Significant Trends and Observations

- 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. Short-term rates were boosted by the Federal Reserve throughout Fiscal Year 2022-23 in an attempt to control inflation, resulting in a significant increase in interest revenue.
- Interest rates are expected to remain higher than in recent fiscal years during fiscal years 2023-24 and 2024-25. The City has also invested in a number of multi-year certificates of deposit at fixed interest rates, which are expected to offset minor decreases in interest rates.
- The investable cash balance is expected to decrease after December 31, 2023 due to the anticipated expenditure of all remaining 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 2024-25]*



| Budget Estimate<br>(Fiscal Year<br>2023-24) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2022-23) | Budget Estimate<br>(Fiscal Year<br>2024-25) | Percent Change<br>from Projected<br>Year-End Receipts<br>(Fiscal Year<br>2023-24) |
|---|---|---|---|
| \$207,700                                   | -27.5%  | \$213,800                                   | 2.9%  |

### 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 were initially set at \$82,500 each, but will increase annually by consumer price index increases capped at 5% per calendar year.
- In Fiscal Year 2022-23, the City received a one-time payment of \$76,869 from CR&R Incorporated related to the recycling diversion requirement for the 2022 calendar year. That payment is the primary factor for the estimated decline in miscellaneous revenue in Fiscal Year 2023-24.
- 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 2023-24 are projected to be \$7,016,829, or 15.3% more than the projection for Fiscal Year 2022-23. In Fiscal Year 2024-25, General Fund operating expenditures are projected to increase to \$7,247,511, which reflects additional expenditures of \$230,682, or 3.3%, over the budget for Fiscal Year 2023-24.

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 \$713,250 for Fiscal Year 2023-24 and \$40,000 for Fiscal Year 2024-25 is budgeted to support the following non-operating expenditures and transfers to the Capital Projects Fund:

### Fiscal Year 2023-24

- *Non-Operating Expenditures*
  - Building Permitting Records Digitization (\$40,000)
  - Emergency Operations Plan Update (\$40,000)
  - Information Technology & Cyber Security Account (\$25,000)TOTAL: \$105,000
- *Transfers to the Capital Projects Fund*
  - City Hall Refurbishment and Safety Project: Phase 4 (\$250,000)
  - City Hall Refurbishment and Safety Project: Phase 5 (\$85,000)
  - Ridge Route Drive Drainage Repair Project (\$273,250)TOTAL: \$608,250

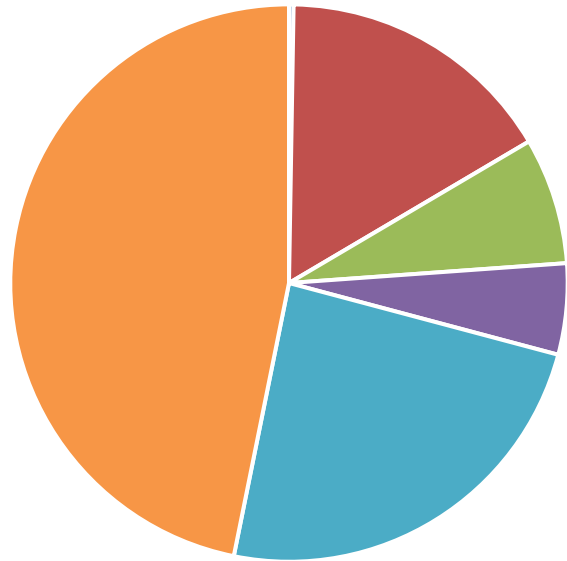
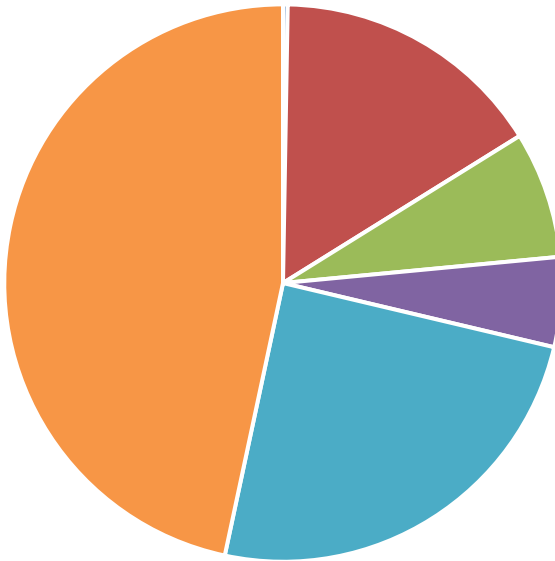
### Fiscal Year 2024-25

- *Non-Operating Expenditures*
  - Building Permitting Records Digitization (\$40,000)TOTAL: \$40,000
- *Transfers to the Capital Projects Fund*
  - None

*[General Fund Operating Expenditure Projections by Department  
– Fiscal Years 2023-25]*

2023-24

2024-25



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

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

| General Fund Department               | Percent of Adopted Budget Estimate<br>(Fiscal Year 2023-24) | Percent of Adopted Budget Estimate<br>(Fiscal Year 2024-25) |
|---------------------------------------|---|---|
| City Council                          | 0.3%  | 0.3%  |
| General Government                    | 15.9%   | 16.3%   |
| Administrative Services               | 7.3%  | 7.3%  |
| Engineering & Infrastructure Services | 5.2%  | 5.3%  |
| Planning & Environmental Services     | 24.7%   | 24.0%   |
| Public Safety Services                | 46.6%   | 46.8%   |

## **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 2021-23, employee benefits were modified as follows:

- For part-time employees, standardized the monthly benefit allowance at \$800 per month. Prior to this action, the monthly benefit allowance for "certain part-time employees" was set at "up to \$800 per month."
- For employees who regularly provide notary public and foreign pension acknowledgements services in the course of City business, added a \$100 per month stipend. The City Manager is not eligible for this stipend.
- For full- and part-time employees, set the observance for New Year's Day for the following Monday when New Year's Day falls on a Sunday.
- A new City Manager Employment Agreement was entered into which (i) entitled the City Manager to severance benefits in the event of involuntary termination, (ii) made explicit that the City Manager may use paid time off and administrative leave at his discretion, and (iii) provided that the City Manager receives supplemental benefits and retirement rights as are generally available to full-time City employees.

During Fiscal Years 2021-23, the following employee benefit plan documents were amended and restated:

- ICMA Retirement Corporation (doing business as MissionSquare Retirement) Governmental Money Purchase Plan. For additional information, please refer to City Resolution No. 22-40.
- International City Management Association Retirement Corporation (doing business as MissionSquare Retirement) Internal Revenue Code Section 457 Governmental Deferred Compensation Plan and Trust. For additional information, please refer to City Resolution No. 23-09.

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](http://www.cityoflagunawoods.org) > click on "City Council/Employee Compensation & Benefits" in the footer on any page).

Except as noted, this budget does not envision changes to the compensation schedule or benefits for non-contract employees, nor to the terms of the City Manager Employment Agreement. It does not include any new positions and allows for only minimal movement by employees within salary ranges.

#### California Public Employees' Retirement System

The City maintains defined benefit pension plans that are administered by the California Public Employees' Retirement System ("CalPERS"). The plans provide benefits to qualified employees based on number of years of employment, age at retirement, and final compensation (average salary for a defined period of employment). Qualified employees hired prior to January 1, 2013, or otherwise eligible in accordance with the Public Employees' Pension Reform Act of 2013 ("PEPRA"), are considered "classic" members and are enrolled in a "2% at age 55" plan. Classic members contribute 7% of their annual covered salary. Qualified employees hired on or after January 1, 2013, and not considered "classic" members ("new/PEPRA members"), are enrolled in a "2% at age 62" plan and contribute a variable percentage of their annual covered salary, in accordance with PEPRA. The new/PEPRA employee contribution rate is 8.0% for Fiscal Year 2023-24 and may increase for Fiscal Year 2024-25.

CalPERS produces an annual valuation report for each city's pension plans based on information available as of June 30 of the preceding year. The City's expenditure appropriations for employer contributions to CalPERS are based on the information contained in the most current valuation reports. Current and prior valuation reports are available at City Hall and on CalPERS' website ([www.calpers.ca.gov](http://www.calpers.ca.gov) > search "Public Agency Actuarial Valuation Reports" > search "Laguna Woods City" in the "Name" field). A link to CalPERS's website is also provided on the City's website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org) > click on "Government" > click on "Transparency & Public Records" > click on "CalPERS Pension Plans Actuarial Valuation Reports").

The City is required to make annual contributions to CalPERS that are based on a variety of assumptions including, but not limited to, rates of return on pooled investments managed by CalPERS. The difference between the sum of the City's accumulated plan assets and the total projected cost of earned pension benefits is referred to as "unfunded accrued liability" ("UAL").

The City's most current valuation reports are based on information as of June 30, 2021. As of that date, the City's total liability was more than fully funded at 109% with a balance of \$328,447. In previous years, the City made lump sum payments to pay off the entirety of its then-calculated UAL. Those UAL payments were made in May 2017 (\$483,218), September 2018 (\$137,455), October 2019 (\$101,092), and October 2020 (\$29,970). In Fiscal Year 2022-23, the City made monthly UAL payments totaling \$2,881.

This budget and work plan does not include any additional UAL payments. CalPERS' next valuation reports will be released in August 2023, after which the City Council may consider making such payments.

In April 2021, the City Council approved the establishment of an irrevocable Pension Trust Fund to prefund required pension contributions. The City Council may consider making contributions to the Pension Trust Fund to increase interest earnings to offset future UAL payments. As of June 2023, contributions have not yet been made to the Pension Trust Fund.

#### 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 2023 is 0.1% on the first \$7,000 of earnings.

#### 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 2023 is 6.2% on the first \$160,200 of earnings for Social Security and 1.45% on all earnings for Medicare. Social Security and Medicare contributions account for approximately 86% of total payroll taxes paid by the City. Total costs for Social Security and Medicare are projected to be \$66,010 for Fiscal Year 2023-24 and \$68,726 for Fiscal Year 2024-25.

#### 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 2023 is 1.5% on the first \$7,000 of earnings.

#### Other-Post Employment Benefits (Retiree Medical)

As a member of the CalPERS health insurance program, the City is statutorily required to offset a portion of the cost of CalPERS health insurance premiums for qualified, retired employees ("other post-employment benefits" or "OPEB") at a minimum rate, adjusted annually. Rates are established by state law with the monthly cost for calendar year 2023 totaling \$151 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 is currently fully funded through the OPEB Trust Fund.

This budget and work plan does not include any additional contributions to the OPEB Trust Fund. The next actuarial study will be completed in Fiscal Year 2023-24, 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 City Council air travel.
- The budget includes lodging costs for three councilmembers to attend the California Joint Powers Insurance Authority's ("CJPIA") Annual Risk Management Educational Forum each fiscal year, as well as for the City Council's Orange County Fire Authority ("OCFA") director to attend OCFA's Best & Bravest Awards Dinner each fiscal year. A contingency is also included with the assumption that there may be additional, as of yet unknown City Council travel, meetings, and conference costs.

### **General Government Department**

#### **Notes and Notable Changes from Prior Years**

- In Fiscal Year 2022-23, the City began contracting for cable television broadcast services that had been previously provided free of charge by the Golden Rain Foundation of Laguna Woods under its cable television franchise agreement. The new broadcast services costs are included in the Meeting Accessibility & Broadcast Services account.
- Insurance costs vary from year-to-year based on actuarial studies of the CJPIA'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.
- Funds are included for the City's annual dues for the Southern California Association of Governments, Orange County Council of Governments, and Orange County Local Agency Formation Commission.

- Funds are included for various City staff memberships in professional organizations, including the Government Finance Officers Association, California Municipal Treasurers Association, City Clerks Association of California, National Notary Association, Orange County City Managers' Association, and American Planning Association.
- No budget is provided for City staff air travel.
- The budget includes lodging costs for two staff members to attend the CJPIA Annual Risk Management Educational Forum in Fiscal Year 2023-24. The City Manager plans to commute to and from CJPIA's Fiscal Year 2023-24 Annual Risk Management Educational Forum.
- The budget includes funds for staff to attend meetings and conferences associated with memberships in professional organizations, as well as OCFA's Best & Bravest Awards Dinner. A contingency is also included with the assumption that there may be additional, as of yet unknown staff travel, meetings, and conference costs.
- Funds are included for the General Municipal Election on November 5, 2024 (assumption is City Council election only; no local ballot measures).
- The budget assumes that City Hall's transition to Voice over Internet Protocol ("VoIP") occurs in July 2023. Following the transition, telephone costs are expected to decrease.
- Budgets for City Hall janitorial and maintenance costs have increased to include the Public Library Building (City Hall and the Public Library Building are collectively referred to as the "City Hall Complex"). As required by the lease agreement with the County of Orange that was approved by the City Council on April 10, 2023, the County will reimburse the City for janitorial services provided for the public library and in connection with the County's use of the outdoor activity room. The County's reimbursement will also include related janitorial supplies.

### **Administrative Services Department**

#### **Notes and Notable Changes from Prior Years**

- The City remains in the process of modernizing its information technology systems and enhancing its cyber security posture. Funds are included to support ongoing licensing and subscription costs associated with cloud-based software deployed organization-wide. Funds for limited-term and extraordinary information technology and cyber security needs are included in the Information Technology & Cyber Security Account.

## **Engineering & Infrastructure Services Department**

### **Notes and Notable Changes from Prior Years**

- Funds are included to provide for as-needed engineering services that are not related to transportation infrastructure.
- The City is required to expend at least \$104,578 in Fiscal Year 2023-24 and \$104,578 in Fiscal Year 2024-25 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. The amount of that "maintenance of effort" requirement will increase on July 1, 2026 and every three years thereafter based upon the California Department of Transportation ("CalTrans") Construction Cost Index for the preceding three calendar years, provided that the Construction Cost Index-based increase cannot exceed the growth rate in General Fund revenues during the update period.
- The City anticipates conducting a competitive procurement process for City engineering services prior to the end of the existing agreement on December 31, 2023. A contingency is included for potential increases in cost. City engineering costs are paid through both the General Fund and transportation-related special revenue funds.
- The City anticipates conducting a competitive procurement process for landscape maintenance services prior to the end of the existing agreement on June 30, 2024. A contingency is included for potential increases in cost. Landscape maintenance costs are paid through both the General Fund and transportation-related special revenue funds.

## **Planning & Environmental Services Department**

### **Notes and Notable Changes from Prior Years**

- Information on building permitting-related contract staffing levels and costs is available in the *Building, Planning, Encroachment, and Grading Permit Fee Study*, which is prepared annually and available at City Hall and on the City's website ([www.cityoflagunawoods.org](http://www.cityoflagunawoods.org) > click on "Government" > click on "Transparency & Public Records" > click on "Fee Schedules and Studies").
- 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 planning projects, including implementation of the General Plan Housing Element and review of the Orange County Transportation Authority's Interstate 5/El Toro Road Interchange Project.
- 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 \$9,900 for each fiscal year, for a total of \$19,800 payable to the Golden Rain Foundation of Laguna Woods from this budget.
- 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 the Santa Ana Region National Pollutant Discharge Elimination System ("NPDES") permit and continued implementation of the South Orange County Watershed Management Area's Water Quality Improvement Plan.

### **Public Safety Services Department**

#### **Notes and Notable Changes from Prior Years**

- A new agreement with the City of Laguna Beach for animal control and shelter services will begin on July 1, 2023 and run for three fiscal years, through June 30, 2026. Service costs are \$115,008 for Fiscal Year 2023-24, \$119,604 for Fiscal Year 2024-25, and, \$124,392 for Fiscal Year 2025-26. The annual percent change in service costs, fiscal year over fiscal year, is approximately 1.7% for Fiscal Year 2023-24, 4.0% for Fiscal Year 2024-25, and 4.0% for Fiscal Year 2025-26.
- Projections continue to show that law enforcement services costs are increasing at an unsustainable rate in excess of the growth of the City's General Fund operating revenue primarily due to labor agreements approved by the Orange County Board of Supervisors, operational decisions made by the Orange County Sheriff's Department, and unfunded pension liabilities associated with the Orange County Employees Retirement System.
- The City's agreement with the County of Orange for law enforcement services in Fiscal Year 2023-24 includes an annual cost of \$3,049,067 (a decrease of \$102,135, or approximately 3.24%, from Fiscal Year 2022-23).
  - The agreement includes no increase in salaries or wages due to all bargaining units being in negotiations with the County of Orange

as of the date this budget was adopted. Once negotiations are complete, the agreement will be adjusted to fund the new labor agreements, potentially retroactive to July 1, 2024.

- Due to the Orange County Board of Supervisors' past proclivity to approve costly labor agreements without consultation with cities, the law enforcement services budget assumes that the Fiscal Year 2023-24 agreement may increase by as much as 9%, followed by an increase of as much as 4% in Fiscal Year 2024-25. No new law enforcement services are assumed or anticipated.
- The budget assumes a funding offset from the State of California's Supplemental Law Enforcement Services Account ("SLESA") of \$176,100 in Fiscal Year 2023-24 and \$176,100 in Fiscal Year 2024-25. SLESA funds are accounted for in the Special Revenue Funds section of the budget (please refer to Chapter 6.0).
- The budget assumes a cost savings of one-half of one percent of each fiscal year's base law enforcement services agreement cost, due to early payment discounts offered by the County of Orange.
- Funds continue to be included for the emotional and practical support services provided by Trauma Intervention Programs, Inc.

### **Information Technology & Cyber Security Account**

#### **Notes and Notable Changes from Prior Years**

- The Information Technology & Cyber Security Account was added to the budget in Fiscal Year 2019-20. To date, \$200,000 has been expended to address limited-term and extraordinary information technology and cyber security needs. Information Technology & Cyber Security Account expenditures are considered to be non-operating. An appropriation of \$25,000 is included for Fiscal Year 2023-24.

### **CAPITAL PROJECTS FUND REVENUE**

The Capital Projects Fund is used to account for resources that are reserved for either current- or future-year capital improvement purposes. All Capital Projects Fund resources come from transfers in from the unassigned General Fund balance.

Capital Projects Fund transfers in from the General Fund for Fiscal Year 2023-24 are estimated to be \$608,250, or 2.7% more than year-end projections for Fiscal Year 2022-23. In Fiscal Year 2024-25, Capital Projects Fund transfers in from the

General Fund are estimated to be \$0, which reflects a decrease of \$608,250, or 100%, from the Fiscal Year 2023-24 estimate.

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 \$608,250 for Fiscal Year 2023-24 and \$0 for Fiscal Year 2024-25. All expenditures relate to the Capital Improvement Program projects listed below. For additional information, please refer to Chapter 8.0.

### Fiscal Year 2023-24

- City Hall Refurbishment and Safety Project: Phase 4 (\$250,000)
- City Hall Refurbishment and Safety Project: Phase 5 (\$85,000)
- Ridge Route Drive Drainage Repair Project (\$273,250)

TOTAL: \$608,250

### Fiscal Year 2024-25

- None

### Expected Carryovers

- Unspent appropriations approved prior to July 1, 2023 are expected to be carried over to Fiscal Year 2023-24 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.

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**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Revenue Summary - General Fund**

| Line Item                                     | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Budget | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Percent Change<br>from Prior Year<br>Projection | Fiscal Year 2024-25<br>Budget | Percent Change<br>from Prior Year<br>Budget |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|---|-------------------------------|---|
| <b><u>GENERAL FUND GROUP</u></b>              |                               |                               |                               |                               |                                   |                               |   |                               |   |
| <b><u>General Fund</u></b>                    |                               |                               |                               |                               |                                   |                               |   |                               |   |
| Property Tax                                  | 2,767,653                     | 3,057,124                     | 3,047,329                     | 3,210,800                     | 3,166,700                         | 3,297,700                     | 4.1%  | 3,405,200                     | 3.3%  |
| Property Transfer Tax                         | 85,478                        | 116,657                       | 139,357                       | 89,500                        | 99,100                            | 112,000                       | 13.0%   | 114,900                       | 2.6%  |
| Sales Tax                                     | 957,549                       | 1,010,418                     | 1,156,470                     | 1,058,400                     | 1,216,000                         | 1,196,000                     | -1.6%   | 1,233,000                     | 3.1%  |
| Franchise Fees                                | 699,250                       | 667,091                       | 675,108                       | 678,900                       | 618,000                           | 751,800                       | 21.7%   | 753,100                       | 0.2%  |
| Transient Occupancy Tax                       | 349,660                       | 254,371                       | 465,867                       | 343,600                       | 581,000                           | 604,000                       | 4.0%  | 620,000                       | 2.6%  |
| Development Processing Fees                   | 671,039                       | 682,913                       | 815,005                       | 713,300                       | 791,200                           | 814,400                       | 2.9%  | 827,400                       | 1.6%  |
| Interest                                      | 189,379                       | 100,503                       | 83,686                        | 87,000                        | 200,100                           | 352,000                       | 75.9%   | 340,000                       | -3.4%                                       |
| Miscellaneous:                                |                               |                               |                               |                               |                                   |                               |   |                               |   |
| Regular                                       | 254,585                       | 188,198                       | 193,651                       | 231,000                       | 286,469                           | 207,700                       | -27.5%  | 213,800                       | 2.9%  |
| One-Time Rule 20A Transfer                    | 19,227                        | 30,747                        | -                             | -                             | -                                 | -                             |   | -                             |   |
| <b>TOTAL GENERAL FUND (ALL REVENUE)</b>       | <b>5,993,820</b>              | <b>6,108,022</b>              | <b>6,576,473</b>              | <b>6,412,500</b>              | <b>6,958,569</b>                  | <b>7,335,600</b>              | <b>5.4%</b>                                     | <b>7,507,400</b>              | <b>2.3%</b>                                 |
| Less: One-Time Rule 20A Transfer              | (19,227)                      | (30,747)                      | -                             | -                             | -                                 | -                             |   | -                             |   |
| <b>TOTAL GENERAL FUND (ONGOING REVENUE)</b>   | <b>5,974,593</b>              | <b>6,077,275</b>              | <b>6,576,473</b>              | <b>6,412,500</b>              | <b>6,958,569</b>                  | <b>7,335,600</b>              | <b>5.4%</b>                                     | <b>7,507,400</b>              | <b>2.3%</b>                                 |
| <b><u>Capital Projects Fund</u></b>           |                               |                               |                               |                               |                                   |                               |   |                               |   |
| Intergovernmental                             | 7,993                         | -                             | -                             | -                             | -                                 | -                             | 0.0%  | -                             | 0.0%  |
| Interest                                      | 8,046                         | 7,244                         | 6,391                         | -                             | 14,000                            | -                             | -100.0%   | -                             | 0.0%  |
| <b>TOTAL CAPITAL PROJECTS FUND</b>            | <b>16,039</b>                 | <b>7,244</b>                  | <b>6,391</b>                  | <b>-</b>                      | <b>14,000</b>                     | <b>-</b>                      | <b>-100.0%</b>                                  | <b>-</b>                      | <b>0.0%</b>                                 |
| <b>TOTAL GENERAL FUND GROUP (ALL REVENUE)</b> | <b>6,009,859</b>              | <b>6,115,266</b>              | <b>6,582,864</b>              | <b>6,412,500</b>              | <b>6,972,569</b>                  | <b>7,335,600</b>              | <b>5.2%</b>                                     | <b>7,507,400</b>              | <b>2.3%</b>                                 |

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**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - General Fund**

| Line Item  | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|--|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| <b>GENERAL FUND</b>                                  |                               |                               |                               |                                   |                               |                               |
| <b>City Council</b>                                  |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>                              |                               |                               |                               |                                   |                               |                               |
| Mileage and Parking                                  | -                             | -                             | -                             | -                                 | 500                           | 500                           |
| Travel, Conferences, and Meetings                    | 262                           | -                             | -                             | 2,734                             | 3,005                         | 3,155                         |
| <u>Compensation</u>                                  |                               |                               |                               |                                   |                               |                               |
| Monthly Compensation                                 | 14,400                        | 13,800                        | 14,400                        | 14,700                            | 14,400                        | 14,400                        |
| Payroll Taxes  | 1,102                         | 1,056                         | 1,106                         | 1,125                             | 1,102                         | 1,102                         |
| <b>Total City Council</b>                            | <b>15,764</b>                 | <b>14,856</b>                 | <b>15,506</b>                 | <b>18,559</b>                     | <b>19,007</b>                 | <b>19,157</b>                 |
| <b>General Government</b>                            |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>                              |                               |                               |                               |                                   |                               |                               |
| Community Outreach                                   | 728                           | 1,149                         | 786                           | 723                               | 2,000                         | 2,000                         |
| SB 2557 Property Tax Admin Fee                       | -                             | -                             | -                             | 1,940                             | 2,000                         | 2,000                         |
| Insurance  | 66,305                        | 68,182                        | 49,011                        | 71,984                            | 72,132                        | 73,855                        |
| Legal Services                                       | 141,311                       | 79,559                        | 193,287                       | 86,601                            | 125,000                       | 125,000                       |
| Meeting Accessibility and Broadcast Services         | 2,800                         | 3,800                         | 4,600                         | 5,600                             | 15,250                        | 15,250                        |
| Memberships and Dues                                 | 9,661                         | 8,877                         | 9,727                         | 11,235                            | 13,702                        | 14,917                        |
| Mileage and Parking                                  | 963                           | 602                           | 1,328                         | 58                                | 500                           | 500                           |
| Office Equipment and Maintenance                     | 6,613                         | 5,702                         | 7,182                         | 9,329                             | 10,071                        | 10,071                        |
| Office Supplies and Activities                       | 7,822                         | 9,636                         | 8,139                         | 7,764                             | 10,000                        | 10,000                        |
| Postage and Mailing                                  | (42)                          | 1,757                         | 914                           | 1,859                             | 2,000                         | 2,000                         |
| Printing   | 483                           | 253                           | 1,578                         | 195                               | 750                           | 750                           |
| Public Notices                                       | 7,005                         | 8,910                         | 6,125                         | 5,486                             | 6,500                         | 6,500                         |
| Records Management Services                          | 3,552                         | 6,279                         | 5,043                         | 7,443                             | 12,618                        | 12,806                        |
| Travel, Conferences, and Meetings                    | 1,083                         | 550                           | 1,478                         | 1,753                             | 1,635                         | 3,035                         |
| Other Projects and Services                          | 22,379                        | 20,040                        | 53,876                        | 54,081                            | 29,600                        | 29,600                        |
| <u>Election Expenses</u>                             |                               |                               |                               |                                   |                               |                               |
| City Council Election                                | -                             | 24,443                        | -                             | 37,534                            | -                             | 35,000                        |
| <u>City Hall Expenses</u>                            |                               |                               |                               |                                   |                               |                               |
| Janitorial Services, City Hall Complex               | 12,679                        | 26,994                        | 30,620                        | 28,203                            | 58,450                        | 59,723                        |
| Maintenance, City Hall Complex                       | 52,067                        | 83,823                        | 127,587                       | 77,262                            | 95,000                        | 95,000                        |
| Telephones, City Hall                                | 24,420                        | 31,105                        | 33,790                        | 47,263                            | 14,740                        | 10,200                        |
| Utilities, Electric, City Hall Complex               | 20,130                        | 23,013                        | 26,985                        | 28,461                            | 30,000                        | 33,000                        |
| Utilities, Gas, City Hall Complex                    | 436                           | 718                           | 979                           | 4,040                             | 4,250                         | 4,350                         |
| Utilities, Internet, City Hall                       | -                             | -                             | 11,426                        | 9,361                             | 9,348                         | 11,348                        |
| Utilities, Water, City Hall Complex                  | 1,953                         | 1,967                         | 1,966                         | 1,899                             | 4,654                         | 4,904                         |
| <u>Compensation &amp; Benefits</u>                   |                               |                               |                               |                                   |                               |                               |
| Salaries, Full-time                                  | 312,191                       | 312,140                       | 309,971                       | 267,778                           | 405,646                       | 419,859                       |
| Salaries, Contra Acct.                               | (6,661)                       | (23,594)                      | (19,784)                      | (9,329)                           | -                             | -                             |
| Salaries, Part-time                                  | 9,288                         | 192                           | -                             | 39,515                            | 50,259                        | 52,772                        |
| Fringe Benefits                                      | 32,341                        | 32,725                        | 31,271                        | 24,750                            | 36,000                        | 36,000                        |
| Supplemental Allowances                              | 1,959                         | 1,800                         | 2,754                         | 4,054                             | 15,408                        | 18,408                        |
| Payroll Taxes  | 21,736                        | 21,212                        | 21,000                        | 20,933                            | 33,035                        | 33,994                        |
| Retirement (Employer Contribution)                   | 30,989                        | 33,065                        | 33,485                        | 35,797                            | 45,776                        | 47,278                        |
| Non-Operating - Lump Sum Payments (see detail below) | 101,092                       | 29,970                        | -                             | -                                 | -                             | -                             |
| Benefit Administration                               | 1,636                         | 1,934                         | 1,927                         | 1,766                             | 2,125                         | 2,125                         |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - General Fund**

| Line Item  | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|--|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| Retiree Medical (Employer Contribution)                    | 6,437                         | 5,076                         | 5,256                         | 5,400                             | 5,544                         | 5,544                         |
| Non-Operating - OPEB Trust Contribution (see detail below) | 19,529                        | -                             | -                             | -                                 | -                             | -                             |
| <b>Total General Government</b>                            | <b>912,885</b>                | <b>821,879</b>                | <b>962,307</b>                | <b>890,738</b>                    | <b>1,113,993</b>              | <b>1,177,789</b>              |
| <b>Administrative Services</b>                             |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>                                    |                               |                               |                               |                                   |                               |                               |
| Audit Services   | 22,200                        | 32,300                        | 21,500                        | 25,500                            | 30,000                        | 30,000                        |
| Information Technology Services                            | 46,390                        | 76,790                        | 72,315                        | 80,780                            | 85,326                        | 87,426                        |
| Finance and Payroll Services                               | 147,140                       | 50,603                        | 70,123                        | 49,054                            | 71,429                        | 71,990                        |
| Card Processing Fees                                       | 604                           | 6,097                         | 8,300                         | 17,335                            | 19,000                        | 20,000                        |
| Website Services   | 5,167                         | 6,180                         | 4,924                         | 5,400                             | 8,058                         | 8,058                         |
| Other Projects & Services                                  | 5,357                         | 199                           | 232                           | -                                 | 2,500                         | 2,500                         |
| <u>Compensation &amp; Benefits</u>                         |                               |                               |                               |                                   |                               |                               |
| Salaries, Full-time  | 137,965                       | 201,928                       | 202,758                       | 211,619                           | 225,904                       | 237,199                       |
| Salaries, Contra Acct.                                     | (3,818)                       | (2,943)                       | (3,652)                       | (3,488)                           | -                             | -                             |
| Fringe Benefits  | 23,390                        | 33,079                        | 24,459                        | 33,099                            | 33,600                        | 33,600                        |
| Supplemental Allowances                                    | -                             | -                             | 954                           | 1,854                             | 2,154                         | 2,154                         |
| Payroll Taxes  | 10,841                        | 15,178                        | 15,278                        | 15,729                            | 20,329                        | 21,328                        |
| Retirement (Employer Contribution)                         | 10,574                        | 15,916                        | 14,789                        | 16,155                            | 17,276                        | 18,140                        |
| <b>Total Administrative Services</b>                       | <b>405,810</b>                | <b>435,327</b>                | <b>431,980</b>                | <b>453,037</b>                    | <b>515,576</b>                | <b>532,395</b>                |
| <b>Engineering &amp; Infrastructure Services</b>           |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>                                    |                               |                               |                               |                                   |                               |                               |
| Engineering Services                                       | 56,066                        | 10,015                        | 10,352                        | 5,682                             | 45,345                        | 49,845                        |
| Non-Operating (see detail below)                           | 14,924                        | 22,936                        | -                             | -                                 | -                             | -                             |
| Landscaping Services                                       | 66,759                        | 74,234                        | 76,104                        | 65,564                            | 80,000                        | 85,000                        |
| Street Maintenance   | -                             | -                             | 881                           | -                                 | -                             | -                             |
| Traffic Signal Maintenance                                 | -                             | -                             | 6,628                         | -                                 | -                             | -                             |
| M2 Maintenance of Effort                                   | 102,314                       | 104,578                       | 135,845                       | 117,151                           | 110,000                       | 110,000                       |
| Maintenance, Catch Basins                                  | -                             | -                             | -                             | -                                 | -                             | -                             |
| Maintenance, Streets                                       | -                             | -                             | -                             | -                                 | -                             | -                             |
| Maintenance, Traffic Signals                               | -                             | -                             | -                             | -                                 | -                             | -                             |
| <u>Utilities</u>   |                               |                               |                               |                                   |                               |                               |
| Utilities, Street Lights, Residential                      | 22,005                        | 20,887                        | 24,208                        | 35,139                            | 38,000                        | 41,000                        |
| <u>Compensation &amp; Benefits</u>                         |                               |                               |                               |                                   |                               |                               |
| Salaries, Full-time  | 78,163                        | 77,864                        | 80,093                        | 80,968                            | 88,082                        | 92,486                        |
| Less: M2 Maintenance of Effort                             | (32,118)                      | (27,646)                      | (33,258)                      | (39,034)                          | (25,000)                      | (25,000)                      |
| Fringe Benefits  | 12,000                        | 12,000                        | 12,000                        | 12,000                            | 12,000                        | 12,000                        |
| Less: M2 Maintenance of Effort                             | -                             | -                             | -                             | -                                 | -                             | -                             |
| Supplemental Allowances                                    | 795                           | 954                           | 954                           | 1,854                             | 2,154                         | 2,154                         |
| Less: M2 Maintenance of Effort                             | -                             | -                             | -                             | -                                 | -                             | -                             |
| Payroll Taxes  | 6,398                         | 6,160                         | 6,330                         | 6,563                             | 7,907                         | 8,297                         |
| Less: M2 Maintenance of Effort                             | -                             | -                             | -                             | -                                 | -                             | -                             |
| Retirement (Employer Contribution)                         | 5,813                         | 5,838                         | 5,883                         | 6,171                             | 6,736                         | 7,073                         |
| Less: M2 Maintenance of Effort                             | -                             | -                             | -                             | -                                 | -                             | -                             |
| <b>Total Engineering &amp; Infrastructure Services</b>     | <b>333,119</b>                | <b>307,820</b>                | <b>326,020</b>                | <b>292,058</b>                    | <b>365,224</b>                | <b>382,855</b>                |

| <b>CITY OF LAGUNA WOODS</b><br><b>Fiscal Years 2023-25 Budget &amp; Work Plan</b><br><b>Expenditures Detail - General Fund</b> |                               |                               |                               |                                   |                               |                               |
|--|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| Line Item  | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
| <b>Planning &amp; Environmental Services</b>   |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>  |                               |                               |                               |                                   |                               |                               |
| Building Services  | 586,339                       | 706,984                       | 814,665                       | 834,830                           | 982,976                       | 1,022,296                     |
| Non-Operating (see detail below)   | 2,537                         | 17,463                        | 19,982                        | 3,399                             | 40,000                        | 40,000                        |
| Building Services, Printing  | 585                           | 1,951                         | 939                           | 1,398                             | 1,750                         | 2,000                         |
| Building Services, Publications  | 1,439                         | -                             | -                             | 1,548                             | 500                           | 650                           |
| Building Services, Software  | -                             | -                             | 33,625                        | 62,315                            | 66,385                        | 66,632                        |
| Building Services, State Fees  | -                             | -                             | -                             | 7,268                             | 8,800                         | 9,240                         |
| Code Enforcement Services  | 28,674                        | 36,839                        | 32,910                        | 30,224                            | 62,104                        | 65,210                        |
| Community Waste Events and Collections   | 37,645                        | 35,059                        | 56,546                        | 67,163                            | 63,915                        | 67,196                        |
| Planning Services  | 22,233                        | 54,393                        | 51,228                        | 90,671                            | 165,000                       | 90,000                        |
| Non-Operating (see detail below)   | 34,290                        | 15,710                        | -                             | -                                 | -                             | -                             |
| Waste Management Services  | 21,883                        | 37,036                        | 39,706                        | 19,275                            | 31,285                        | 31,224                        |
| Water Quality Services   | 123,365                       | 87,091                        | 102,511                       | 98,094                            | 106,000                       | 135,462                       |
| <u>Compensation &amp; Benefits</u>   |                               |                               |                               |                                   |                               |                               |
| Salaries, Full-time  | 108,897                       | 154,210                       | 151,828                       | 162,195                           | 177,368                       | 186,237                       |
| Salaries, Contra.  | (9,505)                       | (13,509)                      | (9,073)                       | (5,711)                           | -                             | -                             |
| Fringe Benefits  | 13,937                        | 21,943                        | 23,607                        | 23,756                            | 24,000                        | 24,000                        |
| Supplemental Allowances  | -                             | -                             | 1,908                         | 1,908                             | 1,908                         | 1,908                         |
| Payroll Taxes  | 9,021                         | 12,484                        | 12,459                        | 13,191                            | 15,921                        | 16,706                        |
| Retirement (Employer Contribution)   | 11,408                        | 18,077                        | 16,970                        | 19,144                            | 21,909                        | 23,005                        |
| <b>Total Planning &amp; Environmental Services</b>   | <b>992,748</b>                | <b>1,185,731</b>              | <b>1,349,811</b>              | <b>1,430,668</b>                  | <b>1,769,821</b>              | <b>1,781,766</b>              |
| <b>Public Safety Services</b>  |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>  |                               |                               |                               |                                   |                               |                               |
| Animal Services  | 113,100                       | 109,046                       | 111,168                       | 113,121                           | 115,008                       | 119,604                       |
| Law Enforcement Services   | 2,635,462                     | 2,741,718                     | 2,838,642                     | 2,891,248                         | 3,156,101                     | 3,271,786                     |
| Other Public Safety Services   | 6,039                         | 6,985                         | 3,661                         | 2,055                             | 2,099                         | 2,159                         |
| Non-Operating (see detail below)   | -                             | -                             | -                             | -                                 | 40,000                        | -                             |
| <b>Total Public Safety Services</b>  | <b>2,754,601</b>              | <b>2,857,749</b>              | <b>2,953,471</b>              | <b>3,006,424</b>                  | <b>3,313,208</b>              | <b>3,393,549</b>              |
| <b>Information Technology &amp; Cyber Security Account</b>   |                               |                               |                               |                                   |                               |                               |
| <u>General Expenses</u>  |                               |                               |                               |                                   |                               |                               |
| Non-Operating (see detail below)   | 130,000                       | 45,000                        | 20,640                        | 4,359                             | 25,000                        | -                             |
| <b>Total Information Technology &amp; Cyber Security Account</b>   | <b>130,000</b>                | <b>45,000</b>                 | <b>20,640</b>                 | <b>4,359</b>                      | <b>25,000</b>                 | <b>-</b>                      |
| Subtotal Operating Expenditures  | 5,242,555                     | 5,537,283                     | 6,019,113                     | 6,088,085                         | 7,016,829                     | 7,247,511                     |
| Subtotal Non-Operating Expenditures  | 302,372                       | 131,079                       | 40,622                        | 7,758                             | 105,000                       | 40,000                        |
| <b>TOTAL GENERAL FUND (ALL EXPENDITURES)</b>   | <b>5,544,927</b>              | <b>5,668,362</b>              | <b>6,059,735</b>              | <b>6,095,843</b>                  | <b>7,121,829</b>              | <b>7,287,511</b>              |
| <b>CAPITAL PROJECTS FUND</b>   |                               |                               |                               |                                   |                               |                               |
| Capital Projects (see detail below)  | 327,534                       | 252,316                       | 164,043                       | 592,547                           | 608,250                       | -                             |
| <b>TOTAL CAPITAL PROJECTS FUND</b>   | <b>327,534</b>                | <b>252,316</b>                | <b>164,043</b>                | <b>592,547</b>                    | <b>608,250</b>                | <b>-</b>                      |
| <b>TOTAL ALL GENERAL FUND GROUP (ALL EXPENDITURES)</b>   | <b>5,872,461</b>              | <b>5,920,678</b>              | <b>6,223,778</b>              | <b>6,688,390</b>                  | <b>7,730,079</b>              | <b>7,287,511</b>              |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - General Fund**

| Line Item   | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|---|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| <i>Non-Operating Detail</i>   | <i>Fiscal Year 2019-20</i>    | <i>Fiscal Year 2020-21</i>    | <i>Fiscal Year 2021-22</i>    | <i>Fiscal Year 2022-23</i>        | <i>Fiscal Year 2023-24</i>    | <i>Fiscal Year 2024-25</i>    |
| GENERAL GOVERNMENT  |                               |                               |                               |                                   |                               |                               |
| CalPERS Other Post-Employment Benefits (OPEB) Trust Contribution  | 19,529                        | -                             | -                             | -                                 | -                             | -                             |
| CalPERS Retirement Unfunded Accrued Liability Lump Sum Payments   | 101,092                       | 29,970                        | -                             | -                                 | -                             | -                             |
| 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 Permitting Records Digitization  | 2,537                         | 17,463                        | 19,982                        | 3,399                             | 40,000                        | 40,000                        |
| General Plan Comprehensive Update   | 34,290                        | 15,710                        | -                             | -                                 | -                             | -                             |
| PUBLIC SAFETY SERVICES  |                               |                               |                               |                                   |                               |                               |
| Emergency Operations Plan Update  | -                             | -                             | -                             | -                                 | 40,000                        | -                             |
| 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                             | 25,000                        | -                             |
| <b>TOTAL</b>  | <b>302,372</b>                | <b>131,079</b>                | <b>40,622</b>                 | <b>7,758</b>                      | <b>105,000</b>                | <b>40,000</b>                 |
| <i>Capital Projects Fund Detail for Capital Projects</i>  | <i>Fiscal Year 2019-20</i>    | <i>Fiscal Year 2020-21</i>    | <i>Fiscal Year 2021-22</i>    | <i>Fiscal Year 2022-23</i>        | <i>Fiscal Year 2023-24</i>    | <i>Fiscal Year 2024-25</i>    |
| "A Place for Paws" Dog Park Relocation Project  | 83,898                        | -                             | -                             | -                                 | -                             | -                             |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3   | 7,925                         | -                             | -                             | -                                 | -                             | -                             |
| City Hall/Public Library Project  | 147,882                       | 89,815                        | 125,784                       | 413,064                           | -                             | -                             |
| 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                        | 179,483                           | -                             | -                             |
| City Hall Refurbishment and Safety Project: Phase 4   | -                             | -                             | -                             | -                                 | 250,000                       | -                             |
| City Hall Refurbishment and Safety Project: Phase 5   | -                             | -                             | -                             | -                                 | 85,000                        | -                             |
| City-maintained Catch Basins Full Capture Systems Retrofit Project  | -                             | 534                           | -                             | -                                 | -                             | -                             |
| El Toro Road Traffic Signal Synchronization Project   | 1,204                         | -                             | -                             | -                                 | -                             | -                             |
| Moulton Parkway Traffic Signal Synchronization Project  | 6,789                         | -                             | -                             | -                                 | -                             | -                             |
| Ridge Route Drive Drainage Repair Project   | -                             | -                             | -                             | -                                 | 273,250                       | -                             |
| Ridge Route Drive Landscape Project   | -                             | -                             | 20,000                        | -                                 | -                             | -                             |
| Woods End Wilderness Preserve Trail Drainage and Improvement Project  | -                             | -                             | -                             | -                                 | -                             | -                             |
| <b>TOTAL</b>  | <b>327,534</b>                | <b>252,316</b>                | <b>164,043</b>                | <b>592,547</b>                    | <b>608,250</b>                | <b>-</b>                      |

CHAPTER

6.0

CITY  
BUDGET DETAIL,  
SPECIAL REVENUE  
FUNDS

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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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”<sup>1</sup> 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 2023-25]*

| 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           |

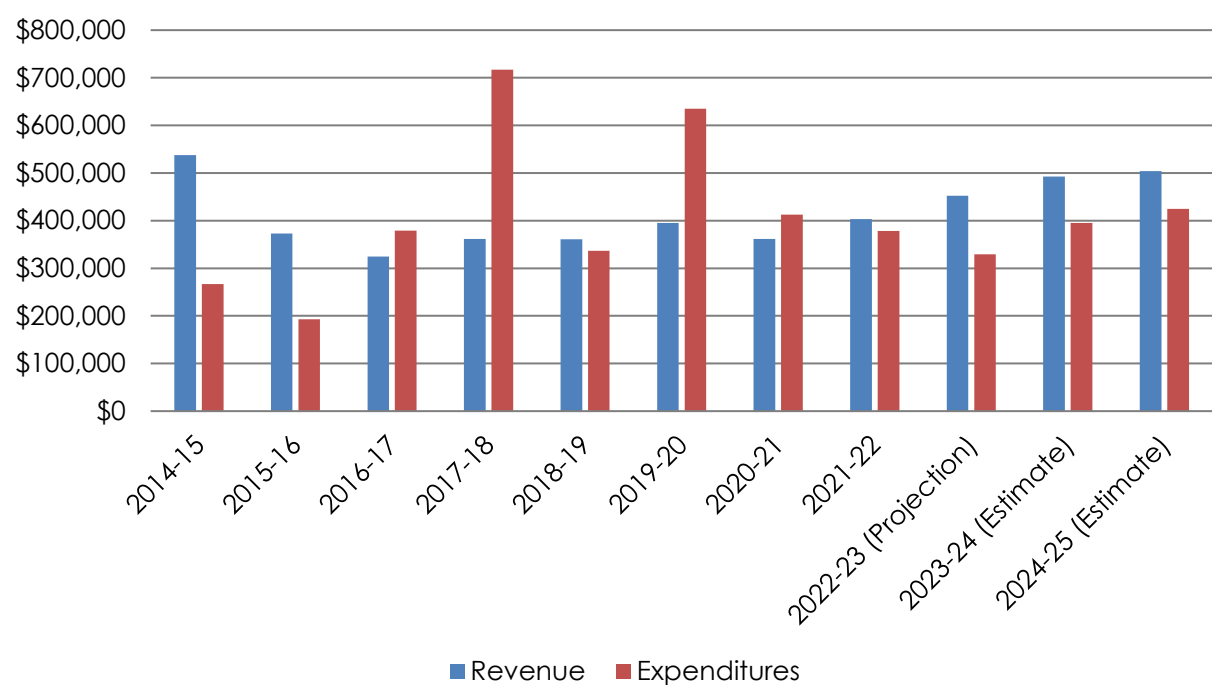
<sup>1</sup> Government Accounting Standards Board Statement No. 61 (November 2010), Paragraph 20, defines a “component unit” as a legally separate organization for which the City Council is financially accountable or other organizations for which the nature and significance of their relationship with 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 and capital improvement project expenditures, as well as expenditures for projects funded with revenues received in prior fiscal years.

## FUEL TAX FUND

Fuel Tax is generated by a per gallon excise tax on fuel used to propel motor vehicles or aircraft pursuant to California Constitution Article XIX Section 1; Revenue and Tax Code sections 7301 – 8404 and 8601 – 9355; and, Streets and Highways Code sections 2100 et seq. The City uses Fuel Tax revenue to support the maintenance, operation, and construction of roads and right-of-way.

*[Fuel Tax Fund Revenue and Expenditures Comparison  
– Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$452,100 | \$329,236    |
| 2023-24 (Estimate)   | \$492,800 | -            |
| 2023-24 (Budget)     | -         | \$395,000    |
| 2024-25 (Estimate)   | \$503,700 | -            |
| 2024-25 (Budget)     | -         | \$425,000    |

### Summary of Significant Trends and Observations

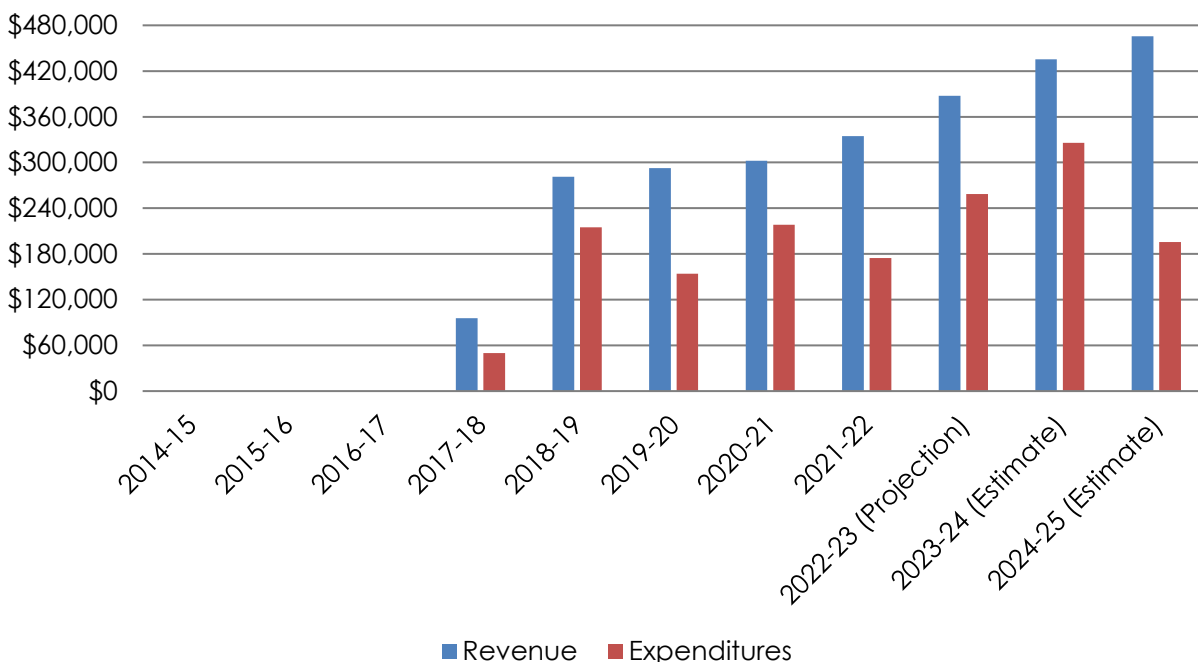
- Fuel tax revenue was projected and estimated after considering the California Local Government Finance Almanac's analysis of information from the California Department of Finance.
- Expenditures in fiscal years 2017-18 and 2019-20 were higher than typical due to capital improvement project expenditures 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 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$387,400 | \$258,626    |
| 2023-24 (Estimate)   | \$435,300 | -            |
| 2023-24 (Budget)     | -         | \$325,821    |
| 2024-25 (Estimate)   | \$465,600 | -            |
| 2024-25 (Budget)     | -         | \$195,795    |

#### Summary of Significant Trends and Observations

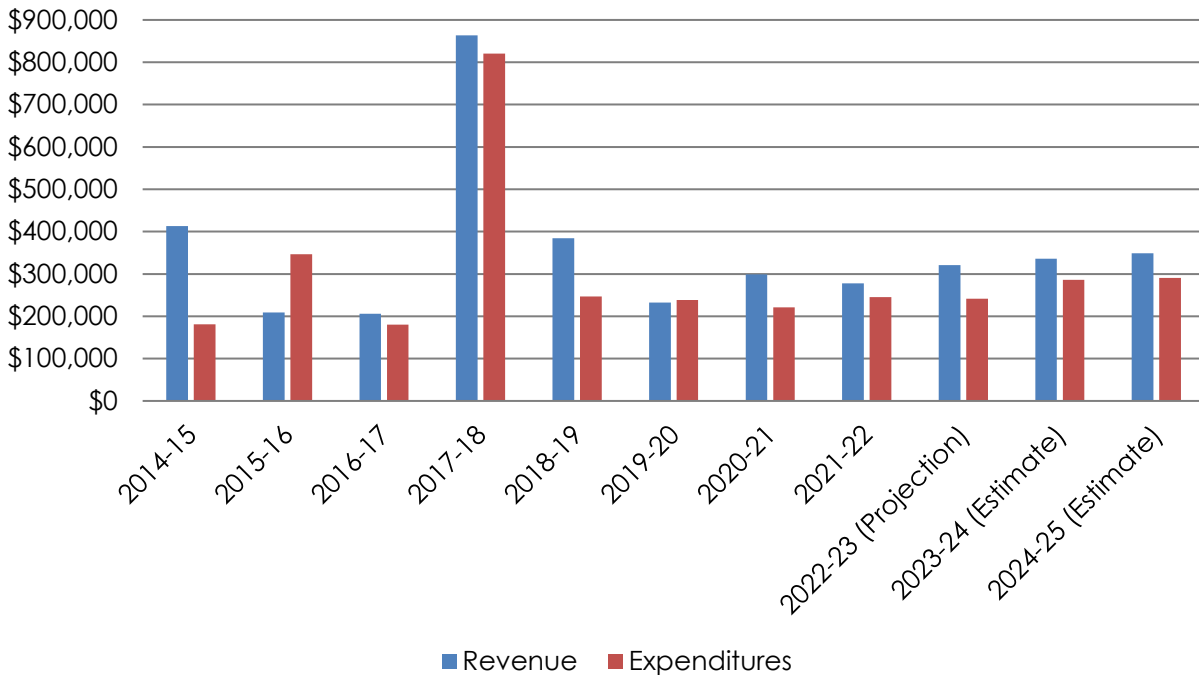
- The first Senate Bill 1 revenue measures took effect on November 1, 2017, resulting in the receipt of partial year revenue in Fiscal Year 2017-18.
- Senate Bill 1 revenue was projected and estimated after considering the California Local Government Finance Almanac's analysis of information from the 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 roads and right-of-way.

In 2017, the Orange County Transportation Authority 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 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$320,600 | \$241,128    |
| 2023-24 (Estimate)   | \$336,000 | -            |
| 2023-24 (Budget)     | -         | \$285,700    |
| 2024-25 (Estimate)   | \$348,600 | -            |
| 2024-25 (Budget)     | -         | \$290,700    |

Summary of Significant Trends and Observations

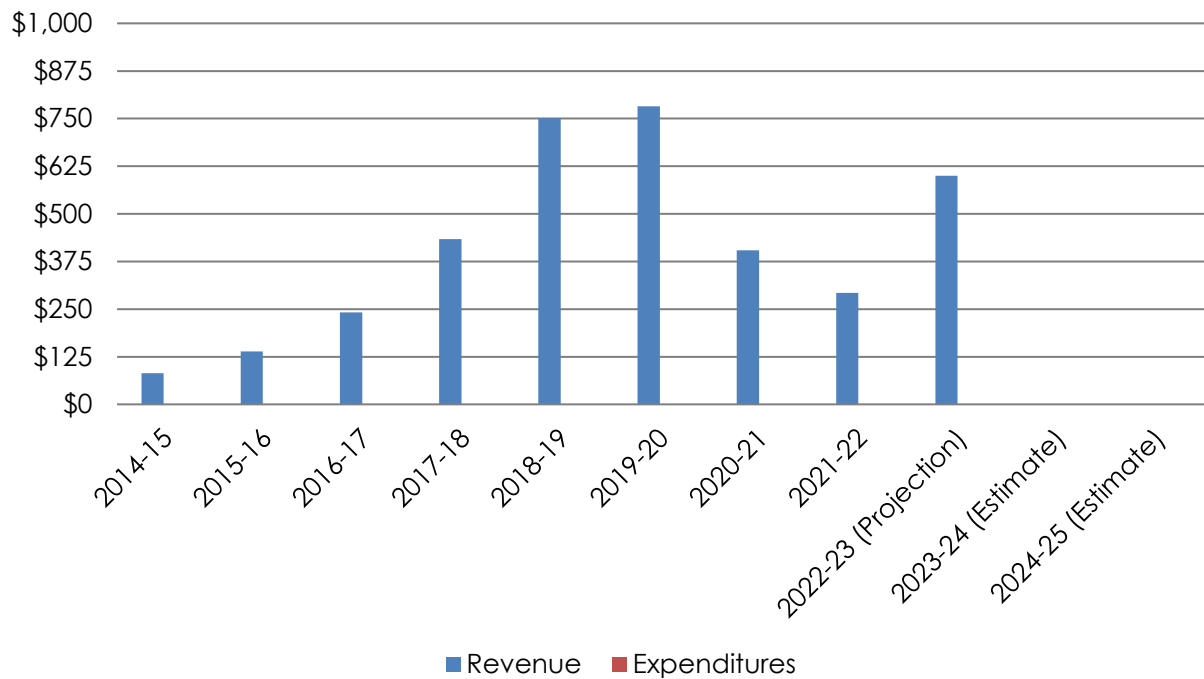
- Measure M2 (OC Go) "Fair Share" revenue is tied to countywide sales tax receipts and typically comprises the largest portion of Measure M2 (OC Go) Fund revenues.
- Fair Share revenue increased significantly in Fiscal Year 2021-22, by 24% over Fiscal Year 2020-21, as the impacts of COVID-19 eased. Another significant increase occurred in Fiscal Year 2022-23.
- The Orange County Transportation Authority estimates that the City's Fair Share revenue will increase from the year prior by 5.5% in Fiscal Year 2023-24 and 3.8% in Fiscal Year 2024-25.
- 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

In addition to the active funds discussed in this section, the City also maintains a balance in its Service Authority for Abandoned Vehicles Fund to assist with the abatement of abandoned vehicles. Service Authority for Abandoned Vehicles revenue was generated as a result of the City's former membership in the now defunct Orange County Service Authority for Abandoned Vehicles, which operated between 1991 and 2012, pursuant to California Vehicle Code Section 22710(a). During its operation, the Orange County Service Authority for Abandoned Vehicles imposed and collected a \$1 per vehicle registration fee (\$2 for commercial vehicles) for use in offsetting member agencies' costs of abating abandoned vehicles. No Service Authority for Abandoned Vehicles Fund activity is expected for fiscal years 2023-24 or 2024-25, beyond minimal interest earnings on the accumulated fund balance.

*[Service Authority for Abandoned Vehicles Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2024-25]*

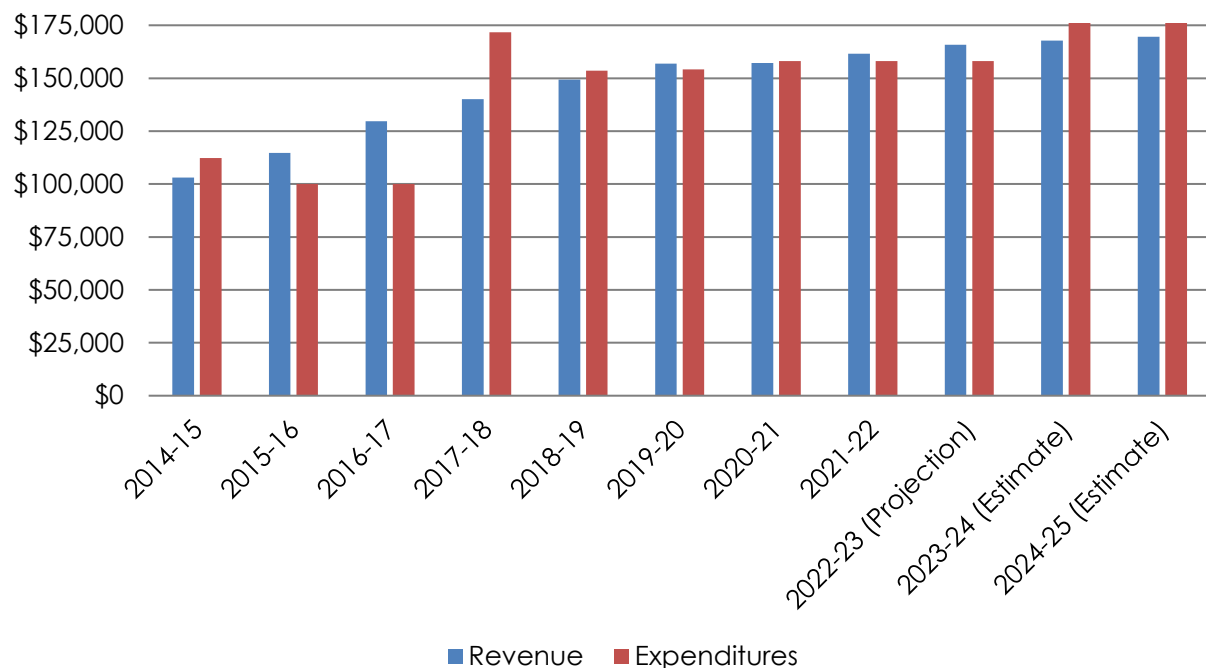


| Fiscal Year          | Revenue | Expenditures |
|----------------------|---------|--------------|
| 2022-23 (Projection) | \$0     | \$0          |
| 2023-24 (Estimate)   | \$0     | -            |
| 2023-24 (Budget)     | -       | \$0          |
| 2024-25 (Estimate)   | \$0     | -            |
| 2024-25 (Budget)     | -       | \$0          |

## SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

The Supplemental Law Enforcement Services Fund was included in the State of California's Local Law Enforcement Services Act of 2011, which realigned a variety of formerly state law enforcement programs by shifting responsibilities to local authorities. The City receives a minimum of \$100,000 in Supplemental Law Enforcement Services revenue each year, which it uses to offset a portion of qualifying law enforcement services costs.

*[Supplemental Law Enforcement Services Fund Revenue and Expenditures Comparison – Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$165,800 | \$158,100    |
| 2023-24 (Estimate)   | \$167,800 | -            |
| 2023-24 (Budget)     | -         | \$176,100    |
| 2024-25 (Estimate)   | \$169,600 | -            |
| 2024-25 (Budget)     | -         | \$176,100    |

#### Summary of Significant Trends and Observations

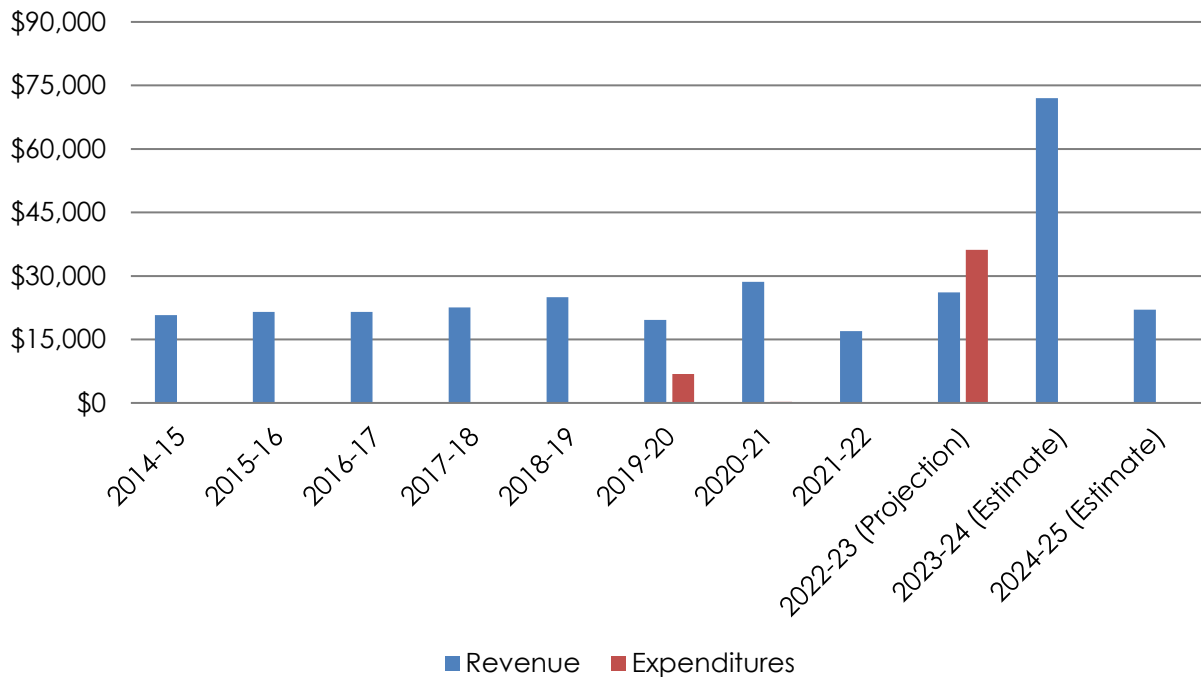
- Supplemental Law Enforcement Services Fund revenue continues to increase, although still at a rate less than increases in law enforcement services costs. The rate of growth has declined from 34% to 8% over the past five fiscal years, and the growth adjustment is projected to increase by just 6.5% in Fiscal Year 2022-23. This budget estimates growth in fiscal years 2023-24 and 2024-25 only at the rate of inflation.

### **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 (1991) 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") is accounted for in the Mobile Source Reduction Fund. 2017 MSRC Program funds are intended to support projects that "jumpstart" implementation of the South Coast Air Quality Management District's 2016 Air Quality Management Plan. The City's one-time allocation is \$50,000.

*[Mobile Source Reduction Fund Revenue and Expenditures Comparison  
– Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue  | Expenditures |
|----------------------|----------|--------------|
| 2022-23 (Projection) | \$26,100 | \$36,178     |
| 2023-24 (Estimate)   | \$72,000 | -            |
| 2023-24 (Budget)     | -        | \$0          |
| 2024-25 (Estimate)   | \$22,000 | -            |
| 2024-25 (Budget)     | -        | \$0          |

Summary of Significant Trends and Observations

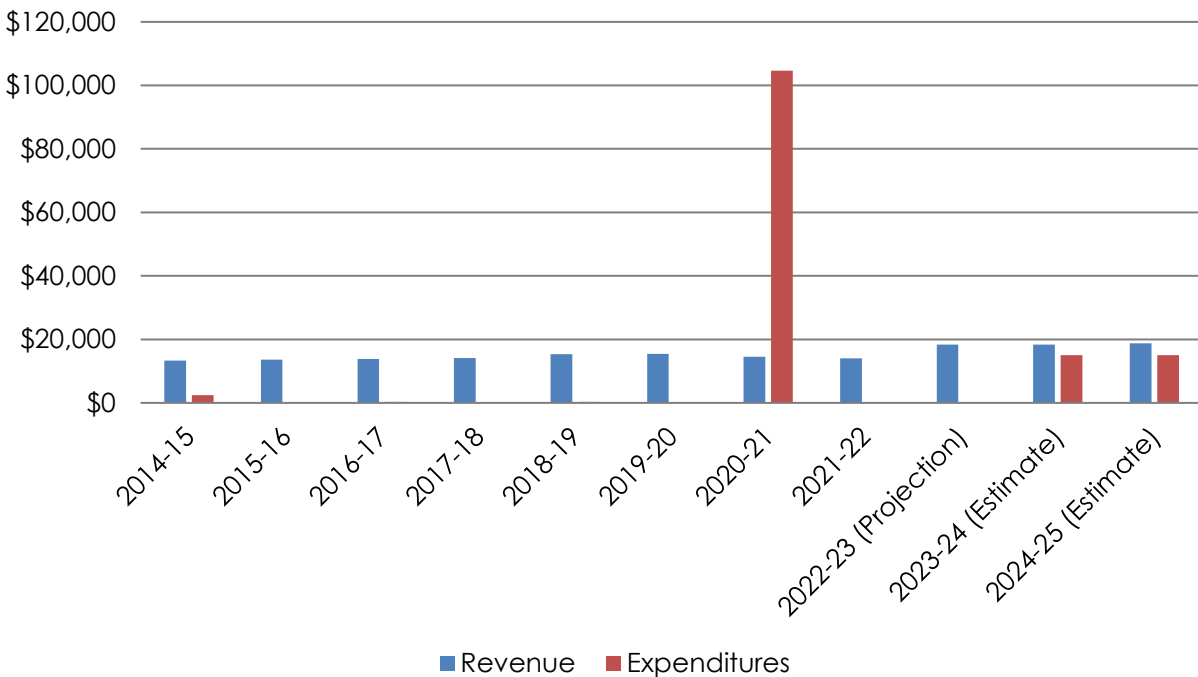
- Annual regular Mobile Source Reduction revenue has been fairly constant over the past several years, and is expected to remain stable without significant variation through Fiscal Year 2024-25.
- The City expects to expend its \$50,000 allocation of 2017 MSRC Program funding in Fiscal Year 2022-23 on the City Hall Electric Vehicle Charging Infrastructure Project, and anticipates actual receipt of this funding in Fiscal Year 2023-24. Regular Mobile Source Reduction revenue will also be used to support the project.
- Unspent appropriations approved prior to July 1, 2023 are expected to be carried over to Fiscal Year 2023-24 for the following project, pursuant to Section 2.9.04(10) of Administrative Policy 2.9: City Hall Electric Vehicle

## Charging Infrastructure Project.

### PEG/CABLE TELEVISION FUND

The City collects a Public, Educational, and Governmental ("PEG") fee from franchised video service providers operating within the City. The City uses PEG fee revenue to support PEG-related purposes consistent with applicable law.

*[PEG/Cable Television Fund Revenue and Expenditures Comparison  
– Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue  | Expenditures |
|----------------------|----------|--------------|
| 2022-23 (Projection) | \$18,400 | \$0          |
| 2023-24 (Estimate)   | \$18,400 | -            |
| 2023-24 (Budget)     | -        | \$15,000     |
| 2024-25 (Estimate)   | \$18,800 | -            |
| 2024-25 (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.
- This budget estimates growth in PEG fee revenue in fiscal years 2023-24 and 2024-25 only at the rate of inflation. Projected revenue for Fiscal

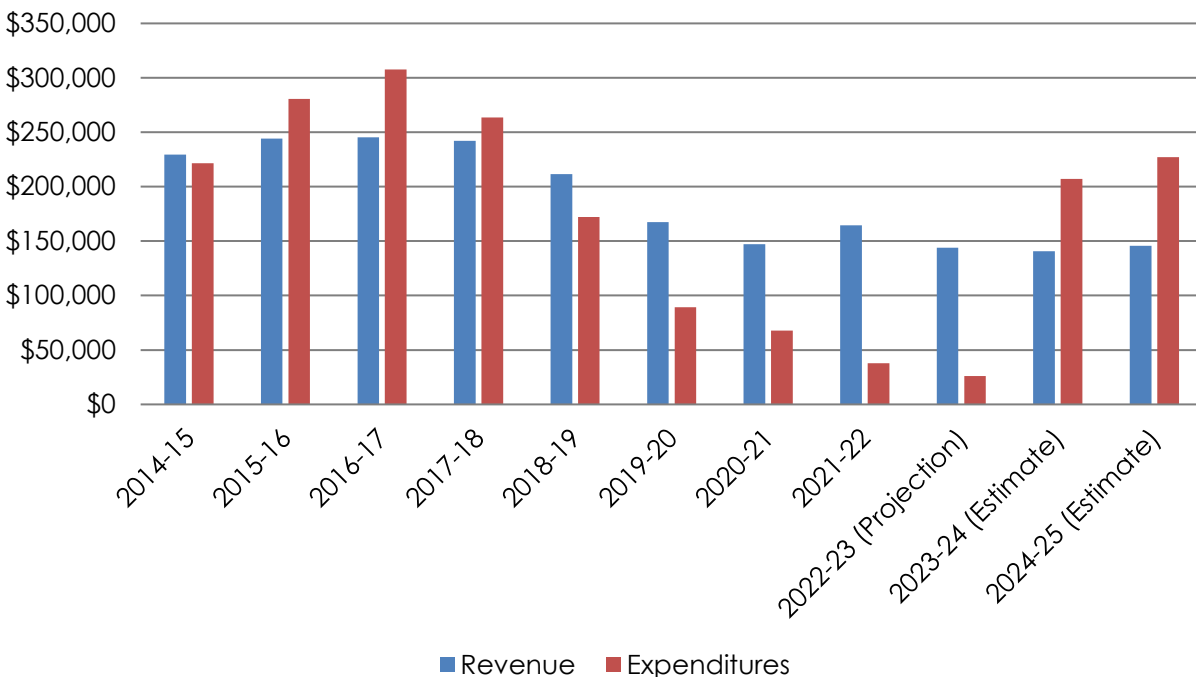
Year 2022-23 includes a small amount of interest earnings.

- 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 funds, Transportation Development Act funds, participants fees, and transfers from the General Fund.

*[Senior Mobility Fund Revenue and Expenditures Comparison  
– Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$144,000 | \$25,945     |
| 2023-24 (Estimate)   | \$140,700 | -            |
| 2023-24 (Budget)     | -         | \$207,000    |
| 2024-25 (Estimate)   | \$145,700 | -            |
| 2024-25 (Budget)     | -         | \$227,000    |

### Summary of Significant Trends and Observations

- In June 2021, the City Council approved an agreement with the Orange

County Transportation Authority that provides for the continued receipt of Measure M2 (OC Go) Senior Mobility funds between July 1, 2021 and June 30, 2026, with the potential for extensions through June 30, 2031.

- Senior Mobility Program ridership has been steadily declining since Fiscal Year 2016-17. The City will launch a new iteration of the Senior Mobility Program on July 1, 2023 that is expected to increase ridership.
- Revenue from Measure M2 (OC Go) Senior Mobility funds is projected to increase by 12% in Fiscal Year 2022-23, 2.5% in Fiscal Year 2023-24, and 3.8% in Fiscal Year 2024-25, according to estimates from the Orange County Transportation Authority.

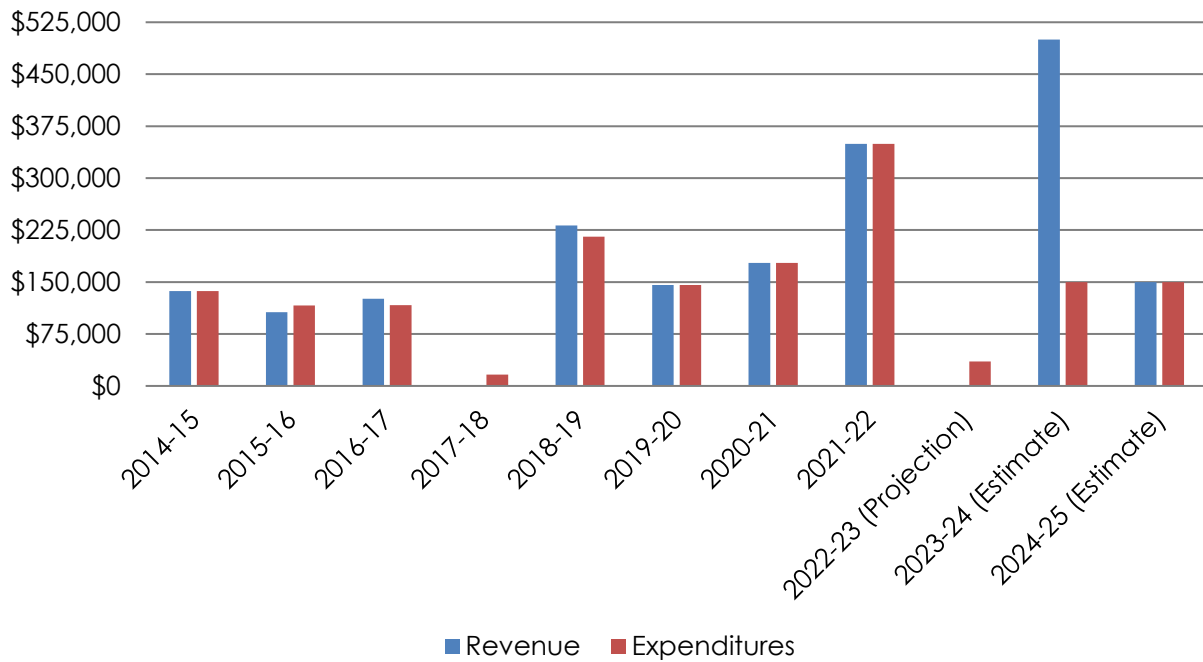
## **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND**

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 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$0       | \$35,258     |
| 2023-24 (Estimate)   | \$500,000 | -            |
| 2023-24 (Budget)     | -         | \$150,000    |
| 2024-25 (Estimate)   | \$150,000 | -            |
| 2024-25 (Budget)     | -         | \$150,000    |

*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.

- 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.
- 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.
- Unspent appropriations approved prior to July 1, 2023 are expected to be carried over to Fiscal Year 2023-24 for the following project, pursuant to Section 2.9.04(10) of Administrative Policy 2.9: Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phases 6 and 6B.

## **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 ACTIVE IN FISCAL YEARS 2023-25

#### American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds)

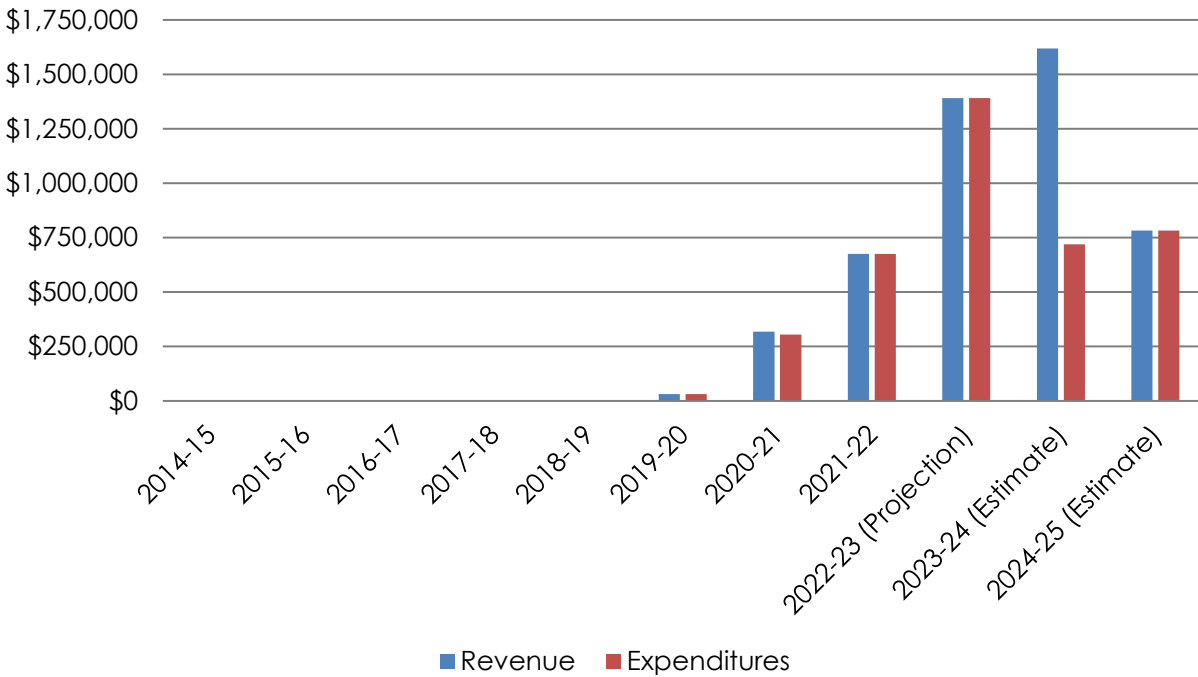
H.R. 1319 ("American Rescue Plan Act of 2021") was signed by President Biden on March 11, 2021. H.R. 1319 includes \$350 billion in emergency funding for state, local, territorial, and Tribal governments related to the COVID-19 public health emergency. The City's one-time allocation is \$3,791,657.

### INACTIVE FUNDING SOURCES WITH ACTIVITY PRIOR TO FISCAL YEAR 2021-22

#### Coronavirus Aid, Relief, and Economic Security (CARES) Act

Activity in fiscal years 2019-20 and 2020-21 was related to the receipt and expenditure of COVID-19 emergency funding, made available as a result of H.R. 748 ("Coronavirus Aid, Relief and Economic Security Act of 2020").

*[Federal Grants Fund Revenue and Expenditures Comparison  
– Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue     | Expenditures |
|----------------------|-------------|--------------|
| 2022-23 (Projection) | \$1,390,510 | \$1,390,510  |
| 2023-24 (Estimate)   | \$1,618,278 | -            |
| 2023-24 (Budget)     | -           | \$719,145    |
| 2024-25 (Estimate)   | \$782,869   | -            |
| 2024-25 (Budget)     | -           | \$782,869    |

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, 2023 are expected to be carried over to Fiscal Year 2023-24 for the following projects, pursuant to Section 2.9.04(10) of Administrative Policy 2.9: City Hall/Public Library Project, El Toro Road and Moulton Parkway Water Quality Treatment Project, and Woods End Wilderness Preserve Trail Drainage and Improvement Project.

## 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 ACTIVE IN FISCAL YEARS 2023-25

#### 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 is \$65,000.

#### Senate Bill 2 Planning Grant

Senate Bill 2 Planning Grant funds were made available as a result of the California Building Homes and Jobs Act (Senate Bill 2, 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 is \$160,000.

#### Permanent Local Housing Allocation (PLHA)

Permanent Local Housing Allocation ("PLHA") funds are made available as a result of the California Building Homes and Jobs Act (Senate Bill 2, 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 began receiving an ongoing grant of PLHA funds based on the formula prescribed under federal law for the Community Development Block Grant ("CDBG") Program. The City will use PLHA funds to offer a new Accessibility Improvement Reimbursement Program that provides financial assistance to lower income, senior households that make accessibility improvements inside their homes.

#### Proposition 68 (Per Capita Program)

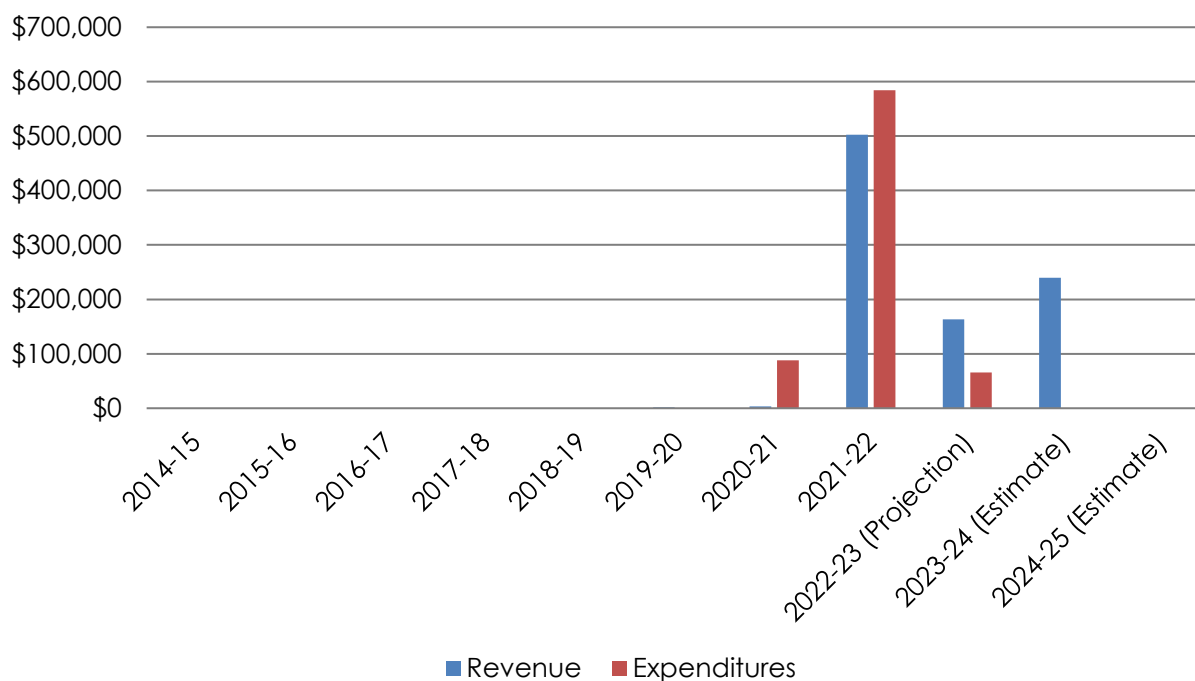
Proposition 68 ("California Drought, Water, Parks, Climate, Coastal Protection,

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's one-time allocation is \$177,952.

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

With the assistance of Assemblywoman Cottie Petrie-Norris, the City was able to secure a \$500,000 State of California budget appropriation (Assembly Bill 74, 2019) to support the City Hall/Public Library Project. The City Hall/Public Library Project is underway with completion expected in Fiscal Year 2023-24.

*[State of California Grants Fund Revenue and Expenditures Comparison  
– Fiscal Years 2014-15 through 2024-25]*



| Fiscal Year          | Revenue   | Expenditures |
|----------------------|-----------|--------------|
| 2022-23 (Projection) | \$163,500 | \$65,823     |
| 2023-24 (Estimate)   | \$239,800 | -            |
| 2023-24 (Budget)     | -         | \$0          |
| 2024-25 (Estimate)   | \$0       | -            |
| 2024-25 (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.

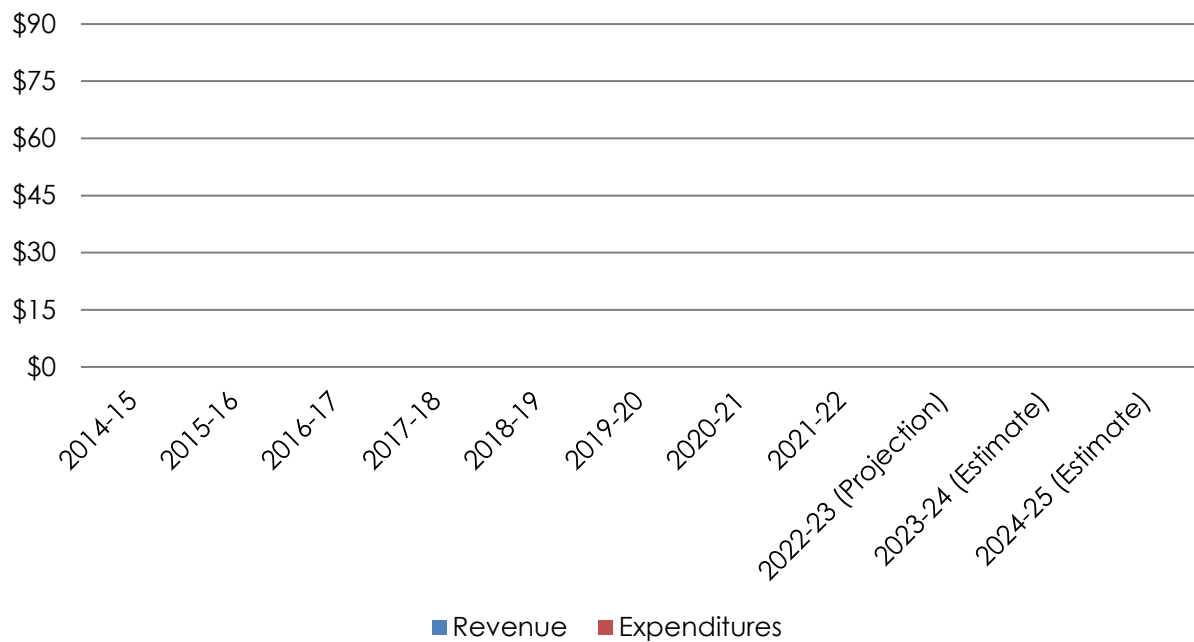
Summary of Significant Trends and Observations

- Unspent appropriations approved prior to July 1, 2023 are expected to be carried over to Fiscal Year 2023-24 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 2024-25]*



| Fiscal Year          | Revenue | Expenditures |
|----------------------|---------|--------------|
| 2022-23 (Projection) | \$0     | \$0          |
| 2023-24 (Estimate)   | \$0     | -            |
| 2023-24 (Budget)     | -       | \$0          |

|                    |     |     |
|--------------------|-----|-----|
| 2024-25 (Estimate) | \$0 | -   |
| 2024-25 (Budget)   | -   | \$0 |

Summary of Significant Trends and Observations

- Revenue received as a result of the City's participation in the National Opioids Settlement will be recognized in the Miscellaneous Special Revenue Fund following future, as-of-yet-undetermined expenditures. For additional information on the National Opioids Settlement, please visit [www.nationalopioidsettlement.com](http://www.nationalopioidsettlement.com).

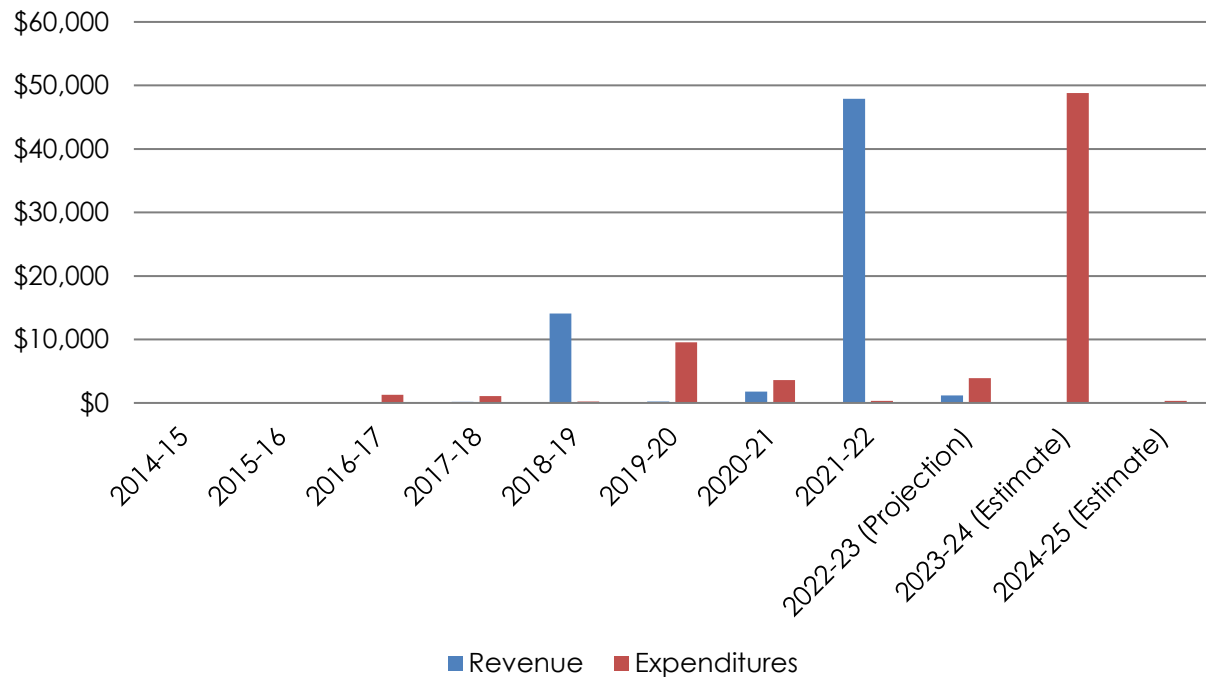
## **LAGUNA WOODS CIVIC SUPPORT FUND**

The Laguna Woods Civic Support Fund is a nonprofit public benefit corporation that raises and distributes funds to support programs, projects, and services of the City, and functions 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 2024-25]*



| Fiscal Year          | Revenue | Expenditures |
|----------------------|---------|--------------|
| 2022-23 (Projection) | \$1,202 | \$3,889      |
| 2023-24 (Estimate)   | \$0     | -            |
| 2023-24 (Budget)     | -       | \$48,810     |
| 2024-25 (Estimate)   | \$0     | -            |
| 2024-25 (Budget)     | -       | \$300        |

Summary of Significant Trends and Observations

- The Laguna Woods Civic Support Fund is expected to remain largely inactive during fiscal years 2023-24 and 2024-25. Planned expenditures include annual corporate filings and other minimum activities necessary to maintain the corporation.
- Additional expenditures are included in Fiscal Year 2023-24 to purchase and install a contributor recognition plaque for the new Public Library Building, as well as to contribute funds raised for the construction of the City Hall/Public Library Project to the City for that purpose.

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Revenue Summary - Special Revenue Funds**

| Line Item  | Fiscal Year 2018-19<br>Actual | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual      | Fiscal Year 2021-22<br>Actual      | Fiscal Year 2022-23<br>Budget      | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Percent Change<br>from Prior Year<br>Projection | Fiscal Year 2024-25<br>Budget | Percent Change<br>from Prior Year<br>Budget |
|--|-------------------------------|-------------------------------|------------------------------------|------------------------------------|------------------------------------|-----------------------------------|-------------------------------|---|-------------------------------|---|
| <b>SPECIAL REVENUE FUNDS</b>                             |                               |                               |                                    |                                    |                                    |                                   |                               |   |                               |   |
| Fuel Tax   | 360,886                       | 395,192                       | 366,878                            | 397,090                            | 407,319                            | 452,100                           | 492,800                       | 9.0%  | 503,700                       | 2.2%  |
| Road Maintenance & Rehabilitation Program                | 281,445                       | 292,739                       | 302,367                            | 334,676                            | 322,469                            | 387,400                           | 435,300                       | 12.4%   | 465,600                       | 7.0%  |
| Measure M2 (OC Go)                                       | 384,458                       | 232,616                       | 299,194                            | 277,705                            | 218,800                            | 320,600                           | 336,000                       | 4.8%  | 348,600                       | 3.8%  |
| Coastal Area Road Improvement & Traffic Signals (CARITS) | 5,081                         | 5,413                         | 2,798                              | 476                                | Fund Closed in Fiscal Year 2021-22 |                                   |                               |   |                               |   |
| Service Authority for Abandoned Vehicles                 | 751                           | 782                           | 404                                | 293                                | -                                  | 600                               | -                             | -100.0%   | -                             | 0.0%  |
| Supplemental Law Enforcement Services Act                | 149,327                       | 156,806                       | 157,177                            | 161,589                            | 171,000                            | 165,800                           | 167,800                       | 1.2%  | 169,600                       | 1.1%  |
| Mobile Source Reduction                                  | 24,977                        | 19,632                        | 28,601                             | 16,936                             | 72,000                             | 26,100                            | 72,000                        | 175.9%  | 22,000                        | -69.4%                                      |
| Mobile Source Reduction - Local Government Partnership   | -                             | -                             | Fund Closed                        |                                    |                                    |                                   |                               |   |                               |   |
| Beverage Container Recycling                             | -                             | Fund Closed                   |                                    |                                    |                                    |                                   |                               |   |                               |   |
| Used Oil/Oil Payment Program                             | 106                           | 111                           | 46                                 | Fund Closed in Fiscal Year 2020-21 |                                    |                                   |                               |   |                               |   |
| PEG/Cable Television                                     | 15,333                        | 15,419                        | 14,546                             | 13,992                             | 14,700                             | 18,400                            | 18,400                        | 0.0%  | 18,800                        | 2.2%  |
| Senior Mobility  | 211,592                       | 167,420                       | 147,104                            | 164,600                            | 133,800                            | 144,000                           | 140,700                       | -2.3%   | 145,700                       | 3.6%  |
| Community Development Block Grant (CDBG)                 | 231,789                       | 145,699                       | 177,726                            | 349,546                            | 150,000                            | -                                 | 500,000                       | 100.0%  | 150,000                       | -70.0%                                      |
| Proposition 68 (2018) Per Capita                         | -                             | -                             | Fund Closed                        |                                    |                                    |                                   |                               |   |                               |   |
| Federal Grants   | -                             | 30,985                        | 318,101                            | 675,132                            | 1,895,828                          | 1,390,510                         | 1,618,278                     | 16.4%   | 782,869                       | -51.6%                                      |
| State of California Grants                               | -                             | 1,453                         | 3,652                              | 502,332                            | 193,952                            | 163,500                           | 239,800                       | 46.7%   | -                             | -100.0%                                     |
| Miscellaneous Special Revenue                            |                               |                               | Fund Opened in Fiscal Year 2022-23 |                                    | -                                  | -                                 | -                             | 0.0%  | -                             | 0.0%  |
| Laguna Woods Civic Support Fund:                         |                               |                               |                                    |                                    |                                    |                                   |                               |   |                               |   |
| R1 - Donations - Restricted - Friends of the Library     | 2,232                         | -                             | 272                                | 47,875                             | 10,000                             | 700                               | -                             | -100.0%   | -                             | 0.0%  |
| R2 - Donations - Restricted - Friends of the Dog Park    | 11,836                        | 200                           | 500                                | -                                  | 10,000                             | 500                               | -                             | -100.0%   | -                             | 0.0%  |
| R3 - Donations - Unrestricted                            | -                             | -                             | 1,000                              | -                                  | -                                  | -                                 | -                             | 0.0%  | -                             | 0.0%  |
| R4 - Fundraising   | -                             | -                             | -                                  | -                                  | -                                  | -                                 | -                             | 0.0%  | -                             | 0.0%  |
| R5 - Grant Funding                                       | -                             | -                             | -                                  | -                                  | -                                  | -                                 | -                             | 0.0%  | -                             | 0.0%  |
| R6 - Miscellaneous                                       | 5                             | 7                             | 1                                  | 1                                  | 15                                 | 2                                 | -                             | -100.0%   | -                             | 0.0%  |
| <b>TOTAL SPECIAL REVENUE FUNDS (ALL REVENUE)</b>         | <b>1,679,818</b>              | <b>1,464,474</b>              | <b>1,820,367</b>                   | <b>2,942,243</b>                   | <b>3,599,883</b>                   | <b>3,070,212</b>                  | <b>4,021,078</b>              | <b>31.0%</b>                                    | <b>2,606,869</b>              | <b>-35.2%</b>                               |

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**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - Special Revenue Funds**

| Line Item  | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|--|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| <b>Fuel Tax</b>  |                               |                               |                               |                                   |                               |                               |
| Contract - Landscaping   | 197,848                       | 240,740                       | 228,274                       | 230,169                           | 245,000                       | 275,000                       |
| Contract - Street Maintenance  | 128,464                       | 104,921                       | 127,240                       | 97,916                            | 150,000                       | 150,000                       |
| Contract - Street Sweeping   | -                             | -                             | -                             | -                                 | -                             | -                             |
| Contract - Traffic Signal Maintenance  | 22,466                        | -                             | -                             | -                                 | -                             | -                             |
| 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                        | -                             | -                             | -                                 | -                             | -                             |
| Water Efficient Median Improvement Project (El Toro Road between 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                        | 1,151                             | -                             | -                             |
| <b>Total Fuel Tax</b>  | <b>635,245</b>                | <b>412,524</b>                | <b>378,366</b>                | <b>329,236</b>                    | <b>395,000</b>                | <b>425,000</b>                |
| <b>Road Maintenance &amp; Rehabilitation Program</b>   |                               |                               |                               |                                   |                               |                               |
| 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)  | -                             | -                             | -                             | 258,626                           | -                             | -                             |
| Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager)  | -                             | -                             | -                             | -                                 | 325,821                       | -                             |
| Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta)  | -                             | -                             | -                             | -                                 | -                             | 195,795                       |
| <b>Total Road Maintenance &amp; Rehabilitation Program</b>   | <b>154,245</b>                | <b>218,289</b>                | <b>174,787</b>                | <b>258,626</b>                    | <b>325,821</b>                | <b>195,795</b>                |
| <b>Measure M2 (OC Go)</b>  |                               |                               |                               |                                   |                               |                               |
| Street Lighting - Public Right-of-Way  | 25,562                        | 28,633                        | 28,473                        | 29,374                            | 35,000                        | 35,000                        |
| Contract - Traffic Engineering   | 119,540                       | 145,635                       | 146,735                       | 161,238                           | 175,000                       | 180,000                       |
| Contract - Traffic Signal Maintenance  | 46,177                        | 46,256                        | 64,991                        | 49,866                            | 75,000                        | 75,000                        |
| Allowable Overhead Costs   | 650                           | 650                           | 650                           | 650                               | 700                           | 700                           |
| 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                         | -                                 | -                             | -                             |
| <b>Total Measure M2 (OC Go)</b>  | <b>238,705</b>                | <b>221,174</b>                | <b>245,022</b>                | <b>241,128</b>                    | <b>285,700</b>                | <b>290,700</b>                |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - Special Revenue Funds**

| Line Item   | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual      | Fiscal Year 2022-23<br>Projection  | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|---|-------------------------------|-------------------------------|------------------------------------|------------------------------------|-------------------------------|-------------------------------|
| <b>Coastal Area Road Improvement and Traffic Signals (CARITS)</b>   |                               |                               |                                    |                                    |                               |                               |
| Non-Operating (Reimburse County)  | -                             | -                             | 261,786                            | Fund Closed in Fiscal Year 2021-22 |                               |                               |
| <b>Total Coastal Area Road Improvement and Traffic Signals (CARITS)</b>                                   | -                             | -                             | <b>261,786</b>                     |                                    |                               |                               |
| <b>Service Authority for Abandoned Vehicles</b>   |                               |                               |                                    |                                    |                               |                               |
| Program Activity  | -                             | -                             | -                                  | -                                  | -                             | -                             |
| <b>Total Service Authority for Abandoned Vehicles</b>   | -                             | -                             | -                                  | -                                  | -                             | -                             |
| <b>Supplemental Law Enforcement Services Act</b>  |                               |                               |                                    |                                    |                               |                               |
| Law Enforcement Services  | 154,100                       | 158,100                       | 158,100                            | 158,100                            | 176,100                       | 176,100                       |
| <b>Total Supplemental Law Enforcement Services Act</b>  | <b>154,100</b>                | <b>158,100</b>                | <b>158,100</b>                     | <b>158,100</b>                     | <b>176,100</b>                | <b>176,100</b>                |
| <b>Mobile Source Reduction</b>  |                               |                               |                                    |                                    |                               |                               |
| 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  | -                             | -                             | -                                  | 36,178                             | -                             | -                             |
| <b>Total Mobile Source Reduction</b>  | <b>6,866</b>                  | <b>290</b>                    | -                                  | <b>36,178</b>                      | -                             | -                             |
| <b>Used Oil/Oil Payment Program</b>   |                               |                               |                                    |                                    |                               |                               |
| Contract - Solid Waste  | -                             | 5,326                         | Fund Closed in Fiscal Year 2020-21 |                                    |                               |                               |
| <b>Total Used Oil/Oil Payment Program</b>   | -                             | <b>5,326</b>                  |                                    |                                    |                               |                               |
| <b>PEG/Cable Television</b>   |                               |                               |                                    |                                    |                               |                               |
| Equipment & Maintenance   | -                             | 3,000                         | -                                  | -                                  | 15,000                        | 15,000                        |
| City Hall Television Broadcast Improvement Project  | -                             | 101,668                       | -                                  | -                                  | -                             | -                             |
| <b>Total PEG/Cable Television</b>   | -                             | <b>104,668</b>                | -                                  | -                                  | <b>15,000</b>                 | <b>15,000</b>                 |
| <b>Senior Mobility</b>  |                               |                               |                                    |                                    |                               |                               |
| Salaries, Full-Time   | 2,954                         | 22,421                        | 22,819                             | 8,487                              | -                             | -                             |
| Office Supplies & Activities  | -                             | -                             | -                                  | 3,051                              | 5,000                         | 5,000                         |
| Printing  | 3,775                         | 4,224                         | 1,629                              | 2,371                              | 2,000                         | 2,000                         |
| Contract - Transportation   | 28,054                        | 12,219                        | 9,518                              | 6,695                              | 200,000                       | 220,000                       |
| Contract - Taxi Voucher NEMT  | 54,622                        | 28,847                        | 3,914                              | 5,341                              | -                             | -                             |
| <b>Total Senior Mobility</b>  | <b>89,405</b>                 | <b>67,711</b>                 | <b>37,880</b>                      | <b>25,945</b>                      | <b>207,000</b>                | <b>227,000</b>                |
| <b>Community Development Block Grant (CDBG)</b>   |                               |                               |                                    |                                    |                               |                               |
| 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  | -                             | 33,713                        | -                                  | -                                  | -                             | -                             |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5               | -                             | -                             | 349,546                            | -                                  | -                             | -                             |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - Special Revenue Funds**

| Line Item  | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual      | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|--|-------------------------------|------------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6                | -                             | -                                  | -                             | 35,258                            | -                             | -                             |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6B               | -                             | -                                  | -                             | -                                 | -                             | -                             |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7                | -                             | -                                  | -                             | -                                 | 150,000                       | -                             |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8                | -                             | -                                  | -                             | -                                 | -                             | 150,000                       |
| <b>Total Community Development Block Grant (CDBG)</b>  | <b>145,699</b>                | <b>177,726</b>                     | <b>349,546</b>                | <b>35,258</b>                     | <b>150,000</b>                | <b>150,000</b>                |
| <b>Federal Grants</b>  |                               |                                    |                               |                                   |                               |                               |
| Coronavirus Aid, Relief, and Economic Security (CARES) Act - State   | -                             | 187,805                            | -                             | -                                 | -                             | -                             |
| Coronavirus Aid, Relief, and Economic Security (CARES) Act - County  | 30,985                        | 116,911                            | -                             | -                                 | -                             | -                             |
| American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds)   |                               |                                    |                               |                                   |                               |                               |
| Eligible Projects, Unallocated   | -                             | -                                  | -                             | -                                 | -                             | 707,869                       |
| El Toro Road and Moulton Parkway Water Quality Treatment Project   | -                             | -                                  | -                             | -                                 | -                             | -                             |
| El Toro Road Medians Improvement Project (Westbound El Toro between Moulton Parkway to Calle Sonora)       | -                             | -                                  | -                             | -                                 | 27,370                        | -                             |
| City Hall Complex Parking Lot Improvement Project  | -                             | -                                  | -                             | -                                 | 300,000                       | -                             |
| City Hall/Public Library Project   | -                             | -                                  | 675,132                       | 1,212,840                         | 118,525                       | -                             |
| Ridge Route Drive Drainage Repair Project  | -                             | -                                  | -                             | -                                 | 273,250                       | -                             |
| Ridge Route Drive Landscape Project  | -                             | -                                  | -                             | 177,670                           | -                             | -                             |
| Transit Shelter and Street Furniture Replacement Project   | -                             | -                                  | -                             | -                                 | -                             | 75,000                        |
| Woods End Wilderness Preserve Trail Drainage and Improvement Project                                       | -                             | -                                  | -                             | -                                 | -                             | -                             |
| <b>Total Federal Grants</b>  | <b>30,985</b>                 | <b>304,716</b>                     | <b>675,132</b>                | <b>1,390,510</b>                  | <b>719,145</b>                | <b>782,869</b>                |
| <b>State of California Grants</b>  |                               |                                    |                               |                                   |                               |                               |
| Local Early Action Planning (LEAP) Grant   | -                             | 12,839                             | 52,161                        | -                                 | -                             | -                             |
| Senate Bill 2 Planning Grant   | -                             | 75,340                             | 24,616                        | 60,044                            | -                             | -                             |
| Permanent Local Housing Allocation (PLHA)  | -                             | -                                  | -                             | -                                 | -                             | -                             |
| SB 1383 Local Assistance Grant Program   | -                             | -                                  | -                             | 5,779                             | -                             | -                             |
| Proposition 68 (Per Capita Program) - Woods End Wilderness Preserve Trail Drainage and Improvement Project | -                             | -                                  | -                             | -                                 | -                             | -                             |
| State Budget Appropriation - City Hall/Public Library Project  | -                             | -                                  | 507,418                       | -                                 | -                             | -                             |
| <b>Total State of California Grants</b>  | <b>-</b>                      | <b>88,179</b>                      | <b>584,195</b>                | <b>65,823</b>                     | <b>-</b>                      | <b>-</b>                      |
| <b>Miscellaneous Special Revenue</b>   |                               |                                    |                               |                                   |                               |                               |
| Janssen & Distributors   |                               | Fund Opened in Fiscal Year 2022-23 |                               | -                                 | -                             | -                             |
| NOAT II  |                               |                                    |                               | -                                 | -                             | -                             |
| <b>Total Miscellaneous Special Revenue</b>   |                               |                                    |                               | <b>-</b>                          | <b>-</b>                      | <b>-</b>                      |
| <b>Laguna Woods Civic Support Fund</b>   |                               |                                    |                               |                                   |                               |                               |
| E1 - Contract Services   | -                             | -                                  | -                             | -                                 | -                             | -                             |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-25 Budget & Work Plan**  
**Expenditures Detail - Special Revenue Funds**

| Line Item  | Fiscal Year 2019-20<br>Actual | Fiscal Year 2020-21<br>Actual | Fiscal Year 2021-22<br>Actual | Fiscal Year 2022-23<br>Projection | Fiscal Year 2023-24<br>Budget | Fiscal Year 2024-25<br>Budget |
|--|-------------------------------|-------------------------------|-------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| E2 - Corporate Fees                                    | -                             | -                             | -                             | -                                 | 100                           | 100                           |
| E3 - Information Technology                            | -                             | -                             | -                             | -                                 | 100                           | 100                           |
| E4 - Supplies and Printing                             | 8,438                         | 3,579                         | 334                           | 3,889                             | -                             | -                             |
| E5 - Supportive Contributions, Friends of the Library  | -                             | -                             | -                             | -                                 | 48,510                        | -                             |
| E6 - Supportive Contributions, Friends of the Dog Park | -                             | -                             | -                             | -                                 | -                             | -                             |
| E7 - Miscellaneous                                     | 1,129                         | -                             | -                             | -                                 | 100                           | 100                           |
| <b>Total Laguna Woods Civic Support Fund</b>           | <b>9,567</b>                  | <b>3,579</b>                  | <b>334</b>                    | <b>3,889</b>                      | <b>48,810</b>                 | <b>300</b>                    |
| <b>TOTAL SPECIAL REVENUE FUNDS (ALL EXPENDITURES)</b>  | <b>1,464,817</b>              | <b>1,762,282</b>              | <b>2,865,148</b>              | <b>2,544,693</b>                  | <b>2,322,576</b>              | <b>2,262,764</b>              |

CHAPTER

7.0

# CITY WORK PLAN

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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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 2022-23, including all core municipal functions such as:

|   |  |  |
|---|--|--|
| Law Enforcement                                       | Animal Control and Shelter             | Development Permitting, Plan Review, Inspection, and Enforcement |
| City Hall Operations and Maintenance                  | Public Park Operations and Maintenance | Public Road and Right-of-Way Operations and Maintenance          |
| Traffic Signal and Control Operations and Maintenance | Waste and Recycling                    | Water Quality (Stormwater) Regulatory Compliance                 |

Continuing services also include:

- The **Senior Mobility Program**, which subsidizes the cost of taxi travel for residents who are at least 60 years of age.
- The **Household Hazardous Waste Door-to-Door Collection Program**, which allows residents to safely and easily dispose of unwanted paint, aerosols, chemicals, light bulbs, motor oil, vehicle batteries, and other household hazardous waste, at no charge.
- The **City Hall Waste Drop-Off Program**, which allows 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.

- **National Prescription Drug Take Back Day Events**, which allow residents to safely and easily dispose of most unwanted, unused, and expired prescription medications, at no charge. These events are typically held twice annually with the Orange County Sheriff's Department.
- **Notary and foreign pension acknowledgement services**, most of which are provided to residents at no charge.
- **Other community functions**, which in recent fiscal years have included art, culture, health, public safety, transportation, and small business workshops, as well as pet vaccination clinics and legislative office hours for federal and state elected representatives.

### **Law Enforcement Services**

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

### **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. Residents and their pets will continue to enjoy the high quality of services provided by the Laguna Beach/Laguna Woods Animal Services Division, including access to a humane animal shelter located in nearby Laguna Canyon.

### **Solid Waste Handling Services**

This budget and work plan continues the City's contract relationship with CR&R Incorporated for solid waste handling services.

The City grants a franchise agreement for solid waste handling services as a part of complying 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 and local governments. The California Integrated Waste Management Act of 1989 requires cities to make adequate provision for solid waste handling both within their jurisdiction and in response to regional

needs. In doing so, cities 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

## SIGNIFICANT CHANGES IN SERVICE LEVELS

The following significant changes in service levels will be made beginning in Fiscal Year 2023-24:

- The **Senior Mobility Program** will transition to a new service delivery model that operates on a two-fiscal-year cycle, eliminates the use of vouchers, allows residents to travel to and from John Wayne Airport, eliminates the annual enrollment fee, and revises resident costs.
- The anticipated opening of the new Public Library Building's **outdoor activity room** in summer 2023 will increase the City's capacity to host community functions and programming. Use of the outdoor activity room will be guided by facility use policies adopted by the City Council and the City's lease agreement with the County of Orange.

Additional changes in service levels are described in the Significant Work Plan Items tables beginning on page 7.0-5, 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 7.0-5.

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

The Significant Work Plan Items tables are presented alphabetically by lead department. Where the Planning & Environmental Services Department is the lead department, the Significant Work Plan Items tables are further presented alphabetically by primary service area – building, planning, waste, or water.

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]


| <b>Priority Alignment Legend</b><br><b>THE CITY OF LAGUNA WOODS SEEKS TO CREATE A CITY THAT IS...</b> |   |   |   |   |   |
|---|---|---|---|---|---|
|                      |  |  |  |  |  |
| Healthy<br>and safe   | High in quality<br>of life  | Environmentally<br>conscious  | Economically<br>prosperous  | Fiscally<br>responsible   | Professionally<br>and efficiently<br>served   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 1                         | <b>Personnel Policies and Workplace Safety Programs Update</b> – Review and update the City's personnel policies and workplace safety programs in order to align the same with recommendations from the California Joint Powers Insurance Authority. This item will address matters related to both City employees and volunteers. |   |
| Lead Department:          |  | Administrative Services   |
| Scheduling Consideration: |  | -   |


| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 2                         | <b>Document Retention Policy Update</b> – 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                         | <p><b>Requests for Proposals</b> – Conduct competitive processes to select contract providers for the following services:</p> <p><u>Fiscal Year 2023-24</u></p> <ul style="list-style-type: none"> <li>• Annual Audit Services</li> <li>• Catch Basin Maintenance Services</li> <li>• City Engineering Services</li> <li>• City Hall and Public Library Building Janitorial Services</li> <li>• Landscape Architecture and Landscape Plan Review Services</li> <li>• Landscape Maintenance Services</li> <li>• Tree Pruning and Removal Services</li> </ul> <p><u>Fiscal Year 2024-25</u></p> <ul style="list-style-type: none"> <li>• Building Official, Permit Counter, and Inspection Services</li> <li>• Building Plan Review and Certified Access Specialist (CASP) Services</li> <li>• Code Enforcement Services</li> <li>• Tree Pruning and Removal Services</li> </ul> |  |
| Lead Department:          |  | City Manager's Office   |
| Scheduling Consideration: |  | See "Description" above   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 4                         | <p><b>Accessibility Improvement Reimbursement Program</b> – Develop and launch a program to provide financial assistance to lower income, senior households that make accessibility improvements inside their homes. Reimbursements will be funded using State of California Permanent Local Housing Allocation ("PLHA") monies.</p> |  |
| Lead Department:          |  | City Manager's Office   |
| Scheduling Consideration: |  | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 5                         | <b>Active Transportation Plan Development</b> – Pursue funding to develop an active transportation plan focused on improving bicycle and pedestrian connectivity and safety on public streets (El Toro Road, Moulton Parkway, Ridge Route Drive, and Santa Maria Avenue). This item includes plan development, if funding is obtained. |  |
| Lead Department:          |  | Engineering & Infrastructure Services   |
| Scheduling Consideration: |  | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 6                         | <b>Engineering and Traffic Survey for Speed Limits</b> – Complete the periodic review of speed limits required by the California Vehicle Code and adopt and implement any necessary changes to speed limits. This item applies to all public streets (El Toro Road, Moulton Parkway, Ridge Route Drive, and Santa Maria Avenue). |  |
| Lead Department:          |  | Engineering & Infrastructure Services   |
| Scheduling Consideration: |  | No later than September 2024  |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 7                         | <b>Maintenance Inspection and Repair Programs Update</b> – Review and update the City's maintenance inspection and repair programs in order to align the same with recommendations from the California Joint Powers Insurance Authority. This item will address matters related to both City property and equipment. |  |
| Lead Department:          |  | Engineering & Infrastructure Services   |
| Scheduling Consideration: |  | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 8                         | <b>Pavement Management Plan Update for Fiscal Years 2024-34</b> – 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, 2024   |


| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 9                         | <b>Voice over Internet Protocol Implementation</b> – Transition City Hall's voice communications system to Voice over Internet Protocol ("VoIP") (including cloud-based Private Branch Exchange ("PBX")), which allows calls to be placed and received over Internet connections rather than telephone lines. |  |
| Lead Department:          |   | Engineering & Infrastructure Services   |
| Scheduling Consideration: |   | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 10                        | <b>Building Permitting Records Digitization</b> – 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 permitting records. |  |
| Lead Department:          |  | Planning & Environmental Services (Building)  |
| Scheduling Consideration: |  | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 11                        | <b>Building Permitting Software and Electronic Plan Review Enhancements</b> – Enhance existing building permitting software in order to increase operational efficiencies, automate workflows, add new internal controls, offer expanded online customer self-service opportunities, and implement electronic plan review. |  |
| Lead Department:          |  | Planning & Environmental Services (Building)  |
| Scheduling Consideration: |  | -   |


| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 12                        | <b>Commercial Zoning Regulations</b> – Review and update the City's commercial zoning regulations in order to better align zoning districts with local needs, permitted uses, and off-street parking standards. This item is consistent with the City's goal of providing residents with access to high quality goods and services close to home. |  |
| Lead Department:          |   | Planning & Environmental Services (Planning)  |
| Scheduling Consideration: |   | -   |

| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 13                        | <b>County Easement and City Boundary Clarification</b> – Review and correct property records for easements that were transferred from the County of Orange to the City upon incorporation. Adjust City boundaries to improve the provision of maintenance services. This item may also include the vacation or transfer of easements. |  |
| Lead Department:          |   | Planning & Environmental Services (Planning)  |
| Scheduling Consideration: |   | -   |


| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 14                        | <b>Discretionary Zoning Permits and Procedures Regulations</b> – 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 (Planning)  |
| Scheduling Consideration: |   | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 15                        | <b>General Plan Housing Element Implementation</b> – Implement the City's 6 <sup>th</sup> Cycle Housing Element in a manner consistent with the goals, policy objectives, and programs identified therein. Most of the Housing Element's 32 programs are "ongoing" or include anticipated completion dates prior to June 30, 2025. |  |
| Lead Department:          |  | Planning & Environmental Services (Planning)  |
| Scheduling Consideration: |  | See General Plan Housing Element  |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 16                        | <b>General Plan Update</b> – Review and update the City's General Plan to establish a long-range vision for the future of Laguna Woods. The General Plan is required by state law and reflects the community's intentions about land use and its relationship to conservation, housing, mobility, noise, open space, and safety. |  |
| Lead Department:          |  | Planning & Environmental Services (Planning)  |
| Scheduling Consideration: |  | -   |


| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 17                        | <b>Local California Environmental Quality Act Guidelines Update</b> – Review and update the City’s Local California Environmental Quality Act (“CEQA”) Guidelines in order to ensure compliance with state law, create new public education materials, and promote the efficient, effective, and economical conduct of City business. |  |
| Lead Department:          |   | Planning & Environmental Services (Planning)  |
| Scheduling Consideration: |   | -   |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 18                        | <b>Objective Design and Development Regulations</b> – Adopt 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 (Planning)  |
| Scheduling Consideration: |  | October 31, 2023 adoption goal  |


| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 19                        | <b>Construction and Demolition Materials Management Regulations</b> – Review and update the City’s construction and demolition materials management regulations in order to enhance the efficiency and effectiveness of the permitting process for covered projects, as well as to ensure compliance with state law. |  |
| Lead Department:          |  | Planning & Environmental Services (Waste)   |
| Scheduling Consideration: |  | -   |


| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 20                        | <b>State Trash Orders Compliance</b> – 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 (Water)   |
| Scheduling Consideration: |   | Regional Water Quality Control Board orders   |



| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 21                        | <b>Animal Regulations</b> – Review and update the City’s animal regulations in order to strengthen enforcement related to nuisance, potentially dangerous, and vicious animals, as well as feeding of wildlife. Animal regulations will also be reviewed and updated as necessary to ensure efficiency and effectiveness. |  |
| Lead Department:          |   | Public Safety Services  |
| Scheduling Consideration: |   | -   |

| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 22                        | <b>Crime Prevention through Environmental Design Regulations</b> – Adopt Crime Prevention through Environmental Design (“CPTED”) regulations related to the design and maintenance of the built environment (new development, redevelopment, and existing properties) in order to prevent criminal activity and enhance quality of life. |  |
| Lead Department:          |  | Public Safety Services  |
| Scheduling Consideration: |  | -   |

| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 23                        | <b>Emergency Operations Plan Update</b> – Review and update the City's Emergency Operations Plan in order to enhance collaboration with public and private stakeholders, incorporate the City's Local Hazard Mitigation Plan, prepare for updates in the City's Climate Adaptation Plan, and reflect organizational changes. |  |
| Lead Department:          |  | Public Safety Services  |
| Scheduling Consideration: |  | -   |

| ID                        | Description   | Priority Alignment   |
|---------------------------|---|--|
| 24                        | <b>Local Hazard Mitigation Plan Update</b> – Review and update the City's Local Hazard Mitigation Plan in order to further a long-term strategy to reduce disaster losses and prevent cycles of disaster damage, reconstruction, and repeated damage. This item is also a requirement for the receipt of certain federal disaster assistance funds. |  |
| Lead Department:          |   | Public Safety Services   |
| Scheduling Consideration: |   | -  |

| ID                        | Description   | Priority Alignment  |
|---------------------------|---|---|
| 25                        | <b>Potential New Fire Station</b> – Continue to analyze and take actions related to the potential long-term lease of approximately 0.32 acres of the City Centre Park property for use as a new Orange County Fire Authority fire station. This item includes the actions approved by the City Council on September 21, 2022. |  |
| Lead Department:          |   | Public Safety Services  |
| Scheduling Consideration: |   | -   |

| ID                        | Description  | Priority Alignment  |
|---------------------------|--|---|
| 26                        | <b>Sidewalk Vending Regulations</b> – Adopt sidewalk vending regulations in order to promote health, safety, and welfare, as well as for other purposes authorized by California Senate Bill 946 (Lara, Chapter 459, Statutes of 2018). The City is unable to regulate sidewalk vending except as authorized by Senate Bill 946. |   |
| Lead Department:          |  | Public Safety Services  |
| Scheduling Consideration: |  | -   |

CHAPTER

8.0

# CITY CAPITAL PROJECTS

BUDGET &  
WORK PLAN

Fiscal Years  
2023-25

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## **8.0. CITY CAPITAL PROJECTS**

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*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 2023-24 through 2033-34.

## CAPITAL PROJECTS APPROPRIATIONS SUMMARY – BUDGETED

The appropriations summarized below are included in the Fiscal Years 2023-35 Budget & Work Plan. For additional information on specific projects, please refer to the worksheets beginning on page 8.0-11.

### Fiscal Year 2023-24

- *Capital Projects Fund*

- City Hall Refurbishment and Safety Project: Phase 4 (\$250,000)
- City Hall Refurbishment and Safety Project: Phase 5 (\$85,000)
- Ridge Route Drive Drainage Repair Project (\$273,250)

FUND TOTAL: \$608,250

- *Road Maintenance & Rehabilitation Program Fund*

- Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager) (\$325,821)

FUND TOTAL: \$325,821

- *Community Development Block Grant (CDBG) Fund*

- Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7 (\$150,000)

FUND TOTAL: \$150,000

- *Federal Grants Fund*

- City Hall Complex Parking Lot Improvement Project (\$300,000)
- City Hall/Public Library Project (\$118,525)
- El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora) (\$27,370)
- Ridge Route Drive Drainage Repair Project (\$273,250)

FUND TOTAL: \$719,145

GRAND TOTAL – FISCAL YEAR 2023-24: \$1,803,216

Unspent appropriations approved prior to July 1, 2023 are expected to be carried over to Fiscal Year 2023-24 for the following projects, pursuant to Section 2.9.04(10) of Administrative Policy 2.9:

- *Capital Projects Fund*

- Woods End Wilderness Preserve Trail Drainage and Improvement Project
- *Mobile Source Reduction Fund*
  - City Hall Electric Vehicle Charging Infrastructure Project
- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phases 6 and 6B
- *Federal Grants Fund*
  - City Hall/Public Library Project
  - El Toro Road and Moulton Parkway Water Quality Treatment Project
  - Woods End Wilderness Preserve Trail Drainage and Improvement Project
- *State of California Grants Fund*
  - Woods End Wilderness Preserve Trail Drainage and Improvement Project

Fiscal Year 2024-25

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta) (\$195,795)

FUND TOTAL: \$195,795
- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8 (\$150,000)

FUND TOTAL: \$150,000
- *Federal Grants Fund*
  - Transit Shelter and Street Furniture Replacement Project (\$75,000)

FUND TOTAL: \$75,000

GRAND TOTAL – FISCAL YEAR 2024-25: \$420,795

Unspent appropriations approved prior to July 1, 2024 are expected to be carried over to Fiscal Year 2024-25 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 8.0-31.

### Fiscal Year 2025-26

- *Road Maintenance & Rehabilitation Program Fund*
    - Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez) (\$405,799)FUND TOTAL: \$405,799
  - *Community Development Block Grant (CDBG) Fund*
    - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9 (\$150,000)FUND TOTAL: \$150,000
- GRAND TOTAL – FISCAL YEAR 2025-26: \$555,799

### Fiscal Year 2026-27

- *Road Maintenance & Rehabilitation Program Fund*
    - Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits) (\$335,818)FUND TOTAL: \$335,818
  - *Community Development Block Grant (CDBG) Fund*
    - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10 (\$150,000)FUND TOTAL: \$150,000
- GRAND TOTAL – FISCAL YEAR 2026-27: \$485,818

### Fiscal Year 2027-28

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Eastbound El Toro Road between Canyon Wren and Calle Sonora) (\$279,766)FUND TOTAL: \$279,766

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 11 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2027-28: \$429,766

#### Fiscal Year 2028-29

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (North and Southbound Moulton Parkway between Via Campo Verde and El Toro Road) (\$299,229)

FUND TOTAL: \$299,229

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 12 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2028-29: \$449,229

#### Fiscal Year 2029-30

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Westbound El Toro Road between Moulton Parkway and Calle Sonora) (\$421,551)

FUND TOTAL: \$421,551

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 13 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2029-30: \$571,551

#### Fiscal Year 2030-31

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Paseo de Valencia) (\$283,157)

FUND TOTAL: \$283,157

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 14 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2030-31: \$433,157

#### Fiscal Year 2031-32

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Westbound El Toro Road between Calle Sonora and Canyon Wren) (\$314,562)

FUND TOTAL: \$314,562

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 15 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2031-32: \$464,562

#### Fiscal Year 2032-33

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Placeholder for project per forthcoming Fiscal Years 2024-34 Pavement Management Plan)

FUND TOTAL: \$TBD

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 16 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2032-33: \$TBD

#### Fiscal Year 2033-34

- *Road Maintenance & Rehabilitation Program Fund*
  - Pavement Management Plan Project (Placeholder for project per forthcoming Fiscal Years 2024-34 Pavement Management Plan)

FUND TOTAL: \$TBD

- *Community Development Block Grant (CDBG) Fund*
  - Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 17 (\$150,000)

FUND TOTAL: \$150,000

GRAND TOTAL – FISCAL YEAR 2033-34: \$TBD

## **FUTURE OUTLOOK FOR CAPITAL IMPROVEMENT PROJECTS**

### *Other Potential Projects*

During the Fiscal Years 2023-34 CIP development process, the City Council discussed the following potential projects:

- *Level 3 Electric Vehicle Charging Stations.* The City Council expressed interest in installing Level 3 electric vehicle charging stations in the City Hall Complex parking lot. Accordingly, the City Hall Complex Parking Lot Improvement Project includes laying conduit to accommodate a potential future step-up transformer to provide sufficient power for Level 3 electric vehicle charging stations. Beyond that, funding has not yet been identified; the City will seek grant opportunities.
- *Westbound El Toro Road Sidewalk between Calle Sonora and Calle Corta.* The City Council discussed potentially modifying the westbound El Toro Road sidewalk between Calle Sonora and Calle Corta to create a more linear path of travel for pedestrians. Staff will inform the City Council of potential future grant opportunities, at which time further discussion could be had to determine whether sufficient City Council interest exists to pursue such a project.

### *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.

### *General Plan Housing Element*

The City's General Plan Housing Element includes two programs that directly relate to this CIP and the programming of future projects.

Program H-3.1.1. calls for improving pedestrian accessibility on sidewalks, curb ramps, crosswalks, and other public property connecting housing with transit stops, public buildings, businesses, and educational institutions.

Program H-3.2.3. calls for investigating and implementing potential hazard mitigation measures that would reduce or eliminate the long-term risk of residential displacement as a result of future disasters.

For both programs, prioritization is to be given to certain environmental and socioeconomic factors. It is anticipated that future CIPs will include specific analysis regarding such prioritization.

#### *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.

#### *Mobility Technology Plan*

The City successfully obtained funding through the Southern California Association of Governments' 2020 Sustainable Communities Program to assist with the development of a Mobility Technology Plan. The Mobility Technology Plan seeks to define strategies with actionable steps to establish new mobility service capabilities through technology implementation. Once that plan is complete, the City Council may wish to add projects related to connected and/or autonomous vehicle infrastructure to this CIP.

#### *Pavement Management Plan*

The City's 10-year Pavement Management Plan will undergo its next biennial update in Fiscal Year 2023-24 for a term spanning fiscal years 2024-25 through 2033-34. As a result of that update, it is anticipated that additional pavement management plan projects will be identified for inclusion in this CIP. Project placeholders are included for fiscal years 2032-33 and 2033-34.

#### *Potential Fire Station Project*

If the City Council elects to lease a portion of the City Centre Park property for use as a new Orange County Fire Authority fire station, it is anticipated that the State of California will require \$212,000 in capital improvements to

the remaining City Centre Park as a condition of modifying an existing deed restriction on the property. Under currently pending legislation, the City would be required to conduct two community meetings to solicit the input of residents and, thereafter, approve a plan for the capital improvements on or before January 1, 2025. The plan would require approval from the California Department of Parks and Recreation and would be required to enhance the active or passive recreational utility to the public of the remaining City Centre Park. If the capital improvements are constructed by the City (instead of by the Orange County Fire Authority with construction of the fire station), an additional project would be proposed for inclusion in this CIP.

#### *Statewide Water Quality Control Plans for Trash*

In Fiscal Year 2023-24, the City plans to refine 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.

#### *Unfunded and 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:

- City Hall Complex Emergency Backup Generator Project
- City Hall Refurbishment and Safety Project: Phase 6
- El Toro Road Localized Flooding Relief Project
- Santa Maria Avenue Water Efficient Medians Improvement Project
- Urban Forest Expansion Project

For additional information on presently unfunded and unscheduled projects, please refer to the worksheets beginning on page 8.0-31.

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**CAPITAL IMPROVEMENT PROGRAM  
PROJECT WORKSHEETS**

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**FISCAL YEAR 2023-24**

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## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phases 6 and 6B**

Funding Status: Funded (2022-23)

Priority

Alignment:



Healthy and safe



High in quality of life

#### Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; 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.

#### Purpose

The improvements are intended to enhance ease of pedestrian travel and promote compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

#### Cost

The one-time cost of designing and constructing this project is estimated at \$350,000 (as of December 2022; 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 (\$350,000), including \$200,000 in Coronavirus Aid, Relief, and Economic Security Act ("CDBG-CV") funds for Phase 6B.

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7**

Funding Status: Contingent on the receipt of external funding (2023-24)

Priority

Alignment:



Healthy and safe



High in quality of life

#### Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; 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.

#### Purpose

The improvements are intended to enhance ease of pedestrian travel and promote compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

#### Cost

The one-time cost of designing and constructing this project is estimated at \$150,000 (as of June 2023; 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 (\$150,000).

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### City Hall Complex Parking Lot Improvement Project

Funding Status: Funded (2023-24)

Priority

Alignment:



Healthy and safe

#### Project Description

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This project involves repaving the asphalt parking lot and driveways at the City Hall Complex (including making grade adjustments); laying conduit to accommodate potential future surveillance cameras, as well as a potential future step-up transformer to provide sufficient power for Level 3 electric vehicle charging stations; replacing cracked and lifted concrete curbs and gutters; 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 and constructing this project is estimated at \$300,000 (as of June 2023; subject to the completion of design documents, construction drawings, and competitive bidding).

#### Funding

---

American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project (\$300,000).

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### City Hall Electric Vehicle Charging Infrastructure Project

Funding Status: Funded (2022-23)

Priority

Alignment:



Healthy and safe



Environmentally conscious

#### Project Description

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This project involves the purchase and installation of electric vehicle charging infrastructure at a publicly accessible location in the City Hall Complex parking lot, generally consisting of two Level 2 charging stations.

#### Purpose

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This project is intended to support the expanded use of alternatively fueled vehicles in and around Laguna Woods.

#### Cost

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The one-time cost of designing and constructing this project is estimated at \$92,500 (as of October 2019).

#### Funding

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\$42,500 in regular Mobile Source Reduction Fund monies and \$50,000 in Clean Transportation Funding™ 2017 Local Government Partnership Program monies will be used to fund this project. Both revenue sources are accounted for in the Mobile Source Reduction Fund.

# CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

## City Hall Refurbishment and Safety Project: Phase 4

Funding Status: Funded (2023-24)

Priority

Alignment:



Healthy and safe



Environmentally conscious

### Project Description

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This project involves refurbishments and safety improvements at City Hall. The scope of work is expected to include the following improvements:

- Replacement of second floor and stairwell windows
- Replacement of second floor exterior doors and balcony railing
- Lighting improvements in the second floor elevator lobby and stairwells
- 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 and constructing this project is estimated at \$250,000 (as of June 2023; subject to the completion of design documents, construction drawings, and competitive bidding).

### Funding

---

Unassigned General Fund balance will be used to fund this project (\$250,000).

# CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

## City Hall Refurbishment and Safety Project: Phase 5

Funding Status: Partially Funded (2024-25)

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 is expected to include the following improvements:

- Remodeling of the first-floor lobby, counter, and office areas
- Remodeling of portions of the second-floor office areas
- Structural improvements to the second-floor attic floor that would allow for potential future expansion
- 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 is not yet known. A construction budget will be considered after design documents are completed.

### Funding

Unassigned General Fund balance will be used to fund this project (\$85,000).

# CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

## City Hall/Public Library Project

Funding Status: Funded (2019-24)

Priority

Alignment:



High in quality of life

### Project Description

This project involves (1) the addition of a dedicated space for the Laguna Woods branch of OC Public Libraries, (2) expansion of the existing patio area to serve both City Hall and the public library, and (3) related site, landscape, signage, and parking lot improvements.

### Purpose

This project is intended to provide continued local access to a public library in a new location with improved facilities and amenities. The project will also address maintenance needs and enhance City Hall's functionality.

### Cost

The one-time cost of designing and constructing this project is estimated at \$3,058,252 (as of June 2023; subject to the completion of construction).

### Funding

\$670,280 in unassigned General Fund balance, \$500,000 in State of California Budget Appropriation monies, and \$2,006,497 in American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project.

- Fiscal Year 2019-20: Capital Projects Fund (\$400,000)
  - Fiscal Year 2020-21: Capital Projects Fund (\$20,280)
  - Fiscal Year 2020-21: State of California Grants Fund (\$500,000)
  - Fiscal Year 2021-22: Capital Projects Fund (\$250,000)
  - Fiscal Year 2021-22: Federal Grants Fund (\$1,552,044)
  - Fiscal Year 2021-22: Federal Grants Fund (\$157,371)
  - Fiscal Year 2022-23: Federal Grants Fund (\$178,557)
  - Fiscal Year 2023-24: Federal Grants Fund (\$118,525)
- TOTAL: \$3,176,777

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **El Toro Road and Moulton Parkway Water Quality Treatment Project**

Funding Status:   Funded (2022-23)

Priority

Alignment:



Environmentally conscious

#### Project Description

This project involves the construction of a modular wetland system unit on westbound El Toro Road east of Aliso Creek Road near Woods End Wilderness Preserve, and a vegetated swale on southbound Moulton Parkway between City Centre Park and El Toro Road.

#### Purpose

This project is intended to achieve compliance with applicable National Pollutant Discharge Elimination System ("NPDES") requirements for the Moulton Widening Project, Segment 3 Phase II from 400' North of El Toro Road to 50' North of Santa Maria Avenue ("Moulton Project"). The Moulton Project was managed by the County of Orange and was to have included several structural Best Management Practices ("BMPs") to treat stormwater runoff that were ultimately not constructed. The BMPs included in this project will treat an equivalent area as those unconstructed BMPs.

#### Cost

The one-time cost of constructing this project is estimated at \$186,500 (as of June 2022; subject to the completion of design documents, construction drawings, and competitive bidding).

#### Funding

American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project (\$186,500).

# CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

**El Toro Road Medians Improvement Project (Westbound El Toro Road  
between Moulton Parkway to Calle Sonora)**

Funding Status:    Funded (2023-24)

Priority

Alignment:



High in quality of life



Environmentally conscious

## Project Description

This project involves planting additional trees and refreshing the landscaping on both medians on westbound El Toro Road between Moulton Parkway and Calle Sonora. The City Council will approve a conceptual design, and tree and plant palette, prior to the preparation of final design documents.

## Purpose

This project is intended to enhance streetscape aesthetics 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

The one-time cost of designing this project is estimated at \$27,370. The one-time cost of constructing this project is not yet known. A construction budget will be considered after design documents are completed.

## Funding

American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project (\$27,370).

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager)**

Funding Status: Funded (2023-24)

Priority

Alignment:



Healthy and safe



High in quality of life

Estimated Useful Life: 15 years

#### 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 reconstruction of curbs, adjustment of utility access holes and water valves to grade, re-establishment of survey monuments, replacement of painted striping and pavement markings, and relocation of vehicle stop lines back from pedestrian crosswalks.

#### 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 November 2021, the specified street section had a PCI of 74.

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

#### Cost

The one-time cost of designing and constructing this project is estimated at \$325,821 (as of June 2022; 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 (\$325,821).

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **Ridge Route Drive Drainage Repair Project**

Funding Status: Funded (2023-24)

Priority

Alignment:



Healthy and safe

### Project Description

This project involves the replacement of a corrugated steel pipe under Ridge Route Drive with a new reinforced concrete pipe, as well as the installation of a new catch basin and related street repair.

### Purpose

This project is intended to repair deteriorated drainage infrastructure. The subject drainage infrastructure carries stormwater runoff from the south side of Ridge Route Drive (Laguna Woods) to the north side (Laguna Hills).

### Cost

The one-time cost of designing and constructing this project is estimated at \$546,500 (as of June 2023; subject to the completion of design documents, construction drawings, and competitive bidding).

### Funding

\$273,250 in unassigned General Fund balance and \$273,250 in American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project (total: \$546,500). It is anticipated that the City of Laguna Hills will cost share in this project, with their contribution offsetting General Fund expenditures.

## 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 unassigned General Fund balance, \$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: Capital Projects Fund (\$47,012) – *satisfies the 20% match required by the 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**

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**FISCAL YEAR 2024-25**

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## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8**

Funding Status: Contingent on the receipt of external funding (2024-25)

Priority

Alignment:



Healthy and safe



High in quality of life

#### Project Description

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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.

#### Purpose

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The improvements are intended to enhance ease of pedestrian travel and promote compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

#### Cost

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The one-time cost of designing and constructing this project is estimated at \$150,000 (as of June 2023; subject to the completion of design documents, construction drawings, and competitive bidding).

#### Funding

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The City anticipates using Community Development Block Grant ("CDBG") monies to fund this project (\$150,000).

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

### **Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta)**

Funding Status: Funded (2024-25)

Priority

Alignment:



Healthy and safe



High in quality of life

Estimated Useful Life: 15 years

#### 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 reconstruction of curbs, adjustment of utility access holes and water valves to grade, re-establishment of survey monuments, replacement of painted striping and pavement markings, and relocation of vehicle stop lines back from pedestrian crosswalks.

#### 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 November 2021, the specified street section had a PCI of 77.

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

#### Cost

The one-time cost of designing and constructing this project is estimated at \$195,795 (as of June 2022; 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 (\$195,795).

# CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:

## Transit Shelter and Street Furniture Replacement Project

Funding Status: Funded (2024-25)

Priority

Alignment:



High in quality of life

### Project Description

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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. Construction of this project may occur in phases.

### Purpose

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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

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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. A construction budget will be considered after design documents are completed.

### Funding

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American Rescue Plan Act (Coronavirus Local Fiscal Recovery Funds) funds will be used to fund this project (\$75,000).

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**CAPITAL IMPROVEMENT PROGRAM  
PROJECT WORKSHEETS**

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**FUTURE FISCAL YEARS**

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## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:       **Americans with Disabilities Act (ADA) Pedestrian  
Accessibility Improvement Project – Additional Phases**

Funding Status:    Unfunded

Projected Funding Plan:    See Table Below

### Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; 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.

### Purpose

The improvements are intended to enhance ease of pedestrian travel and promote compliance with the federal Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

### Cost & Funding

Over the course of fiscal years 2025-26 through 2033-34, the one-time cost of designing and constructing these projects is estimated at \$1,350,000 (as of June 2023; 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       |
|-------|-------------------------|-------------|
| 9     | 2025-26                 | \$150,000   |
| 10    | 2026-27                 | \$150,000   |
| 11    | 2027-28                 | \$150,000   |
| 12    | 2028-29                 | \$150,000   |
| 13    | 2029-30                 | \$150,000   |
| 14    | 2030-31                 | \$150,000   |
| 15    | 2031-32                 | \$150,000   |
| 16    | 2032-33                 | \$150,000   |
| 17    | 2033-34                 | \$150,000   |
| Total |                         | \$1,350,000 |

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:       **City Hall Complex Emergency Backup Generator Project**

Funding Status:    Unfunded

Projected Funding Plan:     Unscheduled

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### Project Description

This project involves the installation of an emergency backup generator and automatic transfer switch to serve portions of the City Hall Complex. The emergency backup generator will be capable of providing sufficient power to allow core municipal functions and cooling center operations to continue for at least 24 hours of continuous use.

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### 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.

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### Cost & Funding

The one-time cost of designing and constructing this project is estimated at \$425,000 (as of April 2023; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will continue to seek grant opportunities.

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:        **City Hall Refurbishment and Safety Project: Phase 6**

Funding Status:    Unfunded

Projected Funding Plan:        Unscheduled

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### Project Description

This project involves refurbishments and safety improvements at City Hall. The scope of work is expected to include the following improvements:

- Re-roofing
- Modernization of the elevator and related control systems
- Other work related to accessibility, functionality, safety, and security

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### 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.

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### Cost & Funding

The one-time cost of designing and constructing this project is estimated at \$300,000 for the elevator modernization (as of June 2023; subject to the completion of design documents, construction drawings, and competitive bidding) and an amount to-be-determined for the re-roofing. Funding has not yet been identified; the City will continue to seek grant opportunities.

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:        **El Toro Road Localized Flooding Relief Project**

Funding Status:    Unfunded

Projected Funding Plan:        Unscheduled

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### Project Description

This project involves replacing and upsizing existing storm drains and catch basins, as well as installing new storm drains and catch basins, in the vicinity of eastbound El Toro Road between the St. Nicholas Church/Lutheran Church of the Cross intersection and the Valencia Center.

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### Purpose

This project is based on the findings of a technical study that was undertaken in 2019 to analyze recurring instances of localized flooding on eastbound El Toro Road between the St. Nicholas Church/Lutheran Church of the Cross intersection and the Valencia Center. During rain events, vehicle travel lanes and pedestrian/bicycle/golf cart sidewalk segments are affected. The work is intended to mitigate localized flooding resultant of a 10-year storm event.

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### Cost & Funding

The one-time cost of designing and constructing this project is estimated at \$1,850,000 (as of April 2023; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will continue to seek grant opportunities.

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:       **Pavement Management Plan Project – Additional Phases**

Funding Status:    Unfunded

Projected Funding Plan:     See Table Below

### 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 reconstruction of curbs, adjustment of utility access holes and water valves to grade, re-establishment of survey monuments, replacement of painted striping and pavement markings, and relocation of vehicle stop lines back from pedestrian crosswalks.

### 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.

### 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 \$2,339,882 (as of June 2022; subject to the completion of design documents, construction drawings, and competitive bidding, as well as the identification of projects for fiscal years 2032-33 and 2033-34). The City anticipates that Road Maintenance & Rehabilitation Program Fund monies will be used to fund these projects.

| Street Section(s)  | Blended<br>PCI as of<br>November<br>2021 | Anticipated<br>Fiscal Year | Total     |
|--|--|----------------------------|-----------|
| Northbound Moulton Parkway between<br>City Limits and Calle Cortez | 79                                       | 2025-26                    | \$405,799 |
| Westbound El Toro Road between Calle<br>Corta and City Limits      | 80                                       | 2026-27                    | \$335,818 |

|  |      |         |             |
|--|------|---------|-------------|
| Eastbound El Toro Road between Canyon Wren and Calle Sonora  | 82   | 2027-28 | \$279,766   |
| North and Southbound Moulton Parkway between Via Campo Verde and El Toro Road                          | 83.5 | 2028-29 | \$299,229   |
| Westbound El Toro Road between Moulton Parkway and Calle Sonora  | 85   | 2029-30 | \$421,551   |
| Eastbound El Toro Road between Avenida Sevilla and Paseo de Valencia                                   | 85   | 2030-31 | \$283,157   |
| Westbound El Toro Road between Calle Sonora and Canyon Wren  | 87   | 2031-32 | \$314,562   |
| To be determined following adoption of the Fiscal Years 2024-34 Pavement Management Plan in FY 2023-24 | TBD  | 2032-33 | TBD         |
| To be determined following adoption of the Fiscal Years 2024-34 Pavement Management Plan in FY 2023-24 | TBD  | 2033-34 | TBD         |
| Total  |      |         | \$2,339,882 |

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:       **Santa Maria Avenue Water Efficient Medians Improvement Project**

Funding Status:    Unfunded

Projected Funding Plan:       Unscheduled

### Project Description

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This project involves retrofitting the three and a half medians on Santa Maria Avenue that are located within the City's jurisdiction with drought-tolerant landscaping and water efficient irrigation systems. All existing turf grass and overhead spray irrigation will be eliminated.

### Purpose

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This project is intended to enhance streetscape aesthetics, reduce irrigation-related water consumption, and enable the future use of recycled water for irrigation. The use of recycled water would help to conserve potable water, thereby reducing demand for imported water.

### Cost & Funding

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The one-time cost of designing and constructing this project is estimated at \$375,000 (as of April 2023; subject to the completion of design documents, construction drawings, and competitive bidding). Funding has not yet been identified; the City will continue to seek grant opportunities.

## CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title:        **Urban Forest Expansion Project**

Funding Status:    Unfunded

Projected Funding Plan:        Unscheduled

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### Project Description

This project involves planting additional trees on public property. The specific number of trees is scalable depending on the amount of funding available.

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### Purpose

This project is 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.

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### Cost & Funding

The one-time cost of designing and constructing this project is estimated to range from \$50,000 to \$200,000 (as of April 2023; subject to the completion of design documents, construction drawings, and competitive bidding). This project is scalable depending on the amount of funding available. Funding has not yet been identified; the City will continue to seek grant opportunities.

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-34 Capital Improvement Program**  
**Funding Plan**

| Project Title   | Estimated Project Cost | Fiscal Year  | Projected Funding | Funding Source  |
|---|------------------------|--|-------------------|---|
| <b><u>FUNDED AND PARTIALLY FUNDED PROJECTS</u></b>  |                        |  |                   |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phases 6 and 6B                     | 350,000                | 2022-23  | 350,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 350,000           |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7                             | 150,000                | 2023-24  | 150,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 150,000           |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8                             | 150,000                | 2024-25  | 150,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 150,000           |   |
| City Hall Complex Parking Lot Improvement Project   | 300,000                | 2023-24  | 300,000           | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                        |  | 300,000           |   |
| City Hall Electric Vehicle Charging Infrastructure Project  | 92,500                 | 2022-23  | 92,500            | Mobile Source Reduction Fund                          |
|   |                        |  | 92,500            |   |
| City Hall Refurbishment and Safety Project: Phase 4   | 250,000                | 2023-24  | 250,000           | Capital Projects Fund                                 |
|   |                        |  | 250,000           |   |
| City Hall Refurbishment and Safety Project: Phase 5 (design only)   | TBD                    | 2023-24  | 85,000            | Capital Projects Fund                                 |
|   |                        |  | 85,000            |   |
| City Hall/Public Library Project  | 3,058,252              | 2019-20<br>2020-21<br>2020-21<br>2021-22<br>2021-22<br>2021-22<br>2022-23<br>2023-24 | 400,000           | Capital Projects Fund                                 |
|   |                        |  | 20,280            | Capital Projects Fund                                 |
|   |                        |  | 500,000           | State of California Grants Fund                       |
|   |                        |  | 250,000           | Capital Projects Fund                                 |
|   |                        |  | 1,552,044         | Federal Grants Fund (City Council Action on 10/29/21) |
|   |                        |  | 157,371           | Federal Grants Fund (City Council Action on 6/15/22)  |
|   |                        |  | 178,557           | Federal Grants Fund (City Council Action on 12/21/22) |
|   |                        |  | 118,525           | Federal Grants Fund (City Council Action on 6/28/23)  |
| El Toro Road and Moulton Parkway Water Quality Treatment Project  | 186,500                | 2022-23  | 3,176,777         | Federal Grants Fund (City Council Action on 6/15/22)  |
|   |                        |  | 186,500           |   |
| El Toro Road Medians Improvement Project (Westbound El Toro Road between Moulton Parkway to Calle Sonora) (design only) | TBD                    | 2023-24  | 27,370            | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                        |  | 27,370            |   |
| Pavement Management Plan Project (Westbound El Toro Road between Canyon Wren and Tanager)                               | 325,821                | 2023-24  | 325,821           | Road Maintenance & Rehabilitation Program Fund        |
|   |                        |  | 325,821           |   |
| Pavement Management Plan Project (Westbound El Toro Road between Tanager and Calle Corta)                               | 195,795                | 2024-25  | 195,795           | Road Maintenance & Rehabilitation Program Fund        |
|   |                        |  | 195,795           |   |
| Ridge Route Drive Drainage Repair Project   | 546,500                | 2023-24  | 273,250           | Capital Projects Fund                                 |
|   |                        |  | 273,250           | Federal Grants Fund (City Council Action on 6/28/23)  |
| Transit Shelter and Street Furniture Replacement Project (design only)  | TBD                    | 2024-25  | 546,500           | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                        |  | 75,000            |   |
| Woods End Wilderness Preserve Trail Drainage and Improvement Project  | 272,560                | 2022-23<br>2022-23<br>2022-23  | 75,000            | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                        |  | 47,012            | Capital Projects Fund                                 |
|   |                        |  | 188,048           | State of California Grants Fund                       |
|   |                        |  | 37,500            | Federal Grants Fund (City Council Action on 6/15/22)  |
|   |                        |  | 272,560           |   |
| <b><u>PLANNED PROJECTS</u></b>  |                        |  |                   |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9                             | 150,000                | 2025-26  | 150,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 150,000           |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10                            | 150,000                | 2026-27  | 150,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 150,000           |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 11                            | 150,000                | 2027-28  | 150,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 150,000           |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 12                            | 150,000                | 2028-29  | 150,000           | Community Development Block Grant (CDBG) Fund         |
|   |                        |  | 150,000           |   |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-34 Capital Improvement Program**  
**Funding Plan**

| Project Title   | Estimated Project Cost                | Fiscal Year                           | Projected Funding                       | Funding Source                                 |
|---|---------------------------------------|---------------------------------------|---|--|
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 13  | 150,000                               | 2029-30                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 14  | 150,000                               | 2030-31                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 15  | 150,000                               | 2031-32                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 16  | 150,000                               | 2032-33                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 17  | 150,000                               | 2033-34                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)  | 405,799                               | 2025-26                               | 405,799<br>405,799                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)   | 335,818                               | 2026-27                               | 335,818<br>335,818                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Eastbound El Toro Road between Canyon Wren and Calle Sonora)  | 279,766                               | 2027-28                               | 279,766<br>279,766                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (North and Soutbound Moulton Parkway between Via Campo Verde and El Toro Road)   | 299,229                               | 2028-29                               | 299,229<br>299,229                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Westbound El Toro Road between Moulton Parkway and Calle Sonora)  | 421,551                               | 2029-30                               | 421,551<br>421,551                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Paseo de Valencia)   | 283,157                               | 2030-31                               | 283,157<br>283,157                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Westbound El Toro Road between Calle Sonora and Canyon Wren)  | 314,562                               | 2031-32                               | 314,562<br>314,562                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Placeholder for project per forthcoming Fiscal Years 2032-33 Pavement Management Plan)  | TBD                                   | 2032-33                               | TBD<br>TBD                              | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Placeholder for project per forthcoming Fiscal Years 2033-34 Pavement Management Plan)  | TBD                                   | 2033-34                               | TBD<br>TBD                              | Road Maintenance & Rehabilitation Program Fund |
| <b>UNFUNDED PROJECTS</b>  |                                       |                                       |   |  |
| City Hall Complex Emergency Backup Generator Project  | 425,000                               | Unscheduled                           | 425,000                                 | Not Yet Identified                             |
| City Hall Refurbishment and Safety Project: Phase 6   | TBD; 300,000+                         | Unscheduled                           | TBD; 300,000+                           | Not Yet Identified                             |
| El Toro Road Localized Flooding Relief Project  | 1,850,000                             | Unscheduled                           | 1,850,000                               | Not Yet Identified                             |
| Urban Forest Expansion Project  | 50,000 - 200,000                      | Unscheduled                           | 50,000 - 200,000                        | Not Yet Identified                             |
| Santa Maria Avenue Water Efficient Medians Improvement Project  | 375,000                               | Unscheduled                           | 375,000                                 | Not Yet Identified                             |
| <b>TRANSPORTATION-RELATED OPERATIONS &amp; MAINTENANCE</b>  |                                       |                                       |   |  |
| The following information is included at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects. |                                       |                                       |   |  |
|   | <i>Fiscal Year 2023-24<br/>Budget</i> | <i>Fiscal Year 2024-25<br/>Budget</i> | <i>Fiscal Year 2025-26<br/>Estimate</i> |  |
| Measure M2 (OC Go) Fair Share Expenditures  |                                       |                                       |   |  |
| Street Lighting - Public Right of Way   | 35,000                                | 35,000                                | 36,050                                  |  |
| Contract - Traffic Engineering  | 175,000                               | 180,000                               | 185,400                                 |  |
| Contract - Traffic Signal Maintenance   | 75,000                                | 75,000                                | 77,250                                  |  |
| Allowable Overhead Costs  | 700                                   | 700                                   | 750                                     |  |
|   | 285,700                               | 290,700                               | 299,450                                 |  |

**CITY OF LAGUNA WOODS**  
**Fiscal Years 2023-34 Capital Improvement Program**  
**Funding Plan**

| Project Title                              | Estimated<br>Project Cost               | Fiscal Year                             | Projected<br>Funding                    | Funding<br>Source |
|--|---|---|---|-------------------|
|  | <i>Fiscal Year 2026-27<br/>Estimate</i> | <i>Fiscal Year 2027-28<br/>Estimate</i> | <i>Fiscal Year 2028-29<br/>Estimate</i> |                   |
| Measure M2 (OC Go) Fair Share Expenditures |   |   |   |                   |
| Street Lighting - Public Right of Way      | 37,132                                  | 38,245                                  | 39,393                                  |                   |
| Contract - Traffic Engineering             | 190,962                                 | 196,691                                 | 202,592                                 |                   |
| Contract - Traffic Signal Maintenance      | 79,568                                  | 81,955                                  | 84,413                                  |                   |
| Allowable Overhead Costs                   | 750                                     | 750                                     | 750                                     |                   |
|  | 308,411                                 | 317,641                                 | 327,148                                 |                   |
|  | <i>Fiscal Year 2029-30<br/>Estimate</i> |   |   |                   |
| Measure M2 (OC Go) Fair Share Expenditures |   |   |   |                   |
| Street Lighting - Public Right of Way      | 40,575                                  |   |   |                   |
| Contract - Traffic Engineering             | 208,669                                 |   |   |                   |
| Contract - Traffic Signal Maintenance      | 86,946                                  |   |   |                   |
| Allowable Overhead Costs                   | 750                                     |   |   |                   |
|  | 336,939                                 |   |   |                   |

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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 liability and workers' compensation claim settlements not covered by insurance policies. In developing the annual target for this reserve, the City shall consider its five-year claims settlement history, the status of any pending claims, and any reasonably anticipated future claims activity. The City Manager is authorized to make expenditures from the Self-Insurance Contingency Reserve of up to \$50,000 per individual claim settlement. The Administrative Services Director/City Treasurer shall notify the City Council of all expenditures made from the Self-Insurance Contingency Reserve as a part of the quarterly budget reporting described in Section 2.9.09. Expenditures from the Self-Insurance Contingency Reserve in excess of \$50,000 per individual claim settlement 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 Retirement 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 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. Other Post-Employment Benefits 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 OPEB Trust Fund require approval of the City Council. Expenditures from the OPEB Trust Fund shall be made in a manner approved by the City Council.

### **2.9.09. Reporting.**

1. The 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.

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City Council Adoption: June 2, 2021

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# **APPENDIX B**

Resolution No. 23-16 (Budget and Work Plan Adoption)  
Resolution No. 23-25 (Budget and Work Plan Adoption; Corrections)

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## RESOLUTION NO. 23-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE FISCAL YEARS 2023-25 BUDGET AND WORK PLAN FOR FISCAL YEAR 2023-24 COMMENCING JULY 1, 2023 AND ENDING JUNE 30, 2024, AND FISCAL YEAR 2024-25 COMMENCING JULY 1, 2024 AND ENDING JUNE 30, 2025

**WHEREAS**, publicly noticed City Council meetings were held on March 22, 2023, April 19, 2023, May 31, 2023, June 14, 2023, June 21, 2023, and June 28, 2023, to discuss and provide direction to staff on the development of the Fiscal Years 2023-25 Budget & Work Plan and allow opportunities for public input; and

**WHEREAS**, the City Manager presented the proposed Fiscal Years 2023-25 Budget & Work Plan to the City Council on June 28, 2023.

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 2023-25 Budget & Work Plan for the City is hereby adopted for the period of July 1, 2023 through June 30, 2025, as presented at the City Council meeting on June 28, 2023 and described herein.

**SECTION 2.** The budget appropriations authorized, on a fund level, are:

|  | <i>Fiscal Year<br/>2023-24</i>  | <i>Fiscal Year<br/>2024-25</i>  |
|--|---|---|
| General Fund                                 | \$7,690,079<br>(includes transfers to<br>Capital Projects Fund<br>of \$608,250) | \$7,287,511<br>(includes transfers to<br>Capital Projects Fund<br>of \$0) |
| Capital Projects Fund                        | \$608,250   | \$0   |
| Fuel Tax                                     | \$395,000   | \$425,000   |
| Road Maintenance &<br>Rehabilitation Program | \$325,821   | \$195,795   |
| Measure M2 (OC Go)                           | \$285,700   | \$290,700   |
| Service Authority for<br>Abandoned Vehicles  | \$0   | \$0   |
| Supplemental Law Enforcement<br>Services     | \$176,100   | \$176,100   |

| Continued from<br>page 1                    | <i><b>Fiscal Year<br/>2023-24</b></i> | <i><b>Fiscal Year<br/>2024-25</b></i> |
|---|---------------------------------------|---------------------------------------|
| Mobile Source Reduction                     | \$0                                   | \$0                                   |
| PEG/Cable Television                        | \$15,000                              | \$15,000                              |
| Senior Mobility                             | \$207,000                             | \$227,000                             |
| Community Development<br>Block Grant (CDBG) | \$150,000                             | \$150,000                             |
| Federal Grants                              | \$719,145                             | \$782,869                             |
| State of California Grants                  | \$0                                   | \$0                                   |
| Miscellaneous Special Revenue               | \$0                                   | \$0                                   |
| Laguna Woods Civic<br>Support Fund          | \$48,810                              | \$300                                 |

**SECTION 3.** The General Fund assigned reserves authorized are:

|                     | <i><b>Fiscal Year<br/>2023-24</b></i> | <i><b>Fiscal Year<br/>2024-25</b></i> |
|---------------------|---------------------------------------|---------------------------------------|
| Paid Leave          | \$120,046                             | \$120,046                             |
| Contingency Reserve |                                       |                                       |
| Self-Insurance      | \$50,000                              | \$50,000                              |
| Contingency Reserve |                                       |                                       |
| General Fund        | \$3,430,254                           | \$3,514,154                           |
| Contingency Reserve |                                       |                                       |
| TOTAL               | \$3,600,300                           | \$3,684,200                           |

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 2023-24 and 2024-25 are:

*Full-time*

(1) ACCOUNTANT or SENIOR ACCOUNTANT  
(1) ACCOUNTING CLERK  
(1) ADMINISTRATIVE SERVICES DIRECTOR/CITY TREASURER  
(1) CITY MANAGER  
(1) CONSERVATION ADMINISTRATOR  
(1) DEPUTY CITY CLERK or CITY CLERK  
(1) DEVELOPMENT ADMINISTRATOR  
(1) MANAGEMENT ANALYST or SENIOR MANAGEMENT ANALYST  
(1) PUBLIC WORKS ADMINISTRATOR  
TOTAL: 9 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 2022-23, 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 2023-24, unless the project is completed.

**SECTION 9.** At the close of Fiscal Year 2023-24, 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 2024-25, 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.

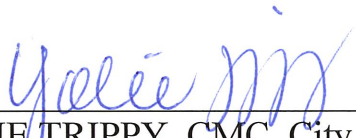
PASSED, APPROVED AND ADOPTED on this 28<sup>th</sup> day of June 2023.



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CYNTHIA S. CONNERS, Mayor

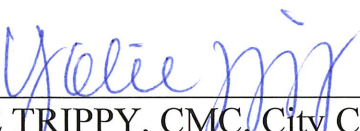
ATTEST:

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-16** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the 28<sup>th</sup> day of June 2023, by the following vote:

AYES:       COUNCILMEMBERS: Horne, McCary, Moore, Hatch, Conners  
NOES:       COUNCILMEMBERS: -  
ABSTAIN: COUNCILMEMBERS: -  
ABSENT: COUNCILMEMBERS: -

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

## RESOLUTION NO. 23-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2023-25 BUDGET AND WORK PLAN FOR FISCAL YEAR 2023-24 COMMENCING JULY 1, 2023 AND ENDING JUNE 30, 2024, AND FISCAL YEAR 2024-25 COMMENCING JULY 1, 2024 AND ENDING JUNE 30, 2025

**WHEREAS**, the Fiscal Years 2023-25 Budget & Work Plan was adopted by the City Council on June 28, 2023; and

**WHEREAS**, staff has recommended that the City Council amend the Fiscal Years 2023-25 Budget & Work Plan to correct General Fund franchise fee revenue projections and public safety services appropriations, as well as clarify Fuel Tax Fund, Road Maintenance & Rehabilitation Program Fund, and Senior Mobility Program Fund revenue projections, all of which are incorporated into the budget revenue projection and budget appropriation tables included in Section 1 herein.

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

**SECTION 1.** Section 2 of Resolution No. 23-16 is hereby amended, in its entirety, to read as follows:

The budget revenue projections are:

|                            | <i>Fiscal Year<br/>2023-24</i> | <i>Fiscal Year<br/>2024-25</i> |
|----------------------------|--------------------------------|--------------------------------|
| General Fund               |                                |                                |
| Property Tax               | \$3,297,700                    | \$3,405,200                    |
| Property Transfer Tax      | \$112,000                      | \$114,900                      |
| Sales Tax                  | \$1,196,000                    | \$1,233,000                    |
| Franchise Fees             | \$751,800                      | \$753,100                      |
| Transient Occupancy Tax    | \$604,000                      | \$620,000                      |
| Developing Processing Fees | \$814,400                      | \$827,400                      |
| Interest                   | \$352,000                      | \$340,000                      |
| Miscellaneous              | \$207,700                      | \$213,800                      |
| SUBTOTAL                   | \$7,335,600                    | \$7,507,400                    |
| Capital Projects Fund      |                                |                                |

|   |             |           |
|---|-------------|-----------|
| Intergovernmental                         | \$0         | \$0       |
| Interest                                  | \$0         | \$0       |
| SUBTOTAL                                  | \$0         | \$0       |
| Fuel Tax                                  | \$492,800   | \$503,700 |
| Road Maintenance & Rehabilitation Program | \$435,300   | \$465,600 |
| Measure M2 (OC Go)                        | \$336,000   | \$348,600 |
| Service Authority for Abandoned Vehicles  | \$0         | \$0       |
| Supplemental Law Enforcement Services     | \$167,800   | \$169,600 |
| Mobile Source Reduction                   | \$72,000    | \$22,000  |
| PEG/Cable Television                      | \$18,400    | \$18,800  |
| Senior Mobility                           | \$140,700   | \$145,700 |
| Community Development Block Grant (CDBG)  | \$500,000   | \$150,000 |
| Federal Grants                            | \$1,618,278 | \$782,869 |
| State of California Grants                | \$239,800   | \$0       |
| Miscellaneous Special Revenue             | \$0         | \$0       |
| Laguna Woods Civic Support Fund           | \$0         | \$0       |

The budget appropriations authorized, on a fund level, are:

|   | <i><b>Fiscal Year<br/>2023-24</b></i>   | <i><b>Fiscal Year<br/>2024-25</b></i>                                     |
|---|---|---|
| General Fund                              | \$7,730,079<br>(includes transfers to<br>Capital Projects Fund<br>of \$608,250) | \$7,287,511<br>(includes transfers to<br>Capital Projects Fund<br>of \$0) |
| Capital Projects Fund                     | \$608,250   | \$0   |
| Fuel Tax                                  | \$395,000   | \$425,000   |
| Road Maintenance & Rehabilitation Program | \$325,821   | \$195,795   |
| Measure M2 (OC Go)                        | \$285,700   | \$290,700   |
| Service Authority for Abandoned Vehicles  | \$0   | \$0   |
| Supplemental Law Enforcement Services     | \$176,100   | \$176,100   |
| Mobile Source Reduction                   | \$0   | \$0   |
| PEG/Cable Television                      | \$15,000  | \$15,000  |
| Senior Mobility                           | \$207,000   | \$227,000   |
| Community Development Block Grant (CDBG)  | \$150,000   | \$150,000   |
| Federal Grants                            | \$719,145   | \$782,869   |

|                                 |          |       |
|---------------------------------|----------|-------|
| State of California Grants      | \$0      | \$0   |
| Miscellaneous Special Revenue   | \$0      | \$0   |
| Laguna Woods Civic Support Fund | \$48,810 | \$300 |


**SECTION 2.** The City Manager is authorized to revise the Fiscal Years 2023-25 Budget & Work Plan to reflect the amendments included in this resolution and correct typographical errors.

**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 20<sup>th</sup> day of September 2023.

  
 CYNTHIA S. CONNERS, Mayor

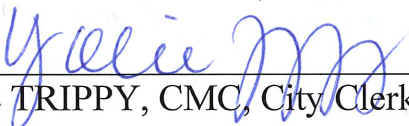
ATTEST:

  
 YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-25** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the 20<sup>th</sup> day of September 2023, by the following vote:

AYES:       COUNCILMEMBERS: Horne, Moore, Hatch, Conners  
NOES:       COUNCILMEMBERS: -  
ABSTAIN: COUNCILMEMBERS: -  
ABSENT: COUNCILMEMBERS: McCary

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

# **APPENDIX C**

Resolution No. 23-17 (Capital Improvement Program Adoption)

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## **RESOLUTION NO. 23-17**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A NEW 11-YEAR CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2023-24 THROUGH 2033-34, IN CONFORMANCE WITH MEASURE M2 (OC GO) REQUIREMENTS AND APPLICABLE CITY POLICIES AND DISCRETION

**WHEREAS**, the City of Laguna Woods (“City”) seeks to maintain its eligibility to receive apportionments of Measure M2 (OC Go) sales tax revenues that can be used to fund transportation-related projects and programs; and

**WHEREAS**, a prerequisite of such eligibility for the City is the annual filing of a Measure M2 (OC Go) eligibility package for review and approval by the Orange County Transportation Authority; and

**WHEREAS**, a required component of the Measure M2 (OC Go) eligibility package is an adopted seven-year Capital Improvement Program that includes, at a minimum, all programs and projects which are needed to meet and maintain adopted levels of service and performance standards, in addition to all projects and programs proposed to receive Measure M2 (OC Go) funding; and

**WHEREAS**, the Capital Improvement Program, for the purpose of Measure M2 (OC Go) eligibility, is recognized as a program and project finance and planning tool to assist the City in the long-term development and funding of transportation-related programs and projects, and not a budget commitment beyond the fiscal year(s) for which budgets have been adopted by the City Council; and

**WHEREAS**, the City updates the Capital Improvement Program annually to include adjustments to funding and project schedules; and

**WHEREAS**, the City has identified the development and adoption of an 11-year Capital Improvement Program that includes both transportation and non-transportation-related programs and projects as a prudent action to assist with long-term financial planning; and

**WHEREAS**, the Fiscal Year 2023-24 expenditures identified in the Capital Improvement Program are consistent with the City’s adopted Fiscal Year 2023-24 Budget; and

**WHEREAS**, the Fiscal Year 2024-25 expenditures identified in the Capital Improvement Program are consistent with the City's adopted Fiscal Year 2024-25 Budget.

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

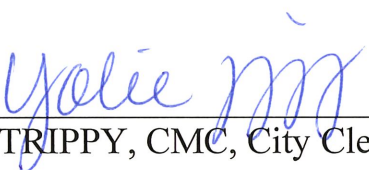
**SECTION 1.** The City's 11-Year Capital Improvement Program for Fiscal Years 2023-24 through 2033-34 is adopted in conformance with Measure M2 (OC Go) requirements and applicable City policies and discretion, as attached hereto as Exhibit A and incorporated herein by reference. Exhibit A replaces and supersedes all previous capital improvement programs adopted by the City Council for all or a portion of fiscal years 2023-24 through 2033-34.

**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 28<sup>th</sup> day of June 2023.

  
\_\_\_\_\_  
CYNTHIA S. CONNERS, Mayor

ATTEST:

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-17** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the 28<sup>th</sup> day of June 2023, by the following vote:

AYES:       COUNCILMEMBERS: Horne, McCary, Moore, Hatch, Conners  
NOES:       COUNCILMEMBERS: -  
ABSTAIN: COUNCILMEMBERS: -  
ABSENT: COUNCILMEMBERS: -

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

| CITY OF LAGUNA WOODS<br>Fiscal Years 2023-34 Capital Improvement Program<br>Funding Plan                                      |                           |             |                      |   |
|---|---------------------------|-------------|----------------------|---|
| Project Title   | Estimated<br>Project Cost | Fiscal Year | Projected<br>Funding | Funding<br>Source                                     |
| FUNDED AND PARTIALLY FUNDED PROJECTS  |                           |             |                      |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phases 6 and 6B                        | 350,000                   | 2022-23     | 350,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 350,000              |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phase 7                                | 150,000                   | 2023-24     | 150,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 150,000              |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phase 8                                | 150,000                   | 2024-25     | 150,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 150,000              |   |
| City Hall Complex Parking Lot Improvement Project   | 300,000                   | 2023-24     | 300,000              | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                           |             | 300,000              |   |
| City Hall Electric Vehicle Charging Infrastructure Project  | 92,500                    | 2022-23     | 92,500               | Mobile Source Reduction Fund                          |
|   |                           |             | 92,500               |   |
| City Hall Refurbishment and Safety Project: Phase 4   | 250,000                   | 2023-24     | 250,000              | Capital Projects Fund                                 |
|   |                           |             | 250,000              |   |
| City Hall Refurbishment and Safety Project: Phase 5<br>(design only)  | TBD                       | 2023-24     | 85,000               | Capital Projects Fund                                 |
|   |                           |             | 85,000               |   |
| City Hall/Public Library Project  | 3,058,252                 | 2019-20     | 400,000              | Capital Projects Fund                                 |
|   |                           | 2020-21     | 20,280               | Capital Projects Fund                                 |
|   |                           | 2020-21     | 500,000              | State of California Grants Fund                       |
|   |                           | 2021-22     | 250,000              | Capital Projects Fund                                 |
|   |                           | 2021-22     | 1,552,044            | Federal Grants Fund (City Council Action on 10/29/21) |
|   |                           | 2021-22     | 157,371              | Federal Grants Fund (City Council Action on 6/15/22)  |
|   |                           | 2022-23     | 178,557              | Federal Grants Fund (City Council Action on 12/21/22) |
|   |                           | 2023-24     | 118,525              | Federal Grants Fund (City Council Action on 6/28/23)  |
| El Toro Road and Moulton Parkway Water Quality Treatment Project  | 186,500                   | 2022-23     | 186,500              | Federal Grants Fund (City Council Action on 6/15/22)  |
|   |                           |             | 186,500              |   |
| El Toro Road Medians Improvement Project (Westbound El Toro<br>Road between Moulton Parkway to Calle Sonora)<br>(design only) | TBD                       | 2023-24     | 27,370               | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                           |             | 27,370               |   |
| Pavement Management Plan Project (Westbound El Toro Road<br>between Canyon Wren and Tanager)                                  | 325,821                   | 2023-24     | 325,821              | Road Maintenance & Rehabilitation Program Fund        |
|   |                           |             | 325,821              |   |
| Pavement Management Plan Project (Westbound El Toro Road<br>between Tanager and Calle Corta)                                  | 195,795                   | 2024-25     | 195,795              | Road Maintenance & Rehabilitation Program Fund        |
|   |                           |             | 195,795              |   |
| Ridge Route Drive Drainage Repair Project   | 546,500                   | 2023-24     | 273,250              | Capital Projects Fund                                 |
|   |                           |             | 273,250              | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                           |             | 546,500              |   |
| Transit Shelter and Street Furniture Replacement Project<br>(design only)   | TBD                       | 2024-25     | 75,000               | Federal Grants Fund (City Council Action on 6/28/23)  |
|   |                           |             | 75,000               |   |
| Woods End Wilderness Preserve Trail Drainage and Improvement<br>Project   | 272,560                   | 2022-23     | 47,012               | Capital Projects Fund                                 |
|   |                           | 2022-23     | 188,048              | State of California Grants Fund                       |
|   |                           | 2022-23     | 37,500               | Federal Grants Fund (City Council Action on 6/15/22)  |
|   |                           |             | 272,560              |   |
| PLANNED PROJECTS  |                           |             |                      |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phase 9                                | 150,000                   | 2025-26     | 150,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 150,000              |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phase 10                               | 150,000                   | 2026-27     | 150,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 150,000              |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phase 11                               | 150,000                   | 2027-28     | 150,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 150,000              |   |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility<br>Improvement Project: Phase 12                               | 150,000                   | 2028-29     | 150,000              | Community Development Block Grant (CDBG) Fund         |
|   |                           |             | 150,000              |   |

| CITY OF LAGUNA WOODS<br>Fiscal Years 2023-34 Capital Improvement Program<br>Funding Plan  |                                       |                                       |   |  |
|---|---------------------------------------|---------------------------------------|---|--|
| Project Title   | Estimated Project Cost                | Fiscal Year                           | Projected Funding                       | Funding Source                                 |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 13  | 150,000                               | 2029-30                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 14  | 150,000                               | 2030-31                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 15  | 150,000                               | 2031-32                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 16  | 150,000                               | 2032-33                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 17  | 150,000                               | 2033-34                               | 150,000<br>150,000                      | Community Development Block Grant (CDBG) Fund  |
| Pavement Management Plan Project (Northbound Moulton Parkway between City Limits and Calle Cortez)  | 405,799                               | 2025-26                               | 405,799<br>405,799                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Westbound El Toro Road between Calle Corta and City Limits)   | 335,818                               | 2026-27                               | 335,818<br>335,818                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Eastbound El Toro Road between Canyon Wren and Calle Sonora)  | 279,766                               | 2027-28                               | 279,766<br>279,766                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (North and Southbound Moulton Parkway between Via Campo Verde and El Toro Road)  | 299,229                               | 2028-29                               | 299,229<br>299,229                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Westbound El Toro Road between Moulton Parkway and Calle Sonora)  | 421,551                               | 2029-30                               | 421,551<br>421,551                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Paseo de Valencia)   | 283,157                               | 2030-31                               | 283,157<br>283,157                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Westbound El Toro Road between Calle Sonora and Canyon Wren)  | 314,562                               | 2031-32                               | 314,562<br>314,562                      | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Placeholder for project per forthcoming Fiscal Years 2032-33 Pavement Management Plan)  | TBD                                   | 2032-33                               | TBD<br>TBD                              | Road Maintenance & Rehabilitation Program Fund |
| Pavement Management Plan Project (Placeholder for project per forthcoming Fiscal Years 2033-34 Pavement Management Plan)  | TBD                                   | 2033-34                               | TBD<br>TBD                              | Road Maintenance & Rehabilitation Program Fund |
| <b>UNFUNDED PROJECTS</b>  |                                       |                                       |   |  |
| City Hall Complex Emergency Backup Generator Project  | 425,000                               | Unscheduled                           | 425,000                                 | Not Yet Identified                             |
| City Hall Refurbishment and Safety Project: Phase 6   | TBD; 300,000+                         | Unscheduled                           | TBD; 300,000+                           | Not Yet Identified                             |
| El Toro Road Localized Flooding Relief Project  | 1,850,000                             | Unscheduled                           | 1,850,000                               | Not Yet Identified                             |
| Urban Forest Expansion Project  | 50,000 - 200,000                      | Unscheduled                           | 50,000 - 200,000                        | Not Yet Identified                             |
| Santa Maria Avenue Water Efficient Medians Improvement Project  | 375,000                               | Unscheduled                           | 375,000                                 | Not Yet Identified                             |
| <b>TRANSPORTATION-RELATED OPERATIONS &amp; MAINTENANCE</b>  |                                       |                                       |   |  |
| The following information is included at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects. |                                       |                                       |   |  |
|   | <u>Fiscal Year 2023-24<br/>Budget</u> | <u>Fiscal Year 2024-25<br/>Budget</u> | <u>Fiscal Year 2025-26<br/>Estimate</u> |  |
| Measure M2 (OC Go) Fair Share Expenditures  |                                       |                                       |   |  |
| Street Lighting - Public Right of Way   | 35,000                                | 35,000                                | 36,050                                  |  |
| Contract - Traffic Engineering  | 175,000                               | 180,000                               | 185,400                                 |  |
| Contract - Traffic Signal Maintenance   | 75,000                                | 75,000                                | 77,250                                  |  |
| Allowable Overhead Costs  | 700                                   | 700                                   | 750                                     |  |
|   | 285,700                               | 290,700                               | 299,450                                 |  |

| CITY OF LAGUNA WOODS<br>Fiscal Years 2023-34 Capital Improvement Program<br>Funding Plan |   |   |   |                   |
|--|---|---|---|-------------------|
| Project Title  | Estimated<br>Project Cost               | Fiscal Year                             | Projected<br>Funding                    | Funding<br>Source |
|  | <i>Fiscal Year 2026-27<br/>Estimate</i> | <i>Fiscal Year 2027-28<br/>Estimate</i> | <i>Fiscal Year 2028-29<br/>Estimate</i> |                   |
| Measure M2 (OC Go) Fair Share Expenditures   |   |   |   |                   |
| Street Lighting - Public Right of Way  | 37,132                                  | 38,245                                  | 39,393                                  |                   |
| Contract - Traffic Engineering   | 190,962                                 | 196,691                                 | 202,592                                 |                   |
| Contract - Traffic Signal Maintenance  | 79,568                                  | 81,955                                  | 84,413                                  |                   |
| Allowable Overhead Costs   | 750                                     | 750                                     | 750                                     |                   |
|  | <u>308,411</u>                          | <u>317,641</u>                          | <u>327,148</u>                          |                   |
|  | <i>Fiscal Year 2029-30<br/>Estimate</i> |   |   |                   |
| Measure M2 (OC Go) Fair Share Expenditures   |   |   |   |                   |
| Street Lighting - Public Right of Way  | 40,575                                  |   |   |                   |
| Contract - Traffic Engineering   | 208,669                                 |   |   |                   |
| Contract - Traffic Signal Maintenance  | 86,946                                  |   |   |                   |
| Allowable Overhead Costs   | 750                                     |   |   |                   |
|  | <u>336,939</u>                          |   |   |                   |

# **APPENDIX D**

Resolution No. 23-18 (Annual Appropriations Limit Adoption)  
Resolution No. 23-26 (Annual Appropriations Limit Adoption; Corrections)

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## **RESOLUTION NO. 23-18**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2023-24 COMMENCING JULY 1, 2023 AND ENDING JUNE 30, 2024, IN ACCORDANCE WITH ARTICLE XIII B OF THE CALIFORNIA STATE CONSTITUTION

**WHEREAS**, Article XIII B 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 XIII B (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 XIII B in determining an appropriations limit for Fiscal Year 2021-22; 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 2023-24 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.

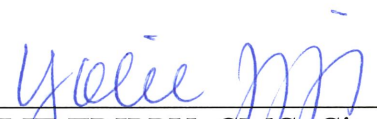
**SECTION 2.** That the annual appropriations limit for Fiscal Year 2023-24 shall be \$13,152,426, as calculated in Exhibit A attached hereto and incorporated herein by reference.

**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 28<sup>th</sup> day of June 2023.

  
\_\_\_\_\_  
CYNTHIA S. CONNERS, Mayor

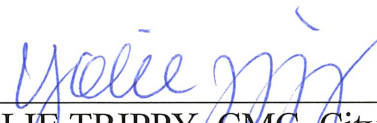
ATTEST:

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-18** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the 28<sup>th</sup> day of June 2023, by the following vote:

AYES:       COUNCILMEMBERS: Horne, McCary, Moore, Hatch, Conners  
NOES:       COUNCILMEMBERS: -  
ABSTAIN: COUNCILMEMBERS: -  
ABSENT:    COUNCILMEMBERS: -

  
\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

**CITY OF LAGUNA WOODS  
ANNUAL APPROPRIATIONS LIMIT  
Fiscal Year 2023-24 Calculation**

Calculation of Appropriations Limit:

|  |              |
|--|--------------|
| Appropriations Limit for Fiscal Year 2022-23 | \$12,651,025 |
|--|--------------|

Adjustment Factors:

|                                       |          |
|---------------------------------------|----------|
| Population Change (County of Orange)* | x 0.9954 |
|---------------------------------------|----------|

|  |                 |
|--|-----------------|
| Cost of Living (Per Capita Personal Income)* | x <u>1.0444</u> |
|--|-----------------|

|  |                     |
|--|---------------------|
| Appropriations Limit for Fiscal Year 2023-24 | <u>\$13,152,426</u> |
|--|---------------------|

---

|  |             |
|--|-------------|
| Appropriations Subject to Limitation for Fiscal Year 2023-24 | \$5,015,822 |
|--|-------------|

\* State of California, Department of Finance, *Price and Population Information*. May 2023.  
Factors are rounded to four decimal places for presentation purposes.

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## **RESOLUTION NO. 23-26**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2023-24 COMMENCING JULY 1, 2023 AND ENDING JUNE 30, 2024, IN ACCORDANCE WITH ARTICLE XIII B OF THE CALIFORNIA STATE CONSTITUTION

**WHEREAS**, Article XIII B 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 XIII B 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 complied with the provisions of Article XIII B of the California State Constitution in determining an appropriations limit for Fiscal Year 2023-24 that was adopted by the City Council on June 28, 2023; and

**WHEREAS**, the Gann Limit adopted for Fiscal Year 2023-24 is correct; however, staff has calculated that the amount of appropriations subject to the Gann Limit totals \$4,991,577, \$24,245 less than previously adopted, and recommends that the City Council amend its Gann Limit documentation accordingly (the amendments are incorporated into Exhibit A).

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

**SECTION 1.** Exhibit A to Resolution No. 23-18 is hereby repealed in its entirety and replaced by Exhibit A attached hereto.

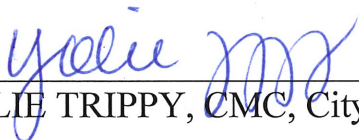
**SECTION 2.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this 20<sup>th</sup> day of September 2023.



CYNTHIA S. CONNERS, Mayor

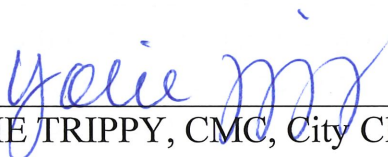
ATTEST:

  
YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 23-26** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the 20<sup>th</sup> day of September 2023, by the following vote:

AYES:       COUNCILMEMBERS: Horne, Moore, Hatch, Conners  
NOES:       COUNCILMEMBERS: -  
ABSTAIN: COUNCILMEMBERS: -  
ABSENT:    COUNCILMEMBERS: McCary

  
YOLIE TRIPPY, CMC, City Clerk

**CITY OF LAGUNA WOODS  
ANNUAL APPROPRIATIONS LIMIT  
Fiscal Year 2023-24 Calculation**

Calculation of Appropriations Limit:

|  |              |
|--|--------------|
| Appropriations Limit for Fiscal Year 2022-23 | \$12,651,025 |
|--|--------------|

Adjustment Factors:

|  |                 |
|--|-----------------|
| Population Change (County of Orange)*        | x 0.9954        |
| Cost of Living (Per Capita Personal Income)* | <u>x 1.0444</u> |

|  |                     |
|--|---------------------|
| Appropriations Limit for Fiscal Year 2023-24 | <u>\$13,152,426</u> |
|--|---------------------|

---

|  |             |
|--|-------------|
| Appropriations Subject to Limitation for Fiscal Year 2023-24 | \$4,991,577 |
|--|-------------|

\* State of California, Department of Finance, *Price and Population Information*. May 2023.  
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

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*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](http://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 XIII A; 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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